

METROD (MALAYSIA) BERHAD*(Company No. : 66954-H)***QUARTERLY REPORT**Quarterly report on consolidated results of the Group for the financial quarter ended : **31 March 2001**

The figures have not been audited .

CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2001	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2000	CURRENT YEAR TO DATE 31/03/2001	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2000
	RM'000	RM'000	RM'000	RM'000
1 (a) Turnover	176,112	131,966	176,112	131,966
(b) Investment income	0	0	0	0
(c) Other income including interest income	355	522	355	522
2 (a) Operating profit/(loss) before interest on borrowings , depreciation and amortisation, exceptional items, income tax, minority interest and extraordinary items.	4,390	4,480	4,390	4,480
(b) Interest on borrowings	163	409	163	409
(c) Depreciation and amortisation	1,506	1,502	1,506	1,502
(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	2,721	2,569	2,721	2,569
(f) Share in the results of associated companies	0	0	0	0
(g) Profit/(loss) before taxation, minority interests and extraordinary items	2,721	2,569	2,721	2,569
(h) Taxation	244	559	244	559
(l) (i) Profit /(loss) after taxation before deducting minority interests	2,477	2,010	2,477	2,010
(ii) Less minority interests	0	0	0	0
(j) Profit/(loss) after taxation attributable to members of the company	2,477	2,010	2,477	2,010
(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	2,477	2,010	2,477	2,010
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)	6.2	5.0	6.2	5.0
(ii) Fully diluted (based on 40,000,000 ordinary shares) (sen)	6.2	5.0	6.2	5.0

METROD
CONSOLIDATED BALANCE SHEET

	AS AT END OF CURRENT QUARTER <u>31/03/2001</u> RM'000	AS AT PRECEDING FINANCIAL YEAR END <u>31/12/2000</u> RM'000
1 Fixed Assets	51,695	53,200
2 Investment in associated Companies	0	0
3 Long Term Investments	1,747	1,747
4 Intangible Assets	0	0
5 Current Assets		
Stocks	50,743	78,153
Trade Debtors	61,486	44,006
Short Term Investments	15,000	51,000
Cash and bank balances	2,634	6,740
Other Debtors, Deposits and Pre-payment	6,503	2,111
	<u>136,366</u>	<u>182,010</u>
6 Current Liabilities		
Short Term Borrowings	67,123	8,476
Trade Creditors	(22,402)	86,820
Other Creditors	7,601	6,727
Provision for Taxation	761	633
Proposed Dividend	4,000	4,000
	<u>57,083</u>	<u>106,656</u>
7 Net Current Assets or Current Liabilities	<u>79,283</u>	<u>75,354</u>
	<u>132,725</u>	<u>130,301</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	71,590	69,114
Others	0	0
	<u>127,790</u>	<u>125,314</u>
9 Minority Interests	0	0
10 Long Term Borrowings	0	0
11 Other Long Term Liabilities	4,935	4,987
	<u>132,725</u>	<u>130,301</u>
12 Net tangible assets per share (sen)	319.5	313.3

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 2000.

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 QUARTER 3/31/2001 (RM'000)	PRECEEDING YEAR CORRESPONDING QUARTER 3/31/2000 (RM'000)	CURRENT YEAR TO DATE 3/31/2001 (RM'000)	PRECEEDING YEAR CORRESPONDING PERIOD 3/31/2000 (RM'000)
The tax figure contain the following:				
- Current period	353	232	353	232
- Over / under provision for previous years	-	-	-	-
- Transfer to/(from) deferred taxation	(109)	327	(109)	327
	<u>244</u>	<u>559</u>	<u>244</u>	<u>559</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 16th May 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 31/03/2001 are as follows:

	Amount RM'000	<u>Denominated in Foreign Currency</u>		Secured/ <u>Unsecured</u>
		<u>Foreign Currency</u>	<u>Foreign Currency Amount (000)</u>	
Long-term borrowings	0	-	0	N.A.
Short-term borrowings:				
- Banker acceptance	66,873	-	0	Unsecured
- Bank overdraft	250	-	0	Unsecured
	<u>67,123</u>			

13) Contingent Liabilities

There were no contingent liabilities as at 16th May 2001.

14) Off Balance Sheet Financial Instruments

There were no financial instruments with off-balance sheet risk as at 16th May 2001.

15) Material Litigations

There were no material litigations pending as at 16th May 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

Pre-tax profit for the quarter of RM2.721 million was lower compared to preceeding quarter pre-tax profit of RM3.700 million mainly due to competitive market conditions affecting the profit margins. However pre-tax profit for the quarter was marginally higher as compared to corresponding previous quarter of RM2.569 million due to improved sales.

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

For the first quarter under review, the Group recorded a pre-tax profit of RM2.721 million and turnover of RM176.112 million.

The market continues to remain difficult due to slow recovery in domestic demand, oversupplied construction sector and intense competition. The company succeeded in increasing sales at highly competitive prices.

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

The growth of Malaysian economy is now projected to be lower. The slow down in exports may also adversely impact the business environment. The domestic construction sector remains oversupplied and growth in electric and electronic sectors has slowed down.

The company is continuing to seek new opportunities in this challenging market environment.

The Board expects the performance of the Group for the year 2001 to be reasonable in the context of a difficult market environment.

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.