

**PACIFICMAS BERHAD (Company No. 5024-T)**  
**(Incorporated in Malaysia)**

**Condensed Consolidated Statement of Financial Position**  
**As at 30 June 2012**

	<b>As at 30 Jun 2012 RM'000</b>	<b>As at 31 Dec 2011 RM'000</b>
<b>ASSETS</b>		
Property and equipment	305	94,898
Intangible assets	28	394
Available-for-sale securities	117,982	163,285
Trading securities	-	15,932
Deferred tax assets	-	2,997
Tax recoverable	913	1,133
Loans and receivables	632	770,420
Trade and other receivables	11,176	7,721
Deposits with financial institutions	45,175	57,536
Cash and bank balances	306	22,552
	<u>176,517</u>	<u>1,136,868</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	170,994	170,994
Fair value reserves	13	2,008
Retained profits	4,621	277,796
	<u>175,628</u>	<u>450,798</u>
<b>Non-controlling interests</b>	4	3,893
<b>Total Equity</b>	<u>175,632</u>	<u>454,691</u>
<b>Liabilities</b>		
Deferred tax liabilities	38	5,541
Borrowings	-	634,007
Trade and other payables	519	40,966
Tax payable	328	1,663
	<u>885</u>	<u>682,177</u>
<b>Total Equity and Liabilities</b>	<u>176,517</u>	<u>1,136,868</u>

**(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)**

**PACIFICMAS BERHAD (Company No. 5024-T)**  
**(Incorporated in Malaysia)**

**Condensed Consolidated Income Statement**  
**For the period ended 30 June 2012**

	<u>2012</u> Current qtr ended 30 Jun RM'000	<u>2011</u> Comparative qtr ended 30 Jun RM'000	<u>2012</u> 6 months Cumulative to 30 Jun RM'000	<u>2011</u> 6 months Cumulative to 30 Jun RM'000
<b><u>Continuing operations</u></b>				
Revenue	2,475	1,963	3,993	3,315
Other operating gains	786	508	973	656
Net fees and commissions	(3)	(4)	(29)	(9)
Operating expenses	(1,905)	(2,018)	(3,669)	(3,980)
Profit/(loss) before taxation	1,353	449	1,268	(18)
Taxation	(84)	183	(224)	(133)
Profit for the period from continuing operations, net of tax	1,269	632	1,044	(151)
<b><u>Discontinued operations</u></b>				
Profit from discontinued operations of disposed subsidiaries, net of tax	3,220	8,169	10,931	14,955
Gain on disposal of subsidiaries	126,232	-	126,232	-
Share of results of former associated company	-	80	-	183
Gain on disposal of associated company	-	633	-	633
	129,452	8,882	137,163	15,771
Net profit for the period	130,721	9,514	138,207	15,620
<b><u>Profit attributable to:</u></b>				
Owners of the parent	130,670	9,299	138,064	15,301
Non-controlling interests	51	215	143	319
	130,721	9,514	138,207	15,620
<b><u>EPS - Basic (sen)</u></b>				
- continuing operations	0.74	0.37	0.61	(0.09)
- discontinued operations	75.68	5.07	80.13	9.04
	76.42	5.44	80.74	8.95

**(The Condensed Consolidated Income Statement should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)**

**PACIFICMAS BERHAD (Company No. 5024-T)**  
**(Incorporated in Malaysia)**

**Condensed Consolidated Statement of Comprehensive Income**  
**For the period ended 30 June 2012**

	<u>2012</u> Current qtr ended 30 Jun RM'000	<u>2011</u> Comparative qtr ended 30 Jun RM'000	<u>2012</u> 6 months Cumulative to 30 Jun RM'000	<u>2011</u> 6 months Cumulative to 30 Jun RM'000
Net profit for the period	130,721	9,514	138,207	15,620
Available-for-sale securities:				
- Gains on fair value changes, before tax	177	754	214	1,450
- Reclassification of gains to income statement on disposal, before tax	(703)	(714)	(712)	(1,018)
- Tax on fair value movements	(8)	(3)	(17)	(79)
- Share of other comprehensive income of former associated company	-	(218)	-	(219)
Other comprehensive income, net of tax	<u>(534)</u>	<u>(181)</u>	<u>(515)</u>	<u>134</u>
Total comprehensive income for the period	<u>130,187</u>	<u>9,333</u>	<u>137,692</u>	<u>15,754</u>
<u>Total comprehensive income attributable to:</u>				
Owners of the parent	130,136	9,118	137,549	15,434
Non-controlling interests	51	215	143	320
	<u>130,187</u>	<u>9,333</u>	<u>137,692</u>	<u>15,754</u>

