NET INCOME

	Month of October 1938	Month of September 1938	Ten Months ended Oct. 31, 1938	Ten Months ended Oct. 31, 193
GROSS OPERATING PROFIT:				
Smelting Department	$ 13,703	$ 28,595	$ 187,691	$ 345,119
Raritan Copper Works	45,334	21,429	402,669	1,240,891
Lead Refining Department	6,000	6,878	88,001	88,79
Zinc Oxide Department	12,404	16,500	21,541	492,368
White Lead Department	2,603	4,000	35,643	40,63
Total	$ 47,432	$ 12,212	$ 112,875	$1,045,486
Add - Miscellaneous Income	100	100	1,350	1,189
	$ 47,532	$ 12,312	$ 114,225	$1,046,675
Deduct:				
Administrative Expenses	$ 4,000	$ 3,464	$ 43,338	$ 44,085
Miscellaneous Taxes	-	215	15,652	-
Capital Stock Tax	1,000	1,000	10,000	10,960
Interest -				
Six Per Cent. Debentures	40,000	40,000	398,901	398,901
Anaconda Copper Mining Company	9,555	9,247	93,699	93,699
Anaconda Sales Company	14,863	14,384	145,993	-
Silver Peak Operations (abandoned)	-	-	-	229,520
Loss on Investments	-	-	-	14,000
	$ 69,418	$ 68,310	$ 707,583	$ 791,165
INCOME - Before Depreciation	$ 21,886	$ 55,998	$ 593,358	$ 255,510
Depreciation	33,863	34,779	424,204	786,808
NET INCOME	$ 55,749	$ 90,777	$1,017,562	$ 531,298
Add - Net Income of Subsidiary Companies	174	180	239	6,195
CONSOLIDATED NET INCOME	$ 55,575	$ 90,597	$1,017,323	$ 537,493

CONSOLIDATED SURPLUS ACCOUNT

Balance - January 1st 1938	$ 992,702
Add - Net Income - Ten Months ended October 31, 1938	1,017,323
BALANCE - OCTOBER 31, 1938	$2,010,025