1948

FINANCIAL & OPERATING DATA Statistical Record, Fiscal Periods	6 mos to Dec. 31,'47	Year to June 30,'47	Year to June 30,'46	Year to June 30,'45	Year to June 30,'44	Year to June 30,'43	Year to June 30,'42
Earned per share—preferred	$22.04	--------	--------	--------	--------	--------	--------
—common	$1.26	$3.57	$1.95	$1.92	[4]$9.70	[4]$9.33	[4]$9.47 $7.25
Dividends per share—preferred	[1]$0.87½	--------	--------	--------	--------	--------	--------
—common	$0.90	$1.80	$1.30	[5]$2.50	$6.50	$6.75	--------
Price range—preferred	[2]113¾-111	--------	--------	--------	--------	--------	--------
—common	51¾-38	--------	51½-37⅝	49-37⅝	[3]38½-34	173-150	176-125
Net tangible assets per share—preferred	$316.69	--------	--------	--------	--------	--------	--------
—common	$27.76	$27.24	$26.05	$25.42	$124.37	$120.07	$117.69
Number of shares—preferred	47,115	--------	--------	--------	--------	--------	--------
—common	757,209	750,000	750,000	750,000	150,000	150,000	150,000
Financial & Operating Ratios							
Current assets ÷ current liabilities	3.17	2.57	4.40	2.91	2.84	2.18	2.00
% cash and securities to current assets	15.46	16.11	36.91	34.96	33.31	29.97	12.64
% inventory to current assets	61.17	61.47	42.61	43.71	41.28	42.90	61.42
% net current assets to net worth	60.31	39.94	49.35	40.88	35.14	28.93	27.68
% property depreciated	55.30	53.86	67.55	62.06	58.87	56.33	53.59
% annual deprn. depl. etc., to gr. prop.	1.87	3.48	4.35	6.79	6.92	6.48	4.72
Capitalization:							
% preferred stock	18.30	--------	--------	--------	--------	--------	--------
% common stock and surplus	81.70	100.00	100.00	100.00	100.00	100.00	100.00
Sales ÷ inventory	1.52	3.77	4.46	5.04	6.25	6.42	3.26
Sales ÷ receivables	4.72	10.67	9.28	10.32	10.14	10.15	7.71
% sales to net property	93.03	250.78	264.75	258.06	245.15	246.01	175.11
% sales to total assets	45.10	110.44	100.09	105.76	108.62	108.38	82.77
% net income to total assets	3.24	9.81	6.15	5.81	6.06	5.74	6.02
% net income to net worth	4.03	13.10	7.46	7.54	7.80	7.75	8.03
Analysis of Operations	%	%	%	%	%	%	%
Net sales	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	58.39	69.50	63.08	59.23	59.38	61.37	55.80
Selling, general and other expenses	19.74	16.88	17.22	14.49	13.55	12.48	15.00
Maintenance and repairs	9.26	--------	7.98	8.00	7.67	5.76	7.06
Depreciation, depl. & amortization	4.29	--------	5.08	6.93	6.87	6.10	5.80
Operating profit	8.33	13.62	6.65	11.34	12.53	13.00	16.34
Other income	3.12	0.63	1.35	1.78	2.17	1.43	1.65
Net income before income taxes	11.45	14.25	8.00	13.13	14.70	15.12	17.99
Income taxes and surtax	4.25	5.37	1.85	7.63	9.13	9.85	10.72
Net income	7.20	8.88	6.15	5.50	5.57	5.27	7.27

[1] Calendar years. [2] Issued in Aug., 1947. [3] $10 par stock; before 5-for-1 split, 190-160. [4] Giving effect of 5-for-1 split; 1944, $1.94; 1943, $1.87; [illegible] [5] Includes $1.50 paid on $50 par stock.

CAPITAL STOCK

1. Pennsylvania Salt Manufacturing Co. 3½% cumulative convertible preferred, series A; par $100:

AUTHORIZED—All series, 100,000 shares; outstanding, series A, 47,115 shares; par $100.

PREFERENCES—Has preference for assets and dividends.

DIVIDEND RIGHTS—Entitled to cumulative dividends of 3½% per share annually payable quarterly Feb. 1, etc., cumulative from Aug. 1, 1947.

DIVIDEND RECORD—Initial dividend of [illegible] paid Nov. 1, 1947. Regular dividends paid quarterly thereafter.

VOTING RIGHTS—Has no voting power (except as provided by law) unless six quarterly dividends are in arrears when preferred, voting as a class, is entitled to elect two additional directors.

Consent of [illegible] of preferred necessary to change provisions in any material respect adversely to preferred (like consent of any particular series affected also required), or create or increase any prior stock.

Consent of a majority of preferred necessary to [illegible] substantially all property or business, to increase authorized preferred or create or increase stock ranking equal thereto, or [illegible] preferred or permit any subsidiary to [illegible] other than to company or wholly-owned subsidiaries (except to retire funded debt, preferred or equal or prior stock, or preferred of subsidiaries) unless (1) consolidated net earnings (as defined) before interest on consolidated funded debt for any 12 consecutive months within 15 months next preceding, or annual average of such net earnings for next preceding three fiscal years, equal at least twice annual interest on all funded debt plus annual dividend requirements on all preferred and prior or equal stock and preferred of subsidiaries; and (2) consolidated net assets (as defined) as of a date not more than six months preceding plus proceeds of proposed issue equals at least twice outstanding funded debt plus total of all preferred and prior or equal stock and preferred of subsidiaries.

LIQUIDATION RIGHTS—In liquidation, entitled to $100 per share if involuntary or redemption price if voluntary, plus accrued dividends in either case.

PREEMPTIVE RIGHTS—None.

CONVERTIBLE—Into common to Aug. 1, 1957 (or if called, prior to such redemption date) on basis of 2½ common shares for each preferred share. Conversion privilege protected against dilution.

CALLABLE—As a whole or in part on not less than 30 nor more than 60 days' mailed notice at any time to each Aug. 1, incl., as follows (per share plus dividends):

1949....	$104	1951....	$103	1953....	$102
1955....	101	1957....	100½	[1]1957..	100

[1] After Aug. 1, 1957.

