

## QUARTERLY REPORT

Quarterly report on consolidated results of the Group for the financial quarter ended : **30 June 2000**

The figures have not been audited .

### CONSOLIDATED INCOME STATEMENT

|  | <u>INDIVIDUAL QUARTER</u>                               |   | <u>CUMULATIVE QUARTER</u>                               |  |
|--|---|---|---|--|
|  | CURRENT<br>YEAR<br>QUARTER<br><u>30/06/00</u><br>RM'000 | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER<br><u>30/06/99</u><br>RM'000 | CURRENT<br>YEAR<br>TO DATE<br><u>30/06/00</u><br>RM'000 | PRECEDING YEAR<br>CORRESPONDING<br>PERIOD<br><u>30/06/99</u><br>RM'000 |
| 1 (a) Turnover   | 156,811   | N/A   | 288,777   | 265,918  |
| (b) Investment income  | 0   | N/A   | 0   | 0  |
| (c) Other income including interest income   | 857   | N/A   | 1,379   | 0  |
| 2 (a) Operating profit/(loss) before interest on borrowings , depreciation and amortisation, exceptional items, income tax, minority interest and extraordinary items.         | 5,342   | N/A   | 9,822   | 10,787   |
| (b) Interest on borrowings   | 1,046   | N/A   | 1,455   | 150  |
| (c) Depreciation and amortisation  | 1,504   | N/A   | 3,006   | 3,250  |
| (d) Exceptional items  | 0   | N/A   | 0   | 0  |
| (e) Operation profit/(loss) after interest on borrowings, depreciation and amortisation and exceptional items but before income tax, minority interest and extraordinary items | 2,792   | N/A   | 5,361   | 7,387  |
| (f) Share in the results of associated companies   | 0   | N/A   | 0   | 0  |
| (g) Profit/(loss) before taxation, minority interests and extraordinary items  | 2,792   | N/A   | 5,361   | 7,387  |
| (h) Taxation   | 408   | N/A   | 967   | 0  |
| (l) (i) Profit /(loss) after taxation before deducting minority interests  | 2,384   | N/A   | 4,394   | 7,387  |
| (ii) Less minority interests   | 0   | N/A   | 0   | 0  |
| (j) Profit/(loss) after taxation attributable to members of the company  | 2,384   | N/A   | 4,394   | 7,387  |
| (k) (i) Extraordinary items  | 0   | N/A   | 0   | 0  |
| (ii) Less minority interests   | 0   | N/A   | 0   | 0  |
| (iii) Extraordinary items attributable to members of the company   | 0   | N/A   | 0   | 0  |
| (i) Profit/(loss) after taxation and extraordinary items attributable to members of the company  | 2,384   | N/A   | 4,394   | 7,387  |
| 3 (a) Earnings per share based on 2(j) above after deducting any provision for preference dividends, if any :-   |   |   |   |  |
| (i) Basic (based on 40,000,000 ordinary shares) (sen)  | 6.0   | N/A   | 11.0  | 18.5   |
| (ii) Fully diluted (based on 40,000,000 ordinary shares) (sen)   | 6.0   | N/A   | 11.0  | 18.5   |

**METROD**  
**CONSOLIDATED BALANCE SHEET**

|   | <b>AS AT<br/>END OF<br/>CURRENT<br/>QUARTER<br/><u>6/30/2000</u><br/>RM'000</b> | <b>AS AT<br/>PRECEDING<br/>FINANCIAL<br/>YEAR END<br/><u>12/31/1999</u><br/>RM'000</b> |
|---|---|--|
| 1 Fixed Assets                              | 56,034  | 59,031   |
| 2 Investment in associated Companies        | 0   | 0  |
| 3 Long Term Investments                     | 1,747   | 1,747  |
| 4 Intangible Assets                         | 0   | 0  |
| 5 Current Assets                            |   |  |
| Stocks                                      | 64,109  | 67,219   |
| Trade Debtors                               | 50,836  | 29,112   |
| Short Term Investments                      | 45,850  | 72,200   |
| Cash and bank balances                      | 701   | 2,321  |
| Other Debtors, Deposits and Pre-payment     | 1,577   | 2,586  |
|   | 163,073   | 173,438  |
| 6 Current Liabilities                       |   |  |
| Short Term Borrowings                       | 9,024   | 10,672   |
| Trade Creditors                             | 72,691  | 89,237   |
| Other Creditors                             | 6,998   | 6,982  |
| Provision for Taxation                      | 913   | 1,136  |
| Proposed Dividend                           | 4,000   | 4,000  |
|   | 93,626  | 112,027  |
| 7 Net Current Assets or Current Liabilities | 69,447  | 61,411   |
| 8 Shareholders' Funds                       |   |  |
| Share Capital                               | 40,000  | 40,000   |
| Reserves                                    |   |  |
| Share Premium                               | 16,200  | 16,200   |
| Revaluation Reserve                         | 0   | 0  |
| Capital Reserve                             | 0   | 0  |
| Statutory Reserve                           | 0   | 0  |
| Retained Profit                             | 66,900  | 62,506   |
| Others                                      | 0   | 0  |
|   | 123,100   | 118,706  |
| 9 Minority Interests                        | 0   | 0  |
| 10 Long Term Borrowings                     | 0   | 0  |
| 11 Other Long Term Liabilities              | 4,128   | 3,483  |
|   | <b>127,228</b>  | <b>122,189</b>   |
| 12 Net tangible assets per share (sen)      | 307.8   | 296.8  |

**Notes :**

**1) Accounting Policies**

The accounting policies and methods of computation followed in the quarterly financial statement are similar as compared with the annual financial statement for 1999.

