

SKB SHUTTERS CORPORATION BERHAD

(Company No. 430362 - U)

(Incorporated in Malaysia)

AND ITS SUBSIDIARIES

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

| | Current year to-date 30 June 2006 RM'000 (Unaudited) | Preceding year to date 30 June 2005 RM'000 (Audited) | | |
|---|---|---|---|---------|
| Profit/(Loss) before tax | 1,048 | (5,066) | | |
| Adjustments for | | | | |
| Non-cash items | 5,380 | 5,091 | | |
| Non-operating items | 2,851 | 2,733 | | |
| Operating profit before changes in working capital | <hr/> 9,279 | <hr/> 2,758 | | |
| Changes in working capital | | | | |
| Net changes in current assets | 1,853 | 2,909 | | |
| Net changes in current liabilities | (407) | 1,296 | | |
| Dividend received | 143 | 187 | | |
| Taxes paid | (14) | (77) | | |
| Net cash generated from operating activities | <hr/> 10,854 | <hr/> 7,073 | | |
| Cash flows from investing activities | | | | |
| - Purchase of property, plant and equipment | <table border="1"><tr><td>(1,370)</td></tr></table> | (1,370) | <table border="1"><tr><td>(5,903)</td></tr></table> | (5,903) |
| (1,370) | | | | |
| (5,903) | | | | |
| - Proceeds from disposal of property, plant and equipment | <table border="1"><tr><td>344</td></tr></table> | 344 | <table border="1"><tr><td>748</td></tr></table> | 748 |
| 344 | | | | |
| 748 | | | | |
| Net cash used in investing activities | (1,026) | (5,155) | | |
| Cash flows from financing activities | | | | |
| - Borrowings | <table border="1"><tr><td>(8,179)</td></tr></table> | (8,179) | <table border="1"><tr><td>(1,524)</td></tr></table> | (1,524) |
| (8,179) | | | | |
| (1,524) | | | | |
| Net cash used in financing activities | (8,179) | (1,524) | | |
| Net increase in cash and cash equivalents | <hr/> 1,649 | <hr/> 394 | | |
| Cash and cash equivalents at 1 July | (3,668) | (4,062) | | |
| Cash and cash equivalents at 30 June | <hr/> <hr/> <u>(2,019)</u> | <hr/> <hr/> <u>(3,668)</u> | | |
| Note : | | | | |
| <u>Purchase of property, plant and equipment</u> | | | | |
| Additions of property, plant and equipment | 3,590 | 8,006 | | |
| Less: Hire purchase obligations | (2,220) | (2,103) | | |
| | <hr/> <hr/> <u>1,370</u> | <hr/> <hr/> <u>5,903</u> | | |
| <u>Cash and cash equivalents</u> | | | | |
| Cash and cash equivalents included in the condensed consolidated cash flow statement comprise the following : | | | | |
| Cash and bank balances | 397 | 615 | | |
| Overdrafts | (2,416) | (4,283) | | |
| | <hr/> <hr/> <u>(2,019)</u> | <hr/> <hr/> <u>(3,668)</u> | | |

The notes set out on pages 5 to 9 form an integral part of, and, should be read in conjunction with, this interim financial report.