

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER ENDED 31/03/2010 RM'000	CORRESPONDING QUARTER ENDED 31/03/2009 RM'000	CURRENT YEAR TO DATE ENDED 31/03/2010 RM'000	CORRESPONDING YEAR TO DATE ENDED 31/03/2009 RM'000
1. Revenue	34,254	31,568	34,254	31,568
2. Profit / (loss) before tax	1,739	744	1,739	744
3. Profit / (loss) for the period	1,121	61	1,121	61
4. Profit / (loss) attributable to ordinary equity holders of the parent	1,121	61	1,121	61
5. Basic earnings / (loss) per share (sen)	1.02	0.06	1.02	0.06
6. Proposed / declared dividend per share (sen)	-	-	-	-
	As at end of current quarter		As at preceding financial year end	
7. Net assets per share attributable to ordinary equity of the parent (RM)		1.00		0.98

Part A3: Additional Information

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER ENDED 31/03/2010 RM'000	CORRESPONDING QUARTER ENDED 31/03/2009 RM'000	CURRENT YEAR TO DATE ENDED 31/03/2010 RM'000	CORRESPONDING YEAR TO DATE ENDED 31/03/2009 RM'000
1. Profit from the operation	1,730	1,103	1,730	1,103
2. Gross interest income	1	-	1	-
3. Gross interest expenses	513	625	513	625

PUBLIC PACKAGES HOLDINGS BERHAD
FIRST QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD
ENDED 31 MARCH 2010
(THE FIGURES HAVE NOT BEEN AUDITED)

CONSOLIDATED INCOME STATEMENTS

	3 MONTHS ENDED		3 MONTHS ENDED	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	RM'000	RM'000	RM'000	RM'000
	Unaudited	Unaudited	Unaudited	Unaudited
REVENUE	34,254	31,568	34,254	31,568
OPERATING EXPENSES	(32,890)	(30,640)	(32,890)	(30,640)
OTHER INCOME	366	175	366	175
PROFIT FROM OPERATIONS	1,730	1,103	1,730	1,103
SHARE OF RESULTS OF JOINT VENTURE COMPANIES	522	266	522	266
FINANCE COSTS	(513)	(625)	(513)	(625)
PROFIT BEFORE TAX	1,739	744	1,739	744
TAX EXPENSE	(618)	(683)	(618)	(683)
NET PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT	1,121	61	1,121	61
EARNING PER SHARE ATTRIBUTABLE TO OWNER OF THE PARENT				
- Basic (sen)	1.02	0.06	1.02	0.06
- Diluted (sen)	1.02	0.06	1.02	0.06

(The Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31st December 2009 and the accompanying explanatory notes attached to the interim financial statements)

PUBLIC PACKAGES HOLDINGS BERHAD
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ENDED 31 MARCH 2010
(THE FIGURES HAVE NOT BEEN AUDITED)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 MONTHS ENDED		3 MONTHS ENDED	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	RM'000	RM'000	RM'000	RM'000
	Unaudited	Unaudited	Unaudited	Unaudited
Profit for the period	1,121	61	1,121	61
OTHER COMPREHENSIVE INCOME:-				
Currency translation differences for foreign operations	(58)	19	(58)	19
Gain on disposal on development properties	-	459	-	459
Total other comprehensive income for the financial position	<u>(58)</u>	<u>478</u>	<u>(58)</u>	<u>478</u>
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ATTRIBUTABLE TO OWNER OF THE PARENT	<u>1,063</u>	<u>539</u>	<u>1,063</u>	<u>539</u>

(The Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31st December 2009 and the accompanying explanatory notes attached to the interim financial statements)

