

(Tempatan 43072 - A)
MALAYSIA SMELTING CORPORATION BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

at 31 March 2004

	As at end of current quarter 31.03.2004 RM'000	As at preceding financial year end 31.12.2003 RM'000
Note		
NON CURRENT ASSETS		
Property , Plant and equipment	117,454	113,864
Base Inventory	3,000	3,000
Investment in associates	31,264	30,616
CURRENT ASSETS		
Inventories	256,567	211,038
Trade receivables	64,197	36,001
Other receivables	27,405	10,747
Tax recoverable	-	9
Amount due from associates	1,701	2,536
Cash, bank balances and deposits	41,153	78,260
	391,023	338,591
CURRENT LIABILITIES		
Trade payables	26,779	17,828
Other payables	26,664	15,459
Provisions for liabilities	1,886	1,902
Amount due to an associate	1,000	1,000
Taxation	2,620	12,183
Borrowings (unsecured)	169,768	139,433
Dividend Payable	7,560	-
	236,277	187,805
NET CURRENT ASSETS	154,746	150,786
	306,464	298,266
Financed by -		
Share capital	75,000	75,000
Reserves	135,305	131,933
Shareholders' equity	210,305	206,933
Minority interests	33,721	31,362
	244,026	238,295
NON-CURRENT LIABILITIES		
Provisions for liabilities	25,217	22,629
Deferred tax liabilities	8,963	9,266
Borrowings (unsecured)	28,258	28,076
	306,464	298,266

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MALAYSIA SMELTING CORPORATION BERHAD
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UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

for the three months period ended 31st March 2004

	Note	← 1 st Quarter →		← Year to Date →	
		3 months ended		3 months ended	
		31.03.2004	31.03.2003	31.03.2004	31.03.2003
		RM'000	RM'000	RM'000	RM'000
Revenue		296,784	131,759	296,784	131,759
Profit from operations		19,050	9,887	19,050	9,887
Gross interest income		394	722	394	722
Finance cost		(969)	(558)	(969)	(558)
Share of profit of associates		236	159	236	159
Profit before taxation		18,711	10,210	18,711	10,210
Taxation	15	(5,495)	(4,437)	(5,495)	(4,437)
Profit after taxation		13,216	5,773	13,216	5,773
Minority interest		(2,359)	(1,087)	(2,359)	(1,087)
Net profit for the period		10,857	4,686	10,857	4,686
Basic earnings per share (sen)	26	14.5	6.2	14.5	6.2
Net dividend per share (sen)	7	10.1	10.0	10.1	10.0
			As at end of current quarter	As at preceding financial year	
Net tangible assets per share (RM)			2.77	2.72	

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2003 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the three months period ended 31st March 2004

Note	Share capital RM ' 000	Capital reserve RM ' 000	← Non - Distributable		→ Distributable		Total RM ' 000
			Reserve on consolidation RM ' 000	Revaluation reserve RM ' 000	Foreign exchange reserve RM ' 000	Retained profits RM ' 000	
At 1st January, 2003 -							
As previously stated	75,000	1,706	18,460	11,468	-	86,669	193,303
Prior year adjustment	-	-	(61)	(1,806)	-	(153)	(2,020)
As restated	75,000	1,706	18,399	9,662	-	86,516	191,283
Net profit for the period	-	-	-	-	-	4,686	4,686
Dividend	-	-	-	-	-	(7,500)	(7,500)
At 31st March, 2003	75,000	1,706	18,399	9,662	-	83,702	188,469
At 1st January, 2004	75,000	1,706	18,399	9,194	662	101,972	206,933
Foreign exchange differences representing net gains not recognised in the income statement	-	-	-	-	308	-	308
Deferred tax on revaluation surplus not recognised in the income statement	-	-	-	(233)	-	-	(233)
Net profit for the period	-	-	-	-	-	10,857	10,857
Dividend	7	-	-	-	-	(7,560)	(7,560)
At 31st March, 2004	75,000	1,706	18,399	8,961	970	105,269	210,305

The unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2003 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the three months period ended 31st March 2004

	2004	2003
	RM'000	RM'000
Cash generated from operations	(45,474)	(430)
Interest paid	(852)	(594)
Income tax paid	(15,353)	(1,225)
Severance benefits paid	(205)	(585)
Net cash from operating activities	<u>(61,884)</u>	<u>(2,834)</u>
Investing Activities		
Purchase of property, plant and equipment	(5,992)	(38)
Proceeds from disposal of property, plant and equipment	25	2,043
Investment	-	(3,950)
Interest received	409	669
Net cash used in investing activities	<u>(5,558)</u>	<u>(1,276)</u>
Financing Activities		
Borrowing from/(Repayment of) short term trade financing	30,335	(3,707)
Net cash from financing activities	<u>30,335</u>	<u>(3,707)</u>
Net Change in Cash & Cash Equivalents	(37,107)	(7,817)
Cash & Cash Equivalents at 1st January	78,260	56,475
Cash & Cash Equivalents at 31st March	<u>41,153</u>	<u>48,658</u>

The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2003 and the accompanying explanatory notes attached to the interim financial statements.