

Quarterly rpt on consolidated results for the financial period ended 31/3/2013

SOUTHERN STEEL BERHAD

Financial Year End 30/06/2013
 Quarter 3
 Quarterly report for the financial period ended 31/03/2013
 The figures have not been audited

Attachments

[Quarterly announcement Q313.pdf](#)
 629 KB

- Default Currency
- Other Currency

Currency: Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION 31/03/2013

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1 Revenue	724,989	869,263	2,121,645	2,532,109
2 Profit/(loss) before tax	25,313	-28,945	23,883	-17,268
3 Profit/(loss) for the period	18,845	-23,241	18,622	-15,759
4 Profit/(loss) attributable to ordinary equity holders of the parent	18,257	-22,781	17,955	-14,098
5 Basic earnings/(loss) per share (Subunit)	4.40	-5.40	4.30	-3.40
6 Proposed/Declared dividend per share (Subunit)	5.00	5.00	7.00	10.00
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	

7 Net assets per share attributable to ordinary equity holders of the parent (S\$) 2.0700 2.0400
Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit.

Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Announcement Info

Company Name	SOUTHERN STEEL BERHAD
Stock Name	SSTEEL
Date Announced	29 Apr 2013
Category	Financial Results
Reference No	SS-130425-57632

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2013

The figures have not been audited

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2013

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Restated Preceding Year Corresponding Quarter	Current Year To-date	Restated Preceding Year Corresponding Period
	31/03/2013 RM'000	31/03/2012 RM'000	31/03/2013 RM'000	31/03/2012 RM'000
Revenue	724,989	869,263	2,121,645	2,532,109
Cost of sales	(650,689)	(861,895)	(1,970,102)	(2,434,967)
Gross profit	74,300	7,368	151,543	97,142
Operating expenses	(43,129)	(36,677)	(107,553)	(105,141)
Other operating income	3,934	9,209	9,120	16,635
Profit/(loss) from operation	35,105	(20,100)	53,110	8,636
Finance costs	(6,142)	(8,423)	(20,709)	(25,818)
Share of loss of associates	(3,650)	(422)	(8,518)	(86)
Profit/(loss) before taxation	25,313	(28,945)	23,883	(17,268)
Taxation	(6,468)	5,704	(5,261)	1,509
Profit/(loss) for the period	18,845	(23,241)	18,622	(15,759)
Attributable to:				
Owners of the company	18,257	(22,781)	17,955	(14,098)
Non-controlling interests	588	(460)	667	(1,661)
Profit/(loss) for the period	18,845	(23,241)	18,622	(15,759)
Earnings/(loss) per ordinary share (sen): -				
- Basic and fully diluted	4.4	(5.4)	4.3	(3.4)

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2012.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2013

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2013

	Individual Quarter		Cumulative Quarter	
	Current Year	Restated	Current Year	Restated
	Quarter	Preceding Year	To-date	Preceding Year
	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) for the period	18,845	(23,241)	18,622	(15,759)
Fair value gain/(loss) on available-for-sale financial assets	1,054	3,051	5,573	(2,951)
Foreign currency translation differences for foreign operations	81	(1,486)	(1,455)	607
Total comprehensive income/(expense) for the period	19,980	(21,676)	22,740	(18,103)
Total comprehensive income/(expense) attributable to:				
Owners of the Company	19,392	(21,218)	22,074	(16,439)
Non-controlling interests	588	(458)	666	(1,664)
Total comprehensive income/(expense) for the period	19,980	(21,676)	22,740	(18,103)

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2012.

SOUTHERN STEEL BERHAD (5283-X)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2013

