



LEADER STEEL HOLDINGS BERHAD

(Company No. 267209 - K)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL REPORT

25 Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the current quarter and current period to date based on the net profit attributable to ordinary shareholders of RM1,873,484 and RM3,753,934 and the weighted average number of ordinary shares outstanding calculated as follows:

Weighted average number of ordinary shares

	Current Quarter '000	Current year to date '000
Issued ordinary shares at beginning of the period	125,922	125,922
Effect of shares issued during the period	-	-
Weighted average number of ordinary shares	<u>125,922</u>	<u>125,922</u>

Diluted earnings per share

The calculation of diluted earnings per share for the current quarter and current period to date based on the net profit attributable to ordinary shareholders of RM1,873,484 and RM3,753,934 and the weighted average number of ordinary shares outstanding calculated as follows:

Weighted average number of ordinary shares(diluted)

	Current Quarter '000	Current year to date '000
Weighted average number of ordinary shares	125,922	125,922
Effect of share options	5,261	6,637
Weighted average number of ordinary shares(diluted)	<u>131,183</u>	<u>132,559</u>

26 Inventories

No write-down of inventories during the three months period ended 30 June 2005.

27 Capital commitments

There were no capital commitments during the period under review.

28 Related party transactions

There were no related party transactions during the period under review.

BY THE ORDER OF THE BOARD

LAM VOON KEAN (MIA 4793)

Company Secretary

Dated this 15 August 2005