

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2014**

The figures have not been audited

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2014**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	30/09/2014 RM'000	30/09/2013 RM'000	30/09/2014 RM'000	30/09/2013 RM'000
<b>Revenue</b>	327,720	330,622	327,720	330,622
Cost of sales	(290,755)	(292,581)	(290,755)	(292,581)
<b>Gross profit</b>	36,965	38,041	36,965	38,041
Operating expenses	(13,591)	(13,784)	(13,591)	(13,784)
Other operating (expense)/income	3,749	747	3,749	747
<b>Profit from operation</b>	27,123	25,004	27,123	25,004
Interest income	181	190	181	190
Finance costs	(546)	(1,396)	(546)	(1,396)
<b>Profit before taxation</b>	26,758	23,798	26,758	23,798
Taxation	(5,159)	(2,544)	(5,159)	(2,544)
<b>Profit for the period</b>	21,599	21,254	21,599	21,254
<b>Attributable to:</b>				
Owners of the company	19,909	17,835	19,909	17,835
Non-controlling interests	1,690	3,419	1,690	3,419
<b>Profit for the period</b>	21,599	21,254	21,599	21,254
<b>Earnings per ordinary share (sen): -</b>				
(a) Basic	10.49	9.43	10.49	9.43
(b) Fully diluted	N/A	N/A	N/A	N/A

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2014.

**MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)**  
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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER**  
**COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2014 ( cont'd)**

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To-date	Corresponding Period
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the period</b>	21,599	21,254	21,599	21,254
Foreign currency translation differences for foreign operations	8,449	5,399	8,449	5,399
<b>Total comprehensive income for the period</b>	<b>30,048</b>	<b>26,653</b>	<b>30,048</b>	<b>26,653</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	28,358	23,234	28,358	23,234
Non-controlling interests	1,690	3,419	1,690	3,419
<b>Total comprehensive income for the period</b>	<b>30,048</b>	<b>26,653</b>	<b>30,048</b>	<b>26,653</b>

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2014.

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**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT**  
**30 SEPTEMBER 2014**

	As At End of Current Quarter	As At End of Preceding Financial Year
	30/09/2014 RM'000	30/06/2014 RM'000
Property, plant and equipment	833,162	823,171
Investments	46	46
<b>Total non-current assets</b>	<b>833,208</b>	<b>823,217</b>
Inventories	88,357	94,458
Trade and other receivables	219,158	197,299
Deposits, cash and bank balances	93,896	78,114
<b>Total current assets</b>	<b>401,411</b>	<b>369,871</b>
<b>TOTAL ASSETS</b>	<b>1,234,619</b>	<b>1,193,088</b>
<b>Equity attributable to owners of the Company</b>		
Share capital	104,942	104,942
Reserves	824,943	791,179
Treasury shares, at cost	(163,803)	(163,803)
	766,082	732,318
<b>Non-controlling interests</b>	<b>176,595</b>	<b>174,811</b>
<b>TOTAL EQUITY</b>	<b>942,677</b>	<b>907,129</b>
Employee benefits	332	332
Deferred tax liabilities	30,803	29,035
<b>Total non-current liabilities</b>	<b>31,135</b>	<b>29,367</b>
Trade and other payables	172,499	162,574
Borrowings (unsecured)	84,455	93,442
Current tax liabilities	3,853	576
<b>Total current liabilities</b>	<b>260,807</b>	<b>256,592</b>
<b>TOTAL LIABILITIES</b>	<b>291,942</b>	<b>285,959</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,234,619</b>	<b>1,193,088</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>4.03</b>	<b>3.87</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2014.

