



Malaysian Pacific Industries

A Member of the Hong Leong Group

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2011

The figures have not been audited

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2011

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	30/06/2011 RM'000	30/06/2010 RM'000	30/06/2011 RM'000	30/06/2010 RM'000
Revenue	342,383	373,627	1,415,247	1,386,202
Cost of sales	(332,072)	(323,099)	(1,288,422)	(1,202,524)
Gross profit	10,311	50,528	126,825	183,678
Operating expenses	(13,269)	(16,585)	(54,310)	(58,323)
Other operating income/ (expenses)	9,577	(40,156)	15,847	(35,860)
Profit/(loss) from operation	6,619	(6,213)	88,362	89,495
Finance costs	(1,645)	(1,529)	(6,438)	(5,943)
Finance income	549	248	1,734	1,432
Profit/(loss) before taxation	5,523	(7,494)	83,658	84,984
Taxation	(957)	50,131	(8,660)	40,902
Profit for the period	4,566	42,637	74,998	125,886
Attributable to:				
Owners of the company	2,588	34,780	58,768	105,407
Non-controlling interests	1,978	7,857	16,230	20,479
Profit for the period	4,566	42,637	74,998	125,886
Earnings per ordinary share (sen): -				
(a) Basic	1.34	17.85	30.29	54.08
(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 2010.

MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2011

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE 2011

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	30/06/2011 RM'000	30/06/2010 RM'000	30/06/2011 RM'000	30/06/2010 RM'000
Profit for the period	4,566	42,637	74,998	125,886
Foreign currency translation differences for foreign operations	2,627	711	(5,099)	(13,282)
Total comprehensive income for the period	7,193	43,348	69,899	112,604
Total comprehensive income attributable to:				
Owners of the Company	5,215	35,491	53,669	92,125
Non-controlling interests	1,978	7,857	16,230	20,479
Total comprehensive income for the period	7,193	43,348	69,899	112,604

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2010.

MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2011****The figures have not been audited****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011**

	As At End of Current Quarter	As At End of Preceding Financial Year
	30/06/2011 RM'000	30/06/2010 RM'000
Non current assets		
Property, plant and equipment	1,020,347	981,555
Investments	46	46
Intangible assets	12,393	12,393
	<u>1,032,786</u>	<u>993,994</u>
Current assets		
Inventories	102,270	87,736
Trade and other receivables	215,142	228,445
Tax recoverable	35	35
Deposits, cash and bank balances	69,543	128,866
	<u>386,990</u>	<u>445,082</u>
TOTAL ASSETS	<u>1,419,776</u>	<u>1,439,076</u>
Equity attributable to owners of the Company		
Share capital	104,942	104,942
Reserves	807,090	798,989
Treasury shares, at cost	(163,803)	(163,803)
	<u>748,229</u>	<u>740,128</u>
Non-controlling interests	220,910	222,740
TOTAL EQUITY	<u>969,139</u>	<u>962,868</u>
Non-current liabilities		
Borrowings (unsecured)	12,097	85,734
Employee benefits	422	422
Deferred taxation	21,146	15,146
	<u>33,665</u>	<u>101,302</u>
Current Liabilities		
Trade and other payables	219,397	240,862
Borrowings (unsecured)	195,359	130,433
Taxation	2,216	3,611
	<u>416,972</u>	<u>374,906</u>
TOTAL LIABILITIES	<u>450,637</u>	<u>476,208</u>
TOTAL EQUITY AND LIABILITIES	<u>1,419,776</u>	<u>1,439,076</u>
Net assets per share attributable to owners of the Company (RM)	3.86	3.80

The Condensed Consolidated as above should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2010.

MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2011

← Attributable to owners of the Company →

	Share capital	Share premium	Capital redemption reserve	Non-distributable Capital reserve	Exchange fluctuation reserve	Reserve for own shares	Share option reserve	Treasury shares	Distributable Retained profits	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	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 2011	104,942	249,952	1,050	3,750	10,021	(42,603)	166	(163,803)	576,653	740,128	222,740	962,868
At 1 July 2010	-	-	-	-	(5,099)	-	-	-	-	(5,099)	-	(5,099)
Total comprehensive income-foreign currency translation differences	-	-	-	-	-	-	-	-	58,768	58,768	16,230	74,998
Profit for the year	-	-	-	-	(5,099)	-	-	-	58,768	53,669	16,230	69,899
Total comprehensive income for the period	-	-	-	-	(6,650)	-	-	-	-	(6,650)	-	(6,650)
Purchase of own shares	-	-	-	-	-	-	(166)	-	-	(166)	(62)	(228)
Share-based payments transactions	-	-	-	-	-	-	-	-	(38,752)	(38,752)	(17,998)	(56,750)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Total distribution to owners	-	-	-	-	(6,650)	(166)	-	-	(38,752)	(45,568)	(18,060)	(63,628)
Transfer to capital reserve	-	-	1,285	-	-	-	-	-	(1,285)	-	-	-
At 30 June 2011	104,942	249,952	1,050	5,035	4,922	(49,253)	-	(163,803)	595,384	748,229	220,910	969,139

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2011 (Cont'd)

← Attributable to owners of the Company →

	←				→				Non-controlling interests	Total equity			
	Share capital	Share premium	Capital redemption reserve	Capital reserve	Non-distributable	Exchange fluctuation reserve	Reserve for own shares	Share option reserve			Treasury shares	Distributable Retained profits	Total
	RM'000	RM'000	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 2010	104,942	249,952	710	2,283	23,303	(42,603)	2,794	(163,791)	521,778	699,368	220,956	920,324	
Total comprehensive income-foreign currency translation differences	-	-	-	-	(13,282)	-	-	-	-	(13,282)	-	(13,282)	
Profit for the year	-	-	-	-	-	-	-	-	105,407	105,407	20,479	125,886	
Total comprehensive income for the period	-	-	-	-	(13,282)	-	-	(12)	105,407	92,125	20,479	112,604	
Purchase of own shares	-	-	-	-	-	-	-	(12)	-	(12)	-	(12)	
Share-based payments transactions	-	-	-	-	-	-	(2,628)	-	-	(2,628)	(697)	(3,325)	
Dividends	-	-	-	-	-	-	-	-	(48,725)	(48,725)	(17,998)	(66,723)	
Total distribution to owners	-	-	-	-	-	-	(2,628)	(12)	(48,725)	(51,365)	(18,695)	(70,060)	
Transfer to capital redemption reserve	-	-	340	-	-	-	-	-	(340)	-	-	-	
Transfer to capital reserve	-	-	-	1,467	-	-	-	-	(1,467)	-	-	-	
At 30 June 2010	104,942	249,952	1,050	3,750	10,021	(42,603)	166	(163,803)	576,653	740,128	222,740	962,868	

Dividends received by the ESOS Trust amounted to RM1,026,800 (2009/2010: RM1,000,000) are eliminated against the dividend expense of the Company following the consolidation of ESOS Trust.

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2010.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2011

