

THONG GUAN INDUSTRIES BERHAD (COMPANY NO. : 324203-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 1ST QUARTER ENDED 31 MARCH 2010

	3 months ended	
	31.03.2010	31.03.2009
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	6,330	2,377
Adjustments for:		
Non-cash items	3,553	3,879
Non-operating items	106	422
Operating profit before working capital changes	<u>9,989</u>	<u>6,678</u>
Changes in working capital:		
Net change in current assets	(16,039)	34,541
Net change in current liabilities	5,052	(3,259)
(Used in) / cash generated from operations	<u>(998)</u>	<u>37,960</u>
Tax paid	(1,433)	(740)
(Used in) / net cash generated from operating activities	<u>(2,431)</u>	<u>37,220</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	21	3
Proceeds from disposal of property, plant and equipment	-	7
Purchase of property, plant and equipment	(2,725)	(1,441)
Net cash used in investing activities	<u>(2,704)</u>	<u>(1,431)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank balances held as security	(3,201)	(28,469)
Interest paid	(127)	(426)
Net cash used in financing activities	<u>(3,328)</u>	<u>(28,895)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>(8,463)</u>	<u>6,894</u>
Effect of foreign exchange rate differences	(574)	111
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>34,871</u>	<u>7,631</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>25,834</u>	<u>14,636</u>
REPRESENTED BY:-		
Short-term deposits with licensed banks	2,400	2,000
Cash and bank balances	26,715	14,128
Bank overdrafts	(3,281)	(1,492)
	<u>25,834</u>	<u>14,636</u>

The Unaudited Condensed Consolidated Statement of Cash Flows (formerly known as Cash Flow Statements) should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial report.