

**HeveaBoard Berhad (275512-A)**  
**Consolidated Income Statements**  
**For the 4th Quarter Ended 31 December 2006**  
The following financial results have not been audited.

	INDIVIDUAL QUARTER 3-MONTH ENDED		CUMULATIVE QUARTER 12-MONTH ENDED	
	CURRENT YEAR QUARTER ENDED 31.12.2006 RM	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31.12.2005 RM	CURRENT YEAR PERIOD TO-DATE 31.12.2006 RM	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 31.12.2005 RM
REVENUE	45,471,985	40,149,551	163,124,958	147,673,530
COST OF SALES	<u>(38,164,124)</u>	<u>(34,258,040)</u>	<u>(141,988,345)</u>	<u>(123,962,980)</u>
GROSS PROFIT	7,307,861	5,891,511	21,136,613	23,710,550
OTHER INCOME	7,167,852	180,869	7,279,203	382,537
SELLING AND DISTRIBUTION COST	(399,473)	(467,558)	(1,878,819)	(1,690,189)
ADMINISTRATIVE EXPENSES	(2,122,411)	(933,925)	(8,472,065)	(8,172,697)
OTHER OPERATING EXPENSES	(2,972,587)	(1,152,704)	(3,752,565)	(1,932,682)
FINANCE COSTS	<u>(2,567,947)</u>	<u>(627,026)</u>	<u>(4,932,663)</u>	<u>(2,452,587)</u>
PROFIT BEFORE TAXATION ("PBT")	6,413,295	2,891,167	9,379,704	9,844,932
TAXATION	<u>(3,694,681)</u>	<u>(90,764)</u>	<u>(1,624,542)</u>	<u>(790,556)</u>
PROFIT AFTER TAXATION ("PAT")	<u>2,718,614</u>	<u>2,800,403</u>	<u>7,755,162</u>	<u>9,054,376</u>
ATTIBUTABLE TO : HEVEABOARD'S SHAREHOLDERS	<u>2,718,614</u>	<u>2,800,403</u>	<u>7,755,162</u>	<u>9,054,376</u>
<b>EARNINGS PER SHARE (NOTE B14)</b>				
- BASIC (SEN)	3.40	3.50	9.69	11.32
- DILUTED (SEN)	N/A	N/A	N/A	N/A

**HeveaBoard Berhad (275512-A)**  
**Consolidated Balance Sheet**  
**AS AT 31 December 2006**

	<b>As At 31.12.2006 RM</b>	<b>As At 31.12.2005 RM (Restated)</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
PROPERTY, PLANT AND EQUIPMENT	348,005,453	223,352,742
PREPAID LEASE PAYMENTS	10,424,605	10,631,886
OTHER INVESTMENTS	15,000	15,000
GOODWILL ON CONSOLIDATION	2,945,751	2,945,751
	<u>361,390,809</u>	<u>236,945,379</u>
<b>CURRENT ASSETS</b>		
INVENTORIES	42,992,839	25,428,048
TRADE RECEIVABLES	27,911,670	24,936,546
OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS	5,032,719	3,063,083
TAX REFUNDABLE	2,636,877	380,815
CASH AND BANK BALANCES	1,992,647	888,367
	<u>80,566,752</u>	<u>54,696,859</u>
<b>TOTAL ASSETS</b>	<u>441,957,561</u>	<u>291,642,238</u>
<b>EQUITY AND LIABILITIES</b>		
SHARE CAPITAL	80,000,000	80,000,000
SHARE PREMIUM	12,885,893	12,885,893
RETAINED PROFITS	30,224,185	24,678,984
NEGATIVE GOODWILL ON CONSOLIDATION	-	670,039
DIVIDEND PROPOSED	2,880,000	1,728,000
SHAREHOLDERS' EQUITY	<u>125,990,078</u>	<u>119,962,916</u>
<b>NON-CURRENT LIABILITIES</b>	156,104,626	94,281,056
<b>DEFERRED TAXATION</b>	<u>14,968,000</u>	<u>11,468,000</u>
	<u>171,072,626</u>	<u>105,749,056</u>
<b>CURRENT LIABILITIES</b>		
TRADE PAYABLES	25,321,080	15,410,607
OTHER PAYABLES AND ACCRUALS	40,108,695	9,872,564
AMOUNT OWING TO RELATED PARTIES	7,986,309	10,195,115
SHORT-TERM BORROWINGS	62,390,452	25,147,889
BANK OVERDRAFTS	9,082,416	5,261,703
PROVISION FOR TAXATION	5,905	42,388
	<u>144,894,857</u>	<u>65,930,266</u>
<b>TOTAL LIABILITIES</b>	<u>315,967,483</u>	<u>171,679,322</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>441,957,561</u>	<u>291,642,238</u>
NET ASSETS PER SHARE (RM)**	1.57	1.50

\*\* Net Assets per share is calculated based on total assets minus total liabilities divided by the number of ordinary shares of RM1.00 each in issue as at 31 December 2006 and 31 December 2005, respectively.

