NEWS RELEASE

FOR RELEASE: 1:30 P.M. THURSDAY

FEBRUARY 16, 1961

Remarks by Joseph A. Martino, president of National Lead Company before Financial Analysts of Philadelphia on February 16, 1961.

EXCERPTS FROM

REMARKS BY JOSEPH A. MARTINO

PRESIDENT OF NATIONAL LEAD COMPANY

FINANCIAL ANALYSTS OF PHILADELPHIA

FEBRUARY 16, 1961

FOR RELEASE; 1:30 P.M. THURSDAY
FEBRUARY 16, 1961

Perhaps a good beginning for the National Lead Company story would be to look at our overall operations and see what we accomplished in 1960.

Preliminary figures reported in the papers about a week ago gave our round-figure sales as $522 million -- off 1-1/2% from the $530 million reported for 1959.

Our earnings were down about 4% and totaled $50 million -- as against the $52 million reported the previous year.

Despite the softness of the economic climate, we feel we continued to make progress in 1960. Especially encouraging, and of real significance, was the introduction of the die cast aluminum engine block. Also, titanium metal sales continued to increase. Furthermore, the growth of sales and earnings of our foreign operations was most significant. I will go into these matters a little later on.

On the score of intangibles, we feel considerable progress was made. We took the opportunity to improve our competitive position in certain areas by stepping up quality, boosting efficiency in manufacturing and production, and taking some kinks out of merchandising and distribution set-ups. These

steps are, of course, no temporary stop-gaps but are, instead, measures that will continue whether the economic winds blow hot or cold.

So much for generalities. Before getting into the arithmetic of probabilities and possibilities, I'd like to try to get the Company as a whole into a little sharper focus in your eyes. National Lead, as you well know, is a close grouping of diversified businesses, each of which, with the exception of the mixed paint division, deals in industrial goods. Here I might make the usual comment about diversification which, according to the cynics is that "it affords a company more opportunity to lose money." Fortunately, this doesn't fit National Lead. We have found that distributing our eggs among many baskets has fostered continued growth and given us greater stability.

In this connection, a matter which doesn't concern us too much, has to do with National Lead's spot in the classification of companies in security performance tables. As you well know, some people put us in the building and maintenance categories. Others list us with non-ferrous companies. Those who can't fit us in anywhere else settle for miscellaneous. In our own view, it matters little <u>where</u> we are classed, it is <u>how</u> we are rated as an up-and-coming company.

To simplify your size-up of our operations, I will take up, in turn, each of six main categories of the Company's products.

The largest and most important segment, from a dollar sales

standpoint, is that of paints, pigments and oils. This accounted for about 40% of our dollar sales volume in 1960. Included in this group are our Dutch Boy mixed paint business, titanium pigments, certain lead, barium and antimony pigments which are consigned largely to paint and related industries, and lead oxides which are required in the manufacture of storage batteries.

Our ready mixed paint business in sixty was excellent, showing a considerable increase over the previous year. Sales figures for the paint, varnish and lacquer industry in the U.S. set another record, up about 3% over 1959.

Our Dutch Boy paint business includes a complete line of paints for every conceivable purpose and is marketed through approximately 4,500 independent outlets across the country and through 47 of our own stores on the Pacific Coast.

To meet all demands, we keep six paint plants going, three on the west coast, the others east of the Mississippi. One is located here in town. It produces latex, resins and special vehicles for mixed paints.

The principal market for the quality type paint we make is the maintenance market, that is, repainting. This market is virtually unlimited.

Right here I would like to say that your Philadelphia market offers us one of our best opportunities for the consumption of high grade paint. If all areas of the country were as good-housekeeping conscious as this one, our paint business would climb an even steeper curve.

In all sincerity, I can say that our mixed paint business has shown a clearly defined growth pattern since it started some 20 years ago. I regard it as a continuing plus factor in the Company's future.

Turning to titanium pigments, we are one of the five domestic producers. And one of the two fully integrated from raw material to finished product. We are now completely independent of foreign sources for ilmenite, the raw material for titanium pigments. All our ilmenite is now being supplied by the Company's mine in upper New York State.

Before going into more detail about our titanium pigment business, let me try to explain simply what titanium dioxide is. This is the pure basic pigment called TiO_2.

