



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
Quarterly Report for the 4th Quarter ended 31 Dec 2011

CONDENSED STATEMENT OF COMPREHENSIVE INCOME
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 31/12/2011 RM'000	Preceding Year Corresponding Quarter 31/12/2010 RM'000	Current Year To date 31/12/2011 RM'000	Preceding Year Corresponding Period 31/12/2010 RM'000
Revenue	15,672	15,827	65,746	65,815
Other operating income	7,168	7,172	7,856	9,295
Operating expenses	(17,112)	(21,391)	(70,461)	(73,444)
Profit from operations	5,728	1,608	3,141	1,666
Finance cost	(432)	(364)	(1,684)	(1,276)
Profit before taxation	5,296	1,244	1,457	390
Taxation	-	-	-	-
Profit for the period	5,296	1,244	1,457	390
Other comprehensive income, net of tax				
Cash flow hedge	(25)	(207)	314	(34)
Total comprehensive profit for the period	5,271	1,037	1,771	356
Earnings per share (sen) :				
- Basic	12.60	2.96	3.47	0.93
- Diluted	-	-	-	-

The Condensed Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
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CONDENSED STATEMENT OF FINANCIAL POSITION

(The figures have not been audited)

	AS AT END OF CURRENT QUARTER 31/12/2011 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31/12/2010 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	45,777	43,360
Prepaid land lease payment	2,427	2,452
CURRENT ASSETS		
Inventories	9,023	9,978
Trade receivables	12,006	14,590
Other receivables	4,167	5,356
Cash and bank balances	4,509	1,430
	29,705	31,354
TOTAL ASSETS	77,909	77,166
EQUITY AND LIABILITIES		
EQUITY		
Share Capital	42,043	42,043
Reserves	(13,533)	(15,305)
Total Equity	28,510	26,738
NON-CURRENT LIABILITY		
Long term borrowings	21,850	19,391
Derivative financial instrument	338	1,004
	22,188	20,395
CURRENT LIABILITIES		
Short term borrowings	17,594	16,152
Trade payables	6,054	10,738
Other payables	3,563	3,143
	27,211	30,033
TOTAL LIABILITIES	49,399	50,428
TOTAL EQUITY AND LIABILITIES	77,909	77,166
	-	-
Net assets per share (RM)	0.68	0.64

The Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.



MALAYSIA PACKAGING INDUSTRY BERHAD (22265-U)
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CONDENSED STATEMENT OF CASH FLOW
(The figures have not been audited)

	12 months ended 31/12/2011 RM'000	12 months ended 31/12/2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,457	390
Adjustments for :		
Non-cash operating items	5,075	8,711
Insurance claims	(6,752)	(8,500)
Interest expenses	1,684	1,276
Operating profit before working capital changes	1,464	1,877
Changes in working capital :		
Decrease/(increase) in inventories	541	(4,157)
(Increase)/decrease in receivables	(704)	2,045
(Decrease)/increase in payables	(4,273)	2,789
Cash generated from operations	(2,972)	2,554
Interest paid	(1,684)	(1,276)
Insurance claims received	11,621	3,500
Net cash generated from operating activities	6,965	4,778
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	1	32
Purchase of property, plant and equipment	(6,649)	(10,434)
Net cash used in investing activities	(6,648)	(10,402)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of term loan	-	(813)
Repayment of loan to holding company	(2,454)	-
Drawdown of term loan	6,000	-
Drawdown of short term borrowings	44	5,372
Net cash generated from financing activities	3,590	4,559
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	3,907	(1,065)
EFFECT OF EXCHANGE RATE CHANGES	4	(2)
CASH AND CASH EQUIVALENT AT BEGINNING OF THE YEAR	598	1,665
CASH AND CASH EQUIVALENT AT END OF THE YEAR *	4,509	598
	-	-
* Cash and cash equivalents consists of :		
Cash on hand and at bank	4,509	1,427
Bank overdraft (Note 22)	0	(829)
	4,509	598

The Condensed Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2010 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)

NON-DISTRIBUTABLE

	Share capital RM'000	Capital reserves RM'000	Hedging Reserve RM'000	Accumulated losses RM'000	Total RM'000
12 months ended 31 Dec 2011					
At 1 January 2011	42,043	65	(33)	(15,336)	26,739
Movement for the period	-	-	314	1,457	1,771
At 31 December 2011	<u>42,043</u>	<u>65</u>	<u>281</u>	<u>(13,879)</u>	<u>28,510</u>
12 months ended 31 Dec 2010					
At 1 January 2010	42,043	65	-	(15,726)	26,382
Movement for the period	-	-	(34)	390	356
At 31 December 2010	<u>42,043</u>	<u>65</u>	<u>(34)</u>	<u>(15,336)</u>	<u>26,738</u>

The Condensed Statements of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 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 paragraph 9.22 of the Main Market 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 2010

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 2010.

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 2010 except for the adoption of the following applicable new/revised Financial Reporting Standards ("FRS") and IC Interpretation effective for the current financial year:

2.1 Adoption of FRSs, Amendments to FRSs and IC Interpretations

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (Revised)
FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Share-based Payment
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 138	Intangible Assets
Amendments to FRS 1, FRS 3, FRS 7, FRS 101, FRS 121, FRS 128, FRS 131, FRS 132, FRS 134, FRS 139, and Amendments to IC Interpretation 13	Improvements to FRSs (2010)
IC Interpretation 4	Determining Whether an Arrangement Contains a Lease
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfers of Assets from Customers
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives

IC Interpretation 12 Service Concession Arrangements was effective for annual periods beginning on or after 1 July 2010. This IC Interpretation is, however, not applicable to the Company.