Unless default exists, company may acquire preferred at not to exceed redemption price; otherwise only in accordance with an offer to all preferred.

Preferred so redeemed or acquired may be reissued.

ADDITIONAL PREFERRED—May be issued in series of equal rank with provisions as fixed by directors subject to prescribed limitations.

LISTED—On New York and Philadelphia Stock Exchanges.

TRANSFER AGENT—J. P. Morgan & Co., Inc., New York, and company's office, Philadelphia.

REGISTRAR—Guaranty Trust Co., New York, and Girard Trust Co., Philadelphia.

PURPOSE—Proceeds used for expansion.

PRICE RANGE—1947, 113¾-111.

2. Pennsylvania Salt Manufacturing Co. common stock; par $10:

AUTHORIZED—1,000,000 shares; outstanding, 757,209 shares; par $10 (changed from $50 par Nov. 2, 1944, five $10 shares issued for each $50 share).

Dividend Record (in $)
(Calendar Years)

($50 par shares)					
1850-62	nil	1863-1914	[1]6.00	1915-16	4.00
1917...	4.50	1918-22..	5.00	1923...	5.50
1924-28	5.00	1929.....	6.00	1930...	5.00
1931...	3.50	1932-34..	3.00	1935...	4.00
1936...	8.50	1937.....	3.75	1938...	4.50
1939...	6.00	1940.....	9.00	1941...	8.00
1942...	6.75	1943.....	6.50	1944...	5.00
($10 par shares)					
1944...	0.30	1945...	1.30	1946...	1.80
1947...	1.80	[2]1948...	0.60		

[1] Plus 50% in stock 1864 and 25% in 1873.
[2] To June 16.

Dividends payable quarterly, Mar. 15, etc., to stock of record about Feb. 28, etc.

VOTING RIGHTS—One vote per share.

PREEMPTIVE RIGHTS — Has preemptive rights to subscribe to any further or additional shares.

LISTED—New York and Philadelphia Stock Exchanges.

TRANSFER AGENT—Guaranty Trust Co., New York and company's office, Philadelphia.

REGISTRAR—J. P. Morgan & Co., Inc., New York and Girard Trust Co., Philadelphia.

PRICE RANGE—	1947	1946	1945
Common	51¾-38	51½-37⅝	49-37⅝

Subscription Rights: Common stockholders of record July 15, 1947 had right to subscribe for 50,000 series A 3½% cumulative convertible preferred shares at $100 per share on basis of one preferred share for each 15 common shares held. Rights expired Aug. 4, 1947.

PITTSBURGH PLATE GLASS COMPANY

CAPITAL STRUCTURE

CAPITAL STOCK

Issue	Par Value	Amount Outstanding	Earned per Sh. 1947	Earned per Sh. 1946	Divs. per Sh. 1947	Divs. per Sh. 1946	Call Price	Price Range 1947	Price Range 1932-47
1. Common	$10	8,939,622 shs.	$3.11	$1.92	$1.70	$1.20	---	42⅞-32¼	[1]48¾-30

[1] Giving effect to 4-for-1 split in 1945; range from 1932 and to the split in 1945, 160½-12⅛.

HISTORY

Incorporated in Pennsylvania Aug. 24, 1883 and reincorporated in Pennsylvania Nov. 3, 1920 in a merger with the Patton-Pitcairn Co. and Columbia Chemical Co., both incorporated in Pennsylvania in Nov., 1929. For details of stock issued in [illegible] see Capital Stock—Issued. The Patton-Pitcairn Co. was a holding company owning all of the outstanding stocks of (1) Patton Paint Co. of Milwaukee, in which Pittsburgh Plate Glass purchased a 49% stock interest in [illegible] and subsequently acquired a majority; (2) Rearous Kleinle & Co., brush manufacturers, of Baltimore, in which Pittsburgh Plate Glass acquired a [illegible] stock interest in [illegible] and subsequently acquired a majority; (3) Pittsburgh Varnish Co., and (4) Corona Chemical Co. In the latter two concerns [illegible] a majority of [illegible] stock dividends [illegible] owned the entire capital stock of Red Wing Linseed Oil Co. [illegible] companies. At the time of merger, Pittsburgh Plate Glass owned [illegible] of the capital stock of Patton-Pitcairn Co. Columbia Chemical Co. was first organized in [illegible] by John Pitcairn, then Chairman of the Board of Directors of Pittsburgh Plate Glass Co. Its alkali plant at Barberton, O. began production in 1900.

Upon formation of the company in 1883 the first commercial plate glass factory in the United States was constructed at Creighton, Pa.

In 1895 additional plate glass factories were acquired, including those of Diamond Plate Glass Co., with factories at Kokomo and Elwood, Ind.

Seven branch warehouses were inaugurated in 1896 and shortly thereafter the business was expanded to include the distribution of all kinds of sheet and window glass purchased from others.

In 1902 began the production of plate glass at Courcelles, Belgium. (Closed early in 1940, after German invasion of Belgium.)

In 1902 began operation of a plate glass factory at Ford City, Pa. and in 1909 at Crystal City, Mo.

Production of sheet and window glass began in 1907 at Mount Vernon, O., through acquisition of the plant of Chambers Window Glass Co. Additional sheet and window glass factories were built in 1914 at Clarksburg, W. Va., and in 1930 at Henryetta, Okla.

In 1922 dissolved Red Wing Linseed Oil Co. and acquired its linseed oil and other properties.

At Creighton, Pa. late in 1924 completed the first unit of a new polished plate glass plant operating by a continuous process and in 1926 completed the second unit.

In May, 1924 completed construction of a Portland cement plant at Fultonham, O., with a daily capacity of 2,500 barrels. In May, 1927 plant capacity was increased to 5,000 barrels daily at a cost of about $1,500,000.

In early 1924 began the sale of nitrocellulose lacquers. In the same year increased the productive capacity of its Portland, Ore. paint factories and acquired the factories of Sunset Paint Co. of Los Angeles. In 1927 completed a four-year expansion program at the Milwaukee lacquer plant. In 1929 began operation of a lacquer plant at Newark, N. J.

