

**Southern Steel Berhad**  
**Unaudited Condensed Consolidated Income Statements**  
**RM'000**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/09	Preceding Year Corresponding Quarter 31/03/08	Current Year To Date 31/03/09	Preceding Year Corresponding Period To Date 31/03/08
Revenue	393,605	838,035	393,605	838,035
Cost of sales	<u>(437,159)</u>	<u>(685,678)</u>	<u>(437,159)</u>	<u>(685,678)</u>
Gross profit	(43,554)	152,357	(43,554)	152,357
Other operating expenses	(37,706)	(42,811)	(37,706)	(42,811)
Other operating income	10,275	9,975	10,275	9,975
Loss from impairment of property, plant and equipment	-	(4,955)	-	(4,955)
Finance cost	(7,695)	(8,179)	(7,695)	(8,179)
Share of results of associated companies	<u>222</u>	<u>1,260</u>	<u>222</u>	<u>1,260</u>
Profit/(Loss) before taxation	(78,458)	107,647	(78,458)	107,647
Taxation	12,983	(10,960)	12,983	(10,960)
Profit/(Loss) for the period	<u>(65,475)</u>	<u>96,687</u>	<u>(65,475)</u>	<u>96,687</u>
Attributable to:				
Equity holders of the parent	(65,475)	96,373	(65,475)	96,373
Minority interests	-	314	-	314
Profit/(Loss) for the period	<u>(65,475)</u>	<u>96,687</u>	<u>(65,475)</u>	<u>96,687</u>
Earnings/(Loss) per share (SEN)				
- Basic and fully diluted	<u>(15.6)</u>	<u>23.0</u>	<u>(15.6)</u>	<u>23.0</u>

**Southern Steel Berhad**  
**Unaudited Condensed Consolidated Balance Sheets**

	<b>As At End of Current Quarter 31/03/09 RM'000</b>	<b>As At Preceding Financial Year Ended 31/12/08 RM'000</b>
<b>NET ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	653,622	669,728
Prepaid lease payment	64,292	64,739
Goodwill on consolidation	48,991	48,991
Investments in associates	16,021	15,799
Other investments	788	788
	<b>783,714</b>	<b>800,045</b>
<b>Current Assets</b>		
Inventories	654,413	862,883
Receivables	204,794	195,979
Bank and cash balances	93,626	67,407
	<b>952,833</b>	<b>1,126,269</b>
<b>Current Liabilities</b>		
Payables	209,367	187,961
Short term borrowings	757,963	904,270
Current income tax liabilities	13,339	326
	<b>980,669</b>	<b>1,092,557</b>
<b>Net Current Assets / (Liabilities)</b>	<b>(27,836)</b>	<b>33,712</b>
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	36,947	49,975
Other deferred liabilities	25,826	25,202
	<b>62,773</b>	<b>75,177</b>
<b>Total Net Assets</b>	<b>693,105</b>	<b>758,580</b>
<b>EQUITY</b>		
Share Capital	411,467	411,467
Reserves	281,638	347,113
Equity attributable to equity holders of the company	693,105	758,580
Minority Interest	-	-
<b>Total Equity</b>	<b>693,105</b>	<b>758,580</b>

**Southern Steel Berhad**  
**Unaudited Condensed Consolidated Cash Flow Statement**

	Current Period To Date 31/03/09 RM'000	Preceding Year Corresponding Period To Date 31/03/08 RM'000
<b>OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	(78,458)	107,647
Adjustments for:		
Depreciation (and amortisation)	21,069	19,861
Interest expense	7,695	8,179
Share of results of associated companies	(222)	(1,260)
Loss from impairment of property, plant and equipment	-	4,955
Net unrealised foreign exchange loss/ (gain)	7,246	(6,926)
Provisions for inventories, doubtful debts & others	(8,420)	23,969
Operating profit before working capital changes	<u>(51,090)</u>	<u>156,425</u>
Changes in working capital	261,398	54,217
Cash generated from operations	<u>210,308</u>	<u>210,642</u>
Retirement benefits/other provision paid	(631)	(514)
Interest paid	(7,157)	(8,390)
Income tax refund/(paid)	5,167	143
Net cash flows from operating activities	<u>207,687</u>	<u>201,881</u>
<b>INVESTING ACTIVITIES</b>		
Dividend income	21	21
Purchase of property, plant & equipment & prepaid lease	(27,883)	(9,876)
Others	97	300
Net cash used in investing activities	(27,765)	(9,555)
<b>FINANCING ACTIVITIES</b>		
Term loan repayment	-	(6,380)
Short term borrowings	(133,990)	(117,030)
Dividends paid	-	(20,214)
Net cash used in financing activities	(133,990)	(143,624)
Net change in cash and cash equivalents	45,932	48,702
Cash & cash equivalents at beginning of period	39,529	49,124
Cash & cash equivalents at end of period	<u>85,461</u>	<u>97,826</u>
Cash in hand and at bank	44,692	54,097
Short term deposits	48,934	49,758
Bank overdraft	(8,165)	(6,029)
	<u>85,461</u>	<u>97,826</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 01.01.08	398,959	65,902	228,949	12,482	706,292	2,112	708,404
Movements during the period	511	-	96,373	(493)	96,391	314	96,705
Balance at 31.03.08	<u>399,470</u>	<u>65,902</u>	<u>325,322</u>	<u>11,989</u>	<u>802,683</u>	<u>2,426</u>	<u>805,109</u>
Balance at 01.01.09	411,467	65,902	281,211	-	758,580	-	758,580
Movements during the period	-	-	(65,475)	-	(65,475)	-	(65,475)
Balance at 31.03.09	<u>411,467</u>	<u>65,902</u>	<u>215,736</u>	<u>-</u>	<u>693,105</u>	<u>-</u>	<u>693,105</u>