The above new FRSs and Interpretations are expected to have no significant impact on the financial statement of the Company upon their initial adoption.

2.2 FRS, IC Interpretations and Amendments to IC Interpretation issued but not yet effective

At the date of authorisation of these interim financial statements, the following FRS, IC Interpretations and Amendments to IC Interpretation were issued but not yet effective and have not been applied by the Company:

		Effective date
FRS 124	Related Party Disclosure	01-Jan-12
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	01-Jul-11
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement	01-Jul-11

IC Interpretation 15 Agreements for the Construction of Real Estate will also be effective for annual periods beginning on or after 1 January 2012. This IC Interpretation is, however not applicable to the Company.



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NOTES TO THE QUARTERLY REPORT

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

During the quarter under review, the insurance claim for the fire incident which occurred on 11 July 2010 had been finalized by the insurance company. A total compensation of RM15 million on a reinstatement basis, had been approved and received from the insurance company.

Out of the sum, RM8.5 million had been recognized as other income in the audited financial statement for the financial year ended 31 December 2010 based on a written confirmation letter received from the insurance company on 21 February 2011. The balance sum had been recognized in the current quarter ended 31 December 2011.

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 December 2011 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

Contracted but not provided:

Purchase of plant and equipment - RM3.7mil



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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 RM15.7million as against RM15.8 million in the previous corresponding quarter. The Company registered a pre-tax profit of RM5.3mil during the quarter as against a pre-tax profit of RM1.2mil. The higher pre-tax profit was mainly attributable to income from insurance claims.

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

The turnover for the quarter was lower at RM15.7million as against RM16.7 million in the immediate preceding quarter. However, the Company registered a pre-tax profit of RM5.3mil for the quarter under review as compared to a pre-tax loss of RM1.7mil in the immediate preceding quarter. The pre-tax profit was mainly due to income from insurance claims.

16. Prospect

The global economy had been forecasted to be lower for year the 2012, which may result in a challenging business environment. However, the Company will continue to focus on strengthening its revenue by exploring new market opportunities as well as to reduce cost.

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. Status of Corporate Proposals

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

20. Borrowings

	As at <u>31/12/2011</u>	As at <u>31/12/2010</u>
	RM'000	RM'000
Short Term Borrowings		
<i>Secured</i>		
Hire Purchase and finance lease payables	<u>66</u>	<u>491</u>
<i>Unsecured</i>		
Bankers acceptance	2,338	3,803
Revolving credit	10,600	8,600
Bank overdraft	-	831
Loans from holding company	4,590	2,427
	<u>17,528</u>	<u>15,661</u>
	<u>17,594</u>	<u>16,152</u>
	-	-



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NOTES TO THE QUARTERLY REPORT

21. Borrowings (cont.)

	As at <u>31/12/2011</u> RM'000	As at <u>31/12/2010</u> RM'000
Long Term Borrowings		
Secured		
Hire Purchase and finance lease payables	13	79
Unsecured		
Long Term Loan	6,000	-
Loans from holding company	15,837	19,312
	<u>21,837</u>	<u>19,312</u>
	<u>21,850</u>	<u>19,391</u>
	-	-

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

22. Material Litigation

As at the date of this quarterly report, there was no material litigation pending.

23. Dividend Payable

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

24. Earnings/(Loss) Per Share

(a) Basic Earnings/(Loss) Per Share

The earnings/ (loss) per share are calculated by dividing the net profit 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.

	12 months ended	
	<u>31/12/2011</u>	<u>31/12/2010</u>
Basis earnings per share		
Profit attributable to equity holders of the Company (RM'000)	<u>1,457</u>	<u>390</u>
Weighted average number of ordinary shares in issued ('000)	<u>42,043</u>	<u>42,043</u>
Earnings Per Share (sen)	<u>3.47</u>	<u>0.93</u>

(b) Diluted Earnings Per Share

Not applicable.

25. Realised and Unrealised Losses Disclosures

The breakdown of the accumulated losses as at the reporting date, into realised and unrealised loss is as follows:-

	As at <u>31/12/2011</u> RM'000	As at <u>31/12/2010</u> RM'000
Total accumulated losses for the Company:		
- Realised	(11,116)	(13,235)
- Unrealised	(2,763)	(2,101)
Total accumulated losses as per financial statements	<u>(13,879)</u>	<u>(15,336)</u>



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NOTES TO THE QUARTERLY REPORT

26. Auditors' Report

The auditors' report of the financial statements for the year ended 31 December 2010 was not qualified.

27. Profit before taxation

The following amounts have been included in arriving at profit before taxation

	3 months ended		12 months ended	
	<u>31/12/2011</u>	<u>31/12/2010</u>	<u>31/12/2011</u>	<u>31/12/2010</u>
	RM'000	RM'000	RM'000	RM'000
Other income	(7,168)	(7,172)	(7,856)	(9,295)
Interest Expense	432	364	1,684	1,276
Depreciation and amortisation	1,192	933	3,990	3,776
Provision for and write off of receivables	(308)	151	(308)	173
Provision for and write off of inventories	349	197	414	1,204
(Gain) or loss on disposal of PPE	(1)	(9)	(1)	2
Net Foreign exchange (gain)/loss				
- Realised	(2)	35	438	(174)
- Unrealised	(183)	356	661	394

By Order of the Board

MITSURU HIRAMUKI
Chief Executive Officer/Managing Director
Kuala Lumpur, Malaysia
Date : 20 February 2011