PUBLIC PACKAGES HOLDINGS BERHAD
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ENDED 31 MARCH 2010
(THE FIGURES HAVE NOT BEEN AUDITED)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at	As at
	31/03/2010	31/12/2009
	RM'000	RM'000
	Unaudited	Audited
ASSETS		
Non Current Assets		
Property, Plant & Equipment	77,491	77,872
Investment Properties	7,588	7,212
Goodwill	675	675
Investments in Joint Venture	15,411	14,940
AFS investments	437	-
Other Investments	-	190
Development Properties	19,917	19,917
	121,519	120,806
Current Assets		
Inventories	15,793	17,179
Trade and other receivables	38,209	35,690
Tax Recoverable	1,739	2,118
Cash & Cash Equivalents	9,234	13,417
	64,975	68,404
TOTAL ASSETS	186,494	189,210
LIABILITIES		
Non Current Liabilities		
Borrowings	9,675	9,386
Deferred tax liabilities	11,275	11,403
	20,950	20,789
Current Liabilities		
Trade & Other Payable	16,293	16,370
Borrowings	39,760	43,816
	56,053	60,186
TOTAL LIABILITIES	77,003	80,975
EQUITY		
Share Capital	54,949	54,949
Reserves	54,542	53,286
Equity attributable to owners of the parent	109,491	108,235
Minority interest	-	-
TOTAL EQUITY	109,491	108,235
TOTAL EQUITY AND LIABILITIES	186,494	189,210
Net Assets per share attributable to equity holders of the company (RM)	1.00	0.98

(The Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31st December 2009 and the accompanying explanatory notes attached to the interim financial statements)

PUBLIC PACKAGES HOLDINGS BERHAD
FIRST QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD
ENDED 31 MARCH 2010
(THE FIGURES HAVE NOT BEEN AUDITED)

CONSOLIDATED STATEMENT OF CASH FLOWS

	3 MONTHS ENDED	
	31/03/2010	31/03/2009
	RM'000	RM'000
	Unaudited	Unaudited
Profit before tax	1,681	1,222
Adjustments for non-cash flow items:-		
Non-cash items	1,160	1,182
Non-operating items	(410)	(2,271)
Operating profit before changes in working capital	2,431	133
Changes in working capital		
Net changes in current assets	(1,196)	7,164
Net changes in current liabilities	(66)	208
Cash from operation	1,169	7,505
Dividend received	2	-
Tax paid	(374)	(68)
Tax refund	62	-
Net Cash Flows From Operating Activities	859	7,437
Investing Activities		
- Other investments	(1,230)	4,159
Net Cash Flows (Used In)/from Investing Activities	(1,230)	4,159
Financing activities		
- Net of bank borrowings	(329)	(12,207)
- Placement of fixed deposit	-	(100)
Net Cash Flows Used in Financing Activities	(329)	(12,307)
Effects of exchange rate changes on cash & cash equivalents	(3)	1
Net Change In Cash & Cash Equivalents	(703)	(710)
Cash & Cash Equivalents At Beginning Of Year	7,471	(4,558)
Effects of exchange rate changes	(43)	4
Cash & Cash Equivalents At End Of Period	6,725	(5,264)

(The Consolidated Statements of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 31st December 2009 and the accompanying explanatory notes attached to the interim financial statements)

PUBLIC PACKAGES HOLDINGS BERHAD
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(THE FIGURES HAVE NOT BEEN AUDITED)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve	AFS Reserve RM'000	Currency Translation Reserve RM'000	Accumulated profit carried forward RM'000	Total RM'000
At 1 January 2009	54,949	1,295	16,825	-	(159)	26,315	99,225
Transfer from revaluation reserve	-	-	(969)	-	-	969	-
Transfer to deferred tax	-	-	250	-	-	-	250
Currency translation of foreign entities	-	-	-	-	(34)	-	(34)
Total comprehensive income for the period	-	-	-	-	-	539	539
At 31 March 2009	54,949	1,295	16,106	-	(193)	27,823	99,980
At 1 January 2010	54,949	1,295	16,106	-	(151)	36,036	108,235
Effect from adoption of FRS 139 (Note A1)	-	-	-	205	-	-	205
As restated	54,949	1,295	16,106	205	(151)	36,036	108,440
Movement in AFS investments	-	-	-	42	-	-	42
Currency translation of foreign entities	-	-	-	-	(54)	-	(54)
Total comprehensive income for the period	-	-	-	-	-	1,063	1,063
At 31 March 2010	54,949	1,295	16,106	247	(205)	37,099	109,491

(The Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st December 2009 and the accompanying explanatory notes attached to the interim financial statements)

PUBLIC PACKAGES HOLDINGS BERHAD
FIRST QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD
ENDED 31 MARCH 2010

NOTES TO THE INTERIM FINANCIAL REPORT

AI. ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The interim financial statements have been prepared under the historical cost convention.

