

Southern Steel Berhad  
 Unaudited Condensed Consolidated Statements of Comprehensive Income  
 RM'000

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/10	Preceding Year Corresponding Quarter 31/03/09	Current Year To Date 31/03/10	Preceding Year Corresponding Period To Date 31/03/09
Revenue	628,742	393,605	628,742	393,605
Cost of sales	<u>(557,665)</u>	<u>(437,159)</u>	<u>(557,665)</u>	<u>(437,159)</u>
Gross profit	71,077	(43,554)	71,077	(43,554)
Other operating expenses	(34,910)	(37,706)	(34,910)	(37,706)
Other operating income	5,349	10,275	5,349	10,275
Fair Value Gain on other investment	758	-	758	-
Fair Value Loss on Forward Contract	(63)	-	(63)	-
Finance cost	(5,136)	(7,695)	(5,136)	(7,695)
Share of results of associated companies	<u>113</u>	<u>222</u>	<u>113</u>	<u>222</u>
Profit/(Loss) before taxation	37,188	(78,458)	37,188	(78,458)
Taxation	(2,705)	12,983	(2,705)	12,983
Profit/(Loss) for the period	<u>34,483</u>	<u>(65,475)</u>	<u>34,483</u>	<u>(65,475)</u>
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	<u><u>34,483</u></u>	<u><u>(65,475)</u></u>	<u><u>34,483</u></u>	<u><u>(65,475)</u></u>
Profit and Total Comprehensive Income Attributable to:				
Equity holders of the parent	34,483	(65,475)	34,483	(65,475)
Minority interests	-	-	-	-
Profit/(Loss) for the period	<u><u>34,483</u></u>	<u><u>(65,475)</u></u>	<u><u>34,483</u></u>	<u><u>(65,475)</u></u>
Earnings/(Loss) per share (SEN)				
- Basic and fully diluted	<u><u>8.2</u></u>	<u><u>(15.6)</u></u>	<u><u>8.2</u></u>	<u><u>(15.6)</u></u>

**Southern Steel Berhad**  
**Unaudited Condensed Consolidated Statement of Financial Position**

	As At End of Current Quarter 31/03/10  RM'000	As At Preceding Financial Year Ended 31/12/09 Restated RM'000
<b>NET ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	708,648	719,953
Goodwill on consolidation	48,991	48,991
Investments in associates	17,079	16,967
Other investments	2,591	788
	<b>777,309</b>	<b>786,699</b>
<b>Current Assets</b>		
Inventories	666,006	694,177
Receivables	236,419	236,348
Bank and cash balances	82,971	34,375
	<b>985,396</b>	<b>964,900</b>
<b>Current Liabilities</b>		
Payables	236,457	163,617
Derivative financial instruments	54	-
Short term borrowings	663,751	764,652
Current income tax liabilities	5,035	1,873
	<b>905,297</b>	<b>930,142</b>
<b>Net Current Assets / (Liabilities)</b>	<b>80,099</b>	<b>34,758</b>
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	38,559	40,503
Other deferred liabilities	27,332	26,161
	<b>65,891</b>	<b>66,664</b>
<b>Total Net Assets</b>	<b>791,517</b>	<b>754,793</b>
<b>EQUITY</b>		
Share Capital	411,467	411,467
Reserves	380,050	343,326
Equity attributable to equity holders of the company	791,517	754,793
Minority Interest	-	-
<b>Total Equity</b>	<b>791,517</b>	<b>754,793</b>

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

	Current Period To Date 31/03/10 RM'000	Preceding Year Corresponding Period To Date 31/03/09 RM'000
<b>OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	37,188	(78,458)
Adjustments for:		
Depreciation (and amortisation)	21,907	21,069
Interest expense	5,136	7,695
Share of results of associated companies	(113)	(222)
Net unrealised foreign exchange (gain)/ loss	(2,868)	7,246
Provisions for inventories, doubtful debts & others	(8,583)	(8,420)
Operating profit before working capital changes	52,667	(51,090)
Changes in working capital	109,000	261,398
Cash generated from operations	161,667	210,308
Retirement benefits/other provision paid	(133)	(631)
Interest paid	(5,118)	(7,157)
Income tax refund	19,335	5,167
Net cash flows from operating activities	175,751	207,687
<b>INVESTING ACTIVITIES</b>		
Dividend income	21	21
Purchase of property, plant & equipment	(30,887)	(27,883)
Others	1,411	97
Net cash used in investing activities	(29,455)	(27,765)
<b>FINANCING ACTIVITIES</b>		
Short term borrowings	(93,515)	(133,990)
Net change in cash and cash equivalents	52,781	45,932
Cash & cash equivalents at beginning of period	25,265	39,529
Cash & cash equivalents at end of period	78,046	85,461
Cash in hand and at bank	70,158	44,692
Short term deposits	12,813	48,934
Bank overdraft	(4,925)	(8,165)
	78,046	85,461

**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	Total RM'000	Minority Interest RM'000	Total Equity RM'000
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)
<b>Balance at 31.03.09</b>	<b>411,467</b>	<b>65,902</b>	<b>215,736</b>	<b>693,105</b>	<b>-</b>	<b>693,105</b>
Balance at 01.01.10	411,467	65,902	277,424	754,793	-	754,793
Effect of adopting FRS 139	-	-	2,241	2,241	-	2,241
<b>Balance at 01.01.10 (As restated)</b>	<b>411,467</b>	<b>65,902</b>	<b>279,665</b>	<b>757,034</b>	<b>-</b>	<b>757,034</b>
Movements during the period	-	-	34,483	34,483	-	34,483
<b>Balance at 31.03.10</b>	<b>411,467</b>	<b>65,902</b>	<b>314,148</b>	<b>791,517</b>	<b>-</b>	<b>791,517</b>