Titanium dioxide is, first and foremost, the whitest pigment produced on a commercial scale. Its extraordinary whiteness is due to its high refractive index, ability to bend light rays. This gives the pigment a greater opacity than that of any other white pigment. Opacity is simply the ability to cover and hide.

No matter to what type of paint titanium dioxide imparts its unique properties, its main functions are: one, to provide maximum whiteness with the least amount of pigment; two, to brighten and give opacity to surface finishes, thereby reducing the number and thickness of coats needed for good hiding; and, three, to prolong the life and preserve the appearance of the coating. Now, this is a large order for any one pigment but the facts are there and all paint makers recognize them.

Despite the fact that our Titanium Division did not manage its projected annual increment in 1960, one ought not conclude that we will alter our long term sales target for TiO_2 and its related pigments.

We often are asked where will the long term growth of Titanox (that's our brand name) come from. Maybe the best way to answer that question is to take a look at the industries which use TiO_2 in making their products. Then ask whether anyone thinks these industries have reached their maximum growth.

In 1959, the latest year for which the figures are available, TiO_2 consumption broke down this way:

Paint Industry	58%
Paper Industry	15%
Rubber and Coated Fabrics	10%
Floor Coverings	6%
Printing Inks	2%
Miscellaneous Uses	9%

Certainly, with the possibilities for growth inherent in these industries, the TiO_2 business is a long way from reaching a saturation point.

Another approach to the future demand for TiO_2 is to trace the pattern of past consumption. In 1950 we had a per capita consumption of 3.7 pounds. By 1959, this figure had increased to 5 pounds -- a 30% boost. Let us assume that the growth rate in the coming decade will only be about 20%. This would mean a per capita consumption of six pounds and, with the U.S. population estimated at 208,000,000 people at the far end of the

term, it could mean an increase in consumption of more than 150,000 tons of TiO_2.

Now let us turn for a minute to the potential for titanium pigments in foreign areas. In Canada, per capita consumption is about where it was in the U.S. in the early 50's, while in Europe it is back where it was over here in the early 40's. Consider these figures in relation to the population of Europe and its rapidly rising standard of living and you can get some idea of the potential future markets for titanium pigments abroad.

To conclude that all markets for this remarkable pigment have been probed and entered is unthinkable. New applications are constantly cropping up. These opportunities for a foot in the door start out modestly, of course. But so did the plastics business, the electronics business and the space flight business.

If you will permit a short flight of the imagination, particularly here in the home of our first and foremost printer, Ben Franklin, what will happen if newsprint makers decide to upgrade their product, due to a demand for whiter, brighter paper brought about by a switch to faster, more economical printing processes or by the need for a stock that would better handle the growing use of run-of-paper color ads. The chances are good that a titanium pigment would be needed in the paper. And how much pigment would be consumed? It would take a nine-digit calculating machine to compute the tonnage. You may be sure that the highly-trained chemists of our Titanium Division will not be caught napping if this field opens up.

As to our other pigments, meaning antimony, barium and lead, sales of these held up very well in sixty as compared with the previous year. This was particularly true of the lead oxides which are used in all lead-acid storage batteries, production of which maintained a high level.

FABRICATED METALS

After paints and pigments, our next largest product group, from a dollar sales viewpoint is fabricated metals. These literally run the gamut from a tiny cinch bolt to a massive 200-ton gamma shieldment. This class of commodity in 1960 accounted for about 21% of total Company sales volume.

Included in this overall category are some 300 types of lead, tin, zinc and antimony products which are made in 22 plants located in the United States and Canada.

Our fabricated metals find a market in industries too numerous to mention. Take a basic item like a sheet of lead. You'll find it in chemical processing plants serving as a corrosion-resistant lining in tanks and vessels. You'll see it as a waterproof lining in pools where the water is drained off. Plumbers use it when installing shower baths. You'll find it in all x-ray rooms: medical, dental and industrial. Architects specify it in the fabrication of anti-vibration mats under the footings of buildings. Sound engineers use it in setting up sound-proof doors and partitions. And so on.

The atomic energy field, with its growing number of ramifications, is becoming a major consumer of our lead and depleted

uranium products. In this area we sell large tonnages of lead sheet, slab, brick, wool, shot and special casks and containers. The Fermi Reactor Transfer Cask car, designed and built by Baldwin, Lima-Hamilton, weighed about 200 tons when recently transported via the Pennsylvania Railroad to Stony Creek, Michigan, and of this total weight, 170 tons was lead and 7 depleted uranium.

