

**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>, 2012**

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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>2012</u>	<u>2011</u>
	<u>Unaudited</u>	<u>Unaudited</u>
		<u>2011</u>
		<u>Audited</u>

**In Thousands of US dollars**

**CURRENT ASSETS**

Cash and cash equivalents	31,268	40,574	38,732
Marketable securities	1,821	1,879	1,847
Trade receivables, net	81,782	76,753	71,926
Other receivables	3,788	4,076	3,517
Inventory	<u>144,210</u>	<u>137,292</u>	<u>135,611</u>
	262,869	260,574	251,633
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**NON CURRENT ASSETS**

Prepaid leasing payments	138	211	192
Employees benefits assets, net	-	163	-
Property and equipment	73,426	74,781	74,982
Goodwill	1,149	3,441	1,127
Intangible assets	3,351	3,625	3,565
Deffered taxes	<u>3,943</u>	<u>5,112</u>	<u>4,129</u>
	82,007	87,333	83,995
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	344,876	347,907	335,628
	=====	=====	=====

The amounts were translated into US \$ at a rate of 3.912 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>2012</u>	<u>2011</u>	<u>2011</u>
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>

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

Short - term credit from banks and others	49,622	44,771	43,839
Current maturities of debentures	8,685	16,374	12,587
Trade payables	25,155	24,937	22,713
Other payables	<u>8,434</u>	<u>10,813</u>	<u>9,847</u>
	91,896	96,895	88,986
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**NON CURRENT LIABILITIES**

Long - term loans from banks and others	93,060	74,970	76,618
Debentures	17,327	25,504	25,459
Employee benefits liabilities	24	-	3
Deffered taxes	<u>9,400</u>	<u>6,641</u>	<u>9,183</u>
	119,811	107,115	111,263
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**TOTAL LIABILITIES**

	211,707	204,010	200,249
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**EQUITY**

Issued share capital	3,764	3,764	3,764
Premium and capital funds	93,181	93,181	93,181
Treasury stock	(55)	-	(55)
Retained earnings	37,326	50,124	41,925
Foreign currency translation fund	<u>(1,047)</u>	<u>(3,172)</u>	<u>(3,436)</u>
	133,169	143,897	135,379
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	344,876	347,907	335,628
	=====	=====	=====

November 29<sup>th</sup>, 2012

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

	<b>For the For the nine Months ended September 30<sup>th</sup></b>		<b>For the three Months September 30<sup>th</sup></b>		<b>For the year ended December 31<sup>st</sup></b>
	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2011</u></b>
	<b><u>Unaudited</u></b>	<b><u>Unaudited</u></b>	<b><u>Unaudited</u></b>	<b><u>Unaudited</u></b>	<b><u>Audited</u></b>
<b><u>In Thousands of US dollars (except Earnings Per Share data)</u></b>					
Sales turnover	221,491	202,940	73,465	67,969	268,222
Cost of goods sold	<u>170,443</u>	<u>150,939</u>	<u>56,950</u>	<u>51,458</u>	<u>200,337</u>
Gross profit	51,048	52,001	16,515	16,511	67,885
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Selling and marketing expenses	28,784	27,067	9,553	9,153	36,411
General and administrative expenses	<u>10,342</u>	<u>9,365</u>	<u>3,448</u>	<u>2,730</u>	<u>12,755</u>
Operating income before other expenses	11,922	15,569	3,514	4,628	18,719
Other expenses (income), net	13	138	18	(1)	2,494
Operating income	11,909	15,431	3,496	4,629	16,225
	=====	=====	=====	=====	=====
Finance income	725	891	232	363	1,183
Finance expenses	<u>6,913</u>	<u>8,804</u>	<u>2,222</u>	<u>3,287</u>	<u>11,236</u>
	6,188	7,913	1,990	2,924	10,053
Income before taxes on income	5,721	7,518	1,506	1,705	6,172
Taxes on income	<u>1,971</u>	<u>1,814</u>	<u>573</u>	<u>472</u>	<u>5,886</u>
Net income	<u>3,750</u>	<u>5,704</u>	<u>933</u>	<u>1,233</u>	<u>286</u>
	=====	=====	=====	=====	=====
<b><u>Net income per share attributed to the company's shareholders (NIS)</u></b>					
Basic and Deluted income	<u>0.35</u>	<u>0.52</u>	<u>0.09</u>	<u>0.11</u>	<u>0.03</u>
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