APTARGROUP INC
Form 10-Q
July 30, 2009

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2009
OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM _________ TO _________

COMMISSION FILE NUMBER 1-11846
AptarGroup, Inc.

DELAWARE	**36-3853103**
(State of Incorporation)	**(I.R.S. Employer Identification No.)**

475 WEST TERRA COTTA AVENUE, SUITE E, CRYSTAL LAKE, ILLINOIS 60014
815-477-0424

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes þ No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes o No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer,   accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer þ	Accelerated filer o	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No þ

Indicate the number of shares outstanding of each of the issuer s classes of common stock, as of the latest practicable date.

Class	Outstanding at July 27, 2009
Common Stock, $.01 par value per share	67,689,382 shares

AptarGroup, Inc.
Form 10-Q
Quarter Ended June 30, 2009
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PART I FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)
AptarGroup, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

In thousands, except per share amounts

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	**2008**	**2009**	**2008**
Net Sales	**$ 440,508**	$ 551,319	**$ 872,324**	$ 1,083,577
Operating Expenses:				
Cost of sales (exclusive of depreciation shown below)	**288,826**	372,908	**578,547**	735,688
Selling, research & development and administrative	**69,163**	77,451	**140,601**	157,943
Depreciation and amortization	**31,435**	34,372	**61,536**	67,327
Facilities consolidation and severance	**3,095**		**3,095**	
	392,519	484,731	**783,779**	960,958
Operating Income	**47,989**	66,588	**88,545**	122,619
Other Income (Expense):				
Interest expense	**(5,157)**	(4,336)	**(8,604)**	(8,943)
Interest income	**711**	3,410	**1,986**	6,859
Equity in results of affiliates		126		223
Miscellaneous, net	**(1,110)**	259	**(1,229)**	(685)
	(5,556)	(541)	**(7,847)**	(2,546)
Income Before Income Taxes	**42,433**	66,047	**80,698**	120,073
Provision for Income Taxes	**13,961**	20,771	**25,632**	37,918
Net Income	**$ 28,472**	$ 45,276	**$ 55,066**	$ 82,155
Net (Income) Loss Attributable to Noncontrolling Interests	**$ (12)**	**$ (3)**	**$ 59**	**$ 19**
Net Income Attributable to AptarGroup, Inc.	**$ 28,460**	**$ 45,273**	**$ 55,125**	**$ 82,174**
Net Income Attributable to AptarGroup, Inc. Per Common Share:				
Basic	**$ 0.42**	$ 0.67	**$ 0.81**	$ 1.21

Diluted	**$**	**0.41**	$	0.64	**$**	**0.79**	$	1.16
Average Number of Shares Outstanding:								
Basic		**67,705**		68,038		**67,691**		68,103
Diluted		**69,293**		70,563		**69,660**		71,032
Dividends Per Common Share	**$**	**0.15**	$	0.13	**$**	**0.30**	$	0.26

See accompanying unaudited notes to condensed consolidated financial statements.

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AptarGroup, Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

In thousands, except per share amounts

	June 30, 2009	December 31, 2008
Assets		
Current Assets:		
Cash and equivalents	**$ 249,076**	$ 192,072
Accounts and notes receivable, less allowance for doubtful accounts of $12,028 in 2009 and $11,900 in 2008	**315,614**	343,937
Inventories, net	**232,554**	244,775
Prepayments and other	**67,214**	78,965
	864,458	859,749
Property, Plant and Equipment:		
Buildings and improvements	**306,943**	297,093
Machinery and equipment	**1,540,544**	1,484,353
	1,847,487	1,781,446
Less: Accumulated depreciation	**(1,130,116)**	(1,078,063)
	717,371	703,383
Land	**17,967**	17,499
	735,338	720,882
Other Assets:		
Investments in affiliates	**765**	712
Goodwill	**227,276**	227,041
Intangible assets, net	**11,868**	14,061
Miscellaneous	**10,450**	9,377
	250,359	251,191
Total Assets	**$ 1,850,155**	$ 1,831,822

See accompanying unaudited notes to condensed consolidated financial statements.

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AptarGroup, Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

In thousands, except per share amounts

	June 30, 2009	December 31, 2008
Liabilities and Equity		
Current Liabilities:		
Notes payable	**$ 64,352**	$ 39,919
Current maturities of long-term obligations	**24,149**	24,700
Accounts payable and accrued liabilities	**280,229**	310,408
	368,730	375,027
Long-Term Obligations	**207,626**	226,888
Deferred Liabilities and Other:		
Deferred income taxes	**20,264**	24,561
Retirement and deferred compensation plans	**57,360**	62,476
Deferred and other non-current liabilities	**12,290**	11,072
Commitments and contingencies		
	89,914	98,109
Equity:		
AptarGroup, Inc. stockholders equity		
Preferred stock, $.01 par value, 1 million shares authorized, none outstanding		
Common stock, $.01 par value	**804**	801
Capital in excess of par value	**264,712**	254,216
Retained earnings	**1,100,818**	1,065,998
Accumulated other comprehensive income	**153,094**	139,300
Less treasury stock at cost, 12.7 and 12.5 million shares as of June 30, 2009 and December 31, 2008, respectively	**(336,300)**	(329,285)
Total AptarGroup, Inc. Stockholders Equity	**1,183,128**	1,131,030
Noncontrolling interests in subsidiaries	**757**	768
Total Equity	**1,183,885**	1,131,798

Total Liabilities and Equity	**$ 1,850,155**	$ 1,831,822

See accompanying unaudited notes to condensed consolidated financial statements.

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AptarGroup, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Unaudited)

In thousands, except per share amounts

		AptarGroup, Inc. Stockholders Equity						
	Comprehensive Income	**Retained Earnings**	**Accumulated Other Comprehensive Income/(Loss)**	**Common Stock Par Value**	**Treasury Stock**	**Capital in Excess of Par Value**	**Non-Controlling Interest**	**Total Equity**
Balance December 31, 2007:		**$ 950,566**	**$ 214,294**	**$ 794**	**$ (275,658)**	**$ 229,022**	**$ 553**	**$ 1,119,571**
Net income	$ 153,489	153,495					(6)	153,489
Foreign currency translation adjustments	(61,217)		(61,250)				33	(61,217)
Changes in unrecognized pension gains/losses and related amortization, net of tax	(13,164)		(13,164)					(13,164)
Treasury Locks, net of tax	(595)		(595)					(595)
Net gain on Derivatives, net of tax	15		15					15
Comprehensive income	$ 78,528							
Stock option exercises & restricted stock vestings				7	3,942	25,194		29,143
Cash dividends declared on common stock		(38,063)						(38,063)
Noncontrolling interest in entity acquired							188	188
					(57,569)			(57,569)

Treasury stock purchased								
Balance December 31, 2008:		**$ 1,065,998**	**$ 139,300**	**$ 801**	**$ (329,285)**	**$ 254,216**	**$ 768**	**$ 1,131,798**
Net income	55,066	55,125					(59)	55,066
Foreign currency translation adjustments	13,395		13,347				48	13,395
Changes in unrecognized pension gains/losses and related amortization, net of tax	423		423					423
Changes in treasury locks, net of tax	40		40					40
Net loss on Derivatives, net of tax	(16)		(16)					(16)
Comprehensive income	$ 68,908							
Stock option exercises & restricted stock vestings				3	1,213	10,496		11,712
Cash dividends declared on common stock		(20,305)						(20,305)
Treasury stock purchased					(8,228)			(8,228)
Balance June 30, 2009:		**$ 1,100,818**	**$ 153,094**	**$ 804**	**$ (336,300)**	**$ 264,712**	**$ 757**	**$ 1,183,885**

See accompanying notes to consolidated financial statement

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AptarGroup, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

In thousands, brackets denote cash outflows

Six Months Ended June 30,	2009	2008
Cash Flows From Operating Activities:		
Net income	**$ 55,066**	$ 82,155
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation	**59,468**	64,832
Amortization	**2,068**	2,495
Stock option based compensation	**6,791**	8,568
Provision for bad debts	**850**	1,348
Facilities consolidation and severance	**2,819**	
Deferred income taxes	**(6,352)**	(4,219)
Retirement and deferred compensation plans	**(9,530)**	(710)
Equity in results of affiliates in excess of cash distributions received		(26)
Changes in balance sheet items, excluding effects from foreign currency adjustments:		
Accounts receivable	**30,197**	(45,758)
Inventories	**14,635**	(8,260)
Prepaid and other current assets	**3,586**	(2,088)
Accounts payable and accrued liabilities	**(39,413)**	276
Income taxes payable	**7,586**	(5,336)
Other changes, net	**11,370**	4,976
Net Cash Provided by Operations	**139,141**	98,253
Cash Flows From Investing Activities:		
Capital expenditures	**(69,373)**	(90,431)
Disposition of property and equipment	**398**	658
Intangible assets acquired	**(270)**	(443)
Acquisition of businesses net of cash acquired		(13,166)
Collection of notes receivable, net	**54**	131
Net Cash Used by Investing Activities	**(69,191)**	(103,251)
Cash Flows From Financing Activities:		
Proceeds from notes payable	**24,772**	29,336
Proceeds from long-term obligations	**3,580**	
Repayments of long-term obligations	**(22,922)**	(22,712)
Dividends paid	**(20,305)**	(17,718)
Proceeds from stock options exercises	**3,967**	10,602
Purchase of treasury stock	**(8,228)**	(36,875)
Excess tax benefit from exercise of stock options	**835**	3,559

Net Cash Used by Financing Activities	**(18,301)**	(33,808)
Effect of Exchange Rate Changes on Cash	**5,355**	21,696
Net Increase/(Decrease) in Cash and Equivalents	**57,004**	(17,110)
Cash and Equivalents at Beginning of Period	**192,072**	313,739
Cash and Equivalents at End of Period	**$ 249,076**	$ 296,629

See accompanying unaudited notes to condensed consolidated financial statements.

