

SKP RESOURCES BHD*(Company No: 524297-T)**Incorporated in Malaysia under the Companies Act, 1965***UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	6 months ended 30/09/04 RM'000	6 months ended 30/09/03 RM'000
Cash flows from operating activities		
Profit before taxation	6,928	5,798
Adjustments for:		
Depreciation	2,196	1,878
Recognition of negative goodwill	(424)	-
Loss on disposal of property, plant and equipment	20	-
Gain on disposal of other investment	-	(90)
Interest expense	19	(48)
Interest income	(365)	(404)
Operating profit before working capital changes	<u>8,374</u>	<u>7,134</u>
(Increase)/Decrease in inventories	(1,386)	296
(Increase) in receivables	(3,001)	(5,062)
Increase in payables	<u>3,148</u>	<u>1,969</u>
Cash generated from operations	7,135	4,337
Interest paid	(19)	48
Taxes paid	(2,155)	(1,317)
Net cash generated from operating activities	<u>4,961</u>	<u>3,068</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,927)	(1,146)
Proceeds from disposal of property, plant and equipment	110	2,090
Purchase of other investments	(1,000)	-
Interest received	365	404
Net cash (used in)/generated from investing activities	<u>(2,452)</u>	<u>1,348</u>
Cash flows from financing activities		
Repayment of hire purchase	(79)	(63)
Additional hire purchase finance	-	280
Repayment of term loan	(56)	(137)
Net cash (used in)/generated from financing activities	<u>(135)</u>	<u>80</u>
Net increase in cash and cash equivalents	2,374	4,496
Cash and cash equivalents at beginning of period	34,545	33,703
Cash and cash equivalents at end of period	<u>36,919</u>	<u>38,199</u>
# Represented by:		
Cash at Bank	36,919	38,232
Overdraft	-	(33)
	<u>36,919</u>	<u>38,199</u>

The Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the annual financial statements for the year ended 31 March 2004.