



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 4th Quarter ended 31 Dec 2009

CONDENSED INCOME STATEMENTS
(The figures have not been audited)

| | INDIVIDUAL PERIOD | | CUMULATIVE PERIOD | |
|----------------------------------|--|--|--|---|
| | Current Year Quarter 31/12/2009 RM'000 | Preceding Year Corresponding Quarter 31/12/2008 RM'000 | Current Year To date 31/12/2009 RM'000 | Preceding Year Corresponding Period 31/12/2008 RM'000 |
| Revenue | 16,197 | 16,260 | 61,595 | 74,759 |
| Other operating income | 358 | 199 | 1,166 | 1,228 |
| Operating expenses | (15,796) | (19,788) | (60,980) | (79,330) |
| Profit from operations | 759 | (3,329) | 1,781 | (3,343) |
| Finance cost | (282) | (334) | (1,210) | (1,148) |
| Profit/(Loss) before taxation | 477 | (3,663) | 571 | (4,491) |
| Taxation | - | - | - | - |
| Profit/(Loss) for the period | 477 | (3,663) | 571 | (4,491) |
| Earning/(Loss) per share (sen) : | | | | |
| - Basic | 1.13 | (8.71) | 1.36 | (10.68) |
| - 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 4th Quarter ended 31 Dec 2009

CONDENSED BALANCE SHEETS

| | Unaudited | Audited |
|-------------------------------------|---|---|
| | AS AT END OF CURRENT QUARTER 31/12/2009 RM'000 | AS AT PRECEDING FINANCIAL YEAR END 31/12/2008 RM'000 |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 39,946 | 39,001 |
| Capital work-in-progress | 155 | 2,098 |
| Prepaid land lease payments | 2,478 | 2,170 |
| | 42,579 | 43,269 |
| CURRENT ASSETS | | |
| Inventories | 7,023 | 9,389 |
| Trade receivables | 16,488 | 16,060 |
| Other receivables | 314 | 443 |
| Cash and bank balances | 1,698 | 3,725 |
| | 25,523 | 29,617 |
| TOTAL ASSETS | 68,102 | 72,886 |
| EQUITY AND LIABILITIES | | |
| EQUITY | | |
| Share Capital | 42,043 | 42,043 |
| Reserves | (15,654) | (16,225) |
| Total Equity | 26,389 | 25,818 |
| NON-CURRENT LIABILITY | | |
| Long term borrowings | 22,970 | 23,916 |
| CURRENT LIABILITIES | | |
| Short term borrowings | 7,875 | 11,661 |
| Trade payables | 8,071 | 8,254 |
| Other payables | 2,797 | 3,237 |
| | 18,743 | 23,152 |
| TOTAL LIABILITIES | 41,713 | 47,068 |
| TOTAL EQUITY AND LIABILITIES | 68,102 | 72,886 |
| | - | - |
| Net assets per share (RM) | 0.63 | 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 4th Quarter ended 31 Dec 2009

CONDENSED CASH FLOW STATEMENTS

(The figures have not been audited)

| | 12 months ended 31/12/2009 | 12 months ended 31/12/2008 |
|---|---------------------------------------|---------------------------------------|
| | RM'000 | RM'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit/(Loss) before taxation | 571 | (4,491) |
| Adjustments for : | | |
| Non-cash operating items | 3,703 | 7,020 |
| Interest income | (17) | (83) |
| Interest expenses | 1,211 | 1,148 |
| Operating profit before working capital changes | 5,468 | 3,594 |
| Changes in working capital : | | |
| Decrease/(Increase) in inventories | 2,012 | (1,873) |
| Decrease/(Increase) in receivables | (616) | 9,278 |
| Decrease in payables | (632) | (2,649) |
| Cash used in operations | 6,232 | 8,350 |
| Interest paid | (1,211) | (1,148) |
| Net cash generated from operating activities | 5,021 | 7,202 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Proceeds from disposal of property, plant and equipment | 70 | 5 |
| Down payment for purchase of property, plant and equipment | | (2,306) |
| Purchase of property, plant and equipment | (3,047) | (17,406) |
| Interest Received | 17 | 83 |
| Net cash used in investing activities | (2,960) | (19,624) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Repayment of term loan | (1,625) | (1,625) |
| Loan from holding company | | 8,862 |
| (Repayment)/Drawdown of short term borrowings | (2,044) | 3,482 |
| Net cash (used in)/generated from financing activities | (3,669) | 10,719 |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | (1,608) | (1,703) |
| EFFECT OF EXCHANGE RATE CHANGES | 30 | 195 |
| CASH AND CASH EQUIVALENT AT BEGINNING OF THE PERIOD | 3,244 | 4,752 |
| CASH AND CASH EQUIVALENT AT END OF THE PERIOD * | 1,666 | 3,244 |
| * Cash and cash equivalents consists of : | | |
| Cash on hand and at bank | 1,698 | 1,725 |
| Deposits with a licensed bank | - | 2,000 |
| Bank overdraft (Note 22) | (32) | (481) |
| | 1,666 | 3,244 |

