

MEMORANDUM FOR DIRECTORS' MEETING - JANUARY 25TH 1938

NET INCOME

	Month of December <u>1937</u>	Month of November <u>1937</u>	Twelve Mos. ended Dec. <u>31st 1937</u>	Twelve Mos. ended Dec. <u>31st 1936</u>
<u>GROSS OPERATING PROFIT:</u>				
Smelting Department	\$ 39,518	\$ 235	\$ 332,150	\$ 140,492
Raritan Copper Works	21,908	76,268	1,341,446	877,579
Lead Refining Department	5,470	6,713	113,872	28,985
Zinc Oxide Department	55,776	52,791	583,279	271,320
White Lead Department	<u>1,700</u>	<u>675</u>	<u>38,065</u>	<u>111,696</u>
Total	\$ 80,576	\$ 36,324	\$1,014,710	\$ 761,426
Add - Dividends:				
Mountain City Copper Company	365,539	-	365,539	305,998
Park-Utah Consolidated Mining Co.	10,470	-	10,470	-
Walker Mining Company	44,102	-	44,102	-
Miscellaneous Income	<u>12,871</u>	<u>398</u>	<u>10,989</u>	<u>2,995</u>
	<u>\$352,426</u>	<u>\$ 36,722</u>	<u>\$1,445,830</u>	<u>\$1,070,419</u>
Deduct -				
Administrative Expenses	\$ 10,000	\$ 5,372	\$ 59,250	\$ 54,289
Capital Stock Tax	1,096	1,096	13,150	11,750
Interest:				
Six percent. Debentures	40,000	40,000	480,000	480,000
Anaconda Copper Mining Company	9,534	9,247	112,500	104,167
Anaconda Sales Company	7,671	-	7,671	-
Silver Peak Operations (abandoned)	-	-	247,810	-
Key West Operations (abandoned)	<u>13,343</u>	<u>13,343</u>	<u>40,034</u>	<u>-</u>
Total	\$ 81,666	\$ 69,060	\$ 960,415	\$ 650,206
<u>INCOME - Before Depreciation</u>	<u>\$270,760</u>	<u>\$ 52,338</u>	<u>\$ 485,415</u>	<u>\$ 420,213</u>
Depreciation	<u>51,718</u>	<u>51,646</u>	<u>885,291</u>	<u>648,415</u>
	<u>\$219,042</u>	<u>\$ 83,984</u>	<u>\$ 399,876</u>	<u>\$ 227,798</u>
Add - Net Income - Subsidiary Companies	<u>482</u>	<u>482</u>	<u>7,400</u>	<u>1,100</u>
<u>CONSOLIDATED NET INCOME</u>	<u>\$218,560</u>	<u>\$ 84,466</u>	<u>\$ 407,344</u>	<u>\$ 237,998</u>

CONSOLIDATED SURPLUS ACCOUNT

Balance - January 1st 1937	\$ 315,221
Add - Net Income - Twelve Months ended December 31, 1937	<u>407,344</u>
<u>BALANCE - DECEMBER 31ST 1937</u>	<u>\$ 722,565</u>

INTERNATIONAL SMELTING AND REFINING COMPANY
MEMORANDUM FOR DIRECTORS' MEETING - JANUARY 25TH 1938
NET INCOME - SMELTING DEPARTMENT

