MALAYSIA PACIFIC CORPORATION BERHAD
CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER ENDED 31 DECEMBER 2006
The figures have not being audited

	FY 2007		**FY 2006**	
	Current Quarter Ended 12/31/2006 RM'000	**6 months cumulative 12/31/2006 RM'000**	**Comparative Quarter Ended 12/31/2005 RM'000**	**6 months cumulative 12/31/2005 RM'000**
Revenue	3,065	5,143	5,811	11,431
Operating Expenses	(3,242)	(5,714)	(5,239)	(10,821)
Other Operating Income	21	70	74	204
Profit/(Loss) from Operations	(156)	(501)	646	814
Finance costs	(3,105)	(6,118)	(2,519)	(5,089)
Profit/(Loss) before tax	(3,261)	(6,619)	(1,873)	(4,275)
Taxation	-	-	(60)	193
Profit/(Loss) after tax	(3,261)	(6,619)	(1,933)	(4,082)
Minority Interest	-	-	-	-
Net profit/(loss) for the financial period	(3,261)	(6,619)	(1,933)	(4,082)
Loss per Share (sen)				
a) Basic	(1.89)	(3.83)	(1.12)	(2.37)
b) Diluted	N/A	N/A	N/A	N/A

Note : The calculation of the diluted earnings/(loss) per share is not applicable due to anti-diluted effects of warrants.

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2006.

MALAYSIA PACIFIC CORPORATION BERHAD
CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 31 DECEMBER 2006
The figures have not being audited

	As At 31/12/2006 Unaudited RM'000	As At 30/06/2006 Audited RM'000
Property, Plant & Equipment	4,451	4,598
Land Held for Property Development	84,520	85,316
Investment Property	167,000	167,000
Current Assets		
Development Properties and Expenditure	71,011	70,684
Inventories	5,002	5,002
Trade Receivables	5,463	4,865
Other Receivables	452	422
Accrued Billings	1,988	2,068
Tax Recoverable	255	433
Cash & Bank Balances	949	883
	85,120	84,357
Current Liabilities		
Trade Payables	4,172	3,919
Rental & Utilities Deposits	2,112	2,099
Other Payables	12,809	8,333
Bank Borrowings	94,020	93,114
Provision for taxation	2,291	3,094
	115,404	110,559
Net Current Assets/(Liabilities)	(30,284)	(26,202)
	225,687	230,712
Financed by :		
Share capital	172,597	172,597
Accumulated losses	(48,991)	(42,372)
Shareholders' fund	123,606	130,225
Long Term Liabilities		
Borrowings	73,758	72,164
Deferred taxation	28,323	28,323
	225,687	230,712
Net assets per share (RM)	0.72	0.75

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 June 2006.

MALAYSIA PACIFIC CORPORATION BERHAD
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 2006
The figures have not being audited

	Share Capital RM'000	Revaluation Reserve RM'000	Accumulated Losses RM'000	Total RM'000
6 months ended 31 December 2006				
At 1 July 2006	172,597	50,682	(93,054)	130,225
Effects of adoption FRS 140		(50,682)	50,682	-
Net loss for the year	-	-	(6,619)	(6,619)
At 31 December 2006	172,597	-	(48,991)	123,606
6 months ended 30 December 2005				
At 1 July 2005	172,597	17,950	(11,676)	178,871
Net loss for the year	-	-	(4,082)	(4,082)
At 31 December 2005	172,597	17,950	(15,758)	174,789

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2006.

MALAYSIA PACIFIC CORPORATION BERHAD
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE QUARTER ENDED 31 DECEMBER 2006
The figures have not being audited

