

HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)
INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2006

Condensed Consolidated Cash Flow Statement

	9 months ended 30-Sep-06 (RM'000)	9 months ended 30-Sep-05 (RM'000)
Net profit / (loss) before tax	2,325	(3,699)
Adjustment for non-cash items:-		
Non-cash items	2,003	2,586
Non-operating items	-	-
Operating profit / (loss) before changes in working capital	<u>4,328</u>	<u>(1,113)</u>
Changes in working capital:-		
Net change in current assets	(5,721)	7,428
Net change in current liabilities	2,540	(3,302)
Tax paid	-	-
	<u>(3,181)</u>	<u>4,126</u>
Net cash flows from operating activities	<u>1,147</u>	<u>3,013</u>
Investment Activities		
Equity investments	-	-
Other investments	5,729	(834)
	<u>5,729</u>	<u>(834)</u>
Financing Activities		
Bank borrowings	(4,575)	(3,413)
	<u>(4,575)</u>	<u>(3,413)</u>
Net Change in Cash & Cash Equivalents	2,301	(1,234)
Cash & Cash Equivalents at beginning of period	<u>(167)</u>	<u>(1,080)</u>
Cash & Cash Equivalents at end of period	<u>2,134</u>	<u>(2,314)</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	3,341	961
Bank overdrafts	(1,207)	(3,275)
	<u>2,134</u>	<u>(2,314)</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.