

SCOPE METALS GROUP LTD.
AND ITS SUBSIDIARIES

SUMMARY OF INTERIM BALANCE SHEET AND STATEMENT OF
INCOME FOR THE THREE MONTHS ENDED MARCH 31st, 2018

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

	<u>March 31st</u>		<u>December 31st</u>
	<u>2018</u>	<u>2017</u>	<u>2017</u>
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Audited</u>
<u>In Thousands of US dollars</u>			
<u>CURRENT ASSETS</u>			
Cash and cash equivalents	58,493	88,370	55,572
Short - term investments	13,331	-	12,924
Marketable securities	5,159	3,455	5,380
Trade receivables, net	90,027	100,447	82,640
Other receivables	6,532	4,104	5,172
Inventory	<u>127,643</u>	<u>117,441</u>	<u>124,863</u>
	301,185	313,817	286,551
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<u>NON CURRENT ASSETS</u>			
Long Term investments	4,769	8,132	4,269
Prepaid leasing payments	261	282	260
Employees benefit assets, net	274	549	254
Property and equipment	92,499	90,887	93,437
Goodwill	1,212	1,159	1,197
Intangible assets	2,790	2,744	2,767
Deffered taxes	<u>2,565</u>	<u>1,075</u>	<u>2,522</u>
	104,370	104,828	104,706
	-----	-----	-----
	405,555	418,645	391,257
	=====	=====	=====

The amounts were translated into US \$ at a rate of 3.514 NIS =1 US\$

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

	<u>March 31st</u>		<u>December 31st</u>
	<u>2018</u>	<u>2017</u>	<u>2017</u>
	<u>Unaudited</u>	<u>Unaudited</u>	<u>audited</u>

In Thousands of US dollars**CURRENT LIABILITIES**

Short-term credit from banks	2,068	2,737	1,481
Current maturities of long term loans from banks, debentures and others	64,806	70,279	64,203
Trade payables	25,049	24,279	21,811
Other payables	<u>12,846</u>	<u>9,662</u>	<u>13,358</u>
	104,769	106,957	100,853
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NON CURRENT LIABILITIES

Long-term loans from banks and others	172,044	179,914	160,922
Deferred taxes	<u>7,396</u>	<u>7,561</u>	<u>7,471</u>
	179,440	187,475	168,393
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TOTAL LIABILITIES

	284,209	294,432	269,246
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EQUITY

Share capital	4,190	4,190	4,190
Premium and capital funds	103,766	103,766	103,766
Retained earnings	25,822	31,986	29,122
Foreign currency translation fund	<u>(12,432)</u>	<u>(15,729)</u>	<u>(15,067)</u>
	121,346	124,213	122,011
	-----	-----	-----
	405,555	418,645	391,257
	=====	=====	=====

May 22th, 2018

SCOPE METALS GROUP LTD.**STATEMENT OF INCOME****Consolidated**For the three months ended
March 31For the year ended
December 312018
Unaudited2017
Unaudited2017
audited**In Thousands of US dollars (except Earnings Per Share data)**

Sales turnover	85,760	92,729	341,933
Cost of goods sold	<u>58,314</u>	<u>65,420</u>	<u>239,644</u>
Gross profit	27,446 -----	27,309 -----	102,289 -----
Selling and marketing expenses	11,470	11,582	44,979
General and administrative expenses	<u>4,843</u>	<u>4,041</u>	<u>17,478</u>
Operating income before other expenses	11,133 -----	11,686 -----	39,832 -----
Other expenses (income), net	(1,938)	241	850
Operating income	13,071 -----	11,445 -----	38,982 -----
Finance income	94	265	889
Finance expenses	<u>2,081</u> 1,987	<u>2,378</u> 2,113	<u>8,802</u> 7,913
Income before taxes on income	11,084	9,332	31,069
Taxes on income	<u>1,982</u>	<u>1,718</u>	<u>4,259</u>
Net income	9,102 -----	7,614 -----	26,810 -----
<u>Net income per share attributed to the company's shareholders (NIS)</u>			
Basic and Diluted income per share	0.84 =====	0.70 =====	2.46 =====