INTERNATIONAL SMELTING AND REFINING COMPANY

INFORMATION FOR DIRECTORS' MEETING - OCTOBER 28TH 1941

STATEMENT OF NET INCOME

	Month of September 1941	Month of August 1941	Nine Mos. ended Sept. 30, 1941	Nine Mos. ended Sept. 30, 1940
Smelting Department	$ 34,028	$ 30,421	$ 414,049	$ 535,346
Raritan Copper Works:				
Refining Department	168,491	177,835	1,616,104	1,556,574
Secondary Department	[illegible]	[illegible]	[illegible]	103,181
Lead Refining Department	6,000	6,558	126,875	142,389
Zinc Oxide Department	[illegible]	4,138	[illegible]	19,715
White Lead Department	11,384	7,409	77,003	29,977
	$212,337	$309,844	$1,946,265	$2,387,[illegible]
Add - Miscellaneous Income	2,791	2,791	50,504	32,305
Dividend - Mountain City Copper Co.	-	-	146,293	-
- Park-Utah Consol. M. Co.	-	-	6,980	6,980
	$215,128	$312,635	$2,150,042	$2,426,767
Deduct:				
Administrative Expenses	$ 5,000	$ 5,177	$ 50,964	$ 51,590
Miscellaneous Taxes	-	3,643	9,219	6,437
Capital Stock Tax	1,875	1,875	18,125	9,527
Interest -				
Six Per Cent Debentures	40,000	40,000	360,000	358,901
Anaconda Copper Mining Company	9,740	10,469	103,200	57,097
Anaconda Sales Company	-	-	-	51,389
	$ 56,615	$ 61,164	$ 541,508	$ 564,941
	$158,513	$151,471	$1,606,534	$1,862,026
Less - Depreciation and Obsolescence	57,703	59,627	606,385	626,580
	$100,830	$ 91,844	$1,000,149	$1,235,446
Less - Federal Income Tax	28,700	26,900	248,000	294,000
	$ 72,130	$ 64,964	$ 752,149	$ 941,446
Less - Excess Profits Tax	8,300	5,100	70,000	-
NET INCOME	$ 63,830	$ 59,864	$ 682,149	$ 941,446
Add - Net Income of Subsidiary Companies	174	174	1,632	[illegible]
CONSOLIDATED NET INCOME	$ 64,004	$ 60,038	$ 683,781	$ 940,116

CONSOLIDATED SURPLUS ACCOUNT

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

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INTERNATIONAL SMELTING AND REFINING COMPANY

MEMO. FOR DIRECTORS' MEETING - OCTOBER 28TH 1941

ESTIMATED NET INCOME - SMELTING COMPANY

	Month of September, 1941	Month of August 1941	Nine Mos. ended Sept. 30, 1941	Nine Mos. ended Sept. 30, 1940
Tooele Lead Plant	$ 23,335	$ 30,803	$ 176,052	$ [illegible]
Tooele Copper Plant	18,314	4,790	179,387	127,653
Tooele Sulphide Concentrator	773	4,020	79,537	27,414
Ohio Mill Plant	-	-	-	132,000
Miami Plant	1,000	1,114	60,414	79,[illegible]76
	$43,422	$40,727	$495,430	$618,4[illegible]2
Deduct -				
Tramway Operations	$ 350	$ 352	$ 2,736	$ 3,342
Outside Exploration	5,800	5,975	42,930	42,928
Selling Commission	2,200	3,085	33,512	24,[illegible]
Shutdown Expenses:				
Miami Plant	-	-	-	5,171
Oxide Concentrator	450	840	701	2,545
Flow Concentrator	200	54	1,502	4,520
	$ 9,400	$10,306	$ 81,381	$ 82,576
	$34,022	$30,421	$414,049	$535,[illegible]
Less - Depreciation	18,019	12,843	175,910	239,25[illegible]
NET INCOME	$16,003	$17,578	$238,139	$2[illegible]6,5[illegible]7

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INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - OCTOBER 28TH 1941

