

**MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
FIRST QUARTER ENDED 30 SEPTEMBER 2002****The figures have not been audited****CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2002**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/09/2002 RM'000	Preceding Year Corresponding Quarter 30/09/2001 RM'000	Current Year- To-Date 30/09/2002 RM'000	Preceding Year Corresponding Period 30/09/2001 RM'000
Revenue	219,866	178,816	219,866	178,816
Operating Expenses	(200,363)	(190,576)	(200,363)	(190,576)
Other Operating Income	1,377	4,807	1,377	4,807
Profit/(Loss) from Operations	20,880	(6,953)	20,880	(6,953)
Finance Costs	(4,830)	(6,714)	(4,830)	(6,714)
Profit/(Loss) Before Taxation	16,050	(13,667)	16,050	(13,667)
Taxation	(6,454)	(5,489)	(6,454)	(5,489)
Profit/(Loss) After Taxation	9,596	(19,156)	9,596	(19,156)
Minority Interest	(2,599)	2,325	(2,599)	2,325
Net Profit/(Loss) for the Period	6,997	(16,831)	6,997	(16,831)
Earnings/(Loss) Per Share (sen): -				
(a) Basic	3.52	(8.46)	3.52	(8.46)
(b) Fully diluted	N/A	N/A	N/A	N/A

**The Condensed Consolidated Income Statements should be read in conjunction with the Annual  
Financial Report for the Year Ended 30 June 2002.**

**MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
FIRST QUARTER ENDED 30 SEPTEMBER 2002****The figures have not been audited****CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2002**

	<b>As at end of current quarter 30/09/2002 RM'000</b>	<b>As at preceding financial year end 30/06/2002 RM'000</b>
Property, Plant and Equipment	1,020,480	1,031,493
Intangible Assets	22,623	23,167
Investment in Associated Companies	-	-
Other Investments	55,541	55,541
<b>Current Assets</b>		
Inventories	47,935	50,714
Debtors	197,696	213,212
Cash	194,451	171,123
	<u>440,082</u>	<u>435,049</u>
<b>Current Liabilities</b>		
Trade and Other Payables	201,727	189,937
Overdraft and Short Term Borrowings	95,692	106,922
Taxation	9,506	18,114
	<u>306,925</u>	<u>314,973</u>
<b>Net Current Assets</b>	<u>133,157</u>	<u>120,076</u>
	<u>1,231,801</u>	<u>1,230,277</u>
Share Capital	104,942	104,942
Reserves	762,668	755,674
Treasury Shares	(163,620)	(163,620)
<b>Shareholders Fund</b>	<u>703,990</u>	<u>696,996</u>
Minority Interest	235,757	233,158
<b>Long Term Liabilities</b>		
Borrowings	207,608	221,225
Other Deferred Liabilities	84,446	78,898
	<u>292,054</u>	<u>300,123</u>
	<u>1,231,801</u>	<u>1,230,277</u>
<b>Net Tangible Assets (sen)</b>	343	339

**The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual  
Financial Report for the Year Ended 30 June 2002.**

**MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
FIRST QUARTER ENDED 30 SEPTEMBER 2002**

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE QUARTER ENDED 30 SEPTEMBER 2002**

	Current Year- To-Date
	30/09/2002 RM'000
Profit Before Taxation	16,050
Adjustment for:-	
Depreciation and amortisation	50,748
Non-cash items	(2)
Operating profit before changes in working capital	<u>66,796</u>
Changes in working capital	
Net change in current assets	18,294
Net change in current liabilities	11,790
Tax Paid	(9,581)
<b>Net cash flows from operating activities</b>	<u><u>87,299</u></u>
Investing Activities	
Other Investments	(39,124)
<b>Net cash flows used in investing activities</b>	<u><u>(39,124)</u></u>
Financing Activities	
Net Repayment of Bank borrowings	(29,950)
<b>Net cash flows used in financing activities</b>	<u><u>(29,950)</u></u>
Net Change in Cash and Cash Equivalents	18,225
Cash & Cash Equivalent at beginning of year	158,489
Cash & Cash Equivalent at end of period	<u><u>176,714</u></u>

*Note : There are no comparative figures as this is the first interim financial report prepared in accordance with MASB 26 Interim Financial Reporting.*

**The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the Year Ended 30 June 2002.**

**MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
FIRST QUARTER ENDED 30 SEPTEMBER 2002**

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 SEPTEMBER 2002**

	<b>Share Capital</b>	<b>Reserve attributable to capital</b>	<b>Reserve attributable to revenue</b>	<b>Retained profits</b>	<b>Treasury Shares</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Current year quarter ended 30 September 2002</b>						
Balance at beginning of year	104,942	249,952	(4,637)	524,359	(163,620)	710,996
MASB 25 Adjustment				(14,000)		(14,000)
Restated balance	104,942	249,952	(4,637)	510,359	(163,620)	696,996
Net Profit for the period				6,997		6,997
Foreign currency translation reserves			(2)			(2)
Balance at end of period	104,942	249,952	(4,639)	517,356	(163,620)	703,991

