


Subject: Sulzer Brothers, Winterthur, Switzerland, Annual Report 1951/52

1. "Swiss newspapers have published an extract from the annual report 1951/52 of Sulzer Brothers, which might interest our management and from which I have picked out the following facts:
2. "They state that apparently the culminating point of prosperity has already been overshoot. However, the great amount of pending orders is cushioning the effect of lesser demand.
3. "Incoming orders have reached an overall peak. Sulzer Companies abroad have worked with excellent results:

Sulzer Paris (Compagnie de Construction Mecanique)	dividend	12%
Sulzer Brothers London		8%
Sulzer Heating (Paris)		12%
Rice & Diethelm (Johannesburg) owned by Sulzer		7.5%

4. "Excellent results are reported from the Sulzer sales offices in Madrid (Spain), Cairo (Egypt) and Rio de Janeiro (Brazil). Unsatisfactory results are reported from Buenos Aires (Argentina) and Kobe (Japan).
5. "Income from sale of manufactured products in the Winterthur Company during the one year period 1951/52, was 29.9 Mio. francs, 6.9 Mio. dollars, against 25.4 Mio. francs in the previous year. Other incomes, including the net profits of the foreign participations and sales offices, as well as license royalties, have increased from 1.9 Mio. francs to 2.7 Mio. francs (.625 Mio. Dollars). Amortization was 8.36 Mio. francs, or 1.93 Mio. Dollars. (Total net profit is 7.75 Mio. francs (1.79 Mio. Dollars) and includes 2.38 Mio. francs report from the previous year.
6. "Balance sheet looks as follows:

Credits:	frs.	Dollars
Real estate and shops	10,000,000	2,310,000
Apartment houses	2,600,000	600,000
Machines and equipment	6,200,000	1,430,000
Tools	1	1
Stocks and manufacturing buildings	53,662,963	12,400,000
Down payments to subcontractors	11,868,532	2,740,000
Cash and other values	92,485,130	21,360,000
Payments due	25,743,258	5,950,000
Permanent participations	7,600,000	1,760,000
Total.....	210,158,884	48,550,001

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Debits:	frs.	Dollars
Share capital	40,000,000	9,250,000
Obligatory reserves	4,700,000	1,085,000
Special reserves	7,000,000	1,636,000
Payments for pending orders	116,632,157	26,950,000
Amounts due	35,249,440	8,150,000
Dividends	3,609,638	835,000
Report on account 1952/53	2,967,650	685,000
Total.....	210,158,885	48,550,000

Dividend is 9% on the share capital, consequently on the same level as in the previous years."

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