

HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)
INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

Condensed Consolidated Income Statements

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31-Dec-08 (RM'000)	31-Dec-07 (RM'000)	31-Dec-08 (RM'000)	31-Dec-07 (RM'000)
Revenue	17,852	16,662	80,246	71,050
Operating Expenses	(17,484)	(18,656)	(78,817)	(73,964)
Other Operating Income	288	1,146	550	2,556
Finance Cost	(357)	(420)	(1,533)	(1,547)
Share Of Profit Of An Associate Company	(11)	12	11	12
Profit/ (Loss) Before Tax	288	(1,256)	457	(1,893)
Taxation	(39)	663	(42)	663
Profit/ (Loss) For The Year	249	(593)	415	(1,230)
Attributable to:				
Equity Holders Of The Company	249	(593)	415	(1,230)
Minority Interest	-	-	-	-
	249	(593)	415	(1,230)
Earnings/(Loss) Per Share				
Basic (sen)	0.62	(1.48)	1.04	(3.07)
Diluted (sen)	N/A	N/A	N/A	N/A

N/A : Not applicable

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)
INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

Condensed Consolidated Balance Sheet

	As at 31-Dec-08 RM'000	As at 31-Dec-07 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	19,069	18,920
Investment properties	4,133	4,972
Prepaid interest in leased land	1,445	1,484
Investment in an associate company	1,815	1,804
	<u>26,462</u>	<u>27,180</u>
Current assets		
Inventories	6,257	5,454
Trade receivables	30,595	27,210
Other receivables	2,008	2,288
Tax recoverable	123	621
Cash and bank balances	655	1,875
	<u>39,638</u>	<u>37,448</u>
Investment properties held for sale	-	366
	<u>39,638</u>	<u>37,814</u>
TOTAL ASSETS	<u><u>66,100</u></u>	<u><u>64,994</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share Capital	40,042	40,042
Capital reserves	8	8
Accumulated Losses	(25,148)	(25,563)
	<u>14,902</u>	<u>14,487</u>
Minority interest	-	-
Total equity	<u>14,902</u>	<u>14,487</u>
Non-current liabilities		
Borrowings	238	321
Deferred tax liabilities	39	-
	<u>277</u>	<u>321</u>
Current liabilities		
Trade payables	19,315	20,535
Other payables	5,698	7,186
Provisions	2,110	1,286
Borrowings	23,642	21,023
Tax payable	156	156
	<u>50,921</u>	<u>50,186</u>
Total liabilities	<u>51,198</u>	<u>50,507</u>
TOTAL EQUITY AND LIABILITIES	<u><u>66,100</u></u>	<u><u>64,994</u></u>
Net Assets Per Share Attributable to Ordinary Equity Holders of the Company (Sen)	37.22	36.18

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)
INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

Condensed Consolidated Cash Flow Statement

	12 months ended 31-Dec-08 (RM'000)	12 months ended 31-Dec-07 (RM'000)
Net profit/(loss) before tax	457	(1,893)
Adjustment for non-cash items:-		
Non-cash items	9,004	4,794
Non-operating items	1,128	279
Operating profit before changes in working capital	<u>10,589</u>	<u>3,180</u>
Changes in working capital:-		
Net change in current assets	(4,514)	(9,122)
Net change in current liabilities	(8,096)	6,225
Tax received -net of tax paid/ (paid)	495	(36)
	<u>(12,115)</u>	<u>(2,933)</u>
Net cash flows from operating activities	<u>(1,526)</u>	<u>247</u>
Investment Activities		
Other investments	(900)	(318)
	<u>(900)</u>	<u>(318)</u>
Financing Activities		
Bank borrowings	1,496	235
	<u>1,496</u>	<u>235</u>
Net Change in Cash & Cash Equivalents	(930)	164
Cash & Cash Equivalents at beginning of year	<u>(1,318)</u>	<u>(1,482)</u>
Cash & Cash Equivalents at end of year	<u>(2,248)</u>	<u>(1,318)</u>
Cash and cash equivalents at the end of the financial year comprise the following:		
Cash and bank balances	655	1,875
Bank overdrafts	(2,903)	(3,193)
	<u>(2,248)</u>	<u>(1,318)</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

**HWA TAI INDUSTRIES BERHAD (Company No. 19688-V)
INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2008**

**Condensed Consolidated Statement of Changes in Equity
for The Year Ended 31 December 2008**

	<-----Attributable to Equity Holders of the Company----->				Minority Interest	Total Equity
	Share Capital RM'000	Share Premium RM'000	Capital Reserves RM'000	Accumulated Losses RM'000		
At 1st January 2008	40,042	-	8	(25,563)	14,487	14,487
Profit for the year	-	-	-	415	415	415
At 31st December 2008	40,042	-	8	(25,148)	14,902	14,902
At 1st January 2007	40,042	-	8	(24,333)	15,717	15,717
Loss for the year	-	-	-	(1,230)	(1,230)	(1,230)
At 31st December 2007	40,042	-	8	(25,563)	14,487	14,487

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.