



**Quarterly report on consolidated results for the first financial quarter ended 30th April 2005**

**Condensed Consolidated Income Statements for the first quarter ended 30th April 2005**

(The figures have not been audited)

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current year Quarter 30th April 2005</u> RM'000	<u>Preceding year Corresponding Quarter 30th April 2004</u> RM'000	<u>Current Year To date 30th April 2005</u> RM'000	<u>Preceding year Corresponding Period 30th April 2004</u> RM'000
Revenue	83,696	89,940	83,696	89,940
Operating expenses	(82,097)	(85,620)	(82,097)	(85,620)
Other operating income	353	178	353	178
Profit from operations	<u>1,952</u>	<u>4,498</u>	<u>1,952</u>	<u>4,498</u>
Finance costs	(1,732)	(1,901)	(1,732)	(1,901)
Investing results	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit before tax	220	2,597	220	2,597
Taxation	(45)	(177)	(45)	(177)
Profit after tax	<u>175</u>	<u>2,420</u>	<u>175</u>	<u>2,420</u>
Minority interest	(19)	(408)	(19)	(408)
Net profit for the period	<u><u>156</u></u>	<u><u>2,012</u></u>	<u><u>156</u></u>	<u><u>2,012</u></u>
EPS - Basic (sen)	<u>0.24</u>	<u>3.11</u>	<u>0.24</u>	<u>3.11</u>
- Diluted (sen)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

**(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31st January 2005)**



SMPC CORPORATION BHD  
(79082-V)

Page 2

Quarterly report on consolidated results for the first financial quarter ended 30th April 2005

Condensed Consolidated Balance Sheet as at 30th April 2005

(The figures have not been audited)

	As at 30th April 2005 RM'000	As at 31st January 2005 RM'000
Property, plant & equipment	107,488	108,822
Intangible assets	-	2
Current assets		
Inventories	37,316	35,705
Trade receivables	76,302	78,388
Other receivables, deposits and prepayments	9,460	9,112
Short term investment	237	237
Cash & bank balances	6,865	4,812
	130,180	128,254
Current liabilities		
Short term borrowings	87,985	93,639
Trade payables	27,532	24,705
Other payables	4,958	3,934
Taxation	239	344
	120,714	122,622
Net current asset	9,466	5,632
	116,954	114,456
Share capital	64,645	64,645
Reserves	14,849	14,693
Shareholders' equity	79,494	79,338
Minority interests	1,338	1,319
Long term liabilities		
Retirement Benefits	145	146
Borrowings	20,617	18,190
Trade payable	14,107	14,107
Deferred taxation	2,036	2,036
Reserve / (Goodwill) on consolidation	(783)	(680)
	116,954	114,456

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31st January 2005)



**Quarterly report on consolidated results for the first financial quarter ended 30th April 2005**

**Condensed Consolidated Cash Flow Statements for the first quarter ended 30th April 2005**

(The figures have not been audited)

	<b>3 months ended 30th April 2005 RM'000</b>	<b>3 months ended 30th April 2004 RM'000</b>
Net profit before tax	220	2,410
Adjustment for non-cash flow :		
Non-cash items		
Non-operating items	1,724	5,122
Operating profit before changes in working capital	<u>1,944</u>	<u>7,532</u>
Changes in working capital		
Net change in current assets	(513)	(397)
Net change in current liabilities	6,299	339
Taxation paid	(226)	(25)
Net cash flows from operating activities	<u>7,504</u>	<u>7,449</u>
Investing activities		
- Other investments	<u>(184)</u>	<u>(144)</u>
Financing activities		
- Net change in borrowings	<u>(4,199)</u>	<u>(3,127)</u>
Net change in cash & cash equivalents	3,121	4,178
Cash & cash equivalents at beginning of the year	(12,095)	(16,045)
Cash & cash equivalents at end of the period	<u>(8,974)</u>	<u>(11,867)</u>

**(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31st January 2005)**



**Quarterly report on consolidated results for the first financial quarter ended 30th April 2005**

**Condensed Consolidated Statements of Changes in Equity for the first quarter ended 30th April 2005**

(The figures have not been audited)

	Share capital RM'000	Share premium RM'000	-----Non-Distributable ----- Revaluation reserve RM'000	Accumulated losses RM'000	Total Reserves RM'000	Total RM'000
3 months <u>ended 30th April 2004</u>						
As at 1 February 2004	64,645	23,752	5,763	(17,368)	12,147	76,792
Movements during the period (cumulative)	-	(30)	-	-	(30)	(30)
Net profit for the year	-	-	-	2,012	2,012	2,012
At 30 April 2004	<u>64,645</u>	<u>23,722</u>	<u>5,763</u>	<u>(15,356)</u>	<u>14,129</u>	<u>78,774</u>
3 months <u>ended 30th April 2005</u>						
As at 1 February 2005	64,645	23,752	5,763	(14,822)	14,693	79,338
Movements during the period (cumulative)	-	-	-	-	-	-
Net profit for the year	-	-	-	156	156	156
At 30 April 2005	<u>64,645</u>	<u>23,752</u>	<u>5,763</u>	<u>(14,666)</u>	<u>14,849</u>	<u>79,494</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st January 2005)



**EXPLANATORY NOTES : (AS PER FRS 134)**

**A1 Accounting policies**

The interim financial statements have been prepared in accordance with FRS134 “Interim Financial Reporting” and Chapter 9 Part K of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The accounting policies and methods used in preparing the quarterly financial statement are consistent with the audited financial statements for the financial year ended 31st January 2005.

