



Malaysian Pacific Industries

A Member of the Hong Leong Group

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2008

The figures have not been audited

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2008

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	(Restated) Preceding Year Corresponding Quarter	Current Year- To-Date	(Restated) Preceding Year Corresponding Period
	30/06/2008 RM'000	30/06/2007 RM'000	30/06/2008 RM'000	30/06/2007 RM'000
Revenue	366,237	366,365	1,539,126	1,485,329
Cost of sales	(318,758)	(304,675)	(1,289,180)	(1,208,994)
Gross profit	47,479	61,690	249,946	276,335
Operating expenses	(15,610)	(14,513)	(66,049)	(64,262)
Other operating income / (expenses)	3,084	(1,513)	(14,237)	(4,249)
Interest expense	(3,283)	(5,697)	(15,738)	(20,757)
Interest income	475	1,704	2,557	2,570
Profit before taxation	32,145	41,671	156,479	189,637
Taxation	4,212	(5,139)	(9,180)	(22,670)
Profit for the period	36,357	36,532	147,299	166,967
Attributable to:				
Equity holders of the parent	27,690	28,162	112,176	131,725
Minority interests	8,667	8,370	35,123	35,242
Profit for the period	36,357	36,532	147,299	166,967
Earnings per ordinary share (sen): -				
(a) Basic	14.21	14.45	57.55	67.58
(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 2007.

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MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2008****The figures have not been audited****CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 30 JUNE 2008**

	As At End of Current Quarter 30/06/2008 RM'000	(Restated) As At End of Preceding Financial Year 30/06/2007 RM'000
Non-current assets		
Property, plant and equipment	1,157,994	1,131,848
Prepaid lease payments	20,467	20,699
Investments	693	693
Intangible assets	12,393	12,393
	<u>1,191,547</u>	<u>1,165,633</u>
Current assets		
Inventories	105,475	106,583
Trade and other receivables	225,668	211,403
Tax recoverable	-	502
Deposits, cash and bank balances	102,245	106,758
	<u>433,388</u>	<u>425,246</u>
TOTAL ASSETS	<u>1,624,935</u>	<u>1,590,879</u>
Equity attributable to equity holders of the parent		
Share capital	104,942	104,942
Reserves	824,397	772,526
Treasury shares, at cost	(163,779)	(163,761)
	<u>765,560</u>	<u>713,707</u>
Minority interests	259,687	252,740
TOTAL EQUITY	<u>1,025,247</u>	<u>966,447</u>
Non-current liabilities		
Borrowings (unsecured)	120,166	142,810
Retirement benefits	442	506
Deferred taxation	58,525	49,427
	<u>179,133</u>	<u>192,743</u>
Current Liabilities		
Trade and other payables	201,090	212,945
Short term borrowings (unsecured)	219,465	218,744
	<u>420,555</u>	<u>431,689</u>
TOTAL LIABILITIES	<u>599,688</u>	<u>624,432</u>
TOTAL EQUITY AND LIABILITIES	<u>1,624,935</u>	<u>1,590,879</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	3.93	3.66

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2007.

MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2008

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2008

Attributable to equity holders of the parent

	Share Capital RM'000	Share premium RM'000	Capital redemption reserve RM'000	Capital reserve RM'000	Exchange fluctuation reserve RM'000	Reserve for own shares RM'000	Share option reserve RM'000	Retained profits RM'000	Treasury shares RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
Current year-to-date ended 30 June 2008												
At 1 July 2007	104,942	249,952	560	-	895	(42,603)	689	563,033	(163,761)	713,707	252,740	966,447
Profit for the period	-	-	-	-	-	-	-	112,176	-	112,176	35,123	147,299
Foreign currency translation differences	-	-	-	-	10,611	-	-	-	-	10,611	-	10,611
Dividends	-	-	-	-	-	-	-	(72,114)	-	(72,114)	(28,176)	(100,290)
Transfer to capital redemption reserve	-	-	100	-	-	-	-	(100)	-	-	-	-
Transfer to capital reserve	-	-	-	1,806	-	-	-	(1,806)	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-	-	(18)	(18)	-	(18)
Share-based payment	-	-	-	-	-	-	1,198	-	-	1,198	-	1,198
At 30 June 2008	104,942	249,952	660	1,806	11,506	(42,603)	1,887	601,189	(163,779)	765,560	259,687	1,025,247

MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2008

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2008 (Cont'd)

Attributable to equity holders of the parent

	Share Capital	Share premium	Capital redemption reserve	Exchange fluctuation reserve	Reserve for own shares	Share option reserve	Retained profits	Treasury shares	Total	Minority interest	Total equity
	RM'000	RM'000	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 2007											
At 1 July 2006	104,942	249,952	310	(1,764)	-	-	506,487	(163,721)	696,206	243,711	939,917
As previously reported											
Prior year adjustments:											
Effect of adoption of IC Interpretation 112											
"Consolidation - Special Purpose Entities"					(42,603)	-	3,033	-	(39,570)	-	(39,570)
As restated	104,942	249,952	310	(1,764)	(42,603)	-	509,520	(163,721)	656,636	243,711	900,347
Profit for the period	-	-	-	-	-	-	131,725	-	131,725	35,242	166,967
Foreign currency translation differences	-	-	-	2,659	-	-	-	-	2,659	-	2,659
Dividends	-	-	-	-	-	-	(77,962)	-	(77,962)	(26,213)	(104,175)
Transfer to capital redemption reserve	-	-	250	-	-	-	(250)	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-	(40)	(40)	-	(40)
Share-based payment	-	-	-	-	-	689	-	-	689	-	689
At 30 June 2007	104,942	249,952	560	895	(42,603)	689	563,033	(163,761)	713,707	252,740	966,447

Dividends received by the ESOS Trust amounted to RM1,480,000 (2007: RM1,600,000) are eliminated against the dividend expense of the Company following the consolidation of ESOS Trust.

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2007.

MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2008****The figures have not been audited****CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2008**

	Current Year-To-Date	Preceding Year Corresponding period
	30/06/2008 RM'000	30/06/2007 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	156,479	189,637
Adjustments for:-		
Depreciation and amortisation	235,560	229,333
Non-cash items	8,839	62
Net financing cost	13,181	18,187
Operating profit before changes in working capital	414,059	437,219
Changes in working capital		
Net change in current assets	(13,158)	5,044
Net change in current liabilities	(10,050)	(44,068)
Taxation refunded	420	5,430
Net financing cost paid	(13,181)	(18,187)
Retirement benefit paid	(64)	-
Net cash generated from operating activities	378,026	385,438
CASH FLOW FROM INVESTING ACTIVITY		
Other investments	(263,598)	(206,763)
Net cash used in investing activity	(263,598)	(206,763)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayments of borrowings	(18,811)	(52,201)
Dividend paid	(100,290)	(104,175)
Purchase of treasury shares	(18)	(40)
Net cash used in financing activity	(119,119)	(156,416)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(4,691)	22,259
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD	106,758	84,709
EFFECT ON FOREIGN EXCHANGE	178	(210)
CASH & CASH EQUIVALENTS AT END OF PERIOD	102,245	106,758

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

	30/06/2008 RM'000	30/06/2007 RM'000
Deposits, cash and bank balances	102,245	106,758

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2007.

MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2008

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 2007.

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 2007 except for the changes in accounting policies and presentation resulting from the adoption of the following applicable FRSs adopted by the Malaysian Accounting Standards Board ("MASB"):

Standard / Interpretation		Effective date
FRS 6	Exploration for and Evaluation of Mineral Resources	1 January 2007
FRS 107	Cash Flow Statements	1 July 2007
FRS 111	Construction Contracts	1 July 2007
FRS112	Income Taxes	1 July 2007
FRS 117	Leases	1 October 2006
FRS 118	Revenue	1 July 2007
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance	1 July 2007
FRS 124	Related Party Disclosures	1 October 2006
FRS 134	Interim Financial Reporting	1 July 2007
FRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 July 2007
Amendment to FRS 119 ₂₀₀₄	Employees Benefits - Actuarial Gains and Losses, Group Plans and Disclosures	1 January 2007
Amendment to FRS 121	The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation	1 July 2007

