

LNG RESOURCES BERHAD

(Company No. 582043-K)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2008**

(The figures have not been audited)

	30/06/2008	30/06/2007
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,366	3,362
Adjustments for:		
Non-cash items	1,777	1,250
Non-operating items	(75)	(196)
Operating Profit Before Working Capital Changes	<u>5,068</u>	<u>4,416</u>
Changes in working capital		
Net change in current assets	(2,277)	1,214
Net change in current liabilities	(11)	(1,214)
Interest paid	(62)	(17)
Income tax paid	(372)	(1,015)
Income tax refunded	-	115
Net Cash From Operating Activities	<u>2,346</u>	<u>3,499</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Other investments	(5,694)	(9,752)
Interest received	141	220
Net Cash Used In Investing Activities	<u>(5,553)</u>	<u>(9,532)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings	393	2,545
Dividends paid	(1,874)	(1,842)
Repurchase of treasury shares	(472)	-
Proceeds from issuance of shares	-	1,703
Share issue expenses paid	-	(4)
Net Cash From (Used In) Financing Activities	<u>(1,953)</u>	<u>2,402</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,160)	(3,631)
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD	14,232	17,947
CASH AND CASH EQUIVALENTS AS AT END OF PERIOD	<u>9,072</u>	<u>14,316</u>
Cash and cash equivalents comprise of:		
Cash and bank balances	<u>9,072</u>	<u>14,316</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended December 31, 2007 and the accompanying explanatory notes attached to the interim financial statements.