



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 1st Quarter ended 31 Mar 2009

CONDENSED INCOME STATEMENTS
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 31/03/2009 RM'000	Preceding Year Corresponding Quarter 31/03/2008 RM'000	Current Year To date 31/03/2009 RM'000	Preceding Year Corresponding Period 31/03/2008 RM'000
Revenue	14,035	20,709	14,035	20,709
Other operating income	283	379	283	379
Operating expenses	(14,799)	(20,430)	(14,799)	(20,430)
Loss from operations	(481)	658	(481)	658
Finance cost	(326)	(269)	(326)	(269)
Loss before taxation	(807)	389	(807)	389
Taxation	-	-	-	-
Loss for the period	(807)	389	(807)	389
Loss per share (sen) :				
- Basic	(1.92)	0.93	(1.92)	0.93
- Diluted	-	-	-	-

The Condensed Income Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 1st Quarter ended 31 Mar 2009

CONDENSED BALANCE SHEETS

	Unaudited	Audited
	AS AT END OF CURRENT QUARTER 31/03/2009 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31/12/2008 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	39,007	39,001
Capital work-in-progress	2,461	2,098
Prepaid land lease payments	2,161	2,170
	43,629	43,269
CURRENT ASSETS		
Inventories	7,034	9,389
Trade receivables	13,418	16,060
Other receivables	513	443
Cash and bank balances	2,893	3,725
	23,858	29,617
TOTAL ASSETS	67,487	72,886
EQUITY AND LIABILITIES		
EQUITY		
Share Capital	42,043	42,043
Reserves	(17,032)	(16,225)
Total Equity	25,011	25,818
NON-CURRENT LIABILITY		
Long term borrowings	24,079	23,916
CURRENT LIABILITIES		
Short term borrowings	9,082	11,661
Trade payables	7,101	8,254
Other payables	2,214	3,237
	18,397	23,152
TOTAL LIABILITIES	42,476	47,068
TOTAL EQUITY AND LIABILITIES	67,487	72,886
	-	-
Net assets per share (RM)	0.59	0.61

The Condensed Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 1st Quarter ended 31 Mar 2009

CONDENSED CASH FLOW STATEMENTS
(The figures have not been audited)

	3 months ended 31/03/2009 RM'000	3 months ended 31/03/2008 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(807)	389
Adjustments for :		
Non-cash operating items	1,424	1,067
Interest income	(13)	(26)
Interest expenses	326	269
Operating profit before working capital changes	930	1,699
Changes in working capital :		
(Increase)/Decrease in inventories	2,102	(1,189)
Increase in receivables	2,212	(2,209)
Decrease in payables	(2,287)	1,105
Cash used in operations	2,957	(594)
Interest paid	(326)	(269)
Net cash generated from operating activities	2,631	(863)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(969)	(692)
Interest Received	13	26
Net cash used in investing activities	(956)	(666)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of term loan	(812)	(813)
Drawdown of short term borrowings	(1,301)	2,267
Net cash generated from financing activities	(2,113)	1,454
NET DECREASE/(INCREASE) IN CASH AND CASH EQUIVALENTS	(438)	(75)
EFFECT OF EXCHANGE RATE CHANGES	85	(52)
CASH AND CASH EQUIVALENT AT BEGINNING OF THE PERIOD	3,244	4,752
CASH AND CASH EQUIVALENT AT END OF THE PERIOD *	2,891	4,625
	-	-
* Cash and cash equivalents consists of :		
Cash on hand and at bank	1,893	1,940
Deposits with a licensed bank	1,000	3,091
Bank overdraft (Note 22)	(2)	(406)
	2,891	4,625

The Condensed Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 1st Quarter ended 31 Mar 2009

CONDENSED STATEMENTS OF CHANGES IN EQUITY
(The figures have not been audited)

	NON-DISTRIBUTABLE			Total
	Share capital	Capital reserves	Accumulated losses	
	RM'000	RM'000	RM'000	RM'000
3 months ended 31 Mar 2009				
At 1 January 2009	42,043	65	(16,290)	25,818
Net loss for the period	-	-	(807)	(807)
At 31 March 2009	42,043	65	(17,097)	25,011
				-
3 months ended 31 Mar 2008				
At 1 January 2008	42,043	65	(11,799)	30,309
Net loss for the period	-	-	389	389
At 31 March 2008	42,043	65	(11,410)	30,698
				-

The Condensed Statements of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 1st Quarter ended 31 Mar 2009

NOTES TO THE QUARTERLY REPORT

PART A - EXPLANATORY NOTES PURSUANT TO FRS134

1. Basis of Preparation and Significant Accounting Policies

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 : Interim Financial Reporting and Appendix 9B (Part A) of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), and should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2008.

The same accounting policies and methods of computation are adopted in the interim financial statements as those used in the preparation of the most recent annual financial statements for the year ended 31 December 2008.

2. Changes in Accounting Policies

The significant accounting policies and methods of computation adopted in the interim financial statements are consistent with those used in the preparation of the most recent annual financial statements for the year ended 31 December 2008

At the date of authorisation of these financial statements, the following FRSs, amendments to FRSs and Interpretations were issued but not yet effective and have not been applied by the Company:

FRSs		Effective for financial periods beginning on or after
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010

The above new FRSs and Interpretations are expected to have no significant impact on the financial statement of the Company upon their initial adoption, except for the changes in disclosures arising from the adoption of FRS7 and FRS8.

