UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549-1004

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 SEPTEMBER 30, 2012

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 ¨ No þ

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ 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 October 29, 2012
Common Stock, $.01 par value per share	66,415,810 shares

AptarGroup, Inc.

Form 10-Q

Quarter Ended September 30, 2012

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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 September 30,		Nine Months Ended September 30,	
	2012	**2011**	**2012**	**2011**
Net Sales	**$ 589,598**	$ 601,196	**$ 1,759,599**	$ 1,792,643
Operating Expenses:				
Cost of sales (exclusive of depreciation and amortization shown below)	**407,368**	406,768	**1,198,663**	1,198,919
Selling, research & development and administrative	**80,094**	86,716	**256,218**	267,485
Depreciation and amortization	**35,248**	33,505	**100,399**	102,024
	522,710	526,989	**1,555,280**	1,568,428
Operating Income	**66,888**	74,207	**204,319**	224,215
Other Income (Expense):				
Interest expense	**(4,721)**	(4,141)	**(13,867)**	(13,368)
Interest income	**335**	1,626	**2,157**	4,722
Equity in results of affiliates	**(229)**	126	**(518)**	126
Miscellaneous, net	**753**	(580)	**(247)**	(1,286)
	(3,862)	(2,969)	**(12,475)**	(9,806)
Income before Income Taxes	**63,026**	71,238	**191,844**	214,409
Provision for Income Taxes	**20,925**	21,995	**64,278**	69,411
Net Income	**$ 42,101**	$ 49,243	**$ 127,566**	$ 144,998
Net Loss Attributable to Noncontrolling Interests	**$ 26**	$ 54	**$ 56**	$ 65
Net Income Attributable to AptarGroup, Inc.	**$ 42,127**	$ 49,297	**$ 127,622**	$ 145,063
Net Income Attributable to AptarGroup, Inc. per Common Share:				
Basic	**$ 0.63**	$ 0.74	**$ 1.92**	$ 2.17
Diluted	**$ 0.62**	$ 0.72	**$ 1.86**	$ 2.08

Average Number of Shares Outstanding:								
Basic		**66,541**		66,381		**66,439**		66,747
Diluted		**68,353**		68,677		**68,711**		69,616
Dividends per Common Share	**$**	**0.22**	$	0.22	**$**	**0.66**	$	0.58

See accompanying unaudited notes to condensed consolidated financial statements.

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AptarGroup, Inc.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME

(Unaudited)

In thousands, except per share amounts

	Three Months Ended September 30, 2012	Three Months Ended September 30, 2011	Nine Months Ended September 30, 2012	Nine Months Ended September 30, 2011
Net Income	**$ 42,101**	$ 49,243	**$ 127,566**	$ 144,998
Other Comprehensive Income/(Loss):				
Foreign currency translation adjustments	**19,027**	(111,260)	**(9,795)**	(5,256)
Changes in treasury locks, net of tax	**14**	22	**194**	65
Net (loss) gain on derivatives, net of tax		(5)	**(7)**	1
Defined benefit pension plan, net of tax				
Amortization of prior service cost included in net income, net of tax	**59**	60	**180**	167
Amortization of net loss included in net income, net of tax	**683**	369	**2,054**	1,046
Total defined benefit pension plan, net of tax	**742**	429	**2,234**	1,213
Total other comprehensive income/(loss)	**19,783**	(110,814)	**(7,374)**	(3,977)
Comprehensive Income/(Loss)	**61,884**	(61,571)	**120,192**	141,021
Comprehensive Loss Attributable To Noncontrolling Interests	**21**	46	**56**	47
Comprehensive Income/(Loss) Attributable to AptarGroup, Inc.	**$ 61,905**	$ (61,525)	**$ 120,248**	$ 141,068

