

MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
FOURTH QUARTER ENDED 30 JUNE 2003****The figures have not been audited****CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2003**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/06/2003 RM'000	Preceding Year Corresponding Quarter 30/06/2002 RM'000	Current Year- To-Date 30/06/2003 RM'000	Preceding Year Corresponding Period 30/06/2002 RM'000
Revenue	239,028	227,654	882,522	768,842
Operating Expenses	(217,408)	(193,126)	(820,980)	(768,551)
Other Operating Income / (Expenses)	226	(16,201)	3,916	4,857
Profit/(Loss) from Operations	21,846	18,327	65,458	5,148
Finance Costs	(3,975)	(5,194)*	(17,905)	(22,939)*
Profit/(Loss) Before Taxation	17,871	13,133	47,553	(17,791)
Taxation	37,341	(2,146)	19,733	(15,039)
Profit/(Loss) After Taxation	55,212	10,987	67,286	(32,830)
Minority Interest	(16,782)	(2,908)	(20,619)	3,099
Net Profit/(Loss) for the Period	38,430	8,079	46,667	(29,731)
Earnings/(Loss) Per Share (sen): -				
(a) Basic	19.32	4.06	23.46	(14.95)
(b) Fully diluted	N/A	N/A	N/A	N/A

* Note : Finance Costs for Preceding Year has been adjusted to reflect Gross Finance Costs as opposed to Net Finance Costs as announced last year.

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
FOURTH QUARTER ENDED 30 JUNE 2003****The figures have not been audited****CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2003**

	As at end of current quarter 30/06/2003	As at preceding financial year end 30/06/2002
	RM'000	RM'000
Property, Plant and Equipment	939,308	1,031,495
Intangible Assets	21,002	23,165
Other Investments	55,541	55,541
Current Assets		
Inventories	47,045	50,714
Debtors	171,464	213,212
Cash	157,397	171,123
	<u>375,906</u>	<u>435,049</u>
Current Liabilities		
Trade and Other Payables	196,484	189,937
Overdraft and Short Term Borrowings	59,412	106,922
Taxation	253	18,114
	<u>256,149</u>	<u>314,973</u>
Net Current Assets	<u>119,757</u>	<u>120,076</u>
	<u>1,135,608</u>	<u>1,230,277</u>
Share Capital	104,942	104,942
Reserves	733,077	755,674
Treasury Shares	(163,620)	(163,620)
Shareholders Fund	<u>674,399</u>	<u>696,996</u>
Minority Interest	230,132	233,158
Long Term Liabilities		
Borrowings	171,873	221,225
Other Long Term Liabilities	59,204	78,898
	<u>231,077</u>	<u>300,123</u>
	<u>1,135,608</u>	<u>1,230,277</u>
Net Tangible Assets (sen)	328	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
FOURTH QUARTER ENDED 30 JUNE 2003****The figures have not been audited****CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2003**

	Current Year- To-Date	Preceding Year ended
	30/06/2003 RM'000	30/06/2002 RM'000
Profit /(loss) before taxation	47,553	(17,791)
Adjustment for:-		
Depreciation and amortisation	202,727	212,158
Non-cash items	3,522	3,472
Net financing cost	10,325	9,498
Operating profit before changes in working capital	264,127	207,337
Changes in working capital		
Net change in current assets	49,935	31,483
Net change in current liabilities	6,547	(35,503)
Income tax paid	(22,854)	(19,308)
Net financing cost paid	(10,325)	(9,498)
Net dividend received	1,268	969
Retirement benefits paid	(626)	(881)
Net cash flows from operating activities	288,072	174,599
Investing Activities		
Equity Investments	(54,000)	22,324
Other Investments	(112,027)	(101,150)
Net cash flows used in investing activities	(166,027)	(78,826)
Financing Activities		
Net Repayment of Bank borrowings	(94,238)	(73,163)
Dividends Paid	(152,909)	(123,130)
Securities Issued	114,000	-
Net cash flows used in financing activities	(133,147)	(196,293)
Net Change in Cash and Cash Equivalents	(11,102)	(100,520)
Cash & Cash Equivalent at beginning of year	158,489	259,009
Cash & Cash Equivalent at end of year	147,387	158,489
<i>Cash and Cash Equivalent included in the cash flow statement comprise the following balance sheet amounts:</i>		
	2003	2002
Cash	157,397	171,123
Bank Overdrafts	(10,010)	(12,634)
	147,387	158,489