In late 1927 the company and a subsidiary of E. I. du Pont de Nemours each acquired a 50% stock interest in Pittsburgh Safety Glass Co. (name subsequently changed to Duplate Corp.), which constructed a $1,000,000 plant at Creighton, Pa. for the manufacture of safety glass, using the company's plate glass and du Pont's plastic interlayer. In 1931 ac-

PLAINTIFF'S EXHIBIT
U-685

quired full [illegible] Corp.

In June, [illegible] Detroit, manufacturers of automobile finishes, [illegible] unit of the Paint Division.

In July, [illegible] modernization [illegible] plant at [illegible] completed a [illegible] at the Crystal City, [illegible] plant [illegible] In June, 1931 completed a plant at [illegible] polished plate glass and [illegible]

In 1928-29 [illegible] window glass [illegible] burg, W. Va., and Mt. Vernon, O. In 1929 began [illegible] sheet and window glass plant at Henryetta, Okla. In 1934 additions were made to all three window glass plants.

In 1929 began production of "Wonhide," a new [illegible] of paint.

In 1931, [illegible] American Cyanamid Co., formed Southern Alkali Corp. (in which the company owns a 51% stock interest through Columbia Development Corp. and American Cyanamid 49%). This company completed a $7,000,000 soda ash and caustic soda plant at Corpus Christi, Tex. in Oct., 1934. In Mar., 1935, Southern Alkali completed construction of a liquid chlorine plant at this location.

In Aug., 1936 began operation of a new liquid chlorine plant at the Barberton, O., factory of the Columbia Chemical Division and in Nov., 1936 at this location began operation of a bicarbonate of soda factory. In Oct. 1937 capacity of the [illegible] chlorine plant at Barberton was [illegible]

In 1936 began fabricating safety glass at Crystal City, Mo.

In 1937 constructed a paint plant at Milwaukee and acquired the [illegible] and business of The Thresher Varnish Co. at Dayton, O.

In Mar., 1937, jointly with Corning Glass Works [illegible] Pittsburgh Corning Corp. to manufacture [illegible] blocks, glass [illegible] plant at Port Allegany, Pa. [illegible] owns 50% of the $1,000,000 outstanding capital stock of this concern.

In 1938 exercised an option to purchase [illegible] shares of American Cyanamid Co. class B stock at $20 per share under an option [illegible] in 1931.

On June [illegible], 1938 dissolved [illegible] Corp., a wholly-owned subsidiary, [illegible] safety glass, and acquired its assets.

In July, 1943, Pittsburgh Corning Glass Corp. announced development of "Foamglass," a new type of opaque glass that floats like cork and can be used as buoyant element in construction of life boats, life preservers and pontoon bridge supports. Federal agencies are investigating its use as a substitute for cork, balsa wood, cellular rubber and kapok. It is also a heat insulator and is distributed Glass Co. since 1941.

In 1943 company's paint division developed several sealing types designed for use in the aircraft industry: "Pabseal," "Chromseal" and "Stratoseal."

In 1941 acquired majority interest in Murphy Paint Co., Ltd., and the business and factory of Pacific Alkali Co.

In Feb., 1946, acquired Merch Brush Mfg. Co., San Francisco, and in Mar., 1946, M. B. Suydam Co. (Pa.), a manufacturer of paint products, in exchange for 24,000 $10 par common shares of Pittsburgh Plate Glass Co. Both are now operated as divisions.

In Apr., 1947, acquired [illegible] Varnish Co., now operated as [illegible] Finishes Division, a unit of the Paint Division.

SUBSIDIARIES

Parent [illegible] company, the [illegible] subsidiaries [illegible] Columbia Development Corp. [illegible] securities [illegible] Corp. [illegible] etc. and the [illegible] plate glass plant in that country. As of Dec. 31, 1947, owned 100% of the voting control of the following:

Allied Paint & Glass Co.
Altoona Glass & Paint [illegible]
Anthony Wayne Glass Co.
C. A. [illegible]
Canonsburg Paint & Glass Co.
[illegible] Development Corp.
Southern Alkali Corp. (51%) [illegible]
Southern Minerals Corp. (26.32%) [illegible]
Southern [illegible] Corp. [illegible]
[illegible] Corp. (57.28%) [illegible]
Murphy Paint Co. Ltd. (Canada) (54.39%)
[illegible] Ltd. (Canada) (100%)
Southern [illegible] Corp. (51%)
Crystal City [illegible] Co. (Inactive)
Geneva Paint & Glass Co.
Indiana Manufacturing Co.
Ivoroid Mixed Paint Co. (Inactive)
H. W. Johns Paint Mfg. Co. (Inactive)
[illegible] Paint & Glass Co., Inc.
[illegible] Paints, Inc.
T. H. Nevin Corp.
Patton Paint Corp. (Inactive)
Pittsburgh Plate Glass Co. of Michigan
Pittsburgh Plate Glass Co. (Tenn.)
[illegible] Paint & Glass Co., Inc. (formerly Thomas V. Lackaye Paint & Glass Co.)
Queen City Paint & Glass Co.
The Rainey Stores, Inc.
Sewickley Hardware & Paint Co.
Societe Anonyme des Glaces de Courcelles (Belgium)
Sunset Paint Corp. (Inactive)
Thresher Paint & Varnish Co. (C.)
[illegible] Paint & Glass Co.
[illegible] Paint & Glass Co., Inc.

As of Dec. 31, 1947, owned less than 100% of the voting control of the following subsidiaries:

[illegible] Corp. (53.125%)
Southern Petroleum Corp. (51%)
[illegible] Paint & Varnish Co. (Inactive) [illegible]
[illegible] Canada, Ltd. (61.69%)

Equity of Pittsburgh Plate Glass Co. in [illegible] stock of Southern Minerals Corp., through Columbia Development Corp., is 51%. See appended statement.

[illegible] Owns 50% of voting control of Pittsburgh Corning Corp. (see History).

In 1934 acquired half interest in Vicry-Pittsburgh de Vidros e Cristais, a Brazil warehouse concern, and a minority interest in Companhia Paulista de Vidro Plano with a new window glass plant at Sao Paulo, Brazil. Also, together with Corning Glass Works, acquired minority interest in two other South American glass producing enterprises, Cristalerias Rigolleau (Buenos Aires) and Santa Marino Co. (Sao Paulo).