**(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)**

**PACIFICMAS BERHAD (Company No. 5024-T)**  
**(Incorporated in Malaysia)**

**Condensed Consolidated Statement of Changes in Equity**  
**For the period ended 30 June 2012**

	← Attributable to Owners of the Parent →			Non-controlling Interests	Total Equity
	Share Capital RM'000	Non-distributable Fair Value Reserves RM'000	Distributable Retained Profits RM'000		
<b>6 months ended</b>					
<b><u>30 June 2011</u></b>					
At 1 January 2011	170,994	2,261	481,378	3,676	658,309
Total comprehensive income for the period	-	133	15,301	320	15,754
<b>Transactions with owners:</b>					
Dividends paid	-	-	(230,585)	-	(230,585)
<b>At 30 June 2011</b>	<b>170,994</b>	<b>2,394</b>	<b>266,094</b>	<b>3,996</b>	<b>443,478</b>
<b>6 months ended</b>					
<b><u>30 June 2012</u></b>					
At 1 January 2012	170,994	2,008	277,796	3,893	454,691
Total comprehensive income for the period	-	(515)	138,064	143	137,692
<b>Transactions with owners:</b>					
Dividends paid	-	-	(411,239)	-	(411,239)
Disposal of subsidiaries	-	(1,480)	-	(3,775)	(5,255)
Interim distribution of surplus assets on winding-up of a subsidiary	-	-	-	(257)	(257)
<b>At 30 June 2012</b>	<b>170,994</b>	<b>13</b>	<b>4,621</b>	<b>4</b>	<b>175,632</b>

**(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)**

**PACIFICMAS BERHAD (Company No. 5024-T)**  
**(Incorporated in Malaysia)**

**Condensed Consolidated Statement of Cash Flows**  
**For the period ended 30 June 2012**

	<b><u>2012</u></b>	<b><u>2011</u></b>
	<b>6 months</b>	<b>6 months</b>
	<b>ended</b>	<b>ended</b>
	<b>30 Jun</b>	<b>30 Jun</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit/(loss) before taxation		
- Continuing operations	1,268	(18)
- Discontinued operations	140,888	19,476
Adjustment for:		
Non-cash items	<u>(117,697)</u>	<u>4,537</u>
Operating profit before changes in working capital	24,459	23,995
Changes in working capital		
Acquisition of investments	(107,482)	(272,786)
Disposal of investments	60,232	284,982
Increase in loans, trade and other receivables	(120,858)	(159,033)
(Decrease)/increase in trade and other payables	(10,942)	24,040
Deposits with financial institutions pledged as security for credit facilities	-	(150)
Net dividends/distributions received	4,472	3,911
Interest income/islamic profit received	713	408
Interest and commitment fees paid	(12,534)	(8,432)
Income tax paid	<u>(3,837)</u>	<u>(3,161)</u>
Net cash flows used in operating activities	<u>(165,777)</u>	<u>(106,226)</u>
Investing activities:		
Receipt of remaining sale proceeds for disposal of subsidiaries	419,233	196,484
Proceeds from disposal of associated company	-	2,169
Reversal of cash and cash equivalents on disposal of subsidiaries	(13,166)	-
Acquisition of investments	(1,571)	(2,103)
Disposal of investments	160	2,451
Net dividends/distributions received	25	64
Interest income/islamic profit received	334	510
Proceeds from disposal of property and equipment	140	2
Purchase of property and equipment	(984)	(656)
Purchase of intangible assets	<u>(19)</u>	<u>(169)</u>
Net cash flows generated from investing activities	<u>404,152</u>	<u>198,752</u>
Financing activities:		
Dividends paid	(411,239)	(230,585)
Drawdown of borrowings	911,600	275,006
Repayment of borrowings	(770,015)	(185,000)
Interim distribution of surplus assets to non-controlling interest on winding-up of a subsidiary	<u>(257)</u>	<u>-</u>
Net cash flows used in financing activities	<u>(269,911)</u>	<u>(140,579)</u>
Net change in cash and cash equivalents	(31,536)	(48,053)
Cash and cash equivalents at beginning of year	77,017	82,353
Cash and cash equivalents at end of period	<u>45,481</u>	<u>34,300</u>
Cash and cash equivalents comprise:		
Deposits with financial institutions	45,175	36,233
Cash and bank balances	306	9,196
Bank overdrafts	<u>-</u>	<u>(11,129)</u>
	<u>45,481</u>	<u>34,300</u>

**(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)**

**A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT - MFRS 134**

**A1 Accounting policies**

The condensed consolidated interim financial statements, for the period ended 30 June 2012, have been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. For the periods up to and including the financial year ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards (“FRS”).