For a number of years the Company has not produced substantial quantities of lead and zinc and has therefore looked to other producers for a large share of its requirements of these metals. To assure an ample and continuing supply of primary lead, zinc, zinc alloys and cadmium, the Company recently signed a long term contract with The Bunker Hill Company, whose reputation for high purity of product is known to most metal buyers and fabricators.

Since virgin lead does not meet all of our requirements in manufacturing lead or lead alloy products, we have access to large stocks of secondary metal. Here we generate a major part of our needs by operating 13 secondary smelters. Principal source of these secondaries is used automobile batteries, which, in ingenious devices, are broken apart, the plates shaken out and the acid drained off. The cases are used as land-fill, the acid recovered where possible, and the plates melted down. This antimonial lead is refined, run into molds and sold to battery manufacturers who form it into grids or plate to start life all over again in brand new batteries. Eventually these come back to our smelters to begin a new cycle of usefulness.

This battery metal business is truly a big one, considering the millions of batteries made each year. The average 12-volt storage battery weighs around 30 pounds. The lead in the plates runs about 12-1/2 pounds and the lead oxide pasted to the plates accounts for about 11 pounds. The sale of antimonial lead and also lead oxides to the battery market is, as I said, big business with us.

Generally speaking, our fabricated metal products are sold on the basis of a price mark-up over the cost of the metals. You can thus readily see the influence which the metal values of lead, tin, zinc and antimony can have on the sales volume of this business. In any event, the ups and downs in metal values do not necessarily affect our differentials and the resulting profitability.

The outlook for growth in this area is governed largely by the pattern of general business activity. We try to be well covered on all fronts, to be able to come up with new products when older ones become obsolete. That is to say, we try to do like the buggy-whip maker who changed over to auto radio aerials without breaking stride.

RAILWAY JOURNAL BEARINGS AND PRECISION BEARINGS

The Magnus Division of the Company, long and well known as the proponent and maker of solid-back journal bearings, accounts for the major portion of sales in this sales classification. Allied products of this Division are motor support bearings for Diesel locomotives.

Magnus also produces journal bearing lubricating pads and journal stops used with the bearings to prolong their usefulness. The American Bearing Division specializes in precision bearings for Diesels, machinery and aircraft applications. Dollar sales volume for this entire group of products amounts to about 6% of the total.

The inroads which roller bearings threatened to make into our business in solid-back bearings bought by freight roads, appear to have slackened off. It may well be that wider adoption of the more costly roller bearings will depend substantially on the financial capability of the railroads. We will continue to keep tabs on this situation in order to be in position to protect our stake in the railroad industry.

Magnus had another good year with sales showing a minor variation from 1959. The bulk of the Magnus business ties in very closely with maintenance policies and practices of the railroads. Obviously, the determination and pursuit of these policies is a reflection of the financial ability of the railroad involved.

I would like to refer to the Magnus Division here as an example of management's long term approach to the problem of consolidation and relocation of plant facilities and increased manufacturing efficiency.

Back around 1950, this Division had 18 plants throughout the country. These plants required just under 2,000 people to

operate them. Today Magnus is using 11 plants which need about half as many employees, and at the same time is maintaining sufficient capacity to meet the railroads' requirements.

OIL WELL DRILLING MUDS AND CHEMICALS

The Baroid Division of the Company serves the oil well drilling end of the petroleum industry in several capacities. First, as a miner and processor of weight materials; second, as a distributor of the large number of chemicals required in modern drilling; and, third, as a supplier of well logging and drilling services.

Servicing of the oil well industry required some 500 mud engineers and service men, all experts in their fields, together with some 250 pieces of automotive equipment containing special laboratory apparatus. Airplanes, special bulk handling equipment and boats and barges are all essential parts of this service. This entire organization is set up like a fire department, ready and able to operate when and where needed, around the clock, to provide help, know-how and materials in the oil fields.

To get one's share and more, of the mud and chemical business calls for service of the highest caliber, and on this score Baroid rates at the top.

Until recently, the petroleum industry in this country has been considered a depressed industry in many quarters, and perhaps

its most affected phase has been that of digging the holes to get the oil out of the ground. In 1960, well completions dropped to the lowest point since 1947. Despite this condition, I am pleased to report that Baroid, which accounts for about 10% of the Company's dollar sales, experienced only a modest decline in sales in sixty.

