

HeveaBoard Berhad (275512-A)
Consolidated Income Statements
For the 1st Quarter Ended 31 March 2007

The following financial results have not been audited.

	INDIVIDUAL QUARTER 3-MONTH ENDED		CUMULATIVE QUARTER 3-MONTH ENDED	
	CURRENT YEAR QUARTER ENDED 31.03.2007 RM	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31.03.2006 RM	CURRENT YEAR PERIOD TO-DATE 31.03.2007 RM	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 31.03.2006 RM
REVENUE	58,821,926	38,181,970	58,821,926	38,181,970
COST OF SALES	<u>(51,381,786)</u>	<u>(34,836,046)</u>	<u>(51,381,786)</u>	<u>(34,836,046)</u>
	7,440,140	3,345,924	7,440,140	3,345,924
OTHER INCOME/(EXPENSES)	(946,945)	(230,461)	(946,945)	(230,461)
SELLING AND DISTRIBUTION COST	(977,999)	(375,242)	(977,999)	(375,242)
ADMINISTRATIVE EXPENSES	(3,241,770)	(2,484,249)	(3,241,770)	(2,484,249)
FINANCE COSTS	<u>(3,869,323)</u>	<u>(722,661)</u>	<u>(3,869,323)</u>	<u>(722,661)</u>
PROFIT/(LOSS) BEFORE TAXATION ("PBT")	(1,595,897)	(466,689)	(1,595,897)	(466,689)
TAXATION	<u>(170,023)</u>	2,313,639	<u>(170,023)</u>	2,313,639
PROFIT/(LOSS) AFTER TAXATION ("PAT")	<u>(1,765,920)</u>	<u>1,846,950</u>	<u>(1,765,920)</u>	<u>1,846,950</u>
ATTIBUTABLE TO : HEVEABOARD'S SHAREHOLDERS	<u>(1,765,920)</u>	<u>1,846,950</u>	<u>(1,765,920)</u>	<u>1,846,950</u>
EARNINGS PER SHARE (NOTE B14)				
- BASIC (SEN)	(2.21)	2.31	(2.21)	2.31
- DILUTED (SEN)	N/A	N/A	N/A	N/A

HeveaBoard Berhad (275512-A)
Consolidated Balance Sheet
AS AT 31 MARCH 2007

	As At 31.03.2007 RM	As At 31.12.2006 RM
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	346,754,853	347,308,495
OTHER INVESTMENTS	15,000	15,000
PREPAID LEASE PAYMENTS	11,004,976	11,121,562
GOODWILL ON CONSOLIDATION	2,945,751	2,945,751
	<u>360,720,580</u>	<u>361,390,808</u>
CURRENT ASSETS		
INVENTORIES	48,205,232	42,992,834
TRADE RECEIVABLES	26,976,677	27,911,671
OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS	9,906,558	5,032,719
TAX REFUNDABLE	2,551,155	2,674,877
CASH AND BANK BALANCES	1,349,535	1,992,647
	<u>88,989,157</u>	<u>80,604,748</u>
TOTAL ASSETS	<u>449,709,737</u>	<u>441,995,556</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL	80,000,000	80,000,000
SHARE PREMIUM	12,885,893	12,885,893
RETAINED PROFITS	31,339,338	33,105,258
SHAREHOLDERS' EQUITY	<u>124,225,231</u>	<u>125,991,151</u>
NON-CURRENT LIABILITIES	156,510,229	156,104,627
DEFERRED TAXATION	15,006,000	15,006,000
	<u>171,516,229</u>	<u>171,110,627</u>
CURRENT LIABILITIES		
TRADE PAYABLES	31,142,739	25,321,075
OTHER PAYABLES AND ACCRUALS	40,070,371	40,107,621
AMOUNT OWING TO RELATED PARTIES	7,359,636	7,986,309
SHORT-TERM BORROWINGS	67,563,416	62,390,452
BANK OVERDRAFTS	7,804,972	9,082,416
PROVISION FOR TAXATION	27,143	5,905
	<u>153,968,277</u>	<u>144,893,778</u>
TOTAL LIABILITIES	<u>325,484,506</u>	<u>316,004,405</u>
TOTAL EQUITY AND LIABILITIES	<u>449,709,737</u>	<u>441,995,556</u>
NET ASSETS PER SHARE (RM)**	1.55	1.57

** 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 March 2007 and 31 December 2006, respectively.

HeveaBoard Berhad (275512-A)
Consolidated Cash Flow Statement
For the Period Ended 31 March 2007

	Current Year Period to-date 31.03.2007 RM	Preceding Year Corresponding Period to-date 31.03.2006 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (Loss) Before taxation	(1,595,897)	(466,689)
Adjustments for:-		
Lease rental	51,821	98,587
Depreciation of property, plant and equipment	5,674,571	2,330,200
Interest expense	3,476,964	680,140
Interest income	(13,358)	(6,559)
Operating profit before working capital changes	7,594,101	2,635,679
Decrease in inventories	(5,212,402)	1,793,171
(Increase)/ Decrease in trade and other receivables	(3,938,845)	(1,586,871)
Increase in trade and other payables	5,784,416	3,842,509
CASH FROM OPERATIONS	4,227,270	6,684,488
Income tax paid	(127,863)	(171,341)
Interest paid	(3,476,964)	(680,140)
NET CASH FROM OPERATING ACTIVITIES	622,443	5,833,007
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	13,358	6,559
Purchase of property, plant and equipment	(709,953)	(48,027,081)
NET CASH FOR INVESTING ACTIVITIES	(696,595)	(48,020,522)
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES		
Dividend paid	-	-
Net drawdown of bankers' acceptances	4,790,819	-
Repayment of bankers' acceptances	-	(1,738,000)
Drawdown of term loans	-	45,688,033
Repayment of term loans	(1,919,126)	(148,987)
Repayment of hire purchase obligations	(1,536,536)	(1,036,652)
Net repayment to from related parties	(626,673)	(2,587,352)
NET CASH FROM/ (FOR) FINANCING ACTIVITIES	708,484	40,177,042
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	634,332	(2,010,473)
CASH AND CASH EQUIVALENTS AT 1 JANUARY 2007/2006	(7,089,769)	(4,373,336)
CASH AND CASH EQUIVALENTS AT 31 MARCH 2007/2006	(6,455,437)	(6,383,809)
Cash and cash equivalents comprises the following:		
Cash and bank balances	1,349,535	240,965
Bank overdrafts	(7,804,972)	(6,624,774)
	(6,455,437)	(6,383,809)

HeveaBoard Berhad (275512-A)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the 1st Quarter Ended 31 March 2007

	<u>Share Capital</u> RM	<u>Share Premium</u> RM	<u>Retained Profits</u> RM	<u>Dividend Proposed</u> RM	<u>Total</u> RM
Balance as at 1 January 2007	80,000,000	12,885,893	33,105,258	-	125,991,151
Profit attributable to shareholders	-	-	(1,765,920)	-	(1,765,920)
Balance as at 31 March 2007	<u>80,000,000</u>	<u>12,885,893</u>	<u>31,339,338</u>	<u>-</u>	<u>124,225,231</u>
Balance as at 1 January 2006	80,000,000	12,885,893	24,678,985	1,728,000	119,292,878
Profit attributable to shareholders	-	-	1,846,950	-	1,846,950
Balance as at 31 March 2006	<u>80,000,000</u>	<u>12,885,893</u>	<u>26,525,935</u>	<u>1,728,000</u>	<u>121,139,828</u>