NATIONAL
FOOD PRODUCTS CORPORATION

Annual Report
1957
Total income received during the 1957 fiscal year amounted to $1,083,073.40 as compared with $1,047,758.11 for 1956.

Net income amounted to $979,700.64 after deducting expenses of $26,456.65 and Federal Income Taxes estimated at $76,916.11—comparable net income for 1956 was $934,277.39.

Cash dividends of $1.10 per share paid during the year amounted to $866,784.95, compared with $811,561.13 paid in 1956. In addition to the dividends paid in cash, the Directors declared on November 6, 1957 a 2% stock dividend payable on January 17, 1958 to stockholders of record January 3, 1958.

At the year end your corporation had no bank loans. Since December 31, 1957, 12,001 additional shares of Colonial Stores Incorporated Common stock were acquired for cash. To provide part of the funds to finance this purchase, a bank loan in the amount of $225,000 has been incurred.

At the year end your corporation held 839,249 shares of Colonial Stores Incorporated Common stock, including 16,455 shares received on January 17, 1958 as a stock dividend; 89,000 shares of H. C. Bohack Co. Inc. Common stock and other investments amounting to $127,598.61. As of the date of this report, the number of shares of Colonial Stores Incorporated Common stock held is 851,250.
The total number of Common shares of your corporation outstanding at the year end was 787,971, excluding 5,728 shares held in its treasury. On January 17, 1958 there were issued as a 2% stock dividend 15,759 additional shares.

The 1957 annual report of Colonial Stores Incorporated is enclosed. It reflects continued growth and progress. The fifteen-year review shown therein is an impressive story of success.

H. C. Bohack Co. Inc. closed its fiscal year February 1, 1958 (52 weeks versus 53 weeks last year). Reported sales were $145,670,020 as compared with $141,768,102 last year. Net profits unaudited, after provisions for Federal Income taxes, amounted to $1,521,708 as compared with $1,929,155 as reported for the previous year. After deducting dividends on Preferred stocks, earnings per Common share were $3.04. A copy of the Bohack annual report will be sent to any stockholder upon request.

Respectfully submitted,

[Signature]
President.
THE BOARD OF DIRECTORS

NATIONAL FOOD PRODUCTS CORPORATION:

We have examined the balance sheet of National Food Products Corporation as of December 31, 1957 and the related statements of income and surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

We inspected the investment securities, confirmed the cash in banks by certificates from the depositaries and counted the cash fund.

In our opinion, the accompanying balance sheet and statements of income and surplus present fairly the financial position of National Food Products Corporation at December 31, 1957 and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

PEAT, MARWICK, MITCHELL & Co.

Boston, Mass.
January 14, 1958
# National Food Products Corporation

**Balance Sheet**

**December 31, 1957**

## Assets

**Investments at Cost:**

- Common stock of Colonial Stores Incorporated (a controlled company) 839,249 shares
  - $3,326,722.30
- Common stock of H. C. Bohack Co. Inc. 89,000 shares
  - 1,442,606.53
  - 4,769,328.83 *
- Other
  - 127,598.61
  - 4,896,927.44

**Cash in Banks and on Hand**
- 122,272.26

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*Quoted market value, $20,987,290.25.
NATIONAL FOOD PRODUCTS CORPORATION

Balance Sheet

DECEMBER 31, 1957

LIABILITIES

Accounts payable and accrued expenses. ........................................ $ 4,749.00
Federal taxes on income, estimated. .................................................. 76,916.11
Amounts reserved for payments to holders of pre-reorganization securities (note 1) .................. 91,765.56

Capital stock and surplus:
Capital stock:
Authorized 1,000,000 shares of common stock of the par value of $1.00 each.
Issued 793,699 shares. .............................................................. $ 793,699.00
To be issued as stock dividend January 17, 1958, 15,759 shares (note 2) ............................. 15,759.00

$ 809,458.00

Surplus, per accompanying statement:
Capital surplus (note 2) ....................................................... $2,985,007.62
Earned surplus ................................................................. 1,057,031.41 4,042,039.03

$4,851,497.03

Less treasury stock, 5,728 shares, at par value .................................. 5,728.00

$5,019,199.70

Notes to Financial Statements

(1) The United States District Court for the District of Maryland has directed June 30, 1961 to be the last day on which holders of unexchanged pre-reorganization securities may convert such securities to common shares of the Corporation and receive such other beneficial interests to which such holders are entitled under the 1938 Plan of Reorganization. These interests have been provided for in the financial statements of the Corporation in the account "Amounts reserved for payments to holders of pre-reorganization securities" and by the reservation of 10,744 shares of capital stock which are included in the total issued and outstanding shares.

