INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - JANUARY 24, 1939

NET INCOME

	Month of December 1938	Month of November 1938	Twelve Mos. Ended Dec. 31, 1938	Twelve Mos. Ended Dec. 31, 1937
GROSS OPERATING PROFIT:				
Smelting Department	$ 7,966	$ 21,609	$ 216,398	$ 368,851
Raritan Copper Works	129,174	90,281	631,219	1,368,675
Lead Refining Department	5,200	4,347	80,550	120,822
Zinc Oxide Department	8,486	12,100	41,476	580,214
White Lead Department	1,053	1,786	38,507	38,500
Total	$149,773	$ 74,579	$ 337,246	$1,195,812
Add - Miscellaneous Income	100	100	1,548	1,686
Dividends -				
Mountain City Copper Company	-	-	-	365,559
Park-Utah Cons. Mining Company	-	-	-	10,470
Walker Mining Company	-	-	-	44,108
	$149,873	$ 74,679	$ 338,794	$1,617,629
Deduct -				
Administrative Expenses	$ 4,000	$ 3,887	$ 50,918	$ 53,419
Miscellaneous Taxes	-	20	15,672	4,348
Capital Stock Tax	1,000	1,000	12,000	13,956
Interest -				
Six Per Cent. Debentures	40,000	40,000	480,000	480,000
Anaconda Copper Mining Company	9,555	9,247	112,500	112,500
Anaconda Sales Company	14,863	14,384	175,000	7,671
Silver Peak Operations (abandoned)	-	-	-	248,951
Key West Operations (abandoned)	-	-	-	40,109
Loss on Investments	-	-	14,000	-
	$ 69,418	$ 68,538	$ 860,084	$ 960,928
INCOME - Before Depreciation	$ 80,455	$ 6,141	$ 521,290	$ 656,701
Depreciation	49,010	41,401	507,170	903,995
NET INCOME	$ 31,445	$ 35,260	$1,028,460	$ 247,294
Add - Net Income of Subsidiary Companies	139	139	412	6,904
CONSOLIDATED NET INCOME	$ 31,584	$ 35,121	$1,028,048	$ 254,198

CONSOLIDATED SURPLUS ACCOUNT

Balance - January 1st 1938	$ 992,701
Add - Net Income - Year ended December 31st 1938	1,028,048
BALANCE - DECEMBER 31, 1938	$2,020,749

N 4150

ISR000419

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - JANUARY 27TH 1939

ESTIMATED NET INCOME - SMELTING DEPARTMENT

	Month of December 1938	Month of November 1938	Twelve Mos. ended Dec. 31st 1938	Twelve Mos. ended Dec. 31st 1937
GROSS OPERATING PROFIT				
Tooele Lead Plant	$ 1,317	$ 3,475	$ 51,440	$ 41,200
Tooele Copper Plant	20,325	1,322	42,893	140,128
Tooele Sulphide Concentrator	4,306	4,491	47,374	88,123
Miami Plant	5,000	7,833	65,462	347,832
Total	$ 12,336	$ 17,121	$ 81,583	$534,883
Add: Miscellaneous Income	3,000	2,978	39,234	26,973
Total	$ 15,336	$ 14,143	$ 42,349	$561,856
Deduct:				
Bad Debts	$ -	$ -	$ 790	$ 55,318
Expenses - Operating Treasury	300	305	9,900	11,385
Shutdown Expenses:				
Miami Plant	-	-	57,619	-
Rico Plant	500	500	8,000	6,667
Sulphide Concentrator	930	288	10,175	-
Oxide Concentrator	745	745	8,368	10,358
Tooele Lead Plant	-	-	9,260	-
Tooele Copper Plant	-	-	18,709	-
Outside Exploration	3,275	3,775	40,645	35,293
General Expenses	75	75	855	2,032
Selling Commission	1,625	2,000	27,728	71,752
Total	$ 7,370	$ 7,526	$174,043	$193,005
INCOME - BEFORE DEPRECIATION	$ 7,966	$ 21,669	$216,392	$368,831
Depreciation	15,329	15,441	159,533	352,905
NET INCOME (ESTIMATED)	$ 7,363	$ 37,110	$375,925	$ 15,926

ISR000420

INTERNATIONAL SMELTING AND REFINING COMPANY
MEMORANDUM FOR DIRECTORS' MEETING - JANUARY 24, 1939
NET INCOME - RARITAN COPPER WORKS