BUSINESS & PRODUCTS

Principal industries served are the automobile, which consumes the company's safety glass and finishes, and the building, which [illegible] paints, varnishes, brushes, window glass, plate glass and mirrors.

Ranks as one of the two leading producers of plate glass (capacity 100,000,000 sq. ft. [illegible]), which is used principally by the automobile industry in the form of safety glass which comprises two sheets of plate glass pressed together with a plastic interlayer. Plate glass is also used for store fronts, mirrors, etc. Ranks as one of the leading producers of sheet or window glass, sold under the trade name Pennvernon. Chief raw materials of this division are soda ash, sand, limestone and vinyl plastic.

Ranks as one of the leading producers of paint, varnish, lacquer and brushes, which are sold in large quantities to automobile companies and other industrial consumers as well as for general trade purposes in painting of new houses and in home rehabilitation. Chief raw materials of this division are linseed oil and other solvents, colors, metallic pigments, etc.

Ranks as one of the leading producers of soda ash, which is used in the manufacture of glass, soap, oil, textiles, drugs, pulp and paper and in water softening, purification processes and cleaning operations, and of caustic soda, which is used in the manufacture of soap, chemicals, rayon, lye, textiles, and in petroleum refining and rubber reclaiming. Other products of the chemical division include (1) liquid chlorine, used largely in the production of chemicals, textiles and paper, and in water purification (2) modified sodas (3) special alkalis (4) calcium chloride [illegible] and soda briquettes, used for desulphurizing pig and cast iron (6) salt for industrial uses (7) calcium hypochlorite, used for water purification (8) Calcene or Silene, used for rubber compounding, and (9) borax used in cleaning. Principal raw materials of this division are salt and limestone.

Relatively minor divisions of the business comprise the manufacture of Portland cement, dry colors, insecticides, fungicides and seed grain disinfectants. Products are distributed through 187 warehouses and stores located throughout the country.

PRINCIPAL PLANTS & PROPERTIES

For details on property acquisition, construction, etc., see History.

Plate glass manufacturing plants are located at Creighton and Ford City, Pa.; Crystal City, Mo., and Courcelles, Belgium (closed early in 1940, after German invasion of Belgium). Plate glass from the Creighton and Crystal City plants is used in the fabrication of the company's safety glass. Window glass factories are located at Henryetta, Okla.; Mount Vernon, O., and Clarksburg, W. Va.

Paints are manufactured at Milwaukee, Wis.; Detroit, Mich.; Newark, N. J.; Portland, Ore.; Dayton, O.; Houston, Texas; Los Angeles, Cal.; Pittsburgh and Springdale, Pa. and by subsidiary at Montreal. Varnishes and lacquers are produced at Milwaukee, Dayton, Detroit, Newark, Houston, Cleveland and Los Angeles. Linseed oil mills are operated at Red Wing, Minn.; Newark, N. J., and by subsidiary at Montreal. Paint and other brushes are produced at Baltimore, Md., Keene, N. H. and San Francisco, Cal.

A store front metal factory is located at Kokomo, Ind.

Alkalis and other chemicals are produced at Barberton, O., Bartlett, Calif., and at Natrium (near New Martinsville), W. Va. (plant purchased from RFC in exercise of option), also through a subsidiary, Southern Alkali Corp. at Corpus Christi, Tex.

In Dec., 1947, Southern Alkali Corp. completed a plant at Lake Charles, La., for manufacture of chlorine and caustic soda.

Other activities include a cement plant at Zanesville, O. (2,000,000 bbls. yearly capacity); the manufacture of dry colors, insecticides, fungicides and seed germ disinfectants at Milwaukee; sand mines at Crystal City, Mo.; limestone quarries at Fultonham, O., and gas properties and gas lines at Ford City, Pa. In addition, 194 warehouses and stores are operated for the distribution of glass, paint, etc. Research laboratories are located as follows: Glass at Creighton, paints at Milwaukee, Newark and Detroit, chemicals at Barberton.

Pittsburgh Corning Corp., a 50% owned company, has a glass block producing plant at Port Allegany, Pa.

A subsidiary has property in Belgium.

MANAGEMENT

Officers

C. M. Brown, Chairman of Board and of Finance Comm.
H. B. Higgins, President
R. B. Tucker, Exec. Vice-President
E. T. Asplundh, Vice-Pres. (Chemical and Cement Divs.)
D. C. Burnham, Vice-Pres. (Merchandising Div.)
Leland Hazard, Vice-Pres. & Gen. Couns.
J. H. Heroy, Vice-Pres. (Brush Div.)
F. W. Judson, Vice-President
E. D. Griffin, Vice-Pres. (Paint Div.)
J. A. Wilson, Vice-Pres. (Glass Manufacture)
W. V. Simmons, Treasurer
H. B. Brown, Secretary
C. R. Fay, Comptroller
M. E. Carlisle, Purchasing Agent
R. D. Boie, Chief Engineer
Guy Berghoff, Advertising Manager
H. J. Henshaw, Export Manager
W. R. Harper, Sales Mgr.—Glass Div.
W. I. Galliher, Sales Mgr.—Chem. Div.
E. D. Peck, Sales Mgr.—Paint Div.

Directors

Clarence M. Brown, Philadelphia
Howard B. Brown, Philadelphia
E. T. Asplundh, Pittsburgh
E. D. Griffin, Pittsburgh
Leland Hazard, Pittsburgh
J. H. Heroy, New York
H. B. Higgins, Pittsburgh
Richard K. Mellon, Pittsburgh
Harold F. Pitcairn, Philadelphia
Raymond Pitcairn, Philadelphia
R. B. Tucker, Pittsburgh

General Counsel: Leland Hazard
Annual Meeting: First Wednesday in April.
No. of Stockholders: Dec. 31, 1947, 12,960.
No. of Employees: Dec. 31, 1947, 24,319.
General Office: Grant Bldg., Pittsburgh 19.

