

KPJ HEALTHCARE BERHAD

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2003

	<u>Note</u>	<u>12 months ended</u>	
		<u>31.12.2003</u>	<u>31.12.2002</u>
		RM'000	RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES			
Net profit attributable to shareholders		29,485	14,922
Adjustments for:			
Taxation		4,703	7,407
Minority interest		(1,143)	(43)
Associated company			
- share of profit		(974)	(36)
- share of tax		197	40
Property, plant and equipment			
- depreciation		25,750	9,895
- write-off		0	264
- loss/(gain) on disposal		0	611
Amortisation of nurse training costs		737	1,475
Loss on transfer of nurse training costs		0	388
Interest income		(2,109)	(1,054)
Interest expense		17,210	4,302
Allowance for doubtful debts		490	979
Amortisation on goodwill		3,492	569
Operating profit before changes in working capital		77,837	39,719
Changes in working capital:			
Inventories		1,169	(1,051)
Receivables		(3,479)	(2,452)
Payables		(4,864)	(11,958)
Intercompany balances		(4,350)	7,436
Cash generated from/(used in) operations		66,314	31,730
Interest paid		(17,210)	(4,302)
Income tax paid		(3,961)	(6,650)
Net cash from/(used in) operating activities		45,143	20,777
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(21,948)	(25,574)
Proceeds from sale of property, plant and equipment		0	550
Additions in nurse training costs		(2,896)	(6,331)
Acquisition of additional interest in subsidiary		(4,425)	(169,550)
Deposits pledged with banks		(659)	(659)
Interest received		2,109	1,054
Deferred revenue received		(298)	(1,143)
Net cash (used in)/from investing activities		(28,117)	(201,652)

KPJ HEALTHCARE BERHAD

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2003 (CONTINUED)**

	<u>Note</u>	<u>12 months ended</u>	
		<u>31.12.2003</u>	<u>31.12.2002</u>
		RM'000	RM'000
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES			
Issues of shares		10,466	172,000
Share issue expenses			(3,212)
Drawdown of borrowing		22,539	40,547
Repayment of borrowing		(44,312)	(30,028)
Dividends paid		(9,591)	(4,128)
Dividends paid to minority shareholders of subsidiary companies		0	(14)
Long term deposits received		57	461
Net cash from/(used in) financing activities		<u>(20,841)</u>	<u>175,626</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS			
		(3,815)	(5,250)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR			
		<u>873</u>	<u>6,122</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR			
		<u><u>(2,942)</u></u>	<u><u>873</u></u>
DEPOSITS, CASH AND BANK BALANCES			
Deposits with licensed banks		1,983	10,196
Deposits with financed companies		0	100
Cash and bank balances		9,124	10,638
Bank overdraft		(12,236)	(18,907)
		<u>(1,129)</u>	<u>2,027</u>
less: Deposits pledged with licensed banks		(1,813)	(1,154)
CASH AND CASH EQUIVALENTS		<u><u>(2,942)</u></u>	<u><u>873</u></u>