

INTERNATIONAL SMELTING AND MINING COMPANY
CONSOLIDATED STATEMENTS OF INCOME - OCTOBER 28TH 1941

STATEMENT OF INCOME

	Month of September 1941	Month of August 1941	Nine Mos. ended Sept. 30, 1941	Nine Mos. ended Sept. 30, 1940
Smelting Department	\$ 34,022	\$ 30,421	\$ 414,049	\$ 535,346
Refining Department	168,491	177,835	1,616,104	1,554,574
Secondary Department	6,000	6,538	126,877	103,181
Lead Refining Department	13,584	7,609	77,003	142,389
Wine Oxide Department	212,357	209,864	2,946,265	2,387,032
White Lead Department	2,791	2,791	50,504	32,305
add - Miscellaneous Income	-	-	146,293	-
Dividend - Mountain City Copper Co.	-	-	6,950	6,950
- Park-Utah Consol. Co.	-	-	-	-
	<u>\$215,148</u>	<u>\$212,655</u>	<u>\$2,150,042</u>	<u>\$2,426,767</u>
deduct:				
Administrative Expenses	\$ 5,000	\$ 5,177	\$ 50,964	\$ 51,590
Miscellaneous Taxes	-	3,643	9,219	6,437
Capital Stock Tax	1,575	1,875	18,125	3,527
Interest -	-	-	-	-
Six Per Cent Debentures	40,000	40,000	360,000	358,301
Amacoma Copper Mining Company	9,740	10,467	103,200	37,397
Amacoma Sales Company	-	-	-	51,389
	<u>\$ 56,615</u>	<u>\$ 61,164</u>	<u>\$ 541,508</u>	<u>\$ 564,941</u>
	<u>\$158,533</u>	<u>\$151,491</u>	<u>\$1,608,534</u>	<u>\$1,861,826</u>
Less - Depreciation and Obsolescence	<u>57,703</u>	<u>59,627</u>	<u>608,385</u>	<u>626,580</u>
	<u>\$100,830</u>	<u>\$ 91,864</u>	<u>\$1,000,149</u>	<u>\$1,235,446</u>
Less - Federal Income Tax	<u>28,700</u>	<u>26,900</u>	<u>248,000</u>	<u>294,000</u>
	<u>\$ 72,130</u>	<u>\$ 64,964</u>	<u>\$ 752,149</u>	<u>\$ 941,446</u>
Less - Excess Profits Tax	<u>8,300</u>	<u>5,100</u>	<u>70,300</u>	<u>-</u>
<u>NET INCOME</u>	<u>\$ 63,830</u>	<u>\$ 59,864</u>	<u>\$ 682,149</u>	<u>\$ 941,446</u>
add - Net Income of Subsidiary Companies	<u>174</u>	<u>174</u>	<u>1,632</u>	<u>2</u>
<u>CONSOLIDATED NET INCOME</u>	<u>\$ 64,004</u>	<u>\$ 60,038</u>	<u>\$ 683,781</u>	<u>\$ 941,448</u>

CONSOLIDATED SURPLUS ACCOUNT

<u>BALANCE - January 1, 1941</u>	\$ 30,823
<u>ADD - Net Income - Nine Months ended September 30, 1941</u>	<u>683,781</u>
<u>BALANCE - September 30, 1941</u>	<u>\$ 714,604</u>

INTERNATIONAL MINING AND REFINING COMPANY
STATEMENT OF OPERATIONS - OCTOBER 28TH 1941
ESTIMATED NET INCOME - OCTOBER 28TH 1941