	<u>Month of</u> <u>December</u> <u>1937</u>	<u>Month of</u> <u>November</u> <u>1937</u>	<u>Twelve Mos.</u> <u>ended ec.</u> <u>31st 1937</u>	<u>Twelve Mos.</u> <u>ended ec.</u> <u>31st 1936</u>
<u>GROSS OPERATING PROFIT:</u>				
Tooele Lead Plant	\$ 59,700	\$ 20,509	\$ 70,000	\$ 83,180
Tooele Copper Plant	12,356	11,906	140,690	194,272
Tooele Sulphide Concentrator	13,074	3,560	88,127	41,971
Miami Plant	<u>10,000</u>	<u>13,776</u>	<u>341,732</u>	<u>37,463</u>
Total	\$ 90,418	\$ 8,933	\$ 500,540	\$ 356,886
Add - Miscellaneous Income	<u>1,400</u>	<u>1,578</u>	<u>25,640</u>	<u>25,574</u>
Total	<u>\$ 91,818</u>	<u>\$ 10,511</u>	<u>\$ 526,180</u>	<u>\$ 382,460</u>
Deduct -				
Bad Debts	\$ -	\$ -	\$ 55,442	\$ 50,000
Expenses - Operating Tramway	550	542	11,296	10,797
Shut Down Expenses	1,250	1,180	16,985	77,780
Outside Exploration	3,700	3,637	36,279	19,990
General Expenses	200	110	2,028	2,284
Selling Commission	<u>4,800</u>	<u>4,807</u>	<u>72,000</u>	<u>81,117</u>
Total	<u>\$ 10,500</u>	<u>\$ 10,276</u>	<u>\$ 194,030</u>	<u>\$ 241,968</u>
<u>INCOME BEFORE DEPRECIATION</u>	\$ 81,318	\$ 235	\$ 332,150	\$ 140,492
Depreciation	<u>24,072</u>	<u>24,150</u>	<u>346,661</u>	<u>246,446</u>
<u>NET INCOME</u>	<u>\$ 57,246</u>	<u>\$ 195</u>	<u>\$ 14,511</u>	<u>\$ 10,046</u>

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INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - JANUARY 25TH 1938

NET INCOME - HARTMAN COPPER WORKS

	<u>Month of December 1937</u>	<u>Month of November 1937</u>	<u>Twelve Mos. ended Dec. 31st 1937</u>	<u>Twelve Mos. ended Dec. 31st 1936</u>
<u>GROSS OPERATING PROFIT:</u>				
Profit on Sales	\$ 2,176	\$23,891	\$ 750,987	\$ 520,192
Profit on Premiums	21,617	11,974	317,347	350,246
Profit on Sales - Refinery Department	1,688	8,820	70,400	24,761
Profit on Sales - Secondary Department	3,127	29,967	166,900	17,799
Electro Sheet Department	72	1,158	6,876	1,285
Total	\$22,275	\$75,810	\$1,312,510	\$ 914,283
<u>ADD:</u>				
Miscellaneous Earnings	7,865	6,396	86,646	57,679
	\$30,140	\$82,206	\$1,399,156	\$ 971,962
<u>DEDUCT:</u>				
General Expenses	\$ 1,500	\$ 838	\$ 14,869	\$ 30,107
Experimental Expenses	6,732	5,100	42,841	64,276
	\$ 8,232	\$ 5,938	\$ 57,710	\$ 94,383
<u>INCOME - Before Depreciation</u>	\$21,908	\$76,268	\$1,341,446	\$ 877,579
Depreciation	24,122	24,192	450,710	286,232
<u>NET INCOME</u>	<u>\$ 2,214</u>	<u>\$52,076</u>	<u>\$ 890,736</u>	<u>\$ 591,347</u>
<u>SECONDARY DEPARTMENT</u>				
Pounds Copper Sold	68,611	3,527,081	62,536,099	58,632,718
Sales Price	11.640¢	13.865¢	13.961¢	9.305¢
Cost of Sales	16.197¢	13.015¢	13.694¢	9.275¢