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AptarGroup, Inc.
Notes to Condensed Consolidated Financial Statements
(Amounts in Thousands, Except per Share Amounts, or Otherwise Indicated)
(Unaudited)

NOTE 1 BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements include the accounts of AptarGroup, Inc. and its subsidiaries. The terms AptarGroup or Company as used herein refer to AptarGroup, Inc. and its subsidiaries.

In the opinion of management, the unaudited condensed consolidated financial statements include all adjustments, consisting of only normal recurring adjustments, necessary for a fair statement of consolidated financial position, results of operations, and cash flows for the interim periods presented. The accompanying unaudited condensed consolidated financial statements have been prepared by the Company, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosure normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures made are adequate to make the information presented not misleading. Accordingly, these unaudited condensed consolidated financial statements and related notes should be read in conjunction with the consolidated financial statements and notes thereto included in the Company s Annual Report on Form 10-K for the year ended December 31, 2008. The results of operations of any interim period are not necessarily indicative of the results that may be expected for the year.

In order to be comparable to the current period presentation, the Company has revised its classification relating to a French research and development tax credit from Provision for Income Taxes to Selling, Research & Development and Administrative.

Certain previously reported amounts have been reclassified to conform to the current period presentation.

NOTE 2 INVENTORIES

At June 30, 2009 and December 31, 2008, approximately 20% and 23%, respectively, of the total inventories are accounted for by using the LIFO method. Inventories, by component net of reserves, consisted of:

	June 30, 2009	**December 31, 2008**
Raw materials	**$ 84,000**	$ 93,081
Work in progress	**56,967**	55,228
Finished goods	**95,456**	99,310
Total	**236,423**	247,619
Less LIFO Reserve	**(3,869)**	(2,844)
Total	**$ 232,554**	$ 244,775

NOTE 3 GOODWILL AND OTHER INTANGIBLE ASSETS

The changes in the carrying amount of goodwill since the year ended December 31, 2008 are as follows by reporting segment:

	Pharma	**Beauty & Home**	**Closures**	**Total**

Balance as of December 31, 2008	$ 28,133	$ 158,823	$ 40,085	$ 227,041
Foreign currency exchange effects	97	307	(169)	235
Balance as of June 30, 2009	**$ 28,230**	**$ 159,130**	**$ 39,916**	**$ 227,276**

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The table below shows a summary of intangible assets as of June 30, 2009 and December 31, 2008.

		June 30, 2009			December 31, 2008		
	Weighted Average Amortization Period (Years)	Gross Carrying Amount	Accumulated Amortization	Net Value	Gross Carrying Amount	Accumulated Amortization	Net Value
Amortized intangible assets:							
Patents	14	**$ 19,078**	**$ (14,103)**	**$ 4,975**	$ 18,854	$ (13,357)	$ 5,497
License agreements and other	6	**25,381**	**(18,488)**	**6,893**	25,641	(17,077)	8,564
Total intangible assets	9	**$ 44,459**	**$ (32,591)**	**$ 11,868**	$ 44,495	$ (30,434)	$ 14,061

Aggregate amortization expense for the intangible assets above for the quarters ended June 30, 2009 and 2008 was $1,042 and $1,267, respectively. Aggregate amortization expense for the intangible assets above for the six months ended June 30, 2009 and June 30, 2008 was $2,068 and $2,495, respectively.

Estimated amortization expense for the years ending December 31 is as follows:

2009	$4,218
2010	3,662
2011	2,231
2012	1,318
2013	1,061

Future amortization expense may fluctuate depending on changes in foreign currency rates. The estimates for amortization expense noted above are based upon foreign exchange rates as of June 30, 2009.

NOTE 4 RETIREMENT AND DEFERRED COMPENSATION PLANS

Components of Net Periodic Benefit Cost:

	Domestic Plans		Foreign Plans	
Three months ended June 30,	**2009**	**2008**	**2009**	**2008**
Service cost	**$ 1,091**	$ 968	**$ 428**	$ 437
Interest cost	**955**	864	**612**	578
Expected return on plan assets	**(932)**	(777)	**(240)**	(220)
Amortization of net loss	**60**	6	**153**	199
Amortization of prior service cost	**1**	1	**92**	21
Net periodic benefit cost	**$ 1,175**	$ 1,062	**$ 1,045**	$ 1,015

	Domestic Plans		Foreign Plans	
Six months ended June 30,	**2009**	**2008**	**2009**	**2008**
Service cost	**$ 2,182**	$ 1,936	**$ 836**	$ 856
Interest cost	**1,910**	1,728	**1,197**	1,133

Expected return on plan assets	**(1,864)**	(1,554)	**(469)**	(432)
Amortization of net loss	**120**	12	**299**	390
Amortization of prior service cost	**2**	2	**181**	41
Net periodic benefit cost	**$ 2,350**	$ 2,124	**$ 2,044**	$ 1,988

EMPLOYER CONTRIBUTIONS

In order to meet or exceed minimum funding levels required by U.S. law, the Company expects to contribute approximately $10 million to its domestic defined benefit plans in 2009 and has contributed $8.9 million as of June 30, 2009. The Company also expects to contribute approximately $10 million to its foreign defined benefit plans in 2009, and as of June 30, 2009, has contributed approximately $0.2 million.

NOTE 5 DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

The Company maintains a foreign exchange risk management policy designed to establish a framework to protect the value of the Company s non-functional denominated transactions from adverse changes in exchange rates. Sales of the Company s products can be denominated in a currency different from the currency in which the related costs to produce the product are denominated. Changes in exchange rates on such inter-country sales impact the Company s results of operations. The Company s policy is not to engage in speculative foreign currency hedging activities, but to minimize its net foreign currency transaction exposure defined as firm commitments and transactions recorded and denominated in currencies other than the functional currency. The Company may use foreign currency forward exchange contracts, options and cross currency swaps to hedge these risks.

The Company maintains an interest rate risk management strategy to minimize significant, unanticipated earnings fluctuations that may arise from volatility in interest rates.

For derivative instruments designated as hedges, the Company formally documents the nature and relationships between the hedging instruments and the hedged items, as well as the risk management objectives, strategies for undertaking the various hedge transactions, and the method of assessing hedge effectiveness. Additionally, in order to designate any derivative instrument as a hedge of an anticipated transaction, the significant characteristics and expected terms of any anticipated transaction must be specifically identified, and it must be probable that the anticipated transaction will occur.

FAIR VALUE HEDGES

The Company has an interest rate swap to convert a portion of its fixed-rate debt into variable-rate debt. Under the interest rate swap contract, the Company exchanges, at specified intervals, the difference between fixed-rate and floating-rate amounts, which is calculated based on an agreed upon notional amount.

As of June 30, 2009, the Company recorded the fair value of derivative instrument of $761 thousand in other non-current assets with a corresponding increase to debt related to the fixed-to-variable interest rate swap agreement with a notional principal value of $10 million. No gain or loss related to the change in fair value was recorded in the income statement for the three and six months ended June 30, 2009 or 2008 as any hedge ineffectiveness for the period was immaterial.

CASH FLOW HEDGES

As of June 30, 2009, the Company had one foreign currency cash flow hedge. A French entity of AptarGroup, AptarGroup Holding SAS, has hedged the risk of variability in Euro equivalent associated with the cash flows of an intercompany loan granted in Brazilian Real. The forward contracts utilized were designated as a hedge of the changes in the cash flows relating to the changes in foreign currency rates relating to the loan and related forecasted interest. The notional amount of the foreign currency forward contracts utilized to hedge cash flow exposure was 4.2 million Brazilian Real ($2.2 million) as of June 30, 2009. The notional amount of the foreign currency forward contracts utilized to hedge cash flow exposure was 5.5 million Brazilian Real ($3.4 million) as of June 30, 2008.

During the six months ended June 30, 2009, the Company did not recognize any net gain (loss) as any hedge ineffectiveness for the period was immaterial, and the Company did not recognize any net gain (loss) related to the portion of the hedging instrument excluded from the assessment of hedge effectiveness. The Company s foreign currency forward contracts hedge forecasted transactions for approximately three years (March 2012).

