Federal Screw Works
Statement of Operations
(unaudited, in thousands, except per share)

	Second Quarter Ended December 31		Six Months Ended December 31	
	2014	**2013**	**2014**	**2013**
Net sales	$ 13,899	$ 14,243	$ 29,316	$ 29,248
Costs and expenses:				
Cost of products sold	13,093	13,652	27,402	27,678
Selling, general and administrative	861	845	1,739	1,666
Interest	163	164	311	362
Other (income) expense	(114)	-	(141)	(50)
	14,003	14,661	29,311	29,656
EARNINGS (LOSS) BEFORE FEDERAL INCOME TAXES	(104)	(418)	5	(408)
Federal income tax benefit	-	-	-	-
NET EARNINGS (LOSS)	$ (104)	$ (418)	$ 5	$ (408)
Total number of common shares outstanding	1,381,595	1,381,595	1,381,595	1,381,595
Net earnings (loss) per common share	$ (0.08)	$ (0.31)	$ 0.01	$ (0.30)

Federal Screw Works
Comparative Balance Sheets
(unaudited)

	December 31, 2014	June 30, 2014
Assets		
Current Assets		
Cash	$ 415,624	$ 214,980
Accounts receivable, net	7,029,921	9,995,561
Refundable state income taxes	-	119,763
Inventories:		
Finished products	3,318,946	2,371,552
In-process products	13,108,645	13,095,954
Raw materials and supplies	1,892,375	619,604
Total inventories	18,319,966	16,087,110
Prepaid expenses and other current assets	446,222	432,760
Assets held for sale	5,171	5,171
TOTAL CURRENT ASSETS	26,216,904	26,855,345
Other Assets		
Cash value of life insurance	1,921,751	1,885,751
Investments and other	122,427	121,090
	2,044,178	2,006,841
Property, Plant and Equipment		
Land	387,467	387,467
Buildings and improvements	11,858,769	11,699,756
Machinery and equipment	103,985,338	102,411,655
	116,231,574	114,498,878
Less accumulated depreciation	(95,588,141)	(95,268,448)
	20,643,434	19,230,430
	$ 48,904,515	$ 48,092,616

	December 31, 2014	June 30, 2014
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	$ 5,959,717	$ 6,138,685
Payroll and employee benefits	631,285	2,217,982
Taxes, other than income taxes	394,264	810,844
Other accrued liabilities	420,646	326,702
Current portion of long-term debt	667,500	667,500
Current portion of post retirement benefits	1,059,466	1,059,466
TOTAL CURRENT LIABILITIES	9,132,877	11,221,179
Long-Term Liabilities		
Long-term debt	16,265,024	12,685,680
Employee benefits	739,793	758,365
Postretirement benefits	12,653,320	12,825,173
Pension benefits	9,038,376	9,619,287
Other liabilities	411,246	391,665
	39,107,758	36,280,170
Stockholders' Equity		
Common stock, $1 par value: authorized 2,000,000 shares; 1,381,595 shares outstanding	1,381,595	1,381,595
Additional capital	3,269,476	3,269,476
Retained earnings	15,871,730	15,866,298
Accumulated other comprehensive (loss)	(19,858,921)	(19,926,102)
	663,880	591,267
	$ 48,904,515	$ 48,092,616