ESTIMATED NET INCOME - [illegible]

	Month of September 1941	Month of August 1941	Nine Mos. ended Sept. 30, 1941	Nine Mos. ended Sept. 30, 1940
REFINERY DEPARTMENT				
Profit on Tolls	$ 86,438	$ 89,367	$ 877,804	$ 669,968
Profit on Premiums	58,318	62,073	484,929	512,746
Profit on Sales	14,249	15,750	157,121	51,641
Electric Sheet Department	4,761	4,767	39,980	9,604
Miscellaneous Income	8,000	7,934	97,759	152,935
	$171,766	$179,891	$1,657,593	$1,395,894
Less - General Expenses	$ 2,200	$ 849	$ 10,345	$ 11,641
Experimental Expenses	-	-	16,598	23,977
Selling Expenses	1,075	1,177	14,546	3,702
	$ 3,275	$ 2,026	$ 41,489	$ 39,320
	$168,491	$177,865	$1,616,104	$1,356,574
Less - Depreciation	28,046	28,420	267,603	265,369
NET INCOME	$140,445	$149,445	$1,348,501	$1,291,205
SECONDARY METAL DEPARTMENT				
Proceeds of Copper Deliveries	$ 62,421	$ 89,724	$2,160,230	$4,091,933
M.U. Value at Date of Purchase	62,421	89,724	2,167,093	4,142,100
	$ -	$ -	$ 6,863	$ 50,167
Less Premiums in Excess of Quotations	2,322	3,887	97,244	-
Trading Profit	$ 2,322	$ 3,887	$ 104,107	$ 50,167
Add - Freight Differential	429	578	15,367	27,944
	$ 1,893	$ 3,309	$ 88,740	$ 22,223
Add - Operating Profit	1,444	12,339	62,738	171,414
	$ 3,337	$ 15,648	$ 75,952	$ 149,191
Less - Buying and Selling Expenses	759	1,079	24,219	46,010
	$ 5,036	$ 16,577	$ 50,171	$ 103,181
Less - Depreciation	1,017	1,035	18,750	23,230
NET INCOME	$ 7,111	$ 17,702	$ 66,421	79,951
Deliveries - Pounds	530,117	762,986	18,396,217	35,273,706
Trading Profit per pound	.438¢	.510¢	.566¢	.142¢
Freight Differential per pound	.081¢	.076¢	.084¢	.079¢
Net Operating Profit per pound	.735¢	1.589¢	.110¢	.290¢
Net Income per pound	1.342¢	2.323¢	.512¢	.227¢

INTERNATIONAL SMELTING AND REFINING COMPANY

INFORMATION FOR DIRECTORS' MEETING - OCTOBER [illegible] 1941

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

	Month of September, 1941	Month of August 1941	Nine Months ended Sept. 30, 1941	Nine Months ended Sept 30, 1940
LEAD REFINING DEPARTMENT:				
Operating Income	$ 6,000	$ 6,538	$ 126,877	$ 142,389
Less - Depreciation	3,800	4,093	34,290	35,773
NET INCOME	$ 2,200	$ 2,445	$ 92,587	$ 106,356
ZINC OXIDE DEPARTMENT:				
Sales of Zinc Oxide	$150,305	$184,978	$1,838,103	$1,580,728
Cost of Sales	153,949	180,840	2,075,700	1,558,730
	$ [illegible]	$ 4,138	$ [illegible]	$ 21,998
Less - Shutdown Expenses - Akron Plant	-	-	-	2,283
	$ [illegible]	$ 4,138	$ [illegible]	$ 19,715
Less - Depreciation	1,943	2,263	26,228	25,404
NET INCOME	$ [illegible]	$ 1,875	$ [illegible]	$ [illegible]
Pounds of Zinc Oxide Sold	2,045,555	2,382,553	27,608,499	26,745,074
Sales Price	7.348¢	7.763¢	6.658¢	5.911
Cost of Sales	7.526¢	7.590¢	7.518¢	5.829
WHITE LEAD DEPARTMENT:				
Sales of Lead Products	$153,528	$154,019	$1,225,708	$ 739,924
Cost of Sales	139,944	146,410	1,148,705	709,947
	$ 13,584	$ 7,609	$ 77,003	$ 29,977
Less - Depreciation	3,959	3,983	31,814	19,568
NET INCOME	$ 9,625	$ 3,626	$ 45,189	$ 10,409
Pounds of Lead Products Sold	1,875,296	1,895,869	15,176,836	9,262,224
Sales Price	8.186¢	8.126¢	8.076¢	7.989¢
Cost of Sales	7.463¢	7.725¢	7.569¢	7.665¢