	6 months ended 12/31/2006 RM'000	6 months ended 12/31/2005 RM'000
Operating Activities		
Net Loss Before Taxation	(6,619)	(4,275)
Adjustments for non-cash flow :		
Non-cash items	432	370
Non-operating items	5,860	4,823
Operating profit before changes in working capital	(327)	918
(Increase)/Decrease in working Capital :		
Net change in property development costs	468	-
Net change in current assets	(224)	1,299
Net change in current liabilities	7,690	(2,314)
Interest Paid	(6,079)	(6,944)
Interest Received	63	72
Payment for Liquidated Ascertained Damages	(29)	(712)
Net Tax (paid)/refund	(778)	5,014
Net cash flows from operating activities	784	(2,667)
Investing Activities		
Proceed from disposal of plant and equipments	-	-
Purchase of property, plant & equipments	(285)	(465)
Net cash flows from investing activities	(285)	(465)
Financing Activities		
Repayment for bank borrowings	(1,219)	(1,512)
Repayment to hire purchase creditors	(51)	-
Net cash flows from financing activities	(1,270)	(1,512)
Net Change in Cash & Cash Equivalents	(771)	(4,644)
Cash & Cash Equivalents at beginning of year	(65,127)	(54,942)
Cash & Cash Equivalents at end of year	(65,898)	(59,586)

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report the year ended 30 June 2006.

NOTES TO THE QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2006

SECTION A – FRS 134 PARAGRAPH 16

1. ACCOUNTING POLICIES

The interim financial report has been prepared in accordance with Financial Reporting Standards ("FRS") 134, Interim Financial Reporting and Paragraph 9.22 of the Listing Requirement of Bursa Malaysia Securities Berhad.

The interim financial reporting should be read in accordance with the audited financial statement of the Group for the year ended 30 June 2006. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of a change in a financial position and performance of the Group since the financial year ended 30 June 2006.

2. CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial Statements for the year ended 30 June 2006 except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective for the financial period beginning 1 July 2006:

FRS 3	Business Combinations
FRS 101	Presentation of Financial Statement
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Estimates and Errors
FRS 110	Events after the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 127	Consolidated and Separate Financial Statements
FRS 132	Financial Instruments : Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 140	Investment Property

The adoption of FRSs 3, 101, 102, 108, 110, 116, 127, 132 and 133 does not have significant financial impact on the Group. The principal effect of the changes in accounting policies resulting from the adoption of FRS 140 is discussed bellow :

(a) FRS 140 : Investment Property

The adoption of this FRS has resulted in a change in accounting policy for investment properties. Investment properties are now stated at fair value, representing open-market value determined by external valuers. Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss in the period in which they arise. Prior to 1 June 2006, investment properties were restated at book value. The investment properties were revalued in June 2006 and the revaluation increase is taken to equity as a revaluation surplus. Under the transitional provisions of FRS 140, this change in accounting policy was not restated as at 30 June 2006. However, the changes have been accounted for and restated in the following opening balances in the balance sheet as at 1 July 2006 :

	As at 01/07/2006 RM'000
Decrease in revaluation reserve	(50,682)
Decrease in Accumulated losses	50,682

As a result of the adoption of FRS 140, the comparative amounts as at 1 July 2006 have been restated as follow:

	Previously	Adoption of FRS 140	Restated
	RM'000	**RM"000**	**RM'000**
Accumulated losses	(93,054)	50,682	(42,372)
Revaluation Reserve	50,682	(50,682)	-

3. QUALIFICATION OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The preceding annual financial statements for the financial year ended 30 June 2006 were not subject to any qualification.

4. SEASONALITY OR CYCLICALITY OF OPERATIONS

The business operations of the Group for the current quarter ended 31 December 2006 have not been affected by any seasonality or cyclicality factors.

5. 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 unusual items in the quarterly financial statements under review.

6. NATURE AND AMOUNT OF CHANGES IN ESTIMATES OF AMOUNTS REPORTED IN PRIOR INTERIM PERIODS OF THE CURRENT FINANCIAL YEAR, WHICH GIVE A MATERIAL EFFECT IN THE CURRENT INTERIM PERIOD

There were no changes in the estimates of amounts which give a material effect in the current quarter.

7. ISSUANCE, CANCELLATIONS, REPURCHASE, RESALE AND REPAYMENT OF DEBTS AND EQUITY SECURITIES

There were no issuance, cancellation, repurchase, resale and repayment of debt or equity securities during the financial period to date.

8. DIVIDENDS PAID

No interim dividend has been recommended for the financial period under review.