ISR000428

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - JANUARY 25TH 1938

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

	<u>Month of December 1937</u>	<u>Month of November 1937</u>	<u>Twelve Mos. ended Dec. 31st 1937</u>	<u>Twelve Mos. ended Dec. 31st 1936</u>
<u>LEAD REFINING DEPARTMENT:</u>				
Gross Profit	\$ 5,470	\$ 5,713	\$ 113,672	\$ 28,985
Depreciation	<u>1,400</u>	<u>1,293</u>	<u>14,386</u>	<u>13,495</u>
Net Income	<u>\$ 4,070</u>	<u>\$ 4,420</u>	<u>\$ 99,286</u>	<u>\$ 15,490</u>
<u>ZINC OXIDE DEPARTMENT:</u>				
Sales of Zinc Oxide	\$ 76,207	\$ 56,817	\$ 2,173,780	\$ 2,757,202
Cost of Sales	<u>131,983</u>	<u>89,608</u>	<u>2,757,059</u>	<u>3,154,528</u>
Income - Before Depreciation	\$ 55,776	\$ 32,791	\$ 503,279	\$ 407,100
Depreciation	<u>1,224</u>	<u>875</u>	<u>38,534</u>	<u>57,973</u>
Net Income	<u>\$ 57,000</u>	<u>\$ 33,666</u>	<u>\$ 621,213</u>	<u>\$ 455,279</u>
Pounds of Zinc Oxide Sold	1,289,855	930,200	41,557,278	61,828,818
Sales Price	5.908¢	6.108¢	5.231¢	4.459¢
Cost of Sales	10.327¢	9.633¢	6.727¢	5.102¢
<u>WHITE LEAD DEPARTMENT:</u>				
Sales of Lead Products	\$ 32,320	\$ 42,921	\$ 1,293,862	\$ 1,421,230
Cost of Sales	<u>34,020</u>	<u>43,596</u>	<u>1,255,797</u>	<u>1,309,534</u>
Income - Before Depreciation	\$ 1,700	\$ 675	\$ 38,065	\$ 111,696
Depreciation	<u>900</u>	<u>1,336</u>	<u>33,200</u>	<u>44,269</u>
Net Income	<u>\$ 2,000</u>	<u>\$ 1,811</u>	<u>\$ 2,865</u>	<u>\$ 67,427</u>
Pounds White Lead Sold	350,675	406,700	12,403,594	13,367,735
Sales Price	6.833¢	6.793¢	6.881¢	5.868¢
Cost of Sales	7.250¢	6.809¢	6.885¢	5.359¢

ISR000429

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - JANUARY 25TH 1938

NET CURRENT AND OTHER ASSETS - DECEMBER 31ST 1937

CURRENT ASSETS:

Supplies						\$ 839,792	
Metals:							
In Process							1,479,427
Finished:							
Lead	17,602,880	lbs.	@	4.567¢	\$ 804,000		
Copper	48,110,261	lbs.	@	10.597¢	5,098,130		
Silver	1,878,527	ozs.	@	52.209¢	980,765		
Gold	14,686.975	ozs.	@	\$34.046	500,041		
By-Products					468,446		
					<u>\$7,851,402</u>		
Less - Reserve for Freight and Refining Charges					492,838		7,358,564
Manufactured Products:							
Lead Products					\$ 350,346		
Zinc Oxide - Finished					509,200		
Maritan Copper Works - Sheet Copper					<u>33,079</u>		912,645
Accounts Receivable:							
Tolls					\$ 727,820		
Zinc Oxide					26,853		
Mountain City Copper Company					301,962		
Walker Mining Company					327,568		
Other Accounts Receivable					<u>406,677</u>		1,790,882
Marketable Securities - at cost							441,158
Cash							<u>46,798</u>
							<u>\$12,869,266</u>

CURRENT LIABILITIES:

Taxes					\$ 16,307		
Interest					27,671		
Accounts Payable:							
Inter-company:							
Anaconia Sales Company - Current Account					278,820		
Anaconia Sales Company - Notes Payable					5,000,000		
Anaconia Copper Mining Company - Note Payable					2,250,000		
Other					13,352		
Other Accounts Payable					1,242,610		
Wages Payable					<u>102,903</u>		8,931,263

BALANCE - NET CURRENT ASSETS

\$ 3,938,003

OTHER ASSETS:

Advances to sundry mining companies including advances on ore, less reserve					\$ 125,546		
Installment house and land sales and other accounts receivable, less reserve					<u>89,565</u>		<u>215,111</u>

