

AHMAD ZAKI RESOURCES BERHAD

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2008

(Figures have not been audited)

	6 months ended 30 June 2008 RM	6 months ended 30 June 2007 RM
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before taxation	14,042,459	20,383,424
Adjustments for:-		
Amortisation of prepaid lease rental	3,473	6,045
Depreciation of property, plant & equipment	4,023,138	3,257,966
Staff cost in respect of share base payment	1,394,812	-
Interest expenses	6,241,901	4,042,566
Interest revenue	(2,960,250)	(2,092,110)
Gain on disposal of property, plant & equipment	(20,197)	(240,716)
Impairment loss on investment in unquoted shares	3,000,000	-
Unrealised loss of foreign exchange	9,187	-
Share of results of joint ventures	(301,016)	136,925
Share of results of associated companies	(3,190,947)	120
Operating profit before working capital changes	22,242,560	25,494,220
Increase in inventories	(1,759,836)	(1,133,273)
(Increase)/Decrease in amount due from customers for contract work	(15,432,294)	61,503,019
Decrease/(Increase) in property development expenditure	832,765	(359,694)
Increase/(Decrease) in amount due to customers for contract work	791,708	7,977,785
Decrease/(Increase) in trade and other receivables	28,334,294	(64,275,279)
Decrease in trade and other payables	(12,837,642)	(32,088,976)
Cash generated/(used in) from operations	22,171,555	(2,882,198)
Tax paid	(7,538,897)	(5,803,707)
Interest payment	(6,292,449)	(4,042,566)
Net cash generated/(used in) from operating activities	8,340,209	(12,728,471)
CASH FLOWS FROM INVESTING ACTIVITIES		
Development expenditure	(14,741,019)	(5,972,394)
Investment in unquoted bonds	-	(4,000,000)
Investment in quoted shares	(1,877,223)	-
Interest received	3,045,818	2,092,110
Purchase of property, plant & equipment	(4,814,192)	(2,203,014)
Proceeds from disposal of property, plant & equipment	20,202	1,581,811
Proceeds from disposal of other investment	-	-
Repayment from related companies	-	59,405
Dividend Revenue	919,021	-
Net cash used in investing activities	(17,447,393)	(8,442,082)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment to related companies	(72,313)	-
Advance from Joint Ventures	805,016	-
Proceeds from paid up capital	48,393,030	345,630
Settlement of right issue expenses	(910,546)	-
Proceeds from trust receipts/murabahah	9,020,966	52,015,043
(Repayment)of trust receipts/murabahah	(24,589,269)	(13,981,271)
Payment to hire purchase creditors	(1,399,129)	(1,065,071)
Term loan drawdown	-	40,000,000
Repayment of term loan	(90,213)	(434,031)
Net cash generated from/(used in) financing activities	31,157,542	76,880,300
Effects of exchange difference on cash & cash equivalents	457,096	(177,655)
Net increase/(decrease)in cash and cash equivalents	22,050,359	55,709,747
Cash and cash equivalents at beginning of the year/period	204,493,244	141,316,787
Cash and cash equivalents at end of the period	227,000,698	196,848,879
Cash and cash equivalents included in the condensed cash flows statements comprise the following amounts :-		
Cash and bank balances	44,513,519	48,696,987
Cash deposits with licensed banks	182,487,179	148,151,892
	227,000,698	196,848,879

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 31st December 2007.