9. SEGMENTAL REPORTING

The segmental analysis for the Group for the financial period ended 31 December 2006 as follows:-

a) 6 months ended 31 December 2006

Description	Property Development (RM '000)	Letting of Investment Properties (RM '000)	Elimination (RM '000)	Consolidation (RM'000)
Revenue				
External Sales	1,043	4,100	-	5,143
Inter Segment Sales	-	-	-	-
Sub-total	**1,043**	**4,100**	**-**	**5,143**
Results				
Segment Results	(136)	(365)		(501)
Finance costs				(6,118)
Losses Before Taxation				**(6,619)**
Taxation				-
Losses After Taxation				**(6,619)**

b) 6 months ended 31 December 2005

Description	Property Development (RM '000)	Letting of Investment Properties (RM '000)	Elimination (RM '000)	Consolidation (RM'000)
Revenue				
External Sales	7,270	4,161	-	11,431
Inter Segment Sales	-	-	-	-
Sub-total	**7,270**	**4,161**	**-**	**11,431**
Results				
Segment Results	271	543	-	814
Finance costs				(5,089)
Losses Before Taxation				**(4,275)**
Taxation				193
Losses After Taxation				**(4,082)**

10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There is no amendment to the valuation of property, plant and equipment brought forward from the previous annual audited financial statements for the financial year ended 30 June 2006.

11. SUBSEQUENT MATERIAL EVENTS

There have not arisen any material events between 31 December 2006 and the date of this announcement that has not been reflected in the financial statements for the current quarter ended 31 December 2006.

12. CHANGES IN THE COMPOSITION OF THE GROUP/CAPITAL STRUCTURE

There are no changes in the composition of the Group for the current quarter and financial period to date.

13. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no changes in contingent liabilities or contingent assets as at the date of this report except explained in Section B note 11, under material litigation.

MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

SECTION B –LISTING REQUIREMENTS

1. REVIEW OF PERFORMANCE

The Group's revenue for this quarter was RM3.065million and the pre-tax loss was RM3.261million as compared to the previous corresponding period of RM5.811million and RM1.873million respectively.

The Group low revenue was significantly affected by the low sales in the development property largely owed to the general development trend in the Johor market.

(a) Divisional Performance Review

i) Wisma MPL (Investment Property)

For the period under review, the property investment reported a revenue turnover of RM4.100 million as compared to RM4.161 million in the previous corresponding quarter. The pre-tax operating profit was reduced from RM0.543 million to a pre-tax operating loss of RM0.365 million. The Company's newly incorporated Pacific Spa & Fitness Club Sdn Bhd will take over the premise and operate the facility jointly with Andana Spa Sdn Bhd. The Company is awaiting DBKL's approval and licenses for the Pacific Spa & Fitness Club Sdn Bhd. The renovation work shall commence as soon as approvals been obtained in due course.

Wisma MPL is undergoing refurbishment work to include a new Food Court which is anticipated to be in operation in late June 2007. This will help improve rental income and attract better traffic flow of office workers and shoppers into Wisma MPL.

The Company has received a offer to purchase the Office Tower of Wisma MPL. The Company is considering the offer to sell part of the building in order to fully retire the bank borrowing of Wisma MPL. The additional fund proceeds will be used for purpose of reinvestment and new working capital.

The Group's investment division will have zero borrowings.

ii) Property Development

The property development in Johor Bahru (JB) recorded a revenue turnover of only RM1.043 million for this quarter as compared to RM7.270 million for the previous corresponding quarter. The pre-tax operating profit of RM271,000 for the previous corresponding quarter has gone down to a pre-tax operating loss of RM136,000 in the quarter under review. The Company is working hard to reverse the situation as soon as possible via reducing bank borrowings and bank interest payment as the high interest element is the main contributor to the Group losses.