These are the Group’s unaudited condensed interim consolidated financial statements for part of the period covered by the first MFRS Framework annual financial statements of the Group for the year ending 31 December 2012 and *MFRS 1 First-Time Adoption of Malaysian Financial Reporting Standards* has been applied.

The transition to MFRS framework does not have any financial impact to the financial statements of the Group and no adjustments have been made to the amounts previously reported in financial statements prepared in accordance with FRS. As the requirements under FRS and MFRS are similar, the significant accounting policies adopted in preparing these condensed consolidated financial statements are consistent with those of the audited financial statements for the year ended 31 December 2011.

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been adopted by the Group:

<b>MFRSs, Amendments to MFRSs and IC Interpretations</b>		<b>Effective for annual periods beginning on or after</b>
MFRS 3	Business Combinations (IFRS 3 issued by IASB in March 2004)	1 January 2013
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)	1 January 2015
MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosure of Interests in Other Entities	1 January 2013
MFRS 13	Fair Value Measurement	1 January 2013
MFRS 119	Employee Benefits (IAS 19 as amended by IASB in June 2011)	1 January 2013

<b>MFRSs, Amendments to MFRSs and IC Interpretations</b>		<b>Effective for annual periods beginning on or after</b>
MFRS 127	Separate Financial Statements (IAS 27 as amended by IASB in May 2011)	1 January 2013
MFRS 127	Consolidated and Separate Financial Statements (IAS 27 revised by IASB in December 2003)	1 January 2013
MFRS 128	Investment in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)	1 January 2013
Amendments to MFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 10, MFRS 11 and MFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance	1 January 2013
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRSs	Annual Improvements 2009-2011 Cycle	1 January 2013
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

## **A2 Seasonal or cyclical factors**

The principal business operations of the Group were not significantly affected by seasonal or cyclical factors.

## **A3 Items of unusual nature, size or incidence**

Items affecting the assets, liabilities, equity, net income, or cash flows of the Group for the current quarter and current financial year-to-date that were unusual because of their nature, size or incidence are the following:

- (a) Gain of RM126.23 million on disposal of the Group's 100% equity interest in its wholly-owned subsidiaries (i.e. Pac Lease Berhad, P.B. Pacific Sdn Bhd, PacificMas Fidelity Sdn Bhd and PacificMas Capital Sdn Bhd) as well as its 85% equity interest in Pacific Mutual Fund Bhd on 31 May 2012 ("Disposal of Subsidiaries"); and
- (b) The discontinuation in profit contribution from the wholly-owned subsidiaries and Pacific Mutual Fund Bhd after the completion of the Disposal of Subsidiaries on 31 May 2012.

**A4 Changes in estimates of amounts reported in the prior interim period of the current financial year of in prior financial years**

There were no significant changes in estimates of amounts reported in the prior interim period of the current financial period or in prior financial years that have had a material effect on the current quarter ended 30 June 2012.

**A5 Issues, repurchases and repayments of debt and equity securities**

Save as disclosed below, there were no other issues, repurchases and repayments of debt and equity securities by the Group for the current quarter and in the current financial year-to-date:

<b>Commercial Papers/Medium Term Notes Programme of the Group's Former Hire-Purchase and Leasing Subsidiary</b>	<b>Current Quarter Ended 30 Jun 2012 RM'million</b>	<b>Current Financial Year-to-Date 30 Jun 2012 RM'million</b>
At the beginning of period	145	140
Issued during the period	480	795
Redemption during the period	(330)	(640)
Disposal of subsidiary	(295)	(295)
At the end of period	-	-

**A6 Dividends paid**

On 29 June 2012, PacificMas Berhad (hereinafter known as "PacificMas" or "the Company") paid a single tier tax exempt special interim dividend in respect of the financial year ending 31 December 2012 of RM2.405 per ordinary share of RM1.00 each amounting to RM411,239,368.



