I-C

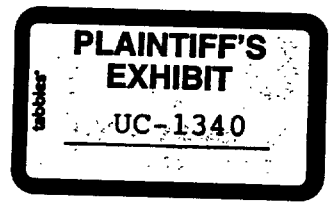
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ASBESTOS SPLC

FINANCIAL PERFORMANCE

	NET SALES $ M	NET INCOME* $ M	CASH FLOW $ M
1970	1794	<278>	?
1971	2376	C	?
1972	2630	110	214
1973	3602	338	<50>
1974	3761	87	<1349>
1975	4342	96	228
1976 Budget	5563	302	453

* Adjusted to exclude effects of inventory revaluation (current UCC accounting treatment)



UCC
3/4/76

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(I-6)

CALIDRIA ASBESTOS FINANCIAL PERFORMANCE
(JLM 7/12/76)

	Monthly Averages					1976						
	1972	1973	1974	1975	76 Budg.	Jan	Feb	Mar	April	May	Ave	%Bu
Domestic Sales	177	224	208	286	349	222	299	361	262	249	279	80
Export Sales	42	93	106	76	115	166	206	194	148	106	164	143
TOTAL Sales	219	317	314	362	464	388	505	555	410	355	443	96
Gross Margin	69	116	96	114	157	133	239	249	166	187	195	127
Operating Income	23	45	24	34	67	57	155	141	75	91	104	16c
Net Income	5	29	7	11	25	17	70	64	25	33	42	18c
Earnings, YTD $/share	.09	.57	.14	.22	—	—	.10	—	—	—	.3 YTD	
% ROA, YTD	—	11.4	2.6	2.9	5.7	3.8	15.8	—	5.6	7.5	9.5 YTD	
	Metals Div. ROA Budget				6.7							
				YTD	8.3							

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UNION CARBIDE

INTERNAL CORRESPONDENCE

MINING AND METALS DIVISION

4625 ROYAL AVE., P. O. BOX 579, NIAGARA FALLS, NEW YORK 14302

To (Name) Messrs. R. E. Byrne T. P. Norris
G. L. Dickson H. B. Rhodes
B. L. Ingalls J. E. Walsh
E. J. Kleber

Division

Location

Date February 11, 1975

"Calidria" Asbestos - Marketing

Originating Dept. - TECHNOLOGY DEPARTMENT

Answering letter date

Copy to Messrs. F. H. Larrison
W. C. Thurber

Subject Financial Performance

Attached is a summary of the Subject. Following are highlights from the summary which reflect our "disaster" in 1974.

	1972	1973	1974 6 Months	1974 Total	1975 Budget
Dom. Sales, $M	2127	2691	1326	2483	3276
Exp. Sales, $M	503	1112	917	1278	1821
Total Sales, $M	2630	3802	2243	3761	5097
Plant Cost, $M	1564	2111	1212	2210	2961
Gross Margin, $M	828	1389	899	1157	1765
Selling Exp., $M	429	494	289	574	650
Overhead, $M	555	844	409	871	943
Oper. Inc,, $M	273	545	491	286	822
Net Inc., $M	56	346	267	87	311
ROI, %	1.9	9.4	14.2	1.0	9.1
ROA, %	-	11.4	13.9	2.6	6.5

John L. Myers

Attachment

/ds

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"CALIDRIA" ASBESTOS FINANCIAL PICTURE