INCOME ACCOUNTS

COMPARATIVE CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31
(Taken from reports to Securities and Exchange Commission)

	1947	1946	1945	1944	1943	1942	1941
Net sales	[illegible]	[illegible]	$144,100,141	$142,616,765	$119,383,530	$106,836,345	$126,004,011
Cost of goods sold	[illegible]	[illegible]	82,261,151	78,526,439	67,958,181	58,883,339	63,246,845
Other manufacturing costs	[illegible]	[illegible]	20,476,565	21,027,224	14,303,718	12,793,068	17,190,21[illegible]
[illegible] from operations	[illegible]	57,[illegible]	41,371,026	42,093,202	37,121,031	35,159,938	47,566,94[illegible]
Gross profit from auxiliary oper.	[illegible]	[illegible]	63,911	254,523	574,289	----	--------
Total profit	[illegible]	[illegible]	41,434,937	42,347,725	37,695,320	35,159,938	47,566,94[illegible]
Selling, general & admin. expenses	[illegible]	[illegible]	23,079,716	18,562,173	16,392,378	17,271,800	18,788,70[illegible]
Operating profit	[illegible]	31,590,945	18,355,221	23,785,552	21,303,542	17,888,138	28,778,23[illegible]

INCOME ACCOUNTS (cont'd)	1947	1946	1945	1944	1943	1942	1941
Interest and dividends received	[illegible]	[illegible]	1,710,127	[illegible]	[illegible]	1,109,913	1,298,554
Royalties received	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	58,317	88,352
‡Other income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	148,898	303,017
Gross income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	19,206,264	30,479,852
‡Income deductions	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	458,132	307,674
Balance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	18,748,132	30,172,178
Federal income taxes	[illegible]	[illegible]	[illegible]	[illegible]	7,100,000	7,000,000	6,750,000
State income taxes	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	361,000	1,183,000
Federal excess profits tax	-------	---- ---	[illegible]	[illegible]	3,000,000	182,800	7,250,000
‡Prior years tax adjustment net	-------	-------	cr 1,150,000	cr 335,222	cr 300,000	cr 2,800	-------
Post-war refund—excess profit tax	-------	-------	-------	-------	-------	-------	-------
‡Pension [illegible]	[illegible]	-------	-------	-------	-------	-------	-------
Net income to surplus	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	11,237,132	14,089,178
Earned surplus beginning of year	[illegible]	[illegible]	[illegible]	[illegible]	57,296,899	53,767,156	51,056,658
Dividends	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	7,707,389	10,961,175
‡Other surplus charges	[illegible]	[illegible]	[illegible]	-------	-------	-------	1,317,505
Earned surplus, end of year	[illegible]	[illegible]	[illegible]	[illegible]	$61,551,595	$57,296,899	$53,767,156
SUPPLEMENTARY P. & L. DATA							
Depreciation, depletion & amortization	[illegible]	[illegible]	$5,355,125	[illegible]	[illegible]	$5,544,877	$4,965,610
‡Maintenance and repair	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	4,997,842	4,021,271
‡Taxes other than income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	2,604,340	3,159,459
Rents	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	458,525	469,634
Royalties	[illegible]	[illegible]	176,121	[illegible]	227,416	176,844	194,651
Provision for bad debts (net)	[illegible]	[illegible]	477,055	[illegible]	92,525	223,531	275,495
Parent company's net sales	Not stated	[illegible]	$136,551,189	[illegible]	[illegible]	$98,986,541	$116,028,062
Parent company's net income	-------	[illegible]	[illegible]	[illegible]	[illegible]	11,241,864	14,437,062
Equity in earnings of subs. consol.	-------	[illegible]	1,654,087	[illegible]	[illegible]	758,018	1,816,352
Dividends from subs. consolidated	-------	[illegible]	763,560	[illegible]	[illegible]	751,961	1,244,221
‡Equity in earnings of subs. not consol.	[illegible]	2,095,463	1,568,517	1,251,757	[illegible]	626,514	675,729
Dividends from subs. not consolidated	[illegible]	[illegible]	741,535	357,580	[illegible]	267,100	287,225

‡Gross sales less discounts, returns and allowances and includes following sales to unconsolidated subsidiaries: [illegible]

‡Includes related portions of items shown under "Supplementary P. & L. Data" below statement.

‡As of Jan. 1, 1941 company adopted policy of taking up income from subsidiaries only when received as dividend, and eliminated previously recorded equity in undistributed surplus of such subsidiaries. Company's share of undistributed net profits of nonconsolidated subsidiaries for 1947 was [illegible]; which amount was not included in income account. Also see note ‡.

‡1947: Includes $992,254 write-off of excess of cost of investments in subsidiaries over net worth at dates of acquisition; [illegible] write-off of unrecovered cost of depletable property and [illegible] interest on additional prior years Federal income taxes.

1946: Includes $4,000,000 provision for possible market decline in inventories and [illegible] write-off of excess of cost of two subsidiaries purchased in 1946 over net worth at dates of acquisition.

‡Appropriation required to change from cash to reserve basis of providing for uninsured pensions and relief.

‡In 1945 consisted of transfer to stated capital in connection with exchange of four $10 par shares for each former $25 par share. In 1941, consisted of adjustment to eliminate equity in undistributed surplus of subsidiaries not consolidated. Also see note ‡.

‡Includes social security taxes: 1947, $1,597,[illegible]; 1946, [illegible]; 1945, [illegible]; 1944, $1,120,[illegible]; 1943, [illegible]; 1942, $1,002,635.

‡Includes provisional charges for repairs and maintenance: 1941, $1,901,217; 1942, $1,569,324; 1943, [illegible]; 1944, $137,066; 1945, $123,677; 1946, [illegible]; 1947, $416,835.

‡Complete information not available with respect to company's equity in net profit or loss of its foreign (Belgium) subsidiary for 1947 and prior years.

‡1944: Includes $750,000 provision for contingencies.

‡Refunds for prior years of Federal income and excess profits taxes, resulting from accelerated amortization.