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

		September 30, 2012		December 31, 2011
Assets				
Current Assets:				
Cash and equivalents	$	174,287	$	377,616
Accounts and notes receivable, less allowance for doubtful accounts of $7,507 in 2012 and $8,257 in 2011		422,514		389,020
Inventories		310,496		285,155
Prepaid and other		91,309		92,159
		998,606		1,143,950
Property, Plant and Equipment:				
Buildings and improvements		357,814		342,146
Machinery and equipment		1,814,879		1,687,521
		2,172,693		2,029,667
Less: Accumulated depreciation		(1,365,895)		(1,295,185)
		806,798		734,482
Land		20,943		20,233
		827,741		754,715
Other Assets:				
Investments in affiliates		3,526		3,812
Goodwill		344,639		233,689
Intangible assets, net		51,928		4,374
Miscellaneous		30,882		18,755
		430,975		260,630
Total Assets	$	2,257,322	$	2,159,295

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

		September 30, 2012		December 31, 2011
Liabilities and Stockholders Equity				
Current Liabilities:				
Notes payable	**$**	**13,026**	$	179,552
Current maturities of long-term obligations		**5,720**		4,116
Accounts payable and accrued liabilities		**361,861**		335,181
		380,607		518,849
Long-Term Obligations		**379,110**		254,910
Deferred Liabilities and Other:				
Deferred income taxes		**49,458**		27,390
Retirement and deferred compensation plans		**62,772**		58,930
Deferred and other non-current liabilities		**7,089**		8,644
Commitments and contingencies				
		119,319		94,964
Stockholders Equity:				
AptarGroup, Inc. stockholders equity				
Preferred stock, $.01 par value, 1 million shares authorized, none outstanding				
Common stock, $.01 par value, 199 million shares authorized; 83.8 and 82.8 million shares issued as of September 30, 2012 and December 31, 2011, respectively		**837**		827
Capital in excess of par value		**417,090**		364,855
Retained earnings		**1,493,180**		1,409,388
Accumulated other comprehensive income		**52,944**		60,318
Less treasury stock at cost, 17.4 and 16.9 million shares as of September 30, 2012 and December 31, 2011, respectively		**(586,505)**		(545,612)
Total AptarGroup, Inc. Stockholders Equity		**1,377,546**		1,289,776
Noncontrolling interests in subsidiaries		**740**		796
Total Stockholders Equity		**1,378,286**		1,290,572
Total Liabilities and Stockholders Equity	**$**	**2,257,322**	$	2,159,295

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						
	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, 2010:	**$ 1,279,013**	**$ 123,766**	**$ 817**	**$ (443,019)**	**$ 318,346**	**$ 851**	**$ 1,279,774**
Net income (loss)	145,063					(65)	144,998
Foreign currency translation adjustments		(5,274)				18	(5,256)
Changes in unrecognized pension gains/losses and related amortization, net of tax		1,213					1,213
Changes in treasury locks, net of tax		65					65
Net gain on derivatives, net of tax		1					1
Stock option exercises & restricted stock vestings			8	69	34,070		34,147
Cash dividends declared on common stock	(38,769)						(38,769)
Non-Controlling interest distribution						(27)	(27)
Treasury stock purchased				(79,640)			(79,640)
Balance September 30, 2011:	**$ 1,385,307**	**$ 119,771**	**$ 825**	**$ (522,590)**	**$ 352,416**	**$ 777**	**$ 1,336,506**
Balance December 31, 2011:	**$ 1,409,388**	**$ 60,318**	**$ 827**	**$ (545,612)**	**$ 364,855**	**$ 796**	**$ 1,290,572**
Net income (loss)	127,622					(56)	127,566
Foreign currency translation adjustments		(9,795)					(9,795)
Changes in unrecognized pension gains/losses and related amortization, net of tax		2,234					2,234
Changes in treasury locks, net of tax		194					194
Net loss on derivatives, net of tax		(7)					(7)
Stock option exercises & restricted stock vestings			10	3	52,235		52,248
Cash dividends declared on common stock	(43,830)						(43,830)
Treasury stock purchased				(40,896)			(40,896)
Balance September 30, 2012:	**$ 1,493,180**	**$ 52,944**	**$ 837**	**$ (586,505)**	**$ 417,090**	**$ 740**	**$ 1,378,286**

See accompanying unaudited notes to condensed consolidated financial statements.

