

THONG GUAN INDUSTRIES BERHAD

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

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2009

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Three months ended 31 March 2009	Three months ended 31 March 2008
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	2,377	3,292
Adjustments for :		
Non-cash items	3,879	3,295
Non-operating items	422	852
Operating profit before working capital changes	6,678	7,439
Changes in working capital	31,282	(11,349)
Cash generated from / (used in) operating activities	37,960	(3,910)
Interest paid	(426)	(902)
Tax paid	(740)	(438)
Net cash generated from / (used in) operating activities	36,794	(5,250)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(1,441)	(1,502)
Proceeds from disposal of fixed assets	7	2,388
Interest received	3	50
Net cash (used in) / generated from investing activities	(1,431)	936
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of term loans, net	(1,067)	(1,949)
Short term bank borrowings, net	(27,402)	(6,858)
Dividend paid	-	-
Net cash used in financing activities	(28,469)	(8,807)
Exchange difference on translation of the financial statement of foreign entities	111	(31)
Net increase / (decrease) in cash and cash equivalents	7,005	(13,152)
Cash and cash equivalents at 1 January	7,631	17,644
Cash and cash equivalents at 31 March	14,636	4,492
Note :		
Cash and cash equivalents included in the consolidated cash flow statement comprise the following :-		
Short term deposit with licensed bank	2,000	4,795
Cash and bank balances	14,128	5,790
Bank overdrafts	(1,492)	(6,093)
	14,636	4,492

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.