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2013

	As At End of Current Quarter 31/03/2013 RM'000	Restated As at End of Preceding Financial Year 30/06/2012 RM'000	As at beginning of preceding Financial Year 01/07/2011 RM'000
ASSETS			
Property, plant and equipment	914,540	804,725	695,096
Goodwill on consolidation	30,256	48,991	48,991
Investment in associates	82,956	17,847	17,768
Other investments	3,234	31,510	2,771
Deferred tax assets	10,191	13,909	10,331
Tax credit receivables	14,627	18,044	22,136
Total non-current assets	1,055,804	935,026	797,093
Inventories	573,869	700,842	1,040,568
Trade and other receivables	279,451	228,534	252,348
Current tax assets	10,292	11,031	14,169
Derivative financial assets	-	-	199
Deposits, cash and bank balances	88,005	66,490	199,401
Total current assets	951,617	1,006,897	1,506,685
TOTAL ASSETS	2,007,421	1,941,923	2,303,778
EQUITY			
Share capital	411,467	411,467	411,467
Reserves	455,906	442,220	484,754
Total equity attributable to owners of the Company	867,373	853,687	896,221
Non-controlling interests	(861)	(1,527)	-
TOTAL EQUITY	866,512	852,160	896,221
LIABILITIES			
Borrowing	184,075	24,619	-
Retirement benefits	24,112	29,543	28,174
Deferred tax liabilities	26,173	19,790	29,026
Deferred income	19,468	20,611	22,136
Total non-current liabilities	253,828	94,563	79,336
Retirement benefits	700	725	772
Trade and other payables	222,610	266,547	294,574
Borrowings	663,376	727,850	1,032,870
Current tax liabilities	-	-	5
Derivative financial liabilities	395	78	-
Total current liabilities	887,081	995,200	1,328,221
TOTAL LIABILITIES	1,140,909	1,089,763	1,407,557
TOTAL EQUITY AND LIABILITIES	2,007,421	1,941,923	2,303,778
Net assets per share attributable to owners of the Company (RM)	2.07	2.04	2.14

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2012.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2013

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2013

	← Attributable to owners of the Company →									
	← Non-distributable →						Distributable			
	Share capital	Share premium	Merger reserve	Capital redemption reserve	Fair value reserve	Exchange fluctuation reserve	Retained earnings	Total	Non-controlling interests	Total equity
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current year-to-date ended 31 March 2013										
At 1 July 2012, as previously reported	411,467	35,852	30,000	50	(5,556)	2,005	370,490	844,308	(1,527)	842,781
Effect of adoption of MFRS 1	-	-	-	-	-	-	9,379	9,379	-	9,379
At 1 July 2012, as restated	411,467	35,852	30,000	50	(5,556)	2,005	379,869	853,687	(1,527)	852,160
Other comprehensive income/(expense)										
- fair value gain/(loss) on available-for-sale financial assets	-	-	-	-	5,574	-	-	5,574	(1)	5,573
- foreign currency translation differences for foreign operations	-	-	-	-	-	(1,455)	-	(1,455)	-	(1,455)
Profit for the period	-	-	-	-	-	-	17,955	17,955	667	18,622
Total comprehensive income/(expense) for the period	-	-	-	-	5,574	(1,455)	17,955	22,074	666	22,740
Dividends	-	-	-	-	-	-	(8,388)	(8,388)	-	(8,388)
At 31 March 2013	411,467	35,852	30,000	50	18	550	389,436	867,373	(861)	866,512

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2013

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2013 (CONTINUED)

	← Attributable to owners of the Company →									Total equity	
	Share capital	← Non-distributable →					Distributable		Non-controlling interests		Total equity
		Share premium	Merger reserve	Capital redemption reserve	Fair value reserve	Exchange fluctuation reserve	Retained earnings	Total			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Preceding year corresponding period ended 31 March 2012											
At 1 July 2011, as previously reported	411,467	35,852	30,000	50	3,221	-	403,685	884,275	-	884,275	
Effect of adoption of MFRS 1	-	-	-	-	-	-	11,946	11,946	-	11,946	
At 1 July 2011, as restated	411,467	35,852	30,000	50	3,221	-	415,631	896,221	-	896,221	
Other comprehensive (expense)/income											
- fair value loss on available-for-sale financial assets											-
- foreign currency translation differences for foreign operations	-	-	-	-	-	607	-	607	-	607	
Loss for the period	-	-	-	-	-	-	(14,098)	(14,098)	(1,661)	(15,759)	
Total comprehensive (expense)/income for the period	-	-	-	-	(2,948)	607	(14,098)	(16,439)	(1,664)	(18,103)	
Dividends	-	-	-	-	-	-	(20,971)	(20,971)	-	(20,971)	
At 31 March 2012, as restated	411,467	35,852	30,000	50	273	607	380,562	858,811	(1,664)	857,147	

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2012.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2013