We believe that this showing was made possible by getting a somewhat larger share of available business, especially in those places which are heavy mud-consuming areas and where drilling activity did not drop off as sharply as the average. In addition, we feel that our system of direct distribution of goods, through our own warehouses and with our facilities, has played no small part in making this favorable showing possible. And, too, we try always to keep our house in order economy-wise.

The Baroid Division has long recognized the importance of following the search for oil throughout all areas of the free world. As a result, Baroid has plants in Canada, Venezuela, Trinidad and Italy. It has sources of barytes, from which drilling muds are derived, in Brazil, Peru and Sicily, as well as in this country. Taken all together -- policies, practices, resources and resourcefulness -- the set-up maintained by Baroid should help to offset any slowing down in oil well drilling.

As a morsel of timely interest, I might say that in Louisiana there is under way a project to sink a 26,000 foot test well which will seek to break the world record for depth. Baroid engineers and Baroid materials will play a big part in this job.

DIE CASTINGS AND DIE CAST ZINC ALLOYS

In this product category we include the die casting and related business done by our casting plants in this country and in Canada, as well as the distribution of die casting grade zinc alloys and the sheet metal forming die alloy known as Kirksite. This latter alloy is used in our own extensive prototype tooling plants in the fabrication of die sets for drawing and stamping parts for the automotive, aircraft and appliance industries. Kirksite also is used by many companies who have their own foundries. These products accounted for 15% of dollar sales in 1960.

On the topic of die castings, which we produce in zinc, aluminum, magnesium and brass, it is perhaps well known that our Doehler-Jarvis Division was the pioneer in this field. Over the years, it has maintained leadership by being first with the latest, so to speak. The latest development, which made the headlines in many trade publications and in regular news columns, is the die cast aluminum automobile engine block, of which more in a few moments.

The Doehler-Jarvis Division showed an increase in sales last year over 1959. A considerable part of the increase can be attributed to the sale of dies which were billed to customers at cost. Although no immediate profit is made on these transactions, the margin is postponed, as it were, until the dies are locked in the machines and castings produced.

Now to the engine block. Getting this block out of the research

and development stages and under the hood of an automobile was a truly remarkable break-through in a field where startling developments are commonplace.

Having lived with this project so long and so closely, it may be a bit difficult to get it into proper perspective for you so that some of our enthusiasm might rub off on you.

The precision, pressure die cast aluminum engine block offers advantages that give the car maker and the car buyer a much-sought combination of desirable features.

As one car owner to another, you know as well as I do all about the rigorous competition between car builders to get into their product features that will boost sales. Weight savings mean gas savings. Better quality control and precision manufacture means less money spent on upkeep. From the makers' standpoint, faster, easier assembly of components cuts costs. Reliability and predictable performance cut down production headaches as well as customer complaints.

These blocks, 6 cylinder-in-line, are being used by American Motors in 1961 Rambler Classic model cars.

As pointed out by American Motors' engineers in remarks to members of the Society of Automotive Engineers meeting recently in Detroit, the Doehler-Jarvis die cast aluminum block has many distinct advantages over blocks made by other processes and in other metals.

The higher per-pound cost of aluminum over conventional gray

iron is more than offset by much lighter weight and handling ease. The faster cycle time of the die casting process appears to provide the ultimate in cost saving over permanent mold and other gravity casting methods. Furthermore, automatic handling of the castings at the machines also cuts down cycle time.

There are other considerations in favor of aluminum die castings. Their inherent accuracy permits elimination of many machining operations because oil passages and bolt holes can easily be cored in place. Faster machine speeds can be used due to the excellent cutting properties of aluminum alloys. Moreover, the castings are far cleaner, there being no sand cores, core wires or loose sand to cause future service problems. Finally, the Doehler-Jarvis block gives a weight saving over the conventional block. The aluminum block weighs 67 pounds, of which 14 pounds is accounted for by the iron sleeves in the six cylinders. The comparable as-cast weight of the cast iron block is 166 pounds. As machined and with bearing caps, the aluminum block weighs 70.9 pounds. This compares with 142 pounds for the 1960 machined cast iron block, also with bearing caps.

Before adopting the Doehler-Jarvis block for the Rambler Classic, American Motors naturally subjected it to all manner of tests -- dynamometer, laboratory and engineering, and fleet car usage.