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INTERNATIONAL SMELTING 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			1,960,249
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	758,179	
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	
Raritan Copper Works - Electro Sheet Department		5,722	335,298
Accounts Receivable:			
Anaconda Sales Company		$ 707,125	
Tolls		703,510	
Zinc Oxide		162,525	
Others		1,330,278	
		$2,903,438	
Reserve for Doubtful Accounts		43,269	2,860,169
Cash			255,374
			$10,162,522
CURRENT LIABILITIES:			
Taxes		$ 526,145	
Interest		226,750	
Accounts Payable:			
Inter-company:			
Anaconda Copper Mining Company - Notes Payable		2,500,000	
Others		27,285	
Other Accounts Payable		1,504,950	
Wages Payable		109,823	4,894,953
NET CURRENT ASSETS			$ 5,267,569
OTHER ASSETS:			
Advances to sundry mining companies, including advances on ores, less reserve		$ 109,532	
Instalment house and land sales and other accounts receivable, less reserve		51,847	161,379
BALANCE - NET CURRENT AND OTHER ASSETS			$ 5,428,948

PNYC 00011492

INTERNATIONAL SMELTING AND REFINING COMPANY

MEMORANDUM FOR DIRECTORS' MEETING - OCTOBER 28TH 1941

SALES, DELIVERIES AND PRODUCTION - ALL DEPARTMENTS

	Month of September 1941	Nine Months ended Sept. 30, 1941	Nine Months ended Sept. 30, 1940	Per Inc
SMELTER PRODUCTION:				
Copper - lbs. - Tooele:				
Custom	22,445	1,778,718	4,261,337	
Toll	2,685,806	28,460,127	28,358,623	
Miami:				
Custom	330,000	3,674,543	2,030,349	8(
Toll	5,011,201	47,790,388	37,612,341	2
	8,049,452	81,703,776	72,262,648	1
Lead - lbs. - Tooele	5,313,228	48,238,882	51,723,697	
SCRAP COPPER RECEIVED AT PERTH AMBOY:				
Recoverable Contents - lbs.	2,877,785	27,105,644	36,600,406	-
REFINERY PRODUCTION:				
Copper - lbs.	41,218,260	398,534,540	397,568,968	
Lead - lbs.	9,461,856	76,900,843	77,356,908	
Silver - ozs.	1,269,716	12,186,221	12,624,674	
Gold - ozs.	16,137	175,308	195,960	
SALES:				
Copper - lbs.				
Tooele	-	6,800,000	5,250,000	10
Miami	-	3,865,900	2,750,000	4
Raritan - Refinery	75,368	227,615	113,115	10
- Secondary	-	8,161,218	27,336,720	
	75,368	19,054,733	35,449,835	
Lead - lbs.	3,067,838	50,874,300	54,865,174	
DELIVERIES:				
Copper - lbs.				
Tooele	48,008	9,700,000	2,750,000	25
Miami	61,950	5,963,900	2,250,000	16
Raritan - Refinery	75,387	227,615	113,115	10
- Secondary	530,117	18,464,830	35,271,607	
	715,394	34,356,345	40,384,722	
Lead - lbs.	5,387,397	56,113,546	51,275,956	9
ZINC OXIDE:				
Production - lbs.	2,586,800	28,357,104	27,125,877	4
Deliveries - lbs.	2,404,600	27,969,804	26,748,243	4

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
			$10,500,000

PNYC 00011494