The interim financial report has been prepared in accordance with FRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with annual financial statements for the financial year ended 31st December 2009. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of changes in the financial position and performance of the Group since the year ended 31st December 2009.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the financial statements for the year ended 31 December 2009, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations. On 1 January 2010, the Group adopted the following FRSs:-

FRSs, Amendments to FRSs and

FRS 4	Insurance Contracts
FRS 7	Financial Instruments : Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (Revised 2009)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments : Recognition and Measurement
Amendment to FRS 1	First-time Adoption of Financial Reporting Standards
Amendment to FRS 2	Share-based payment : Vesting Conditions and Cancellations
Amendment to FRS 7	Financial Instruments : Disclosures
Amendment to FRS 8	Operating Segments
Amendment to FRS 107	Statement of Cash Flows
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 110	Events after the Reporting Period
Amendment to FRS 116	Property, Plant and Equipment
Amendment to FRS 117	Leases
Amendment to FRS 118	Revenue
Amendment to FRS 119	Employee Benefits
Amendment to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
Amendment to FRS 123	Borrowing Costs
Amendment to FRS 127	Consolidated and Separate Financial Statements: Cost of an investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendment to FRS 128	Investments in Associates
Amendment to FRS 129	Financial Reporting in Hyperinflationary Economies
Amendment to FRS 131	Interest in Joint Ventures
Amendment to FRS 132	Financial Instruments : Presentation
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 136	Impairment of Assets
Amendment to FRS 139	Financial Instruments : Recognition and Measurement
Amendment to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Other than for the application of FRS 8,101,117 and 139, the application of the above FRSs, Amendments to FRSs and Interpretation did not result any significant changes in the accounting policies and presentation of the financial result of the Group.

FRS 8: Operating segments

The new standards requires the disclosure of segment information based on the information reviewed by the Group's chief operating maker, no futher segmental information disclosure will be necessary. This standard does not have any impact on the financial position and results of the Group.

FRS 101: Presentation of financial Statements

FRS 101 requires owner and non-owner changes in equity to be presented separately. The statement of changes in equity will include only details of transactions with owners with all non-owner changes in equity are presented as a single line labelled as total comprehensive income. Total comprehensive income presents all items of income and expense recognised in profit and loss, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. This standard does not have any impact on the financial position and results of the Group.

The comparative financial information on the consolidated statement of comprehensive income have been represented as summarised below so that it is conformity with the revised standard:-

	<i>Consolidated income statement</i>	<i>Consolidated Statement of Comprehensive Income</i>	
	<i>As previously reported</i>	<i>Effect on FRS 101</i>	<i>As restated</i>
	<i>(RM'000)</i>	<i>(RM'000)</i>	<i>(RM'000)</i>
Other income	643	(468)	175

Investing result: others	10	(10)	-
<i>Other comprehensive income:-</i>			
Currency translation differences for foreign operations	-	19	19
Gain on disposal on development properties	-	459	459

FRS 117: Leases

The amendments required entities with existing leases of land and buildings (combined) to reassess the classification of land as a finance or operating lease. The Group has reclassified the existing leasehold land to property, plant and equipment following this reassessment with no effect on report profit or equity. However, as a result of the adoption of amendments to FRS 117, comparative balances have been restated as below:-

	<i>As previously reported (RM'000)</i>	<i>Effect on FRS 117 (RM'000)</i>	<i>As restated (RM'000)</i>
Property, plant and equipment	67,506	10,366	77,872
Prepaid lease payment	10,366	(10,366)	-

FRS 139: Financial Instruments - Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial statements. Financial statements are recorded initially at fair value. Subsequent measurement of the financial instruments at balance sheet date reflects the designation of financial instruments. The Group determines the classification at initial recognition and for the first adoption of the standard, as at transitional date on 1 January 2010.

