

LUSTER INDUSTRIES BHD
(Company No. 156148-P)
(Incorporated in Malaysia)
and its subsidiaries

Condensed consolidated cash flow statement

	Unaudited current year ended 31-Dec-05 RM'000	Audited preceding year ended 31-Dec-04 RM'000
Cash flow from operating activities		
Profit before taxation	(1,865)	381
Adjustment for: -		
Non-cash items	8,410	7,013
Non-operating items (investing / financing)	4,127	1,728
	<u>12,537</u>	<u>8,741</u>
Operating profit before changes in working capital	10,672	9,122
Changes in working capital: -		
Net change in current assets	(26,153)	(3,185)
Net change in current liabilities	10,271	(4,364)
Income tax paid	(1,274)	(999)
Interest paid	(4,174)	(1,745)
	<u>(21,330)</u>	<u>(10,293)</u>
<i>Net cash flow from operating activities</i>	(10,658)	(1,171)
Cash flow from investing activities		
Equity investment		
Other investment	(35,318)	(20,393)
<i>Net cash flow from investing activities</i>	<u>(35,318)</u>	<u>(20,393)</u>
Cash flow from financing activities		
Bank borrowings	17,652	14,603
Dividend paid	(440)	(2,194)
Term loans	18,363	6,531
Hire Purchase	1,299	(92)
Shares issued	224	560
Withdrawal of deposits		918
<i>Net cash flow from financing activities</i>	<u>37,098</u>	<u>20,326</u>
Net decrease in cash and cash equivalent	(8,878)	(1,238)
Cash and cash equivalents at beginning of period	3,193	4,504
Foreign exchange differences on cash and cash equivalents	(17)	(73)
Cash and cash equivalents at end of period	<u><u>(5,702)</u></u>	<u><u>3,193</u></u>
Cash and cash equivalent consist of: -		
Cash and bank balances	2,719	8,845
Deposits with licensed banks (excluding deposits pledged)	42	-
Bank overdrafts	(8,463)	(5,652)
	<u><u>(5,702)</u></u>	<u><u>3,193</u></u>

The notes set out on pages 5 to 9 form an integral part of and should be read in conjunction with this interim financial report.