

METROD (MALAYSIA) BERHAD
(Company No. 66954-H)

QUARTERLY REPORT

Quarterly report on consolidated results of the Group for the financial quarter ended : **31 December 2000**

The figures for the individual quarters have not been audited and figures for the cumulative quarters have been audited.

CONSOLIDATED INCOME STATEMENT

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>UNAUDITED</u>		<u>AUDITED</u>	
	CURRENT YEAR QUARTER <u>31/12/2000</u>	PRECEDING YEAR CORRESPONDING QUARTER <u>31/12/1999</u>	CURRENT YEAR TO DATE <u>31/12/2000</u>	PRECEDING YEAR CORRESPONDING PERIOD <u>31/12/1999</u>
	RM'000	RM'000	RM'000	RM'000
1 (a) Turnover	152,225	117,676	598,908	506,708
(b) Investment income	0	0	0	0
(c) Other income including interest income	757	2,167	2,876	2,634
2 (a) Operating profit/(loss) before interest on borrowings , depreciation and amortisation, exceptional items, income tax, minority interest and extraordinary items.	5,176	5,207	20,067	22,028
(b) Interest on borrowings	33	1,553	1,522	1,566
(c) Depreciation and amortisation	1,443	1,581	5,952	6,403
(d) Exceptional items	0	0	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	3,700	2,073	12,593	14,059
(f) Share in the results of associated companies	0	0	0	0
(g) Profit/(loss) before taxation, minority interests and extraordinary items	3,700	2,073	12,593	14,059
(h) Taxation	205	40	1,985	40
(l) (i) Profit /(loss) after taxation before deducting minority interests	3,495	2,033	10,608	14,019
(ii) Less minority interests	0	0	0	0
(j) Profit/(loss) after taxation attributable to members of the company	3,495	2,033	10,608	14,019
(k) (i) Extraordinary items	0	0	0	0
(ii) Less minority interests	0	0	0	0
(iii) Extraordinary items attributable to members of the company	0	0	0	0
(l) Profit/(loss) after taxation and extraordinary items attributable to members of the company	3,495	2,033	10,608	14,019
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)	8.7	5.1	26.5	35.0
(ii) Fully diluted (based on 40,000,000 ordinary shares) (sen)	8.7	5.1	26.5	35.0

METROD
CONSOLIDATED BALANCE SHEET

	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
	AUDITED	
	<u>31/12/2000</u> RM'000	<u>31/12/1999</u> RM'000
1 Fixed Assets	53,200	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	78,153	67,219
Trade Debtors	44,006	29,112
Short Term Investments	51,000	72,200
Cash and bank balances	6,740	2,321
Other Debtors, Deposits and Pre-payment	2,111	2,586
	<u>182,010</u>	<u>173,438</u>
6 Current Liabilities		
Short Term Borrowings	8,476	10,672
Trade Creditors	86,820	89,237
Other Creditors	6,727	6,982
Provision for Taxation	633	1,136
Proposed Dividend	4,000	4,000
	<u>106,656</u>	<u>112,027</u>
7 Net Current Assets or Current Liabilities	<u>75,354</u>	<u>61,411</u>
	<u>130,301</u>	<u>122,189</u>
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	69,114	62,506
Others	0	0
	<u>125,314</u>	<u>118,706</u>
9 Minority Interests	0	0
10 Long Term Borrowings	0	0
11 Other Long Term Liabilities	4,987	3,483
12 Net tangible assets per share (sen)	313.3	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		CUMMULATIVE QUARTER	
	CURRENT YEAR	PRECEEDING YEAR	CURRENT YEAR	PRECEEDING YEAR
	QUARTER	CORRESPONDING QUARTER	TO DATE	CORRESPONDING PERIOD
	12/31/2000	12/31/1999	12/31/2000	12/31/1999
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
The tax figure contain the following:				
- Current period	8	-	708	-
- Over / under provision for previous years	-	40	-	40
- Transfer to/(from) deferred taxation	197	-	1277	-
	<u>205</u>	<u>40</u>	<u>1985</u>	<u>40</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 February 2001.

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 helds 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 31/12/2000 are as follows:

	Amount RM'000	Denominated in Foreign Currency		Secured/ Unsecured
		Foreign Currency	Foreign Currency Amount (000)	
Long-term borrowings	0	-	0	N.A.
Short-term borrowings:				
- Foreign currency trade loan	<u>8,476</u>	Japanese Yen	250,000	Unsecured
	<u>8,476</u>			

13) Contingent Liabilities

There were no contingent liabilities as at 22nd February 2001.

14) Off Balance Sheet Financial Instruments

There were no financial instruments with off-balance sheet risk as at 22nd February 2001.

15) Material Litigations

There were no material litigations pending as at 22nd February 2001.

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 pre-tax profit for the quarter of RM3.700 million compared to preceeding quarter pre-tax profit of RM3.532 million.

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

For the last quarter under review, the Group recorded a pre-tax profit of RM3.700 million and turnover of RM152.225 million.

Year 2000 has continued to remain challenging. Recovery in domestic demand which is based on growth of construction sector continued to be slow and competition intense. The company was successful in increasing sales to the export sector at highly competitive prices. Under these 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

Although the Malaysian economy is projected to grow at 7% in 2001, the anticipated slow down of exports is expected to have adverse impact on the business environment. The construction sector remains oversupplied and is not likely to grow significantly. The company will continue to seek opportunities actively in a challenging market environment.

In this context and barring unforeseen circumstances, the Board expects the performance of the Group for the year 2001 to be satisfactory.

20) Profit Forecast and Profit Guarantee

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

21) Dividend

The Board recommends a first and final ordinary dividend of 10 sen per share tax-exempt (1999 - 10 sen per share tax-exempt) amounting to RM4,000,000 (1999 - RM4,000,000) for the year 2000 subject to approval of the shareholders at the Annual General Meeting, to be held on 23 May 2001. The dividend will be paid on 17 July 2001 to the shareholders. In respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at 2 July 2001.

22) Notice of Book Closure for Payment of First and Final Dividend

Notice is hereby given that the register of members will be closed from 3 July 2001 to 4 July 2001 both dates inclusive to determine shareholders entitlement to the dividend payment. The dividend if approved, will be paid on 17 July 2001 to shareholders whose name appear in the record of depositors on 2 July 2001.

Further, notice is hereby given that a depositor shall qualify for entitlement only in respect of :-

- a) Shares transferred into the depositor's securities account before 12.30 p.m. on 2 July 2001 in respect of ordinary transfers;
- b) Shares bought on Kuala Lumpur Stock Exchange on a cum entitlement basis according to the rules of the Kuala Lumpur Stock Exchange.