Despite the recent flood disaster in Johor and increase competitiveness in the property market in Johor Bahru , the Company is optimistic that the new Lakehill master plan is a viable proposition. The property is advantageously located on elevated ground and is not affected by the recent flood in Johor. The Company is in discussion with outside offers of joint ventures, a partial disposal of some parcel lots or cooperation agreement to develop "Lakehill Resort''. The general response to the "Lakehill Resort" concept and "Lakehill City" looks promising owing to the property being nicely situated inside the "Iskandar Development Region" (IDR) in the Pasir Gudang Area which is served by an existing Pasir Gudang Highway plus having an added advantage of the new East-West Desaru Highway that is scheduled to be completed by 2008.

The Company is awaiting for further new Government policy announcement on the "IDR Economic Incentive Policy" so that our development and marketing plans can synchronize with the IDR Economic & Incentive Policy before the Company embarks aggressively on its Grand Sale Launch, locally and overseas, which is expected to take place in June 2007.

2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

Turnover for the current quarter improved by approximately 47% to RM3.065 million as compared to the preceding quarter of RM2.078 million. The pre-tax loss for the current quarter recorded a slightly lesser loss of RM3.261 million as compared to the pre-tax loss of RM3.358 million in the preceding quarter.

3. PROSPECT FOR THE CURRENT FINANCIAL YEAR

Wisma MPL is situated in a very prime location in the 'golden-triangle' and financial district of Kuala Lumpur and the Company has received written offers of purchase of the Office Tower.

Management will be prudent to maximize value and target the selling of the complex in parcels that will eventually fetch a total price value that will well surpass the recent professional revaluation price of RM 167million in the book.

Management is continuingly improving shopping traffic activities of the Podium by opening longer daily opening hours with an aim to eventually achieve a 7-day opening week. The response from tenants and individual owners is encouraging in re-making Wisma MPL into a more lively commercial shopping, food and entertainment destination in the Bukit Bintang cum Golden Triangle area. Your Company is awaiting the final approval from DBKL of the new extension of the themed "Red Sails" food, restaurant and café's complex in a matter of course.

Management will strive to achieve successful performance of the property development division in Johor project under the Government's "Iskandar Development Region" ambitious economic plan. The new branding of "Lakehill Resort" and "Lakehill City" will help the sales of the remaining approved 759 units of medium-cost residential houses in "Taman Nusa Damai" (also developed by the Company) adjacent to Lakehill City. Lakehill Resort has approval for 6,244 units of houses, condominiums and service apartments, plus 284 units of commercial shophouses. There will be in addition two hotels, shopping cum trade and exhibition centre, international and public schools and tourist health hospitals with lake-front cafés, restaurants and touristic recreational facilities. There are also low-cost houses of about 4,024 units approved in Taman Nusa Damai that will be complementing the Lakehill City new township that need general labour force and staff housing .

Barring any unforeseen circumstances, the Group's performance in the coming financial year ended June 2007 would have a promising start.

(a) The plan to reduce bank borrowings and the gearing-ratio will make the Group a much healthier and more attractive Company and will put your Company on a recovery mode direction.

(b) The diversification plan into oil-palm plantation, mining and other businesses is still in the Company's corporate strategy and direction towards achieving rapid growth and better share valuation prospects for the Company's future.

4. VARIANCES ON ACTUAL PROFIT FROM FORECAST PROFIT

This is not applicable to the Group.

5. TAXATION

There is no income tax charge provided for the current quarter and financial year to date as the Company and its subsidiaries are in tax loss position .

6. PROFITS/(LOSSES) ON SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no sales of unquoted investments or properties for the current quarter ended 31December 2006.

7. PURCHASE OR DISPOSAL OF QUOTED SECURITIES

There were no purchases or disposal of quoted securities by the Group as at the date of this report.

8. STATUS OF CORPORATE PROPOSAL

The Group has not announced any corporate proposal for the period under review.

9. GROUP BORROWINGS

Total Group's borrowings as at 31 December 2006 are as follows:

	Short Term	Long Term	
	Secured	Secured	Total
	(RM '000)	(RM '000)	(RM '000)
HP Creditors	69	525	594
Revolving Credit	25,704	-	25,704
Bank Overdraft	66,847	-	66,847
Term Loan	1,400	73,234	74,634
Total	94,020	73,759	167,779

10. FINANCIAL INSTRUMENTS WITH OFF BALANCE SHEET RISK

There are no financial instruments with off balance sheet risk issued as at the date of issuance of this report.

MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

11. MATERIAL LITIGATION UPDATES

a) The Company and Taman Bandar Baru Masai Sdn Bhd (TBBM), as the Plaintiffs, have commenced a civil action in January 2006 vide Kuala Lumpur Civil High Court Suit No. S4-22-82-2006 against former directors En. Chut Nyak Isham bin. Nyak Ariff ('Isham'), Dato Yusof bin. Jusoh ('Yusof'), Tengku Sharif Syed Amir Abidin Jamalullail, Dato Thomas Teng Poh Foh, Pn. Asnah bt. Mohd Salleh ('Asnah') as well as amongst others, Warisan Alam Enterprise Sdn Bhd (a company connected to Isham and Asnah) and Bumialpha Sdn Bhd (a company connected to Yusof), all collectively known as the Defendants, for inter alia breach of Section 132(E) of the Company Act 1965 and others, loss and damages to be assessed and/or for an account.

   The Plaintiffs and Defendants have all entered appearances and the matter is pending filing of statement of defence by the Defendants.

b) Vide Johor Bahru High Court No. 22-702-2005 dated 14 Oct. 2005, the Company and TBBM as the 'Plaintiffs' have also filed a claim against the former Group General Manager of the Company and TBBM, En. Zulhaimi bin. Nordin ('Zulhaimi'); the former Group Managing Director and CEO, En. Chut Nyak Isham Bin Nyak Ariff as well as Inta Development Sdn Bhd and its directors, and others for the sale of land held under PTD 149705 H.S(D) 310451, Mukim Plentong, Daerah Johor Bahru. The claim is for loss and damages pursuant to the sale of TBBM land to Inta Development Sdn Bhd, to be assessed and/or for an account.

   The matter has been transferred to be heard in the Kuala Lumpur Civil High Court and is pending a mention date. The Company and TBBM will apply to have the matter heard in conjunction with (c) below.

c) Inta Development Sdn Bhd ('Inta") is claiming against TBBM under Kuala Lumpur High Court No. S3-22-1128-2004 in respect of infrastructure works alleged to be included in the consideration price under the Sale and Purchase Agreement dated 26 December 2001 between Inta and TBBM concerning land held under PTD 149705 H.S(D) 310451, Mukim Plentong, Daerah Johor Bahru and pertains to the same subject case matter whereby TBBM has a claim against Inta as referred to in (b) above.

The case has been fixed for case management on 30 May 2007.

d) A claim for defamation was previously filed by four (4) former directors of the Company, En. Chut Nyak Isham bin Nyak Ariff, Dato Yusof bin Jusoh, Tengku Sharif Syed Amir Abidin Jamalullail and Dato Thomas Teng Poh Foh against the Company vide Kuala Lumpur Civil High Court No. S2-23-29-06 in respect of the statements made by the Company under 'Material Litigation', cited in the Company's Annual Report ended June 2005, as well as what was subsequently reported in the Star Newspaper dated 15 November 2005 pursuant to the company's mandatory disclosure under the 'Material Litigation' section.

The Court had, vide its decision on 8 February 2007 struck out the claim of slander brought by the four (4) former directors (the Plaintiffs) against the Company and the Court has therein ordered that the Plaintiffs so amend their statements of claim, by eliminating the claim of slander allegation part against the Company.

The Company has sought legal advise and will strenuously defend and resist any amended claim by the Plaintiffs.

12. DIVIDEND

No interim dividend has been recommended for the financial period under review.

13. EARNINGS PER SHARE

a. Basic earnings per share

	Current Quarter Ended 31-12-2006	Current Year To Date 31-12-2006
Net profit/(loss) attributable to ordinary shareholders (RM'000)	(3,261)	(6,619)
Weighted average number of ordinary shares in issue ('000)	172,597	172,597
Basic profit/(loss) per share (sen)	(1.89)	(3.83)

b. Diluted earnings per share

No diluted earnings per share are disclosed due to anti-diluted effect of warrants.