Additionally, a testing program directed by the National Association of Stock Car Racing using the Nascar track at Daytona Beach was carried out. The actual run required a total

of 70 days of 24 hours running per day. The object was to put one million miles on ten cars. The total actually reached a million 86 thousand. After inspecting the engines, tearing them down and giving every detail a rigorous going-over, American Motors initial opinions about the feasibility of a die cast aluminum block were proven correct. Better than a million miles of grueling operation, and resultant evaluations, showed the design and development program had resulted in an engine that was ready for the driving public.

You may be sure that everybody in Detroit has kept a weather-eye on this new departure from accepted practice. Almost everyone is thinking in terms of aluminum engines and as this proceeds, the thinking will surely turn to manufacturing methods. It is pretty obvious that, as in the case of the man who made a better mouse trap, many trails will be beaten to the Company's Doehler-Jarvis Division's doors.

Before moving along to other activities, I should like to comment on another Doehler first. This is the so-called "transplant coat". This involves a promising method of producing a heat and wear resistant surface on certain areas of die castings. A coating of high melting, hard metal is applied to indicated places in the die cavity prior to the injection of molten metal.

In the casting process, the metal coating transfers to the surface of the die casting. The first commercial production of aluminum die castings with the new transplant coat was made during the year.

MISCELLANEOUS PRODUCTS

The so-called miscellaneous category of our business accounted for 8% of sales in 1960. This was off a shade from the dollar volume of the year before.

The products carried in this classification are many and varied. But because they do not fit into our five basic groups, and since their individual sales volume is relatively minor, they do not justify separate classification. However, in almost every case, these products are comers and will continue to contribute to Company growth and earning capacity.

Our Chas. Taylor's Sons Company and our Titanium Alloy Manufacturing Division do business with those industries which require specialized shapes and types of refractories and ceramics. The Taylor people have just concluded the best year in their history, due largely to the increase in sales of newly developed products for glass fibre and steel furnaces.

The Titanium Alloy Division makes and markets a wide line of zirconium and titanium chemicals and compounds. Because of the flexibility and versatility of its operations, this Division is called on by its customers to produce many specialties, some of which develop into large volume items. This is significant because, for the most part, these customers are in industries that have grown out of recent scientific advances and their future seems assured.

Some of the new developments of this Division are water

repellants for the treatment of textiles, a lead zirconate titanate compound for electronic compoenents, a barium titanate for electro-luminous panel lights and a special master alloy for introducing zirconium into the magnesium used for missile frames and other high temperature applications.

In our Chemicals Department, fast moving items include a line of "Bentone" products and numerous lead chemicals. Many of these things were made in test tube amounts just a few years ago. Today their sales are rapidly approaching eight digits.

Southern Screw Company which came into our family several years ago, continues to turn in excellent results. This is unusual in a field where competitors, domestic and foreign, are legion. The general economic downturn in 1960 affected Southern Screw's customers, of course, yet this concern was able to rack up its second best showing. Continued growth in the metal fastener field seems a certainty.

Our Nuclear Metals Division, which deals not only in so-called atomic hardware but also in highly technical services for nuclear reactor owners and operators, carried out many assignments successfully in 1960. In its Industrial Department it produces fuel elements and various reactor components and custom made gamma shieldments of depleted uranium.

An interesting non-nuclear application of depleted uranium is its use as counter weights in aircraft. Because it has great weight with very small volume, it meets plane designers needs

better than any other material. Since our Nuclear Metals plant has the fabricating know-how and facilities, it is getting the lion's share of this business. We are continuing our efforts to find new uses for depleted uranium, since the AEC has available large stockpiles of this material.

FOREIGN OPERATIONS

The Company's operations in the foreign field were notably successful in 1960, as I said earlier. In Canada where our activities closely parallel those here, but on a smaller scale, 1960 was a fairly satisfactory year. Somewhat lower sales, as against 1959, could be traced to a decline in the Canadian economy.

The new titanium pigment plant, put up in Varennes a few years ago, is being enlarged to meet the needs of Canadian industry.

In Europe, our operations continued at a highly profitable level and we expect them to do even better in the future. As it is here, our most important overseas product is titanium pigment. We operate a plant in West Germany, the largest on the continent, and one in Belgium. Looking to greater per capita consumption as I indicated before, we are planning to increase capacities of these plants.