UNAUDITED QUARTERLY FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2012

**A7 Segment information**

The segment information for the Group's business segments for the current financial year-to-date is as follows:

	Investment holding (Continuing) RM'000	Hire-purchase, leasing and other related financing services (Discontinued) RM'000	Management of unit trust funds and private investment mandates (Discontinued) RM'000	Property investment and management (Discontinued) RM'000	Investment holding (Discontinued) RM'000	Adjustments and eliminations RM'000	Consolidated RM'000
<b><u>By business segment</u></b>							
<b>Revenue</b>							
External revenue	3,993	28,915	14,091	4,244	939	(48,189)	3,993
Inter-segment revenue	234	-	37	287	124	(682)	-
Segment revenue	<u>4,227</u>	<u>28,915</u>	<u>14,128</u>	<u>4,531</u>	<u>1,063</u>	<u>(48,871)</u>	<u>3,993</u>
<b>Results</b>							
<b><u>Continuing operations</u></b>							
Profit before taxation	2,497	-	-	-	-	(1,229)	1,268
Taxation	(224)	-	-	-	-	-	(224)
Profit after taxation	<u>2,273</u>	-	-	-	-	<u>(1,229)</u>	<u>1,044</u>
<b><u>Discontinued operations</u></b>							
Profit from discontinued operations of disposed subsidiaries, net of tax	-	8,059	968	101	1,290	513	10,931
Gain on disposal of subsidiaries	196,567	-	-	-	-	(70,335)	126,232
Net profit for the period	<u>198,840</u>	<u>8,059</u>	<u>968</u>	<u>101</u>	<u>1,290</u>	<u>(71,051)</u>	<u>138,207</u>
<b>Assets and Liabilities</b>							
Total assets	<u>176,556</u>	-	-	-	-	(39)	<u>176,517</u>
Total liabilities	<u>885</u>	-	-	-	-	-	<u>885</u>

After the Disposal of Subsidiaries was completed on 31 May 2012, the Group's continuing operations comprise only the investment holding segment with income contributed only by the Company. The Group's only remaining subsidiary, PacificMas Asset Management Sdn Bhd, is now under voluntary winding-up and did not contribute any income to the Group in the current financial year-to-date ended 30 June 2012.

**A8 Events after the interim period**

On 10 August 2012, PacificMas announced that the capital repayment of RM0.95 in cash for each ordinary share of RM1.00 held in the Company ("Capital Repayment") will be paid on 11 September 2012. The Capital Repayment will reduce the par value of each ordinary share of RM1.00 each in PacificMas to RM0.05 each pursuant to Section 64 of the Companies Act, 1965, and this will result in the reduction of the Company's issued and paid up capital from RM170,993,500 to RM8,549,675.

**A9 The effect of changes in the composition of the Group during the interim period, including business combinations, obtaining or losing control of subsidiaries and long-term investments, restructurings and discontinued operations**

Subsequent to the completion of the Disposal of Subsidiaries on 31 May 2012, the after tax profits of the Group's wholly-owned subsidiaries and Pacific Mutual Fund Bhd for the five months ended 31 May 2012 as well as for the comparative period of five months ended 31 May 2011 are now disclosed in the condensed consolidated income statement as a single amount of "profit from discontinued operations of disposed subsidiaries, net of tax". The financial results of the Group's former wholly-owned subsidiaries and Pacific Mutual Fund Bhd are no longer consolidated with the Group with effect from 1 June 2012. As at the reporting date, the Group comprised only PacificMas and its 90%-owned subsidiary, PacificMas Asset Management Sdn Bhd, which has been under members' voluntary winding-up since 26 April 2012.

**A10 Changes in contingent liabilities or contingent assets**

The contingent liabilities of the Group as at 30 June 2012 were as follows:

	<u>Group</u>			<u>Company</u>		
	As at 31 Jun 2012 RM'000	As at 31 Dec 2011 RM'000	Increase RM'000	As at 31 Jun 2012 RM'000	As at 31 Dec 2011 RM'000	Increase/ (Decrease) RM'000
Corporate guarantees given by the Company to financiers to secure credit facilities of its former hire-purchase and leasing subsidiary	-	-	-	-	883,000	-
Letters of credit undertaken by the Group from a banking subsidiary of the ultimate holding company on behalf of clients*	-	1,227	(1,227)	-	-	(883,000)
Total	-	1,227	(1,227)	-	883,000	(883,000)

\* The letters of credit were undertaken by the Group's former hire-purchase and leasing subsidiary. Hence, the Group no longer has any contingent liability that may arise from letters of credit after the disposal of this subsidiary.

**A11 Acquisitions and disposals of property and equipment**

The acquisitions and disposals of property and equipment of the Group for the current financial year-to-date are as follows:

	<b>GROUP RM'000</b>
<b>Property and Equipment:-</b>	
Net carrying amount at beginning of year	94,898
Acquisitions	984
Disposal of property and equipment	(122)
Write-off of property and equipment	(7)
Depreciation	(1,692)
Reclassification to intangible assets	(21)
Disposal of subsidiaries	(93,735)
Net carrying amount at end of period	<u>305</u>

**A12 Commitments for the purchase of property and equipment**

As at 30 June 2012, the Group did not have any commitments for the purchase of property and equipment.