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AptarGroup, Inc.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

In thousands, brackets denote cash outflows

Nine Months Ended September 30,		**2012**		**2011**
Cash Flows from Operating Activities:				
Net income	$	127,566	$	144,998
Adjustments to reconcile net income to net cash provided by operations:				
Depreciation		98,501		100,099
Amortization		1,898		1,925
Stock option based compensation		10,773		12,160
(Recovery)/Provision for doubtful accounts		(327)		1,188
Deferred income taxes		(3,644)		(4,710)
Defined benefit plan expense		10,855		8,126
Equity in results of affiliates in excess of cash distributions received		518		
Changes in balance sheet items, excluding effects from foreign currency adjustments:				
Accounts receivable		(14,365)		(19,655)
Inventories		(11,819)		(29,230)
Prepaid and other current assets		6,342		(31,111)
Accounts payable and accrued liabilities		(2,963)		15,252
Income taxes payable		4,716		(3,747)
Retirement and deferred compensation plans		(19,260)		(13,770)
Other changes, net		(11,273)		3,250
Net Cash Provided by Operations		197,518		184,775
Cash Flows from Investing Activities:				
Capital expenditures		(133,016)		(126,710)
Disposition of property and equipment		2,430		1,656
Intangible assets acquired				129
Acquisition of business, net of cash acquired		(187,840)		
Investment in unconsolidated affiliate		(279)		
Notes receivable, net		7		48
Net Cash Used by Investing Activities		(318,698)		(124,877)
Cash Flows from Financing Activities:				
(Repayments)/Proceeds from notes payable		(166,911)		97,360
Proceeds from long-term obligations		125,029		
Repayments of long-term obligations				(49,342)
Dividends paid		(43,830)		(38,769)
Credit facility costs		(1,470)		
Proceeds from stock option exercises		35,239		17,098
Purchase of treasury stock		(40,896)		(79,640)
Excess tax benefit from exercise of stock options		6,006		4,564
Net Cash Used by Financing Activities		(86,833)		(48,729)
Effect of Exchange Rate Changes on Cash		4,684		(16,167)
Net Decrease in Cash and Equivalents		(203,329)		(4,998)
Cash and Equivalents at Beginning of Period		377,616		376,427
Cash and Equivalents at End of Period	$	174,287	$	371,429

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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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. All significant intercompany accounts and transactions have been eliminated.

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, comprehensive income, changes in equity 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 (SEC). 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. Also, certain financial position data included herein was derived from the audited consolidated financial statements included in the Company s Annual Report on Form 10-K for the year ended December 31, 2011 but does not include all disclosures required by accounting principles generally accepted in the United States of America. 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, 2011. The results of operations of any interim period are not necessarily indicative of the results that may be expected for the year.

ADOPTION OF RECENT ACCOUNTING PRONOUNCEMENTS

Changes to GAAP are established by the Financial Accounting Standards Board (FASB) in the form of accounting standards updates to the FASB s Accounting Standards Codification.

In May 2011, the FASB amended the guidance on fair value measurement and disclosure requirements. The amended guidance results in a consistent definition of fair value and common requirements for measurement of and disclosure about fair value between GAAP and International Financial Reporting Standards (IFRS). This guidance is effective for the Company s fiscal year ending December 31, 2012 (including interim periods). The adoption of this standard had no impact on the Consolidated Financial Statements other than disclosure.

In June 2011, the FASB amended the guidance for the presentation of comprehensive income. The objective of this update is to improve the comparability, consistency, and transparency of financial reporting by increasing the prominence of items reported in other comprehensive income. This update requires that all non-owner changes in stockholders equity be presented in either a single continuous statement of comprehensive income or in two separate but consecutive statements. The amendments in this update are effective for the Company s fiscal year ending December 31, 2012 (including interim periods). In December 2011, the FASB indefinitely deferred the guidance related to the presentation of reclassification adjustments out of other comprehensive income. The adoption of this standard results in the presentation of a new statement of comprehensive income. Otherwise, the adoption had no other impact on the Consolidated Financial Statements.