We opened a new mine and mill in Norway which produces ilmenite, the raw material for many European producers of titanium pigments. We also make paint in Norway.

Smelters for secondary metals, and plants for producing copper refineray shapes are located in West Germany. A line of oil well drilling materials for use in North Africa and the Middle East oil fields are made in Italy. In Great Britain, we have plants for making bearing metals, stabilizing agents for plastics and gellants for numerous products. We have recently made arrangements to acquire a majority interest in a firm called Metal Castings, Ltd. in Worcester, England. As the name suggests, this concern makes die castings of aluminum and zinc. This tie-up will permit us to "export" the die casting know-how we have built up in this country and thus enable the expanding British market to have the benefit of larger, more complex castings such as we make on this side of the Atlantic. Metal Castings will become an important supplier to Doehler-Jarvis customers who have plants in Great Britain.

Returning to this hemisphere, we have numerous activities in Latin America. In Brazil, we have a new die casting plant and a barytes mining property. Oil well drilling materials are processed in Trinidad and Venezuela. Lead and zinc mining, smelting of primary and secondary lead, manufacture of lead oxides and various metallic lead goods are carried on in Argentina. Except for the slowing-up of oil well drilling activity, which affected sales of our drilling materials, business in Latin America in 1960 was generally good.

As you probably know, the U.S. government-owned nickel plant at Nicaro, Cuba, was included in Cuba's nationalization plans last October. As a result, the operating contract with our

subsidiary, Nickel Processing Corporation, came to an end. We had no financial investment in the Nicaro plant.

Further afield, our paint manufacturing business in the Philippines and our zircon and rutile mining operations in Australia continued profitable.

Since getting our feet wet in the waters of international business way back in World War I, we have learned the wisdom of the cautious approach. Our policy is to feel our way carefully, always weighing the benefits against the risks and confining our commitments to those areas where there are substantial, well defined growth markets for our products. In financing our foreign operations, we follow the policy of borrowing funds locally wherever possible.

The outlook for Titanium Metals Corporation of America continued to improve in 1960. This company, owned jointly by Allegheny-Ludlum and ourselves, sold $28-1/2 million worth of goods last year with a net after taxes of just over a million dollars. In 1959 sales were about $23 million and net after taxes about $56 thousand.

Last December TMCA paid a dividend of $600,000, half of which went to National Lead Company. This was the first declaration by TMCA and it reflects the satisfactory operating results for 1960, as well as a more promising outlook for the future. Factors which influenced the showing and which auger well for the future include lower production costs which permit lower

selling prices, development of a method for welding the metal to steel, increase in sales of new products and a boost in the proportion of sales for non-defense uses, chiefly chemical processing. At the Toronto, Ohio, plant of TMCA the installation of special equipment to make titanium tubing has been approved. This improvement will cost $2 million and will be an additional factor in expanding sales to the chemical industry. In our opinion, the future of titanium metal becomes more assured with each passing year.

Now for a once over lightly on some things that have a bearing on how and what we will do in the days to come.

As is the case with all forward looking companies, we put a lot of emphasis, backed up with money, on research and development. About a thousand technical people thinking and working at our various laboratories are engaged in efforts to make existing products more saleable and in coaxing new ones out of test tubes, retorts and furnaces. To see the results of these activities all you have to do is compare our catalog of about a generation ago, printed on a post card so to speak, with our current product listing which takes up forty pages of space. Since this is already becoming obsolete, we are planning a new one.

In the year just past we put $12-1/2 million into capital expenditures and charged off about $11-1/4 of depreciation. In 1961 we expect to spend about the same amount of money. Expenditures for our foreign operations will approximate $7

or $8 million.

At the present time, our operations in Canada are the only group consolidated. Our plans call for consolidating all of our wholly owned foreign subsidiaries in 1961.

No further progress to report on our R-N process jointly owned with Republic Steel. We have four good prospects in mind at the present time.

And now that I am about at the end of my talk, I would like to thank you once again for the privilege of telling you about National Lead Company, with which I have now been associated for 45 years. I have tried to give you a broad concept of the Company without neglecting any of its individual facets. I have attempted to convey to you -- what we did last year and what we are doing this year -- how we view the future and what we are doing about it. Much as I would have liked to have given you greater detail, time does not permit on this occasion.

If, therefore, there are any areas of the Company's operations which I have not covered, I will be very happy to do so in the question and answer period which now follows. Again thanks.