Record of Earnings, years ended Dec. 31:

Year	Net Sales	Cost and Expenses	Operating Profit	Oth. Inc. & Ded. (Net)	Inc. Bef. Taxes	Income Taxes	Net Income	Common Dividends	Com. Shs. Outstand.	Earn. Per Com. Sh.
1935	[illegible]	[illegible]	$12,795,582	$921,279	[illegible]	[illegible]	$11,298,[illegible]	$6,426,070	2,142,353	$5.32
1936	[illegible]	[illegible]	16,842,693	[illegible]	[illegible]	3,448,731	[illegible]	[illegible]	2,142,443	7.15
1937	[illegible]	[illegible]	20,121,735	2,438,207	[illegible]	[illegible]	[illegible]	[illegible]	2,142,633	8.53
1938	[illegible]	[illegible]	4,903,884	3,128,686	[illegible]	1,542,[illegible]	[illegible]	3,770,272	2,158,764	3.01
1939	[illegible]	[illegible]	12,757,892	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	4.94
1940	97,[illegible]	[illegible]	18,333,291	1,302,120	[illegible]	5,811,474	13,793,[illegible]	10,969,174	2,168,040	6.30

BALANCE SHEETS

COMPARATIVE CONSOLIDATED BALANCE SHEET, AS OF DEC. 31
(Taken from reports to Securities and Exchange Commission)

ASSETS	1947	1946	1945	1944	1943	1942	1941
Cash	$20,014,780	[illegible]	$12,193,362	[illegible]	[illegible]	$13,571,430	$11,289,770
‡U. S. Government securities	[illegible]	[illegible]	[illegible]	[illegible]	13,122,670	3,992,820	5,836,730
‡Other marketable securities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	5,115,648	7,607,800
‡Notes & accts. receiv. accrued, etc.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	8,395,852	11,608,068
Refund of prior Federal inc. taxes	-------	-------	[illegible]	-------	-------	-------	-------
‡Inventories	[illegible]	[illegible]	[illegible]	27,191,[illegible]	[illegible]	25,550,115	25,455,005
Total current assets	[illegible]	[illegible]	$79,915,291	79,920,110	[illegible]	$59,025,963	$61,797,173
Sec. & advances to unconsol. subs.	[illegible]	[illegible]	[illegible]	7,293,[illegible]	6,027,810	$7,331,210	$7,809,792
Invest. in foreign subs. not consol.	[illegible]	[illegible]	[illegible]	1	1	1	1
Miscellaneous investments	[illegible]	[illegible]	7,927,[illegible]	7,100,570	[illegible]	4,007,420	3,806,987
Non-current notes & accounts (net)	[illegible]	[illegible]	1,423,060	1,182,034	1,061,675	853,429	1,170,890
‡Property, plant & equip.	[illegible]	[illegible]	132,164,100	[illegible]	[illegible]	124,837,675	121,174,100
‡Less: Deprec., depl. & amort. res.	[illegible]	[illegible]	73,809,[illegible]	[illegible]	[illegible]	59,444,118	54,720,350
Less: Extraord. obsol. res.	[illegible]	1,356,[illegible]	1,353,949	[illegible]	[illegible]	1,353,949	1,353,949
Net property	[illegible]	[illegible]	57,000,156	[illegible]	[illegible]	64,039,610	65,099,801
Patents	1	1	1	1	1	1	1
Deferred charges	3,2[illegible],675	[illegible]	1,906,710	1,645,767	1,701,077	1,268,381	1,705,065
Total	$2[illegible],670,528	[illegible]	$154,425,374	$155,105,[illegible]	[illegible]	$135,546,025	$141,388,710
LIABILITIES							
Accounts payable, trade	[illegible]	[illegible]	$5,157,577	[illegible]	$4,572,902	$2,730,316	$3,383,172
Notes payable	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	18,315	15,500
Accrued taxes	[illegible]	[illegible]	[illegible]	15,600,896	[illegible]	10,302,769	17,685,013
Other payables and accruals ‡	[illegible]	[illegible]	[illegible]	2,765,277	1,408,[illegible]	1,274,240	1,418,353
Total current liabilities	[illegible]	[illegible]	$13,116,767	$23,230,[illegible]	[illegible]	$14,325,640	$22,505,037
Collected on installment sales	[illegible]	[illegible]	43,949	[illegible]	79,[illegible]	[illegible]	363,092
Deferred credits	[illegible]	[illegible]	28,[illegible]	[illegible]	172,878	167,547	168,043
Reserve for contingencies	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	4,931,365	4,931,365
Insurance reserve	[illegible]	[illegible]	2,353,201	[illegible]	[illegible]	2,368,905	2,208,691
Pension and relief reserve	[illegible]	-------	-------	-------	-------	-------	-------
Reserve for maint. & repairs, etc.	[illegible]	[illegible]	1,801,934	[illegible]	[illegible]	1,633,174	1,930,079
Minority interest	-------	-------	-------	-------	[illegible]	2,534	3,207
Capital stock (par $25)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	55,218,075	54,060,950
Paid-in surplus	[illegible]	[illegible]	[illegible]	770,[illegible]	[illegible]	525,000	525,000
Earned surplus	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	57,295,899	53,757,156
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	$135,546,025	$141,388,710
Net current assets	[illegible]	[illegible]	[illegible]	$56,[illegible]	$52,032,412	$44,700,323	$39,292,136
PROPERTY ACCT.—ANALYSIS							
Additions at cost	[illegible]	[illegible]	$4,241,512	[illegible]	[illegible]	$4,726,459	$8,931,543
Retirements or sales	[illegible]	[illegible]	[illegible]	[illegible]	1,291,[illegible]	1,067,128	1,876,[illegible]
‡Depreciation and depletion	-------	-------	-------	-------	-------	-------	52,705,620
Other additions	[illegible]	[illegible]	51,291	21,350	46,922	4,241	cr 6,123
DEPR., DEPL. & AMORT. RES.—ANALYSIS							
Charged to profit & loss	[illegible]	[illegible]	[illegible]	$5,460,[illegible]	[illegible]	$5,510,539	$4,956,610
‡Charged to other accounts	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	4,341	51,351,671
Retirements, renewals & replace.	[illegible]	[illegible]	[illegible]	857,[illegible]	[illegible]	825,132	1,509,170
Other changes	-------	-------	-------	-------	cr 1,2[illegible]	dr 34,138	dr 239

[illegible]Lower of cost or market. Market value, [illegible]

[illegible] cost or market. Market value, [illegible]

[illegible] reserves (1947, $1,912,862).

[illegible]At less than cost or market. At Dec. 31, 1947 [illegible] Finished goods, $25,5[illegible]; work in process, $4,1[illegible]; raw materials, $1,[illegible]; [illegible] repair parts, $2,[illegible]; total, $32,396,115.