INCOME TAXES

The Company computes taxes on income in accordance with the tax rules and regulations of the many taxing authorities where the income is earned. The income tax rates imposed by these taxing authorities may vary substantially. Taxable income may differ from pretax income for financial accounting purposes. To the extent that these differences create differences between the tax basis of an asset or liability and its reported amount in the financial statements, an appropriate provision for deferred income taxes is made.

In its determination of which foreign earnings are permanently reinvested in foreign operations, the Company considers numerous factors, including the financial requirements of the U.S. parent company and those of its foreign subsidiaries, the U.S. funding needs for dividend payments and stock repurchases, and the tax consequences of remitting earnings to the U.S. From this analysis, current year repatriation decisions are made in an attempt to provide a proper mix of debt and shareholder capital both within the U.S. and for non-U.S. operations. The Company s policy is to permanently reinvest its accumulated foreign earnings and only will make a distribution out of current year earnings to meet the cash needs at the parent company. As such, the Company does not provide for taxes on earnings that are deemed to be permanently reinvested. The effective tax rate for 2012 includes the tax cost of repatriating $79 million of current year earnings, all of which was repatriated in the first half of 2012.

The Company provides a liability for the amount of tax benefits realized from uncertain tax positions. This liability is provided whenever the Company determines that a tax benefit will not meet a more-likely-than-not threshold for recognition. See Note 12 for more information.

NOTE 2 - INVENTORIES

At September 30, 2012 and December 31, 2011, approximately 18% and 21%, respectively, of the total inventories are accounted for by using the LIFO method. Inventories, by component, consisted of:

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		September 30, 2012		December 31, 2011
Raw materials	$	**121,284**	$	116,751
Work in process		**71,677**		69,676
Finished goods		**123,684**		105,095
Total		**316,645**		291,522
Less LIFO Reserve		**(6,149)**		(6,367)
Total	$	**310,496**	$	285,155

NOTE 3 GOODWILL AND OTHER INTANGIBLE ASSETS

The changes in the carrying amount of goodwill since the year ended December 31, 2011 are as follows by reporting segment:

		Beauty + Home		Pharma		Food + Beverage		Corporate & Other		Total
Goodwill	$	179,095	$	37,009	$	17,585	$	1,615	$	235,304
Accumulated impairment losses								(1,615)		(1,615)
Balance as of December 31, 2011	$	179,095	$	37,009	$	17,585	$		$	233,689
Acquisition				109,749						109,749
Foreign currency exchange effects		(719)		1,991		(71)				1,201
Goodwill	$	178,376	$	148,749	$	17,514	$	1,615	$	346,254
Accumulated impairment losses								(1,615)		(1,615)
Balance as of September 30, 2012	**$**	**178,376**	**$**	**148,749**	**$**	**17,514**	**$**		**$**	**344,639**

The table below shows a summary of intangible assets as of September 30, 2012 and December 31, 2011.

			September 30, 2012						December 31, 2011				
	Weighted Average Amortization Period (Years)		Gross Carrying Amount		Accumulated Amortization		Net Value		Gross Carrying Amount		Accumulated Amortization		Net Value
Amortized intangible assets:													
Patents	11	**$**	**19,062**	**$**	**(18,333)**	**$**	**729**	$	19,030	$	(17,962)	$	1,068
Technology	15		**37,915**		**(632)**		**37,283**						
License agreements and other	5		**35,225**		**(21,309)**		**13,916**		23,840		(20,534)		3,306
Total intangible assets	10	**$**	**92,202**	**$**	**(40,274)**	**$**	**51,928**	$	42,870	$	(38,496)	$	4,374

Aggregate amortization expense for the intangible assets above for the quarters ended September 30, 2012 and 2011 was $1,232 and $186, respectively. Aggregate amortization expense for the intangible assets above for the nine months ended September 30, 2012 and 2011 was $1,898 and $1,925, respectively.

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

2012	$	1,276	(remaining estimated amortization for 2012)
2013		4,831	
2014		4,795	
2015		4,550	
2016 and thereafter		36,476	

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 September 30, 2012.

