

BTM RESOURCES BERHAD (303962-T)

CONSOLIDATED BALANCE SHEET

	AS AT END OF CURRENT QUARTER 30/09/1999 RM'000	AS AT PRECEDING FINANCING YEAR END 31/12/1998 RM'000
1 Fixed Assets	14,291	15,304
2 Investment in Associated Companies	-	-
3 Long Term Investments	21	21
4 Intangible Assets	-	-
5 Current Assets		
<i>Stocks</i>	12,492	10,003
<i>Trade Debtors</i>	7,631	9,519
<i>Other Debtors, Deposit and Prepayments</i>	8,223	3,374
<i>Short Term Deposits</i>	507	2,004
<i>Cash and Bank Balances</i>	588	2,192
	<u>29,441</u>	<u>27,092</u>
6 Current Liabilities		
<i>Short Term Borrowings</i>	2,324	613
<i>Trade Creditors</i>	3,649	2,889
<i>Other Creditors</i>	452	705
<i>Provision for Taxation</i>	920	1,468
<i>Proposed Dividend</i>	-	287
	<u>7,345</u>	<u>5,962</u>
7 Net Current Assets or Current Liabilities	<u>22,096</u>	<u>21,130</u>
	<u>36,408</u>	<u>36,455</u>
8 Shareholders' Funds		
Share Capital	19,999	19,999
Reserves		
<i>Share Premium</i>	6,460	6,460
<i>Retained Profit</i>	6,951	9,230
9 Minority Interests	-	-
10 Long Term Borrowings	2,361	183
11 Other Long Term Liabilities	637	583
	<u>36,408</u>	<u>36,455</u>
12 Net Tangible Assets per Share (sen)	167	178

NOTES

1. Accounting Policies

The third quarter financial statements have been prepared using the same accounting policies, method of computation and basis of consolidation as compared with those used in the preparation of the most recent annual financial statements.

2. Exceptional Item

There was no exceptional item in the quarterly financial statements under review.

3. Extraordinary Item

There was no extraordinary item in the quarterly financial statements under review.

4. Taxation

No provision is made for tax on operating income or loss for the financial period under review in view of the waiver of income tax granted under the Income Tax (Amendment) Act 1999.

5. Pre-acquisition Profit

There were no pre-acquisition profits or losses for the current financial period ended 30th September 1999.

6. Profit On Sale Of Investments And / Or Properties

There were no profits on sale of investments and or properties for the current financial period ended 30th September 1999.

7. Quoted Securities

There was no purchase or disposal of quoted securities for the current financial period ended 30th September 1999.

8. Changes In The Composition Of The Group

There were no changes in the composition of the Group during the current financial period ended 30th September 1999.

9. Status Of Corporate Proposals

There were no corporate proposal announced but not completed in the interval between 19th November, 1999 and date of this announcement.

10. Seasonal Or Cyclical Factors

Our business operations are generally affected by the rainy seasons in the east coast of West Malaysia which predominantly occurred during the months of October to January.

11. Corporate Development

There were no issuances and repayments of debts and equity securities, share-buy-backs, share cancellations, shares held as treasury shares and resale-of treasury shares during the current financial period ended 30th September 1999.

12. Group Borrowings And Debt Securities

	Total Loan RM'000
As at 1 January, 1999	NIL
New loans obtained during the year	4,000
Loans repaid during the period	889
At 30 September, 1999	<u>3,111</u>
Short Term Loans (Amount falling due within one year)	1,333
Long Term Loans (Amount falling due after more than one year)	1,778
	<u>3,111</u>

The bank loan comprises of a term loan of RM4,000,000 secured by a Corporate Guarantee and a letter of negative pledge bearing an interest of 2.50% above Base Lending Rate of the bank.

13. Contingent Liabilities

There were no contingent liabilities nor material litigation pending at the date of this report.

14. Off Balance Sheet Financial Instruments

There were no material financial instruments with off balance sheet risk during the current financial period ended 30th September 1999.

15. Segmental Reporting

There is no segmental reporting as the Group's Activities are in logging, sawmilling, timber trading and manufacturing of moulding, finger jointed and laminated timber.

