

**SCOPE METALS GROUP LTD.**  
**AND ITS SUBSIDIARIES**

**SUMMARY OF INTERIM BALANCE SHEET AND STATEMENT OF**  
**INCOME FOR THE THREE MONTHS ENDED MARCH 31<sup>st</sup>, 2012**

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**SCOPE METALS GROUP LTD.****BALANCE SHEET****Consolidated**

	<u>March 31<sup>st</sup></u>		<u>December 31<sup>st</sup></u>
	<u>2012</u>	<u>2011</u>	<u>2011</u>
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Audited</u>
<b><u>In Thousands of US dollars</u></b>			
<b><u>CURRENT ASSETS</u></b>			
Cash and cash equivalents	40,762	29,262	40,786
Marketable securities	2,000	7,462	1,945
Trade receivables, net	83,472	77,312	75,740
Other receivables	4,455	3,823	3,701
Inventory	<u>142,235</u>	<u>150,649</u>	<u>142,802</u>
	272,924	268,508	264,974
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<b><u>NON CURRENT ASSETS</u></b>			
Prepaid leasing payments	184	261	203
Employees benefits assets, net	-	192	-
Property and equipment	78,188	79,192	78,958
Goodwill	1,203	3,469	1,186
Intangible assets	3,734	3,966	3,755
Deffered taxes	<u>4,050</u>	<u>6,117</u>	<u>4,348</u>
	87,359	93,197	88,450
	-----	-----	-----
	360,283	361,705	353,424
	=====	=====	=====

The amounts were translated into US \$ at a rate of 3.715 NIS =1 US\$

**SCOPE METALS GROUP LTD.****BALANCE SHEET****Consolidated**

	<u>March 31<sup>st</sup></u>		<u>December 31<sup>st</sup></u>
	<u>2012</u>	<u>2011</u>	<u>2011</u>
	<u>Unaudited</u>	<u>Unaudited</u>	<u>audited</u>

**In Thousands of US dollars****CURRENT LIABILITIES**

Short-term credit from banks and others	50,024	45,873	46,164
Current maturities of debentures	8,956	17,424	13,254
Trade payables	29,370	26,467	23,917
Other payables	7,664	6,974	10,369
Dividends payables	<u>8,792</u>	-	-
	104,806	96,738	93,704
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**NON CURRENT LIABILITIES**

Long - term loans from banks and others	92,382	80,696	80,680
Debentures	17,858	27,820	26,810
Employee benefits liabilities	17	-	-
Deferred taxes	<u>9,636</u>	<u>6,758</u>	<u>9,670</u>
	119,893	115,274	117,160
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**TOTAL LIABILITIES**

	224,699	212,012	210,864
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**EQUITY**

Issued share capital	3,963	3,963	3,963
Premium and capital funds	98,122	98,122	98,122
Retained earnings	37,134	52,669	44,148
Treasury stock	(57)	-	(57)
Foreign currency translation fund	<u>(3,578)</u>	<u>(5,061)</u>	<u>(3,616)</u>
	135,584	149,693	142,560
	-----	-----	-----
	360,283	361,705	353,424
	=====	=====	=====

May 20<sup>th</sup>, 2012

**SCOPE METALS GROUP LTD.****STATEMENT OF INCOME****Consolidated**For the three Months ended  
March 31For the year ended  
December 312012  
Unaudited2011  
Unaudited2011  
audited**In Thousands of US dollars (except Earnings Per Share data)**

Sales turnover	76,970	72,965	282,445
Cost of goods sold	<u>58,770</u>	<u>53,442</u>	<u>210,960</u>
Gross profit	18,200 -----	19,523 -----	71,485 -----
Selling and marketing expenses	10,203	9,491	38,342
General and administrative expenses	<u>3,675</u>	<u>3,691</u>	<u>13,431</u>
Operating income before other expenses`	4,322 -----	6,341 -----	19,712 -----
Other expenses, net	4	90	2,626
Operating income	4,318 -----	6,251 -----	17,086 -----
Finance income	542	604	1,246
Finance expenses	<u>2,164</u>	<u>3,032</u>	<u>11,832</u>
	1,622	2,428	10,586
Income before taxes on income	2,696	3,823	6,500
Taxes on income	<u>918</u>	<u>864</u>	<u>6,198</u>
Net income	1,778 -----	2,959 -----	302 -----
<u>Net income per share attributed to the company's shareholders (NIS)</u>			
Basic and Diluted income per share	0.16 =====	0.27 =====	0.03 =====