Mo.	Sales, $M Dom.	Exp.	Total	Plant Cost, $M	Gross Margin $M	Selling Expense $M	Total Overhead $M	oper. Inc. $M	Net Income $M	ROI %	ROA %
Total 1972	2127	503	2630	1564	828	429	555	273	56	1.9	—
Ave. 1972	177	42	219	130	69	36	46	23	5	—	—
Total 1973	2691	1112	3802	2111	1389	494	844	545	346	9.4	11.4
Ave 1973	224	93	317	176	116	41	70	45	29	—	—
1-74	224	176	398	218	153	48	61	92	50	16.3	—
2 →	419/210	302/151	721/360	395/198	272/136	96/48	125/62	146/73	79/40	13.0	12.4
3	619/206	436/145	1056/352	587/196	395/132	144/48	185/62	209/70	113/38	12.6	11.7
4	868/217	627/157	1495/374	827/207	574/144	192/48	260/65	314/78	170/42	14.2	13.3
5	1101/220	812/162	1912/382	1043/209	756/151	241/48	334/67	422/84	229/46	14.4	14.3
6	1326/221	917/153	2243/374	1212/202	899/150	289/48	409/68	491/82	267/44	14.2	12.9
7	1615/231	954/136	2569/367	1427/204	982/140	336/48	483/69	499/71	271/39	12.2	13.9
8	1777/222	1051/131	2829/354	1590/199	1057/132	384/48	558/70	499/62	273/34	10.5	12.2
9	1969/219	1138/126	3107/345	1790/199	1111/123	432/48	635/71	475/53	273/30	9.2	10.9
10	2162/216	1223/122	3385/338	1986/199	1165/116	479/48	704/70	461/46	247/25	7.2	8.9
11	2308/210	1266/115	3573/325	2040/185	1177/107	527/48	799/73	378/34	163/15	3.6	5.3
12 ← Cumulative Total/Ave	2483/207	1278/106	3761/313	2210/184	1157/96	574/48	871/73	286/24	87/7	1.0	2.6

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10/31

($ MILLIONS TO .X)

HISTORICAL					CURRENT YEAR		TABLE I FINANCIAL SUMMARY	Budget 1979	Budget % Est.Act. Curr. Yr.	PROJECTED 1980
1973	1974	1975	1976	1977	Budget 1978	Estim.Actual 1978				
3.8	3.8	4.3	4.9	5.3	5.7	6.9	Total Net Sales (1)	6.6	95	7.0
2.7	2.5	3.4	3.1	3.3	3.4	4.4	Domestic	4.2	95	4.2
1.1	1.3	.9	1.8	2.0	2.3	2.5	Export	2.4	96	2.8
				9.8			Total Net Sales Growth Rate			
102.7	121.4	119.9	164.1	176.6	137.5	184.3	Price Index (1972 = 100)	180.2		
37	31	36	30	30	41	37	Total Physical Volume (or Volume/Mix)	37		
				(4.5)			Total Physical Volume (or Volume/Mix) Growth Rate			
							Plant/Distribution Cost Index (1967 = 100)			
						52.3	Variable Margin % (If Available)	44.5		
1.4	1.2	1.2	1.9	2.0	2.0	2.8	Gross Margin $	2.2	77	
36.3	30.8	27.9	39.9	38.6	34.5	40.9	Gross Margin %	33.4		37.0
.1	.1	.1	.1	.1	.1	.1	Research and Development	-	97	
.8	.7	.7	.9	.8	.9	.7	Division Administration, Selling and General	.9	94	
	.1	.1	.1	.1	.1	.1	Corporate Overhead and Services	.1	105	
22.2	23.2	22.1	22.1	1.1	18.9	13.9	Total Overhead % of Sales	15.5		15.5
.2	.2	.3	.2	.2	.3	.3	Depreciation	.3	104	
.4	.1	.1	.6	.8	.6	1.6	Income From Operations	.9	56	1.2
7.9	2.6	2.3	12.2	14.8	11.0	23.3	Income From Operations % Sales	13.4		17.8
		.1	.1	.2	.2	.2	Share of Loan	.1	100	
-	-	-	-	-	-	-	Other Income/Expense	-		
							Tax Rate			
.3	.1	.1	.5	.6	.4	1.1	Net Income After Tax	.6	55	.8
				44.3			Net Income After Tax Growth Rate			
7.9	2.6	2.3	9.4	11.9	7.1	15.8	% of Sales (ROS)	9.2		12.0
0.005	0.002	0.002	0.008	0.010	0.006	0.017	EPS	0.009		
11.5	2.6	1.6	10.5	12.9	8.5	23.4	ROA %	12.1		16.8
9.3	1.0	2.0	10.6	12.4	10.7	25.3	ROI %	13.7		
3.0	3.4	4.5	4.4	4.9	4.7	4.7	Net Assets Employed (BOY)*	5.0	106	5.0
(.1)	(.7)	.1	.1	1.1	.3	1.1	Net Cash Generated – Selected	.6	57	.9
.5	1.1	.5	.2	-	.3	.1	Consolidated Construction Expenditures	.2	248	.2
							Unconsolidated Construction Expenditures			
							% Consolidated Construction For Capacity Additions			
							Division Investment			
							NPV of New and Renewed Leases			
1.8	1.1	1.4	1.4	1.3	1.7	1.2	Accounts Receivable - Number of Months Sales	1.3		1.3
2.5	3.4	2.0	3.0	2.7	2.2	2.0	Inventories - Number of Months Sales	2.1		2.0
							Total Physical Vol. for Volume/Mix) ÷ Exempt Emp.			
9.1	23.1	8.2	3.1	.7	4.1	1.4	Consol. Const. as a % Gross Fixed Investment	3.3		2.7
							Operating Rate (Average)			
.1	.1	.1	-	.2	-	-	Memo: Allied Sales Included Within Corp. Prod. Line (1)	-		-
3.7	3.6	4.3	4.9	5.1	5.7	6.9	Total Domestic & Export Customer Sales	6.6		7.0

