

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2001

The figures have not been audited

CONSOLIDATED INCOME STATEMENT

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-To- Date	Preceding Year Corresponding Period
	31/12/2001 RM'000	31/12/2000 RM'000	31/12/2001 RM'000	31/12/2000 RM'000
1. (a) Revenue	180,691	406,819	359,507	820,225
(b) Investment income	7,790	929	7,790	929
(c) Other income	1,114	1,196	1,997	2,461
2. (a) Profit/(loss) before finance cost, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	47,436	189,692	90,720	386,047
(b) Finance cost	(2,531)	(3,517)	(5,321)	(5,857)
(c) Depreciation and amortisation	(52,199)	(52,792)	(106,360)	(103,284)
(d) Exceptional items	-	-	-	(6,832)
(e) Profit/(loss) before income tax, minority interests and extraordinary items	(7,294)	133,383	(20,961)	270,074
(f) Share of profits and losses of associated companies	-	-	-	-
(g) Profit/(loss) before income tax, minority interests and extraordinary items	(7,294)	133,383	(20,961)	270,074
(h) Income tax	(5,708)	(6,241)	(11,197)	(13,251)
(i) (i) Profit/(loss) after income tax before deducting minority interests	(13,002)	127,142	(32,158)	256,823
(ii) Less minority interests	1,657	(35,523)	3,982	(73,503)
	(11,345)	91,619	(28,176)	183,320
(j) Pre-acquisition profit/(loss)	-	-	-	-
(k) Net profit/(loss) from ordinary activities attributable to members of the Company	(11,345)	91,619	(28,176)	183,320
(l) (i) Extraordinary items	-	-	-	-
(ii) Less minority interests	-	-	-	-
(iii) Extraordinary items attributable to members of the Company	-	-	-	-
(m) Net profit/(loss) attributable to members of the Company	(11,345)	91,619	(28,176)	183,320
3. Earnings per share based on 2(m) above after deducting any provision for preference dividends if any :-				
(a) Basic (based on 198,918,419 ordinary shares) (sen)	(5.7)	45.8	(14.2)	91.7
(b) Fully diluted (based on ordinary shares) (sen)	-	45.8	-	91.7

Notes : Following the adoption of MASB standards in preparation of this set of financial statements, presentation and classification of certain items in the financial statement have been amended. Accordingly, comparative amounts for those items have been classified to ensure comparability with the current financial year.

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CONSOLIDATED BALANCE SHEET

	As at end of current quarter 31/12/2001 RM'000	As at preceding financial year end 30/06/2001 RM'000
1. Property, Plant and Equipment	1,092,748	1,159,557
2. Investment Property	-	-
3. Investment in Associated Companies	-	-
4. Long Term Investments	48,516	70,171
5. Goodwill on Consolidation	5,131	5,458
6. Intangible Assets	21,064	21,921
7. Other Long Term Assets	-	-
8. Current Assets		
Inventories	47,851	54,435
Trade Receivables	92,995	116,860
Short Term Investments	-	-
Cash	247,937	279,604
Amount due from Related Company	76,494	84,438
Others Receivables	48,026	39,757
	513,303	575,094
9. Current Liabilities		
Trade Payables	49,142	39,365
Other Payables	59,189	97,109
Short Term Borrowings	85,062	110,092
Provision for Taxation	32,017	34,424
Proposed Dividend	-	-
Banker Acceptance	56,770	99,895
	282,180	380,885
10. Net Current Assets/(Liabilities)	231,123	194,209
	1,398,582	1,451,316
11. Shareholders' Funds		
Share Capital	104,942	104,942
Reserves		
Share Premium	249,952	249,952
Revaluation Reserve	-	-
Capital Reserve	-	-
Statutory Reserve	-	-
Retained Profit	610,605	638,781
Treasury shares, at cost	(163,620)	(163,620)
Others	(5,485)	(5,591)
	796,394	824,464
12. Minority Interests	268,260	285,742
13. Long Term Borrowings	282,395	299,179
14. Other Long Term Liabilities	4,217	4,119
15. Deferred Taxation	47,316	37,812
	333,928	341,110
	1,398,582	1,451,316
16. Net tangible assets per share (sen)	387	401

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1. Accounting policies

The accounting policies and methods of computation are consistent with those adopted in the most recent annual financial statements.

2. Exceptional items

Exceptional items comprise :-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/12/2001 RM'000	Preceding Year Corresponding Quarter 31/12/2000 RM'000	Current Year- To-Date 31/12/2001 RM'000	Preceding Year Corresponding Period 31/12/2000 RM'000
Realised exchange gain	-	-	-	-
Amortisation of Deferred Exchange Differences	-	-	-	(6,832)
	-	-	-	(6,832)

3. Extraordinary items

There were no extraordinary items included in the accounts.

