

HeveaBoard Berhad (275512-A)
Consolidated Income Statements
For the 3rd Quarter Ended 30 September 2008

The following financial results have not been audited.

	INDIVIDUAL QUARTER 3-MONTH ENDED		CUMULATIVE QUARTER 9-MONTH ENDED	
	CURRENT YEAR QUARTER ENDED 30.09.2008 RM	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30.09.2007 RM	CURRENT YEAR PERIOD TO-DATE 30.09.2008 RM	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE 30.09.2007 RM
REVENUE	88,841,758	62,832,595	260,391,299	192,057,233
COST OF SALES	<u>(76,902,573)</u>	<u>(56,797,325)</u>	<u>(233,830,774)</u>	<u>(172,256,867)</u>
	11,939,185	6,035,270	26,560,525	19,800,366
OTHER INCOME	(6,111,537)	1,998,674	(825,215)	5,226,010
Unrealised Exchange (Loss)/ Gain	(6,618,897)	2,511,171	(1,332,082)	5,938,094
Others	507,360	(512,497)	506,867	(712,084)
SELLING AND DISTRIBUTION COST	(2,095,985)	(973,765)	(4,120,024)	(3,027,755)
ADMINISTRATIVE EXPENSES	(1,903,865)	(2,602,196)	(8,047,192)	(9,363,282)
FINANCE COSTS	<u>(4,202,963)</u>	<u>(3,831,128)</u>	<u>(11,558,002)</u>	<u>(11,241,404)</u>
PROFIT BEFORE TAXATION ("PBT")	(2,375,165)	626,855	2,010,092	1,393,935
TAXATION	<u>(166,140)</u>	<u>(81,803)</u>	<u>(353,455)</u>	<u>(347,685)</u>
PROFIT AFTER TAXATION ("PAT")	<u>(2,541,305)</u>	<u>545,052</u>	<u>1,656,637</u>	<u>1,046,250</u>
ATTIBUTABLE TO : HEVEABOARD'S SHAREHOLDERS	<u>(2,541,305)</u>	<u>545,052</u>	<u>1,656,637</u>	<u>1,046,250</u>
EARNINGS PER SHARE (NOTE B14)				
- BASIC (SEN)	(2.81)	0.68	1.83	1.31
- DILUTED (SEN)	N/A	N/A	N/A	N/A

HeveaBoard Berhad (275512-A)
Consolidated Balance Sheet
AS AT 30 SEPTEMBER 2008

	As At 30.09.2008 RM	As At 31.12.2007 RM
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	336,618,953	347,892,025
OTHER INVESTMENTS	15,000	15,000
PREPAID LEASE PAYMENTS	10,694,052	10,914,281
GOODWILL ON CONSOLIDATION	2,945,751	2,945,751
	<u>350,273,756</u>	<u>361,767,057</u>
CURRENT ASSETS		
INVENTORIES	65,035,872	38,409,527
TRADE RECEIVABLES	24,611,058	33,175,523
OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS	7,623,787	6,944,956
TAX REFUNDABLE	(390,220)	943,951
CASH AND BANK BALANCES	(752,336)	1,936,698
	<u>96,128,161</u>	<u>81,410,655</u>
TOTAL ASSETS	<u>446,401,918</u>	<u>443,177,712</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL	90,400,000	80,000,000
SHARE PREMIUM	15,525,893	12,885,893
RETAINED PROFITS	35,946,854	37,002,217
SHAREHOLDERS' EQUITY	<u>141,872,747</u>	<u>129,888,110</u>
NON-CURRENT LIABILITIES	168,322,933	154,242,243
DEFERRED TAXATION	7,759,000	7,759,000
	<u>176,081,933</u>	<u>162,001,243</u>
CURRENT LIABILITIES		
TRADE PAYABLES	37,413,255	24,312,555
OTHER PAYABLES AND ACCRUALS	29,700,475	42,378,930
AMOUNT OWING TO RELATED PARTIES	402,105	10,574,016
SHORT-TERM BORROWINGS	51,779,778	61,877,156
BANK OVERDRAFTS	9,407,762	12,128,797
PROVISION FOR TAXATION	(256,146)	16,905
	<u>128,447,230</u>	<u>151,288,359</u>
TOTAL LIABILITIES	<u>304,529,163</u>	<u>313,289,602</u>
TOTAL EQUITY AND LIABILITIES	<u>446,401,910</u>	<u>443,177,712</u>
NET ASSETS PER SHARE (RM)**	1.57	1.62

