

MEDIA RELEASE

MALAYSIA SMELTING CORPORATION BERHAD NINE MONTH PRE-TAX PROFIT JUMPS SIX FOLD

Kuala Lumpur
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Today Malaysia Smelting Corporation Berhad ("MSC"), reported a significantly better Group profit before tax of RM46.6 million for the nine months to September against RM7.6 million for the corresponding period in 2015, helped by higher tin prices, better profit margin, an overall favourable valuation adjustment on tin inventory and a positive impact from foreign exchange differences in the first nine months of the year.

Group profit before tax for 3Q 2016 was RM16.7 million compared with RM28.7 million in 3Q 2015. The lower profit for 3Q 2016 was mainly due to lower revenue and lower favourable valuation adjustment on tin inventory compared with 3Q 2015.

The underlying core operations continued to deliver strong cash flows of RM120 million for the first nine months of 2016. Net assets per share improved from RM2.41 as of end 2015 to RM2.71 in 3Q 2016.

Although tin prices have recovered from its lows in early 2016, the outlook for the global commodity and resource sector remains volatile against the backdrop of a shifting global economic and political landscape. However, the Group is confident that its core operations will continue to deliver a satisfactory operating performance this year.

Ms Chew Gek Khim, Chairman of MSC, commented: "We are delighted with the excellent results for the nine months, and with the recent change in Management, we look forward to greater operational efficiencies."