

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

QUARTERLY REPORT

Quarterly Report On Consolidated Results For The Financial Quarter Ended 31 December 1999.

The Figures Have Not Been Audited

CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/12/1999 RM'000	31/12/1998 RM'000	31/12/1999 RM'000	31/12/1998 RM'000
1 a) Turnover	8,055	N/R	24,745	25,648
b) Investment income	-	N/R	1	2
c) Other income including interest income	56	N/R	358	161
2 a) Operating profit/(loss) before interest on borrowings, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items.	620	N/R	646	3,415
b) Interest on borrowings	124	N/R	433	193
c) Depreciation and amortisation	616	N/R	2,612	2,926
d) Exceptional items	-	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	-120	N/R	-2,399	296
f) Share in the results of associated companies	-	N/R	-	-
g) Profit/(loss) before taxation, minority interests and extraordinary items.	-120	N/R	-2,399	296
h) Taxation	171	N/R	171	452
i) Profit/(loss) after taxation before deducting minority interests	51	N/R	2,228	-156
ii) Less minority interests	-	N/R	-	-
j) Profit/(loss) after taxation, attributable to members of the company	51	N/R	-2,228	-156
k) i) Extraordinary items	-	N/R	-	-
ii) Less minority interests	-	N/R	-	-
iii) Extraordinary items attributable to members of the company	-	N/R	-	-
l) Profit/(loss) after taxation and extraordinary items attributable to members of the company	51	N/R	-2,228	-156
3 a) Earning /(Loss) per share based on 2(j) above after deducting any provision for preference dividend, if any :-				
i) Basic (based on ordinary shares - sen)	0.25	N/R	-11.14	-0.80
ii) Fully diluted (based on ordinary shares - sen)	-	N/R	-	-
4 Net tangible assets per share (sen)	167	N/R	167	178
5 a) Dividend per share (sen)	-	N/R	-	-
b) Dividend Description	-	N/R	-	-

BTM RESOURCES BERHAD

CONSOLIDATED BALANCE SHEET

	AS AT END OF CURRENT QUARTER 31-12-1999 RM'000	AS AT PRECEDING FINANCING YEAR END 31/12/1998 RM'000
1 Fixed Assets	21,426	15,304
2 Investment in Associated Companies	-	-
3 Long Term Investments	21	21
4 Intangible Assets	-	-
5 Current Assets		
<i>Stocks</i>	10,453	10,003
<i>Trade Debtors</i>	8,915	9,519
<i>Other Debtors, Deposit and Prepayments</i>	1,606	3,374
<i>Short Term Deposits</i>	511	2,004
<i>Cash and Bank Balances</i>	658	2,192
	<u>22,143</u>	<u>27,092</u>
6 Current Liabilities		
<i>Short Term Borrowings</i>	2,524	613
<i>Trade Creditors</i>	3,633	2,889
<i>Other Creditors</i>	404	705
<i>Provision for Taxation</i>	973	1,468
<i>Proposed Dividend</i>	-	287
	<u>7,534</u>	<u>5,962</u>
7 Net Current Assets or Current Liabilities	<u>14,609</u>	<u>21,130</u>
	<u>36,056</u>	<u>33,054</u>
8 Shareholders' Funds		
Share Capital	19,999	19,999
Reserves	-	-
<i>Share Premium</i>	6,460	6,460
<i>Retained Profit</i>	7,001	9,230
9 Minority Interests	-	-
10 Long Term Borrowings	1,938	183
11 Other Long Term Liabilities	658	583
	<u>36,056</u>	<u>36,455</u>
12 Net Tangible Assets per Share (sen)	167	178

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999

1. Accounting Policies

The accounts of the Group are prepared using the same accounting policies, method of computation and basis of consolidations as those used in the preparation of the most recent annual financial statements.

2. Exceptional Item

There were no exceptional item in for the financial year / period under review.

3. Extraordinary Item

There were no extraordinary item for the financial year / period under review.

4. Taxation

The tax figures do not contain any deferred tax and / or adjustment for under or overprovisions in respect of prior years.

Current year taxation is made in the accounts on dividend received by the company for financial year ended 31 December 1999.

5. Pre-acquisition Profit

There were no pre-acquisition profits for the current financial year to date.

6. Profit On Disposal Of Investments And / Or Properties

There were no profits on sale of investments and / or properties for the current financial year to date.

7. Quoted Securities

There were no purchase or disposal of quoted shares for the financial year to date.

8. Changes In The Composition Of The Group

There were no changes in the composition of the Company during the financial year to date.

9. Status Of Corporate Proposals

On 24-12-1999, the company announced the following corporate proposals :-

- a) Proposal right issue of 19,999,000 new ordinary shares of RM1.00 each at par together with 19,999,000 detachable warrants.
- b) Proposed acquisition of the entire equity interest in BTM Timber Industries Sdn Bhd (formerly known as Mlzan Timber Industries Sdn Bhd) ("BTI")
- c) Proposed employees' share option scheme ("ESOS")

No approvals have been obtained from relevant authorities on the above proposals.

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 or repayments of debts and equity securities, share-buy-backs share cancellations, shares held as treasury shares and resale-of treasury shares for current financial year to date.

12. Group Borrowings And Debt Securities

	12/31/1999
	RM'000
Term Loan	2,778
LC/TR/BA	937
	<u>3,715</u>
Short Term Loans	
(Amount falling due within one year)	2,271
Long Term Loans	
(Amount falling due after more than one year)	1,444
	<u>3,715</u>

The bank borrowings are secured by a Corporate Guarantee and a letter of negative pledge bearing an interest of 2.50% above the Base Lending Rate of the lending 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 year ended 31 December 1999.

15. Segmental Reporting

Segmental reporting under International Standards Statement No. 14 is not necessary as the Group is principally involved in wood-based activity of logging sawmilling, timber trading and manufacturing of moulding, finger jointed and laminated timber.

16. Comment On Financial Results

(Current Quarter Compared With Preceding Nine Months)

The Group recorded a turnover of RM8.055 million as compared to RM16,690 million in the preceding nine months. The Group recorded a reduced loss before taxation of RM0.120 million as compared to a loss of RM2.279 million in the preceding nine months.

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

For the period under review, the Group recorded a turnover of RM24,745 million and loss before taxation of RM2.399 million as compared to turnover of RM25.648 million and profit before taxation of RM0.296 million achieved in previous year. These were due to higher operating cost incurred by the Group. In the opinion of the Directors the results for the current financial year under review have not been effected 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 Year to be a difficult as the Group is faced with shortage of raw materials for sawmilling and manufacturing of moulding timber.

19. Variance Of Actual Profit From Forecast Profit

The company did not issue any profit forecast for the current year.

20. Dividend

The Board of Directors do not recommended any dividend for the financial ended 31 December 1999.

21. Y2K Compliance

The Group experienced smooth transition during the Year 2000 rollover, as all existing hardware and software within the Group are Y2K compliant by 29 September, 1999.

By Order of the Board

CHONG SEOK TIAN
Company Secretary

Kuala Terengganu, Terengganu

29th February, 2000