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2011

	Current Year To-date	Preceding Year Corresponding Period
	30/06/2011 RM'000	30/06/2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	83,658	84,984
Adjustments for:-		
Depreciation and amortisation	193,914	213,669
Non-cash items	(1,193)	59,434
Net financing cost	4,704	4,511
Operating profit before changes in working capital	281,083	362,598
Changes in working capital		
Net change in current assets	16,495	(103,858)
Net change in current liabilities	(20,187)	101,428
Tax paid	(4,055)	(3,016)
Net financing cost paid	(4,704)	(4,511)
Dividend received	371	-
Net cash generated from operating activities	269,003	352,641
CASH FLOW FROM INVESTING ACTIVITY		
Purchase of property, plant and equipment	(239,858)	(189,206)
Net cash used in investing activity	(239,859)	(189,206)
CASH FLOWS FROM FINANCING ACTIVITY		
Net repayments of borrowings	(23,934)	(43,868)
Dividend paid to owners of the Company	(38,752)	(48,725)
Dividend paid to non-controlling shareholders of subsidiaries	(17,998)	(17,998)
Purchase of trust shares	(6,650)	-
Purchase of treasury shares	-	(12)
Net cash used in financing activity	(87,334)	(110,603)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(58,189)	52,832
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD	128,866	77,329
EFFECT ON FOREIGN EXCHANGE	(1,134)	(1,295)
CASH & CASH EQUIVALENTS AT END OF PERIOD	69,543	128,866

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following balance sheet amounts:

	30/06/2011 RM'000	30/06/2010 RM'000
Deposits, cash and bank balances	69,543	128,866

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2010.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2011

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 Main Market 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 2010.

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 2010 except for the changes in accounting policies and presentation resulting from the adoption of relevant FRSs, Amendments to FRSs and IC Interpretations that are effective for the financial periods beginning on or after 1 January 2010, 1 March 2010 and 1 July 2010 respectively.

FRS 4 and IC Interpretations 12,13,14 and 15 are not applicable to the Group. Other than as stated below, the adoption of the other FRSs, Amendments to FRSs and IC Interpretations do not have any material impact on the financial statements of the Group:

(a) FRS 101: Presentation of Financial Statements (revised)

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity will now include only details of transactions with owners. All non-owner changes in equity are presented as a single line labeled as total comprehensive income. The revised FRS also introduces the statement of comprehensive income: presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements.

The group has adopted the two statements format for presentation of comprehensive income. Comparative information has been re-presented to be in conformity with the revised FRS. The revised FRS does not have any impact on the financial position and results of the Group.

(b) FRS 139: Financial Instruments: Recognition and Measurement and Amendments to FRS 139: Financial Instruments: Recognition and Measurement

The Group classified its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity, and available-for-sale. The classification depends on the nature of the assets and the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition.

The Group’s non-current investments other than investments in subsidiaries, associates and jointly controlled entities were previously stated at cost less impairment losses. Following the adoption of FRS 139, these investments are now being classified as available-for-sale financial assets which are not for trading. Subsequent to initial recognition, they are measured at fair value and changes therein, other than for impairment losses, and foreign exchanges gains and losses on available-for-sale monetary items, are recognised directly in equity. When an investment is derecognised, the cumulative gain or loss in equity is transferred to the income statement.

Prior to the adoption for FRS 139, derivative contracts were recognised in the financial statements on settlement date. With the adoption of FRS 139, derivative contracts are now recognised and measured at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value with changes in fair value recognised in the income statement at each reporting date.

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The figures have not been audited

1. Basic of preparation (cont'd)

(b)FRS 139: Financial Instruments: Recognition and Measurement and Amendments to FRS 139:Financial Instruments: Recognition and Measurement (cont'd)

The financial impact on the financial statements of the Group resulting from the adoption of FRS 7 and FRS 139 upon first adoption of these FRSs as required by paragraph 30(b) of FRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors* are not disclosed by virtue of the exemptions given in the respective FRSs.

(c) Amendments to FRS 117 Lease

The Group has adopted the Amendment to FRS 117. The Group has reassessed and determined that all leasehold land which are in substance finance lease and has reclassified the leasehold land to property, plant and equipment. The adoption of these amendments will result in a change in accounting policy which has been made retrospectively in accordance with the transitional provision of the Amendment. The reclassification does not have any impact to the financial results of the Group for the current period and corresponding period of the previous financial year.