HEDGE OF NET INVESTMENTS IN FOREIGN OPERATIONS

A significant number of the Company s operations are located outside of the United States. Because of this, movements in exchange rates may have a significant impact on the translation of the financial condition and results of operations of the Company s foreign entities. A strengthening U.S. dollar relative to foreign currencies has a dilutive translation effect on the Company s financial condition and results of operations. Conversely, a weakening U.S. dollar has an additive effect. The Company in some cases maintains debt in these subsidiaries to offset the net asset exposure. The Company does not otherwise use derivative financial instruments to manage this risk. In the event the Company plans on a full or partial liquidation of any of its foreign subsidiaries where the Company s net investment is likely to be monetized, the Company will consider hedging the currency exposure associated with such a transaction.

OTHER

As of June 30, 2009, the Company recorded the fair value of foreign currency forward exchange contracts of $1.8 million in accounts payable and accrued liabilities, $1.8 million in prepayments and other and $1.9 million in deferred and other non-current liabilities in the balance sheet. All forward exchange contracts outstanding as of June 30, 2009 had an aggregate contract amount of $203 million.

Fair Value of Derivative Instruments in the Statement of Financial Position as of June 30, 2009

(in thousands) Derivative Contracts Designated as Hedging Instruments	Balance Sheet Location	Derivative Assets June 30, 2009	Balance Sheet Location	Derivative Liabilities June 30, 2009
Interest Rate Contracts	Other Assets Miscellaneous	$ 761		$
Foreign Exchange Contracts			Accounts Payable and Accrued Liabilities	186
Foreign Exchange Contracts			Deferred and other non-current liabilities	291
		761		477
Derivative Contracts Not Designated as Hedging Instruments				
Foreign Exchange Contracts	Prepayments & Other	1,833	Accounts Payable and Accrued Liabilities	1,606

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(in thousands) Derivative Contracts Designated as Hedging Instruments	Balance Sheet Location	Derivative Assets June 30, 2009	Balance Sheet Location	Derivative Liabilities June 30, 2009
Foreign Exchange Contracts			Deferred and other non-current liabilities	1,615
		$ 1,833		$ 3,221
Total Derivative Contracts		$ 2,594		$ 3,698

The Effect of Derivative Instruments on the Statements of Financial Performance for the Three and Six Months Ended June 30, 2009

Derivatives in Statement 133 Fair Value Hedging Relationships	Location of Gain or (Loss) Recognized in Income on Derivative	Amount of Gain or (Loss) Recognized in Income on Derivative Three Months Ended June 30, 2009	Six Months Ended June 30, 2009
Interest Rate Contracts	(a)	$	$

(a) Interest rate swap uses the short-cut method which adjusts short term debt. Therefore, there is no net impact on income.

	Three Months Ended June 30, 2009				
Derivatives in Statement 133 Cash Flow Hedging Relationships	Amount of Gain or (Loss) Recognized in OCI on Derivative (Effective Portion) 2009	Location of Gain or (Loss) Reclassified From Accumulated OCI Into Income (Effective Portion)	Amount of Gain or (Loss) From Accumulated OCI Into Income (Effective Portion) 2009	Location of Gain or (Loss) Recognized in Income on Derivative (Ineffective Portion and Amount Excluded from Effectiveness Testing)	Amount of Gain or (Loss) Recognized in Income of Derivative (Ineffective Portion and Amount Excluded From Effectiveness Testing) 2009
Foreign Exchange Contracts	$ (36)		$		$

Total	$ (36)		$		$

Derivatives in Statement 133 Cash Flow Hedging Relationships	Amount of Gain or (Loss) Recognized in OCI on Derivative (Effective Portion) 2009	Location of Gain or (Loss) Reclassified From Accumulated OCI Into Income (Effective Portion)	Six Months Ended June 30, 2009 Amount of Gain or (Loss) From Accumulated OCI Into Income (Effective Portion) 2009	Location of Gain or (Loss) Recognized in Income on Derivative (Ineffective Portion and Amount Excluded from Effectiveness Testing)	Amount of Gain or (Loss) Recognized in Income of Derivative (Ineffective Portion and Amount Excluded From Effectiveness Testing) 2009
Foreign Exchange Contracts	$ (10)		$		$
Total	$ (10)		$		$

Derivatives Not Designated as Hedging Instruments Under Statement 133	Location of Gain or (Loss) Recognized in Income on Derivative	Amount of Gain or (Loss) Recognized in Income on Derivative: Three Months Ended June 30, 2009	Amount of Gain or (Loss) Recognized in Income on Derivative: Six Months Ended June 30, 2009
Foreign Exchange Contracts	Other Income (Expense), Miscellaneous, net	$(4,037)	$(2,104)

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NOTE 6 COMMITMENTS AND CONTINGENCIES

The Company, in the normal course of business, is subject to a number of lawsuits and claims both actual and potential in nature. Management believes the resolution of these claims and lawsuits will not have a material adverse or positive effect on the Company s financial position, results of operations or cash flow.

Under its Certificate of Incorporation, the Company has agreed to indemnify its officers and directors for certain events or occurrences while the officer or director is, or was serving, at its request in such capacity. The maximum potential amount of future payments the Company could be required to make under these indemnification agreements is unlimited; however, the Company has a directors and officers liability insurance policy that covers a portion of its exposure. As a result of its insurance policy coverage, the Company believes the estimated fair value of these indemnification agreements is minimal. The Company had no liabilities recorded for these agreements as of June 30, 2009.

NOTE 7 STOCK REPURCHASE PROGRAM

During the quarter ended June 30, 2009, the Company repurchased 108 thousand shares for an aggregate amount of $3.4 million. As of June 30, 2009, the Company had outstanding authorizations to repurchase up to approximately 4.3 million shares. The timing of and total amount expended for the share repurchase depends upon market conditions. There is no time limit on the repurchase authorization.

NOTE 8 EARNINGS PER SHARE

AptarGroup s authorized common stock consists of 199 million shares, having a par value of $.01 each. Information related to the calculation of earnings per share is as follows:

	Three months ended			
	June 30, 2009		June 30, 2008	
	Diluted	**Basic**	**Diluted**	**Basic**
Consolidated operations				
Income available to common stockholders	**$ 28,460**	**$ 28,460**	$ 45,273	$ 45,273
Average equivalent shares				
Shares of common stock	**67,705**	**67,705**	68,038	68,038
Effect of dilutive stock based compensation				
Stock options	**1,586**		2,519	
Restricted stock	**2**		6	
Total average equivalent shares	**69,293**	**67,705**	70,563	68,038
Net income per share	**$ 0.41**	**$ 0.42**	$ 0.64	$ 0.67

	Six months ended			
	June 30, 2009		June 30, 2008	
	Diluted	**Basic**	**Diluted**	**Basic**
Consolidated operations				
Income available to common stockholders	**$ 55,125**	**$ 55,125**	$ 82,174	$ 82,174
Average equivalent shares				
Shares of common stock	**67,691**	**67,691**	68,103	68,103
Effect of dilutive stock based compensation				

Stock options	**1,966**		2,920	
Restricted stock	**3**		9	
Total average equivalent shares	**69,660**	**67,691**	71,032	68,103
Net income per share	**$ 0.79**	**$ 0.81**	$ 1.16	$ 1.21

NOTE 9 SEGMENT INFORMATION

The Company operates in the packaging components industry, which includes the development, manufacture and sale of consumer product dispensing systems. The Company is organized into three reporting segments. Operations that sell spray and lotion dispensing systems primarily to the personal care, fragrance/cosmetic and household markets form the Beauty & Home segment. Operations that sell dispensing systems to the pharmaceutical market form the Pharma segment. Operations that sell closures to each market served by AptarGroup form the Closures segment.

The accounting policies of the segments are the same as those described in Note 1, Summary of Significant Accounting Policies in the Company s Annual Report on Form 10-K for the year ended December 31, 2008. The Company evaluates performance of its business units and allocates resources based upon segment income. Segment income is defined as earnings before interest expense in excess of interest income, stock option and certain corporate expenses, income taxes and certain unusual items. Prior year amounts have been revised to reflect the current method used to allocate certain corporate costs and to present research & development credits. Financial information regarding the Company s reportable segments is shown below:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	**2008**	**2009**	**2008**
Total Sales:				
Beauty & Home	**$ 216,630**	$ 291,591	**$ 431,127**	$ 579,768
Closures	**123,158**	144,638	**240,435**	279,208
Pharma	**103,576**	118,306	**206,607**	232,701
Other	**(1)**	92	**76**	173
Total Sales	**443,363**	554,627	**878,245**	1,091,850
Less: Intersegment Sales:				
Beauty & Home	**$ 2,689**	$ 2,680	**$ 5,514**	$ 7,094
Closures	**71**	393	**172**	687
Pharma	**54**	144	**160**	324
Other	**41**	91	**75**	168
Total Intersegment Sales	**$ 2,855**	$ 3,308	**$ 5,921**	$ 8,273
Net Sales:				
Beauty & Home	**$ 213,941**	$ 288,911	**$ 425,613**	$ 572,674
Closures	**123,087**	144,245	**240,263**	278,521
Pharma	**103,522**	118,162	**206,447**	232,377
Other	**(42)**	1	**1**	5
Net Sales	**$ 440,508**	$ 551,319	**$ 872,324**	$ 1,083,577
Segment Income:				
Beauty & Home (1)	**$ 11,143**	$ 26,301	**$ 21,954**	$ 55,042
Closures (1)	**13,740**	12,493	**25,357**	23,317
Pharma (1)	**31,279**	35,561	**60,483**	66,094
Corporate & Other	**(9,295)**	(7,385)	**(20,419)**	(22,277)
Income before interest and taxes	**$ 46,867**	$ 66,970	**$ 87,375**	$ 122,176
Interest expense, net	**(4,446)**	(926)	**(6,618)**	(2,084)
Net income/(loss) attributable to noncontrolling Interests	**12**	3	**(59)**	(19)
Income before income taxes	**$ 42,433**	$ 66,047	**$ 80,698**	$ 120,073

