

WCT ENGINEERING BERHAD

(Company Number : 66538-K)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE 3 MONTHS PERIOD ENDED 31 MARCH 2006**

	UNAUDITED CUMULATIVE PERIOD CURRENT YEAR TODATE 31.03.2006 RM'000	CUMULATIVE PERIOD PRECEDING YEAR CORRESPONDING 31.03.2005 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	34,395	35,644
Adjustments for:-		
Non-cash items	7,248	6,055
Non-operating items - financing	1,107	5,320
Non-operating items - investing	15	1,234
Operating profit before working capital changes	42,765	48,253
Net changes in current assets	39,164	56,645
Net changes in current liabilities	(23,166)	(104,121)
Cash flows generated from operations	58,763	777
Interest paid *	(1,349)	(7,514)
Interest received	5,932	1,438
Taxation paid	(5,573)	(10,696)
Net cash generated from/(used in) operating activities	57,773	(15,995)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of subsidiary net of cash acquired	5,852	407
Other investments	4,983	(9,855)
Net cash generated from/(used in) investing activities	10,835	(9,448)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of shares	85	5,683
Sinking funds	-	(6,558)
Bank borrowings	(48,603)	14,873
Coupon payment on bonds	(1,582)	(1,479)
Net cash (used in)/generated from financing activities	(50,100)	12,519
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD	18,508	(12,924)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	345,454	249,381
Foreign exchange differences	708	(25)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD **	364,670	236,432

** Cash & bank balances exclude escrow account amounting to RM3,428,900 and fixed deposits held under Finance Service Reserve Account amounting to RM3,323,500.

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.)