DIVISION: METALS

SPU/CPU/APU: ASBESTOS

* Also Indicate Beginning-of-Year 1981 — 5.0

($ MILLIONS TO .X)

HISTORICAL					EST. ACTUAL	SPU CASH FLOW DATA	BUDGET	PROJECTED
19 73	1974	1975	1976	1977	19 78		1979	19 80
.3	.1	.1	.5	.6	1.1	NET INCOME	.6	.8
.2	.2	.3	.2	.2	.3	DEPRECIATION AND BOOK DEPLETION	.3	.3
-	.1	.1	.1	-	-	DEFERRED INCOME TAX	-	-
						OTHER		
.5	.4	.5	.7	.8	1.4	TOTAL CASH GENERATED FROM OPERATIONS	.9	1.1
.5	1.1	.5	.2	-	.1	CONSTRUCTION INVESTMENT	.2	.2
.2	(.2)	.2	.1	-	.2	INCREASE (DECREASE) IN RECEIVABLES	-	-
-	.3	(.4)	.4	(.3)	(.1)	INCREASE (DECREASE) IN INVENTORIES	.1	-
		.1	(.1)	-	.1	OTHER	(.1)	-
.7	1.2	.3	.6	(.3)	.3	TOTAL CASH REQUIREMENTS	.3	.2
(.1)	(.7)	.2	.1	1.1	1.1	NET CASH GENERATED	.6	.9
1.2	2.7	.7	.8	(.3)	.2	INTERNAL DEPLOYMENT (TOTAL REQUIREMENTS ÷ TOT. GEN. FROM OPS.)	.3	.2
.4	.6	.3	.5	.6	.6	ACCOUNTS RECEIVABLE* – BOY	.9	.8
.8	.8	1.2	.8	1.3	1.1	INVENTORIES – BOY	1.1	1.2
1.8	2.0	3.0	3.1	3.1	3.0	NET FIXED ASSETS – BOY	3.0	3.0
3.0	3.4	4.5	4.4	4.9	4.7	NET ASSETS EMPLOYED – BOY	5.0	5.0
5.4	4.7	6.7	6.4	6.5	6.9	GROSS FIXED INVESTMENT – BOY	7.1	7.3

*Includes Accounts Receivable Discounted

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