



**MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)**  
**Quarterly Report for the 2nd Quarter ended 30 June 2006**

**CONDENSED CASH FLOW STATEMENTS**

*(The figures have not been audited)*

	<b>6 months ended 30/06/2006 RM'000</b>	<b>6 months ended 30/06/2005 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(1,127)	(650)
Adjustments for :		
Non-cash operating items	2,156	1,775
Interest expenses	298	186
Operating profit before working capital changes	1,327	1,311
Changes in working capital :		
Increase in inventories	(354)	(869)
Decrease/(Increase) in receivables	2,950	(8,174)
Increase in payables	90	1,337
Cash generated from/(used in) operations	4,013	(6,395)
Tax refund	-	154
Interest paid	(298)	(186)
Payment of unutilised leave	(17)	(17)
<b>Net cash generated from/(used in) operating activities</b>	<b>3,698</b>	<b>(6,444)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	-	163
Purchase of property, plant and equipment	(2,443)	(3,034)
<b>Net cash used in investing activities</b>	<b>(2,443)</b>	<b>(2,871)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of term loan	-	6,500
(Repayment)/ Drawdown of short term borrowings	(1,755)	2,286
<b>Net cash (used in) / generated from financing activities</b>	<b>(1,755)</b>	<b>8,786</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(500)</b>	<b>(529)</b>
<b>CASH AND CASH EQUIVALENT AT BEGINNING OF THE PERIOD</b>	<b>2,644</b>	<b>529</b>
<b>CASH AND CASH EQUIVALENT AT END OF THE PERIOD *</b>	<b>2,144</b>	<b>-</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 audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.