

Southern Steel Berhad
Unaudited Condensed Consolidated Income Statements
RM'000

	Current Qtr ended 31/3/05	Comparative Qtr ended 31/3/04	3 months Cumulative 31/3/05	3 months Cumulative 31/3/04
Revenue	585,885	553,218	585,885	553,218
Cost Of Sales	<u>(548,446)</u>	<u>(491,002)</u>	<u>(548,446)</u>	<u>(491,002)</u>
Gross Profit	37,439	62,216	37,439	62,216
Other Operating Expenses	(28,481)	(31,797)	(28,481)	(31,797)
Other Operating Income	1,431	15,432	1,431	15,432
Operating Profit	<u>10,389</u>	<u>45,851</u>	<u>10,389</u>	<u>45,851</u>
Finance cost	(10,179)	(8,733)	(10,179)	(8,733)
Share of results of associated companies	<u>2,934</u>	<u>6,968</u>	<u>2,934</u>	<u>6,968</u>
Profit before tax	3,144	44,086	3,144	44,086
Taxation	(420)	(12,792)	(420)	(12,792)
Share of taxes of associated companies	1,492	(271)	1,492	(271)
	1,072	(13,063)	1,072	(13,063)
Profit after tax	<u>4,216</u>	<u>31,023</u>	<u>4,216</u>	<u>31,023</u>
Minority Interests	79	(69)	79	(69)
Net Profit for the period	<u><u>4,295</u></u>	<u><u>30,954</u></u>	<u><u>4,295</u></u>	<u><u>30,954</u></u>
EPS – Basic (SEN)	<u>1.3</u>	<u>10.7</u>	<u>1.3</u>	<u>10.7</u>
- Diluted (SEN)	<u>1.1</u>	<u>7.6</u>	<u>1.1</u>	<u>7.6</u>

Southern Steel Berhad
 Unaudited Condensed Consolidated Balance Sheets
 RM'000

	Unaudited Quarter ended 31/3/05 RM'000	Audited Year ended 31/12/04 RM'000
Property, Plant & Equipment	977,085	992,184
Goodwill On Consolidation	51,837	52,786
Investments in Associates	87,154	82,731
Other Investments	860	860
Current Assets		
Inventories	692,681	642,835
Receivables	198,349	175,392
Investment	319	319
Bank & Cash balances	20,067	62,095
	911,416	880,641
Current Liabilities		
Payables	242,009	225,821
Short Term Borrowings	729,888	721,045
Taxation	1,466	2,438
	973,363	949,304
Net Current Liabilities	(61,947)	(68,663)
	1,054,989	1,059,898
Share Capital	332,433	318,700
Reserves	192,627	188,335
ICULS (Equity Component)	71,687	83,005
Shareholders' Fund	596,747	590,040
Minority Interest	4,373	4,453
Long Term Liabilities		
Borrowings	317,472	326,333
ICULS (Liability Component)	10,385	13,252
Other deferred liabilities	126,012	125,820
	1,054,989	1,059,898

Southern Steel Berhad
Unaudited Condensed Consolidated Cash Flow Statement

	3 months Cumulative 31/3/05 RM'000	3 months Cumulative 31/3/04 RM'000
OPERATING ACTIVITIES		
Profit before taxation	3,144	44,086
Adjustments for:		
Depreciation & amortisation	22,850	23,221
Interest expense	10,179	8,733
Share of results of associated companies	(2,934)	(6,968)
Provisions for inventories, doubtful debts & others	4,574	22,378
Operating profit before working capital changes	<u>37,813</u>	<u>91,450</u>
Changes in working capital	(59,774)	(133,999)
Cash generated from operations	<u>(21,961)</u>	<u>(42,549)</u>
Retirement benefits paid	(295)	(321)
Interest paid	(11,705)	(7,603)
Income tax paid	(1,766)	(377)
Net cash flows from operating activities	<u>(35,727)</u>	<u>(50,850)</u>
INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(9,895)	(1,917)
Others	3,091	300
Net cash used in investing activities	<u>(6,804)</u>	<u>(1,617)</u>
FINANCING ACTIVITIES		
Term loan repayment	(8,863)	(14,947)
Short term borrowings	(3,240)	46,299
	<u>(12,103)</u>	<u>31,352</u>
Net change in cash and cash equivalents	(54,634)	(21,115)
Cash & cash equivalents at beginning of period	57,611	63,478
Cash & cash equivalents at end of period	<u><u>2,977</u></u>	<u><u>42,363</u></u>
Cash & cash equivalents :		
Cash in hand and at bank	13,877	12,341
Short term deposits	6,190	33,180
Bank Overdraft	(17,090)	(3,158)
	<u><u>2,977</u></u>	<u><u>42,363</u></u>

Changes of Equity

Southern Steel Berhad
Unaudited Condensed Consolidated Statements of Changes in Equity
RM'000

	Share Capital RM'000	Reserves RM'000	Retained Profit / (Accumulated Losses) RM'000	ICULS- Equity RM'000	Total RM'000
Balance at 1.1.04	287,461	152,020	(30,961)	108,750	517,270
Movements during the period	4,693	(186)	30,954	(3,868)	31,593
Balance at 31.3.04	292,154	151,834	(7)	104,882	548,863
Balance at 1.1.05	318,700	152,562	35,773	83,005	590,040
Movements during the period	13,733	(3)	4,295	(11,318)	6,707
Balance at 31.3.05	332,433	152,559	40,068	71,687	596,747