

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

at 31 March 2010

	As at end of current quarter 31.03.2010 RM'000	As at preceding financial year end 31.12.2009 RM'000
	Note	
NON-CURRENT ASSETS		
Property, Plant and equipment	85,559	88,165
Prepaid land lease payments	1,274	1,312
Base Inventory	3,000	3,000
Mining rights	1,337	1,683
Mining asset	77,164	77,164
Investment in associates	150,608	213,918
Available for sale investment	123	165
Other assets	78,823	77,179
Goodwill on consolidation	6,166	6,166
Amount due from an associate	2,648	2,648
Deferred tax asset	18,762	12,572
	425,464	483,972
CURRENT ASSETS		
Inventories	313,224	380,550
Trade receivables	167,822	131,688
Other receivables	89,655	57,581
Tax recoverable	22,744	31,141
Amount due from related companies	1,588	1,102
Amount due from an associate	15,294	15,229
Derivative financial assets	4,314	-
Cash, bank balances and deposits	90,718	65,285
	705,359	682,576
Non-current asset classified as held for sale	5 23,050	-
	728,409	682,576
CURRENT LIABILITIES		
Trade payables	29,103	27,981
Other payables	44,792	49,290
Provisions for liabilities	5,944	7,308
Amount due to an associate	8	534
Taxation	22,019	19,955
Borrowings (unsecured)	20 532,299	509,520
Derivative financial liabilities	19,948	-
	654,113	614,588
NET CURRENT ASSETS		
	74,296	67,988
	499,760	551,960
EQUITY		
Equity attributable to equity holders of the parent		
Share capital	75,000	75,000
Reserves	184,840	227,843
	259,840	302,843
Minority interests	66,812	69,528
Total Equity	326,652	372,371
NON-CURRENT LIABILITIES		
Provisions for liabilities	20,011	21,000
Deferred tax liabilities	21,159	20,434
Borrowing (unsecured)	20 130,827	138,155
Derivative financial liabilities	1,111	-
	173,108	179,589
	499,760	551,960

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

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

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

for the period ended 31 March 2010

	Note	← 1 st Quarter →		← Year Date →	
		3 months ended		3 months ended	
		31.03.2010	31.03.2009	31.03.2010	31.03.2009
		RM'000	RM'000	RM'000	RM'000
Revenue		651,181	351,649	651,181	351,649
Profit/ (loss) from operations		(21,831)	(6,100)	(21,831)	(6,100)
Gross interest income		1,530	2,618	1,530	2,618
Gross interest expense		(4,158)	(6,875)	(4,158)	(6,875)
Share of profit/ (loss) of associates		4,211	1,201	4,211	1,201
Profit/ (loss) before taxation		(20,248)	(9,156)	(20,248)	(9,156)
Taxation	16	(8,210)	564	(8,210)	564
Profit/ (loss) for the period		(28,458)	(8,592)	(28,458)	(8,592)
Attributable to:					
Equity holders of the Company		(29,131)	(5,590)	(29,131)	(5,590)
Minority interests		673	(3,002)	673	(3,002)
		(28,458)	(8,592)	(28,458)	(8,592)
Basic earnings per share (sen)	27	(38.8)	(7.5)	(38.8)	(7.5)
Proposed/Declared dividend per share (sen)	28	-	-	-	-
Net assets per share attributable to ordinary holders of the Company (RM)				3.46	4.04

As at end of current quarter As at preceding financial year end

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the audited Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company						Minority Interests	Total Equity
	Share capital RM ' 000	Share premium RM ' 000	Revaluation reserve RM ' 000	Foreign exchange reserve RM ' 000	Retained earnings RM ' 000	Sub-total RM ' 000		
								RM ' 000
At 1 January 2009	75,000	1,706	15,105	(7,344)	212,032	296,499	44,033	340,532
Profit for the period	-	-	-	-	(5,590)	(5,590)	(3,002)	(8,592)
Other comprehensive incomes	-	-	-	4,487	-	4,487	1,990	6,477
Total comprehensive incomes for the period	-	-	-	4,487	(5,590)	(1,103)	(1,012)	(2,115)
Dividend	-	-	-	-	-	-	-	-
At 31 March 2009	75,000	1,706	15,105	(2,857)	206,442	296,396	43,021	338,417

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Cont'd)

	Attributable to equity holders of the Company							Minority Interests	Total Equity
	Share capital RM ' 000	Share premium RM ' 000	Non - Distributable	Foreign exchange reserve RM ' 000	Available for sale reserve RM ' 000	Hedging Reserve RM ' 000	Distributable		
Note			Revaluation reserve RM ' 000			Retained earnings RM ' 000			
At 1 January 2010									
As previously stated	75,000	1,706	15,105	(8,354)	-	219,386	302,843	69,528	372,371
Effects of adopting FRS 139	-	-	-	-	-	(2,868)	(9,606)	(1,209)	(10,815)
At 1 January 2010 (restated)	75,000	1,706	15,105	(8,354)	-	216,518	293,237	68,319	361,556
Profit/(Loss) for the period	-	-	-	-	-	(29,131)	(29,131)	673	(28,458)
Other comprehensive incomes	-	-	-	(2,634)	(42)	(1,590)	(4,266)	(2,180)	(6,446)
Total comprehensive incomes for the period	-	-	-	(2,634)	(42)	(1,590)	(33,397)	(1,507)	(34,904)
Dividend	-	-	-	-	-	-	-	-	-
At 31 March 2010	75,000	1,706	15,105	(10,988)	(42)	187,387	259,840	66,812	326,652

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 2009 and the accompanying explanatory notes attached to the interim financial statements.

(Tempatan 43072 - A)
MALAYSIA SMELTING CORPORATION BERHAD
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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the period ended 31 March 2010

	2010 RM'000	2009 RM'000
Cash from operations	17,855	788
Interest paid	(3,147)	(9,496)
Income tax refund/(paid)	1,602	(9,773)
Severance benefits paid	(4,345)	(1,080)
Net cash from/ (used in) operating activities	<u>11,965</u>	<u>(19,561)</u>
Investing Activities		
Purchase of property, plant and equipment	(1,168)	(186)
Payment for investment in an associate	(3,529)	-
Payment of deferred mine development and exploration and evaluation expenditure	(7,749)	(9,055)
Interest received	1,559	3,142
Net cash used in investing activities	<u>(10,887)</u>	<u>(6,099)</u>
Financing Activities		
Borrowing/ (repayment) of short term trade financing	29,813	(4,648)
Repayment of term loans	(5,458)	(2,726)
Net cash from/(used) in financing activities	<u>24,355</u>	<u>(7,374)</u>
Net Change in Cash & Cash Equivalents	25,433	(33,034)
Cash & Cash Equivalents at 1 January	65,285	72,575
Cash & Cash Equivalents at 31 March	<u>90,718</u>	<u>39,541</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 2009 and the accompanying explanatory notes attached to the interim financial statements.