

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

**SUMMARY OF INTERIM BALANCE SHEET AND STATEMENT OF**  
**INCOME FOR THE NINE MONTHS ENDED SEPTEMBER 30<sup>th</sup>, 2014**

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

	<u>September 30<sup>th</sup></u>		<u>December 31<sup>st</sup></u>
	<u>2014</u>	<u>2013</u>	<u>2013</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	43,446	47,722	41,857
Marketable securities	2,672	2,485	2,562
Trade receivables, net	101,428	99,390	97,653
Other receivables	5,097	5,306	4,409
Inventory	<u>144,675</u>	<u>141,568</u>	<u>142,227</u>
	<u>297,318</u>	<u>296,471</u>	<u>288,708</u>
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<b><u>NON CURRENT ASSETS</u></b>			
Prepaid leasing payments	18	68	49
Employees benefits assets, net	75	39	91
Property and equipment	75,569	75,893	75,072
Goodwill	1,150	1,181	1,160
Intangible assets	2,998	3,317	3,230
Deffered taxes	<u>1,491</u>	<u>1,453</u>	<u>1,388</u>
	<u>81,301</u>	<u>81,951</u>	<u>80,990</u>
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	<u>378,619</u>	<u>378,422</u>	<u>369,698</u>
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The amounts were translated into US \$ at a rate of 3.695 NIS =1 US\$

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

	<u>September 30<sup>th</sup></u>		<u>December 31<sup>st</sup></u>
	<u>2014</u>	<u>2013</u>	<u>2013</u>
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>

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

Short - term credit from banks and others	4,682	5,293	3,290
Current maturities of long term loans from banks, debentures and others	66,385	59,247	58,396
Trade payables	33,865	32,232	30,859
Other payables	10,036	9,734	10,553
Dividends payable	=	=	<u>5,422</u>
	<b>114,968</b>	106,506	108,520
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**NON CURRENT LIABILITIES**

Long - term loans from banks and others	129,391	114,146	107,076
Debentures	-	9,292	9,287
Deferred taxes	<u>9,125</u>	<u>9,395</u>	<u>9,372</u>
	<b>138,516</b>	132,833	125,735
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**TOTAL LIABILITIES**

	<b>253,484</b>	239,339	234,255
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**EQUITY**

Issued share capital	3,985	3,985	3,985
Premium and capital funds	98,683	98,654	98,654
Treasury stock	-	(58)	(58)
Retained earnings	28,980	43,636	41,065
Foreign currency translation fund	<u>(6,513)</u>	<u>(7,134)</u>	<u>(8,203)</u>
	<b>125,135</b>	139,083	135,443
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	<b>378,619</b>	378,422	369,698
	=====	=====	=====

November 16<sup>th</sup>, 2014

**SCOPE METALS GROUP LTD.****STATEMENT OF INCOME****Consolidated**

	For the For the nine Months ended September 30 <sup>th</sup>		For the three Months September 30 <sup>th</sup>		For the year ended December 31 <sup>st</sup>
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2013</u>
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Audited</u>

**In Thousands of US dollars (except Earnings Per Share data)**

Sales turnover	<b>274,815</b>	261,962	<b>91,391</b>	85,275	349,811
Cost of goods sold	<b>214,431</b>	<u>202,156</u>	<b>71,409</b>	<u>65,788</u>	<u>269,620</u>
Gross profit	<b>60,384</b>	59,806	<b>19,982</b>	19,487	80,191
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Selling and marketing expenses	<b>32,693</b>	30,538	<b>10,940</b>	10,391	41,447
General and administrative expenses	<b>10,844</b>	<u>10,223</u>	<b>3,772</b>	<u>3,428</u>	<u>13,962</u>
Operating income before other expenses	<b>16,847</b>	19,045	<b>5,270</b>	5,668	24,782
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Other expenses (income), net	(27)	53	8	(2)	241
Operating income	<b>16,874</b>	18,992	<b>5,262</b>	5,670	24,541
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Finance income	424	1,029	99	357	1,335
Finance expenses	<b>5,718</b>	<u>6,484</u>	<b>2,309</b>	<u>2,515</u>	<u>8,432</u>
	<b>5,294</b>	5,455	<b>2,210</b>	2,158	7,097
Income before taxes on income	<b>11,580</b>	13,537	<b>3,052</b>	3,512	17,444
Taxes on income	<b>3,031</b>	<u>3,689</u>	<b>692</b>	<u>1,390</u>	<u>4,747</u>
Net income	<b>8,549</b>	9,848	<b>2,360</b>	2,122	12,697
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**Net income per share attributed to the company's shareholders (NIS)**

Basic and Deluted income	<b>0.78</b>	0.90	<b>0.22</b>	0.19	1.16
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