

Consolidated Statements of Income

Years Ended December 31,	2004	2003	2002
(In Thousands, Except Per Share Amounts)			
Revenues	\$ 2,371,866	\$2,212,165	\$1,910,462
Cost of sales:			
Production and delivery	1,450,291	1,071,326	938,462
Depreciation and amortization	206,408	230,803	260,446
Total cost of sales	1,656,699	1,302,129	1,198,908
Exploration expenses	8,664	6,449	3,112
General and administrative expenses	89,927	80,279	68,305
Gain on insurance settlement	(87,000)	—	—
Total costs and expenses	1,668,290	1,388,857	1,270,325
Operating income	703,576	823,308	640,137
Equity in PT Smelting earnings (losses)	2,045	5,609	(4,181)
Interest expense, net	(148,103)	(197,017)	(171,209)
Losses on early extinguishment and conversion of debt	(14,011)	(34,589)	—
Gains on sales of assets	28,756	—	—
Other income (expense), net	2,121	(13,536)	(15,085)
Income before income taxes and minority interests	574,384	583,775	449,662
Provision for income taxes	(330,680)	(338,053)	(245,518)
Minority interests in net income of consolidated subsidiaries	(41,437)	(48,469)	(36,441)
Net income before cumulative effect of changes in accounting principles and preferred dividends	202,267	197,253	167,703
Cumulative effect of changes in accounting principles, net	—	(15,593)	(3,049)
Net income	202,267	181,660	164,654
Preferred dividends	(45,491)	(27,441)	(37,604)
Net income applicable to common stock	\$ 156,776	\$ 154,219	\$ 127,050
Net income per share of common stock:			
Basic:			
Before cumulative effect	\$ 0.86	\$ 1.09	\$ 0.90
Cumulative effect	—	(0.10)	(0.02)
Net income per share of common stock	\$ 0.86	\$ 0.99	\$ 0.88
Diluted:			
Before cumulative effect	\$ 0.85	\$ 1.07	\$ 0.89
Cumulative effect	—	(0.10)	(0.02)
Net income per share of common stock	\$ 0.85	\$ 0.97	\$ 0.87
Average common shares outstanding:			
Basic	182,272	155,805	144,649
Diluted	184,923	159,102	146,418
Dividends paid per common share	\$ 1.10	\$ 0.27	\$ —

The accompanying Notes to Consolidated Financial Statements are an integral part of these financial statements.