

ESTIMATED NET INCOME

	Month of June 1940	Month of May 1940	Six Months ended June 30, 1940	Six Mos. ended June 30, 1939
Smelting Department	\$ 36,093	\$ 69,552	\$ 420,723	\$ 38,227
Refining Copper works:				
Refinery Department	121,942	192,370	1,075,143	553,424
Secondary Department	4,000	1,000	24,043	140,713
Lead Refining Department	9,300	2,458	70,373	1,555
Zinc Oxide Department	2,371	1,000	379	93,535
White Lead Department	4,302	1,905	1,000	47,525
Total	\$169,401	\$232,271	\$1,588,150	\$ 742,754
Add - Miscellaneous Income	17,453	2,097	30,841	21,470
	<u>\$186,854</u>	<u>\$234,368</u>	<u>\$1,618,991</u>	<u>\$ 764,224</u>
<u>DEBITS:</u>				
Administrative Expenses	\$ 5,300	\$ 5,129	\$ 33,851	\$ 45,125
Miscellaneous Taxes	-	1,596	2,192	2,007
Capital Stock Tax	192	892	5,300	6,000
Silver affidavit adjustment	-	-	-	47,557
Interest:				
Six Percent Debentures	40,000	40,000	240,000	238,901
Anasconda Copper Mining Company	9,375	9,375	56,250	56,250
Anasconda Sales Company	6,250	6,250	37,500	46,458
	<u>55,625</u>	<u>55,725</u>	<u>333,750</u>	<u>381,509</u>
	\$125,337	\$171,736	\$1,243,998	\$ 442,350
Less - Depreciation	72,249	75,692	441,531	327,477
	\$ 53,088	\$ 96,044	\$ 302,466	\$ 171,329
Less - Federal Income Tax	11,100	20,110	107,700	36,320
<u>NET INCOME</u>	<u>\$ 41,988</u>	<u>\$ 75,944</u>	<u>\$ 634,566</u>	<u>\$ 133,579</u>
Add - Net Income of Subsidiary Companies	0	0	0	0
<u>CONSOLIDATED NET INCOME</u>	<u>\$ 41,988</u>	<u>\$ 75,944</u>	<u>\$ 634,566</u>	<u>\$ 133,579</u>

CONSOLIDATED SURPLUS ACCOUNTBALANCE - January 1, 1940ADD - Net Income - Six Months ended June 30, 1940BALANCE - JUNE 30, 1940

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INTERNATIONAL SMELTING AND REFINING COMPANY
MEMORANDUM FOR DIRECTORS' MEETING - JULY 23RD 1940
ESTIMATED NET INCOME - SMELTING DEPARTMENT

	Month of June 1940	Month of May 1940	Six Months ended June 30, 1940	Six Months ended June 30, 1939
Tooele Lead Plant	\$ 6,447	\$ 12,686	\$ 87,904	\$ 41-
Tooele Copper Plant	5,967	20,376	37,821	72,571
Tooele Sulphide Concentrator	6,648	16,706	64,367	6,975
Ophir Mill Plant	10,571	13,968	131,864	20,591
Miami Plant	<u>13,000</u>	<u>13,861</u>	<u>79,417</u>	<u>11,350</u>
	<u>\$ 42,633</u>	<u>\$ 77,297</u>	<u>\$ 461,433</u>	<u>\$ 117,588</u>
Deduct -				
Tramway Operations	340	344	2,117	5,496
Outside Exploration	3,300	3,313	16,435	46,569
Balling Commission	1,500	2,647	13,279	10,244
Shutdown Expenses:				
Miami Plant	-	-	-	9,504
Oxide Concentrator	900	906	4,315	120
Rico Concentrator	<u>500</u>	<u>531</u>	<u>3,478</u>	<u>2,393</u>
	<u>\$ 6,540</u>	<u>\$ 7,745</u>	<u>\$ 40,725</u>	<u>\$ 78,325</u>
	<u>\$ 36,393</u>	<u>\$ 69,552</u>	<u>\$ 420,725</u>	<u>\$ 95,221</u>
Less: Depreciation	<u>29,539</u>	<u>31,851</u>	<u>130,940</u>	<u>130,441</u>
<u>NET INCOME</u>	<u>\$ 6,554</u>	<u>\$ 35,701</u>	<u>\$ 239,779</u>	<u>\$ 12,926</u>

PNYC 00011581

INTERNATIONAL SMELTING AND REFINING COMPANY
MEMORANDUM FOR DIRECTORS' MEETING - JULY 23RD 1940
ATTACHED NET INCOME - OTHER MILL OPERATIONS