The Company is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS7 and FRS139.

3. Seasonal or Cyclical Factors

The operations of the Company for the financial period under review had not been materially affected by any seasonal or cyclical factors.

4. Unusual Items

There were no items during this quarter affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.

5. Changes in Estimates

There were no changes in estimates of amounts reported in prior quarter of the current or prior financial year which have a material effect in the current quarter results.

6. Debt and Equity Securities

There were no share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares, issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter and financial year-to-date.

7. Dividends Paid

No dividend was paid during the quarter under review.

8. Segmental Analysis

There is no segmental analysis prepared as the Company is principally engaged in the manufacturing of printed and laminated flexible light packaging materials and the operations are predominantly carried out in Malaysia.



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 1st Quarter ended 31 Mar 2009

NOTES TO THE QUARTERLY REPORT

9. Valuations of Property, Plant and Equipment

The valuation of property, plant and equipment has been brought forward without amendment from the previous annual financial statements.

10. Subsequent Events

There were no material events subsequent to 31 Dec 2008 and up to the date of this report that have not been reflected or disclosed in the financial statements for the quarter under review.

11. Changes in the Composition of the Company

There were no changes in the composition of the Company for the current quarter and financial year-to-date.

12. Contingent Liability

There were no contingent liabilities as at the date of this quarterly report.

13. Capital Commitments

Approved and contracted for

RM'000

90

The capital commitment is in respect of acquisition of machinery.



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 1st Quarter ended 31 Mar 2009

NOTES TO THE QUARTERLY REPORT

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B (PART A) OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA

14. Performance Review

Turnover for the quarter under review was lower at RM14.04 million as against RM20.70 million in the previous corresponding quarter. The Company registered a pre-tax loss of RM0.81 million during the quarter as against a pre-tax profit of RM0.39 million in the previous corresponding quarter. The pre-tax loss incurred was mainly due to the declining turnover as a result of deepening global recession.

15. Material Changes in Quarterly Results compared to the Results of the Immediate Preceding Quarter

The turnover for the quarter under review was lower at RM14.04million as against RM16.26 million in the immediate preceding quarter. The Company registered a pre-tax loss of RM0.81 million for the quarter under review as compared to a pre-tax loss of RM3.66 million in the immediate preceding quarter. The higher pre-tax loss incurred in the immediate preceding quarter was mainly due to high unrealised foreign exchange translation loss.

16. Current Year Prospects

With the uncertainties surrounding the global economic climate, the directors are of the opinion the remaining quarters of 2009 will be challenging. However, the Company will focus on internal efficiencies to keep our products more competitive and increase market development in new product to mitigate the impact from the economic crisis.

17. Profit Forecast or Profit Guarantee

Not applicable for the quarter under review.

18. Taxation

There is no provision for taxation in the current quarter and current financial year-to-date as the Company have sufficient unabsorbed capital allowances and reinvestment allowance brought forward to set off against its tax liabilities.

19. Profits/(loss) on Sale of Unquoted Investments and/or Properties

There were no sale of unquoted investments and/or properties for the current quarter and financial year-to-date.

20. Quoted Securities

There are no quoted securities nor were there any purchases or disposals of quoted securities for the current quarter and financial year-to-date.

21. Status of Corporate Proposals

There were no corporate proposals announced as at the date of this report.

22. Borrowings

	As at <u>31/03/2009</u>	As at <u>31/12/2008</u>
	RM'000	RM'000
Short Term Borrowings		
<i>Secured</i>		
Hire Purchase and finance lease payables	472	67
<i>Unsecured</i>		
Term loan	1,625	1,625
Bankers acceptance	3,383	4,888
Revolving credit	3,600	4,600
Bank overdraft	2	481
	8,610	11,594
	9,082	11,661
	-	-



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 1st Quarter ended 31 Mar 2009

NOTES TO THE QUARTERLY REPORT

22. Borrowings (cont.)

	As at 31/03/2009	As at 31/12/2008
	RM'000	RM'000
Long Term Borrowings		
Secured		
Hire Purchase and finance lease payables	889	90
Unsecured		
Term Loan	-	813
Loans from holding company	23,190	23,013
	<u>23,190</u>	<u>23,826</u>
	<u>24,079</u>	<u>23,916</u>
	-	-

All borrowings are denominated in Ringgit Malaysia except for Loan from Holding company, which are denominated in Japanese Yen and United States Dollars.

23. Financial Instruments with Off Balance Sheet Risk

There were no financial instruments with off balance sheet risk as at the date of this quarterly report.

24. Material Litigation

As at the date of this quarterly report, there were no changes in material litigation, including the status of pending material litigation since the last quarter balance sheet date of 31 Dec 2008.

25. Dividend Payable

The directors do not recommend any dividend in the quarter under review.

26. Earnings/(Loss) Per Share

(a) Basic Earnings/(Loss) Per Share

The loss per share are calculated by dividing the net loss for the period under review by the number of ordinary shares in issue of 42,042,824 shares of RM1.00 each during the said financial period.

(b) Diluted Earnings Per Share

Not applicable.

27. Auditors' Report

The auditors' report of the financial statements for the year ended 31 December 2008 was not qualified.

By Order of the Board

MANABU WATANABE
Chief Executive Officer/Managing Director

Kuala Lumpur, Malaysia
Date : 18 May 2009