(1): Included in the segment income figures above, are consolidation/severance expenses and a revised presentation of research & development credits for the six months ended June 30, 2009 and 2008, and the three months ended June 30, 2008 as follows:

CONSOLIDATION/SEVERANCE EXPENSES								
Beauty & Home	**$**	**(257)**	$		**$**	**(257)**	$	
Closures		**(2,838)**				**(2,838)**		
Pharma								
Total Consolidation/Severance Expenses	**$**	**(3,095)**	$		**$**	**(3,095)**	$	
RESEARCH & DEVELOPMENT CREDITS								
Beauty & Home	**$**	**475**	$	356	**$**	**950**	$	697
Closures								20
Pharma		**775**		1,012		**1,550**		1,983
Total Research & Development Credits	**$**	**1,250**	$	1,368	**$**	**2,500**	$	2,700

NOTE 10 ACQUISITIONS

At the end of March 2008, the Company acquired 70% of the outstanding shares of Next Breath LLC (Next Breath) for approximately $4.1 million in cash. No debt was assumed in the transaction. Next Breath, located in Baltimore, Maryland, is a contract service organization specializing in analytical testing of nasal and inhalation products on behalf of pharmaceutical, biotech, drug delivery and device companies. Next Breath s annual sales are approximately $2.0 million. The excess purchase price over the fair value of assets acquired and liabilities assumed was allocated to Goodwill. Goodwill of approximately $3.7 million was recorded on the transaction. Next Breath is included in the Pharma reporting segment.

In April 2008, the Company acquired the equipment, inventory and intellectual property of CCL Industries Bag-on-Valve business (CCLBOV) for approximately $9.3 million in cash. No debt was assumed in the transaction. CCLBOV s annual revenues are approximately $9.0 million. The excess purchase price over the fair value of assets acquired was allocated to

Goodwill. Goodwill of approximately $3.4 million was recorded on the transaction. CCLBOV was located in Canada but the assets purchased were transferred to existing AptarGroup facilities in the U.S. before the end of the second quarter of 2008. CCLBOV is included in the Beauty and Home reporting segment.

Neither of these acquisitions had a material impact on the results of operations in 2008.

NOTE 11 STOCK-BASED COMPENSATION

Statement of Financial Accounting Standards (SFAS) 123(R) upon adoption requires the application of the non-substantive vesting approach which means that an award is fully vested when the employee s retention of the award is no longer contingent on providing subsequent service. Under this approach, compensation costs are recognized over the requisite service period of the award instead of ratably over the vesting period stated in the grant. As such, costs would be recognized immediately, if the employee is retirement eligible on the date of grant or over the period from the date of grant until retirement eligibility if retirement eligibility is reached before the end of the vesting period stated in the grant. For awards granted prior to adoption, the Company will continue to recognize compensation costs ratably over the vesting period with accelerated recognition of the unvested portion upon actual retirement.

The Company issues stock options and restricted stock units to employees under Stock Awards Plans approved by shareholders. Stock options are issued to non-employee directors for their services as directors under Director Stock Option Plans approved by shareholders. Options are awarded with the exercise price equal to the market price on the date of grant and generally become exercisable over three years and expire 10 years after grant. Restricted stock units generally vest over three years.

Compensation expense recorded attributable to stock options for the first half of 2009 was approximately $6.8 million ($5.1 million after tax), or $0.07 per share (basic and diluted). Approximately $6.2 million of the compensation expense was recorded in selling, research & development and administrative expenses and the balance was recorded in cost of sales. Compensation expense recorded attributable to stock options for the first half of 2008 was approximately $8.6 million ($6.2 million after tax), or $0.09 per share (basic and diluted). Approximately $8.0 million of the compensation expense was recorded in selling, research & development and administrative expenses and the balance was recorded in cost of sales.

The Company uses historical data to estimate expected life and volatility. The weighted-average fair value of stock options granted under the Stock Awards Plans was $7.33 and $10.02 per share in 2009 and 2008, respectively. These values were estimated on the respective dates of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions:

Stock Awards Plans:

Six months ended June 30,	**2009**	**2008**
Dividend Yield	**1.6%**	1.4%
Expected Stock Price Volatility	**24.2%**	22.4%
Risk-free Interest Rate	**2.2%**	3.7%
Expected Life of Option (years)	**6.9**	7.0

The fair value of stock options granted under the Director Stock Option Plan during the second quarter of 2009 was $7.90. The fair value of stock options granted under the Director Stock Option Plan during the second quarter of 2008 was $12.08. These values were estimated on the respective date of the grant using the Black-Scholes option-pricing model with the following weighted-average assumptions:

Director Stock Option Plans:

Six months ended June 30,	**2009**	**2008**
Dividend Yield	**1.7%**	1.3%
Expected Stock Price Volatility	**24.9%**	22.3%

Risk-free Interest Rate	**3.1%**	3.8%
Expected Life of Option (years)	**6.9**	7.0

A summary of option activity under the Company s stock option plans as of June 30, 2009, and changes during the period then ended is presented below:

	Stock Awards Plans		Director Stock Option Plans	
	Shares	**Weighted Average Exercise Price**	**Shares**	**Weighted Average Exercise Price**
Outstanding, January 1, 2009	**7,743,827**	**$ 24.51**	**157,000**	**$ 23.25**
Granted	**1,252,270**	**30.56**	**48,000**	**30.17**
Exercised	**(355,655)**	**13.67**		
Forfeited or expired	**(9,412)**	**34.02**		
Outstanding at June 30, 2009	**8,631,030**	**$ 25.83**	**205,000**	**$ 24.87**
Exercisable at June 30, 2009	**6,163,836**	**$ 23.02**	**157,000**	**$ 23.25**

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	Stock Awards Plans		Director Stock Option Plans	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Weighted-Average Remaining Contractual Term (Years):				
Outstanding at June 30, 2009	**6.3**		**5.4**	
Exercisable at June 30, 2009	**5.2**		**4.6**	
Aggregate Intrinsic Value ($000):				
Outstanding at June 30, 2009	**$ 73,159**		**$ 1,866**	
Exercisable at June 30, 2009	**$ 67,807**		**$ 1,693**	
Intrinsic Value of Options Exercised ($000) During the Six Months Ended:				
June 30, 2009	**$ 5,868**		**$**	
June 30, 2008	$ 17,499		$	

The fair value of shares vested during the six months ended June 30, 2009 and 2008 was $11.0 million and $10.4 million, respectively. Cash received from option exercises was approximately $4.0 million and the actual tax benefit realized for the tax deduction from option exercises was approximately $1.3 million in the six months ended June 30, 2009. As of June 30, 2009, the remaining valuation of stock option awards to be expensed in future periods was $8.4 million and the related weighted-average period over which it is expected to be recognized is 1.5 years.

The fair value of restricted stock unit grants is the market price of the underlying shares on the grant date. A summary of restricted stock unit activity as of June 30, 2009, and changes during the period then ended is presented below:

	Shares	Weighted-Average Grant-Date Fair Value
Nonvested at January 1, 2009	**21,739**	**$ 32.03**
Granted	**3,792**	**29.72**
Vested	**(10,353)**	**31.16**
Nonvested at June 30, 2009	**15,178**	**$ 32.04**

Compensation expense recorded attributable to restricted stock unit grants for the first half of 2009 and 2008 was approximately $0.1 million and $0.4 million, respectively. The fair value of units vested during the six months ended June 30, 2009 and 2008 was $323 and $262, respectively. The intrinsic value of units vested during the six months ended June 30, 2009 and 2008 was $319 and $324, respectively. As of June 30, 2009 there was $18 thousand of total unrecognized compensation cost relating to restricted stock unit awards which is expected to be recognized over a weighted average period of 1.0 years.

NOTE 12 INCOME TAX UNCERTAINTIES

The Company had approximately $10.6 and $9.7 million recorded for income tax uncertainties as of June 30, 2009 and December 31, 2008, respectively. The amount, if recognized, that would impact the effective tax rate is $9.8 and

$8.9 million, respectively. The Company does not anticipate any significant changes to the amount recorded for income tax uncertainties over the next 12 months.

NOTE 13 FAIR VALUE

The fair value framework effective with SFAS No. 157, Fair Value Measurements requires the categorization of assets and liabilities into three levels based upon the assumptions (inputs) used to price the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3 generally requires significant management judgment. The three levels are defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2: Observable inputs other than those included in Level 1. For example, quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets.

