



Choo Bee Metal Industries
Berhad
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PRESS RELEASE

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For Immediate Release!

Choo Bee Achieves 49.1% Sales Growth

May 14, 2004 – IPOH, PERAK – Choo Bee Metal Industries Berhad (Main Board of Bursa Malaysia: ChooBee), a key player in the steel processing and trading industry, today announced results for its first quarter ended March 31, 2004. Revenue for the quarter was RM81.7 million, increased by 49.1% compared to RM54.8 million for the previous corresponding quarter. Group pretax profit (PBT) increased by 69.4% to RM11.7 million from RM6.9 million in the previous corresponding quarter. The main reason for the increase was the increase in sales price coupled with a 10.5% increased in sales volume when compared to the same period last year.

Mr Simon Soon, the Managing Director of Choo Bee commented, “Although the China market cooled towards the end of the first quarter, Malaysia is in a unique situation where prices would not react immediately as far as Hot Rolled (HR) flat products are concerned. Locally, the market prices for HR flat products are still sustained at the year end level. The market for long products such as re-bars, however, is still tight. With the Government’s apparent intention to encourage the private sector to support the construction industry’s growth, it would appear that we have placed correct emphasis on the development of flat based manufacturing activities at Choo Bee as our manufacturing base and stocks are primarily flat based products.

Soon added, “Going forward, we are fully aware of the underlying changes in our market and requirement of our customers and are working towards meeting these changes and requirements. We see an exciting time ahead for the steel industry in Malaysia and globally. We look forward to posting better results as we go along.”

Company Brief

Choo Bee is principally involved in the processing of steel coil into steel products and trading of structural steel and building materials. Products processed by the Group include steel pipes, flat bars, sheets and plate, channels, hollow sections, decorative and string pipes just to name a few. Besides steel based products, the Group also processes stainless steel products and provides steel servicing for customers that require tailor-made products such as shearing sheets and slitted coils.

This press release contains certain forward-looking statements which involved known and unknown risks, uncertainties or other factors not under the Company's control which may cause the actual results, performance or achievement of the Company to materially different from the results, performance or other expectations implied by these forward-looking statements. These factors include, but are not limited to, those disclosed in the Company's periodic announcements with the Bursa Malaysia. .

~ Tables to follow ~

Interim Report on Consolidated Results for the First Financial Quarter Ended 31 March 2004

Condensed Consolidated Income Statements

	2004 Current quarter ended 31 Mar RM'000	2003 Comparative quarter ended 31 Mar RM'000
Revenue	81,738	54,828
Profit from Operations	11,745	6,130
Interest Income	191	164
Finance costs	(240)	(100)
Income from other investments	13	720
Profit before tax	11,709	6,914
Taxation	(3,442)	(1,478)
Profit after tax	8,267	5,436
Minority interest	(558)	(279)
Net Profit for the year	7,709	5,157
Earnings per share (EPS):		
a) Basic	7.62	5.19
b) Diluted	7.45	5.18

Condensed Consolidated Balance Sheet

	As at period ended 31 Mar 2004 RM'000	As at period ended 31 Mar 2003 RM'000
Property, plant and equipment	45,823	47,732
Other investments	6,031	6,036
Deferred tax asset	224	214
Current assets		
Inventories	157,607	149,752
Trade receivables	87,077	84,279
Other receivables and prepaid expenses	30,302	11,262
Cash & cash equivalents	3,974	3,186
	278,960	248,479
Current liabilities		
Trade payables	3,567	8,411
Other payables and accrued expenses	14,148	12,790
Short term borrowings	58,105	36,223
Tax liabilities	3,252	2,282
Dividend Payable	4,357	-
	83,429	59,706
Net current assets	195,531	188,773
Long-term and Deferred Liabilities		
Deferred tax liabilities	(5,324)	(5,286)
Others	(352)	(352)
Minority interests	(6,958)	(6,400)
	234,975	230,717
Represented by:		
Issued capital	104,375	103,612
Reserves	130,600	127,105
Shareholders' Equity	234,975	230,717
Net Tangible Assets Per Share (RM)	2.31	2.29