	Month of June 1940	Month of May 1940	Six Months ended June 30, 1940	Six Months ended June 30, 1939
Concentrator Sales	\$ 40,493	\$ 45,787	\$311,954	\$279,527
Cost of Sales	<u>29,922</u>	<u>31,819</u>	<u>130,090</u>	<u>126,936</u>
Operating Profit	\$ 10,571	\$ 13,968	\$181,864	\$ 52,591
Depreciation	<u>11,145</u>	<u>12,429</u>	<u>59,260</u>	<u>50,934</u>
<u>NET INCOME</u>	<u>\$ 7,426</u>	<u>\$ 1,539</u>	<u>\$ 72,604</u>	<u>\$ 1,657</u>

Note:- Investment of International Smelting and Refining Company in the above plant at June 30, 1940, amounted to \$191,350 (Depreciated Value \$32,298)

PNYC 00011582

INTERNATIONAL SMELTING AND REFINING COMPANY
STATEMENT FOR DISPOSITIONS: SMELTING - JULY 23, 1940
ESTIMATED NET INCOME - 3 MONTHS ENDING JUNE 30, 1940

	Month of June 1940	Month of May 1940	Six Months ended June 30th 1940	Six Months ended June 30th 1939
<u>PRIMARY INVESTMENT:</u>				
Profit on Sales	\$ 96,034	\$141,521	\$ 649,744	\$ 326,710
Profit on Premiums	22,139	36,500	343,429	157,407
Profit on Sales	5,251	5,134	29,677	14,459
Electro Sheet Department	1,173	—	—	11,354
	114,637	183,259	1,012,850	509,830
Add - Miscellaneous Earnings	2,779	11,245	67,900	34,212
	117,416	194,504	1,080,750	544,042
Deduct - General Expenses	\$ 1,100	\$ 1,137	\$ 6,933	\$ 7,476
Experimental Expenses	474	—	474	16,152
	1,574	1,137	7,407	19,246
	115,842	193,367	1,073,343	524,796
Less - Depreciation	27,893	30,572	132,227	171,346
<u>NET INCOME</u>	<u>\$ 87,949</u>	<u>\$162,795</u>	<u>\$ 941,116</u>	<u>\$ 353,450</u>
<u>SECONDARY INVESTMENT:</u>				
Proceeds of Copper Deliveries	\$396,193	561,049	2,337,229	12,057,190
Value of Copper Deliveries	411,562	539,784	2,264,612	2,105,161
Copper Profit	\$ 14,731	\$ 121,265	\$ 72,617	\$ 1,951,989
Operating Profit	10,768	14,963	71,049	151,809
	—	—	24,543	146,735
Less - Depreciation	4,954	2,792	19,421	19,246
<u>NET INCOME</u>	<u>\$ 15,814</u>	<u>\$ 129,173</u>	<u>\$ 51,628</u>	<u>\$ 127,552</u>
Pounds of Copper Delivered	3,560,023	4,562,877	24,771,195	13,701,012
Profit per pound	—	—	—	—
Pounds of Copper Produced	4,145,515	4,611,941	29,143,365	29,153,705
Operating Profit per pound	.259¢	.375¢	.325¢	.633¢

PNYC 00011583

INTERNATIONAL FUELING AND REFINING COMPANY
MEMORANDUM FOR DIRECTORS' MEETING - JULY 23, 1940
ESTIMATED NET INCOME - LEAD & FUELING, ZINC OXIDE AND WHITE LEAD DEPARTMENTS

	Month of June 1940	Month of May 1940	Six Months ended June 30th 1940	Six Months ended June 30th 1939
<u>LEAD & FUELING DEPARTMENT:</u>				
Operating Income	\$ 4,800	\$ 2,458	\$ 70,073	\$ 1,955
Less - Depreciation	<u>3,300</u>	<u>2,779</u>	<u>21,300</u>	<u>3,332</u>
<u>NET INCOME</u>	<u>\$ 1,500</u>	<u>\$ -321</u>	<u>\$ 48,773</u>	<u>\$ -1,377</u>
<u>ZINC OXIDE DEPARTMENT:</u>				
Sales of Zinc Oxide	\$172,735	\$147,958	\$367,980	\$1,100,576
Cost of Sales	<u>190,264</u>	<u>157,960</u>	<u>265,571</u>	<u>1,037,624</u>
	\$ 2,721	\$ -	\$ 2,409	\$ 37,742
Less - Shutdown Expenses, Akron Plant	<u>350</u>	<u>340</u>	<u>1,530</u>	<u>6,287</u>
	\$ 2,371	\$ -	\$ 979	\$ 33,655
Less - Depreciation	<u>1,101</u>	<u>2,519</u>	<u>35,539</u>	<u>11,929</u>
<u>NET INCOME</u>	<u>\$ -</u>	<u>\$ -321</u>	<u>\$ 1,234</u>	<u>\$ 65,727</u>
Pounds of Zinc Oxide sold	3,254,958	2,651,014	16,355,307	19,390,673
Sales Price	5.310¢	5.571¢	5.318¢	5.726¢
Cost of Sales	5.827¢	5.958¢	5.902¢	5.400¢
<u>WHITE LEAD DEPARTMENT:</u>				
Sales of Lead Products	\$116,417	\$106,951	\$430,956	\$1,473,587
Cost of Sales	<u>112,055</u>	<u>104,946</u>	<u>433,769</u>	<u>1,460,752</u>
	\$ 4,362	\$ 1,905	\$ 7,187	\$ 26,315
Less - Depreciation	<u>2,962</u>	<u>2,790</u>	<u>11,205</u>	<u>12,755</u>
<u>NET INCOME</u>	<u>\$ 1,400</u>	<u>\$ -</u>	<u>\$ 1,182</u>	<u>\$ 14,853</u>
Pounds of Lead Products sold	1,440,635	1,344,723	5,447,364	5,177,564
Sales Price	8.081¢	7.946¢	7.907¢	7.005¢
Cost of Sales	7.775¢	7.944¢	7.656¢	7.434¢

