

**SKP RESOURCES BHD**

(Company No: 524297-T)

Incorporated in Malaysia under the Companies Act, 1965

Quarterly report on results for the 2nd quarter ended 30 September 2010. The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/09/2010 RM'000 (Unaudited)	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2009 RM'000 (Unaudited)	CURRENT YEAR TO DATE 30/09/2010 RM'000 (Unaudited)	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2009 RM'000 (Unaudited)
Revenue	58,586	47,077	109,205	89,240
Cost of sales	(45,870)	(38,974)	(86,964)	(73,813)
Gross profit	12,716	8,103	22,241	15,427
Other operating income	446	172	1,034	385
Operating expenses	(4,934)	(3,826)	(9,610)	(7,218)
Operating profit	8,228	4,449	13,665	8,594
Interest expense	-	(19)	-	(42)
Interest income	159	47	352	202
Profit before taxation	8,387	4,477	14,017	8,754
Tax expense	(2,246)	(1,054)	(3,400)	(1,969)
<b>Profit for the period</b>	<b>6,141</b>	<b>3,423</b>	<b>10,617</b>	<b>6,785</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>6,141</b>	<b>3,423</b>	<b>10,617</b>	<b>6,785</b>
Total comprehensive income attributable to:				
Equity holders of the parent	6,141	3,423	10,617	6,785
Minority Interest	-	-	-	-
	6,141	3,423	10,617	6,785
<b>Earning per share attributable to equity holders of the parent (sen):</b>				
-Basic	1.03	0.57	1.77	1.13
-Diluted	N/A	N/A	N/A	N/A

**Remarks**

-The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the annual financial statements for the year ended 31 March 2010.

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>AS AT END OF CURRENT QUARTER 30/09/2010 RM'000 (Unaudited)</b>	<b>AS AT PRECEDING FINANCIAL YEAR END 31/03/2010 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	76,097	74,808
Investment property	1,752	1,770
Intangible Assets	490	758
Goodwill	-	-
Other investments	269	269
	78,608	77,605
<b>Current assets</b>		
Inventories	16,198	11,952
Trade receivables	65,244	46,071
Other receivables and prepayments	4,182	2,629
Tax prepayment	-	-
Cash and bank balances	45,639	39,069
	131,263	99,721
<b>TOTAL ASSETS</b>	<b>209,871</b>	<b>177,326</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	60,000	60,000
Share premium	174	174
Treasury shares	(161)	(161)
	60,013	60,013
Reserves	91,401	80,784
	151,414	140,797
Reserve on consolidation	-	-
	151,414	140,797
Minority interests	-	-
<b>Total equity</b>	<b>151,414</b>	<b>140,797</b>
<b>Non-current liabilities</b>		
Long term borrowings	-	-
Deferred taxation	6,659	6,459
	6,659	6,459
<b>Current liabilities</b>		
Short term borrowings	-	218
Trade payables	38,392	15,245
Other payables	10,529	13,042
Dividends payable	-	-
Tax payable	2,877	1,565
	51,798	30,070
<b>Total liabilities</b>	<b>58,457</b>	<b>36,529</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>209,871</b>	<b>177,326</b>
Net assets per share (RM)	0.25	0.23

**Remarks**

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the annual financial statements for the year ended 31 March 2010.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	SHARE CAPITAL RM'000	NON DISTRIBUTABLE		DISTRIBUTABLE	TOTAL RM'000
		TREASURY SHARES RM'000	SHARE PREMIUM RM'000	RETAINED PROFITS RM'000	
At 1 April 2009	60,000	(161)	174	70,373	130,386
Sale of treasury shares	-	-	-	-	-
Net profit for the period	-	-	-	6,785	6,785
Dividends	-	-	-	-	-
At 30 September 2009	<u>60,000</u>	<u>(161)</u>	<u>174</u>	<u>77,158</u>	<u>137,171</u>
At 1 April 2010	60,000	(161)	174	80,784	140,797
Sale of treasury shares	-	-	-	-	-
Net profit for the period	-	-	-	10,617	10,617
Dividends	-	-	-	-	-
At 30 September 2010	<u>60,000</u>	<u>(161)</u>	<u>174</u>	<u>91,401</u>	<u>151,414</u>

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the annual financial statements for the year ended 31 March 2010.

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

	<b>6 months ended 30/09/2010 RM'000 (Unaudited)</b>	<b>6 months ended 30/09/2009 RM'000 (Unaudited)</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	14,017	8,754
Adjustments for:		
Depreciation	4,527	4,612
Amortisation of intangible assets	268	268
Property, plant and equipment written off	-	131
(Reversal)/Provision of diminution in value of quoted shares	-	(213)
(Gain)/Loss on disposal of marketable securities	-	(67)
(Gain)/Loss on disposal of property, plant and equipment	(29)	(17)
Interest expense	-	42
Interest income	(352)	(202)
Operating profit before working capital changes	<u>18,431</u>	<u>13,308</u>
(Increase)/decrease in inventories	(4,246)	465
(Increase)/decrease in receivables	(21,719)	(8,646)
Increase / (decrease) in payables	<u>21,901</u>	<u>5,843</u>
Cash generated from operations	<u>14,367</u>	<u>10,970</u>
Interest paid	-	(42)
Taxes paid	<u>(1,888)</u>	<u>(1,223)</u>
Net cash generated from operating activities	<u>12,479</u>	<u>9,705</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(6,262)	(843)
Proceeds from disposal of property, plant and equipment	219	43
Sales / (Purchase) of other investments	-	139
Interest received	352	202
Net cash used in investing activities	<u>(5,691)</u>	<u>(459)</u>
<b>Cash flows from financing activities</b>		
Repayment of hire purchase	(26)	(442)
Dividend paid	-	-
Net cash used in financing activities	<u>(26)</u>	<u>(442)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>6,762</b>	<b>8,804</b>
Cash and cash equivalents at beginning of period	38,877	25,980
<b>Cash and cash equivalents at end of period</b>	<u><u>45,639</u></u>	<u><u>34,784</u></u>
<b># Represented by:</b>		
Cash and bank balances	14,471	9,015
Fixed deposits with licensed banks	<u>31,168</u>	<u>25,769</u>
	<u><u>45,639</u></u>	<u><u>34,784</u></u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the annual financial statements for the year ended 31 March 2010.