

SCOPE METALS GROUP LTD.
AND ITS SUBSIDIARIES

SUMMARY OF INTERIM BALANCE SHEET AND STATEMENT OF
INCOME FOR THE SIX MONTHS ENDED JUNE 30th, 2013

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

	<u>June 30th</u>	<u>December 31st</u>	
	<u>2013</u>	<u>2012</u>	
	<u>Unaudited</u>	<u>Unaudited</u>	
		<u>2012</u>	
		<u>Audited</u>	
<u>In Thousands of US dollars</u>			
<u>CURRENT ASSETS</u>			
Cash and cash equivalents	56,234	33,199	46,159
Marketable securities	2,514	1,997	2,061
Trade receivables, net	103,735	91,034	88,248
Other receivables	4,766	5,353	3,923
Inventory	<u>145,271</u>	<u>151,867</u>	<u>145,423</u>
	312,520	283,450	285,814
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<u>NON CURRENT ASSETS</u>			
Prepaid leasing payments	90	168	129
Employees benefits assets, net	44	-	41
Property and equipment	76,239	79,906	78,251
Goodwill	1,200	1,220	1,226
Intangible assets	3,497	3,724	3,549
Deffered taxes	<u>1,446</u>	<u>3,147</u>	<u>1,661</u>
	82,516	88,165	84,857
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	395,036	371,615	370,671
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The amounts were translated into US \$ at a rate of 3.618 NIS =1 US\$

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

	<u>June 30th</u>		<u>December 31st</u>
	<u>2013</u>	<u>2012</u>	<u>2012</u>
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>

In Thousands of US dollars**CURRENT LIABILITIES**

Short - term credit from banks	4,750	4,872	3,471
Current maturities of long term loans from banks, debentures and others	61,219	58,367	58,713
Trade payables	36,389	34,191	25,145
Other payables	9,607	8,502	9,221
Dividends payables	<u>7,523</u>	=	=
	119,488	105,932	96,550
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NON CURRENT LIABILITIES

Long - term loans from banks and others	117,070	96,323	103,393
Debentures	9,364	18,571	18,616
Employee benefits liabilities	-	8	-
Deferred taxes	<u>9,088</u>	<u>8,906</u>	<u>9,111</u>
	135,522	123,808	131,120
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<u>TOTAL LIABILITIES</u>	255,010	229,740	227,670
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EQUITY

Issued share capital	4,070	4,070	4,070
Premium and capital funds	100,753	100,753	100,753
Treasury stock	(59)	(59)	(59)
Retained earnings	42,400	39,350	42,032
Foreign currency translation fund	<u>(7,138)</u>	<u>(2,239)</u>	<u>(3,795)</u>
	140,026	141,875	143,001
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	<u>395,036</u>	<u>371,615</u>	<u>370,671</u>
	=====	=====	=====

July 28th, 2013

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

	For the Six Months ended June 30th		For the three Months ended June 30th		For the year ended December 31st
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2012</u>
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Audited</u>

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

Sales turnover	180,447	160,054	92,216	81,020	320,172
Cost of goods sold	<u>139,269</u>	<u>122,716</u>	<u>71,264</u>	<u>62,370</u>	<u>247,502</u>
Gross profit	41,178	37,338	20,952	18,650	72,670
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Selling and marketing expenses	20,576	20,793	10,377	10,317	41,434
General and administrative expenses	<u>6,941</u>	<u>7,454</u>	<u>3,494</u>	<u>3,680</u>	<u>14,509</u>
Operating income before other expenses	13,661	9,091	7,081	4,653	16,727
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Other expenses (income), net	56	(6)	33	(11)	97
Operating income	<u>13,605</u>	<u>9,097</u>	<u>7,048</u>	<u>4,664</u>	<u>16,630</u>
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Finance income	686	533	230	237	1,097
Finance expenses	<u>4,053</u>	<u>5,073</u>	<u>2,109</u>	<u>3,111</u>	<u>9,150</u>
	3,367	4,540	1,879	2,874	8,053
Income before taxes on income	10,238	4,557	5,169	1,790	8,577
Taxes on income	<u>2,348</u>	<u>1,511</u>	<u>1,151</u>	<u>570</u>	<u>2,855</u>
Net income	<u>7,890</u>	<u>3,046</u>	<u>4,018</u>	<u>1,220</u>	<u>5,722</u>
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<u>Net income per share attributed to the company's shareholders (NIS)</u>					
Basic and Deluted income	<u>0.72</u>	<u>0.28</u>	<u>0.37</u>	<u>0.11</u>	<u>0.53</u>
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