*Note : There are no comparative figures as this is the first interim financial report prepared in accordance with MASB 26 Interim Financial Reporting.*

**The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 30 June 2002.**

# MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2002

The figures have not been audited

### 1. Accounting policies and methods of computation

The interim financial report has been prepared in accordance with MASB 26 “Interim Financial Reporting” and should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2002.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements for the financial year ended 30 June 2002 except for the adoption of MASB 22 “Segmental Reporting” and MASB 25 “Income Tax”.

The adoption of MASB 22 does not have effect on the financial results of the Group for the financial year- to-date nor shareholders’ funds of the Group.

The effects of the adoption of MASB 25 on the Group’s financial statements are as follows:-

	<b>As Previously Reported</b>	<b>MASB 25 Adjustment</b>	<b>As Restated</b>
	<b>RM’000</b>	<b>RM’000</b>	<b>RM’000</b>
<b>Condensed Consolidated Balance Sheet</b>			
<b>As At 30 June 2002</b>			
Other Deferred Liabilities	54,820	20,000	74,820
Retained Profits	524,359	(14,000)	510,359
Minority interest	239,158	(6,000)	233,158

### 2. Qualification of audit report of the preceding annual financial statements

There were no qualifications on audit report of the preceding annual financial statements.

### 3. Seasonality or cyclicalilty of interim operations

This quarter coincides with the summer holidays when lower levels of activities from Europe and the US are normally seen.

### 4. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.

### 5. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years

There were no changes in estimates of amounts reported in prior financial years.

# MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2002

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### 6. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter to-date other than as mentioned below:-

- (i) The Executive Share Option Scheme (“ESOS”) of the Company was implemented with effect from 24 December 1999. During the current year to-date, there were no ordinary shares of RM0.50 each issued and allotted pursuant to the exercise of the ESOS.
- (ii) There was no share buy back from the open market during the current quarter to-date. The total number of shares bought back as at 30 September 2002 was 10,966,000 shares and the shares are being held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965.

### 7. Dividends paid

There were no dividend paid during the financial year-to-date.

### 8. Segmental Reporting

The Group’s segmental report for the financial year-to-date are as follows:-

	Semiconductor	Investment holding & others	Total
	RM’000	RM’000	RM’000
Revenue	219,866	-	219,866
<hr/>			
<b>Results</b>			
Profit from operations	19,951	929	20,880
Finance Costs			(4,830)
Profit before taxation			16,050
Taxation			(6,454)
Minority Interest			(2,599)
Net Profit for the Period			6,997

### 9. Valuations of property, plant and equipment

The valuation of property, plant and equipment have been brought forward without any amendments from the previous annual financial statements.

### 10. Material Events Not Reflected In The Financial Statements

There were no material subsequent events to be disclosed as at the date of this report.

## **MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)**

### **QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2002**

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**The figures have not been audited**

#### **11. Changes in the composition of the Group**

There were no changes in the composition of the Group during the financial year to-date, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations other than as mentioned below:

- (i) The Liquidators of Signal Technology Sdn Bhd (“STSB”), an indirect subsidiary of the Company had, on 7 October 2002, convened a Final Meeting to conclude the Member's Voluntary Liquidation of STSB. A Return by Liquidator Relating To Final Meeting was lodged with the Registrar of Companies and with the Official Receiver on 11 October 2002 and on the expiration of 3 months after the said lodgement date, i.e. 11 October 2002, STSB shall be dissolved.

#### **12. Contingent liabilities or contingent assets**

There are no contingent liabilities or contingent assets to be disclosed as at the date of this report.

#### **13. Review of Performance**

For the quarter under review, the Group recorded a profit after tax of RM9.6 million as compared with a loss after tax of RM19.16 million for the preceding year corresponding quarter. The better performance was largely due to an increase in sales, improved factory utilisation rates and the positive effects of its restructuring and streamlining exercises undertaken in previous quarters.

#### **14. Material changes in profit before taxation**

For the quarter under review, the Group recorded a higher profit before tax of RM16.05 million as compared with RM13.13 million for the preceding quarter, in spite of a drop in revenue to RM219.9 million in this quarter from RM227.7 million for the preceding quarter. The improvement is attributable mainly to a combination of higher productivity, cost-down efforts and some favourable product mix.

