NATIONAL LEAD COMPANY

REPORT

FOR FISCAL YEAR ENDING DECEMBER 31st, 1904

PRINCIPAL OFFICE:
1 EXCHANGE PLACE, JERSEY CITY, N. J.

EXECUTIVE OFFICES:
100 WILLIAM STREET, NEW YORK CITY.

National Lead Company.
1 Exchange Place, Jersey City, N.J.

Report presented to the Stockholders at their Thirteenth Annual Meeting. April 20, 1905, for the fiscal year ending December 31, 1904.

To the Stockholders of National Lead Company:

The following Balance Sheet shows the condition of the Company on December 31, 1904.

Assets

Plant Investment		$24.133.521.95
Other Investments		893.728.82
Stock on hand, manufactured, in process and raw		6.307.951.58
Treasury Stock — Common	94.600.00	
— Preferred	96.000.00	190.600.00
Cash in Banks		396.215.84
Notes Receivable		154.750.20
Accounts Receivable		1.631.441.66
		$33.708.205.05

Liabilities.

Capital Stock — Common	15.000.000.00		
— Preferred	15.000.000.00	30.000.000.00	
Surplus, December 31, 1904.		2.515.242.87	
Mortgages		12.603.25	
Notes Payable		1.052.000.00	
Accounts Payable		128.357.93	$33.708.205.05

A comparison with the preceding year is given in the following statement:

Assets.

	Dec. 31, 1903	Dec. 31, 1904.	Increase	Decrease
Plant Investment	24.143.298.55	24.133.521.95		9.776.60
Other Investments	618.150.09	893.723.82	275.573.73	
Stock on Hand	5.910.486.48	6.307.951.58	397.465.10	
Treasury Stock	190.600.00	190.600.00		
Cash in Bank	150.104.52	396.215.84	246.111.32	
Notes Receivable	174.088.53	154.750.20		19.338.33
Accounts Receivable	1.519.423.12	1631.441.66	112.018.59	
	$32.706.151.29	$33.708.205.05	$1.031.168.69	$29.114.93

Liabilities

	Dec. 31, 1903.	Dec. 31, 1904	Increase	Decrease
Capital Stock	30.000.000.00	30.000.000.00		
Surplus	1.962.831.04	2.515.243.87	552.412.83	
Mortgages	12.603.25	12.603.25		
Notes Payable	600.000.00	1.052.000.00	452.000.00	
Accounts Payable	130.717.00	128.357.93		2.359.07
	$32.706.151.29	$32.708.205.05	$1.004.412.83	$2.359.07

Surplus Account

Surplus, December 31, 1903		1.962.831.04
Net Earnings during 1904		1.595.692.83
		3.558.523.87
Dividends paid during 1904		
On Preferred Stock		
March 15 - - - - - -	260.820.00	
June 15 - - - - - -	260.820.00	
Sept. 15 - - - - - -	260.820.00	
Dec. 15 - - - - - -	260.820.00	1.043.280.00
Surplus, December 31, 1904 - - -		$2.515.243.87

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The foregoing statements exhibit the financial status of your Company at the close of the sixteenth fiscal year, December 31, 1904. On an increased volume of business in every department of manufacture the results show net earnings of \$1.595.692.83. After payment of customary quarterly dividends on preferred stock aggregating \$1.043.280.00, a remainder of \$552.412.83 is added to Surplus, which, at the close of the period under review, amounts to \$2.515.203.87 and is actively and necessarily employed in carrying the large stocks of material, raw and in process, essential to the regular conduct of the business. Inventories have been taken on a basis so conservative that adequate provision is made for fluctuations in the value of raw material.

The plants of your Company have been maintained at a cost of \$138.093.52 for ordinary repairs, and additions and enlargements made at an expense of \$197.809.42, both of which sums aggregating \$335.902.94 have been charged to operating costs. We were never so well prepared for economical operation.

Active and aggressive competition continues and will continue, but with old established brands, whose standard of excellence is not only maintained but constantly improved, we can reasonably look for expansion in the volume of business and continuance of profits.

The constituent company conducting lead production completed a smelter in November which is now in profitable operation. That feature of your business is now self contained and provides a percentage of the raw material required. As opportunities are afforded it will be wise to enlarge and extend our operations of this character.

Thanks are due to our loyal, intelligent, and energetic force of employees in all departments.

Respectfully,

L. A. Cole, President.