

PAKISTAN PAPERSACK CORPORATION LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2005

| Note | Issued, subscribed and fully paid-up share capital | Revenue reserve | Unappropriated profit | Net unrealised gains on long term investments | Total |
|--|--|--------------------|--------------------------|---|----------|
| ----- Rupees in thousands ----- | | | | | |
| Balance as at June 30, 2003 - as previously reported | 68,993 | 312,372 | 8,723 | 9,905 | 399,993 |
| Effect of change in accounting policy - | | | | | |
| - Appropriations for the year ended June 30, 2003 declared subsequent to the year end | 2.4 | | | | |
| - Dividend | - | - | 34,496 | - | 34,496 |
| - Transfer to revenue reserve | - | (45,000) | 45,000 | - | - |
| - Share in post acquisition reserves of associates | 5.1 | - | 80,443 | - | 80,443 |
| Balance as at June 30, 2003 - restated | 68,993 | 267,372 | 168,662 | 9,905 | 514,932 |
| Effect of change in accounting policy - | | | | | |
| - Appropriations for the year ended June 30, 2003 declared subsequent to the year end | 2.4 | | | | |
| - Dividend | - | - | (34,496) | - | (34,496) |
| - Transfer to revenue reserve | - | 45,000 | (45,000) | - | - |
| Net profit for the year | - | - | 102,812 | - | 102,812 |
| Unrealised gain on long-term investments - net | - | - | - | 26,897 | 26,897 |
| Balance as at June 30, 2004 - restated | 68,993 | 312,372 | 191,978 | 36,802 | 610,145 |
| Balance as at June 30, 2004 - as previously reported | 68,993 | 346,872 | 10,746 | 36,802 | 463,413 |
| Effect of change in accounting policy - | | | | | |
| - Appropriations for the year ended June 30, 2004 declared subsequent to the year end | 2.4 | | | | |
| - Dividend | - | - | 31,047 | - | 31,047 |
| - Transfer to revenue reserve | - | (34,500) | 34,500 | - | - |
| - Share in post acquisition reserves of associates | 5.1 | - | 115,685 | - | 115,685 |
| Balance as at June 30, 2004 - restated | 68,993 | 312,372 | 191,978 | 36,802 | 610,145 |
| Effect of change in accounting policy - | | | | | |
| - Appropriations for the year ended June 30, 2004 declared subsequent to the year end | 2.4 | | | | |
| - Dividend | - | - | (31,047) | - | (31,047) |
| - Transfer to revenue reserve | - | 34,500 | (34,500) | - | - |
| Net profit for the year | - | - | 90,133 | - | 90,133 |
| Unrealised gain on long-term investments - net | - | - | - | 8,406 | 8,406 |
| Balance as at June 30, 2005 | 68,993 | 346,872 | 216,564 | 45,208 | 677,637 |

The annexed notes from 1 to 42 form integral part of these financial statements.

S.Z. KAZMI
CHIEF EXECUTIVE

Karachi: September 20, 2005.

KERSI D. KAPADIA
DIRECTOR