4. Taxation

Taxation comprise :-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/12/2001 RM'000	Preceding Year Corresponding Quarter 31/12/2000 RM'000	Current Year- To-Date 31/12/2001 RM'000	Preceding Year Corresponding Period 31/12/2000 RM'000
Current taxation	956	2,038	1,693	4,845
Deferred taxation	4,752	4,203	9,504	8,406
	5,708	6,241	11,197	13,251

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 can not be set-off against the taxable income of other subsidiary companies.

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5. Sale of investments / properties

There were no profit or loss on any sale of unquoted investments and/or properties for the current quarter and the financial year-to-date other than as mentioned below:

	Current Year Quarter 31/12/2001 RM'000	Current Year-To-Date 31/12/2001 RM'000
Loss on disposal of unquoted investments	2,835	2,835

6. Quoted securities

(a) There were no purchases or disposals of quoted securities for the current quarter and financial year-to-date other than as mentioned below:

	Current Year Quarter 31/12/2001 RM'000	Current Year-To-Date 31/12/2001 RM'000
(i) Purchases	-	3,915
(ii) Disposal		
Sale proceeds	20,960	20,960
Cost of investment	(10,431)	(10,431)
Profit on disposal	10,529	10,529

(b) Particulars of investments in quoted shares as at 31 December 2001:-

	RM'000
Total investments at cost:	54,848
Total investments at book value (after provision for diminution in value)	47,823
Total investments at market value	45,149

7. Group structure

The Group's year-to-date results have not been affected by any form of changes in the composition of the Group other than as mentioned below:-

(i) Signal Technology Sdn Berhad, a subsidiary of the Company, has been placed under member's voluntary winding-up pursuant to Section 254(1)(b) of the Companies Act, 1965 and is currently pending tax clearance from the Inland Revenue Board.

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8. Corporate proposals

There were no corporate proposal raised during the financial year-to-date.

9. Debt / Equity securities and share buy back

There were no issuance or repayment of debts or equity securities, share buy back, share cancellation or resale of treasury shares during the current financial year-to-date.

10. Group's borrowings

Particulars of the Group's borrowings as at 31 December 2001 are as follows :-

	RM'000
(i) Unsecured short term borrowings	85,062
(ii) Unsecured long term borrowings	282,395
	<u>367,457</u>

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

USD borrowings	RM'000
	<u>203,103</u>

11. Contingent liabilities

There is no contingent liability to be disclosed as at the date of this report.

12. Off-balance sheet risks

There is no off-balance sheet risk envisaged as at the date of this report that might materially affect the position or business of the Group.

13. Material litigation

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

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14. Segmental reporting

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

	Turnover	Profit Before Tax	Total Assets Employed
	RM'000	RM'000	RM'000
Semiconductor	359,411	(18,668)	1,391,050
Investment holding & others	96	(2,293)	289,712
	<u>359,507</u>	<u>(20,961)</u>	<u>1,680,762</u>

15. Quarterly analysis

Compared with the last quarter, revenue has improved marginally by 1%. Loss before tax, however, improved by 46.6% to RM7.3 million from a loss of RM13.6 million.

16. Review of results

The semiconductor industry enjoyed renewed demand during the start of this quarter, especially for components going into cellphones and consumer electronics. However, the demand could not be sustained and orders flattened off in December. The positive note here, though, is that this is the first improvement after five quarters of decline, leading many to believe that the worst is probably over for the industry.

For the financial quarter ended 31 December 2001, the Group recorded a turnover of RM180.7 million. Loss attributable to shareholders dropped to RM11.3 million, representing a loss of 5.7 sen per share, which is a 33% improvement over last quarter's 8.5 sen loss.

17. Material events not reflected in financial statements

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

18. Seasonal / Cyclical factors

This quarter's demand was said to be driven by year-end stocking up for the Christmas and New Year sales.

19. Prospects

Short-term outlook still remains uncertain. However, worldwide semiconductor sales are expected to pick up in the second half of calendar year 2002.

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20. Profit forecast / profit guaranteed

This note is not applicable.

21. Dividend

The Board has declared an interim dividend of 30% tax exempt for the 6 months ended 31 December 2001 of the financial year 2001/2002 (6 months ended 31 December 2000 of the financial year 2000/2001 : 30% tax exempt and a further special interim dividend of 30% tax exempt) to be paid on 19 March 2002 to holders of ordinary shares whose names appear in the Record of Depositors at the close of business on 5 March 2002.

This is to inform that a Depositor shall qualify for the entitlement only in respect of:-

- (a) shares transferred into the Depositor's securities account before 12.30 p.m. on 5 March 2002 in respect of ordinary transfers; and
- (b) shares bought on the Kuala Lumpur Stock Exchange on a cum entitlement basis according to the Rules of the Kuala Lumpur Stock Exchange.

By Order of the Board
Malaysian Pacific Industries Berhad

Queek Chai Choo
Joanne Leong Wei Yin
Company Secretaries

Kuala Lumpur
06 February 2002