Level 3: Unobservable inputs reflecting management s own assumptions about the inputs used in pricing the asset or liability.

As of June 30, 2009, the fair values of our financial assets and liabilities are categorized as follows:

	Total	Level 1	Level 2	Level 3
Assets				
Interest rate swap [a]	$ 761	$	$ 761	$
Forward exchange contracts [b]	1,833		1,833	
Total assets at fair value	$ 2,594	$	$ 2,594	$
Liabilities				
Forward exchange contracts [b]	$ 3,698	$	$ 3,698	$
Total liabilities at fair value	$ 3,698	$	$ 3,698	$

As of December 31, 2008, the fair values of our financial assets and liabilities were categorized as follows:

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	Total	Level 1	Level 2	Level 3
Assets				
Interest rate swap [(a)]	$ 1,068	$	$ 1,068	$
Forward exchange contracts [(b)]	10,865		10,865	
Total assets at fair value	$ 11,933	$	$ 11,933	$
Liabilities				
Forward exchange contracts [(b)]	$ 1,195	$	$ 1,195	$
Total liabilities at fair value	$ 1,195	$	$ 1,195	$

(a) Based on third party quotation from financial institution

(b) Based on observable market transactions of spot and forward rates

Based on the variable borrowing rates currently available to the Company for long-term obligations with similar terms and average maturities, the fair value of the Company s long-term obligations approximates its book value.

NOTE 14 FACILITIES CONSOLIDATION AND SEVERANCE

In the second quarter of 2009, the Company announced a plan to consolidate two French dispensing closure manufacturing facilities and several sales offices in North America and Europe and has subsequently expanded the program to include additional headcount reductions. The total costs associated with the consolidation/severance programs are estimated to be approximately $7 million, of which $3.1 million was recorded in the second quarter of 2009. The majority of the remaining costs are expected to be recorded as incurred over the next two quarters. All charges related to the facilities consolidation and severance program are reported separately in the income statement. Annual savings are estimated to be in the range of $3 million to $4 million primarily beginning in 2010.

As of June 30, 2009 we have recorded the following pre-tax charges associated with our consolidation/severance programs within the Condensed Consolidated Statements of Income:

	Beginning Reserve at 4/01/09	Charges for the Quarter Ended 6/30/09	Cash Paid	FX Impact	Ending Reserve at 6/30/09
Employee severance	$	$ 1,806	$ (51)	$	$ 1,755
Other costs		1,289	(226)	1	1,064
Totals	$	$ 3,095	$ (277)	$ 1	$ 2,819

NOTE 15 SUBSEQUENT EVENTS

The Company has performed an evaluation of subsequent events through July 30, 2009, which is the date the financial statements were issued. No events have occurred that would require adjustment to or disclosure in the consolidated financial statements which were issued on July 30, 2009.

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ITEM 2. MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS, OR OTHERWISE INDICATED)
RESULTS OF OPERATIONS

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	**2008**	**2009**	**2008**
Net Sales	**100.0%**	100.0%	**100.0%**	100.0%
Cost of sales (exclusive of depreciation shown below)	**65.6**	67.6	**66.3**	67.9
Selling, research & development and administration	**15.7**	14.0	**16.1**	14.6
Depreciation and amortization	**7.1**	6.2	**7.1**	6.2
Facilities Consolidation and Severance Expenses	**0.7**		**0.3**	
Operating Income	**10.9**	12.1	**10.2**	11.3
Other income (expense)	**(1.3)**	(0.1)	**(0.9)**	(0.2)
Income before income taxes	**9.6**	12.0	**9.3**	11.1
Net income	**6.5%**	8.2%	**6.3%**	7.6%
Effective Tax Rate	**32.9%**	31.4%	**31.8%**	31.6%

NET SALES

Net sales for the quarter and six months ended June 30, 2009 were $440.5 million and $872.3 million, respectively, and represented a decrease for the quarter of 20% and for the six months ended June 30, 2009 of 19% when compared to the same periods a year ago. The average U.S. dollar exchange rate strengthened against the Euro in 2009 compared to 2008, and as a result, changes in exchange rates negatively impacted sales and accounted for approximately 9% of the sales decline for both the quarter and the six months ended June 30, 2009. Sales from acquired companies were immaterial for the quarter and account for 1% of sales for the six months ended June 30, 2009. The remaining 11% of sales decline for the three and six months ended June 30, 2009, was due primarily to the soft economic situation leading to lower product and custom tooling sales to our customers.

For further discussion on net sales by reporting segment, please refer to the segment analysis of net sales and segment income on the following pages.

The following table sets forth, for the periods indicated, net sales by geographic location:

	Three Months Ended June 30,				Six Months Ended June 30,			
	2009	**% of Total**	**2008**	**% of Total**	**2009**	**% of Total**	**2008**	**% of Total**
Domestic	**$ 128,596**	**29%**	$ 132,157	24%	**$ 247,126**	**28%**	$ 263,416	24%
Europe	**249,699**	**57%**	353,653	64%	**506,568**	**58%**	695,219	64%

Other Foreign	**62,213**	**14%**	65,509	12%	**118,630**	**14%**	124,942	12%

COST OF SALES (EXCLUSIVE OF DEPRECIATION SHOWN BELOW)

Our cost of sales as a percent of net sales decreased to 65.6% in the second quarter of 2009 compared to 67.6% in the second quarter of 2008.

The following factors positively impacted our cost of sales percentage in the second quarter of 2009:

Cost Savings Efforts. Due to the current economic condition, we have implemented cost reduction programs to bring costs in line with current production levels.

Mix of Products Sold. Compared to the prior year, our Pharma segment sales represented a larger percentage of our overall sales. This positively impacts our cost of sales percentage as selling prices on our pharmaceutical products typically are higher than the overall company average.

Declining Raw Material Costs. Raw material costs, in particular plastic resin in the U.S., decreased in the second quarter of 2009 over 2008. While the majority of these cost decreases are passed along to our customers in our selling prices, we experienced the usual lag in the timing of passing on these cost decreases.

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Strengthening of the U.S. Dollar. We are a net importer from Europe into the U.S. of products produced in Europe with costs denominated in Euros. As a result, when the U.S. dollar or other currencies strengthen against the Euro, products produced in Europe (with costs denominated in Euros) and sold in currencies that are stronger compared to the Euro, have a positive impact on cost of sales as a percentage of net sales.

The following factor negatively impacted our cost of sales percentage in the second quarter of 2009:

Underutilized Overhead Costs in Certain Operations. Several of our business operations, especially in the Beauty & Home business segment, saw a decrease in unit volumes. As a result of these lower production levels, overhead costs were underutilized, thus negatively impacting cost of goods sold as a percentage of net sales.

Our cost of sales as a percent of net sales decreased to 66.3% in the first half of 2009 compared to 67.9% in the first half of 2008. The decrease is primarily due to the same factors mentioned above.

SELLING, RESEARCH & DEVELOPMENT AND ADMINISTRATIVE

Our Selling, Research & Development and Administrative expenses (SG&A) decreased by approximately $8.3 million in the second quarter of 2009 compared to the same period a year ago. Changes in currency rates accounted for approximately $6.2 million of the decrease in SG&A in the quarter. The remainder of the decrease is due primarily to cost savings efforts as mentioned above. However, SG&A as a percentage of net sales increased to 15.7% compared to 14.0% of net sales in the same period of the prior year primarily due to lower sales volumes.

SG&A decreased by approximately $17.3 million in the first half of 2009 compared to the same period a year ago. Changes in currency rates accounted for approximately $12.1 million of the decrease in SG&A in the first half. The remainder of the increase is due primarily to the reasons mentioned above as well as lower stock option expense in the first half. As stated above, SG&A as a percentage of net sales increased primarily due to lower sales volumes. For the first half of 2009, the percentage increased to 16.1% compared to 14.6% of net sales in the first half of 2008.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization decreased approximately $2.9 million in the second quarter of 2009 to $31.4 million compared to $34.3 million in the second quarter of 2008. Changes in foreign currency rates accounted for a $3.4 million decrease for a net increase of $0.5 million on a constant currency basis. Depreciation and amortization as a percentage of net sales increased to 7.1% in the second quarter of 2009 compared to 6.2% for the same period a year ago due to the decrease in sales.

Depreciation and amortization decreased approximately $5.8 million in the first half of 2009 to $61.5 million compared to $67.3 million in the first half of 2008. Changes in foreign currency rates accounted for a $6.7 million decrease for a net increase of $0.9 million on a constant currency basis. Depreciation and amortization as a percentage of net sales also increased to 7.1% compared to 6.2% for the same period a year ago due to the decrease in sales.

FACILITIES CONSOLIDATION AND SEVERANCE

Facilities consolidation and severance was $3.1 million in the second quarter of 2009. There were no corresponding expenses in 2008. The amount represents the recognition of expenses related to the Company s previously announced plan to consolidate several facilities and reduce headcount. The amount reported for the first half of 2009 is also $3.1 million since the program was initiated during the second quarter of 2009.