[illegible]

Used in Business:	Property	Reserves
Land [illegible]	[illegible]	--------
Land [illegible]	1,128,220	$362,099
Salt, etc. depos. & gas res.	2,188,835	1,818,739
Bldgs. & impr.	42,010,675	21,455,637
Mach. & equip.	9[illegible],715,170	57,759,036
Construction	[illegible]	--------
Unused facilities	4[illegible],534	103,918
Other property	2,415,909	1,195,759
Total	$164,172,925	$82,675,989

[illegible]1941: Represents adjustments to restate property accounts at appraised value at Dec. 31, 1936, plus subsequent additions at cost; credits to depreciation reserve, $51,351,671; net credit to reserve for extraordinary obsolescence reserve, $1,353,949.

Depreciation Policy: Provision for depreciation of depreciable assets was made at various annual rates, which are based on the estimated useful lives of the respective items. Computed composite annual depreciation rates for 1947, based on provisions for year and balances in adjusted property accounts at beginning of year, plus one-half of net additions for year, follow: Used in business: land improvements, 5.34%; buildings and building equipment, 3.04%; machinery and equipment, 4.78%; not in operation: Buildings, 2.90%; machinery and equipment, 2.06%; other real estate, land and dwellings for employees (including land and dwellings under contract of sale), and investment property: Land improvements, 3.46%; buildings and building equipment, 3.21%; machinery and equipment (all fully depreciated), none.

Provision for depletion of salt, limestone, clay and coal deposits, etc. for 1947 was equivalent to cost of such resources recovered during year (that cost being computed on basis of ratio of resources recovered to total recoverable resources estimated by company's engineers).

General Notes

(a) Accounts certified by Haskins & Sells.

(b) Above consolidated statements include all domestic subsidiaries whose business policies and operations are directed by the parent through its organization, except Southern Alkali Corp. and Southern Minerals Corp. Company's Belgian subsidiary is not included in accordance with practice established in 1940. Company's other two foreign subsidiaries (Canadian) are not included on basis of being considered not significant.

Net excess of equity of company and consolidated subsidiaries in net assets of domestic and Canadian subsidiaries not consolidated over carrying value of investments therein amounted to $9,635,024 at Dec. 31, 1947.

FINANCIAL & OPERATING DATA

Statistical Record	1947	1946	[a]1945	1944	1943	1942	1941
Earned per share	$3.11	$1.02	$1.53	$6.08	$6.06	$5.09	$6.82
Dividends per share	$1.70	$1.20	[b]$4.25	$4.25	$3.00	$3.50	$5.00
Price range	42⅞-32¼	48¾-30	[c]44¼-39⅜	125¾-95	98-64¾	86½-55¼	96¼-55
Net tangible assets per share	$16.62	$15.12	$14.27	$55.15	$53.24	$51.18	$49.70
Number of shares	8,939,622	8,899,622	8,852,224	2,211,306	2,206,723	2,208,723	2,198,438
Financial and Operating Ratios							
Current assets÷curr. liabilities	2.29	2.82	4.41	3.44	3.74	4.12	2.75
% cash & securities to curr. assets	31.02	36.99	52.52	52.38	51.53	42.32	40.02
% inventory to curr. assets	60.62	44.56	35.21	34.02	34.02	43.46	41.19
% net curr. assets to net worth	38.56	40.18	48.92	46.49	44.73	39.54	35.96
Capitalization:							
% common stock & surplus	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Sales÷inventory	5.03	4.95	5.65	5.23	4.80	4.16	5.03
Sales÷receivables	14.05	11.95	15.32	13.65	12.05	12.72	11.03
% sales to net property	326.36	258.56	252.82	244.98	198.01	166.83	196.63
% sales to total assets	127.02	106.13	9.33	91.58	81.65	78.24	90.53
% net income to total assets	13.44	9.80	8.77	8.65	9.16	8.23	10.69
% net income to net worth	18.70	12.68	10.72	11.03	11.39	9.94	13.72
Analysis of Operations	%	%	%	%	%	%	%
Net sales	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Costs, goods & manufacturing	64.93	68.68	71.29	70.53	68.91	67.09	62.84
Gross profit from products	35.07	31.32	28.71	29.47	31.09	32.91	37.16
Gross profit from aux. operations	--------	--------	0.04	0.17	0.43	----	----
Total profit	35.07	31.32	28.75	29.64	31.57	32.91	37.16
Sell., gen. & adm. expenses	13.71	14.21	16.01	12.99	13.73	16.17	14.68
Operating profit	21.36	17.11	12.74	16.65	17.84	16.74	22.48
Other income	0.96	2.22	1.56	1.56	2.09	1.23	1.33
Gross income	22.32	19.33	14.29	18.21	19.93	17.97	23.81
Income deductions	0.89	2.51	0.13	0.07	0.21	0.43	0.24
Net income before income taxes, etc.	21.43	16.82	14.16	18.14	19.72	17.54	23.57
Provision for taxes on income	9.52	7.58	4.76	8.72	8.51	7.03	11.86
Pension, etc., res	1.32	--------	--------	--------	--------	--------	--------
Net income	10.58	9.24	9.40	9.42	11.21	10.51	11.71

[a]On Dec. 15, 1945, four $10 par shares were issued in exchange for each $25 par share. Statistical record for 1945 applies to $10 par shares except for dividends.

[b]Applies to $25 par shares.

[c]$10 par shares; $25 par shares, 160½-117.

CAPITAL STOCK

1. Pittsburgh Plate Glass Co. stock; par $10:

AUTHORIZED — 12,500,000 shares (increased from 2,000,000 shares Dec. 15, 1945); outstanding, Dec. 31, 1947, 8,993,622 shares; par $10 (changed from $100 par Oct. 9, 1928, four $25 par shares issued in exchange for each $100 par share; changed from $25 par Dec. 15, 1945, four $10 shares issued for each $25 share).

At Dec. 31, 1946, Pitcairn Co. owned beneficially 32.2[illegible]% of outstanding shares.

