

**THONG GUAN INDUSTRIES BERHAD ( COMPANY NO. : 324203-K )**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2012**

	3 months ended	
	31.03.2012	31.03.2011
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	6,746	7,187
Adjustments for:		
Depreciation of property, plant and equipment	4,352	3,816
(Reversal)/ impairment loss on property, plant and equipment	-	(16)
Amortisation of prepaid lease payments	65	51
Interest income	(127)	(63)
Interest expense	169	158
Reversal of impairment loss on other investments	(19)	(60)
Operating profit before changes in working capital	11,186	11,073
Changes in working capital:		
Trade and other receivables	(13,993)	(5,114)
Inventories	25,465	3,264
Trade and other payables	(13,753)	(14,023)
Cash generated from/ (used in) operations	8,905	(4,800)
Income taxes paid	(619)	(847)
<b>Net cash from/ (used in) operating activities</b>	<b>8,286</b>	<b>(5,647)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(1,493)	(3,114)
Acquisition of prepaid lease payments	(6)	(11)
Proceeds from disposal of property, plant and equipment	-	16
Interest received	127	63
<b>Net cash used in investing activities</b>	<b>(1,372)</b>	<b>(3,046)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(169)	(158)
Payment of finance lease liabilities	(129)	(86)
Drawdown/ (Repayment) of term loans, net	4,284	(210)
Repayment of other bank borrowings, net	(2,777)	(2,217)
<b>Net cash from/ (used in) financing activities</b>	<b>1,209</b>	<b>(2,671)</b>
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	8,123	(11,364)
Effects of exchange rate fluctuations on cash held	(316)	(101)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	36,682	50,730
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>44,489</b>	<b>39,265</b>
REPRESENTED BY:-		
Cash and bank balances	28,717	29,099
Short-term deposits with licensed banks	18,420	12,870
Bank overdrafts	(2,648)	(2,704)
	<b>44,489</b>	<b>39,265</b>

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 2011 and the accompanying explanatory notes attached to the interim financial report.