

**HeveaBoard Berhad (275512-A)**  
**QUARTERLY REPORT - SECOND FINANCIAL QUARTER ENDED 30 JUNE 2012**  
**CONDENSED CONSOLIDATED INCOME STATEMENTS**

	CURRENT QUARTER		CUMULATIVE QUARTER	
	3 Months Ended 30 June		6 Months Ended 30 June	
	30-Jun-12 RM'000	30-Jun-11 RM'000	30-Jun-12 RM'000	30-Jun-11 RM'000
REVENUE	96,562	90,559	200,976	186,927
COST OF SALES	(88,499)	(83,181)	(185,036)	(173,768)
GROSS PROFIT	8,062	7,378	15,940	13,159
OTHER INCOME/(LOSS)	(44)	1,129	3,125	3,533
OPERATING EXPENSES	(5,159)	(4,937)	(9,984)	(9,951)
FINANCE COSTS	(2,168)	(2,510)	(4,368)	(5,201)
PROFIT/(LOSS) BEFORE TAXATION	692	1,060	4,713	1,540
TAXATION	(268)	(51)	(548)	(192)
<b>PROFIT/(LOSS) AFTER TAXATION</b>	424	1,009	4,165	1,348
<b>PROFIT/(LOSS) ATTRIBUTABLE TO:</b>				
EQUITY HOLDERS OF THE COMPANY	424	1,009	4,165	1,348
NON - CONTROLLING INTERESTS	-	-	-	-
<b>EARNINGS PER SHARE</b> - BASIC (SEN)	0.47	1.12	4.61	1.49

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Reports for the year ended 31 December 2011

**HeveaBoard Berhad (275512-A)**  
**QUARTERLY REPORT - SECOND FINANCIAL QUARTER ENDED 30 JUNE 2012**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As At 30.06.2012 RM'000	As At 31.12.2011 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
PROPERTY, PLANT AND EQUIPMENT	274,581	284,797
OTHER INVESTMENTS	15	15
PREPAID LEASE PAYMENTS	6,231	6,377
GOODWILL ON CONSOLIDATION	2,946	2,946
<b>TOTAL NON-CURRENT ASSETS</b>	<b>283,773</b>	<b>294,134</b>
<b>CURRENT ASSETS</b>		
INVENTORIES	66,695	67,664
TRADE RECEIVABLES	41,441	42,032
OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS	7,375	2,079
TAX REFUNDABLE	675	606
CASH AND BANK BALANCES	9,187	17,251
<b>TOTAL CURRENT ASSETS</b>	<b>125,374</b>	<b>129,632</b>
<b>TOTAL ASSETS</b>	<b>409,147</b>	<b>423,766</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
SHARE CAPITAL	90,400	90,400
SHARE PREMIUM	15,526	15,526
WARRANT RESERVE	400	400
RETAINED PROFITS	90,958	87,696
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>197,283</b>	<b>194,022</b>
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
LONG TERM BORROWINGS	117,718	116,984
OTHER LONG-TERM LIABILITIES	3,206	3,361
PROVISION FOR RETIREMENT BENEFITS	1,689	1,749
DEFERRED TAXATION	4,946	4,946
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>127,559</b>	<b>127,040</b>
<b>CURRENT LIABILITIES</b>		
TRADE PAYABLES	43,683	33,013
OTHER PAYABLES AND ACCRUALS	9,859	22,040
DIVIDEND PAYABLES	904	-
PROVISION FOR TAXATION	474	153
SHORT-TERM BORROWINGS	24,386	43,061
BANK OVERDRAFTS	4,998	4,437
<b>TOTAL CURRENT LIABILITIES</b>	<b>84,304</b>	<b>102,705</b>
<b>TOTAL LIABILITIES</b>	<b>211,863</b>	<b>229,744</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>409,147</b>	<b>423,766</b>
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY OWNERS (RM)</b>	<b>2.18</b>	<b>2.15</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Reports for the year ended 31 December 2011)

**HeveaBoard Berhad (275512-A)**  
**QUARTERLY REPORT - SECOND FINANCIAL QUARTER ENDED 30 JUNE 2012**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Period Ended 30 June	
	2012 RM'000	2011 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	4,713	1,540
<b>Adjustments for non-cash flow items:-</b>		
Amortisation of prepaid lease payments	146	146
Depreciation of property, plant and equipment	12,726	12,277
Provision for Retirement Benefit	(60)	-
Interest expense	4,506	4,976
Interest income	21	22
Unrealised loss/(gain) on foreign exchange	(1,082)	(2,498)
<b>Operating Profit / (Loss) Before Changes in Working Capital</b>	<b>20,970</b>	<b>16,463</b>
<b>Changes in Working Capital</b>		
Inventories	969	5,853
Trade and other receivables	(4,706)	719
Trade and other payables	(1,511)	(11,609)
<b>Cash Generated From Operations</b>	<b>15,722</b>	<b>11,426</b>
Income Tax Paid	(296)	(123)
Interest paid	(4,506)	(4,976)
<b>Net Operating Cash Flows</b>	<b>10,921</b>	<b>6,327</b>
<b>Cash Flow From Investing Activities</b>		
Interest received	(21)	(22)
Purchase of property, plant and equipment	(1,424)	(2,195)
<b>Net Cash Used In Investing Activities</b>	<b>(1,445)</b>	<b>(2,217)</b>
<b>Cash Flows from Financing Activities</b>		
Repayment to Related Parties	0	(679)
Net Repayment of bankers' acceptances	-	(686)
Net Repayment of offshore foreign currency loan	(1,704)	939
Net Repayment of export credit financing	(2,389)	288
Net repayment of hire purchase obligations	(1,101)	(1,457)
Repayment of term loans	(12,906)	(21,854)
<b>Net Financing Cash Flows</b>	<b>(18,101)</b>	<b>(23,448)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(8,625)</b>	<b>(19,338)</b>
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY 2012</b>	<b>12,814</b>	<b>21,880</b>
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE 2012/2011</b>	<b>4,189</b>	<b>2,541</b>

**CASH AND CASH EQUIVALENTS**

Cash and Cash equivalents included in the condensed consolidated statement of cash flows comprise

	Period Ended 30 June	
	2012 RM'000	2011 RM'000
Cash and bank balances	9,187	6,446
Bank overdrafts	(4,998)	(3,905)
	<b>4,189</b>	<b>2,541</b>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Reports for the year ended 31 December 2011.

**HeveaBoard Berhad (275512-A)**  
**QUARTERLY REPORT - SECOND FINANCIAL QUARTER ENDED 30 JUNE 2012**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Period Ended 30 June				
	Share Capital	Share Premium	Warrant Reserve	Retained Profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2012	90,400	15,526	400	87,696	194,022
Total comprehensive income for the Period	-	-	-	4,165	4,165
Dividends paid	-	-	-	-	-
Dividends payable	-	-	-	(904)	(904)
<b>Provision for Retirement Benefit</b>	<b>90,400</b>	<b>15,526</b>	<b>400</b>	<b>90,958</b>	<b>197,283</b>
At 1 January 2011	90,400	15,526	-	84,356	190,282
Total comprehensive income for the Period	-	-	400	1,348	1,748
Dividends paid	-	-	-	-	-
<b>Balance as at 31.03.2011</b>	<b>90,400</b>	<b>15,526</b>	<b>400</b>	<b>85,704</b>	<b>192,030</b>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Reports for the year ended 31 December 2011.