**2) Exceptional Items**

There were no exceptional items for financial period under review.

**3) Extraordinary Items**

There were no extraordinary items for financial period under review.

**4) Taxation**

|   | INDIVIDUAL QUARTER |                       | CUMULATIVE QUARTER |                      |
|---|--------------------|-----------------------|--------------------|----------------------|
|   | CURRENT YEAR       | PRECEEDING YEAR       | CURRENT YEAR       | PRECEEDING YEAR      |
|   | QUARTER            | CORRESPONDING QUARTER | TO DATE            | CORRESPONDING PERIOD |
|   | 6/30/2000          | 6/30/1999             | 6/30/2000          | 6/30/1999            |
|   | (RM'000)           | (RM'000)              | (RM'000)           | (RM'000)             |
| The tax figure contain the following:       |                    |                       |                    |                      |
| - Current period                            | 205                | -                     | 436                | -                    |
| - Over / under provision for previous years | -                  | -                     | -                  | -                    |
| - Transfer to/(from) deferred taxation      | 203                | -                     | 531                | -                    |
|   | <u>408</u>         | <u>-</u>              | <u>967</u>         | <u>-</u>             |

**5) Pre-acquisition Profits**

There were no pre-acquisition profits for the current financial period to-date.

**6) Profits on Sales of Investments and/or Properties**

There were no profits on sale of investments and/or properties for the current financial period to-date.

**7) Purchase/Disposal of Quoted Securities**

- There were no purchases / sales of quoted securities for the current financial period to-date.
- There were no investments in quoted shares as at end of the reporting period.

**8) Changes in the Composition of the Group**

There were no changes in the composition of the group for the current financial period to-date including business combination, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations.

**9) Corporate Proposals**

There were no corporate proposals announced but not completed as at 22nd August 2000.

**10) Seasonal or Cyclic Factors**

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

**11) Issuances and Repayment of Debt and Equity Securities**

There were no issuances and repayment of debt and equity securities, share buy-backs, share cancellations, shares holds as treasury shares and resale of treasury shares for the current financial period to-date.

## 12) Group Borrowings and Debt Securities

Group borrowings and debt securities as at 30/06/2000 are as follows:

|                               | <u>Amount</u><br>RM'000 | <u>Denominated in Foreign Currency</u> |  | <u>Secured/<br/>Unsecured</u> |
|-------------------------------|-------------------------|--|--|-------------------------------|
|                               |                         | <u>Foreign<br/>Currency</u>            | <u>Foreign Currency<br/>Amount (000)</u> |                               |
| Long-term borrowings          | 0                       | -                                      | 0  | N.A.                          |
| Short-term borrowings:        |                         |  |  |                               |
| - Foreign currency trade loan | 9,015                   | Japanese Yen                           | 250,000                                  | Unsecured                     |
| - Bank overdraft              | 9                       | -                                      | 0  | Unsecured                     |
|                               | <u>9,024</u>            |  |  |                               |

## 13) Contingent Liabilities

Litigation pending against the Company for RM31024 as at 22nd August 2000.

## 14) Off Balance Sheet Financial Instruments

There were no financial instruments with off-balance sheet risk as at 22nd August 2000.

## 15) Material Litigations

There were no material litigations pending as at 22nd August 2000 other than that disclosed in Note 13.

## 16) Segmental Information

No segmental analysis is prepared as the Group is principally engaged in the manufacturing and sales of electrical conductivity grade copper wires, rods and strips.

## 17) Material Changes in Quarterly Results

There were no material changes in the reported profit before taxation for the quarter of RM2.792 million as compared to profit before taxation for preceeding quarter of RM2.569 million.

## 18) Review of the Performance of the Company and its Principal Subsidiaries

For the second quarter under review, the Group attained a pre-tax profit of RM2.792 million and the current quarter turnover was recorded at RM156.811 million.

The recovery of domestic demand backed by construction sector continues to be slow and competition continues to intensify. Therefore under such market conditions, the Group has performed satisfactorily during the period under review.

In the opinion of the Directors, the results of the operations for the Group have not been substantially affected by any item, transaction or event of a material and unusual nature as at the date of this report.

## 19) Current year prospects

Barring unforeseen circumstances, the Board expects performance for the current financial year to be satisfactory considering the extreme competitive market conditions.

## 20) Profit Forecast and Profit Guarantee

There were no profit forecast or profit guarantees issued during the financial period to-date.

## 21) Dividend

No dividend has been proposed till date for the current year.