The following comparative figures have been restated following the adoption of the Amendment to FRS 117:-

Balance Sheet as at 30 June 2010:	As previously reported RM'000	Effect of adopting the Amendment to FRS 117 RM'000	As restated RM'000
Prepaid lease payments	19,741	(19,741)	-
Property, plant and equipment	961,814	19,741	981,555

The Group plans to adopt from the financial year beginning 1 July 2011, those FRSs, Amendments to FRSs and IC Interpretations that will be effective for the annual periods beginning on or after 1 January 2011 and 1 July 2011. The first adoption of those FRSs, Amendments to FRSs and IC Interpretations are not expected to have any material financial impact on the financial statements of the Group.

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 has been no material seasonal or cyclical factor 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.

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

- (a) There were no shares bought back during the quarter under review and financial year to-date. The total number of shares bought back as at 30 June 2011 was 10,986,000 shares and the shares are being held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965.
- (b) The Group has previously granted 3,650,000 conditional incentive share options to eligible executives of the Group pursuant to the Executive Share Option Scheme of the Company which was established on 23 January 2006 ("ESOS"), subject to the achievement of certain performance criteria over an option performance period ("Options I"). During the previous financial year ended 30 June 2010 ("FY 2010"), 800,000 Options I has lapsed whilst the balance of 2,850,000 Options I lapsed during the financial year to-date.
- (c) During FY 2010, 950,000 conditional incentive share options were granted and accepted by eligible executives of the Group pursuant to the ESOS, subject to the achievement of certain other performance criteria over an option performance period.
- (d) There were no additional shares purchased by the trust set up for the ESOS ("ESOS Trust") during the quarter under review. During the financial year-to-date, 1,134,000 shares were purchased by the ESOS Trust ("Trust Shares"). The total number of Trust Shares purchased by the ESOS Trust as at 30 June 2011 was 5,134,000 shares ("Trust Shares").

There were no issuance of shares, shares cancellation, resale of treasury shares nor repayment of debt or equity securities during the quarter under review and 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 10.0 sen per share tax exempt, paid on 21 December 2010	19,890
Second interim dividend of 10.0 sen per share tax exempt, paid on 8 June 2011	19,890
	<hr/> <hr/> 39,780

8. Operating Segments

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

	Asia RM'000	USA RM'000	Europe RM'000	Total RM'000
Segment profit	42,127	22,824	25,628	90,579
Included in the measure of segment profit are:				
Revenue from external customers	660,469	325,998	428,780	1,415,247
Depreciation and amortisation	88,631	46,264	59,019	193,914

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8. Operating Segments (cont'd)

Reconciliation of segment profit

Profit	RM'000
Reportable segments	90,579
Non-reportable segments	(2,217)
Finance costs	(6,438)
Finance income	1,734
Consolidated profit before taxation	<u>83,658</u>

9. Valuations of property, plant and equipment

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

10. Material events not reflected in the financial statements

There are 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

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

13. Review of performance

For the quarter under review, the Group recorded a revenue and profit after taxation ("PAT") of RM342.4 million and RM4.6 million respectively as compared with a revenue and PAT of RM373.6 million and RM42.6 million respectively recorded in the corresponding quarter of the preceding year ("FY 2010"). The lower PAT as compared with the corresponding quarter of FY 2010 was mainly attributed to lower revenue and strengthening of the Ringgit Malaysia ("RM") against the US Dollar ("USD").

For the financial year to-date, the Group recorded a revenue and PAT of RM1,415.2 million and RM 75.0 million respectively against a revenue and PAT of RM1,386.2 million and RM125.9 million recorded in the corresponding period of FY 2010. The lower PAT despite the higher revenue as compared with the corresponding period of FY 2010 was mainly due to the strengthening of the RM against the USD and the rising commodities prices during the financial year to-date.

14. Material changes in profit before taxation against the immediate preceding quarter

The Group's revenue and PBT for the quarter under review were RM342.4 million and RM5.5 million respectively as compared with RM334.8 million and RM8.5 million recorded in the preceding quarter. The lower PBT despite the higher revenue was mainly due to the strengthening of the RM against the USD coupled with rising commodities prices during the quarter under review.