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
FOURTH QUARTER ENDED 30 JUNE 2003****The figures have not been audited****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2003**

	Share Capital	Reserve attributable to capital	Reserve attributable to revenue	Retained profits	Treasury Shares	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2001	104,942	249,952	(5,591)	638,781	(163,620)	824,464
Effect of adopting MASB 25				(17,532)		(17,532)
Restated at 1 July 2001	104,942	249,952	(5,591)	621,249	(163,620)	806,932
Currency Translation Differences			954			954
Net Profit for the year				(33,263)		(33,263)
Effect of adopting MASB 25				3,532		3,532
Dividends Paid				(81,159)		(81,159)
Restated at 30 June 2002	104,942	249,952	(4,637)	510,359	(163,620)	696,996
Currency Translation Differences			1,008	(1,008)		-
Net Profit for the year				46,667		46,667
Dividends Paid				(69,264)		(69,264)
Reclassification to Capital Redemption Reserve		70		(70)		-
Balance at end of year	104,942	250,022	(3,629)	486,684	(163,620)	674,399

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 FOURTH QUARTER ENDED 30 JUNE 2003

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”, MASB 23 “Impairment of Assets”, MASB 24 “Financial Instruments, Disclosure and Presentation”, MASB 25 “Income Tax” and MASB 27 “Borrowing Costs”.

The adoption of MASB 22, 23, 24 and 27 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:-

	As Previously Reported RM’000	MASB 25 Adjustment RM’000	As Restated RM’000
Condensed Consolidated Balance Sheet			
As At 30 June 2002			
Reserves	769,674	(14,000)	755,674
Minority interest	239,158	(6,000)	233,158
Other Long Term Liabilities	58,898	20,000	78,898
Condensed Consolidated Income Statement			
For The Year Ended 30 June 2002			
Taxation	(20,085)	5,046	(15,039)
Minority interest	4,613	(1,514)	3,099

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 cyclicity of interim operations

There were no material changes to the factors affecting the sources of income and performance of the Group for the quarter under review.

MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
FOURTH QUARTER ENDED 30 JUNE 2003**

The figures have not been audited

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 the prior interim period of the current financial year nor in prior financial years.

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 financial year-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 financial year to-date, there was 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 financial year-to-date. The total number of shares bought back as at 30 June 2003 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

The company has paid the following dividends during the financial year-to-date:-

	Current year-to-date RM'000
Gross interim dividend of 15 sen tax exempt per RM0.50 ordinary share paid on 6 March 2003.	29,838
Gross second interim dividend of 6.5 sen tax exempt per RM0.50 ordinary share and 18.5 sen less tax per RM0.50 ordinary share, paid on 25 June 2003.	39,426
	<hr/> 69,264 <hr/>

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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	881,254	1,268	882,522
Results			
Profit from operations	61,203	4,255	65,458
Finance costs			(17,905)
Profit before taxation			47,553
Taxation			19,733
Profit after taxation			67,286
Minority interest			(20,619)
Net profit for the year			46,667

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.

11. Changes in the composition of the Group

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

- (i) Dyna-Craft Marketing, Inc ("DCMI"), a corporation incorporated in California and a wholly-owned subsidiary, had been placed under voluntary winding up/dissolution pursuant to Section 331 of the Internal Revenue Code of the United States of America. DCMI was wound up/dissolved on 23 June 2003.
- (ii) Carsem (M) Sdn Bhd ("CM"), a 70% subsidiary, had on 2 May 2003, entered into a Share Purchase Agreement with the Company and Permodalan Nasional Berhad ("PNB") to acquire the entire share capital of Carsem Semiconductor Sdn Bhd ("CS") comprising 100,000,000 ordinary shares of RM1.00 each, for a total cash consideration of RM180 million ("Acquisition"). The Acquisition was completed on 18 June 2003.