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 4th Quarter ended 31 Dec 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 |
| 12 months ended 31 Dec 2009 | | | | |
| At 1 January 2009 | 42,043 | 65 | (16,290) | 25,818 |
| Net profit for the period | - | - | 571 | 571 |
| At 31 Dec 2009 | 42,043 | 65 | (15,719) | 26,389 |
| | | | | - |
| 12 months ended 31 Dec 2008 | | | | |
| At 1 January 2008 | 42,043 | 65 | (11,799) | 30,309 |
| Net profit for the period | - | - | (4,491) | (4,491) |
| At 31 Dec 2008 | 42,043 | 65 | (16,290) | 25,818 |
| | | | | - |

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 4th Quarter ended 31 Dec 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 1 (revised) | First-time Adoption of Financial Reporting Standards | 1 July 2010 |
| FRS 3 (revised) | Business Combinations | 1 July 2010 |
| 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 127 | Consolidated and Separate Financial Statements | 1 July 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 2 | Share-based Payment | 1 July 2010 |
| Amendment to FRS 5 | Non-current Assets Held for Sale and Discontinued Operations | 1 January 2010 1 July 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 |



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 4th Quarter ended 31 Dec 2009

NOTES TO THE QUARTERLY REPORT

| | | |
|----------------------------------|---|-----------------------------------|
| 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 |
| IC Interpretation 12 | Service Concession Arrangement | 1 July 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 |
| IC Interpretation 15 | Agreements for the Construction of Real Estate | 1 July 2010 |
| IC Interpretation 16 | Hedges of a Net Investment in a Foreign Operation | 1 July 2010 |
| IC Interpretation 17 | Distributions of Non-cash to Owners | 1 July 2010 |
| Amendment to IC Interpretation 9 | Reassessment of Embedded Derivatives | 1 January 2010 and 1 July 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 31 Dec 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.



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 4th Quarter ended 31 Dec 2009

NOTES TO THE QUARTERLY REPORT

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 4th Quarter ended 31 Dec 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 slightly lower at RM16.197 million as against RM16.260 million in the previous corresponding quarter. The Company registered a pre-tax profit of RM0.477 million during the quarter as against a pre-tax loss of RM3.663 million in the previous corresponding quarter. The pre-tax profit achieved as compared to pre-tax loss for previous corresponding quarter 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 remained almost unchange at RM16.197million as against RM16.096 million in the immediate preceding quarter. The Company registered a pre-tax profit of RM0.477 million for the quarter under review as compared to a pre-tax profit of RM0.026 million in the immediate preceding quarter. The higher pre-tax profit recorded in this quarter was mainly due to unrealised foreign exchange translation gain.

16. Prospect

The global economy is showing some indications of recovery but will continue to make it challenging for businesses. Nevertheless, the Company will focus on its efforts on market development of its products and also optimizing production performance and efficiency.

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 31/12/2009 | As at 31/12/2008 |
|--|---------------------|---------------------|
| | 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 | 2,975 | 4,888 |
| Revolving credit | 3,600 | 4,600 |
| Bank overdraft | 32 | 481 |
| | <u>7,419</u> | <u>11,594</u> |
| | <u>7,875</u> | <u>11,661</u> |
| | - | - |



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 4th Quarter ended 31 Dec 2009

NOTES TO THE QUARTERLY REPORT

22. Borrowings (cont.)

| | As at 31/12/2009 | As at 31/12/2008 |
|--|---------------------|---------------------|
| | RM'000 | RM'000 |
| Long Term Borrowings | | |
| Secured | | |
| Hire Purchase and finance lease payables | 570 | 90 |
| Unsecured | | |
| Term Loan | - | 813 |
| Loans from holding company | 22,400 | 23,013 |
| | <u>22,400</u> | <u>23,826</u> |
| | <u>22,970</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 was no material litigation pending.

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 : 24 February 2010