



**MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)**  
**Quarterly Report for the 2nd quarter ended 30 June 2005**

**CONDENSED CASH FLOW STATEMENTS**

*(The figures have not been audited)*

	6 months ended 6/30/2005 RM'000	6 months ended 6/30/2004 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(650)	(965)
Adjustment for :		
Non-cash operating items	1,775	1,999
Interest expenses	186	36
Operating profit before working capital changes	1,311	1,070
Changes in working capital :		
Increase in inventories	(869)	(2,473)
Increase in receivables	(8,174)	(3,036)
Increase in payables	1,337	4,346
Cash used in operations	(6,395)	(93)
Tax refund	154	-
Interest paid	(186)	(36)
Payment of unutilised leave	(17)	(5)
<b>Net cash used in operating activities</b>	<b>(6,444)</b>	<b>(134)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	163	-
Purchase of property, plant and equipment	(3,034)	(2,140)
<b>Net cash used in investing activities</b>	<b>(2,871)</b>	<b>(2,140)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from term loan	6,500	-
Drawdown/(repayment) of short term borrowings	2,286	(489)
<b>Net cash generated from/(used in) financing activities</b>	<b>8,786</b>	<b>(489)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(529)</b>	<b>(2,763)</b>
<b>CASH AND CASH EQUIVALENT AT BEGINNING OF THE PERIOD</b>	<b>529</b>	<b>2,440</b>
<b>CASH AND CASH EQUIVALENT AT END OF THE PERIOD *</b>	<b>-</b>	<b>(323)</b>
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\* 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 2004