

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

	12 months ended 31/03/2006 RM'000 (Unaudited)	12 months ended 31/03/2005 RM'000 (Audited)
Cash flows from operating activities		
Profit before taxation	11,388	14,576
Adjustments for:		
Depreciation	5,222	4,374
Recognition of negative goodwill	(849)	(849)
Property, plant and equipment written off	292	-
Diminution in value of quoted shares	245	775
Loss on disposal of property, plant and equipment	(3)	57
Interest expense	232	34
Dividend income	(54)	-
Interest income	(951)	(809)
Operating profit before working capital changes	<u>15,522</u>	<u>18,158</u>
Increase in inventories	(3,941)	(1,046)
Decrease/(Increase) in receivables	(2,768)	(4,986)
Increase in payables	<u>2,133</u>	<u>3,691</u>
Cash generated from operations	10,946	15,817
Interest paid	(232)	(34)
Taxes paid	<u>(2,467)</u>	<u>(1,868)</u>
Net cash generated from operating activities	<u>8,247</u>	<u>13,915</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(15,370)	(11,885)
Proceeds from disposal of property, plant and equipment	74	270
Purchase of other investments	(1,000)	(2,855)
Dividend received	54	-
Interest received	951	605
Net cash used in investing activities	<u>(15,291)</u>	<u>(13,865)</u>
Cash flows from financing activities		
Repayment of hire purchase	(183)	(174)
Drawdown of term Loan	8,601	-
Repayment of term loan	(341)	(115)
Acquisition of treasury shares	(455)	-
Dividend paid	<u>(2,982)</u>	<u>(480)</u>
Net cash generated from/(used in) financing activities	<u>4,640</u>	<u>(769)</u>
Net (decrease)/increase in cash and cash equivalents	(2,404)	(719)
Cash and cash equivalents at beginning of period	33,826	34,545
Cash and cash equivalents at end of period	<u>31,422</u>	<u>33,826</u>
# Represented by:		
Cash at Bank	<u>31,422</u>	<u>33,826</u>
	<u>31,422</u>	<u>33,826</u>

The Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the annual financial statements for the year ended 31 March 2005.