Financial Assets

Financial assets are classified as financial assets at fair value through profit and loss, loans and receivables, held to maturity investment and available for sale (AFS) financial asset or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

(i) Loan and receivables

Prior to 1 January 2010, loans and receivables were stated at gross receivable less provision for doubtful debts. Under FRS 139, loan and receivables are initially measured at fair value and subsequently amortised using the effective interest rate method (EIR). Gain or losses are recognised in the profit and loss account when the loan and receivables are derecognised or impaired, as well as through the amortisation process.

(ii) AFS investments

AFS financial assets comprise quoted investment that are not held for trading. AFS investments are measured at fair value initially. After initial recognition, AFS investments are measured at fair value with gain or losses being recognised in the fair value reserve until the investment is recognised or until the investment is determined to be impaired whereby gain or loss previously reported in equity is included in the profit and loss account.

The fair value of quoted investment is generally determined by reference to stock exchange quoted market bid prices at the close of business on the balance sheet date. For investment where there is no active market, fair value is determined using valuation techniques.

(iii) Financial assets at fair value through profit and loss

Financial assets held for trading and those designated as fair value through profit and loss. A financial asset is classified in this category if acquired principally for the purpose of selling in short term. Gain or losses on financial assets held at fair value through profit and loss are recognised in the profit and loss account.

Financial Liabilities

Financial liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provision of the financial instruments. Financial liabilities are recognised initially at fair value. Subsequent to the initial recognition, all financial liabilities are measured at amortised cost using effective interest method, except for derivatives which are measured at fair value. Any gain or losses arising from changes in fair value of derivatives are recognised in the profit and loss account, unless they are designated as hedging derivatives.

Impact on opening balances

In accordance with the transitional provision of FRS 139, the above changes are applied prospectively and the comparatives as at 31 December 2009 are not restated. The changes accounted for by restating the following opening balances in the balance sheet as at 1 January 2010.

	<i>As previously reported (RM'000)</i>	<i>Effect on FRS 139 (RM'000)</i>	<i>As restated (RM'000)</i>
Assets			
Other investments	190	(190)	-
AFS investments	-	395	395
Equity			
AFS reserve	-	(205)	(205)

A2. AUDITED ACCOUNTS

The auditor's report in respect of the financial statements of the Group for the financial year ended 31 December 2009 was not subject to any qualification.

A3. SEASONALITY & CYCLICALITY

The Group's manufacturing division generally experience an "up-down" cycle once a year, with low demand usually in the beginning of the year and will slowly pick up again during the year.

A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items for the current quarter and financial period to date.

A5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATE

There were no material changes in the estimates of amounts, which give a material effect in the current quarter and financial period to date.

A6. DETAILS OF ISSUE, CANCELLATION, REPURCHASE, RESALE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

There was no issuance, cancellations, repurchase, resale and repayment of debt and equity for the financial period ended 31 March 2010.

A7. DIVIDEND PAID

There was no dividend paid for the financial period ended 31 March 2010.

A8. SEGMENTAL INFORMATION

Analysis by industry segment

	3 MONTHS ENDED	
	31/03/2010	
	Revenue	Profit / (loss)
	(RM'000)	before tax
		(RM'000)
Trading	6,732	651
Manufacturing	37,054	659
Properties	252	(49)
Investment holdings	512	(27)
Total	44,550	1,233
Consolidation adjustments	(10,296)	640
	<u>34,254</u>	<u>1,873</u>

A9. REVALUATION

The properties of the Group carried at valuation were revalued in November 2007 based on professional independent valuations using the open market value basis.

A10. SUBSEQUENT EVENTS

There was no material events after the reporting period.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no material changes in the composition of the group in the current quarter and financial period to date.

A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

As at 21 May 2010, the total contingent liabilities is RM96,203,941. This consists of corporate guarantees given by the Company to secure credit facilities granted to our investments.

A13. CAPITAL COMMITMENTS

Approved and Contracted for :	RM '000
Property, plant and equipment	<u>1,504</u>

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENTS**B1. PERFORMANCE REVIEW**

The turnover of the Group for current quarter of RM34.254m increased by RM2.686m (8.51%) when compared to corresponding quarter of last year.

The Group has recorded a profit before taxation of RM1.739m when compared to a profit of RM0.744m in corresponding quarter of last year. This was mainly due to reduction in most of the material price.