**A13 Significant related party transactions**

The significant related party transactions for the current financial year-to-date ended 30 June 2012 are as follows:

	<b>Group RM'000</b>
<b><u>Subsidiaries of the ultimate holding company</u></b>	
Interest expense	2,612
Net fees and commissions expense	<u>2,039</u>

**B. ADDITIONAL INFORMATION AS REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)**

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**B1 Review of performance**

Current quarter ("2Q2012") vs. previous year corresponding quarter ("2Q2011")

The Group's profit before taxation from continuing operations increased by RM0.90 million to RM1.35 million for 2Q2012 from RM0.45 million in 2Q2011 mainly due to:-

- (a) Lower personnel expenses by RM0.58 million mainly as a result of lower headcount for the Company following the Disposal of Subsidiaries to OCBC Capital (Malaysia) Sdn Bhd;
- (b) Higher distribution income by RM0.58 million from the Company's investments in wholesale bond funds and unit trust funds in 2Q2012;
- (c) Higher interest income by RM0.40 million from the Company's higher deposits with financial institutions in 2Q2012; and
- (d) Higher net gain on redemption of the Company's investments in wholesale bond funds and unit trust funds by RM0.36 million in 2Q2012.

However, the higher profit for 2Q2012 was moderated by the following:

- (i) Cessation of income from provision of management services to the Group's former insurance subsidiary and former associated company (2Q2011: RM0.39 million);
- (ii) Corporate exercise expenses amounting to RM0.36 million were incurred in 2Q2012 (2Q2011: nil); and
- (iii) No trading gain on investment in equities was recorded by the Company in 2Q2012 (2Q2011: RM0.13 million).

Current financial year-to-date ended 30 June 2012 (“YTD June 2012”) vs. previous financial year-to-date ended 30 June 2011 (“YTD June 2011”)

The Group’s profit before taxation from continuing operations increased to RM1.27 million for YTD June 2012 compared with a loss before taxation of RM0.02 million for YTD June 2011 mainly due to:-

- (a) Higher distribution income by RM1.24 million from the Company’s investments in wholesale bond funds and unit trust funds for YTD June 2012;
- (b) Lower personnel expenses by RM1.23 million mainly due to lower headcount for the Company for YTD June 2012; and
- (c) Higher net gain on redemption of the Company’s investments in wholesale bond funds and unit trust funds by RM0.37 million for YTD June 2012.

However, the higher profit for YTD June 2012 was moderated by the following:

- (i) Cessation of income from provision of management services to the Group’s former insurance subsidiary and former associated company (YTD June 2011: RM0.79 million); and
- (ii) Corporate exercise expenses amounting to RM0.78 million were incurred for YTD June 2012 (YTD June 2011: RM0.01 million).

**B2 Material change in the current quarter compared to the immediate preceding quarter**

The Group’s profit before taxation from continuing operations increased to RM1.35 million in the 2Q2012 compared with a loss before taxation of RM0.09 million in the immediate preceding quarter (“1Q2012”) mainly due to:-

- (a) Higher net gain on redemption of the Company’s investments in wholesale bond funds and unit trust funds by RM0.73 million in 2Q2012;
- (b) Higher distribution income by RM0.59 million from the Company’s investments in wholesale bond funds and unit trust funds in 2Q2012; and
- (c) Higher interest income by RM0.38 million from the Company’s higher deposits with financial institutions in 2Q2012.

However, no trading gain on investment in equities was recorded by the Company in 2Q2012 as opposed to trading gain of RM0.18 million registered in 1Q2012.

**B3 Prospects**

Upon completion of the Capital Repayment as explained in Note A8, PacificMas will only be holding cash and certain illiquid assets. Therefore, the Board of Directors of PacificMas intends to initiate the proposed members' voluntary winding-up of PacificMas in accordance with the Companies Act, 1965 ("Proposed Winding-up") after the Capital Repayment. The Proposed Winding-up will be undertaken to facilitate the liquidation of the remaining illiquid assets and thereafter, return the net cash recoverable arising thereof to the shareholders. Thereafter, as there is little or no advantage to remain listed, it is not the intention of the Board to maintain the listing status of the Company. Accordingly, an application will be submitted to Bursa Securities to de-list the Company from the Official List of Bursa Securities after obtaining shareholders' approval for the Proposed Winding-up.