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2014**

Attributable to owners of the Company

	Share capital		Capital reserve		Non-distributable		Distributable		Non-controlling interests	Total equity			
	RM'000	RM'000	RM'000	RM'000	Exchange fluctuation reserve	Reserve for own shares	Executive shares scheme	Treasury shares			Retained earnings	RM'000	RM'000
<b>Current year-to-date ended 30 September 2014</b>													
At 1 July 2014	104,942	249,952	1,050	10,247	24,327	(61,479)	830	(163,803)	566,252	732,318	174,811	907,129	
Profit for the period	-	-	-	-	-	-	-	-	19,909	19,909	1,690	21,599	
Other comprehensive income-foreign currency translation differences	-	-	-	-	8,449	-	-	-	-	8,449	-	8,449	
<b>Total comprehensive income for the period</b>	-	-	-	-	8,449	-	-	-	19,909	28,358	1,690	30,048	
Disposal of own shares	-	(2,521)	-	-	-	7,646	-	-	-	5,125	-	5,125	
Share-based payment	-	-	-	-	-	-	281	-	-	281	94	375	
<b>Total transaction with owners</b>	-	(2,521)	-	-	-	7,646	281	-	19,909	5,406	1,784	5,500	
<b>At 30 September 2014</b>	104,942	247,431	1,050	10,247	32,776	(53,833)	1,111	(163,803)	586,161	766,082	176,595	942,677	

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2014 (Cont'd)**

← Attributable to owners of the Company →

	Share capital		Share premium		Capital redemption reserve		Capital reserve		Non-distributable		Distributable		Non-controlling interests	Total equity	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	Exchange fluctuation reserve	Reserve for own shares	Executive shares scheme	Treasury shares			Retained earnings
<b>Current year-to-date ended 30 September 2013</b>															
At 1 July 2013	104,942	249,952	1,050	9,382	24,752	(60,426)	-	(163,803)	550,339	716,188	199,868	916,056			
Profit for the period	-	-	-	-	-	-	-	-	17,835	17,835	3,419	21,254			
Other comprehensive income-foreign currency translation differences	-	-	-	-	5,399	-	-	-	-	5,399	-	-	-	-	
<b>Total comprehensive income for the period</b>	-	-	-	-	5,399	-	-	-	17,835	23,234	3,419	26,653			
Purchase of own shares	-	-	-	-	-	(1,053)	-	-	-	(1,053)	-	(1,053)			
Share-based payment	-	-	-	-	-	-	190	-	190	-	81	271			
<b>Total transaction with owners</b>	-	-	-	-	-	(1,053)	190	-	190	(863)	81	782			
<b>At 30 September 2013</b>	104,942	249,952	1,050	9,382	30,151	(61,479)	190	(163,803)	568,174	738,559	203,368	941,927			

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2014.

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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED**  
**30 SEPTEMBER 2014**

	Current Year To-date	Preceding Year Corresponding Period
	30/09/2014 RM'000	30/09/2013 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	26,758	23,798
Adjustments for:-		
Depreciation and amortisation	48,563	51,359
Non-cash items	5,498	(9,924)
Net financing cost	365	1,206
Operating profit before changes in working capital	81,184	66,439
Changes in working capital		
Net change in current assets	(18,964)	785
Net change in current liabilities	8,942	5,859
Taxation paid	(745)	(2,570)
Net financing cost paid	(365)	(1,206)
Dividend received	152	-
<b>Net cash generated from operating activities</b>	<b>70,204</b>	<b>69,307</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(49,305)	(11,782)
Proceeds from disposal of property, plant and equipment	29	3
<b>Net cash used in investing activities</b>	<b>(49,276)</b>	<b>(11,779)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of borrowings	4,059	47,188
Repayments of borrowings	(15,000)	(74,488)
Purchase of trust shares	-	(1,053)
Proceeds from disposal of trust shares	5,125	-
<b>Net cash used in financing activities</b>	<b>(5,816)</b>	<b>(28,353)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>15,112</b>	<b>29,175</b>
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>78,114</b>	<b>35,788</b>
<b>EFFECT ON FOREIGN EXCHANGE</b>	<b>670</b>	<b>67</b>
<b>CASH &amp; CASH EQUIVALENTS AT END OF PERIOD</b>	<b>93,896</b>	<b>65,030</b>

Cash and cash equivalents included in the consolidated statements of cash flows comprise the following consolidated statements of financial position amounts:

	30/09/2014 RM'000	30/09/2013 RM'000
Deposits, cash and bank balances	93,896	65,030

**The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2014.**

**MALAYSIAN PACIFIC INDUSTRIES BERHAD (4817-U)**  
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**1. Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 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 2014. This interim financial report also complies with International Accounting Standards 34 “Interim Financial Reporting” issued by the International Accounting Standards Board.