	Month of September, 1941	Month of August 1941	Nine Mos. ended Sept. 30, 1941	Nine mos. ended Sept. 30, 1940
Tosco Lead Plant	\$ 23,335	\$ 31,303	\$ 176,052	\$ 161,327
Tosco Copper Plant	12,314	4,790	179,327	127,453
Tosco Sulphide Concentrator	773	4,020	77,037	7,414
Deer Hill Plant	-	-	-	132,000
Miami Plant	1,000	1,114	60,414	79,000
	<u>\$43,422</u>	<u>\$40,727</u>	<u>\$415,830</u>	<u>\$408,204</u>
Product -				
Tramway Operations	\$ 350	352	\$ 2,736	\$ 3,342
Outside Exploration	5,300	5,275	42,730	42,724
Selling Commission	2,200	3,085	33,512	24,000
Shutdown Expenses:				
Miami Plant	-	-	-	5,171
Sulphide Concentrator	650	840	701	4,545
Copper Concentrator	200	94	1,502	4,520
	<u>\$9,400</u>	<u>\$10,306</u>	<u>\$41,949</u>	<u>\$52,536</u>
	<u>\$54,022</u>	<u>\$50,421</u>	<u>\$414,049</u>	<u>\$395,740</u>
Less - Depreciation	<u>11,013</u>	<u>11,843</u>	<u>175,010</u>	<u>139,251</u>
<u>NET INCOME</u>	<u>\$16,003</u>	<u>\$10,578</u>	<u>\$238,139</u>	<u>\$206,557</u>

INTERNATIONAL COPPER AND REFINING COMPANY
COMPARATIVE STATEMENT OF INCOME - OCTOBER 28TH 1941
ACTING DIRECTOR OF MINES - UNITED STATES OF AMERICA

	Month of September 1941	Month of August 1941	Nine mos. ended Sept. 30, 1941	Nine mos. ended Sept. 30, 1940
<u>PRIMARY OPERATIONS</u>				
Profit on Sales	\$ 86,438	\$ 89,367	\$ 877,804	\$ 869,758
Profit on Premiums	58,318	62,023	484,929	514,746
Profit on Sales	14,249	15,790	187,121	211,441
Electric Street Department	4,761	4,767	39,980	9,424
Miscellaneous Income	9,000	7,054	87,757	182,035
	<u>\$171,766</u>	<u>\$179,001</u>	<u>\$1,687,591</u>	<u>\$1,587,304</u>
Less - General expenses	\$ 2,200	\$ 849	\$ 10,345	\$ 11,041
Experimental expenses	-	-	16,528	24,117
Selling expenses	1,035	1,177	14,546	31,102
	<u>\$ 3,235</u>	<u>\$ 2,026</u>	<u>\$ 41,419</u>	<u>\$ 66,260</u>
	\$168,531	\$177,835	\$1,646,172	\$1,521,044
Less - Depreciation	28,046	28,420	247,603	265,349
<u>NET INCOME</u>	<u>\$140,485</u>	<u>\$149,415</u>	<u>\$1,398,569</u>	<u>\$1,255,695</u>

<u>SECONDARY OPERATIONS</u>				
Proceeds of Copper Deliveries	\$ 62,421	\$ 89,724	\$2,160,230	\$4,091,933
Net Value at Date of Purchase	62,421	89,724	2,167,073	4,142,100
	-	-	6,363	50,107
Less Premiums in excess of quotations	2,322	3,887	97,344	-
Trading Profit	2,322	3,887	104,107	10,107
Add - Freight Differential	429	578	12,307	27,944
	\$ 1,393	\$ 3,309	\$ 116,414	\$ 38,051
Add - Operating Profit	3,444	12,337	62,738	121,414
	\$ 5,237	\$ 15,646	\$ 179,152	\$ 159,465
Less - Buying and Selling Expenses	759	1,029	24,219	46,010
	\$ 4,478	\$ 14,617	\$ 154,933	\$ 113,455
Less - Depreciation	1,017	1,525	18,250	23,740
<u>NET INCOME</u>	<u>\$ 3,461</u>	<u>\$ 13,092</u>	<u>\$ 136,683</u>	<u>\$ 89,715</u>

Deliveries - Pounds	530,117	761,986	18,396,227	35,273,706
Trading Profit per pound	.438	.510	.067	.142
Freight Differential per pound	.081	.076	.084	.079
Net Operating Profit per pound	.519	.586	.151	.221
Net Income per pound	1.542	2.323	.372	.227

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - OCTOBER 28TH 1941

ESTIMATED NET INCOME - LEAD REFINING, ZINC OXIDE AND WHITE LEAD DEPT. ETC.