	Month of December 1938	Month of November 1938	Twelve Mos. ended Dec. 31, 1938	Twelve M... ended ... 31, 193...
GROSS OPERATING PROFIT:				
Profit on Tolls	$ 81,131	$ 49,394	$ 484,567	$ 774,7...
Profit on Premium	16,217	20,277	160,896	305,0...
Profit on Sales - Refinery Department	3,351	3,238	25,054	27,2...
Profit on Sales - Secondary Department	20,867	10,736	20,874	209,3...
Electro Sheet Department	2,487	2,615	15,495	6,9...
Total	$123,833	$ 86,260	$ 664,498	$1,321,3...
ADD - Miscellaneous Earnings	6,341	4,857	59,268	86,6...
	$130,174	$ 91,117	$ 723,766	$1,407,9...
DEDUCT - General Expenses	$ 1,000	$ 836	$ 15,875	$ 15,1...
Shutdown Expenses	-	-	62,156	-
Experimental Expenses	-	-	14,516	24,0...
	$ 1,000	$ 836	$ 92,547	$ 39,2...
INCOME - Before Depreciation	$129,174	$ 90,281	$ 631,219	$1,368,6...
Depreciation	27,947	20,125	283,113	450,5...
NET INCOME	$101,227	$ 70,156	$ 348,106	$ 918,1...

SECONDARY METAL DEPARTMENT

	Month of December 1938	Month of November 1938	Twelve Mos. ended Dec. 31, 1938	Twelve M... ended ... 31, 193...
Copper Deliveries - Pounds	2,106,967	4,432,608	30,095,388	63,390,8...
Proceeds	$233,996	$474,770	$2,978,917	$8,845,7...
Cost	211,519	444,309	2,914,866	8,672,7...
Profit on Copper	$ 22,477	$ 30,461	$ 64,051	$ 172,9...
Profit on By-Products	2,922	1,753	7,969	136,4...
Gross Profit	$ 25,399	$ 32,214	$ 72,020	$ 309,3...
Deduct - Selling Commissions	$ 2,775	$ 5,575	$ 38,578	$ 81,2...
Shutdown Expenses	-	14,948	40,221	-
Experimental Expenses	1,757	955	14,095	18,7...
	$ 4,532	$ 21,478	$ 92,894	$ 100,0...
NET PROFIT	$ 20,867	$ 10,736	$ 20,874	$ 209,3...
Copper - Proceeds per lb.	11.106¢	10.713¢	9.898¢	13.9...
Cost per lb.	10.039¢	10.026¢	9.685¢	13.6...
Profit per lb.	1.067¢	.687¢	.213¢	.2...

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - JANUARY 24TH 1939

NET INCOME - LEAD REFINING, ZINC OXIDE AND WHITE LEAD DEPARTMENTS

	Month of December 1938	Month of November 1938	Twelve Mos. ended Dec. 31st 1938	Twelve Mos. ended Dec. 31st 1937
LEAD REFINING DEPARTMENT:				
Gross Profit	$ 5,200	$ 4,347	$ 53,120	$ 120,842
Depreciation	730	719	7,960	14,190
Total	$ 4,470	$ 5,066	$ 61,080	$ 135,032
Shutdown Expenses	-	-	27,430	-
Net Income	$ 4,470	$ 5,066	$ 38,310	$ 135,032
ZINC OXIDE DEPARTMENT:				
Sales of Zinc Oxide	$176,277	$201,123	$1,690,250	$2,173,780
Cost of Sales	165,841	187,873	1,633,119	2,753,994
Income - Before Depreciation	$ 10,436	$ 13,250	$ 57,131	$ 580,214
Depreciation	2,878	3,330	28,071	38,545
Net Income - Before Shutdown Expenses	$ 7,558	$ 9,920	$ 29,060	$ 618,759
Shutdown Expenses - Akron Plant	1,950	1,150	15,655	-
Net Income	$ 5,608	$ 8,770	$ 13,405	$ 618,759
Pounds of Zinc Oxide Sold	3,031,645	3,316,870	29,705,485	41,557,278
Sales Price	5.814¢	5.719¢	5.690¢	5.231¢
Cost of Sales	5.563¢	5.437¢	5.598¢	6.720¢
WHITE LEAD DEPARTMENT:				
Sales of Lead Products	$ 67,974	$ 70,083	$ 948,662	$1,293,862
Cost of Sales	69,027	71,809	987,169	1,455,362
Income - Before Depreciation	$ 1,053	$ 1,786	$ 38,507	$ 38,500
Depreciation	2,126	1,763	28,493	35,261
Net Income	$ 3,179	$ 3,549	$ 67,000	$ 3,239
Pounds of White Lead Sold	915,487	873,803	9,112,938	12,403,594
Sales Price	6.322¢	6.115¢	6.242¢	6.881¢
Cost of Sales	6.236¢	6.138¢	6.486¢	6.885¢