The accounting policies and presentation adopted for this interim report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2014.

The Group has adopted the MFRSs, amendments and interpretations effective for annual periods beginning on or after 1 January 2014 and 1 July 2014 where applicable to the Group. The initial adoption of these applicable MFRS, amendments and interpretations do not have any material 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 cyclical nature 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 quarter under review and 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) 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 September 2014 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) During the quarter under review and financial year to date, 820,800 shares were disposed by the trust set up for the ESS (“ESS Trust”). The total number of shares purchased by the ESS Trust as at 30 September 2014 was 8,970,000 shares (“Trust Shares”).

There were no issuance of shares, shares cancellation, resale of treasury shares or repayment of debt or equity securities during the quarter under review and financial year to-date.

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**7. Dividend paid**

There were no dividend paid during the quarter under review and financial year to-date.

**8. Operating Segments**

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

	Asia RM'000	United States of America ("USA") RM'000	Europe RM'000	Total RM'000
<b>Segment profit</b>	19,621	4,348	3,500	27,469

Included in the measure of segment profit are:

Revenue from external customers	184,355	66,542	76,707	327,604
Depreciation and amortisation	27,543	10,111	10,866	48,520

**Reconciliation of segment profit**

<b>Profit</b>	<b>RM'000</b>
Reportable segments	27,469
Non-reportable segments	(346)
Interest income	181
Finance costs	(546)
Consolidated profit before taxation	<u>26,758</u>

	External revenue RM'000	Depreciation and amortisation RM'000
Reportable segments	327,604	48,520
Non-reportable segments	116	43
<b>Total</b>	<u>327,720</u>	<u>48,563</u>

**9. Material events not reflected in the financial statements**

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

**10. 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 other than as mentioned below:

Recams Sdn Bhd ("Recam"), a wholly-owned subsidiary of Carsem (M) Sdn Bhd, which in turn is subsidiary of the Company, has been placed under members' voluntary winding-up pursuant to section 254(1)(b) of the Companies Act, 1965. Mr Ling Kam Hoong and Ms Wong Swee Tyng of Messrs Ling Kam Hoong & Co has been appointed as Joint Liquidators of Recams.



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**11. Review of performance**

For the quarter under review, the Group recorded a revenue and profit before taxation (“PBT”) of RM327.7 million and RM26.8 million respectively as compared with a revenue and PBT of RM330.6 million and RM23.8 million in the corresponding quarter of the preceding year. Segment revenues for Asia and Europe were both higher by 2% and 24% respectively whilst USA was lower by 24% against the corresponding quarter of the preceding year.

The higher PBT despite lower revenue recorded was mainly due to higher margin products and lower material cost arising from lower commodity price during the quarter under review.

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

The Group’s revenue for the quarter under review was RM327.7 million against the preceding quarter of RM321.9 million. Segment revenues for Asia and Europe were both higher by 5% and 9% respectively whilst USA was lower by 13%.

PBT for the quarter under review closed at RM26.8 million against RM11.8 million in the preceding quarter. Excluding the final settlement of the patent litigation with Amkor Technology, Inc of RM12.8 million in the last quarter, PBT improved marginally due to higher revenue recorded during the quarter under review.

**13. Prospects**

The semiconductor industry is experiencing some softening in demand. Barring any unforeseen circumstances, the Board expects the Group’s performance to be satisfactory for the financial year ending 30 June 2015.

**14. Profit forecast / profit guaranteed**

This note is not applicable.