NOTE 4 RETIREMENT AND DEFERRED COMPENSATION PLANS

Components of Net Periodic Benefit Cost:

	Domestic Plans		Foreign Plans	
Three months ended September 30,	**2012**	**2011**	**2012**	**2011**
Service cost	**$ 1,831**	$ 1,405	**$ 573**	$ 517
Interest cost	**1,247**	1,165	**660**	650
Expected return on plan assets	**(1,422)**	(1,566)	**(371)**	(462)
Amortization of net loss	**978**	398	**116**	200
Amortization of prior service cost	**1**	1	**88**	97
Net periodic benefit cost	**$ 2,635**	$ 1,403	**$ 1,066**	$ 1,002

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Nine months ended September 30,	Domestic Plans 2012	2011	Foreign Plans 2012	2011
Service cost	**$ 5,443**	$ 4,095	**$ 1,601**	$ 1,547
Interest cost	**3,706**	3,392	**1,935**	1,945
Expected return on plan assets	**(4,227)**	(3,608)	**(1,138)**	(1,383)
Amortization of net loss	**2,907**	1,245	**355**	599
Amortization of prior service cost	**3**	3	**270**	291
Net periodic benefit cost	**$ 7,832**	$ 5,127	**$ 3,023**	$ 2,999

EMPLOYER CONTRIBUTIONS

In order to meet or exceed minimum funding levels required by U.S. law, the Company has contributed approximately $14.0 million to its domestic defined benefit plan during the first half of 2012 and does not anticipate any further contribution during 2012. The Company also expects to contribute approximately $6.0 million to its foreign defined benefit plans in 2012 and has contributed approximately $1.3 million as of September 30, 2012.

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 or intercompany loans can 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 economically 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 maintained an interest rate swap to convert a portion of its fixed-rate debt into variable-rate debt until May 31, 2011. Under the interest rate swap contract, the Company exchanged, at specified intervals, the difference between fixed-rate and floating-rate amounts, which was calculated based on an agreed upon notional amount. On May 31, 2011, this interest rate swap contract matured and was not renewed. No gain or loss was recorded in the income statement in 2011 as any hedge ineffectiveness for the period was immaterial.

CASH FLOW HEDGES

The Company had one foreign currency cash flow hedge until March 15, 2012. A French subsidiary of AptarGroup, AptarGroup Holding SAS, had 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. On March 15, 2012, the loan and foreign currency forward contracts were repaid.

During the nine months ended September 30, 2012, 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.

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 actively manage this risk using derivative financial instruments. 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 September 30, 2012, the Company has recorded the fair value of foreign currency forward exchange contracts of $0.4 million in prepaid and other, $0.8 million in miscellaneous other assets, $2.6 million in accounts payable and accrued liabilities, and $0.3 million in deferred and other non-current liabilities in the balance sheet. All forward exchange contracts outstanding as of September 30, 2012 had an aggregate contract amount of $98 million.

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Fair Value of Derivative Instruments in the Condensed Consolidated Balance Sheets as of September 30, 2012

and December 31, 2011

Derivative Contracts Designated as Hedging Instruments	Balance Sheet Location	September 30, 2012	December 31, 2011
Derivative Liabilities			
Foreign Exchange Contracts	Accounts payable and accrued liabilities	$	$ 302
		$	$ 302
Derivative Contracts Not Designated as Hedging Instruments			
Derivative Assets			
Foreign Exchange Contracts	Prepaid and other	$ 407	$ 520
Foreign Exchange Contracts	Miscellaneous Other Assets	754	
		$ 1,161	$ 520
Derivative Liabilities			
Foreign Exchange Contracts	Accounts payable and accrued liabilities	$ 2,593	$ 8,383
Foreign Exchange Contracts	Deferred and other non-current liabilities	260	2,005
		$ 2,853	$ 10,388

The Effect of Derivative Instruments on the Condensed Consolidated Statements of Income

for the Quarters Ended September 30, 2012 and September 30, 2011

Derivatives in Cash Flow Hedging Relationships	Amount of Gain or (Loss) Recognized in OCI on Derivative (Effective Portion) 2012	2011
Foreign Exchange Contracts	$	$ (5)
	$	$ (5)