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The figures have not been audited

1. Basis of preparation (Cont'd)

IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 July 2007
IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments	1 July 2007
IC Interpretation 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 July 2007
IC Interpretation 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment	1 July 2007
IC Interpretation 7	Applying the Restatement Approach under FRS 129 ₂₀₀₄ , Financial Reporting in Hyperinflationary Economies	1 July 2007
IC Interpretation 8	Scope of FRS 2	1 July 2007

The adoption of FRSs 6, 107, 111, 112, 118, 120, 124, 134, 137, Amendment to FRS 119₂₀₀₄, Amendment to FRS 121 and IC Interpretations 1, 2, 5, 6, 7 and 8 do not have any significant financial impact on the financial statements of the Group.

The adoption of FRS 117 has resulted in a retrospective change in the accounting policy relating to the classification of leasehold land. The up-front payments made for the leasehold land are classified as prepaid lease payments and amortised on a straight-line basis over the remaining lease term of the land. Prior to 1 July 2007, leasehold land were classified as property, plant and equipment and were stated at cost less accumulated depreciation.

The following comparatives have been restated due to the adoption of FRS 117 which has a retrospective impact on the preceding year's financial statements:-

Condensed Consolidated Balance Sheet

At 30 June 2007

	As Previously Reported RM'000	Adoption of FRS 117 RM'000	As Restated RM'000
Property, plant and equipment	1,152,547	(20,699)	1,131,848
Prepaid lease payments	-	20,699	20,699

The MASB announced that FRS 139, Financial Instruments: Recognition and Measurement will be effective for annual periods beginning on or after 1 January 2010. Hence, the Group plans to adopt FRS 139 for the financial year ending 30 June 2011.

The effects resulting from the adoption of FRS 139 upon first adoption of this standard as required by paragraph 30(b) of FRS 108, Accounting Policies, Changes in Accounting Estimates and Errors are not disclosed by virtue of the exemption given in the standard.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH
QUARTER ENDED 30 JUNE 2008**

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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 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 quarter under review, the Company bought back 1,000 of its own shares from the open market for a total cash consideration of RM8,550. During the financial year-to-date, the Company bought back 2,000 of its own shares from the open market for total cash consideration of RM17,600. The total number of shares bought back as at 30 June 2008 was 10,982,000 shares and the shares are being held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965.

(b) There were no share options granted during the quarter under review and financial year-to-date. As at 30 June 2008, the Group granted 3,650,000 conditional incentive share options ("Options") to eligible executives of the Group pursuant to the Executive Share Option Scheme ("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 trust set up for the ESOS ("ESOS Trust") during the quarter under review and financial year-to-date. The total number of shares purchased by the ESOS Trust as at 30 June 2008 was 4,000,000 shares.

There were no issuance of shares, share cancellation, resale of treasury shares nor repayment of debt or equity securities during the quarter under review and financial year-to-date.

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QUARTER ENDED 30 JUNE 2008**

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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 13.0 sen per share tax exempt, paid on 27 December 2007	25,857
Second interim dividend of 24.0 sen per share tax exempt, paid on 18 June 2008	47,737
	<u>73,594</u>

8. Segmental reporting

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

	Semiconductor RM'000	Investment holdings RM'000	Total RM'000
Revenue	1,539,126	-	1,539,126
Results			
Segment results	174,489	(4,829)	169,660
Interest expense			(15,738)
Interest income			2,557
Profit before taxation			156,479
Taxation			(9,180)
Profit for the period			<u>147,299</u>

9. Valuations of property, plant and equipment

There were no revaluation of property, plant and equipment as at the date of this report.

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.