**15. Profit before taxation**

	Current Year Quarter	Current Year- to-date
	30/09/2014 RM'000	30/09/2014 RM'000
Profit before taxation is arrived at after charging/(crediting):-		
Gross dividend income from short term investments	(152)	(152)
Depreciation and amortization	48,563	48,563
Allowance for impairment loss on trade receivables	78	78
Gain on foreign exchange	(2,521)	(2,521)
Fair value loss on derivative instruments	851	851
Share-based payments	375	375
Inventories written down	-	-
Impairment of property, plant and equipment	-	-
Gain on disposal of quoted /unquoted investments or properties	-	-

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**16. Taxation**

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To-date	Corresponding
	30/09/2014	Quarter	30/09/2014	Period
	RM'000	30/09/2013	30/09/2013	RM'000
	RM'000	RM'000	RM'000	RM'000
Current taxation				
Malaysian				
- current year	2,675	149	2,675	149
Overseas - current year	1,316	895	1,316	895
	3,991	1,044	3,991	1,044
Deferred taxation – current year	1,168	1,500	1,168	1,500
	5,159	2,544	5,159	2,544

The Group's taxation for the current quarter under review mainly represents tax provision for the local and foreign subsidiaries.

**17. Corporate proposals**

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

**18. Group's borrowings and debt securities**

Particulars of the Group's borrowings as at 30 September 2014 are as follows:-

Unsecured short term borrowings	<b>RM'000</b> 84,455
The above include borrowings denominated in foreign currencies as follows: -	<b>RM'000</b>
USD	84,455

**19. Changes in material litigation**

There are no material litigations as at the date of this report.

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**20. Dividend**

- (a) The Board has declared an interim dividend of 7.0 sen per share tax exempt for the quarter ended 30 September 2014 of the financial year ending 30 June 2015 (1<sup>st</sup> quarter 2013/2014: 5.0 sen per share tax exempt) to be paid on 12 December 2014 to holders of ordinary shares whose names appear in the Record of Depositors at the close of business on 28 November 2014.

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

- (i) shares transferred into the Depositor's securities account before 4.00 p.m. on 28 November 2014 in respect of ordinary transfers; and
- (i) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Bursa Malaysia Securities Berhad's Listing Requirements.
- (b) For the financial year-to-date, a total dividend of 7.0 sen per share tax exempt (2013/2014: 5.0 sen per share tax exempt) has been declared.

**21. Earnings per ordinary share**

**(a) Basic earnings per ordinary share**

The basic earnings per ordinary share for the quarter under review/financial year-to-date is calculated by dividing the Group's profit attributable to owners of the Company of RM19,909,000 (1<sup>st</sup> quarter 2013/2014: RM17,835,000) by the weighted average number of ordinary shares during the quarter of 189,755,389 (1<sup>st</sup> quarter 2013/2014: 189,122,394).

	<b>Weighted average number of ordinary shares</b>			
	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Year Quarter</b>	<b>Preceding Year Corresponding Quarter</b>	<b>Current Year-to-date</b>	<b>Preceding Year Corresponding Period</b>
	<b>30/09/2014 '000</b>	<b>30/09/2013 '000</b>	<b>30/09/2014 '000</b>	<b>30/09/2013 '000</b>
Issued ordinary shares at beginning of period	209,884	209,884	209,884	209,884
Treasury shares held at beginning of period	(10,986)	(10,986)	(10,986)	(10,986)
ESS Trust Shares held at beginning of period	(9,790)	(9,379)	(9,790)	(9,379)
	189,108	189,519	189,108	189,519
Effect of disposal /(purchase) of ESS Trust Shares	647	(397)	647	(397)
<b>Weighted average number of ordinary shares</b>	<b>189,755</b>	<b>189,122</b>	<b>189,755</b>	<b>189,122</b>

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**21. 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 corresponding quarter/period as there were no dilutive potential ordinary shares.

**22. Realised and unrealised profits disclosure**

The breakdowns of the retained earnings of the Group, into realised and unrealised profits/ (losses) are as follows:-

	As At End of Current Quarter	As At End of Preceding Financial Year
	30/09/2014 RM'000	30/06/2014 RM'000
Total retained earnings of the Company and its subsidiaries:-		
-realised	639,785	604,360
-unrealised	(34,426)	(18,810)
	<u>605,359</u>	<u>585,550</u>
Less: Consolidation adjustments	(19,198)	(19,298)
Group's retained earnings	<u>586,161</u>	<u>566,252</u>

By Order of the Board  
Malaysian Pacific Industries Berhad

Joanne Leong Wei Yin  
Lee Wui Kien  
Company Secretaries

Kuala Lumpur  
12 November 2014