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15. Prospects

The appreciation of the RM against the USD and the rising commodity prices continue to pose challenges to the Group. However, the Group will continue to implement the necessary measures to ensure satisfactory performance for the financial year ending 30 June 2012.

16. Profit forecast / profit guaranteed

This note is not applicable.

17. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	30/06/2011 RM'000	30/06/2010 RM'000	30/06/2011 RM'000	30/06/2010 RM'000
Current taxation				
Malaysian				
- current year	(479)	(575)	496	925
- over provision in prior years	-	2,285	(32)	2,285
Overseas - current year	(64)	1,154	2,196	3,382
	<u>(543)</u>	<u>2,864</u>	<u>2,660</u>	<u>6,592</u>
Deferred taxation				
- current year	1,500	(50,869)	6,000	(45,369)
- prior years	-	(2,126)	-	(2,125)
	<u>1,500</u>	<u>(52,995)</u>	<u>6,000</u>	<u>(47,494)</u>
	<u>957</u>	<u>(50,131)</u>	<u>8,660</u>	<u>(40,902)</u>

The Group's taxation charge for the current quarter under review mainly represents tax provision made by and deferred tax provided for by the local and foreign 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 2011.

20. Corporate proposals

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

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21. Group's borrowings and debt securities

Particulars of the Group's borrowings and debt securities as at 30 June 2011 are as follows: -

	RM'000
(a) Unsecured short term borrowings	195,359
(b) Unsecured long term borrowings	12,097
	<u>207,456</u>

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

	RM'000
USD borrowings	<u>92,138</u>

22. Derivative Financial Instruments

Derivative financial instruments are used to reduce exposure to fluctuations in foreign exchange rates. While these are subject to the risk of market rates changing subsequent to acquisition, such changes are generally offset by opposite effects on the items being hedged.

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

The outstanding foreign exchange forward contracts as at 30 June 2011 are as followings:

Type of Derivative	Nominal Value RM'000	Net Fair Value RM'000
Foreign exchange forward contracts (less than 1 year)	<u>133,725</u>	<u>878</u>

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

With the adoption of FRS 139, derivative contracts are recognised and measured at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value with changes in fair value recognised in the income statement at each reporting date.

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23. Changes in material litigation

Amkor Technology, Inc. ("Amkor") filed a complaint with the International Trade Commission ("ITC") on 17 November 2003 alleging Carsem (M) Sdn Bhd, Carsem Semiconductor Sdn Bhd (now known as Recams Sdn. Bhd) and Carsem Inc. (collectively "Carsem Group") of infringing three of Amkor's United States Patents. Amkor 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 was advised by its lawyers that the ALJ found that some but not all of Carsem Group's devices infringed on Amkor's patents. Carsem Group then 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.'s subpoena enforcement proceeding.

On 1 July 2009, the ITC issued a Remand Order remanding the investigation to the ALJ and setting a new Target Date of 1 September 2009 to complete the investigation, but instructed the ALJ to set a schedule for the remand proceedings, and to issue an Initial Determination extending the target date accordingly. Subsequently, the ALJ issued an Order extending the Target Date to 2 February 2010.

On 10 and 11 September 2009, the ALJ held a hearing at the ITC in order to receive the additional evidence ordered by the ITC. On 2 November 2009, the ALJ addressed issues related to the invalidity of Amkor's patents and supplemented a prior Initial Determination issued in November 2005, in which the ALJ found all but four claims of one patent invalid, not infringed, and/or not enforceable at the ITC. On 12 November 2009, Carsem Group submitted its petition for review by the ITC. On 16 December 2009, the ITC issued its Notice confirming its determination to review both of the ALJ's Initial Determinations. On 12 January 2010, both parties filed their respective briefs with the ITC and the ITC was scheduled to render a final decision on 9 February 2010.

