

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

	<b>9 months ended 31/12/2004 RM'000</b>	<b>9 months ended 31/12/2003 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	10,335	8,902
Adjustments for:		
Depreciation	3,280	2,971
Recognition of negative goodwill	(637)	-
Property, plant and equipment written off	-	36
Loss on disposal of property, plant and equipment	20	27
Gain on disposal of other investment	-	(89)
Interest expense	26	62
Interest income	(590)	(633)
Operating profit before working capital changes	<u>12,434</u>	<u>11,276</u>
(Increase)/Decrease in inventories	(694)	30
(Increase) in receivables	(4,566)	(5,336)
Increase in payables	<u>2,339</u>	<u>2,120</u>
Cash generated from operations	9,513	8,090
Interest paid	(26)	(62)
Taxes paid	<u>(2,562)</u>	<u>(2,665)</u>
Net cash generated from operating activities	<u>6,925</u>	<u>5,363</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(2,620)	(1,953)
Proceeds from disposal of property, plant and equipment	110	189
Proceeds from disposal of other investment	-	2,089
Purchase of other investments	(2,855)	-
Interest received	590	633
Net cash (used in)/generated from investing activities	<u>(4,775)</u>	<u>958</u>
<b>Cash flows from financing activities</b>		
Repayment of hire purchase	(119)	(105)
Additional hire purchase finance	-	280
Repayment of term loan	(85)	(717)
Dividend paid	<u>(480)</u>	<u>(2,400)</u>
Net cash (used in)/generated from financing activities	<u>(684)</u>	<u>(2,942)</u>
<b>Net increase in cash and cash equivalents</b>	<b>1,466</b>	<b>3,379</b>
Cash and cash equivalents at beginning of period	34,545	33,703
<b>Cash and cash equivalents at end of period</b>	<u><u>36,011</u></u>	<u><u>37,082</u></u>
<i># Represented by:</i>		
Cash at Bank	36,011	37,101
Overdraft	-	(19)
	<u><u>36,011</u></u>	<u><u>37,082</u></u>

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