

Southern Steel Berhad
 Unaudited Condensed Consolidated Income Statements
 RM'000

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/06/08	Preceding Year Corresponding Quarter 30/06/07	Current Year To Date 30/06/08	Preceding Year Corresponding Period To Date 30/06/07
Revenue	977,505	677,549	1,815,540	1,237,095
Cost of sales	(670,597)	(589,290)	(1,352,275)	(1,105,704)
Gross profit	306,908	88,259	463,265	131,391
Other operating expenses	(66,371)	(34,751)	(113,182)	(62,855)
Other operating income	14,766	1,333	24,741	9,269
Loss from impairment of property, plant and equipment	(24,763)	-	(29,718)	-
Finance cost	(8,162)	(11,181)	(16,341)	(22,197)
Share of results of associated companies	3,254	1,268	4,514	1,899
Profit before taxation	225,632	44,928	333,279	57,507
Taxation	(21,853)	3,252	(32,813)	4,174
Profit for the period	203,779	48,180	300,466	61,681
Attributable to:				
Equity holders of the parent	202,466	48,159	298,839	61,604
Minority interests	1,313	21	1,627	77
Profit for the period	203,779	48,180	300,466	61,681
Earnings per share (SEN) - Basic and fully diluted	48.3	11.5	71.3	14.7

Southern Steel Berhad
Unaudited Condensed Consolidated Balance Sheets

	As At End of Current Quarter 30/06/08 RM'000	As At Preceding Financial Year Ended 31/12/07 RM'000
NET ASSETS		
Non-Current Assets		
Property, plant & equipment	649,204	696,969
Prepaid lease payment	64,605	65,443
Goodwill on consolidation	48,991	48,991
Investments in associates	20,765	16,251
Other investments	860	860
	784,425	828,514
Current Assets		
Inventories	1,007,193	675,830
Receivables	482,158	260,310
Bank and cash balances	115,190	57,219
	1,604,541	993,359
Current Liabilities		
Payables	418,806	207,185
Short term borrowings	791,920	701,189
Current income tax liabilities	35,175	3,836
Dividend payable	-	20,214
	1,245,901	932,424
Net Current Assets	358,640	60,935
Non-Current Liabilities		
Borrowings	44,825	90,915
Deferred tax liabilities	64,454	66,433
Other deferred liabilities	24,891	23,697
	134,170	181,045
Total Net Assets	1,008,895	708,404
EQUITY		
Share Capital	399,951	398,959
Reserves	593,690	294,851
ICULS (Equity Component)	11,515	12,482
Equity attributable to equity holders of the company	1,005,156	706,292
Minority Interest	3,739	2,112
Total Equity	1,008,895	708,404

Southern Steel Berhad
Unaudited Condensed Consolidated Cash Flow Statement

	Current Period To Date 30/06/08 RM'000	Preceding Year Corresponding Period To Date 30/06/07 RM'000
OPERATING ACTIVITIES		
Profit before taxation	333,279	57,507
Adjustments for:		
Depreciation (and amortisation)	41,586	42,310
Interest expense	16,341	22,197
Share of results of associated companies	(4,514)	(1,899)
Gain on disposal of associated companies	-	(2,607)
Loss from impairment of property, plant and equipment	29,718	-
Provisions for inventories, doubtful debts & others	32,087	9,195
Operating profit before working capital changes	<u>448,497</u>	<u>126,703</u>
Changes in working capital	(373,391)	(243,169)
Cash generated from operations	<u>75,106</u>	<u>(116,466)</u>
Retirement benefits/other provision paid	(1,262)	(657)
Interest paid	(15,485)	(25,211)
Income tax refund/(paid)	(2,689)	1,455
Net cash flows from operating activities	<u>55,670</u>	<u>(140,879)</u>
INVESTING ACTIVITIES		
Dividend income	21	550
Purchase of property, plant & equipment	(25,466)	(9,666)
Proceeds from disposal of associated companies	-	66,544
Others	950	131
Net cash used in investing activities	(24,495)	57,559
FINANCING ACTIVITIES		
Term loan repayment	(50,395)	(3,498)
Short term borrowings	76,624	111,427
Dividends paid	(20,214)	(19,539)
Net cash used in financing activities	<u>6,015</u>	<u>88,390</u>
Net change in cash and cash equivalents	37,190	5,070
Cash & cash equivalents at beginning of period	49,124	34,571
Cash & cash equivalents at end of period	<u>86,314</u>	<u>39,641</u>
Cash & cash equivalents :		
Cash in hand and at bank	56,866	37,735
Short term deposits	58,324	28,100
Bank overdraft	(28,876)	(26,194)
	<u>86,314</u>	<u>39,641</u>

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

	< ----- Attributable to Equity Holders of SSB ----- >							
	Share Capital RM'000	Reserves RM'000	Retained Profit / (Accumulated Losses) RM'000	ICULS- Equity RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000	
Balance at 01.01.07	362,029	149,202	65,959	46,953	624,143	2,563	626,706	
Movements during the period	25,250	(10,801)	72,405	(23,347)	63,507	77	63,584	
Dividends paid	-	-	(19,539)	-	(19,539)	-	(19,539)	
Balance at 30.06.07	<u>387,279</u>	<u>138,401</u>	<u>118,825</u>	<u>23,606</u>	<u>668,111</u>	<u>2,640</u>	<u>670,751</u>	
Balance at 01.01.08	398,959	65,902	228,949	12,482	706,292	2,112	708,404	
Movements during the period	992	-	298,839	(967)	298,864	1,627	300,491	
Balance at 30.06.08	<u>399,951</u>	<u>65,902</u>	<u>527,788</u>	<u>11,515</u>	<u>1,005,156</u>	<u>3,739</u>	<u>1,008,895</u>	