

SMR TECHNOLOGIES BERHAD (659523-T)
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2005
(THE FIGURES HAVE NOT BEEN AUDITED)

	<u>(Unaudited)</u> <u>31/12/2005</u>	<u>31/12/2004</u>
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,628,920	N/A
Less: Pre-Acquisition profit	-	N/A
	<u>3,628,920</u>	N/A
Adjustment for:		
Depreciation of property, plant equipment	848,226	N/A
Gain on disposal of property, plant & equipment	-	N/A
Interest income	-	N/A
Interest expenses	-	N/A
Operating profit before working capital changes	<u>4,477,146</u>	N/A
Increase/(decrease) in working capital		
Inventories	-	N/A
Trade receivables	(818,322)	N/A
Other receivables	-	N/A
Trade payables	248,538	N/A
Amount Due to Directors	(88,711)	N/A
Other payables	(26,158)	N/A
	<u>(684,653)</u>	N/A
Cash used in operations	3,792,493	N/A
Tax paid	-	N/A
Net cash used in operating activities	<u>3,792,493</u>	N/A
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,369,905)	N/A
Proceeds from disposal of property, plant and equipment	-	N/A
Acquisition of subsidiaries, net of cash acquired	-	N/A
Net cash used in investing activities	<u>(3,369,905)</u>	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from rights issue of shares	-	N/A
Proceeds from public allotment	-	N/A
Proceeds from private investors allotment	-	N/A
Proceeds from Directors' and eligible employees' allotment	-	N/A
Repayment of hire purchase	(12,848)	N/A
Drawdown of borrowings	-	N/A
Interest income	-	N/A
Interest paid	-	N/A
Net cash generated from financing activities	<u>(12,848)</u>	N/A
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	409,740	N/A
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	162,002	N/A
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	<u>571,742</u>	N/A
Cash and cash equivalents comprise :		
Overdraft	-	N/A
Cash and bank balances	571,742	N/A
	<u>571,742</u>	

NOTES:

1. *The unaudited Condensed Consolidated Cashflow Statement should be read in conjunction with the Notes to the Interim Financial Report.*
2. *The condensed consolidated Cashflow Statement for the financial year ended 31 December 2005 announced by the Company is in compliance with Bursa Securities requirements in conjunction with the admission of the Company to the MESDAQ Market of Bursa Securities.*
3. *Depreciation of Property, Plant Equipment includes Depreciation & Amortisation but not included interest expenses.*
4. *Purchase of property, plant and equipment includes development cost, intellectual property, purchase of property, plant and equipment.*