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2013

	Current Year To-date	Restated Preceding Year Corresponding Period
	31/03/2013 RM'000	31/03/2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	23,883	(17,268)
Adjustments for:-		
Depreciation and amortisation	57,009	62,878
Net financing cost	20,340	25,207
Share of loss of associate	8,518	86
Other non-cash items	(919)	7,078
Operating profit before changes in working capital	108,831	77,981
Changes in working capital		
Net change in current assets	17,092	335,963
Net change in current liabilities	(41,926)	(80,602)
Retirement benefits paid	(1,188)	(1,320)
Interest paid	(18,704)	(23,782)
Taxation paid	(2,908)	(14,756)
Net cash generated from operating activities	61,197	293,484
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of available-for-sale financial assets	-	(33,895)
Acquisition of property, plant and equipment	(212,734)	(171,377)
Proceeds from disposal of property, plant and equipment	33	220
Proceeds from disposal of available-for-sale financial assets	35,046	-
Investment in associates	(361)	-
Net cash inflow from disposal of subsidiaries	9,411	-
Interest received	193	471
Dividend received	19	469
Net cash used in investing activities	(168,393)	(204,112)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown/(repayment) of borrowings	122,577	(166,375)
Dividends paid	(8,388)	(20,971)
Net cash generated from/(used in) financing activities	114,189	(187,346)
NET CHANGE IN CASH AND CASH EQUIVALENTS	6,993	(97,974)
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD	57,901	190,970
EFFECT ON FOREIGN EXCHANGE	(332)	(424)
CASH & CASH EQUIVALENTS AT END OF PERIOD	64,562	92,572

SOUTHERN STEEL BERHAD (5283-X)



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2013

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2013 (CONTINUED)

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following statements of financial position amounts:

	31/03/2013 RM'000	31/03/2012 RM'000
Deposits, cash and bank balances	88,005	110,324
Bank overdraft	(23,443)	(17,752)
	<u>64,562</u>	<u>92,572</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2012.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2013

The figures have not been audited

1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 “Interim Financial Reporting” and the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the Group’s audited financial statements for the financial year ended 30 June 2012, which were prepared under the Financial Reporting Standards. This interim financial report also complies with International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board.

The accounting policies and presentation adopted for this interim report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2012 except for the changes in accounting policies and presentation resulting from the following transitional exemption arising from the adoption of MFRS :

(a) Property, plant and equipment

The Group measured its property, plant and equipment (“PPE”) at cost, less any accumulated depreciation and any accumulated impairment losses. However, one of the subsidiaries measured its property at valuation, which basis valuation is adjusted at Group level to cost basis in line with the Group policy. Upon transition to MFRS, the Group has elected to apply the optional exemption for this subsidiary so that the entire Group has the uniform accounting policy of stating the PPE at cost. At the date of transition to MFRS, PPE stated at revalued amount in the aforesaid subsidiary was regarded as deemed cost and the relevant revaluation surplus was recognised to the retained earnings.

(b) Income tax

Previously, unutilised reinvestment allowance (“RA”) was not recognised as deferred tax assets (“DTA”). Upon transition to MFRS, the Group regarded the RA as analogous to a government grant, and hence the accounting treatment of IAS 20 “Accounting for Government Grants and Disclosure of Government Assistance” is being adopted. As at the date of transition, the unutilised RA was recognised as a tax credit receivables and deferred income accordingly.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2013

The figures have not been audited

1. Basis of preparation (Continued)

The reconciliation of financial statements for comparative periods and of financial statements at the date of transition under MFRS are provided below:

Condensed Consolidated Statements of Comprehensive Income
Reconciliation for the quarter ended 31 March 2012

	As previously reported for the quarter ended 31/03/2012 RM'000	Effect of adoption of MFRS		As restated for the quarter ended 31/03/2012 RM'000
		RM'000 Note 1(a)	RM'000 Note 1(b)	
Other operating income	8,828	-	381	9,209
Loss before tax	(29,326)	-	381	(28,945)
Tax expenses	3,711	-	1,993	5,704
Loss after tax	(25,615)	-	2,374	(23,241)

