

HeveaBoard Berhad (275512-A)
Consolidated Income Statements
For the 2nd Quarter Ended 30 June 2007

The following financial results have not been audited.

	INDIVIDUAL QUARTER 3-MONTH ENDED		CUMULATIVE QUARTER 6-MONTH ENDED	
	CURRENT YEAR QUARTER ENDED 30.06.2007 RM	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30.06.2006 RM	CURRENT YEAR PERIOD TO-DATE 30.06.2007 RM	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 30.06.2006 RM
REVENUE	70,402,712	40,777,320	129,224,638	78,959,290
COST OF SALES	<u>(64,077,756)</u>	<u>(36,576,222)</u>	<u>(115,459,542)</u>	<u>(71,412,268)</u>
	6,324,956	4,201,098	13,765,096	7,547,022
OTHER INCOME	4,174,281	190,256	3,227,336	(40,205)
SELLING AND DISTRIBUTION COST	(1,075,991)	(577,172)	(2,053,990)	(952,414)
ADMINISTRATIVE EXPENSES	(3,519,316)	(2,508,961)	(6,761,086)	(4,993,210)
FINANCE COSTS	<u>(3,540,953)</u>	<u>(772,929)</u>	<u>(7,410,276)</u>	<u>(1,495,590)</u>
PROFIT BEFORE TAXATION ("PBT")	2,362,977	532,292	767,080	65,603
TAXATION	<u>(95,859)</u>	<u>(33,787)</u>	<u>(265,882)</u>	<u>2,279,852</u>
PROFIT AFTER TAXATION ("PAT")	<u>2,267,118</u>	<u>498,505</u>	<u>501,198</u>	<u>2,345,455</u>
ATTIBUTABLE TO : HEVEABOARD'S SHAREHOLDERS	<u>2,267,118</u>	<u>498,505</u>	<u>501,198</u>	<u>2,345,455</u>
EARNINGS PER SHARE (NOTE B14)				
- BASIC (SEN)	2.83	0.62	0.63	2.93
- DILUTED (SEN)	N/A	N/A	N/A	N/A

HeveaBoard Berhad (275512-A)
Consolidated Balance Sheet
AS AT 30 JUNE 2007

	As At 30.06.2007 RM	As At 31.12.2006 RM
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	347,643,891	348,005,453
OTHER INVESTMENTS	15,000	15,000
PREPAID LEASE PAYMENTS	10,953,155	10,424,605
GOODWILL ON CONSOLIDATION	2,945,751	2,945,751
	<u>361,557,797</u>	<u>361,390,809</u>
CURRENT ASSETS		
INVENTORIES	46,581,866	42,992,844
TRADE RECEIVABLES	34,643,821	27,911,670
OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS	8,000,768	5,032,719
TAX REFUNDABLE	323,682	2,674,877
CASH AND BANK BALANCES	4,646,756	1,992,647
	<u>94,196,893</u>	<u>80,604,757</u>
TOTAL ASSETS	<u>455,754,690</u>	<u>441,995,566</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL	80,000,000	80,000,000
SHARE PREMIUM	12,885,893	12,885,893
RETAINED PROFITS	33,606,456	33,105,258
NEGATIVE GOODWILL ON CONSOLIDATION	-	-
DIVIDEND PROPOSED	-	-
SHAREHOLDERS' EQUITY	<u>126,492,349</u>	<u>125,991,151</u>
NON-CURRENT LIABILITIES	163,296,673	156,104,627
DEFERRED TAXATION	15,006,000	15,006,000
	<u>178,302,673</u>	<u>171,110,627</u>
CURRENT LIABILITIES		
TRADE PAYABLES	32,169,848	25,321,075
OTHER PAYABLES AND ACCRUALS	40,600,436	40,107,621
AMOUNT OWING TO RELATED PARTIES	7,129,030	7,986,309
SHORT-TERM BORROWINGS	60,405,075	62,390,452
BANK OVERDRAFTS	10,612,910	9,082,416
PROVISION FOR TAXATION	42,369	5,905
	<u>150,959,668</u>	<u>144,893,778</u>
TOTAL LIABILITIES	<u>329,262,341</u>	<u>316,004,405</u>
TOTAL EQUITY AND LIABILITIES	<u>455,754,690</u>	<u>441,995,566</u>
NET ASSETS PER SHARE (RM)**	1.58	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 30 June 2007 and 31 December 2006, respectively.

HeveaBoard Berhad (275512-A)
Consolidated Cash Flow Statement
For the Period Ended 30 June 2007

	Current Year Period to-date 30.06.2007 RM	Preceding Year Corresponding Period to-date 30.06.2006 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before taxation	767,080	65,603
Adjustments for:-		
Lease rental	103,641	394,313
Depreciation of property, plant and equipment	11,457,955	4,000,737
Interest expense	6,726,744	1,482,862
Interest income	(28,063)	(18,203)
Unrelied gain on foreign exchanged	(3,148,566)	-
Operating profit before working capital changes	15,878,791	5,925,312
Decrease in inventories	(3,589,032)	1,676,358
(Increase)/ Decrease in trade and other receivables	(9,700,199)	(5,205,754)
Increase in trade and other payables	7,341,586	4,901,240
CASH FROM OPERATIONS	9,931,146	7,297,156
Income tax paid	(315,745)	(337,443)
Income tax refund	2,437,524	-
Interest paid	(6,726,744)	(1,482,862)
NET CASH FROM OPERATING ACTIVITIES	5,326,181	5,476,851
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	28,063	18,203
Purchase of property, plant and equipment	(1,987,100)	(64,800,565)
NET CASH FOR INVESTING ACTIVITIES	(1,959,037)	(64,782,362)
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES		
Dividend paid	-	-
Net drawdown of bankers' acceptances	9,986,607	3,516,768
Repayment of bankers' acceptances	-	-
Drawdown of term loans	-	60,361,436
Repayment of term loans	(8,287,568)	(294,915)
Repayment of hire purchase obligations	(3,085,289)	(2,205,768)
Net repayment to from related parties	(857,279)	(3,929,148)
NET CASH FROM/ (FOR) FINANCING ACTIVITIES	(2,243,529)	57,448,373
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	1,123,615	(1,857,138)
CASH AND CASH EQUIVALENTS AT 1 JANUARY 2007/2006	(7,089,769)	(4,373,336)
CASH AND CASH EQUIVALENTS AT 30 June 2007/2006	(5,966,154)	(6,230,474)
Cash and cash equivalents comprises the following:		
Cash and bank balances	4,646,756	398,383
Bank overdrafts	(10,612,910)	(6,628,857)
	(5,966,154)	(6,230,474)

HeveaBoard Berhad (275512-A)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the 2nd Quarter Ended 30 June 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	-	-	501,198	-	501,198
Balance as at 30 June 2007	<u>80,000,000</u>	<u>12,885,893</u>	<u>33,606,456</u>	<u>-</u>	<u>126,492,349</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	-	-	2,345,455	-	2,345,455
Balance as at 30 June 2006	<u>80,000,000</u>	<u>12,885,893</u>	<u>27,024,440</u>	<u>1,728,000</u>	<u>121,638,333</u>