B2. COMMENT ON ANY MATERIAL CHANGE IN PROFIT BEFORE TAX FOR THE QUARTER REPORTED AS COMPARED WITH THE PRECEDING QUARTER

The Group recorded sales revenue of RM34.254m for the current quarter as compare to RM35.659m in preceeding quarter, showing a decrease of 3.94%.

The Group has recorded a net profit of RM1.063m for current quarter when compared with RM3.001m in preceeding quarter, showing a decrease of 64.58%.

B3. FACTORS AFFECTING COMPANY'S PROSPECT

The Group will continue to focus on its core activities and barring any unforeseen circumstances, the Group's performance is expected to continue to be satisfactory for the year 2010.

B4. EXPLANATORY NOTES ON VARIANCE WITH PROFIT FORECASTS AND/OR PROFIT GUARANTEE

The Group did not issue any profit forecast and or profit guarantee to the public during the current financial period.

B5. TAX EXPENSE

	3 MONTHS ended 31/03/2010 RM'000	3 MONTHS ended 31/03/2009 RM'000	3 MONTHS ended 31/03/2010 RM'000	3 MONTHS ended 31/03/2009 RM'000
Profit before tax	1,739	744	1,739	744
Current year taxation :-				
Income tax	746	551	746	551
Deferred tax	(128)	132	(128)	132
	<u>618</u>	<u>683</u>	<u>618</u>	<u>683</u>
Effective tax rate (%)	35.54	91.80	35.54	91.80

Income tax is calculated at Malaysian statutory tax rate of 25% (2009: 25%) of the estimated profit for the period.

The effective tax rate of the Group for the current and previous corresponding quarter was higher than the statutory tax rate of that year principally due to certain expenses which were not deductible for tax purposes.

B6. PROFIT / (LOSS) ON DISPOSAL OF UNQUOTED INVESTMENTS AND PROPERTIES

There were no sales of unquoted investments and/or properties for the current quarter and financial period ended 31 March 2010.

B7. PURCHASE / (DISPOSAL) OF QUOTED SHARES

a) There were no purchase or sale of quoted securities for the current quarter and financial period to date.

b) Investments in quoted securities as at 31 March 2010 are stated at fair value.

B8. STATUS OF CORPORATE PROPOSALS

There is no corporate proposal announced but not completed as at 21 May 2010.

B9. BANK BORROWINGS AND DEBT SECURITIES

	Secured RM('000)	Unsecured RM('000)	Total RM('000)
Short - term	-	39,760	39,760
Long - term	406	9,269	9,675
	<u>406</u>	<u>49,029</u>	<u>49,435</u>

B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

The Group does not have any off balance sheet financial instruments as at 21 May 2010.

B11. MATERIAL LITIGATION

A civil suit had been filed by the subsidiary, Public Packages Sdn Bhd against Flextronics Technology (Penang) Sdn Bhd. (formerly known as Solelectron Technology Sdn Bhd) during the year for the outstanding amount of RM1,815,527.27. On 19/04/2010, the Board of Directors of PPHB wishes to announce that the Court dismissed the Summary Judgement Application by Public Packages Sdn Bhd with costs. This case is now fixed for case management on 4 June 2010 in preparation for full trial.

B12. DIVIDENDS

The Board of Directors does not recommend any dividend payment for the period ended 31 March 2010.

B13. EARNING PER SHARE

	3 MONTHS ENDED		3 MONTHS ENDED	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009
(a) Basic				
Net profit for the period (RM'000)	1,121	61	1,121	61
Weighted average number of ordinary shares in issue ('000)	109,896	109,896	109,896	109,896
Basic earnings per share (sen)	1.02	0.06	1.02	0.06
(b) Diluted				
Net profit for the period (RM'000)	1,121	61	1,121	61
Weighted average number of ordinary shares in issue ('000)	109,896	109,896	109,896	109,896
Adjustment for share options ('000)	-	-	-	-
Weighted average number of ordinary shares for diluted earnings per share ('000)	109,896	109,896	109,896	109,896
Diluted earnings per share (sen)	1.02	0.06	1.02	0.06