

HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)
INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2005

Unaudited Condensed Consolidated Cash Flow Statement

	9 months ended 30-Sep-05 (RM'000)	9 months ended 30-Sep-04 (RM'000)
Net profit / (loss) before tax	(3,699)	(2,688)
Adjustment for non-cash items:-		
Non-cash items	2,586	2,616
Non-operating items	-	-
Operating profit / (loss) before changes in working capital	<u>(1,113)</u>	<u>(72)</u>
Changes in working capital:-		
Net change in current assets	7,428	(1,499)
Net change in current liabilities	(3,302)	(6,282)
Tax paid	-	-
	<u>4,126</u>	<u>(7,781)</u>
Net cash flows from operating activities	<u>3,013</u>	<u>(7,853)</u>
Investment Activities		
Equity investments	-	-
Other investments	(834)	(1,803)
	<u>(834)</u>	<u>(1,803)</u>
Financing Activities		
Transactions with owner as owner	-	23,162
Bank borrowings	(3,413)	(9,197)
Debts securities issued	-	-
	<u>(3,413)</u>	<u>13,965</u>
Net Change in Cash & Cash Equivalents	(1,234)	4,309
Cash & Cash Equivalents at beginning of period	<u>(1,080)</u>	<u>(3,667)</u>
Cash & Cash Equivalents at end of period	<u>(2,314)</u>	<u>642</u>

(The Condensed Consolidated Financial Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2004)