However, in February 2010, the ITC issued a Notice of Reversal and Remand and remanded the investigation to the ALJ to determine whether Amkor's patents were invalid. Following such remand, on 22 March 2010, the ALJ determined that all of Amkor's asserted patent claims are invalid, not infringed, and/or not enforceable at the ITC, and that Carsem Group has not violated Section 337 of the Tariff Act by importing the MLP products which Amkor had accused of infringement. On 20 July 2010, the ITC issued the final determination and found that the claims of Amkor's patents are invalid and not infringed and that Carsem Group has not violated the Tariff Act by importing the MLP Products ("ITC's Decision").

Amkor appealed against ITC's Decision to the Court of Appeal of the Federal Circuit. The Court directed Amkor to file its Opening Appeal Brief on or before 3 January 2011 and Carsem Group to file its Intervenor Brief (reply) within 40 days from the date of receipt of Amkor's Opening Appeal Brief.

As at 23 May 2011, Carsem Group, ITC and Amkor had filed their Appeal Briefs. As required by the US Federal Circuit Rules of Court, the parties had also filed a Joint Settlement Conference Report with the Court on 31 May 2011 confirming that the parties had conducted settlement discussion in connection with this case as late as September 2010 but that no settlement had been reached.

The parties now await a communication from the Court setting a date to hear oral arguments.

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The figures have not been audited

24. Dividend

- (a) The Board does not recommend any final dividend for the financial year ended 30 June 2011 (2009/2010: nil).
- (b) For the financial year-to-date, a total dividend of 20.0 sen per share tax exempt has been declared (2009/2010: 25.0 sen per share tax exempt).

25. Earnings per ordinary share

(a) Basic earnings per ordinary share

The calculation of basic earnings per ordinary share for the quarter under review is calculated by dividing the Group's profits attributable to owners of the Company of RM2,588,000 (4th quarter 2009/2010 : RM34,780,000) and the weighted average number of ordinary shares outstanding during the quarter of 193,764,419 (4th quarter 2009/2010 : 194,899,045).

The calculation of basic earnings per ordinary share for the financial year to-date is based on the profit attributable to owners of the Company of RM58,768,000 (2009/2010 : RM105,407,000) and the weighted average number of ordinary shares outstanding during the period of 194,040,693 (2009/2010 : 194,899,712).

Weighted average number of ordinary shares

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	30/06/2011 '000	30/06/2010 '000	30/06/2011 '000	30/06/2010 '000
Issued ordinary shares at beginning of period	209,884	209,884	209,884	209,884
Treasury shares held at beginning of period	(10,986)	(10,985)	(10,986)	(10,984)
Trust Shares held at beginning of period	(5,134)	(4,000)	(4,000)	(4,000)
	193,764	194,899	194,898	194,900
Effect of purchase of Trust Shares	-	-	(857)	-
Weighted average number of ordinary shares	193,764	194,899	194,041	194,900

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QUARTER ENDED 30 JUNE 2011**

The figures have not been audited

25. Earnings per ordinary share (cont'd)

(b) Diluted earnings per ordinary share

The Group has no dilution in its earnings per ordinary share in the quarter under review / financial year to-date and preceding year's corresponding quarter / period as the potential ordinary shares from the assumed exercise to ordinary shares of options would increase the basic earnings per ordinary share.

26. Realised and unrealised profits /losses disclosure

The retained profits as at 30 June 2011 are analysed as follows:-

	As At End of Current Quarter
	30/06/2011 RM'000
Total retained profits of the Company and the subsidiaries:-	
-Realised	717,504
-Unrealised	<u>(22,962)</u>
	694,542
Less: Consolidated adjustments	<u>(99,158)</u>
Total Group's retained profits as per consolidated income statements	<u>595,384</u>

By Order of the Board
Malaysian Pacific Industries Berhad

Joanne Leong Wei Yin
Company Secretary

Kuala Lumpur
16 August 2011