**B4 Profit forecast and profit guarantee**

Not applicable.

**B5 Taxation**

**Major components of tax expense**

	<b>Current Quarter Ended 30 Jun 2012 RM'000</b>	<b>Current Financial Year-to-Date 30 Jun 2012 RM'000</b>
<u>Continuing Operations</u>		
Current income tax:		
Malaysian income tax	99	337
Deferred tax:		
Relating to origination and reversal of temporary differences	(15)	(110)
Over provision in respect of prior year	-	(3)
Income tax attributable to continuing operations	<u>84</u>	<u>224</u>
<u>Discontinued Operations</u>		
Current income tax:		
Malaysian income tax	1,356	4,025
Over provision in respect of prior year	(8)	(8)
Deferred tax:		
Relating to origination and reversal of temporary differences	(159)	(292)
Income tax attributable to discontinued operations	<u>1,189</u>	<u>3,725</u>
<b>Income tax recognised in profit or loss</b>	<b><u>1,273</u></b>	<b><u>3,949</u></b>
<b><u>Reconciliation of tax expense with profit before taxation:</u></b>		
Profit before taxation:		
Continuing operations	1,353	1,268
Discontinued operations	130,641	140,888
Accounting profit before taxation	<u>131,994</u>	<u>142,156</u>
Tax at the Malaysian statutory tax rate of <b>25%</b>	32,998	35,539
Adjustments:-		
Expenses not deductible for tax	537	1,146
Income not subject to tax	(32,272)	(32,891)
Deferred tax asset not recognised by a former subsidiary	17	165
Over provision of deferred tax in prior years	(7)	(10)
<b>Tax expense for the period</b>	<b><u>1,273</u></b>	<b><u>3,949</u></b>
<b>Effective tax rate</b>	<b>0.97%</b>	<b>2.78%</b>

**B6 Detailed Income Statements**

Pursuant to paragraph 16 in Appendix 9B of the Listing Requirements, the detailed income statements of the Group for the current quarter and financial year-to-date are as follows:

	<b>Current Quarter Ended 30 Jun 2012 RM'000</b>	<b>Current Financial Year-to-Date 30 Jun 2012 RM'000</b>
<b><u>Continuing Operations</u></b>		
<b>Revenue</b>		
Interest income	525	673
Other income	1,950	3,320
	<u>2,475</u>	<u>3,993</u>
<b>Other Operating Gains</b>		
Net (losses)/gains on disposal of investments		
- trading securities quoted in Bursa Securities	(4)	462
- available-for-sale securities	737	742
Other gains/(losses)	53	(231)
	<u>786</u>	<u>973</u>
<b>Net Fees and Commissions</b>	<u>(3)</u>	<u>(29)</u>
<b>Operating Expenses</b>		
Depreciation and amortisation	(19)	(39)
Other operating expenses	(1,886)	(3,630)
	<u>(1,905)</u>	<u>(3,669)</u>
<b>Profit before taxation</b>	<b>1,353</b>	<b>1,268</b>
Taxation	(84)	(224)
<b>Profit for the period from continuing operations, net of tax</b>	<b>1,269</b>	<b>1,044</b>
<b><u>Discontinued Operations</u></b>		
Profit from discontinued operations of disposed subsidiaries, net of tax [Note (ii)]	3,220	10,931
Gain on disposal of subsidiaries	126,232	126,232
	<u>129,452</u>	<u>137,163</u>
<b>Net profit for the period</b>	<b>130,721</b>	<b>138,207</b>

**Notes:**

- (i) There were no provision for and write-off of inventories, disposal of properties by subsidiaries and foreign exchange gain or loss for the Group for the current quarter and current financial year-to-date. There was also no impairment of assets at Group level other than allowance for impairment of loans and receivables.



UNAUDITED QUARTERLY FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2012

- (ii) The breakdown of profit from discontinued operations of the Group's disposed subsidiaries, net of tax is as follows:

**Profit from Discontinued Operations of Disposed Subsidiaries, Net of Tax**

	<b>Current Quarter Ended 30 Jun 2012 RM'000</b>	<b>Current Financial Year-to-Date 30 Jun 2012 RM'000</b>
<b>Revenue</b>		
Interest income	11,830	28,964
Revenue from unit trust funds and private investment mandates	5,321	14,091
Other income	1,699	5,134
	<u>18,850</u>	<u>48,189</u>
<b>Other Operating (Losses)/Gains</b>		
Net (losses)/gains on disposal of investments		
- trading securities quoted in Bursa Securities	(23)	853
- available-for-sale securities	(34)	(30)
Interest income/Islamic profit	115	357
Loss/(gain) from derivative financial instruments	(260)	135
Other gains/(losses)	27	(170)
	<u>(175)</u>	<u>1,145</u>
<b>Net Fees and Commissions</b>	<u>(1,632)</u>	<u>(4,856)</u>
<b>Operating Expenses</b>		
Depreciation and amortisation	(693)	(1,734)
Allowance for impairment of loans and receivables	(948)	(1,803)
Other operating expenses	(5,472)	(14,115)
	<u>(7,113)</u>	<u>(17,652)</u>
<b>Finance Costs</b>		
Interest expense/Islamic profit	(5,463)	(12,004)
Other finance costs	(58)	(166)
	<u>(5,521)</u>	<u>(12,170)</u>
<b>Profit before taxation</b>	<b>4,409</b>	<b>14,656</b>
Taxation	(1,189)	(3,725)
<b>Net profit for the period</b>	<b><u>3,220</u></b>	<b><u>10,931</u></b>

**B7 Status of corporate proposals announced but not completed yet**

(a) Rectification of Public Shareholding Spread

Following the take-over of PacificMas by OCBC Capital (Malaysia) Sdn Bhd (“OCSB”) in 2008, OCSB held 67.07% shareholding in PacificMas which resulted in PacificMas not complying with the minimum 25% public shareholding spread requirement (“Public Shareholding Spread”) of Bursa Securities.

OCSB had sold down its shareholding by 6.1 million ordinary shares on 9 June 2009, thus reducing its total shareholdings in PacificMas from 67.07% to 63.50%. During the period from 28 March 2011 to 25 July 2011, Koperasi Angkatan Tentera Malaysia Berhad (“KATM”) also disposed of 730,200 ordinary shares in PacificMas, thus reducing its total shareholdings in PacificMas from 16.44% to 16.02%. However, PacificMas remained non-compliant with the Public Shareholding Spread.

On 6 January 2012, PacificMas received a letter from Bursa Securities approving a further extension of time up to the approval of shareholders being obtained for the proposed winding-up of PacificMas [as explained in Notes B3 and B7(b)] to comply with the Public Shareholding Spread requirement.

(b) Proposed disposal of PacificMas’ entire equity interests in its wholly-owned subsidiaries and 85% equity interest in Pacific Mutual Fund Bhd

The shareholders of PacificMas approved the following resolutions at the Company’s extraordinary general meeting (“EGM”) on 16 May 2012:

- (i) Proposed disposal of the Company’s 100% equity interest in Pac Lease Berhad, P.B. Pacific Sdn Bhd, PacificMas Fidelity Sdn Bhd and PacificMas Capital Sdn Bhd to OCBC Capital (Malaysia) Sdn Bhd (“OCSB”) for a total disposal consideration of RM387,887,828 (“Proposed Disposal of Wholly-Owned Subsidiaries”);
- (ii) Proposed disposal of PacificMas’ 85% equity interest in Pacific Mutual Fund Bhd (“PMFB”) to OCSB for a disposal consideration of RM40,344,672 (“Proposed Disposal of PMFB Shares”); and
- (iii) Proposed capital repayment to the shareholders of the Company of RM0.95 in cash for every one ordinary share of RM1.00 held in PacificMas via a par value reduction exercise under Section 64 of the Companies Act, 1965 (“Proposed Capital Repayment”).

Subsequent to the approval of the Proposed Disposal of Wholly-Owned Subsidiaries and Proposed Disposal of PMFB Shares (“Proposed Disposals”) at the EGM on 16 May 2012, the Sale and Purchase Agreement in respect of the Proposed Disposals became unconditional on 23 May 2012 and the Proposed Disposals were completed on 31 May 2012.

An application was filed by PacificMas, via its legal counsels, at the High Court of Malaya in Kuala Lumpur on 26 June 2012 to obtain the requisite order confirming the proposed capital reduction in relation to the Proposed Capital Repayment that was approved by shareholders at the EGM on 16 May 2012. The order confirming the proposed capital reduction ("Court Order") was granted by the High Court on 2 August 2012 and the Company announced on 10 August 2012 that the capital repayment of RM0.95 in cash for each ordinary share of RM1.00 held in PacificMas will be paid on 11 September 2012 ("Capital Repayment").