OPERATING INCOME

Operating income decreased approximately $18.6 million in the second quarter of 2008 to $48.0 million compared to $66.6 million in the same period in the prior year. The decrease is primarily due to the decrease in sales of our products, particularly in the Beauty & Home segment, the strengthening of the U.S. dollar compared to the Euro which is having a negative impact on the translation of our results in U.S. dollars and the impact of the facilities consolidation and severance program as discussed above. Operating income as a percentage of net sales decreased to 10.9% in the second quarter of 2009 compared to 12.1% for the same period in the prior year.

Operating income decreased approximately $34.1 million in the first half of 2009 to $88.5 million compared to $122.6 million in the same period in the prior year. The decrease is primarily due to the same reasons mentioned above when discussing second quarter results. Operating income as a percentage of sales decreased to 10.2% in the first half of 2009 compared to 11.3% for the same period in the prior year.

NET OTHER EXPENSE

Net other expenses in the second quarter of 2009 increased to $5.6 million from $0.5 million in the same period in the prior year. Interest income decreased by $2.7 million due to lower average cash and equivalents balances and lower interest rates earned on investments. Also, foreign currency losses and interest expense increased by $1.4 million and $0.8 million, respectively.

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Net other expenses for the six months ended June 30, 2009 increased to $7.8 million from $2.5 million in the same period in the prior year primarily reflecting decreased interest income of $4.9 million along with an increase in foreign currency losses of approximately $0.5 million.

EFFECTIVE TAX RATE

The reported effective tax rate increased to 32.9% and 31.8% for the three and six months ended June 30, 2009 compared to 31.4% and 31.6% for the same periods ended June 30, 2008. Differences relate primarily to the mix of where the income is earned and the tax cost associated with the decision to increase the dividend repatriation from Europe in 2009.

NET INCOME ATTRIBUTABLE TO APTARGROUP, INC.

We reported net income of $28.5 million and $55.1 million in the three and six months ended June 30, 2009, respectively, compared to $45.3 million and $82.2 million for the same periods in the prior year.

BEAUTY & HOME SEGMENT

Operations that sell spray and lotion dispensing systems primarily to the personal care, fragrance/cosmetic and household markets form the Beauty & Home segment.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	**2008**	**2009**	**2008**
Net Sales	**$ 213,941**	$ 288,911	**$ 425,613**	$ 572,674
Segment Income (1)	**11,143**	26,301	**21,954**	55,042
Segment Income as a percentage of Net Sales	**5.2%**	9.1%	**5.2%**	9.6%

(1) Segment income is defined as earnings before net interest, stock option and certain corporate expenses, income taxes and unusual items. The Company evaluates performance of its business units and allocates resources based upon segment income. For a reconciliation of segment income to income before income taxes, see Note 9 Segment information to the Consolidated Financial Statements in Item 1.

Net sales for the quarter ended June 30, 2009 decreased 26% to $213.9 million compared to $288.9 million in the second quarter of the prior year. The strengthening U.S. dollar compared to the Euro negatively impacted sales and represented approximately 9% of the 26% decrease. Sales excluding foreign currency changes to the fragrance/cosmetics and personal care markets decreased approximately 24% and 5% respectively in the second quarter of 2009 compared to the same period in the prior year. In general, sales decreased primarily in developed markets compared to last year as the impact of the global economic downturn eroded our end customer demand.

Net sales decreased 26% in the first six months of 2009 to $425.6 million compared to $572.7 million in the first six months of the prior year. The strengthening U.S. dollar compared to the Euro negatively impacted sales and represented approximately 9% of the 26% decrease in sales. Sales of our products excluding foreign currency changes to the fragrance/cosmetic market decreased approximately 22% in the first half of 2009 compared to the first half of 2008. Sales excluding foreign currency changes to the personal care market decreased approximately 7% in the first half of 2009 compared to the first half of 2008.

Segment income in the second quarter of 2009 decreased approximately 58% to $11.1 million compared to $26.3 million reported in the same period in the prior year. Profitability decreased primarily due to under absorbed fixed costs. Unit volumes continue to be lower when compared to last year. A focus during the first half of the year has been on cost savings activities in an effort to offset as much as possible the negative impact of these volume reductions.

Segment income in the first six months of 2009 decreased approximately 60% to $22.0 million compared to $55.0 million reported in the same period in the prior year. The decrease in segment income in the first half of 2009 was primarily due to the reasons mentioned above when discussing the second quarter results.

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CLOSURES SEGMENT

The Closures segment designs and manufactures primarily dispensing closures. These products are sold primarily to the personal care, household and food/beverage markets.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	**2008**	**2009**	**2008**
Net Sales	**$ 123,087**	$ 144,245	**$ 240,263**	$ 278,521
Segment Income	**13,740**	12,493	**25,357**	23,317
Segment Income as a percentage of Net Sales	**11.2%**	8.7%	**10.6%**	8.4%

Net sales for the quarter ended June 30, 2009 decreased approximately 15% in the second quarter of 2009 to $123.1 million compared to $144.2 million in the second quarter of the prior year. The strengthening U.S. dollar compared to the Euro negatively impacted sales and represented approximately 9% of the 15% decrease. Also, sales were below prior year due to soft volume in Europe and the pass-through of resin cost decreases. Acquisitions accounted for a 2% increase in sales. Product sales, excluding foreign currency changes, to the personal care market decreased approximately 18% in the second quarter of 2009 compared to the same period in the prior year. Approximately 6% related to a decrease in custom tooling sales to customers. The remaining decrease is primarily due to weaker demand across all regions attributed to our customers experiencing soft demand as well as resin pass-through price decreases. Partially offsetting these decreases was a 24% increase in sales of our products to the food/beverage market. Approximately half of this increase is due to an increase in tooling sales to customers while the remaining increase is primarily due to the introduction of new products. Overall, segment tooling sales were relatively flat when compared with prior year excluding foreign currency changes.

Net sales for the first six months of 2009 decreased approximately 14% in the first six months of 2009 to $240.3 million compared to $278.5 million in the first six months of the prior year. Once again, the strengthening U.S. dollar compared to the Euro negatively impacted sales and represented approximately 9% of the 14% decrease. Acquisitions accounted for a 2% increase in sales. Sales excluding foreign currency changes to the personal care and household markets decreased approximately 12% and 27%, respectively, in the first six months of 2009 compared to the same period in the prior year primarily due to the reasons discussed above. Sales to the food/beverage market increased 16%.

Segment income in the second quarter of 2009 includes $2.8 million of consolidation/severance costs. Despite these expenses and decreased overall sales, segment income in the second quarter of 2009 increased approximately 10% to $13.7 million compared to $12.5 million reported in the prior year. The increase in segment income is primarily due to cost savings and the normal delay in the pass-through of lower resin costs to our customers.

Segment income in the first half of 2009 also includes the same $2.8 million of consolidation/severance costs described above. Despite these expenses and decreased overall sales, segment income in the first six months of 2009 increased approximately 9% to $25.4 million compared to $23.3 million reported in the same period of the prior year. The increase in segment income is due primarily to the same reasons mentioned above when discussing the second quarter results.

PHARMA SEGMENT

Operations that sell dispensing systems to the pharmaceutical market form the Pharma segment.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	**2008**	**2009**	**2008**
Net Sales	**$ 103,522**	$ 118,162	**$ 206,447**	$ 232,377

Segment Income	**31,279**	35,561	**60,483**	66,094
Segment Income as a percentage of Net Sales	**30.2%**	30.1%	**29.3%**	28.4%

Net sales for the Pharma segment declined by 12% in the second quarter of 2009 to $103.5 million compared to $118.2 million in the second quarter of 2008. Changes in foreign currency rates negatively impacted the sales growth and accounted for approximately 10% of the 12% sales decline.

Net sales for the Pharma segment declined by 11% in the first six months of 2009 to $206.4 million compared to $232.4 million in the first six months of 2008. Changes in foreign currency rates negatively impacted the sales growth by approximately 10% for the first half of 2009 and acquisitions accounted for about 1% of sales.

Segment income in the second quarter of 2009 decreased approximately 12% to $31.3 million compared to $35.6 million reported in the same period in the prior year. As with net sales, this decrease is mainly attributed to an unfavorable currency comparison to 2008.

Segment income in the first six months of 2009 decreased approximately 8% to $60.5 million compared to $66.1 million reported in the same period in the prior year. The decrease in profitability for the first six months is due to the same reasons mentioned above when discussing the second quarter results.

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FOREIGN CURRENCY

A significant number of our operations are located outside of the United States. Because of this, movements in exchange rates may have a significant impact on the translation of the financial statements of our foreign entities. Our primary foreign exchange exposure is to the Euro, but we have foreign exchange exposure to South American and Asian currencies, among others. We manage our exposures to foreign exchange principally with forward exchange contracts to hedge certain transactions and firm purchase and sales commitments denominated in foreign currencies. A strengthening U.S. dollar relative to foreign currencies has a dilutive translation effect on our financial statements. Conversely, a weakening U.S. dollar has an additive effect. In some cases, we sell products denominated in a currency different from the currency in which the related costs are incurred. Changes in exchange rates on such inter-country sales could materially impact our results of operations.