	Month of September, 1941	Month of August 1941	Nine Months ended Sept. 30, 1941	Nine Months ended Sept. 30, 1940
<u>LEAD REFINING DEPARTMENT:</u>				
Operating Income	\$ 6,000	\$ 6,538	\$ 126,877	\$ 142,389
Less - Depreciation	<u>3,800</u>	<u>4,093</u>	<u>34,290</u>	<u>35,993</u>
<u>NET INCOME</u>	<u>\$ 2,200</u>	<u>\$ 2,445</u>	<u>\$ 92,587</u>	<u>\$ 106,396</u>
<u>ZINC OXIDE DEPARTMENT:</u>				
Sales of Zinc Oxide	\$150,305	\$184,978	\$1,538,103	\$1,580,723
Cost of Sales	<u>153,942</u>	<u>180,840</u>	<u>2,075,760</u>	<u>1,558,790</u>
	\$ 3,637	\$ 4,138	\$ 53,657	\$ 21,978
Less - Shutdown Expenses - Akron Plant	-	-	-	<u>2,283</u>
	\$ 3,637	\$ 4,138	\$ 53,657	\$ 19,715
Less - Depreciation	<u>3,943</u>	<u>2,263</u>	<u>26,228</u>	<u>23,408</u>
<u>NET INCOME</u>	<u>\$ 5,507</u>	<u>\$ 1,375</u>	<u>\$ 24,121</u>	<u>\$ 3,324</u>
Pounds of Zinc Oxide Sold	2,045,555	2,382,553	27,608,699	26,745,074
Sales Price	7.348¢	7.763¢	6.658¢	5.911¢
Cost of Sales	7.526¢	7.590¢	7.518¢	5.829¢
<u>WHITE LEAD DEPARTMENT:</u>				
Sales of Lead Products	\$153,528	\$154,019	\$1,225,708	\$ 739,924
Cost of Sales	<u>139,944</u>	<u>146,410</u>	<u>1,148,705</u>	<u>709,947</u>
	\$ 13,584	\$ 7,609	\$ 77,003	\$ 29,977
Less - Depreciation	<u>3,959</u>	<u>3,983</u>	<u>31,814</u>	<u>19,568</u>
<u>NET INCOME</u>	<u>\$ 9,625</u>	<u>\$ 3,626</u>	<u>\$ 45,189</u>	<u>\$ 10,409</u>
Pounds of Lead Products Sold	1,875,296	1,895,869	15,176,834	9,262,224
Sales Price	8.186¢	8.126¢	8.076¢	7.989¢
Cost of Sales	7.463¢	7.723¢	7.569¢	7.665¢

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INTERNATIONAL MELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTOR'S MEETING - OCTOBER 28TH 1941

NET CURRENT AND OTHER ASSETS - SEPTEMBER 30TH 1941

CURRENT ASSETS:

Supplies			\$ 1,095,241
Metals:			
In Process			1,980,249
Finished:			
Lead	9,823,942 lbs. @ 4.552¢	\$ 447,165	
Copper	14,989,097 lbs. @ 8.992¢	1,347,889	
Silver	2,254,707 ozs. @ 47.906¢	1,080,151	
Gold	22,013 ozs. @ \$34.170	752,179	
By-Products		180,425	
		\$3,807,809	
Reserve for Freight and Refining		151,818	3,655,991
Manufactured Products:			
Lead Products		\$ 172,826	
Zinc Oxide - Finished		156,750	
Marion Copper Works - Electro Sheet Department		5,722	335,298
Accounts Receivable:			
Anaconda Sales Company		\$ 707,125	
Tolls		703,510	
Zinc Oxide		162,523	
Others		1,330,278	
		\$2,903,436	
Reserve for Doubtful accounts		43,269	2,860,169
Cash			255,574
			\$10,182,522

CURRENT LIABILITIES:

Taxes	\$ 526,143	
Interest	226,750	
Accounts Payable:		
Inter-company:		
Anaconda Copper Mining Company - Notes Payable	2,500,000	
Others	27,285	
Other Accounts Payable	1,504,750	
Wages Payable	107,823	4,894,953

