



Choo Bee Metal Industries  
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# PRESS RELEASE

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**For Immediate Release!**

## **ChooBee Reports 9 months Results: PROFIT BEFORE TAX UP 82.5% TO RM47.7 MILLION**

**November 26, 2004 – IPOH, PERAK** – Choo Bee Metal Industries Berhad (Main Board of Bursa Malaysia: ChooBee), a key player in the steel manufacturing and trading industry, today announced results for the third quarter and nine months ended September 30, 2004. The Group showed improvement in its results for the financial year to date compared to previous year. Profit Before Tax (PBT) was RM47.7 million, an improvement of 82.5% compared to RM26.2 million reported for the same period in 2003. Its PBT to date surpassed its whole year results of M35.3 million in 2003. In addition, the Group revenue also grew 18.7% to RM248.2 million from RM209.1 million

For the third quarter, the Group also recorded an impressive improvement in its performance. Compared to the corresponding quarter in 2003, PBT rose to RM18.6 million, up 113.9% compared to RM8.7 million while the revenue for the quarter was up by 20.2% to RM95.4 million from RM79.4 million for the same quarter last year. The improvement was mainly contributed by better pricing as well as market share for its flat products and trading activities.

The Group is confident that despite the slower business activities in November and December due to the festive season, its fourth quarter results are expected to be good. ChooBee is well positioned to benefit from the continuing strength in the steel industry particularly in the flat product sector.

Work for its Pengkalan factory expansion is underway and should be able to complete as scheduled by fourth quarter of next year to accommodate the arrival of its new machinery (i.e. the RM40 million investment announced in April 2004). Upon completion of the expansion plan, ChooBee will be able to produce pipes up to 16 inch (400mm) in diameter.

## **Company Brief**

Choo Bee is principally involved in the manufacturing of flat based steel products (i.e. from steel coil into steel products) and trading of long based steel products (i.e. structural steel and building materials). Products manufactured by the Company include steel pipes, flat bars, sheets and plate, purlins, hollow sections, decorative and string pipes just to name a few. Besides flat based steel products, the Company also manufactures flat based stainless steel products and provides steel servicing for customers that require tailor-made products such as shearing of sheets and slitting of 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 Third Financial Quarter Ended 30 September 2004

### Condensed Consolidated Income Statements

	2004 Current quarter ended 30 Sep RM'000	2003 Comparative quarter ended 30 Sep RM'000	2004 9 months Cumulative to date RM'000	2003 9 months Cumulative to date RM'000
Revenue	95,448	79,412	248,206	209,092
Profit from Operations	18,808	8,383	48,069	24,710
Interest Income	112	166	437	610
Finance costs	(321)	(83)	(867)	(292)
Income from other investments	(42)	209	108	1,140
Profit before tax	18,557	8,675	47,747	26,168
Taxation	(4,855)	(1,299)	(13,024)	(5,891)
Profit after tax	13,702	7,376	34,723	20,277
Minority interest	(602)	(281)	(1,799)	(779)
Net Profit for the year	13,100	7,095	32,924	19,498
Earnings per share (EPS):				
a) Basic	12.83	7.12	32.31	19.59
b) Diluted	12.60	6.98	31.75	19.21

### Condensed Consolidated Balance Sheet

	As at 30 Sep 2004 RM'000	As at 31 Dec 2003 RM'000
Property, plant and equipment	47,193	47,732
Other investments	5,943	6,036
Deferred tax asset	176	214
<b>Current assets</b>		
Inventories	196,209	149,752
Trade receivables	90,058	84,279
Other receivables and prepaid expenses	13,653	11,262
Cash & cash equivalents	1,615	3,186
	301,535	248,479
<b>Current liabilities</b>		
Trade payables	4,431	8,411
Other payables and accrued expenses	8,760	12,790
Short term borrowings	59,323	36,223
Tax liabilities	7,710	2,282
Dividend Payable	-	-
	80,224	59,706
Net current assets	221,311	188,773
<b>Long-term and Deferred Liabilities</b>		
Deferred tax liabilities	(4,674)	(5,286)
Others	(344)	(352)
Minority interests	(8,199)	(6,400)
	261,406	230,717
Represented by:		
Issued capital	105,429	103,612
Reserves	155,977	127,105
Shareholders' Equity	261,406	230,717
Net Tangible Assets Per Share (RM)	2.55	2.29