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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 discontinued 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

The Group recorded a revenue of RM366.2 million and a profit before taxation ("PBT") of RM32.1 million for the quarter under review. The Group's revenue for the financial year-to-date was RM1,539.1 million, a growth of 3.6% over the preceding year's corresponding period of RM1,485.3 million. PBT recorded for the financial year-to-date was RM156.5 million, a decline of 17.5% over the preceding year's corresponding period of RM189.6 million. This result took into account the loss of consignment materials amounting to RM9.7 million. The lower PBT for the quarter under review and financial year-to-date were mainly due to the significant appreciation of the Ringgit Malaysia against the US Dollar.

14. Material changes in revenue and Profit Before Taxation against the immediate preceding quarter

The Group's revenue and PBT for the quarter under review were RM366.2 million and RM32.1 million respectively as compared with RM363.3 million and RM15.9 million recorded in the preceding quarter respectively. The increase in PBT was mainly due to the improved cost efficiency and favourable unrealised foreign exchange differences.

15. Prospects

Barring any unforeseen circumstances, the Board expects the Group's performance to be satisfactory for the financial year ending 30 June 2009.

16. Profit forecast / profit guaranteed

This note is not applicable.

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17. Taxation

Taxation comprise: -

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year- To-Date	Preceding Year Corresponding Period
	30/06/2008 RM'000	30/06/2007 RM'000	30/06/2008 RM'000	30/06/2007 RM'000
Current taxation				
Malaysia - current year	8	51	52	51
- prior years	30	(470)	30	(470)
Overseas - prior years	-	(22)	-	(22)
	38	(441)	82	(441)
Deferred taxation				
- current year	(4,250)	5,580	9,098	23,111
	(4,212)	5,139	9,180	22,670

The Group's effective tax rate is 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 quarter under review and financial year-to-date.

19. Quoted securities

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

(b) There were no investments in quoted securities as at 30 June 2008.

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 2008 are as follows: -

	RM'000
(i) Unsecured short term borrowings	219,465
(ii) Unsecured long term borrowings	120,166
	<u>339,631</u>

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

USD borrowings	RM'000
	<u>94,842</u>

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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 15 August 2008 are as follows:-

	Contract Amount RM'000
Foreign exchange forward contracts	<u>698,462</u>

The above contracts are maturing within a period of 12 months.

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

Gains and losses on foreign exchange forward 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.

MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2008

The figures have not been audited

24. Dividend

- (a) The Board does not recommend any final dividend for the year ended 30 June 2008 (2006/2007 : nil).
- (b) For the financial year-to-date, a total dividend of 37.0 sen per share tax exempt has been declared (2006/2007 : 40.0 sen per share tax exempt).

25. Earnings per ordinary share

The calculation of basic earnings per ordinary share for the quarter under review is based on the profit attributable to ordinary equity holders of the parent of RM27,690,000 (2006/2007 : RM28,162,000) and the weighted average number of ordinary shares outstanding during the quarter of 194,903,034 (2006/2007 : 194,905,045).

The calculation of basic earnings per ordinary share for the financial year-to-date is based on the profit attributable to ordinary equity holders of the parent of RM112,176,000 (2006/2007 : RM131,725,000) and the weighted average number of ordinary shares outstanding during the period of 194,903,730 (2006/2007 : 194,906,345).

Weighted average number of ordinary share:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	(Restated) Preceding Year Corresponding Quarter	Current Year- To-Date	(Restated) Preceding Year Corresponding Period
		30/06/2008 '000		30/06/2007 '000
Issued ordinary shares at beginning of period	194,903	194,905	194,904	194,908
Effect of purchase of treasury shares	-	-	-	(2)
Weighted average number of ordinary shares	194,903	194,905	194,904	194,906

Diluted earnings per ordinary share

The Group has no dilution in its earnings per ordinary share in the quarter under review and financial 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 the potential ordinary shares from the exercise of Options would increase the basic earnings per ordinary share.

By Order of the Board
Malaysian Pacific Industries Berhad

Joanne Leong Wei Yin
Company Secretary

Kuala Lumpur
21 August 2008

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