

THONG GUAN INDUSTRIES BERHAD (COMPANY NO. : 324203-K)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 JUNE 2012

	6 months ended	
	30.06.2012	30.06.2011
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	14,376	15,491
Adjustments for:		
Depreciation of property, plant and equipment	8,679	7,718
(Reversal)/ impairment loss on property, plant and equipment	-	(16)
Amortisation of prepaid lease payments	130	102
Gain on disposal of property, plant and equipment	(87)	(13)
Interest income	(239)	(167)
Interest expense	355	330
(Reversal)/ impairment loss on other investments	124	(86)
Property, plant and equipment written off	20	-
Operating profit before changes in working capital	23,358	23,359
Changes in working capital:		
Trade and other receivables	(5,354)	1,396
Inventories	18,442	(9,912)
Trade and other payables	(12,348)	(18,087)
Cash generated from/ (used in) operations	24,098	(3,244)
Income taxes paid	(1,370)	(560)
Net cash from/ (used in) operating activities	22,728	(3,804)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(3,186)	(6,478)
Acquisition of prepaid lease payments	(19)	(22)
Proceeds from disposal of property, plant and equipment	232	58
Interest received	239	167
Shares subscribed by non-controlling interests in an existing subsidiary	1,170	-
Net cash used in investing activities	(1,564)	(6,275)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(355)	(330)
Payment of finance lease liabilities	(99)	(232)
Drawdown/ (Repayment) of term loans, net	3,671	(420)
Drawdown of other bank borrowings, net	1,224	6,295
Net cash from financing activities	4,441	5,313
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	25,605	(4,766)
Effects of exchange rate fluctuations on cash held	107	103
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	36,682	50,730
CASH AND CASH EQUIVALENTS AT END OF PERIOD	62,394	46,067
REPRESENTED BY:-		
Cash and bank balances	36,083	29,568
Short-term deposits with licensed banks	28,670	20,136
Bank overdrafts	(2,359)	(3,637)
	62,394	46,067

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.