

MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2007

The figures have not been audited

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2007

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	(Restated) Preceding Year Corresponding Quarter	Current Year- To-Date	(Restated) Preceding Year Corresponding Period
	30/06/2007 RM'000	30/06/2006 RM'000	30/06/2007 RM'000	30/06/2006 RM'000
Revenue	366,365	388,082	1,485,329	1,359,765
Cost of sales	(304,675)	(304,024)	(1,208,994)	(1,097,945)
Gross profit	61,690	84,058	276,335	261,820
Operating expenses	(14,513)	(15,574)	(64,262)	(66,717)
Other expenses	(1,513)	(5,061)	(4,249)	(16,218)
Interest expense	(5,697)	(4,743)	(20,757)	(17,095)
Interest income	1,704	785	2,570	3,591
Profit before taxation	41,671	59,465	189,637	165,381
Taxation	(5,139)	(5,363)	(22,670)	(15,511)
Profit for the period	36,532	54,102	166,967	149,870
Attributable to:				
Equity holders of the parent	28,162	40,781	131,725	107,135
Minority interests	8,370	13,321	35,242	42,735
Profit for the period	36,532	54,102	166,967	149,870
Earnings per ordinary share (sen): -				
(a) Basic	14.45	20.92	67.58	54.34
(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 Statements for the Financial Year Ended 30 June 2006.

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CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 30 JUNE 2007

	As At End of Current Quarter	(Restated) As At Preceding Financial Year End
	30/06/2007 RM'000	30/06/2006 RM'000
Non current assets		
Property, plant and equipment	1,147,118	1,170,156
Investments	693	693
Intangible assets	17,822	18,473
	1,165,633	1,189,322
Current assets		
Inventories	106,583	90,813
Trade and other receivables	211,403	235,813
Tax recoverable	502	5,513
Cash and bank balances	106,758	84,754
	425,246	416,893
TOTAL ASSETS	1,590,879	1,606,215
Equity attributable to equity holders of the parent		
Share capital	104,942	104,942
Reserves	772,526	715,415
Treasury shares, at cost	(163,761)	(163,721)
	713,707	656,636
Minority interests	252,740	243,711
TOTAL EQUITY	966,447	900,347
Non-current liabilities		
Borrowings (unsecured)	142,810	132,354
Retirement benefits	506	506
Deferred taxation	49,427	26,316
	192,743	159,176
Current Liabilities		
Trade and other payables	212,945	258,477
Short term borrowings and overdrafts (unsecured)	218,744	288,193
Taxation	-	22
	431,689	546,692
TOTAL LIABILITIES	624,432	705,868
TOTAL EQUITY AND LIABILITIES	1,590,879	1,606,215
Net assets per share attributable to ordinary equity holders of the parent (RM)	3.66	3.37

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2006.

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2007

	Attributable to equity holders of the parent							Minority interest	Total equity	
	Share Capital	Reserves attributable to capital	Exchange fluctuation reserve	Reserve for own shares	Share option reserve	Retained profits	Treasury shares			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Current year-to date ended 30 June 2006										
At 1 July 2006										
As previously reported	104,942	250,262	(1,764)	-	-	506,487	(163,721)	696,206	243,711	939,917
Prior year adjustments:										
Effect of adoption of IC Interpretation 112	-	-	-	(42,603)	-	3,033	-	(39,570)	-	(39,570)
As restated	104,942	250,262	(1,764)	(42,603)	-	509,520	(163,721)	656,636	243,711	900,347
Net Profit for the period	-	-	-	-	-	131,725	-	131,725	35,242	166,967
Dividends	-	-	-	-	-	(77,962)	-	(77,962)	(26,213)	(104,175)
Foreign currency translation differences	-	-	2,659	-	-	-	-	2,659	-	2,659
Transfer to capital redemption reserve	-	250	-	-	-	(250)	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	(40)	(40)	-	(40)

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Share options
granted

	-	-	-	-	689	-	-	689	-	689
At 30 June 2007	104,942	250,512	895	(42,603)	689	563,033	(163,761)	713,707	252,740	966,447

