



**MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)**  
**Quarterly Report for the 3rd Quarter ended 30 Sept 2009**

**CONDENSED INCOME STATEMENTS**  
*(The figures have not been audited)*

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 30/09/2009 RM'000	Preceding Year Corresponding Quarter 30/09/2008 RM'000	Current Year To date 30/09/2009 RM'000	Preceding Year Corresponding Period 30/09/2008 RM'000
Revenue	16,096	18,273	45,398	58,499
Other operating income	336	213	808	1,029
Operating expenses	<b>(16,118)</b>	<b>(19,389)</b>	<b>(45,184)</b>	<b>(59,541)</b>
Profit from operations	314	(903)	1,022	(13)
Finance cost	<b>(288)</b>	<b>(274)</b>	<b>(928)</b>	<b>(814)</b>
Profit/(Loss) before taxation	26	(1,177)	94	(827)
Taxation	-	-	-	-
Profit/(Loss) for the period	<b>26</b>	<b>(1,177)</b>	<b>94</b>	<b>(827)</b>
Earning/(Loss) per share (sen) :				
- Basic	<b>0.06</b>	<b>(2.80)</b>	<b>0.22</b>	<b>(1.97)</b>
- Diluted	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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)**  
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**CONDENSED BALANCE SHEETS**

	<b>Unaudited</b>	<b>Audited</b>
	AS AT END OF CURRENT QUARTER 30/09/2009 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31/12/2008 RM'000
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	38,465	39,001
Capital work-in-progress	2,419	2,098
Prepaid land lease payments	2,142	2,170
	<b>43,026</b>	<b>43,269</b>
<b>CURRENT ASSETS</b>		
Inventories	7,682	9,389
Trade receivables	15,658	16,060
Other receivables	292	443
Cash and bank balances	1,525	3,725
	<b>25,157</b>	<b>29,617</b>
<b>TOTAL ASSETS</b>	<b>68,183</b>	<b>72,886</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share Capital	42,043	42,043
Reserves	(16,131)	(16,225)
<b>Total Equity</b>	<b>25,912</b>	<b>25,818</b>
<b>NON-CURRENT LIABILITY</b>		
Long term borrowings	23,756	23,916
<b>CURRENT LIABILITIES</b>		
Short term borrowings	8,120	11,661
Trade payables	8,003	8,254
Other payables	2,392	3,237
	<b>18,515</b>	<b>23,152</b>
<b>TOTAL LIABILITIES</b>	<b>42,271</b>	<b>47,068</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>68,183</b>	<b>72,886</b>
	-	-
Net assets per share (RM)	<b>0.62</b>	<b>0.61</b>

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)**  
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**CONDENSED CASH FLOW STATEMENTS**

*(The figures have not been audited)*

	9 months ended 30/09/2009 RM'000	9 months ended 30/09/2008 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	94	(827)
Adjustments for :		
Non-cash operating items	3,420	3,821
Interest income	(17)	(65)
Interest expenses	929	814
Operating profit before working capital changes	4,426	3,743
Changes in working capital :		
Decrease/(Increase) in inventories	1,360	(2,729)
Decrease/(Increase) in receivables	537	(1,283)
Increase in payables	(1,150)	(205)
Cash used in operations	5,173	(474)
Interest paid	(929)	(814)
Payment of unutilised leave		(19)
<b>Net cash generated from/(used in) operating activities</b>	<b>4,244</b>	<b>(1,307)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	-	5
Purchase of property, plant and equipment	(2,711)	(2,951)
Interest Received	17	65
<b>Net cash used in investing activities</b>	<b>(2,694)</b>	<b>(2,881)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of term loan	(1,625)	(1,625)
Loan from holding company		8,862
(Repayment)/Drawdown of short term borrowings	(2,472)	1,848
<b>Net cash (used in)/generated from financing activities</b>	<b>(4,097)</b>	<b>9,085</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,547)</b>	<b>4,897</b>
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	<b>15</b>	<b>253</b>
<b>CASH AND CASH EQUIVALENT AT BEGINNING OF THE PERIOD</b>	<b>3,244</b>	<b>4,752</b>
<b>CASH AND CASH EQUIVALENT AT END OF THE PERIOD *</b>	<b>712</b>	<b>9,902</b>
	-	-
* Cash and cash equivalents consists of :		
Cash on hand and at bank	1,525	8,449
Deposits with a licensed bank	-	2,300
Bank overdraft (Note 22)	(813)	(847)
	<u>712</u>	<u>9,902</u>

