



MEDIA RELEASE

MSC 1H2017 Group Net Profit grew by 47% year-on-year to RM21.6 million

Kuala Lumpur, 7 August 2017 – Tin miner and metal producer, Malaysia Smelting Corporation Berhad (“MSC” or “the Group”) reported a Group net profit of RM21.6 million for the cumulative six months period ended 30 June 2017 (“1H2017”), an increase of 47% from RM14.7 million reported in the previous half year (“1H2016”). 1H2017 revenue declined by 11% to RM714.5 million due to lower production at the smelting operations.

For the second quarter ended 30 June 2017 (“2Q2017”), the Group’s net profit rose to RM9.0 million as compared to a net loss of RM10.3 million in 2Q2016. Group revenue stood at RM307.9 million, 22% lower from the previous year.

In 2Q2017, net profit contribution from the Group’s mining operations at Rahman Hydraulic Tin mine, the largest open pit tin mine in Malaysia, grew by 166% year-on-year to RM9.4 million, driven by favourable tin prices.

The Group’s tin smelting operations reported a net loss of RM2.2 million due to lower production volumes as well as higher operating expenses incurred during the quarter.

In tandem with the Group net profit growth, 1H2017 earnings per share increased to 21.6 sen, up from 14.7 sen a year ago.

Dato' Dr. Patrick Yong, Chief Executive Officer of MSC said, "Market conditions are expected to remain challenging as the currency markets and tin prices continue to remain volatile. We are looking forward to completing the technology upgrade of our smelting furnace which will improve our cost efficiencies over the long term."

During 1H2017, the Group reduced its total borrowings by 7% from RM339.5 million as at 31 December 2016 to RM315.0 million as at 30 June 2017 with an improved gearing ratio of 1.1 times as compared to 1.2 times as at 31 December 2016.

ABOUT MALAYSIA SMELTING CORPORATION

The MSC Group is currently one of the world's leading integrated producers of tin metal and tin based products and a global leader in custom tin smelting since 1887. MSC is listed both on the Main Market of Bursa Malaysia since 15 December 1994 and the Main Board of Singapore Exchange (SGXST) since 27 January 2011, and is a subsidiary of The Straits Trading Company Limited of Singapore.

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Released on behalf of Malaysia Smelting Corporation Berhad by Capital Front Investor Relations.

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