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	Attributable to equity holders of the parent							Minority interest	Total equity	
	Share capital	Reserves attributable to capital	Exchange fluctuation reserve	Reserve for own shares	Share option reserve	Retained profits	Treasury shares			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Preceding year corresponding period ended 30 June 2006										
At 1 July 2005										
As previously reported	104,942	250,262	(3,629)	-	-	473,943	(163,620)	661,898	236,916	898,814
Prior year adjustments:										
Effect of adoption of IC Interpretation 112	-	-	-	(5,811)	-	1,685	-	(4,126)	-	(4,126)
As restated	104,942	250,262	(3,629)	(5,811)	-	475,628	(163,620)	657,772	236,916	894,688
Net Profit for the period	-	-	-	-	-	107,135	-	107,135	42,735	149,870
Dividends	-	-	-	-	-	(73,541)	-	(73,541)	(35,940)	(109,481)
Foreign currency translation differences	-	-	1,865	-	-	-	-	1,865	-	1,865
Purchase of treasury shares	-	-	-	-	-	-	(101)	(101)	-	(101)
Effect of adoption of IC Interpretation 112	-	-	-	(36,792)	-	298	-	(36,494)	-	(36,494)
At 30 June 2006	104,942	250,262	(1,764)	(42,603)	-	509,520	(163,721)	656,636	243,711	900,347

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Dividends received by the ESOS Trust amounted to RM1,600,000 (2006: RM1,050,000) are eliminated against the dividend expense of the Company following the consolidation of ESOS Trust as disclosed in Note 1(a).

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2006.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2007

The figures have not been audited

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE PERIOD ENDED 30 June 2007

	Current Year- To-Date	(Restated) Preceding Year Corresponding Period
	30/06/2007 RM'000	30/06/2006 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	189,637	165,381
Adjustments for:-		
Depreciation and amortisation	229,333	218,866
Non-cash items	62	3,161
Net financing cost	18,187	13,504
Operating profit before changes in working capital	437,219	400,912
Changes in working capital		
Net change in current assets	5,044	(97,999)
Net change in current liabilities	(44,068)	54,825
Taxation received	5,430	4,810
Net financing cost paid	(18,187)	(13,504)
Dividend received	-	20
Net cash generated from operating activities	385,438	349,064
CASH FLOW FROM INVESTING ACTIVITIES		
Equity investment	-	2,162
Other investments	(206,763)	(364,813)
Net cash used in investing activities	(206,763)	(362,651)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net (repayments of) / proceeds from borrowings	(52,201)	71,314
Dividends paid	(104,175)	(109,481)
Purchase of trust shares	-	(36,792)
Purchase of treasury shares	(40)	(101)
Net cash used in financing activities	(156,416)	(75,060)
NET CHANGE IN CASH AND CASH EQUIVALENTS	22,259	(88,647)
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD	84,709	173,446
EFFECT ON FOREIGN EXCHANGE	(210)	(90)
CASH & CASH EQUIVALENTS AT END OF PERIOD	106,758	84,709

Cash and cash equivalents included in the consolidated cash flow statements comprise the following balance sheet amounts:

	30/06/2007 RM'000	30/06/2006 RM'000
Cash and bank balances	106,758	84,754
Bank overdrafts	-	(45)
	106,758	84,709

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2006.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2007

The figures have not been audited

1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standards (“FRS”) 134 “Interim Financial Reporting” and the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s audited financial statements for the financial year ended 30 June 2006.

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2006 except for the changes in accounting policies and presentation resulting from the adoption of applicable FRSs and Interpretation adopted by the Malaysian Accounting Standards Board that are effective for the financial period beginning 1 January 2006 as follows:-

FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
FRS 110	Events After the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 121	The Effect of Changes in Foreign Exchange Rates
FRS 127	Consolidated and Separate Financial Statements
FRS 128	Investments in Associates
FRS 131	Interests in Joint Ventures
FRS 132	Financial Instruments : Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Property
IC Interpretation 112	Consolidation – Special Purpose Entities

The adoption of FRSs 5, 102, 108, 110, 116, 121, 127, 128, 131,132, 133 and 140 do not have any significant financial impact on the Group. The principal effect of the changes in accounting policies resulting from the adoption of other new and revised FRSs and Interpretation are as follows:-

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH
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The figures have not been audited

1. Basis of preparation (Cont'd)

(a) FRS2 : Share-based Payment and IC Interpretation 112 : Consolidation – Special Purpose Entities

The Group operates an equity-settled, share based compensation plan for the employees of the Group under the Malaysian Pacific Industries Berhad (“MPI”)’s Executive Share Option Scheme (“ESOS”).