Derivatives Not Designated as Hedging Instruments	Location of Gain or (Loss) Recognized in Income on Derivative	Amount of Gain or (Loss) Recognized in Income on Derivative 2012	2011
Foreign Exchange Contracts	Other (Expense) Miscellaneous, net	$ (81)	$ 168
		$ (81)	$ 168

The Effect of Derivative Instruments on the Condensed Consolidated Statements of Income

for the Nine Months Ended September 30, 2012 and September 30, 2011

Derivatives in Cash Flow Hedging Relationships	Amount of Gain or (Loss) Recognized in OCI on Derivative (Effective Portion)			
	2012		**2011**	
Foreign Exchange Contracts	**$**		$	6
	$		$	6

Derivatives Not Designated as Hedging Instruments	Location of Gain or (Loss) Recognized in Income on Derivative	Amount of Gain or (Loss) Recognized in Income on Derivative			
		2012		**2011**	
Foreign Exchange Contracts	Other (Expense) Miscellaneous, net	**$**	**(1,316)**	$	(3,360)
		$	**(1,316)**	$	(3,360)

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 including the proceeding noted below. While management believes the resolution of these claims and lawsuits will not have a material adverse effect on the Company s financial position or results of operations or cash flows, claims and legal proceedings are subject to inherent uncertainties, and unfavorable outcomes could occur that could include amounts in excess of any accruals which management has established. Were such unfavorable final outcomes to occur, it is possible that they could have a material adverse effect on our financial position, results of operations and cash flows.

In 2010, a competitor filed a lawsuit against certain AptarGroup, Inc. subsidiaries alleging that certain processes performed by a supplier of a specific type of diptube utilized by the AptarGroup, Inc. subsidiaries in the manufacture of a specific type of pump infringes patents owned by the counterparty. This lawsuit sought an injunction barring the manufacture, use, sale and importation of this specific pump for use in fragrance containers. In April 2012, the Company s United States subsidiary was found to have infringed on patents owned by the counterparty within the United States. The ruling does not apply to manufacture or sales of pumps in countries outside the United States and no damages were assessed. The Company has appealed this ruling.

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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 has no liabilities recorded for these agreements as of September 30, 2012.

NOTE 7 STOCK REPURCHASE PROGRAM

During the three and nine months ended September 30, 2012, the Company repurchased approximately 610 thousand and 799 thousand shares for aggregate amounts of $30.8 million and $40.9 million, respectively. As of September 30, 2012, the Company has a remaining authorization to repurchase 2.8 million additional shares. The timing of and total amount expended for the share repurchase depends upon market conditions.

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							
	September 30, 2012				September 30, 2011			
		Diluted		**Basic**		**Diluted**		**Basic**
Consolidated operations								
Income available to common stockholders	**$**	**42,127**	**$**	**42,127**	$	49,297	$	49,297
Average equivalent shares								
Shares of common stock		**66,541**		**66,541**		66,381		66,381
Effect of dilutive stock based compensation								
Stock options		**1,804**				2,291		
Restricted stock		**8**				5		
Total average equivalent shares		**68,353**		**66,541**		68,677		66,381
Net income per share	**$**	**0.62**	**$**	**0.63**	$	0.72	$	0.74

	Nine months ended							
	September 30, 2012				September 30, 2011			
		Diluted		**Basic**		**Diluted**		**Basic**
Consolidated operations								
Income available to common stockholders	**$**	**127,622**	**$**	**127,622**	$	145,063	$	145,063
Average equivalent shares								
Shares of common stock		**66,439**		**66,439**		66,747		66,747
Effect of dilutive stock based compensation								
Stock options		**2,259**				2,863		
Restricted stock		**13**				6		
Total average equivalent shares		**68,711**		**66,439**		69,616		66,747
Net income per share	**$**	**1.86**	**$**	**1.92**	$	2.08	**$**	2.17

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 dispensing systems primarily to the personal care, fragrance/cosmetic and home care markets form the Beauty + Home segment. Operations that sell dispensing systems primarily to the prescription drug and consumer health care markets form the Pharma segment. Operations that sell dispensing systems primarily to the food and beverage markets form the Food + Beverage 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, 2011. The Company evaluates performance of its business segments and allocates resources based upon segment income. Segment income is defined as earnings before interest expense in excess of interest income, certain corporate expenses and income taxes.