QUARTERLY TRENDS

Our results of operations in the second half of the year typically are negatively impacted by customer plant shutdowns in the summer months in Europe and plant shutdowns in December. In the future, our results of operations in a quarterly period could be impacted by factors such as changes in product mix, changes in material costs, changes in growth rates in the industries to which our products are sold, recognition of equity based compensation expense for retirement eligible employees in the period of grant and changes in general economic conditions in any of the countries in which we do business.

Our estimated stock option expense on a pre-tax basis (in $ millions) for the year 2009 compared to the prior year is as follows:

	2009	2008
First Quarter	**5.1**	7.2
Second Quarter	**1.7**	1.4
Third Quarter	**1.6**	1.3
Fourth Quarter	**1.4**	1.3

LIQUIDITY AND CAPITAL RESOURCES

Our primary sources of liquidity are cash flow from operations and our revolving credit facility. Cash and equivalents increased to $249.1 million from $192.1 million at December 31, 2008. Total short and long-term interest bearing debt increased slightly in the first six months of 2009 to $296.1 million from $291.5 million at December 31, 2008. The ratio of our Net Debt (interest bearing debt less cash and cash equivalents) to Net Capital (stockholder s equity plus Net Debt) decreased at the end of June 2009 to 4% compared to the prior year end of 8%.

In the first six months of 2009, our operations provided an additional $139.1 million in cash flow compared to $98.3 million for the same period a year ago. The increase in cash flow is primarily attributable to a reduction in working capital. During the first six months of 2009, the primary use of operating cash flows was to finance capital expenditures.

We used $69.2 million in cash for investing activities during the first six months of 2009, compared to $103.3 million during the same period a year ago. The decrease in cash used for investing activities is due primarily to $21.1 million less spent on capital expenditures in the first half of 2009 compared to the first half of 2008. Cash outlays for capital expenditures for 2009 are estimated to be approximately $130 million but could vary due to changes in currency rates. In 2008, approximately $9.3 million in cash was used to acquire the bag-on-valve business of CCL Industries and approximately $4.1 million in cash was used to acquire 70% of the outstanding shares of Next Breath LLC as described in Note 10.

We used approximately $18.3 million in cash from financing activities in the first half of 2009 compared to $33.8 million in the first half of the prior year. The decrease in cash used by financing activities is due primarily to a reduction in the purchase of treasury stock.

Our revolving credit facility and certain long-term obligations require us to satisfy certain financial and other covenants including:

	Requirement	**Level at June 30, 2009**

Debt to total capital ratio	Maximum of 55%	20%

Based upon the above debt to total capital ratio covenant we would have the ability to borrow an additional $1.2 billion before the 55% requirement would be exceeded.

Our foreign operations have historically met cash requirements with the use of internally generated cash or borrowings. Foreign subsidiaries have financing arrangements with several foreign banks to fund operations located outside the U.S., but all these lines are uncommitted. Cash generated by foreign operations has generally been reinvested locally. The majority of our $249.1 million in cash and equivalents is located outside of the U.S.

We believe we are in a strong financial position and have the financial resources to meet business requirements in the foreseeable future. We have historically used cash flow from operations as our primary source of liquidity. In the event that customer demand would decrease significantly for a prolonged period of time and negatively impact cash flow from operations, we would have the ability to restrict and significantly reduce capital expenditure levels, which historically have been the most significant use of cash for us. A prolonged and significant reduction in capital expenditure levels could increase future repairs and maintenance costs as well as have a negative impact on operating margins if we were unable to invest in new innovative products.

In addition to the $9 million contributed during the first half of the year, we anticipate that we will contribute an additional $11 million to fund our pension plans before the end of 2009.

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On July 15, 2009, the Board of Directors declared a quarterly dividend of $0.15 per share payable on August 19, 2009 to stockholders of record as of July 29, 2009.

OFF-BALANCE SHEET ARRANGEMENTS

We lease certain warehouse, plant and office facilities as well as certain equipment under noncancelable operating leases expiring at various dates through the year 2018. Most of the operating leases contain renewal options and certain equipment leases include options to purchase during or at the end of the lease term. Other than operating lease obligations, we do not have any off-balance sheet arrangements.

RECENTLY ISSUED ACCOUNTING STANDARDS

In June 2009, the Financial Accounting Standards Board (FASB) issued SFAS No. 168, The FASB Accounting Standards Codification™ and the Hierarchy of Generally Accepted Accounting Principles a replacement of FASB Statement No. 162, (SFAS 168). SFAS 168 replaces SFAS No. 162, The Hierarchy of Generally Accepted Accounting Principles, and establishes the FASB Accounting Standards Codification™ (Codification) as the single source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with GAAP. Rules and interpretive releases of the Securities and Exchange Commission (SEC) under authority of federal securities laws are also sources of authoritative GAAP for SEC registrants. The FASB will no longer issue new standards in the form of Statements, FASB Staff Positions, or Emerging Issues Task Force Abstracts; instead the FASB will issue Accounting Standards Updates. Accounting Standards Updates will not be authoritative in their own right as they will only serve to update the Codification. The issuance of SFAS 168 and the Codification does not change GAAP. SFAS 168 becomes effective for the period ending September 30, 2009. Management has determined that the adoption of SFAS 168 will not have a material impact on the Financial Statements.

In June 2009, the FASB issued SFAS No. 167, Amendments to FASB Interpretation No. 46(R), (SFAS 167). SFAS 167 amends FASB Interpretation No. 46 (Revised December 2003), Consolidation of Variable Interest Entities an interpretation of ARB No. 51, (FIN 46(R)) to require an enterprise to perform an analysis to determine whether the enterprise s variable interest or interests give it a controlling financial interest in a variable interest entity; to require ongoing reassessments of whether an enterprise is the primary beneficiary of a variable interest entity; to eliminate the quantitative approach previously required for determining the primary beneficiary of a variable interest entity; to add an additional reconsideration event for determining whether an entity is a variable interest entity when any changes in facts and circumstances occur such that holders of the equity investment at risk, as a group, lose the power from voting rights or similar rights of those investments to direct the activities of the entity that most significantly impact the entity s economic performance; and to require enhanced disclosures that will provide users of financial statements with more transparent information about an enterprise s involvement in a variable interest entity. SFAS 167 becomes effective on January 1, 2010. Management is currently evaluating the potential impact of SFAS 167 but doesn t believe it will have a material impact on our financial statements.

In May 2009, the FASB issued SFAS No. 165, *Subsequent Events* (SFAS 165). SFAS 165 establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before the financial statements are issued or are available to be issued. Although the standard is based on the same principles as those that currently exist in the auditing standards, it includes a new required disclosure of the date through which an entity has evaluated subsequent events. SFAS 165 becomes effective for the period ending June 30, 2009. As this standard is disclosure related only, it does not have a material impact on our financial statements.

In April 2009, the FASB issued FSP SFAS No. 107-1, Interim Disclosures about Fair Value of Financial Instruments, which amends SFAS No. 107, Disclosures about Fair Value of Financial Instruments, and APB Opinion No. 28, Interim Financial Reporting. FSP SFAS No. 107-1 requires disclosures about fair value of financial instruments in financial statements for interim reporting periods and in annual financial statements of publicly-traded companies. This FSP also requires entities to disclose the method(s) and significant assumptions used to estimate the fair value of financial instruments in financial statements on an interim and annual basis and to highlight any changes from prior periods. This FSP is effective for interim reporting periods ending after June 15, 2009. As this standard is disclosure related only, it does not have a material impact on our financial statements.

In December 2008, the FASB issued FSP No. FAS 132(R)-1, Employers Disclosures about Postretirement Benefit Plan Assets, (FSP FAS 132(R)-1). FSP FAS 132(R)-1 amends SFAS No. 132 (revised 2003), Employers Disclosures about Pensions and Other Postretirement Benefits, to provide guidance on an employer s disclosures about plan assets of a defined benefit pension or other postretirement plan. This guidance is intended to ensure that an employer meets the objectives of the disclosures about plan assets in an employer s defined benefit pension or other postretirement plan to provide users of financial statements with an understanding of the following: how investment allocation decisions are made; the major categories of plan assets; the inputs and valuation techniques used to measure the fair value of plan assets; the effect of fair value measurements using significant unobservable inputs on changes in plan assets; and significant concentrations of risk within plan assets. FSP FAS 132(R)-1 becomes effective on December 31, 2009. As FSP FAS 132(R)-1 only requires enhanced disclosures, management has determined that the adoption of FSP FAS 132(R)-1 will not have an impact on the Financial Statements.

OUTLOOK

While we are encouraged that late second quarter activity seems to indicate that things may be stabilizing in some of the hardest hit markets, visibility remains very low and uncertainty remains. We believe that the road out from the bottom of these markets will not be a rapid ascent, but rather a prolonged, gradual journey. We intend to continue to diligently control costs and maintain our strong balance sheet but we also expect the continuing soft economic conditions to continue to negatively affect our results. Also, we anticipate approximately $2.6 million of facilities consolidation and severance costs in the third quarter of 2009.

