

THONG GUAN INDUSTRIES BERHAD (COMPANY NO. : 324203-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2011

	3 months ended	
	31.03.2011	31.03.2010
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	7,187	6,330
Adjustments for:		
Non-cash items	3,791	3,553
Non-operating items	95	106
Operating profit before working capital changes	<u>11,073</u>	<u>9,989</u>
Changes in working capital:		
Net change in current assets	(1,850)	(16,039)
Net change in current liabilities	(14,023)	5,052
Cash used in operations	<u>(4,800)</u>	<u>(998)</u>
Tax paid	(847)	(1,433)
Net cash used in operating activities	<u>(5,647)</u>	<u>(2,431)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,125)	(2,725)
Proceeds from disposal of property, plant and equipment	16	-
Interest received	63	21
Net cash used in investing activities	<u>(3,046)</u>	<u>(2,704)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank balances held as security	(2,513)	(3,201)
Interest paid	(158)	(127)
Net cash used in financing activities	<u>(2,671)</u>	<u>(3,328)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(11,364)</u>	<u>(8,463)</u>
Effect of foreign exchange rate differences	(101)	(574)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>50,730</u>	<u>34,871</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>39,265</u>	<u>25,834</u>
REPRESENTED BY:-		
Short-term deposits with licensed banks	12,870	2,400
Cash and bank balances	29,099	26,715
Bank overdrafts	<u>(2,704)</u>	<u>(3,281)</u>
	<u>39,265</u>	<u>25,834</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 2010 and the accompanying explanatory notes attached to the interim financial report.