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Financial information regarding the Company s reportable segments is shown below:

	Three Months Ended September 30, 2012	2011	Nine Months Ended September 30, 2012	2011
Total Revenue:				
Beauty + Home	**$ 362,077**	$ 391,535	**$ 1,115,766**	$ 1,178,065
Pharma	**156,044**	146,521	**429,278**	417,793
Food + Beverage	**75,245**	68,101	**226,751**	211,350
Corporate & Other		40		122
Total Revenue	**593,366**	606,197	**1,771,795**	1,807,330
Less: Intersegment Sales:				
Beauty + Home	**$ 3,601**	$ 4,034	**$ 10,855**	$ 11,564
Pharma	**(56)**	76	**156**	641
Food + Beverage	**223**	851	**1,185**	2,360
Corporate & Other		40		122
Total Intersegment Sales	**$ 3,768**	$ 5,001	**$ 12,196**	$ 14,687
Net Sales:				
Beauty + Home	**$ 358,476**	$ 387,501	**$ 1,104,911**	$ 1,166,501
Pharma	**156,100**	146,445	**429,122**	417,152
Food + Beverage	**75,022**	67,250	**225,566**	208,990
Corporate & Other				
Net Sales	**$ 589,598**	$ 601,196	**$ 1,759,599**	$ 1,792,643
Segment Income:				
Beauty + Home	**$ 30,050**	$ 32,025	**$ 96,674**	$ 104,555
Pharma	**34,194**	44,801	**104,676**	124,058
Food + Beverage	**9,611**	6,891	**24,252**	23,076
Corporate & Other	**(6,443)**	(9,964)	**(22,048)**	(28,634)
Income before interest and taxes	**$ 67,412**	$ 73,753	**$ 203,554**	$ 223,055
Interest expense, net	**(4,386)**	(2,515)	**(11,710)**	(8,646)
Income before income taxes	**$ 63,026**	$ 71,238	**$ 191,844**	$ 214,409

NOTE 10 ACQUISITIONS

On July 3, 2012, the Company completed its acquisition of Rumpler - Technologies S.A., together with its direct and indirect subsidiaries (Stelmi). Stelmi is a producer of elastomer primary packaging components for injectable drug delivery and operates two manufacturing plants located in the Normandy region of France and also has a research and development facility located near Paris. The Company acquired all of the shares of Stelmi. The purchase price paid for Stelmi (net of cash acquired) was approximately $188 million and was funded by cash on hand.

Stelmi contributed sales of $25.3 million and a pretax loss of $2.1 million (including $5.0 million of fair value and other acquisition adjustments) for the three months ended September 30, 2012. The results of the acquired business for the period from the acquisition date are included in the accompanying consolidated financial statements and are reported in the Pharma reporting segment.

For the three and nine months ended September 30, 2012, we recognized $0.2 million and $6.0 million, respectively, in transaction costs related to the acquisition of Stelmi. These costs are reflected in the selling, research & development and administrative section of the Condensed Consolidated Statements of Income.

The following table summarizes the assets acquired and liabilities assumed as of the acquisition date at estimated fair value. If additional information is obtained about these assets and liabilities within the measurement period (not to exceed one year from the date of acquisition), the Company may refine its estimates of fair value to allocate the purchase price more accurately; however, any such revisions are not expected to be significant.

		July 3, 2012
Assets		
Cash and equivalents	$	68,335
Accounts receivable		23,540
Inventories		16,826
Prepaid and other		3,256
Property, plant and equipment		42,073
Goodwill		109,749
Intangible assets		47,134
Other miscellaneous assets		5,236