



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 2nd Quarter ended 30 June 2009

CONDENSED INCOME STATEMENTS
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 30/06/2009 RM'000	Preceding Year Corresponding Quarter 30/06/2008 RM'000	Current Year To date 30/06/2009 RM'000	Preceding Year Corresponding Period 30/06/2008 RM'000
Revenue	15,267	19,517	29,302	40,226
Other operating income	189	437	472	816
Operating expenses	(14,267)	(19,722)	(29,066)	(40,152)
Profit from operations	1,189	232	708	890
Finance cost	(314)	(271)	(640)	(540)
Profit/(Loss) before taxation	875	(39)	68	350
Taxation	-	-	-	-
Profit/(Loss) for the period	875	(39)	68	350
Earning/(Loss) per share (sen) :				
- Basic	2.08	(0.09)	0.16	0.83
- 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 2nd Quarter ended 30 June 2009

CONDENSED BALANCE SHEETS

	Unaudited	Audited
	AS AT END OF CURRENT QUARTER 30/06/2009 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31/12/2008 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	38,900	39,001
Capital work-in-progress	2,550	2,098
Prepaid land lease payments	2,151	2,170
	43,601	43,269
CURRENT ASSETS		
Inventories	6,030	9,389
Trade receivables	13,789	16,060
Other receivables	450	443
Cash and bank balances	2,614	3,725
	22,883	29,617
TOTAL ASSETS	66,484	72,886
EQUITY AND LIABILITIES		
EQUITY		
Share Capital	42,043	42,043
Reserves	(16,157)	(16,225)
Total Equity	25,886	25,818
NON-CURRENT LIABILITY		
Long term borrowings	23,360	23,916
CURRENT LIABILITIES		
Short term borrowings	7,902	11,661
Trade payables	6,977	8,254
Other payables	2,359	3,237
	17,238	23,152
TOTAL LIABILITIES	40,598	47,068
TOTAL EQUITY AND LIABILITIES	66,484	72,886
	-	-
Net assets per share (RM)	0.62	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 2nd Quarter ended 30 June 2009

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

	6 months ended 30/06/2009	6 months ended 30/06/2008
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	68	350
Adjustments for :		
Non-cash operating items	1,802	2,072
Interest income	(18)	(43)
Interest expenses	640	540
Operating profit before working capital changes	2,492	2,919
Changes in working capital :		
Decrease/(Increase) in inventories	3,037	(642)
Decrease/(Increase) in receivables	2,265	(2,058)
(Increase)/Decrease in payables	(2,175)	629
Cash used in operations	5,619	848
Interest paid	(640)	(540)
Net cash generated from operating activities	4,979	308
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment		5
Purchase of property, plant and equipment	(2,267)	(1,285)
Interest Received	18	43
Net cash used in investing activities	(2,249)	(1,237)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of term loan	(812)	(812)
(Repayment)/Drawdown of short term borrowings	(2,599)	2,502
Net cash (used in)/generated from financing activities	(3,411)	1,690
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(681)	761
EFFECT OF EXCHANGE RATE CHANGES	36	(87)
CASH AND CASH EQUIVALENT AT BEGINNING OF THE PERIOD	3,244	4,752
CASH AND CASH EQUIVALENT AT END OF THE PERIOD *	2,599	5,426
	-	-
* Cash and cash equivalents consists of :		
Cash on hand and at bank	2,614	3,340
Deposits with a licensed bank	-	2,830
Bank overdraft (Note 22)	(15)	(744)
	2,599	5,426

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 2nd Quarter ended 30 June 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
6 months ended 30 June 2009				
At 1 January 2009	42,043	65	(16,290)	25,818
Net profit for the period	-	-	68	68
At 30 June 2009	42,043	65	(16,222)	25,886
				-
6 months ended 30 June 2008				
At 1 January 2008	42,043	65	(11,799)	30,309
Net profit for the period	-	-	350	350
At 30 June 2008	42,043	65	(11,449)	30,659
				-

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 2nd Quarter ended 30 June 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 123 Borrowing Costs	1 January 2010
FRS 139 Financial Instruments: Recognition and Measurement	1 January 2010
Amendment to FRS 1 First-time Adoption of Financial Reporting Standards	1 January 2010
Amendment to FRS 2 Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
Amendment to FRS127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
IC Interpretation 9 Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10 Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11 FRS 2 - Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13 Customer Loyalty Programmes	1 January 2010
IC Interpretation 14 FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	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.



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 2nd Quarter ended 30 June 2009

NOTES TO THE QUARTERLY REPORT

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.

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

There were no capital commitments as at the date of this quarterly report.



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 2nd Quarter ended 30 June 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 RM15.27 million as against RM19.52 million in the previous corresponding quarter. The Company registered a pre-tax profit of RM0.87 million during the quarter as against a pre-tax loss of RM0.039 million and in the previous corresponding quarter. The pre-tax profit achieved was mainly due to improved sales mix and unrealised foreign exchange translation gain.

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

The turnover for the quarter under review increased by 8.8% to RM15.27million as against RM14.04 million in the immediate preceding quarter. The Company registered a pre-tax profit of RM0.87 million for the quarter under review as compared to a pre-tax loss of RM0.81 million in the immediate preceding quarter. The pre-tax profit achieved in this quarter was mainly due to increased sales turnover and unrealised foreign exchange translation gain.

16. Current Year Prospects

The board expects better contribution from the new product line in the next two quarters.

17. Profit Forecast or Profit Guarantee

There was no profit forecast or profit guarantee for the current quarter and financial year-to-date.

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>30/06/2009</u>	As at <u>31/12/2008</u>
	RM'000	RM'000
Short Term Borrowings		
<i>Secured</i>		
Hire Purchase and finance lease payables	456	67
<i>Unsecured</i>		
Term loan	1,625	1,625
Bankers acceptance	3,206	4,888
Revolving credit	2,600	4,600
Bank overdraft	15	481
	7,446	11,594
	7,902	11,661



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 2nd Quarter ended 30 June 2009

NOTES TO THE QUARTERLY REPORT

22. Borrowings (cont.)

	As at 30/06/2009	As at 31/12/2008
	RM'000	RM'000
Long Term Borrowings		
Secured		
Hire Purchase and finance lease payables	784	90
Unsecured		
Term Loan	-	813
Loans from holding company	22,576	23,013
	<u>22,576</u>	<u>23,826</u>
	<u>23,360</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

YOSHIKI MIYATANI
Chief Executive Officer/Managing Director

Kuala Lumpur, Malaysia
Date : 24 August 2009