With the adoption of FRS 2, Share-based Payment, the fair value of the share options granted to employees is recognised as an employment cost with a corresponding increase in the share option reserve over the vesting period.

During the current financial year-to-date, the Group granted 3,650,000 conditional incentive share options (“Options”) to eligible executives of MPI Group subject to the achievement of certain performance criteria over an option performance period. The Options granted have resulted in a recognition of employee benefits expense of RM689,000 with a corresponding credit to share option reserve during the current financial year-to-date.

In connection with the ESOS, a trust has been set up and is administered by an appointed trustee (“ESOS Trust”). The trustee will be entitled, from time to time, to accept advances from the Group, upon such terms and conditions as the Group and the trustee may agree, to purchase the Company’s shares from the open market for the ESOS Trust (“Trust Shares”).

Prior to 1 July 2006, the advances given to purchase the Trust Shares were recorded as “Other Assets” in the balance sheet. Remuneration expenses computed using the average purchase price (net of dividend received from the shares held) of the Trust Shares less the options price or the market price (whichever is lower) of the Trust Shares, were recognised as employment cost in the income statement on a straight line basis over the remaining period of the ESOS.

Beginning 1 July 2006, with the adoption of IC Interpretation 112, the ESOS Trust has been consolidated into the Group’s consolidated financial statements and the “Other Assets” is restated as a deduction from equity and classified as reserves for own shares. Dividends received by the ESOS Trust are eliminated against the dividend expense of the Company.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2007

The figures have not been audited

1. **Basis of preparation (Cont'd)**

(b) **FRS 3 : Business Combination, FRS 136 : Impairment of Assets and FRS 138 : Intangible Assets**

The adoption of FRS 3, FRS 136 and FRS 138 has resulted in the Group ceasing amortisation of goodwill. Goodwill carried at cost less accumulated impairment losses, is now tested for impairment annually, or more frequently if events or changes in circumstances indicate that it may be impaired. Impairment losses are recognised in the income statement when the carrying amount of the cash generating unit to which the goodwill has been allocated exceeds the recoverable amount.

In prior periods, goodwill was amortised on a straight-line basis over its estimated useful life of twenty (20) years. In accordance with the transitional provision of FRS 3, the cumulative amortisation as at 1 July 2006 has been offset against the cost of goodwill and the carrying amount of goodwill as at 1 July 2006 of RM12,393,000 ceased to be amortised. This change in accounting policy has been applied prospectively and as such there is no restatement of comparative amounts whilst the Group's profit for the current quarter and year-to-date was higher by RM459,500 and RM1,838,000 respectively resulting from the cessation of amortisation of goodwill.

(c) **FRS 101 : Presentation of Financial Statements**

The adoption of revised FRS 101 requires new presentation of the financial statements.

In the consolidated income statement, minority interests are presented as an allocation of the total profit for the financial period between the equity holders of the parent and minority interests. In the consolidated balance sheet and consolidated statement of changes in equity, minority interests are presented within total equity. FRS 101 also requires disclosure on the face of the consolidated statement of changes in equity, a total for recognised income and expenses for the financial period, showing separately the amount attributable to the equity holders of the parent and the minority interests.

The presentation of this interim financial report is based on the revised requirements of FRS 101 in which certain comparative figures have been restated to conform with the current period's presentation.

The following comparatives have been restated due to the adoption of new and revised FRSS which have retrospective impact on the preceding period's financial statements:-

Condensed Consolidated Balance Sheet

	At 30 June 2006		
	As Previously Reported	Adoption of IC Interpretation 112	As Restated
	RM'000	RM'000	RM'000
Other assets	39,570	(39,570)	-
Reserves	754,985	(39,570)	715,415

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1. **Basis of preparation (Cont'd)**

Condensed Consolidated Statement of Changes in Equity

	As Previously Reported	Adoption of IC Interpretation 112	As Restate d
	RM'000	RM'000	RM'000
Reserve for own shares at 1 July 2006	-	(42,603)	(42,603)
Retained profits at 1 July 2006	506,487	3,033	509,520
Reserve for own shares at 1 July 2005	-	(5,811)	(5,811)
Retained profits at 1 July 2005	473,943	1,685	475,628

Condensed Consolidated Cash Flow Statement

	As Previously Reported	Adoption of IC Interpretation 112	As Restate d
	RM'000	RM'000	RM'000
Net change in current assets	(133,741)	35,742	(97,999)
Dividends paid	(110,531)	1,050	(109,481)
Purchase of trust shares	-	(36,792)	(36,792)

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

The audit report for the preceding annual financial statements was not qualified.

