



**LEADER STEEL HOLDINGS BERHAD**

(Company No. 267209 - K)  
(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL REPORT**

**25 (Loss)/Earnings per share**

*Basic (loss)/earnings per share*

The calculation of basic loss per share for the current quarter and current year to date based on the net loss attributable to ordinary shareholders of RM4,963,772 and RM1,509,196 and the number of ordinary shares outstanding of 125,922,000.

*Diluted (loss)/earnings per share*

The calculation of diluted loss per share for the current quarter and current year to date based on the net loss attributable to ordinary shareholders of RM4,963,772 and RM1,509,196 and the weighted average number of ordinary shares outstanding are calculated as follows:

*Weighted average number of ordinary shares (diluted)*

	<b>Current Quarter</b>	<b>Current year to date</b>
	<b>'000</b>	<b>'000</b>
Weighted average number of ordinary shares	125,922	125,922
Effect of share options	(3,284)	3,994
Weighted average number of ordinary shares (diluted)	<u>122,638</u>	<u>129,916</u>

**26 Inventories**

No write-down of inventories during the three months period ended 31 December 2005.

**27 Capital commitments**

There were no capital commitments during the year under review.

**28 Related party transactions**

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

**BY THE ORDER OF THE BOARD**

LAM VOON KEAN (MIA 4793)  
Company Secretary  
Dated this 23rd February 2006