Reconciliation for the nine months ended 31 March 2012

	As previously reported for the year ended 31/03/2012 RM'000	Effect of adoption of MFRS		As restated for the year ended 31/03/2012 RM'000
		RM'000 Note 1(a)	RM'000 Note 1(b)	
Other operating income	15,492	-	1,143	16,635
Loss before tax	(18,411)	-	1,143	(17,268)
Tax expenses	2,120	-	(611)	1,509
Loss after tax	(16,291)	-	532	(15,759)

Condensed Consolidated Statements of Changes in Equity
Reconciliation of the affected financial caption reported as at 31 March 2012

	As previously reported at 31/03/2012 RM'000	Effect of adoption of MFRS		As restated At 31/03/2012 RM'000
		RM'000 Note 1(a)	RM'000 Note 1(b)	
Retained earnings	368,084	11,946	532	380,562

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2013

The figures have not been audited

2. Qualification of audit report of the preceding annual financial statements

The audit report for the preceding annual financial statements was not qualified.

3. Seasonality or cyclicity of interim operations

The business operations of the Group are affected by both cyclical factors in the construction industry as well as festive seasons.

4. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence during the quarter under review and financial year-to-date.

5. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years

There were no changes in estimates of amounts reported in the prior financial years.

6. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debts and equity securities during the quarter under review and financial year-to-date.

7. Dividend paid

During the financial year-to-date, the Company paid an interim dividend of 2.0 sen per share tax exempt amounting to RM8.4 million on 18 December 2012.

8. Operating Segments

The Group's segmental report for the financial year-to-date is as follows: -

	Steel products RM'000	Investment holding and others RM'000	Total RM'000
Segment profit	28,868	3,533	32,401

Included in the measure of segment profit are:

External revenue	2,111,080	10,565	2,121,645
Depreciation and amortisation	(56,991)	(18)	(57,009)
Finance cost	(20,709)	-	(20,709)

Reconciliation of segment profit/(loss) to consolidated profit

	RM'000
Reportable segments	32,401
Share of loss of associates	(8,518)
Consolidated profit before taxation	<u>23,883</u>

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2013

The figures have not been audited

9. Material events not reflected in the financial statements

There are no material subsequent events to be disclosed as at the date of this report.

10. Changes in the composition of the Group

There were no changes in the composition of the Group during the quarter under review, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations.

11. Review of performance

For the quarter under review, the Group revenue reduced to RM725.0 million from RM869.3 million in the corresponding quarter of the preceding financial year due to lower selling price and sales volume. However, better margin from lower material cost enabled the Group to turnaround from a loss before taxation ("LBT") of RM28.9 million in the corresponding quarter of FY 2012 to a profit before taxation ("PBT") of RM25.3 million in the quarter under review.

For the financial year-to-date, the Group had recorded a revenue of RM2,121.6 million and PBT of RM23.9 million respectively compared with revenue of RM2,532.1 million and LBT of RM17.3 million in corresponding period of FY 2012.

12. Material changes in profit before taxation against the immediate preceding quarter

The Group's revenue and PBT for the quarter under review were RM725.0 million and RM25.3 million respectively as compared with the preceding quarter's revenue of RM692.5 million and LBT of RM10.0 million. The higher revenue was mainly due to improved selling price and sales volume, giving a higher PBT for the quarter under review.

13. Prospects

The international economic environment appears to be more settled with China coming out of its soft landing, the US economy showing signs of growing and the new Japanese Government pushing for growth. But unfortunately, the operating environment for the steel industry remains highly challenging with severe dumping by the Chinese steel mills. Chinese steel has depressed prices and margins, both domestically and internationally to such an extent that most Chinese mills lost money in 2012 and put tremendous pressure on the steel mills of other countries. The dumping has triggered trade actions by various governments.

Recently, the Malaysian Government has also started to implement trade measures to control the rampant imports which came in under misleading grade declaration or abuse of trade rules. This has enabled some recovery of prices and margins in the domestic market. The Board therefore believes that with the improvement in the market place, the fourth quarter performance will continue to improve.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2013

The figures have not been audited

14. Profit forecast/profit guarantee

This note is not applicable.