3. **Seasonality or cyclicity of interim operations**

There have been no material seasonal or cyclical factors affecting the results of the quarter under review.

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 during the current financial year-to-date.

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 financial years.

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

- (a) During the current quarter under review, the Company bought back 1,000 of its own shares from the open market for total cash consideration of RM10,500. During the current financial year-to-date, the Company bought back 4,000 of its own shares from the open market for total cash consideration of RM40,500. The total number of shares bought back as at 30 June 2007 was 10,980,000 shares and the shares are being held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965.

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6. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities (Cont'd)

(b) There were no share options granted during the current quarter under review. During the current financial year-to-date, the Group granted 3,650,000 conditional incentive share options ("Options") to eligible executives of the Group pursuant to the ESOS of the Company which was established on 23 January 2006, subject to the achievement of certain performance criteria over an option performance period.

(c) There were no additional shares purchased by the ESOS Trust during the current quarter under review and current financial year-to-date. The total number of shares purchased by the ESOS Trust as at 30 June 2007 was 4,000,000 shares.

There was no issuance of shares, share cancellation, resale of treasury shares nor repayment of debt or equity securities during the current financial year-to-date.

7. Dividend paid

The Company has paid the following dividend during the current financial year-to-date:-

	Current year-to-date RM'000
First interim dividend of 17.0 sen tax exempt per RM0.50 ordinary share, paid on 6 December 2006	33,814
Second interim dividend of 23.0 sen tax exempt per RM0.50 ordinary share, paid on 21 June 2007	45,748
	<hr/> 79,562 <hr/>

8. Segmental reporting

The Group's segmental report for the current financial year-to-date is as follows: -

	Semiconductor	Investment holding	Total
	RM'000	RM'000	RM'000
Revenue	<hr/> 1,485,329	-	<hr/> 1,485,329
Results			
Segment results	<hr/> 209,509	(1,685)	207,824
Interest expense			(20,757)
Interest income			2,570
Profit before taxation			<hr/> 189,637
Taxation			(22,670)
Profit for the period			<hr/> 166,967 <hr/>

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9. Valuations of property, plant and equipment

The valuation of property, plant and equipment has been brought forward without any amendment 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 quarter under review, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations.

12. Contingent liabilities or contingent assets

Save as disclosed in Note 23, there were no contingent liabilities or contingent assets as at the date of this report.

13. Review of performance

Revenue of the Group dropped by 5.6% to RM366.4 million against the same quarter last year. The Group's profit before taxation ("PBT") was lower by RM17.8 million as compared with the same quarter last year. The lower revenue and PBT were mainly due to the strengthening of the Ringgit Malaysia against the US Dollar.

The Group's revenue for the current financial year ended 30 June 2007 was RM1.5 billion, a growth of 9.2% over the last year's corresponding period of RM1.4 billion. Profit after taxation ("PAT") for the current financial year was RM167.0 million, an improvement of 11.4% over last year's corresponding period of RM149.9 million. The higher revenue and improvement in PAT were mainly due to higher sales achieved against the corresponding period last year.

14. Material changes in PBT against the immediate preceding quarter

The Group's revenue and PBT for the current quarter under review was RM366.4 million and RM41.7 million respectively as compared with RM343.8 million and RM32.2 million recorded in the preceding quarter. These increases were mainly attributable to higher revenue growth of 6.5% over the preceding quarter.

15. Prospects

The Board expects the overall positive trend of the industry to continue and the Group's performance would improve further in the financial year ending 30 June 2008.

16. Profit forecast / profit guaranteed

This note is not applicable.

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17. Taxation

Taxation comprise: -

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current	Preceding Year
	Quarter	Corresponding	Year- To-	Corresponding
	30/06/2007	30/06/2006	Date	Period
	RM'000	RM'000	30/06/2007	30/06/2006
			RM'000	RM'000
Current taxation				
Malaysia - current year	51	-	51	-
- prior years	(470)	(2,062)	(470)	(2,011)
Overseas - prior years	(22)	22	(22)	88
	(441)	(2,040)	(441)	(1,923)
Deferred taxation				
- current year	5,580	7,403	23,111	17,434
	5,139	5,363	22,670	15,511

The Group's effective tax rate for the current quarter / year-to-date are lower than the statutory tax rate mainly due to tax incentives granted to certain subsidiaries.