(2) The stockholders have approved the charging of present and future stock dividends against capital surplus in the amount of the aggregate par value of full shares issued in connection therewith to the extent that such stock dividends are issued for the purpose of reflecting similar stock dividends received from Colonial Stores Incorporated.
NATIONAL FOOD PRODUCTS CORPORATION

Statement of Income

YEAR ENDED DECEMBER 31, 1957

INCOME:

Dividends:
  Colonial Stores Incorporated (a controlled company) .................. $ 905,073.40
  H. C. Bohack Co. Inc. .................................................. 178,000.00

EXPENSES:

Salaries .............................................................. $12,132.19
Legal and audit fees .................................................. 3,178.93
Transfer agency fees .................................................. 3,847.97
Directors' fees and expenses ........................................ 967.86
Taxes (other than Federal taxes on income) ......................... 1,101.43
Interest on bank loans .............................................. 1,061.11
General expenses .................................................... 4,167.16  26,456.65

Net income before Federal taxes on income ....................... 1,056,616.75

Federal taxes on income, estimated ................................ 76,916.11

Net income ............................................................. $ 979,700.64

See accompanying notes to financial statements.
## NATIONAL FOOD PRODUCTS CORPORATION

### Statement of Surplus

**Year Ended December 31, 1957**

### CAPITAL SURPLUS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount at beginning of year</td>
<td>$3,001,312.62</td>
</tr>
<tr>
<td><strong>Deduct:</strong></td>
<td></td>
</tr>
<tr>
<td>Par value of 15,759 shares to be issued pursuant to stock dividend on the</td>
<td>$15,759.00</td>
</tr>
<tr>
<td>basis of one share for each fifty shares issued and outstanding at January</td>
<td></td>
</tr>
<tr>
<td>3, 1958 (note 2).</td>
<td></td>
</tr>
<tr>
<td>Excess of cost over par value of 24 shares of capital stock purchased and</td>
<td>546.00</td>
</tr>
<tr>
<td>held in the treasury.</td>
<td>16,305.00</td>
</tr>
<tr>
<td><strong>Amount at end of year</strong></td>
<td>$2,985,007.62</td>
</tr>
</tbody>
</table>

### EARNED SURPLUS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount at beginning of year</td>
<td>$944,115.72</td>
</tr>
<tr>
<td>Net income for the year</td>
<td>979,700.64</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,923,816.36</td>
</tr>
<tr>
<td>Cash dividends paid, $1.10 per share.</td>
<td>866,784.95</td>
</tr>
<tr>
<td><strong>Amount at end of year</strong></td>
<td>$1,057,031.41</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
NATIONAL FOOD PRODUCTS CORPORATION
24 FEDERAL STREET
BOSTON 10, MASSACHUSETTS

Officers

Russell B. Stearns . . . . . . . . . . President
Edward K. Dunn . . . . . . . . . . Vice-President and Treasurer
C. T. Williams, Jr. . . . . . . . . . . . . Secretary
Allison M. Berry . . . . . . . . . . Assistant Secretary and Assistant Treasurer
M. May . . . . . . . . . . Assistant Secretary and Assistant Treasurer

Directors

Edward K. Dunn
John M. Foster
James W. Moss
Hunter C. Phelan

Joseph Seitz
Ellis D. Slater
Russell B. Stearns
C. T. Williams, Jr.

Auditors

Peat, Marwick, Mitchell & Co.

Transfer Agent

Fidelity-Baltimore National Bank
Baltimore, Maryland