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - JANUARY 24, 1939

NET CURRENT AND OTHER ASSETS - DECEMBER 31, 1938

CURRENT ASSETS:					
Supplies					$ 709,651
Metals:					
In Process					1,613,149
Finished:					
Lead	14,187,991	lbs. @	4.486¢	$ 636,460	
Copper	48,128,062	lbs. @	9.439¢	4,538,323	
Silver	1,885,008	ozs. @	48.848¢	920,774	
Gold	12,319.364	ozs. @	$34.084	419,947	
By-Products				405,038	
				$6,918,542	
Less - Reserve for Freight and Refining Charges				538,550	6,379,992
Manufactured Products:					
Lead Products				$ 274,200	
Zinc Oxide - Finished				530,000	
Raritan Copper Works - Electro Sheet				25,064	829,264
Accounts Receivable:					
Tolls				$ 670,795	
Zinc Oxide				189,271	
Mountain City Copper Company				361,398	
Walker Mining Company				403,175	
Others				368,029	1,992,668
Marketable Securities - at cost					441,158
C a s h					212,047
					$12,177,929
CURRENT LIABILITIES:					
Taxes				$ 48,767	
Interest				32,224	
Accounts Payable:					
Inter-company:					
Anaconda Sales Company - Current Account				1,409,014	
Anaconda Sales Company - Note Payable				5,000,000	
Anaconda Copper Mining Company - Note Payable				2,250,000	
Other				14,580	
Other Accounts Payable				1,042,886	
Wages Payable				91,775	9,889,246
BALANCE - NET CURRENT ASSETS					$ 2,288,683
OTHER ASSETS:					
Advances to sundry mining companies including advances on ores, less reserve				$ 147,939	
Installment House and land sales and other accounts receivable, less reserve				80,367	228,306
BALANCE - NET CURRENT AND OTHER ASSETS					$ 2,516,989

ISR000423

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - JANUARY 24, 1939

SALES, DELIVERIES AND PRODUCTION - ALL DEPARTMENTS

	Month of December 1938	Twelve Mos. ended Dec. 31, 1938	Twelve Mos. ended Dec. 31, 1937	Percent Increase Decrease
SMELTER PRODUCTION				
Copper - Lbs. - Tooele	2,916,989	16,284,445	51,524,251	68.3
- Miami	3,891,891	34,775,102	106,299,428	67.3
	6,808,880	51,059,547	157,823,679	67.6
Lead - Lbs. - Tooele	3,326,428	46,756,048	70,790,392	33.9
SCRAP COPPER RECEIVED AT PERTH AMBOY				
Recoverable Content - Lbs.	6,030,170	37,627,534	88,509,999	57.5
REFINERY PRODUCTION				
Copper - Lbs.	40,466,641	249,899,480	457,212,103	45.3
Lead - Lbs.	5,709,687	59,126,497	103,456,630	42.8
Silver - Ozs.	1,111,492	10,808,869	16,189,216	33.2
Gold - Ozs.	16,660	142,954	189,702	24.6
SALES				
Copper - Lbs.	30,721	36,362,870	68,635,136	47.0
Lead - Lbs.	3,171,935	60,684,294	87,956,363	31.0
DELIVERIES				
Copper - Lbs.	2,606,947	35,189,672	84,632,146	57.2
Lead - Lbs.	3,981,277	60,268,765	95,176,259	36.0
ZINC OXIDE				
Production - Lbs.	3,082,800	26,612,651	43,053,371	38.2
Deliveries - Lbs.	3,001,800	29,681,368	42,049,022	29.4

Purchases:-
Refinery Rec[illegible]
Net Weight
Tons

[illegible]

COMMISSION:-

Charges to International Smelting and Refining Company
on Delivered Sales of Copper during year ended
December 31, 1938, against Scrap Copper Intake -
29,520,951 pounds @ $2.50 per ton = $36,901.21