NET CURRENT ASSETS

\$ 5,227,569

OTHER ASSETS:

Advances to sundry mining companies, including advances on ores, less reserve	\$ 109,532	
Installment house and land sales and other accounts receivable, less reserve	31,847	141,379

BALANCE - NET CURRENT AND OTHER ASSETS

\$ 5,428,948

INTERNATIONAL MINTING AND REFINING COMPANY
MEMORANDUM FOR DIRECTOR'S MINTING - OCTOBER 25TH 1941
ALLES, DELIVERIES AND PRODUCTION - ALL DEPARTMENTS

	<u>Month of</u> <u>September</u> <u>1941</u>	<u>Nine Months</u> <u>ended Sept.</u> <u>30, 1941</u>	<u>Nine Months</u> <u>ended Sept.</u> <u>30, 1940</u>	<u>Percent</u> <u>Increa</u>
<u>MINTING PRODUCTION:</u>				
Copper - lbs. - Totals:				
Custom	22,445	1,778,718	4,261,337	..
Toll	2,685,806	28,460,127	28,358,623	.4
Miami:				
Custom	330,000	3,674,543	2,030,347	80.9
Toll	5,011,201	47,790,388	37,612,541	27.1
	<u>8,049,452</u>	<u>81,703,776</u>	<u>72,262,648</u>	13.1
Lead - lbs. - Totals	5,313,228	48,238,882	51,723,697	
<u>ORAP COPPER RECEIVED AT PENTH ARROY:</u>				
Recoverable Contents - lbs.	2,877,785	27,105,644	36,600,406	
<u>REFINERY PRODUCTION:</u>				
Copper - lbs.	41,218,260	398,534,540	397,568,968	.2
Lead - lbs.	9,461,856	76,900,845	77,356,908	..
Silver - oss.	1,269,716	12,186,221	12,624,674	..
Gold - oss.	16,137	175,302	195,960	..
<u>LES:</u>				
Copper - lbs.				
Totals	-	6,800,000	3,250,000	109.2
Miami	-	3,863,900	2,750,000	40.5
Maritan - Refinery	75,362	227,615	113,115	101.2
- Secondary	-	<u>8,161,212</u>	<u>27,336,720</u>	..
	<u>75,362</u>	<u>19,052,727</u>	<u>31,449,835</u>	.3
Lead - lbs.	3,067,838	50,874,300	54,863,174	.3
<u>DELIVERIES:</u>				
Copper - lbs.				
Totals	48,000	9,700,000	2,750,000	252.7
Miami	61,950	5,963,900	2,250,000	165.0
Maritan - Refinery	75,327	227,615	113,115	100.9
- Secondary	<u>530,117</u>	<u>18,464,830</u>	<u>33,271,607</u>	..
	<u>715,394</u>	<u>34,356,345</u>	<u>40,384,722</u>	..
Lead - lbs.	5,287,397	56,113,546	51,275,956	9.4
<u>ZINC OXIDE:</u>				
Production - lbs.	2,582,800	28,357,104	27,125,897	4.5
Deliveries - lbs.	2,404,600	27,969,804	26,748,243	4.6

INTERNATIONAL SMELTING AND REFINING COMPANY
MEMORANDUM FOR DIRECTORS' MEETING - SEPTEMBER 23RD 1941

STATUS OF NOTES AND BONDS PAYABLE TO ANACONDA COPPER MINING COMPANY

Notes:

October 31, 1935 (5%)			\$ 2,000,000
August 31, 1936 (5%)			250,000
December 15, 1937 (1-3/4%)		\$5,000,000	
Less Payments:			
June 15, 1940	\$1,000,000		
August 31, 1940	500,000		
October 22, 1940	1,000,000		
February 28, 1941	500,000		
April 7, 1941	500,000		
May 19, 1941	500,000		
July 23, 1941	250,000		
August 31, 1941	500,000	4,750,000	250,000
Total Notes			\$2,500,000

Bonds:

December 15, 1934 (6%)		8,000,000
		<u>\$10,500,000</u>

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