HWA TAI INDUSTRIES BERHAD (Company No. 19688-V) INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2007

Condensed Consolidated Cash Flow Statement

Net profit before tax41261Adjustment for non-cash items: Non-cash items611851Non-cash items611851Non-operating itemsOperating profit before changes in working capital6521,112Changes in working capital: Net change in current assets(5,574)(1,700)Net change in current liabilities3,3791,058Tax paidMet cash flows from operating activities(1,543)470Investment Activities Bank borrowings(18)(68)Financing Activities Bank borrowings1,749521Net Change in Cash & Cash Equivalents188923Cash & Cash Equivalents at beginning of year(1,482)(167)Cash & Cash Equivalents at end of period(1,294)756		3 months ended 31-Mar-07 (RM'000)	3 months ended 31-Mar-06 (RM'000)
Non-cash items611851Non-operating itemsOperating profit before changes in working capital6521,112Changes in working capital:- Net change in current assets(5,574)(1,700)Net change in current assets(5,574)(1,700)Net change in current liabilities3,3791,058Tax paid(2,195)(642)Net cash flows from operating activities(1,543)Other investments(18)(68)(18)(68)(18)(68)Financing Activities1,749Bank borrowings1,7495211,749Net Change in Cash & Cash Equivalents188923(1,482)(167)	Net profit before tax	41	261
Non-operating itemsOperating profit before changes in working capital6521,112Changes in working capital:- Net change in current assets(5,574)(1,700) (1,700) (1,700) (1,700) Net change in current liabilitiesTax paidTax paid(2,195)(642)Net cash flows from operating activities(1,543)470Investment Activities Other investments(18)(68)Financing Activities Bank borrowings1,749521Net Change in Cash & Cash Equivalents188923Cash & Cash Equivalents at beginning of year(1,482)(167)	Adjustment for non-cash items:-		
Operating profit before changes in working capital6521,112Changes in working capital:- Net change in current lassets(5,574) (1,700) (1,700) (1,700) Net change in current liabilities(1,700) (3,379)Tax paidTax paid(2,195)(642) (642)Net cash flows from operating activities(1,543)Other investment Activities(18) (18)Other investments(18) (18)Financing Activities1,749 (521)Sank borrowings1,749 (521)Net Change in Cash & Cash Equivalents188 (1482)Other investments at beginning of year(1,482) (167)		611	851
Changes in working capital:- Net change in current assets $(5,574)$ $3,379$ $(1,700)$ $3,379$ Net change in current liabilities $3,379$ $1,058$ Tax paid $ -$ Investment Activities $(1,543)$ 470 Investment Activities $(1,543)$ 470 Other investments (18) (68) Financing Activities $1,749$ 521 Bank borrowings $1,749$ 521 Net Change in Cash & Cash Equivalents 188 923 Cash & Cash Equivalents at beginning of year $(1,482)$ (167)			
Net change in current assets (5,574) (1,700) Net change in current liabilities 3,379 1,058 Tax paid - - (2,195) (642) Net cash flows from operating activities (1,543) 470 Investment Activities (18) (68) Other investments (18) (68) Financing Activities 1,749 521 Net Change in Cash & Cash Equivalents 188 923 Cash & Cash Equivalents at beginning of year (1,482) (167)	Operating profit before changes in working capital	652	1,112
Net change in current assets (5,574) (1,700) Net change in current liabilities 3,379 1,058 Tax paid - - (2,195) (642) Net cash flows from operating activities (1,543) 470 Investment Activities (18) (68) Other investments (18) (68) Financing Activities 1,749 521 Net Change in Cash & Cash Equivalents 188 923 Cash & Cash Equivalents at beginning of year (1,482) (167)	Changes in working capital:-		
Net change in current liabilities3,3791,058Tax paid(2,195)(642)Net cash flows from operating activities(1,543)(1,543)470Investment Activities(18)Other investments(18)(18)(68)(18)(68)(18)(52)Net Change in Cash & Cash Equivalents188923Cash & Cash Equivalents at beginning of year(1,482)		(5,574)	(1,700)
Investment ActivitiesOther investments(1,543)(1,543)(18)(1749)(1740)(1	e e	, , , ,	, , , ,
Investment ActivitiesOther investments(1,543)(1,543)(18)(1749)(1740)(1			
Net cash flows from operating activities(1,543)470Investment Activities Other investments(18)(68)(18)(68)(18)(68)(18)(68)Financing Activities Bank borrowings1,7495211,749521Net Change in Cash & Cash Equivalents188923Cash & Cash Equivalents at beginning of year(1,482)(167)	Tax paid	-	- (642)
Investment Activities Other investments(18)(68)(18)(68)(18)(68)(18)(68)(18)(68)Financing Activities Bank borrowings1,7495211,7491,749521Net Change in Cash & Cash Equivalents188923(1,482)Cash & Cash Equivalents at beginning of year(1,482)		(2,193)	(042)
Other investments(18)(68)(18)(18)(68)(18)(68)(18)(68)(18)(18)(1749)521(1749)521(1749)521(1749)521(1749)521(1749)(167)	Net cash flows from operating activities	(1,543)	470
Other investments(18)(68)(18)(18)(68)Financing Activities Bank borrowings1,7495211,7495211,749521Net Change in Cash & Cash Equivalents188923Cash & Cash Equivalents at beginning of year(1,482)(167)	Investment Activities		
Financing Activities Bank borrowings(18)1,7495211,7495211,7495211,7495211,749521188923Cash & Cash Equivalents at beginning of year(1,482)(1,482)(167)		(18)	(68)
Bank borrowings1,7495211,7495211,749521Net Change in Cash & Cash Equivalents188923Cash & Cash Equivalents at beginning of year(1,482)(167)		(18)	
Bank borrowings1,7495211,7495211,749521Net Change in Cash & Cash Equivalents188923Cash & Cash Equivalents at beginning of year(1,482)(167)			
1,749521Net Change in Cash & Cash Equivalents188923(1,482)Cash & Cash Equivalents at beginning of year(1,482)	-	1 7/9	521
Net Change in Cash & Cash Equivalents188923Cash & Cash Equivalents at beginning of year(1,482)(167)	Dank bonowings		
Cash & Cash Equivalents at beginning of year(1,482)(167)			
	Net Change in Cash & Cash Equivalents	188	923
Cash & Cash Equivalents at end of period(1,294)756	Cash & Cash Equivalents at beginning of year	(1,482)	(167)
	Cash & Cash Equivalents at end of period	(1,294)	756

Cash and cash equivalents at the end of the financial period comprise the following:

Cash and bank balances	1,328	1,801
Bank overdrafts	(2,622)	(1,045)
	(1,294)	756

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.