Semi-Annual Report

National Lead Company

for Period Ending

June 30, 1935

Principal Office:
15 Exchange Place, Jersey City, N. J.
Executive Offices:
111 Broadway, New York City

To the Stockholders of National Lead Company:

The following is a Consolidated Statement of National Lead Company and all of its domestic subsidiary companies in which it owns all of the capital stock, for the six months ended June 30, 1935. The dividends received from foreign corporations owned in part or in whole, domestic corporations not wholly owned, interest on bonds and miscellaneous items not directly connected with current operations, are included in the item "Other Income." Dividends on National Lead Company Preferred and Common Stocks owned by the Company itself are not included in this statement, either as disbursements or as income.

FRED M. CARTER, *President.*

ASSETS

Current Assets:			
Cash		$ 4,330,137.65	
U. S. Government Securities (Market Value $1,228,688.41)		1,147,888.29	
Other Marketable Securities, Domestic (Market Value $3,878,408.25)	$ 3,251,032.13		
Other Marketable Securities, Foreign (Market Value $4,075,698.05)	3,501,066.06	6,752,098.19	
Accounts and Notes Receivable	$10,299,272.30		
Less Bad Debt Reserve	592,208.86	9,707,063.44	
Notes Receivable from Employees		319,173.14	
*Inventories (at Normal Prices, Excess at Cost or Market)		17,032,881.34	
Total Current Assets			$ 39,289,242.05
Investments:			
Securities of Affiliated Companies (at book value, in no cases exceeding cost)			
Domestic	$ 4,819,455.93		
Foreign	6,251,932.43	$11,071,388.36	
†National Lead Company Capital Stock (34,883 shares Preferred A; 25,815 shares Preferred B; 321 shares Common)		7,654,510.57	
Miscellaneous Investments (not listed on any exchange)			
Domestic	$ 440,645.43		
Foreign	535,720.66	976,366.09	
Total Investments			19,702,265.02
Fixed Assets:			
Plant Properties and Equipment (net)			44,225,535.08
Deferred Charges			437,015.26
			$103,654,057.41

LIABILITIES

Current Liabilities:			
Accounts Payable, audited but not due		$ 3,467,137.68	
Notes Payable		600,000.00	
Tax Reserve		1,085,571.51	
Dividend Payable August 1, 1935 on Class B Preferred Stock		116,193.00	
Total Current Liabilities			$ 5,268,902.19
Reserves:			
Employees Life Insurance Reserve		$ 3,000,000.00	
Fire Insurance Reserve		4,797,284.02	
Employers Liability Reserve		426,664.30	
Plant Reserve		2,500,000.00	
Promotion Reserve		1,500,000.00	
Foreign Exchange and Miscellaneous		249,031.61	12,472,979.93

	Authorized	Issued		
Capital Stock and Surplus:				
Capital Stock: Par Value $100.				
Preferred—Class A	$25,000,000.00	$24,367,600.00		
Preferred—Class B	25,000,000.00	10,327,700.00		
Common	50,000,000.00	30,983,100.00		
	$100,000,000.00	$65,678,400.00		
Surplus		20,233,775.29		
Total Capital Stock and Surplus				85,912,175.29
				$103,654,057.41

DETAILS OF PLANT INVESTMENTS

	June 30, 1935	Dec. 31, 1934	Increase
Gross Property	$74,951,965.61	$71,479,118.48	$ 3,472,847.13
Less Depreciation and Depletion Reserves	30,726,430.53	30,082,131.45	644,299.08
Net Property	$44,225,535.08	$41,396,987.03	$ 2,828,548.05

* See page 4. † See page 4.

CONSOLIDATED EARNINGS STATEMENT

For the Six Months Ended June 30, 1935

		Six Months Ended June 30th. 1935		1934
Sales		$32,064,071.16		$29,380,628.08
Cost of Goods Sold, Taxes, Depreciation, and Other Expenses		30,268,336.46		27,912,729.16
Net Operating Profit		$ 1,795,734.70		$ 1,467,898.92
Other Income		819,775.11		598,856.41
Total Income		$ 2,615,509.81		$ 2,066,755.33
Dividends on Preferred Stock Outstanding:—Class A	$730,775.50		$730,742.25	
—Class B	232,386.00	963,161.50	232,386.00	963,128.25
Amount Earned on Common Stock		$ 1,652,348.31		$ 1,103,627.08

ANALYSIS OF CONSOLIDATED SURPLUS

		1935		1934
Surplus—Beginning of Year		$22,413,806.99		$21,497,258.61
Add: Net Income Six Months		2,615,509.81		2,066,755.33
		$25,029,316.80		$23,564,013.94
Deduct Dividends: Preferred Stock Outstanding—Class A	$730,775.50		$730,742.25	
Class B	232,386.00	$ 963,161.50	232,386.00	$ 963,128.25
Common Stock Outstanding		772,836.25		678,683.75
†14% Stock Dividend		3,059,543.76		....
Total Dividends		$ 4,795,541.51		$ 1,641,812.00
Surplus at June 30th		$20,233,775.29		$21,922,201.94

*The present normal stocks of the Company are as follows:

Lead	49,687½ short tons	valued at $0.03 per pound.
Tin	1,124½ short tons	valued at .21 per pound.
Antimony	259 short tons	valued at .05 per pound.

Stocks in excess of these normals are valued at cost or market whichever is lower.

†A Stock Dividend to Common Stockholders of 14% payable in Common Stock was paid on January 15, 1935 out of Common Stock held by the Company in its treasury.