**HeveaBoard Berhad (275512-A)**  
**Consolidated Cash Flow Statement**  
**For the Period Ended 31 December 2006**

	Current Year Period to-date 31.12.2006 RM	Preceding Year Corresponding Period to-date 31.12.2005 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	9,379,704	9,844,932
<b>Adjustments for:-</b>		
Allowance for doubtful debts	-	33,333
Amortisation of goodwill	-	567,994
Bad debts written off	1,027,878	34,177
Gain on disposal of equipments	(160,016)	-
Unrealised loss on foreign exchange	109,933	-
Amortisation of prepaid lease payments	207,281	207,281
Depreciation of property, plant and equipment	10,101,852	8,153,011
Provision for retirement benefits	148,130	161,133
Provision for compensation	213,900	-
Interest expense	4,267,035	1,981,564
Interest income	(36,077)	(44,494)
<b>Operating profit before working capital changes</b>	<b>25,259,620</b>	<b>20,938,931</b>
(Increase)/ Decrease in inventories	(17,564,789)	1,826,136
Increase in trade and other receivables	(6,082,572)	(4,956,149)
Increase/ (Decrease) in trade and other payables	39,932,698	(327,355)
<b>CASH FROM OPERATIONS</b>	<b>41,544,957</b>	<b>17,481,563</b>
Income tax paid	(417,086)	(2,824,040)
Interest paid	(4,267,035)	(1,981,564)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>36,860,836</b>	<b>12,675,959</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	36,077	44,494
Proceeds from disposal of PPE	343,000	498
Purchase of property, plant and equipment	(125,337,422)	(117,795,105)
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>(124,958,345)</b>	<b>(117,750,113)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(1,728,000)	(6,346,904)
Proceeds from issuance of shares	-	30,080,000
Net drawdown of bankers' acceptances	13,359,693	6,959,000
Drawdown of term loans	82,111,779	89,006,439
Repayment of term loans	(603,303)	(552,929)
Repayment of hire purchase obligations	(5,550,288)	(4,435,747)
Repayment to related parties	(2,208,805)	(964,246)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>85,381,076</b>	<b>113,745,613</b>
<b>NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,716,433)</b>	<b>8,671,459</b>
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY 2006/2005</b>	<b>(4,373,336)</b>	<b>(13,044,795)</b>
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER 2006/2005</b>	<b>(7,089,769)</b>	<b>(4,373,336)</b>
<b>Cash and cash equivalents comprises the following:</b>		
Cash and bank balances	1,992,647	888,367
Bank overdrafts	(9,082,416)	(5,261,703)
	<b>(7,089,769)</b>	<b>(4,373,336)</b>

**HeveaBoard Berhad (275512-A)**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE 4TH QUARTER ENDED 31 DECEMBER 2006**

	<u>Share Capital</u> RM	<u>Share Premium</u> RM	<u>Retained Profits</u> RM	<u>Dividend Proposed</u> RM	<u>Negative Goodwill On Consolidation</u> RM	<u>Total</u> RM
Balance as at 1 January 2006, as restated	80,000,000	12,885,893	24,678,984	1,728,000	670,039	119,962,916
Effects of adopting FRS 3	-	-	670,039	-	(670,039)	-
Balance as at 1 January 2006, as restated	<u>80,000,000</u>	<u>12,885,893</u>	<u>25,349,023</u>	<u>1,728,000</u>	<u>-</u>	<u>119,962,916</u>
Profit attributable to shareholders	-	-	7,755,162	-	-	7,755,162
Dividend Paid	-	-	-	(1,728,000)	-	(1,728,000)
Final dividend of 5.0 sen per ordinary share less 28% tax	-	-	(2,880,000)	2,880,000	-	-
Balance as at 31 December 2006	<u>80,000,000</u>	<u>12,885,893</u>	<u>30,224,185</u>	<u>-</u>	<u>-</u>	<u>125,990,078</u>
Balance as at 1 January 2005	80,000,000	12,925,097	17,352,608	-	670,039	110,947,744
Profit attributable to shareholders	-	-	9,054,376	-	-	9,054,376
Final dividend of 3.0 sen per ordinary share less 28% tax	-	-	(1,728,000)	1,728,000	-	-
Listing expenses set-off against share premium	-	(39,204)	-	-	-	(39,204)
Balance as at 31 December 2005	<u>80,000,000</u>	<u>12,885,893</u>	<u>24,678,984</u>	<u>1,728,000</u>	<u>670,039</u>	<u>119,962,916</u>