



**MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)**  
**Quarterly Report for the 2nd quarter ended 30 June 2004**

**CONDENSED CASH FLOW STATEMENTS**

*(The figures have not been audited)*

|   | <b>6 months ended<br/>30/06/2004<br/>RM'000</b> | <b>6 months ended<br/>30/06/2003<br/>RM'000</b> |
|---|---|---|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                     |   |   |
| Loss before taxation  | (965)   | (910)   |
| Adjustment for :  |   |   |
| Non-cash operating items  | 1,999   | 1,616   |
| Interest expenses   | 36  | 53  |
| Operating profit before working capital changes                 | 1,070   | 759   |
| Changes in working capital :                                    |   |   |
| Increase in inventories   | (2,473)   | (1,153)   |
| Increase in receivables   | (3,036)   | (1,072)   |
| Increase in payables  | 4,346   | 2,179   |
| Cash generated from operations                                  | (93)  | 713   |
| Tax paid  | -   | (335)   |
| Interest paid   | (36)  | (53)  |
| Payment of retirement benefit / unutilised leave                | (5)   | (2)   |
| <b>Net cash (used in) / generated from operating activities</b> | <b>(134)</b>                                    | <b>323</b>                                      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                     |   |   |
| Proceeds from disposal of property, plant and equipment         | -   | 1   |
| Purchase of property, plant and equipment                       | (2,140)   | (2,246)   |
| <b>Net cash used in investing activities</b>                    | <b>(2,140)</b>                                  | <b>(2,245)</b>                                  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                     |   |   |
| Repayment of bank borrowings                                    | (489)   | -   |
| <b>Net cash used in financing activities</b>                    | <b>(489)</b>                                    | <b>-</b>  |
| <b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>                | <b>(2,763)</b>                                  | <b>(1,922)</b>                                  |
| <b>CASH AND CASH EQUIVALENT AT BEGINNING OF THE YEAR</b>        | <b>2,440</b>                                    | <b>577</b>                                      |
| <b>CASH AND CASH EQUIVALENT AT END OF THE YEAR *</b>            | <b>(323)</b>                                    | <b>(1,345)</b>                                  |
|   | -   | -   |

\* The cash and cash equivalents consists of cash and bank balances, net of bank overdraft.

The Condensed Cash Flow Statement should be read in conjunction with the Annual Financial Report  
for the year ended 31 December 2003