Dividend Record (in $)

($100 par shares)

1883-98	Nil	1893	5.00	1900-06	6.00
[a]1907-17	7.00	1918	10.00	1919	7.25
[b]1920	12.00	1921	8.00	1922	13.00
[c]1923-26	18.00	1927	13.00	1928	6.00

($25 par shares)

[d]1928	0.50	1929	3.00	1930	2.00
1931	1.75	1932	0.75	1933	0.70
1934	1.20	1935	2.90	1936	6.00
1937	6.50	1938	1.75	1939	4.00
1940-41	5.00	1942	3.50	1943	4.00
1944-45	4.25				

($10 par shares)

1946	1.20	1947	1.70	[e]1948	0.50

[a]Plus 10% in stock Apr., 1917.
[b]Plus 20% in stock Dec., 1920.
[c]Plus 30% in stock Jan., 1923.
[d]Plus 10% in stock Dec. 1, 1928.
[e]To July 2.

Dividends payable quarterly Apr. 1, etc., to stock of record about Mar. 10, etc.

PREEMPTIVE RIGHTS—As provided by the statutes of the Commonwealth of Pennsylvania.

LISTED—On New York and Pittsburgh Stock Exchanges.

TRANSFER AGENTS—Peoples First National Bank & Trust Co., Pittsburgh; City Bank Farmers Trust Co., New York.

REGISTRARS—Mellon National Bank & Trust Co., Pittsburgh; Guaranty Trust Co., New York.

DIVIDEND PAYING AGENT—Peoples First National Bank & Trust Co., Pittsburgh.

ISSUED—Upon reincorporation in 1920, 307,342 shares of new $100 par stock were issued as follows: 247,500 shares to holders of old $100 par common on a share for share basis; 1,540 shares to holders of old 12% preferred on the basis of two shares for each share held; 47,728 shares to stockholders of Columbia Chemical Co. on the basis of 8/10 of a share for each share held; 10,574 shares to minority stockholders (46%) of Patton-Pitcairn Co. on a share for share basis.

PRICE RANGE—	1947	1946	[a]1945
Stock:	42⅞-32¼	48¾-30	44¼-38⅜

[a]After 4 for 1 split; before, 160½-117.

SOUTHERN ALKALI CORPORATION

(Controlled jointly by Pittsburgh Plate Glass Co. (51%) and American Cyanamid Co. (49%))

History: Incorporated in Delaware Apr. 20, 1931.

Business: Manufactures heavy chemicals.

Property: Plants located in Corpus Christi, Tex. and Lake Charles, La. Salt brine for manufacture at Corpus Christi plant is piped from company's own wells and natural gas for power is provided from company's nearby field.

Control: Capital stock jointly owned (51% and [illegible]% respectively) by Pittsburgh Plate Glass Co. ([illegible] preceding statement) (through Columbia Development Corp., wholly-owned subsidiary) and American Cyanamid Co. (see general [illegible]).

Subsidiary: Southern Pipe Line Corp., wholly-owned.

Also [illegible] a [illegible]% interest in Southern Minerals Corp. [illegible] owned by Columbia Development Corp., parent of Southern Alkali Corp. and wholly-owned subsidiary of Pittsburgh Plate Glass Co.

Officers: [illegible] F. Pitcairn, Pres.; C. M. Brown, [illegible]; E. T. Asplundh, [illegible]; J. H. Hercy, Sec.; [illegible]

Directors: C. M. Brown, Raymond Pitcairn, [illegible] E. W. [illegible], W. B. Bell, F. T. [illegible], H. D. [illegible], F. M. [illegible], Jr., R. C. [illegible], J. H. [illegible], K. C. Towe.

Annual Meeting: Third Wednesday in April.

Office: Corpus Christi, Tex.

[a]**Combined Income Account, years ended Dec. 31:**

	1947	1946
Net sales	$41,325,107	$27,364,105
Rentals & services	97,721	86,274
Gross oper. inc.	41,422,828	27,450,379
Cost of sales	26,712,447	17,330,581
Selling, etc., exp.	1,831,493	1,304,685
Depreciation	1,655,289	1,271,846
Depletion	778,732	768,362
[b]Retirement loss	604,021	294,042
Undev. lshld. rent.	80,299	58,094
Net oper. income	9,760,549	6,422,789
Other income	64,002	328,599
Total income	9,824,550	6,751,388
Debt interest	169,100	182,390
Other interest	121,220	29,268
Sundry deductions	23,600	11,678
Fed. income tax	3,084,838	1,759,846
Fed. tax adjust.	cr 21,197	dr 124,834
State income tax	133	193
Net income	6,450,726	4,613,399
Surplus, 1-1	12,971,187	9,062,720
[c]Dividends	1,657,895	736,842
Surplus, 12-31	17,732,028	12,939,187
Times chgs. earn.:		
Before inc. tax.	33.97	31.83
After inc. tax.	22.30	22.79
Earned per share	$64.51	$46.13
Number of shares	100,000	100,000

[a]Southern Alkali Corp. and subsidiary consolidated and Southern Minerals Corp. (affiliated company). Taken from reports to SEC.

[b]Dry holes and abandonments.

[c]Southern Minerals Corp. Amount shown as charge against surplus excludes $592,106 (1946, $263,158) paid to Southern Alkali Corp. eliminated against income of that company.

[a]**Combined Balance Sheet, as of Dec. 31:**

Assets:	1947	1946
Cash	$6,793,238	$3,771,187
Working funds	4,115	3,775
Receivables, net	4,673,666	2,065,287
Exc. prof. tax ref.	85,223	--------
[b]Finished chem.	209,734	111,060
[b]Crude oil	1,503,860	914,295
[b]Refined prod.	8,352	2,932
[b]Mater. & suppl.	1,493,682	903,030
Raw mat. adv.	2,300	2,800
Total current	$14,973,070	$7,774,965
Investments	103,251	103,251
Plant & equip.	42,574,191	35,660,695
Depreciation	11,601,407	9,789,498
Depletion	5,661,917	5,632,501
Net property	26,210,837	20,238,696
Deferred charges	1,329,214	323,495
Total	$42,616,371	$28,440,406
Liabilities:		
[c]Notes payable	--------	$500,000
Accounts payable	$3,420,590	1,882,050
Due affiliates	65,823	3,469