18. Sale of unquoted investments and/or properties

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

19. Quoted securities

- (a) There were no purchases or disposals of quoted securities (other than securities in existing subsidiaries) for the current quarter and year-to-date.
- (b) There were no investments in quoted securities as at 30 June 2007.

20. Corporate proposals

There were no corporate proposals announced but not completed as at the date of this report.

21. Group's borrowings and debt securities

Particulars of the Group's borrowings and debt securities as at 30 June 2007 are as follows: -

	RM'000
(i) Unsecured short term borrowings and overdrafts	142,810
(ii) Unsecured long term borrowings	218,744
	<u>361,554</u>

The above include borrowings denominated in foreign currencies as follows: -

	RM'000
USD borrowings	110,544
RMB borrowings	9,072

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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 financial instruments with off balance sheet risk as at 17 August 2007 are as follows: -

	Contract amount RM'000
Foreign exchange forward contracts	<u>301,937</u>

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

There is minimal credit and market risk because the contracts were executed with established financial institutions.

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

23. Changes in material litigation

Amkor Technology, Inc. ("Amkor") has filed a complaint with the International Trade Commission ("ITC") on 17 November 2003 alleging Carsem (M) Sdn Bhd, Carsem Semiconductor Sdn Bhd and Carsem Inc. (collectively "Carsem Group") of infringing three of Amkor's United States Patents. Amkor has also filed a civil lawsuit at the District Court on even date alleging Carsem Group of infringement of the same three patents which are the subject of the ITC Investigation.

Following a hearing in July and August 2004, an Administrative Law Judge ("ALJ") issued an Initial Determination finding all of the asserted claims of Amkor's patents invalid, not infringed, or both, and no violation by Carsem Group. Subsequently, the ITC reviewed the Initial Determination and remanded to the ALJ for further findings on several issues.

Carsem Group has now been advised by its lawyers that the ALJ has found that some but not all of Carsem Group's devices infringed on Amkor's patents. Carsem Group has filed a petition for review by the ITC and the motion to extend the target date for completion of this investigation by three months pending ASAT, Inc. subpoena enforcement proceeding ("ASAT Proceeding").

Carsem Group's motion is granted to the extent that the target date for completion of this investigation is extended to a date that is three months after completion of the pending ASAT Proceeding.

As at the date of this report, the ASAT Proceeding is still pending.

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24. Dividend

- (a) The Board does not recommend any final dividend for the year ended 30 June 2007 (2005/2006 : nil).
- (b) For the financial year-to-date, a total dividend of 40.0 sen per share tax exempt has been declared (2005/2006 : 37.5 sen per share tax exempt).

25. Earnings per ordinary share

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share for the current quarter is based on the profit attributable to ordinary equity holders of the parent of RM28,162,000 (2005/2006 : RM40,781,000) and the weighted average number of ordinary shares outstanding during the quarter of 194,905,045 (2005/2006: 194,911,363).

The calculation of basic earnings per ordinary share for the current year-to-date is based on the profit attributable to ordinary equity holders of the parent of RM131,725,000 (2005/2006 : RM107,135,000) and the weighted average number of ordinary shares outstanding during the period of 194,906,345 (2005/2006: 197,150,181).

Weighted average number of ordinary share

	Individual Quarter		Cumulative Quarter	
	(Restated)		(Restated)	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year- To- Date	Preceding Year Corresponding Period
	30/06/2007 '000	30/06/2006 '000	30/06/2007 '000	30/06/2006 '000
Issued ordinary shares at beginning of period	194,905	194,913	194,908	198,568
Effect of purchase of treasury shares	-	(2)	(2)	(3)
Effect of purchase of Trust Shares	-	-	-	(1,415)
Weighted average number of ordinary shares	194,905	194,911	194,906	197,150

MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH
QUARTER ENDED 30 JUNE 2007**

The figures have not been audited

25. Earnings per ordinary share (Cont'd)

Diluted earnings per ordinary share

The Group has no dilution in its earnings per ordinary share in the current quarter / year-to-date as the potential ordinary shares from the exercise of Options would increase the basic earnings per ordinary share.

The Group had no dilution in its earnings per ordinary share in the preceding year's corresponding quarter / period as there were no dilutive potential ordinary shares. 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

Joanne Leong Wei Yin
Company Secretary

Kuala Lumpur
24 August 2007