Upon completion of the Capital Repayment, PacificMas will only be holding cash and certain illiquid assets. Therefore, the Board of PacificMas intends to initiate the proposed members' voluntary winding-up of PacificMas in accordance with the Companies Act, 1965 ("Proposed Winding-Up") after the Capital Repayment. The Proposed Winding-Up will be undertaken to facilitate the liquidation of the remaining illiquid assets and thereafter, return the net cash recoverable arising thereof to the shareholders. Thereafter, as there is little or no advantage to remain listed, it is not the intention of the Board to maintain the listing status of the Company. Accordingly, an application will be submitted to Bursa Securities to de-list the Company from the Official List of Bursa Securities after obtaining shareholders' approval for the Proposed Winding-Up.

Kindly refer to the Circular to Shareholders dated 24 April 2012 for more details.

**B8 Borrowings and debt securities**

The Group did not have any outstanding borrowings and debt securities payable as at 30 June 2012 after the disposals of Pac Lease Berhad and P.B. Pacific Sdn Bhd on 31 May 2012.

**B9 Derivative financial instruments**

The Group did not have any derivative financial instruments as at 30 June 2012 after the disposal of Pac Lease Berhad on 31 May 2012.

**B10 Gains / Losses arising from Fair Value Changes of Financial Liabilities**

The gains and losses arising from fair value changes of financial liabilities disclosed in the Group's previous interim reports were due to gains and losses arising from fair value changes in derivative payables of its former hire-purchase and leasing subsidiary, Pac Lease Berhad. After the disposal of Pac Lease Berhad on 31 May 2012, the Group did not have any derivative payables as at 30 June 2012.

**B11 Changes in material litigation**

The Group does not have any material litigation since the date of the last annual statement of financial position that would materially or adversely affect its financial position.

**B12 Dividends**

- (a) Apart from the single tier tax exempt special interim dividend in respect of the financial year ending 31 December 2012 of RM2.405 per ordinary share of RM1.00 each amounting to RM411,239,368 that was declared on 1 June 2012 and paid on 29 June 2012 (refer to Note A6), no other interim dividend has been proposed or declared by the Company for the current quarter and current financial year-to-date.
- (b) During the previous corresponding period, the following special interim dividend in respect of the financial year ended 31 December 2011 was paid by the Company on 26 April 2011:
- (i) Franked dividend of RM1.398 per ordinary share of RM1.00 each less 25% income tax (net RM1.0485 per ordinary share) amounting to RM179,286,681; and
- (ii) Single tier dividend of RM0.30 per ordinary share (tax exempt) amounting to RM51,298,050.

**B13 Earnings per share (“EPS”)**

Basic EPS are calculated by dividing profit for the period attributable to owners of the parent by the number of shares in issue during the period.

	<u>2012</u> Current Qtr Ended 30 June	<u>2011</u> Comparative Qtr Ended 30 June	<u>2012</u> 6 Months Cumulative 30 June	<u>2011</u> 6 Months Cumulative 30 June
<b>Profit for the period attributable to owners of the parent (RM'000)</b>	<b>130,670</b>	<b>9,299</b>	<b>138,064</b>	<b>15,301</b>
- From continuing operations (RM'000)	1,269	629	1,046	(156)
- From discontinued operations (RM'000)	129,401	8,670	137,018	15,457
<b>Number of ordinary shares in issue ('000)</b>	<b>170,994</b>	<b>170,994</b>	<b>170,994</b>	<b>170,994</b>
<b>Basic EPS (sen)</b>	<b>76.42</b>	<b>5.44</b>	<b>80.74</b>	<b>8.95</b>
- From continuing operations (RM'000)	0.74	0.37	0.61	(0.09)
- From discontinued operations (RM'000)	75.68	5.07	80.13	9.04

The Group has no potential dilutive ordinary shares in issue as at the reporting date and therefore diluted EPS have not been presented.

**B14 Disclosure of Realised and Unrealised Profits/Losses**

The breakdowns of the retained profits of the Group as at 30 June 2012 and 31 December 2011 into realised and unrealised profits are as follows:

	<b>As at 30 Jun 2012 RM'000</b>	<b>As at 31 Dec 2011 RM'000</b>
Realised and unrealised profits/(losses) of the Company and its subsidiaries:		
- Realised	3,910	290,879
- Unrealised	(180)	(2,402)
	<hr/> 3,730	<hr/> 288,477
Less: Consolidation adjustments	891	(10,681)
	<hr/> 4,621	<hr/> 277,796
<b>Total retained profits</b>	<b>4,621</b>	<b>277,796</b>

**B15 Qualification of financial statements**

The auditors' report on the annual financial statements for the year ended 31 December 2011 did not contain any qualification.

BY ORDER OF THE BOARD

CHONG YOK HUA (MAICSA 0861045)  
COMPANY SECRETARY

28 August 2012