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

	<b>NON-DISTRIBUTABLE</b>			<b>Total</b>
	<b>Share capital</b>	<b>Capital reserves</b>	<b>Accumulated losses</b>	
	RM'000	RM'000	RM'000	RM'000
<b>9 months ended 30 Sept 2009</b>				
At 1 January 2009	42,043	65	(16,290)	25,818
Net profit for the period	-	-	94	94
At 30 Sept 2009	<u>42,043</u>	<u>65</u>	<u>(16,196)</u>	<u>25,912</u>
				-
<b>9 months ended 30 Sept 2008</b>				
At 1 January 2008	42,043	65	(11,799)	30,309
Net profit for the period	-	-	(827)	(827)
At 30 Sept 2008	<u>42,043</u>	<u>65</u>	<u>(12,626)</u>	<u>29,482</u>
				-

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)**  
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**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:

<b>FRSs</b>	<b>Effective for financial periods beginning on or after</b>	
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 101	Presentation of Financial Statements	1 January 2010
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 FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2010
Amendment to FRS 7	Financial Instruments: Disclosures	1 January 2010
Amendment to FRS 8	Operating Segments	1 January 2010
Amendment to FRS 107	Statement of Cash Flows	1 January 2010
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2010
Amendment to FRS 110	Events after the Reporting Period	1 January 2010
Amendment to FRS 116	Property, Plant and Equipment	1 January 2010
Amendment to FRS 117	Leases	1 January 2010
Amendment to FRS 118	Revenue	1 January 2010
Amendment to FRS 119	Employee Benefits	1 January 2010
Amendment to FRS 120	Accounting for Government Grants and Disclosures of Government Assistance	1 January 2010
Amendment to FRS 123	Borrowing Costs	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
Amendment to FRS 128	Investments in Associates	1 January 2010
Amendment to FRS 129	Financial Reporting in Hyperinflationary Economies	1 January 2010
Amendment to FRS 131	Interest in Joint Ventures	1 January 2010
Amendment to FRS 132	Financial Instruments: Presentation	1 January 2010
Amendment to FRS 134	Interem Financial Reporting	1 January 2010
Amendment to FRS 136	Impairment of Assets	1 January 2010
Amendment to FRS 138	Intangible Assets	1 January 2010
Amendment to FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendment to FRS 140	Investment Property	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



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NOTES TO THE QUARTERLY REPORT

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
Amendment to IC Interpretation 9	Reassessment of Embedded Derivatives	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.

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.

**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 30 Sept 2009 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 3rd Quarter ended 30 Sept 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 RM16.10 million as against RM18.27 million in the previous corresponding quarter. The Company registered a pre-tax profit of RM0.026 million during the quarter as against a pre-tax loss of RM1.177 million in the previous corresponding quarter. The pre-tax profit achieved was mainly due to improved sales mix.

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

The turnover for the quarter under review increased by 5% to RM16.10million as against RM15.27 million in the immediate preceding quarter. The Company registered a pre-tax profit of RM0.026 million for the quarter under review as compared to a pre-tax profit of RM0.87 million in the immediate preceding quarter. The lower pre-tax profit recorded in this quarter was mainly due to unrealised foreign exchange translation loss.

**16. Current Year Prospects**

Barring any unforeseen circumstances, the Board is of the opinion the financial position of the company will be maintained for the remaining quarter of the year.

**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>30/09/2009</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	812	1,625
Bankers acceptance	3,439	4,888
Revolving credit	2,600	4,600
Bank overdraft	813	481
	7,664	11,594
	8,120	11,661
	-	-



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NOTES TO THE QUARTERLY REPORT

**22. Borrowings (cont.)**

	As at 30/09/2009	As at 31/12/2008
	RM'000	RM'000
Long Term Borrowings		
Secured		
Hire Purchase and finance lease payables	678	90
Unsecured		
Term Loan	-	813
Loans from holding company	23,078	23,013
	<u>23,078</u>	<u>23,826</u>
	<u>23,756</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 30 Jun 2009.

**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 earnings/(loss) per share are calculated by dividing the net profit/(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 : 23 November 2009