15. Profit before taxation

	Current Year Quarter 31/03/2013 RM'000	Current Year To-date 31/03/2013 RM'000
Profit before taxation is arrived at after charging/(crediting) :-		
Finance income	(146)	(368)
Gross dividend income from other investments	-	(7)
Depreciation and amortization	18,968	57,009
Allowance for impairment loss on trade receivables	103	595
Allowance for inventories obsolescence	4,944	194
Gain on disposal of subsidiaries	-	(4,781)
Gain on disposal of available-for-sale financial assets	(2,319)	(2,319)
(Gain)/loss on foreign exchange	(1,065)	930
Fair value loss on derivative instruments	388	351
Impairment of property, plant and equipment	-	-

16. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/2013 RM'000	Preceding Year Corresponding Quarter 31/03/2012 RM'000 Restated	Current Year To-date 31/03/2013 RM'000	Preceding Year Corresponding Period 31/03/2012 RM'000 Restated
Current taxation (Malaysian):				
- Current year	3,754	(793)	6,710	1,475
Deferred taxation:				
- Current year	2,714	(4,911)	(1,449)	(2,984)
	<u>6,468</u>	<u>(5,704)</u>	<u>5,261</u>	<u>(1,509)</u>

The Group's effective tax rate for the financial year-to-date was lower than statutory tax rate mainly due to certain income of the Group were not subject to tax.

17. Corporate proposal

There are no corporate proposal announced but not completed as at the date of this report.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2013

The figures have not been audited

18. Group's borrowings and debt securities

Particulars of the Group's borrowings and debt securities as at 31 March 2013 are as follows: -

	RM'000
Unsecured long term borrowings	184,075
Unsecured short term borrowings	663,376
	847,451

There were no borrowings denominated in foreign currencies as at 31 March 2013.

19. Changes in material litigation

There are no material litigations as at the date of this report.

20. Dividend

- (a) The Board has declared a second interim dividend of 5.0 sen per share tax exempt for the quarter ended 31 March 2013 of the financial year ending 30 June 2013 (3rd quarter 2011/2012 : 5.0 sen per share tax exempt) to be paid on 29 May 2013 to holders of ordinary shares whose names appear in the Record of Depositors at the close of business on 16 May 2013.

This is to inform that a Depositor shall qualify for the entitlement only in respect of: -

- (i) shares transferred into the Depositor's securities account before 4.00 p.m. on 16 May 2013 in respect of ordinary transfers; and
 - (ii) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Bursa Malaysia Securities Berhad's Listing Requirements.
- (b) For the financial year-to-date, a total dividend of 7.0 sen per share tax exempt (2011/2012 : 10.0 sen per share tax exempt) has been declared.

21. Earnings/(loss) per ordinary share
(a) Earnings/(loss) per ordinary share

The calculation of basic earnings per ordinary share for the quarter under review is calculated by dividing the Group's profit attributable to owners of the Company of RM18,257,000 (Group's loss attributable to owners of the Company during 3rd quarter 2011/2012 : RM22,781,000) and the weighted average number of ordinary shares during the quarter of 419,417,208 (3rd quarter 2011/2012 : 419,417,208).

The calculation of basic earnings per ordinary share for the financial year-to-date is calculated by dividing the Group's profit attributable to owners of the Company of RM17,955,000 (Group's loss attributable to owners of the Company during financial year-to-date ended 31 March 2012 : RM14,098,000) and the weighted average number of ordinary shares during the period of 419,417,208 (2011/2012 : 419,417,208).

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2013

The figures have not been audited

21. Earnings/(loss) per ordinary share (Continued)
(b) Diluted earnings/(loss) per ordinary share

The Group has no dilution in its earnings per ordinary share in the quarter under review/financial year-to-date and the preceding year's corresponding quarter/period as there were no dilutive potential ordinary shares.

22. Realised and unrealised profits/(losses) disclosure

The retained earnings as at 31 March 2013 and 30 June 2012 are analysed as follows:-

	As At End of Current Quarter 31/03/2013 RM'000	Restated As At End of Preceding Financial Year 30/06/2012 RM'000
Total retained earnings of the Company and the subsidiaries:-		
-Realised	446,053	510,530
-Unrealised	(10,862)	(5,600)
	435,191	504,930
Total share of retained earnings of associates:-		
- Realised	4,015	12,195
- Unrealised	-	152
	4,015	12,347
	439,206	517,277
Less: Consolidation adjustments	(49,770)	(137,408)
Total Group's retained earnings	389,436	379,869

By Order of the Board
Southern Steel Berhad

Ting Kok Keong
Company Secretary

Penang
29 April 2013