On 26 June 2003, CS transferred its business together with certain assets and liabilities to CM for a total consideration of RM453,031,485.57

- (iii) Techad Sdn Bhd (formerly known as Carsem Advanced Technologies Sdn Bhd), had been placed under member's voluntary liquidation pursuant to Section 254(1)(b) of the Companies Act, 1976. Mr Ling Kam Hoong of Messrs Ling Kam Hoong & Co. has been appointed as Liquidator.

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12. Contingent liabilities or contingent assets

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

13. Review of Performance

Compared with the same quarter last year, the Group's revenue rose to RM239.0 million or 5% from RM227.7 million. Similarly, profit before tax ("PBT") also rose from RM13.1 million to RM17.9 million. The better performance was due to an increase in sales, primarily from new business and strong demand for new products and test services.

14. Material changes in profit before taxation

The Group's PBT for the quarter under review was RM17.9 million as compared with RM6.1 million for the preceding quarter, on the back of a 12.1% increase in revenue. The improvement was attributable mainly to higher sales volume and improved factory utilisation rates.

15. Prospects

Barring any unforeseen circumstances, the Board expects business to improve further in the financial year ending 30 June 2004.

16. Profit forecast / profit guaranteed

This note is not applicable.

17. Taxation

Taxation comprise: -

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/06/2003 RM'000	Preceding Year Corresponding Quarter 30/06/2002 RM'000	Current Year- To-Date 30/06/2003 RM'000	Preceding Year Corresponding Period 30/06/2002 RM'000
Taxation				
- Current Year	(1,983)	656	48	3,063
- Under provision in prior years	-	-	427	14
Deferred taxation				
- Current Year	(35,358)	1,490	(20,208)	11,962
	(37,341)	2,146	(19,733)	15,039

The Group's effective tax rate is lower than the statutory tax rate due mainly to the recognition of deferred tax asset in respect of unutilised capital allowance consequent to the completion of transfer of business from CS to CM on 26 June 2003 as discussed under Note 11(ii) above.

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.

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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 financial year-to-date.

(b) Particulars of investments in quoted securities as at 30 June 2003: -

	RM'000
Total investments at cost	54,848
Total investments at book value	54,848
Total investments at market value	59,879

20. Corporate Proposals

Other than as disclosed in Note 11(ii), there were no other corporate proposals announced during the financial year-to-date.

21. Group's borrowings and debt securities

Particulars of the Group's borrowings and debts securities as at 30 June 2003 are as follows: -

	RM'000
(i) Unsecured short term borrowings and overdraft	59,412
(ii) Unsecured long term borrowings	171,873
	231,285

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

	RM'000
USD borrowings	96,276

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 Instruments with Off Balance Sheet Risk as at 20 August 2003 are as follow: -

	Contract amount (RM'000)
Foreign exchange forward contracts	133,179

The above contracts are maturing within a period of 6 months.

Gains and losses on foreign exchange contracts are recognised in the income statements upon realisation.

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23. Changes in Material Litigation

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

24. Dividend

- (a) The Board does not recommend any final dividend for the year ended 30 June 2003 (financial year 2001/2002: nil).
- (b) A total gross dividend of 40 sen comprising, 21.5 sen per share tax exempt and 18.5 sen per share less tax has been paid during the financial year-to-date (financial year 2001/2002: 45 sen comprising, 30 sen per share tax exempt, 15 sen per share less tax).

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 38,430,000 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 earnings per share.

By Order of the Board
Malaysian Pacific Industries Berhad

Queek Chai Choo
Joanne Leong Wei Yin
Company Secretaries

Kuala Lumpur
27 August 2003