

**THONG GUAN INDUSTRIES BERHAD**

(Company No. 324203-K)  
(Incorporated in Malaysia)

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**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2005**

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<b>Share Capital</b>	<b>Non-distributable Share Premium</b>	<b>Distributable Retained Profits</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<i>Six months period ended 30 June 2005</i>				
At 1 January 2005	66,803	302	67,359	134,464
Issuance pursuant to :				
- bonus issues 1 for 2	33,402	-	(33,402)	-
- private placement	5,000	3,800	-	8,800
Net profit for the six months period	-	-	12,678	12,678
Dividend proposed for year ended 31 Dec 2004				
- final 5% tax exempt			(5,260)	(5,260)
<b>At 30 June 2005</b>	<b>105,205</b>	<b>4,102</b>	<b>41,375</b>	<b>150,682</b>
<i>Six months period ended 30 June 2004</i>				
At 1 January 2004	64,996	-	43,886	108,882
Issuance pursuant to the exercise of option under ESOS	996	182	-	1,178
Net profit for the six months period	-	-	12,163	12,163
Dividend proposed for year ended 31 Dec 2003				
- final 5% tax exempt	-	-	(3,300)	(3,300)
<b>At 30 June 2004</b>	<b>65,992</b>	<b>182</b>	<b>52,749</b>	<b>118,923</b>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2004*