#### **15. Prospects**

It would now appear that the recovery seen last quarter was not sustainable. On the positive side, the Group's newer technologies continue to gain popularity with customers, old and new. Our MLP's, besides being designed into handphones and portables, are now making their way into disk-drive applications.

Barring unforeseen circumstances, the Board expects the Group to perform satisfactorily for the rest of this financial year.

**MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)**

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FIRST QUARTER ENDED 30 SEPTEMBER 2002**

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**16. Profit forecast / profit guaranteed**

This note is not applicable.

**17. Taxation**

Taxation comprise: -

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Year Quarter</b>	<b>Preceding Year Corresponding Quarter</b>	<b>Current Year- To-Date</b>	<b>Preceding Year Corresponding Period</b>
	<b>30/09/2002 RM'000</b>	<b>30/09/2001 RM'000</b>	<b>30/09/2002 RM'000</b>	<b>30/09/2001 RM'000</b>
Taxation				
- Current Year	974	737	974	737
Deferred taxation				
- Current Year	5,480	4,752	5,480	4,752
	<u>6,454</u>	<u>5,489</u>	<u>6,454</u>	<u>5,489</u>

The Group's effective tax rate is higher than the statutory tax rate due to the non-availability of group relief where tax losses of certain subsidiary companies cannot be set-off against the taxable income of other subsidiary companies.

**18. Sale of unquoted investments and/or properties**

There were no sales of unquoted investments and/or properties for the current quarter and financial year to-date.

**19. Quoted securities**

(a) There were no purchases or disposals of quoted securities (other than securities in existing subsidiaries and associated companies) for the current quarter and year-to-date.

(b) Particulars of investments in quoted securities as at 30 September 2002: -

	<b>RM'000</b>
Total investments at cost	<u>54,848</u>
Total investments at book value	<u>54,848</u>
Total investments at market value	<u>55,595</u>

# MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2002

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### 20. Corporate Proposals

There were no corporate proposal announced other than as mentioned below: -

Commerce International Merchant Bankers Berhad, on behalf of the Company has, on 25 March 2002, announced the Company's proposed amendments and thereafter adoption of the amended and restated Bye-Laws of the Executive Share Option Scheme ("Scheme" or "ESOS") and the proposed extension of the duration of the Scheme for an additional period of five (5) years (collectively referred to as "Proposals")

The Securities Commission had, vide a letter dated 16 May 2002, approved the Company's Proposals and vide its letter dated 18 October 2002 approved the application by the company for waiver from complying with the condition requiring an additional provision stating that the Company shall not grant any share options or prime value options during the period when the Company has the intention or proposes to purchase its own shares, to be included in the ESOS Bye-Laws of the Company.

The approval of shareholders of the Company for the Proposals has been obtained on 12 November 2002.

### 21. Group's borrowings and debt securities

Particulars of the Group's borrowings and debts securities as at 30 September 2002 are as follows:-

	<b>RM'000</b>
(i) Unsecured short term borrowings	77,955
(ii) Unsecured long term borrowings	207,608
	<u>285,563</u>

The above include borrowing denominated in foreign currency as follows: -

	<b>RM'000</b>
USD borrowings	160,563

### 22. Financial Instruments with Off Balance Sheet Risk

The Group enters into short-term foreign exchange contracts to hedge its exposure to currency fluctuations affecting certain foreign currency denominated trade payables and receivables.

Financial instruments are viewed as risk management tools by the Group and are not used for trading or speculative purposes.

The Off Balance Sheet Risk Financial Instruments balance as at 8 November 2002 are as follow: -

	Contract amount (RM'000)
Foreign exchange forward contracts	57,651

All of these contracts mature within 12 months.

Gain and losses on foreign exchange contracts are recognised as income and expense upon realisation.

**MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
FIRST QUARTER ENDED 30 SEPTEMBER 2002**

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**The figures have not been audited**

**23. Changes in Material Litigation**

There is no material litigation to be disclosed as at the date of this report.

**24. Dividend**

The Board does not recommend any interim dividend for the financial quarter ended 30 September 2002.

**25. Earnings Per Share**

**Basic earnings per ordinary share**

The basic earnings per ordinary share is calculated by dividing the net profit attributable to ordinary shareholders of RM 6,997,000 by the number of ordinary shares outstanding during the quarter of 198,918,419.

**Diluted earnings per ordinary share**

The Group has no dilution in its earnings per ordinary share as the fair value of the ordinary shares for the quarter is lower than the exercise price of the options. Therefore, no consideration for adjustment in the form of increase in the number of shares was used in calculating the potential dilution of its loss per share.

By Order of the Board  
Malaysian Pacific Industries Berhad

Queek Chai Choo  
Joanne Leong Wei Yin  
Company Secretaries

Kuala Lumpur  
14 November 2002