PNYC 00011584

INTERNATIONAL SELLING AND REFINING COMPANY
MEMORANDUM FOR DIRECTORS' MEETING - JULY 23, 1940
NET CURRENT AND OTHER ASSETS - JUNE 30, 1940

<u>CURRENT ASSETS:</u>			
Supplies			\$ 222,571
Metals:			
In Process			2,223,176
Finished:			
Lead	15,582,493 lbs. @	4.8154	\$ 750,319
Copper	15,733,591 lbs. @	9.4764	3,354,122
Silver	2,335,534 ass. @	54.5994	1,275,176
Gold	29,174 ass. @	134.964	1,017,138
By-Products			194,650
			<u>\$6,311,404</u>
Reserve for Freight and Refining			901,306
			6,412,710
<u>Manufactured Products:</u>			
Lead Products			\$ 350,377
Zinc Oxide - Finished			376,400
Raritan Copper Works - Electro Sheet			<u>16,642</u>
			763,419
<u>Accounts Receivable:</u>			
Anacosta Sales Company - Current Account			\$ 395,657
Tolls			774,557
Zinc Oxide			174,253
Mountain City Copper Company			36,696
Walker Lining Company			723,527
Others			<u>371,155</u>
			2,546,375
Cash			142,643
			<u>4,126,128</u>
<u>CURRENT LIABILITIES:</u>			
Taxes			\$ 389,673
Interest			79,166
<u>Accounts Payable:</u>			
Inter-company:			
Anacosta Sales Company - Note Payable			4,000,000
Anacosta Copper Lining Company - Note Payable			2,250,000
Other			29,453
Other Accounts Payable			1,468,807
Wages Payable			<u>108,007</u>
			<u>7,835,933</u>
<u>BALANCE - NET CURRENT ASSETS</u>			<u>4,126,128</u>
<u>OTHER ASSETS:</u>			
Advances to sundry mining companies, including			
advances on ores, less reserve			\$ 27,218
Installment house and land sales and other			
accounts receivable - less reserve			<u>57,473</u>
			146,691
<u>BALANCE - NET CURRENT AND OTHER ASSETS</u>			<u>4,312,96</u>

PNYC 00011585

INTERNATIONAL SMELTING AND REFINING COMPANY
MEMORANDUM FOR DIRECTORS' MEETING - JULY 23, 1940
SALES, DELIVERIES AND PRODUCTION - ALL DEPARTMENTS

	Month of June 1940	Six Months ended June 30th 1940	Six Months ended June 30th 1939	Percent Increase
<u>SMELTER PRODUCTION</u>				
Copper - lbs. - Tons	2,374,511	21,239,916	17,617,796	14.1
- Lead	6,495,128	30,179,960	30,665,725	.3
	<u>9,463,639</u>	<u>51,437,776</u>	<u>49,283,511</u>	4.4
Lead - lbs. - Tons	6,753,113	34,443,667	22,503,492	53.1
<u>SCRAP COPPER RECEIVED AT REFINERY</u>				
Recoverable contents - lbs.	2,373,145	25,467,114	23,342,407	9.2
<u>REFINERY PRODUCTION</u>				
Copper - lbs.	35,045,717	254,012,561	179,796,526	42.1
Lead - lbs.	3,176,706	40,145,306	39,733,761	1.6
Silver - oss.	1,532,894	2,337,236	6,227,759	42.6
Gold - oss.	20,494	137,951	27,353	33.4
<u>SALES</u>				
Copper - lbs.	4,460,023	25,266,532	22,339,317	12.8
Lead - lbs.	4,651,102	37,346,713	37,045,820	.8
<u>DELIVERIES</u>				
Copper - lbs.	3,560,423	26,313,366	24,269,379	23.9
Lead - lbs.	3,261,701	34,637,675	36,740,146	.3
<u>INVENTORY</u>				
Production - lbs.	3,220,400	17,075,760	13,765,355	23.3
Delivery - lbs.	3,265,200	16,337,546	22,436,150	21.1

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