** 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 September 2008 and 31 December 2007, respectively.

HeveaBoard Berhad (275512-A)
Consolidated Cash Flow Statement
For the Period Ended 30 September 2008

	Current Year Period to-date 30.09.2008 RM	Preceding Year Corresponding Period to-date 30.09.2007 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,010,092	1,393,935
Adjustments for:-		
Lease rental	220,229	155,462
Depreciation of property, plant and equipment	14,387,588	17,281,770
Interest expense	10,335,307	10,288,360
Interest income	29,976	(35,391)
Unrelied loss on foreign exchange	1,332,082	(5,938,094)
Provision for Retirement Benefit	(302,873)	-
Operating profit before working capital changes	28,012,400	23,146,042
Increase in inventories	(26,626,345)	(108,637)
Increase in trade and other receivables	7,885,635	(7,085,996)
Increase in trade and other payables	422,245	5,725,018
CASH FROM OPERATIONS	9,693,935	21,676,427
Tax (paid)/refunded	707,665	2,037,653
Interest paid	(10,335,307)	(10,288,360)
NET CASH FROM OPERATING ACTIVITIES	66,293	13,425,720
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	(29,976)	35,391
Purchase of property, plant and equipment	204,436	(9,499,257)
NET CASH FOR INVESTING ACTIVITIES	174,460	(9,463,866)
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES		
Dividend paid	(2,712,000)	(2,920,000)
Net drawdown of bankers' acceptances	11,345,803	7,106,666
Proceed from issuance of share	13,040,000	-
Repayment of bankers' acceptances	-	-
Drawdown of term loans	-	-
Repayment of term loans	(6,818,130)	(8,515,144)
Repayment of hire purchase obligations	(4,892,522)	(4,714,112)
Advance/ (Net repayment) from to related parties	(10,171,911)	2,063,246
NET CASH FROM/ (FOR) FINANCING ACTIVITIES	(208,759)	(6,979,344)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	31,994	(3,017,490)
CASH AND CASH EQUIVALENTS AT 1 JANUARY 2008/2007	(10,192,099)	(7,089,769)
CASH AND CASH EQUIVALENTS AT 30 September 2008/2007	(10,160,105)	(10,107,259)
Cash and cash equivalents comprises the following:		
Cash and bank balances	(752,343)	931,132
Bank overdrafts	(9,407,762)	(11,038,391)
	(10,160,105)	(10,107,259)

HeveaBoard Berhad (275512-A)**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the 3rd Quarter Ended 30 September 2008

	<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 2008	80,000,000	12,885,893	37,002,217		-	129,888,110
Profit attributable to shareholders	-	-	1,656,637	-	-	1,656,637
Issuance of Share	10,400,000	2,640,000	-	-	-	13,040,000
Dividend paid	-	-	-	(2,712,000)	-	(2,712,000)
Balance as at 30 September 2008	<u>90,400,000</u>	<u>15,525,893</u>	<u>38,658,854</u>	<u>(2,712,000)</u>	<u>-</u>	<u>141,872,747</u>
Balance as at 1 January 2007, as previously stated	80,000,000	12,885,893	31,231,508	-	-	124,117,401
Effects of adopting FRS 3	-	-	-	-	-	-
Balance as at 1 January 2006, as restated	<u>80,000,000</u>	<u>12,885,893</u>	<u>31,231,508</u>	<u>-</u>	<u>-</u>	<u>124,117,401</u>
Profit attributable to shareholders	-	-	1,046,250	-	-	1,046,250
Dividend Paid	-	-	-	(2,920,000)	-	(2,920,000)
Balance as at 30 September 2007	<u>80,000,000</u>	<u>12,885,893</u>	<u>32,277,758</u>	<u>(2,920,000)</u>	<u>-</u>	<u>122,243,651</u>