**A2 Declaration of audit qualification**

The audit report of the Company in respect of the annual financial statements for the year ended 31st January 2005 was not subject to any audit qualification.

**A3 Seasonality or cyclicity of operation**

The business of the Group is generally non-cyclical nor seasonal except for decreased activities during the festive season.

**A4 Unusual items**

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

**A5 Changes in estimates**

There were no changes in estimates of amount used in our previous reporting having a material impact in the current reporting.

**A6 Issuances and repayments of debts and equity securities**

There were no changes in the equity structure of the company during this period.

There were no issuances and repayments of debt securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year to date.

**A7 Dividend**

No dividend has been declared for the period.

**A8 Segmental reporting**

Segmental analysis for the current financial year to-date

	Revenue (RM)	Profit From Operations (RM)
Manufacturing	41,956,133	1,412,159
Trading	41,605,548	800,498
Others	134,011	( 260,443)
	-----	-----
	83,695,692	1,952,214
	=====	=====



**EXPLANATORY NOTES : (AS PER FRS 134)**

**A9 Valuation of property, plant and equipment**

The valuation of property, plant and equipment have been brought forward, without amendment from the audited financial statements for the financial year ended 31st January 2005.

**A10 Subsequent material events**

In the best knowledge of the Directors, there is no transaction or event of a material or unusual nature occurring between 31st January 2005 and the date of this announcement.

**A11 Changes in the composition of the Group**

There were no changes in the composition of the Group for the current financial year to date.

**A12 Contingent liabilities or contingent assets**

There were no contingent liabilities and contingent assets as at end of the reporting quarter other than as stated below:

Guarantee for loan facilities given to other investee company

USD 266,833



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**EXPLANATORY NOTES : (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)**

**B1 Review of the performance of the Company and its principal subsidiaries**

The group recorded revenue of RM83.696 million and profit before tax of RM0.220 million as compared to a revenue of RM89.940 million and a profit before tax of RM2.597 million in the preceding year corresponding period. The turnover and the profit before tax has dropped by 7% and 120% respectively due to fluctuations in the selling prices.

**B2 Material changes in the quarterly results compared to the results of the immediate preceding quarter**

The current financial quarter showed the Group recording revenue of RM83.696 million and profit before tax of RM0.220 million in comparison with a revenue of RM77.717 million and profit before tax of RM0.033 million recorded in the immediate preceding quarter. There is an increase of 8% in the turnover due to higher selling price as compared to the immediate preceding quarter.

**B3 Prospects of the current financial year**

The Group is cautiously looking into the coming year due to the pressures that might be exerted by the growing economies of China and India and the impact of it on the domestic market. However the group will focus towards strengthening its downstream activities and barring any unforeseen circumstances will continue to maintain its performance.

**B4 Variance of actual profit from forecast profit**

This is not applicable to the Group.



SMPC CORPORATION BHD  
(79082-V)

Quarterly report on consolidated results for the first financial quarter ended 30<sup>th</sup> April 2005

Page 8

EXPLANATORY NOTES : (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)

**B5 Taxation**

Taxation comprises :-

	Current Year Quarter 30/04/2005 RM'000	Cumulative Quarters	
		Current Year To Date 30/04/2005 RM'000	Preceding Year Corresponding Period 30/04/2004 RM'000
Current tax expense Current year	45	45	177
Over provision of Income tax expense in prior year	-	-	-
	45	45	177
Over provision of Deferred tax in prior year	-	-	-
	45	45	177

The disproportionate tax charge in relation to the results of the Group for the financial periods under review is mainly due to tax savings arising from the utilization of unabsorbed tax losses in certain subsidiaries of the group.

**B6 Profit on sale of unquoted investments and / or properties**

There was no sale of unquoted investments and properties respectively for the current financial year to date.

**B7 Purchase or disposal of quoted securities**

There was no purchase or disposal of quoted securities for the current financial year to date.

**B8 Status of corporate proposals**

There were no other corporate proposals at the date of issue of the quarterly report.





SMPC CORPORATION BHD  
(79082-V)

Quarterly report on consolidated results for the first financial quarter ended 30<sup>th</sup> April 2005

Page 9

**B9 Group borrowings and debt securities**

There were no bank borrowings (other than as detailed below) and debt securities as at the end of the reporting period.

	Short Term RM '000	Long Term RM '000
Secured		
Bank overdraft	4,665	
Bankers' acceptances	4,575	
Term loan	3,534	12,887
Unsecured		
Bank overdraft	6,832	
Bankers' acceptances	54,824	
Revolving credit	12,250	
Term Loan	0	6,244
Hire Purchase Loan	1,305	1,486
	-----	-----
	87,985	20,617
	=====	=====

**B10 Off balance sheet financial instruments**

There were no financial instruments with off balance sheet risk as at the date of this announcement.

**B11 Material litigation**

There is no material litigation pending as at the date of this announcement.

**B12 Dividend**

The Board of Directors of the Company has not recommended any final dividend in the financial year to date.

**B13 Earnings per share**

(i) Basic earnings per ordinary share

The earnings per share is calculated by dividing the net profit attributable to shareholders of RM156,026 by the weighted average number of ordinary shares in issue during the current quarter of 64,644,965.

(ii) Diluted earnings per ordinary share

The diluted earnings per share is not presented as the assumed conversion of potential ordinary share are anti-dilutive.

By order of the Board

THUM SOOK FUN  
Secretary  
Penang

30th June 2005