BALANCE - NET CURRENT AND OTHER ASSETS

\$ 4,153,114

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - JANUARY 25TH 1938

	<u>Month of</u> <u>December</u>	<u>Twelve Mos.</u> <u>ended Dec.</u> <u>31st 1937</u>	<u>Twelve Mos.</u> <u>ended Dec.</u> <u>31st 1936</u>	<u>Percent</u> <u>Increase</u> <u>Decrease</u>
<u>SMELTER PRODUCTION</u>				
Copper - Lbs. - Tooele	2,427,163	51,524,251	36,816,583	39.9
- Miami	6,458,970	106,299,428	40,477,683	162.6
	<u>8,886,133</u>	<u>157,823,679</u>	<u>77,294,266</u>	104.2
Lead - Lbs. - Tooele	6,423,122	70,790,592	55,675,592	27.1
<u>SCRAP COPPER RECEIVED AT</u> <u>PARTH AMBOY</u>				
Recoverable Contents - Lbs.	3,189,372	86,978,512	64,932,905	33.9
<u>REFINERY PRODUCTION</u>				
Copper - Lbs.	27,469,206	457,212,103	302,270,448	51.3
Lead - Lbs.	11,021,512	103,456,630	98,992,624	4.5
Silver - Ozs.	1,931,852	16,189,217	14,005,306	15.6
Gold - Ozs.	19,067	189,702	137,305	38.2
<u>SALES</u>				
Copper - Lbs.	45,479	68,635,156	90,390,692	24.1
Lead - Lbs.	7,557,540	87,956,363	105,890,642	10.1
<u>DELIVERIES</u>				
Copper - Lbs.	111,605	84,632,146	93,129,563	9.1
Lead - Lbs.	7,263,333	95,176,239	100,383,367	5.1
<u>ZINC OXIDE</u>				
Production - Lbs.	2,288,600	43,053,344	61,945,572	30.5
Deliveries - Lbs.	1,291,400	41,569,967	61,838,737	29.1

ISR000431

INTERNATIONAL SMELTING AND REFINING COMPANY
Raritan Copper Works

SECONDARY METALS DEPARTMENT

NET INCOME TWELVE MONTHS ENDED DECEMBER 31ST 1937

	<u>December,</u> <u>1937</u>	<u>Twelve Months</u> <u>1937</u>
Copper Deliveries:		
Pounds	<u>68,611</u>	<u>62,536,099</u>
Proceeds	\$7,986.43	\$8,730,591.36
Cost	<u>8,644.50</u>	<u>8,579,728.56</u>
Profit or Loss - Copper	\$.58.07	\$ 150,862.80
Profit or Loss - By-Products:		
Tin	2,018.83	75,334.03
Solder Metal	-	27,491.27
Zinc Dust	739.94	17,756.48
Zinc Residue	534.91	6,744.44
Lead Sulphate	-	2,602.13
Scrap Lead	-	522.54
Gross Profit or Loss	<u>\$2,881.93</u>	<u>\$ 281,313.69</u>
Deduct:		
Administrative	\$ -	\$ 33,135.86
Selling Commissions	<u>244.70</u>	<u>81,277.75</u>
	<u>\$ 244.70</u>	<u>\$ 114,413.61</u>
Net Profit or Loss	<u>\$1,126.63</u>	<u>\$ 166,900.08</u>
 Copper - Proceeds per lb.	 11.640¢	 13.961¢
Cost per lb.	12.599¢	13.720¢
Profit per lb.	.959¢	.241¢

Original - Mr. F. Laist
copy - Mr. R. E. Dwyer
copy - Mr. E. O. Sewerwine
copy - Mr. W. K. Daly

January 22, 1938

ISR000432

**ANACONDA SALES COMPANY
SECONDARY METALS DEPARTMENT**

**ADMINISTRATIVE AND GENERAL EXPENSES
FIVE MONTHS ENDED NOVEMBER 30, 1937.**

	<u>November 1937</u>	<u>Five Months since July 1, 1937</u>
Salaries	42,768.99	423,871.95
Unemployment Insurance, and Social Security Tax	68.73	346.07
Employees' Group Insurance	13.00	65.00
Rent and Light	606.75	3,096.25
Buyers' Traveling Expenses, etc.	351.04	429.42
Telephone and Telegrams	279.27	1,391.06
Stationery and Office Supplies	25.72	909.22
Advertising and Subscriptions	190.00	454.20
Miscellaneous	74.99	493.30
	<u>44,329.69</u>	<u>429,796.47</u>
Commissions received from International Smelting and Refining Co. Marion Copper Works on Delivered Sales	<u>14,752.56</u>	<u>124,317.48</u>

Original - Mr. F. Laist
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" - Mr. E.C. Souerwine
" - Mr. W.K. Daly

15R000433