Excluding facility consolidation and severance program charges, we anticipate diluted earnings per share for the third quarter to be in the range of $.44 to $.49 per share compared to $.57 per share in the prior year

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FORWARD-LOOKING STATEMENTS

This Management s Discussion and Analysis and certain other sections of this Form 10-Q contain forward-looking statements that involve a number of risks and uncertainties. Words such as expects, anticipates, believes, estimate and other similar expressions or future or conditional verbs such as will, should, would and could are intende identify such forward-looking statements. Forward-looking statements are made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 and are based on our beliefs as well as assumptions made by and information currently available to us. Accordingly, our actual results may differ materially from those expressed or implied in such forward-looking statements due to known or unknown risks and uncertainties that exist in our operations and business environment, including but not limited to:

- economic, environmental and political conditions worldwide;
- changes in customer and/or consumer spending levels;
- the availability of raw materials and components (particularly from sole sourced suppliers) as well as the financial viability of these suppliers;
- the cost of materials and other input costs (particularly resin, metal, anodization costs and transportation and energy costs);
- significant fluctuations in foreign currency exchange rates;
- our ability to increase prices;
- our ability to contain costs and improve productivity;
- changes in capital availability or cost, including interest rate fluctuations;
- our ability to meet future cash flow estimates to support our goodwill impairment testing;
- competition, including technological advances;
- our ability to protect and defend our intellectual property rights;
- the timing and magnitude of capital expenditures;
- our ability to identify potential new acquisitions and to successfully acquire and integrate such operations or products;
- work stoppages due to labor disputes;
- the demand for existing and new products;
- fiscal and monetary policy, including changes in worldwide tax rates;
- our ability to manage worldwide customer launches of complex technical products, in particular in developing markets;
- the success of our customers products, particularly in the pharmaceutical industry;

difficulties in product development and uncertainties related to the timing or outcome of product development;

significant product liability claims and the costs associated with defending such claims;

direct or indirect consequences of acts of war or terrorism;

difficulties in complying with government or other regulatory requirements;

the timing, cost and successful completion of our facilities consolidation plan;

our successful implementation of a new worldwide ERP system starting in 2009 without disruption to our operations; and

other risks associated with our operations.

Although we believe that our forward-looking statements are based on reasonable assumptions, there can be no assurance that actual results, performance or achievements will not differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on forward-looking statements. We undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Please refer to Item 1A (Risk Factors) of Part 1 included in the Company s Annual Report on Form 10-K for additional risk factors affecting the Company.

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ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

A significant number of our operations are located outside of the United States. Because of this, movements in exchange rates may have a material impact on the translation of the financial condition and results of operations of our entities. Our primary foreign exchange exposure is to the Euro, but we also have foreign exchange exposure to South American and Asian currencies, among others. A strengthening U.S. dollar relative to foreign currencies has a dilutive translation effect on our financial condition and results of operations. Conversely, a weakening U.S. dollar has an additive effect.

Additionally, in some cases, we sell products denominated in a currency different from the currency in which the related costs are incurred. Any changes in exchange rates on such inter-country sales may impact our results of operations.

We manage our exposures to foreign exchange principally with forward exchange contracts to hedge certain firm purchase and sales commitments and intercompany cash transactions denominated in foreign currencies.

The table below provides information as of June 30, 2009 about our forward currency exchange contracts. The majority of the contracts expire before the end of the third quarter of 2009 with the exception of a few contracts on intercompany loans that expire by the third quarter of 2013.

Buy/Sell	Contract Amount (in thousands)	Average Contractual Exchange Rate	Min / Max Notional Volumes
Euro/U.S. Dollar	$ 116,293	1.3851	116,293-118,328
Swiss Franc/Euro	49,200	0.6676	45,373-49,200
Euro/Swiss Franc	12,883	1.5028	464-12,883
U.S. Dollar/Euro	7,155	0.7541	6,676-8,016
Euro/Brazilian Real	5,980	4.6821	5,980-5,980
Czech Koruna/Euro	2,769	0.0372	1,824-3,437
Canadian Dollar/U.S. Dollar	2,400	0.8909	1,900-2,700
U.S. Dollar/Chinese Yuan	2,000	6.8596	2,000-6,000
Euro/Chinese Yuan	1,403	9.3835	1,248-1,403
Mexican Peso/ U.S. Dollar	953	0.0752	300-953
Euro/Japanese Yen	881	127.4308	858-1,242
Other	1,501		
Total	**$ 203,418**		

As of June 30, 2009, we have recorded the fair value of foreign currency forward exchange contracts of $1.8 million in accounts payable and accrued liabilities, $1.8 in prepayments and other and $1.9 million in deferred and other non-current liabilities in the balance sheet.

At June 30, 2009, we had a fixed-to-variable interest rate swap agreement with a notional principal value of $10 million which requires us to pay an average variable interest rate (which was 1.2% at June 30, 2009) and receive a fixed rate of 6.6%. The variable rate is adjusted semiannually based on London Interbank Offered Rates (LIBOR). Variations in market interest rates would produce changes in our net income. If interest rates increase by 100 basis points, net income related to the interest rate swap agreement would decrease by approximately $0.1 million assuming a tax rate of 30%. As of June 30, 2009, we recorded the fair value of the fixed-to-variable interest rate swap agreement of $0.8 million in miscellaneous other assets with an offsetting adjustment to debt. No gain or loss was recorded in the income statement in 2009 as any hedge ineffectiveness for the period is immaterial.

ITEM 4. CONTROLS AND PROCEDURES

DISCLOSURE CONTROLS AND PROCEDURES

The Company s management has evaluated, with the participation of the chief executive officer and chief financial officer of the Company, the effectiveness of the Company s disclosure controls and procedures (as that term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934) as of June 30, 2009. Based on that evaluation, the chief executive officer and chief financial officer have concluded that these controls and procedures were effective as of such date.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

No change in the Company s internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Securities Exchange Act of 1934) occurred during the Company s fiscal quarter ended June 30, 2009 that materially affected, or is reasonably like to materially affect, the Company s internal control over financial reporting.

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PART II OTHER INFORMATION

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

RECENT SALES OF UNREGISTERED SECURITIES

During the quarter ended June 30, 2009, the FCP Aptar Savings Plan (the Plan) purchased 1000 shares of our common stock on behalf of the participants at an average price of $29.84 per share, for an aggregate amount of $30 thousand.

At June 30, 2009, the Plan owns 17,283 shares of our common stock. The employees of AptarGroup S.A.S. and Valois S.A.S., our subsidiaries, are eligible to participate in the Plan. All eligible participants are located outside of the United States. An independent agent purchases shares of common stock available under the Plan for cash on the open market and we do not issue shares. We do not receive any proceeds from the purchase of Common Stock under the Plan. The agent under the Plan is Banque Nationale de Paris Paribas Asset Management. No underwriters are used under the Plan. All shares are sold in reliance upon the exemption from registration under the Securities Act of 1933 provided by Regulation S promulgated under that Act.

ISSUER PURCHASES OF EQUITY SECURITIES

The following table summarizes the Company s purchases of its securities for the quarter ended June 30, 2009:

Period	Total Number Of Shares Purchased		Average Price Paid Per Share	Total Number Of Shares Purchased As Part Of Publicly Announced Plans Or Programs	Maximum Number Of Shares That May Yet Be Purchased Under The Plans Or Programs
4/1 - 4/30/09		$			4,371,879
5/1 - 5/31/09	75,427		30.83	75,427	4,296,452
6/1 - 6/30/09	32,800		33.02	32,800	4,263,652
Total	108,227	$	31.49	108,227	4,263,652

The Company announced the existing repurchase program on July 19, 2006. On July 17, 2008, the Company announced that its Board of Directors authorized the Company to repurchase an additional four million shares of its outstanding common stock. There is no expiration date for these repurchase programs.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The annual meeting of stockholders was held on May 6, 2009. A vote was taken by ballot for the election of four directors to hold office until the 2012 Annual Meeting of Stockholders. The following nominees received the number of votes as set forth below:

Nominee	For	Withheld	Broker Non-Votes
Stefan A. Baustert	61,761,658	361,892	-0-
Rodney L. Goldstein	61,758,538	365,012	-0-
Leo A. Guthart	61,379,912	743,638	-0-
Ralf K. Wunderlich	61,795,391	328,159	-0-

Continuing as directors with terms expiring in 2010 are Alain Chevassus, Stephen J. Hagge, and Carl A. Siebel. Continuing as directors with terms expiring in 2011 are King W. Harris, Peter H. Pfeiffer, and Dr. Joanne C. Smith.

A vote was taken by ballot for the ratification of the appointment of PricewaterhouseCoopers LLP as the Company s Independent Registered Public Accounting Firm for the fiscal year ending December 31, 2009. The number of votes received is set forth below:

For	Against	Abstain	Broker Non-Votes
61,919,751	143,126	60,672	-0-

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ITEM 6. EXHIBITS

Exhibit 31.1 Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

Exhibit 31.2 Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

Exhibit 32.1 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Exhibit 32.2 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AptarGroup, Inc.
(Registrant)

By /s/ Robert W. Kuhn
Robert W. Kuhn
Executive Vice President and
Chief Financial Officer (Duly Authorized
Officer and
Principal Financial Officer)

Date: July 30, 2009

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INDEX OF EXHIBITS

Exhibit Number	**Description**
31.1	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.