16. Comment On Financial Results

(Current Quarter Compared With Preceding Six Months)

The Group recorded a turnover of RM6.863 million as compared to RM9.827 in the preceding six-months. The Group recorded a loss before taxation of RM1.837 million as compared to RM0.422 million in the preceding six months. The loss per share for the third quarter ended 30th September 1999 is 9.18 sen compared to 2.21 sen in the preceding six months. These were mainly due to higher operating cost incurred by the Group.

17. Review Of Performance Of The Company And Its Principal Subsidiaries

For the period under review, the Group recorded a turnover of RM16.690 million and loss before taxation of RM2.279 million. This is mainly due to higher operation costs incurred by the Group. In the opinion of the Directors, the results for the current financial period under review have not been affected by any transaction or event of a material or unusual nature.

18. Prospect For The Current Financial Year

The Board expects the Group's performance for the Current financial year to be a difficult year as the Group is faced with shortage of raw materials available for sawmilling and moulding operations. The Board of Director expects for rest of the year the Group is going to face difficulties in getting raw materials.

19. Variance Of Actual Profit From Forecast Profit

The company did not issue any profit forecast during the period.

20. Dividend

No interim dividend is recommended for the quarter under review.

21. Year 2000 (Y2K) Readiness

Further to our half yearly report announcement to the Kuala Lumpur Stock Exchange on 29th September 1999, the Group has achieved Y2K readiness status on our accounting and business system.

By Order of the Board

CHONG SEOK TIAN
Company Secretary

Kuala Terengganu, Terengganu

26th November 1999

BTM RESOURCES BERHAD (303962-T)
(Incorporated in Malaysia)

QUARTERLY REPORT

Quarterly Report On Consolidated Results For The Financial Quarter Ended 30 September 1999.

The Figures Have Not Been Audited

CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER CURRENT YEAR QUARTER 30/09/1999 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/1998 RM'000	CUMULATIVE QUARTER CURRENT YEAR TO DATE 30/09/1999 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/1998 RM'000
1. a) Turnover	6,863	N/R	16,690	N/R
b) Investment income	NIL	N/R	1	N/R
c) Other income including interest income	134	N/R	302	N/R
2. a) Operating profit/(loss) before interest on borrowings, depreciation and amortisation, exceptional, items, income tax, minority interests and extraordinary items.	-1,080	N/R	26	N/R
b) Interest on borrowings	-106	N/R	-309	N/R
c) Depreciation and amortisation	-651	N/R	-1,996	N/R
d) Exceptional items	NIL	N/R	NIL	N/R
e) Operating profit/(loss) after interest on borrowings, depreciation and amortisation and exceptional items but before income tax, minority interests and extraordinary items	-1,837	N/R	-2,279	N/R
f) Share in the results of associated companies	NIL	N/R	NIL	N/R
g) Profit/(loss) before taxation, minority interests and extraordinary items.	-1,837	N/R	-2,279	N/R
h) Taxation	NIL	N/R	NIL	N/R
i) Profit/(loss) after taxation before deducting minority interests	-1,837	N/R	-2,279	N/R
ii) Less minority interests	NIL	N/R	NIL	N/R
j) Profit/(loss) after taxation, attributable to members of the company	-1,837	N/R	-2,279	N/R
k) i) Extraordinary items	NIL	N/R	NIL	N/R
ii) Less minority interests	NIL	N/R	NIL	N/R
iii) Extraordinary items attributable to members of the company	NIL	N/R	NIL	N/R
l) Profit/(loss) after taxation and extraordinary items attributable to members of the company	-1,837	N/R	-2,279	N/R
3. a) Loss per share based on 2(j) above after deducting any provision for preference dividend, if any :-				
i) Basic (based on 19,999,000 ordinary shares) -(sen)	-9.18	N/R	-11.39	N/R
ii) Fully diluted (based on 19,999,000 ordinary shares) -(sen)	-9.18	N/R	-11.39	N/R

Note : N/R - not required (The third quarter report for the preceding year's result not needed for announcement)