Federal Screw Works
Statement of Operations

(unaudited, in thousands, except per share)

	First Quarter Ended September 30	
	2015	**2014**
Net sales	$ 19,546	$ 15,417
Costs and expenses:		
Cost of products sold	17,690	14,309
Selling, general and administrative	886	878
Interest	212	148
Other (income) expense	-	(27)
	18,788	15,308
EARNINGS BEFORE FEDERAL INCOME TAXES	758	109
Federal income tax	-	-
NET EARNINGS	$ 758	$ 109
Total number of common shares outstanding	1,381,595	1,381,595
Net earnings loss per common share	$ 0.55	$ 0.08

Federal Screw Works
Comparative Balance Sheets
(unaudited)

	September 30, 2015	June 30, 2015
Assets		
Current Assets		
Cash	$ 179,078	$ 284,543
Accounts receivable, net	12,018,213	10,903,004
Refundable state income taxes	-	-
Inventories:		
Finished products	2,591,227	2,803,514
In-process products	12,286,335	13,670,703
Raw materials and supplies	2,887,445	1,661,665
Total inventories	17,765,007	18,135,882
Prepaid expenses and other current assets	417,986	212,609
Assets held for sale	5,171	5,171
TOTAL CURRENT ASSETS	30,385,455	29,541,209
Other Assets		
Cash value of life insurance	1,933,657	1,908,658
Investments and other	160,104	169,067
	2,093,761	2,077,724
Property, Plant and Equipment		
Land	387,467	387,467
Buildings and improvements	11,777,268	11,831,704
Machinery and equipment	104,595,405	104,164,596
	116,760,140	116,383,767
Less accumulated depreciation	(95,465,185)	(94,577,967)
	21,294,955	21,805,800
	$ 53,774,171	$ 53,424,733

	September 30, 2015	June 30, 2015
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	$ 6,861,071	$ 6,137,484
Payroll and employee benefits	1,802,493	2,298,498
Taxes, other than income taxes	393,572	787,012
Other accrued liabilities	456,392	396,497
Current portion of long-term debt	1,582,719	1,582,719
Current portion of post retirement benefits	991,927	991,927
TOTAL CURRENT LIABILITIES	12,088,174	12,194,137
Long-Term Liabilities		
Long-term debt	17,582,589	17,523,420
Employee benefits	760,060	769,778
Postretirement benefits	12,568,979	12,683,677
Pension benefits	8,836,441	9,113,672
Other liabilities	379,132	368,926
	40,127,201	40,459,473
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	17,964,753	17,206,653
Accumulated other comprehensive income	(21,057,029)	(21,086,601)
	1,558,795	771,123
	$ 53,774,171	$ 53,424,733