

MALAYSIA PACIFIC CORPORATION BERHAD
CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2007

The figures have not being audited

	FY 2007		FY 2006	
	Current Quarter Ended 3/31/2007 RM'000	9 months cumulative 3/31/2007 RM'000	Comparative Quarter Ended 3/31/2006 RM'000	9 months cumulative 3/31/2006 RM'000
Revenue	2,365	7,508	3,749	15,211
Operating Expenses	(2,576)	(8,290)	(3,753)	(14,574)
Other Operating Income	8	78	15	188
Profit/(Loss) from Operations	(203)	(704)	11	825
Finance costs	(3,131)	(9,249)	(2,421)	(7,510)
Profit/(Loss) before tax	(3,334)	(9,953)	(2,410)	(6,685)
Taxation	(126)	(126)	(60)	133
Profit/(Loss) after tax	(3,460)	(10,079)	(2,470)	(6,552)
Minority Interest	-	-	-	-
Net profit/(loss) for the financial period	(3,460)	(10,079)	(2,470)	(6,552)
Loss per Share (sen)				
a) Basic	(2.00)	(5.84)	(1.43)	(3.80)
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 MARCH 2007

The figures have not being audited

	As At 31/03/2007 Unaudited RM'000	As At 30/06/2006 Audited RM'000
Property, Plant & Equipment	4,213	4,598
Land Held for Property Development	85,792	85,316
Investment Property	167,000	167,000
Current Assets		
Development Properties and Expenditure	70,954	70,684
Inventories	5,002	5,002
Trade Receivables	4,281	4,865
Other Receivables	390	422
Accrued Billings	2,068	2,068
Tax Recoverable	255	433
Cash & Bank Balances	363	883
	<hr/> 83,313	<hr/> 84,357
Current Liabilities		
Trade Payables	4,504	3,919
Rental & Utilities Deposits	2,296	2,099
Other Payables	11,770	8,333
Bank Borrowings	96,214	93,114
Provision for taxation	2,219	3,094
	<hr/> 117,003	<hr/> 110,559
Net Current Assets/(Liabilities)	<hr/> (33,690)	<hr/> (26,202)
	<hr/> 223,315	<hr/> 230,712
Financed by :		
Share capital	172,597	172,597
Accumulated losses	<hr/> (52,451)	<hr/> (42,372)
Shareholders' fund	120,146	130,225
Long Term Liabilities		
Borrowings	74,846	72,164
Deferred taxation	28,323	28,323
	<hr/> 223,315	<hr/> 230,712
Net assets per share (RM)	0.70	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 MARCH 2007

The figures have not being audited

Share Capital RM'000	Revaluation Reserve RM'000	Accumulated Losses RM'000	Total RM'000
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9 months ended 31 March 2007

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	-	-	(10,079)	(10,079)
At 31 March 2007	172,597	-	(52,451)	120,146

9 months ended 31 March 2006

At 1 July 2005	172,597	17,950	(11,676)	178,871
Net loss for the year	-	-	(6,552)	(6,552)
At 31 March 2006	172,597	17,950	(18,228)	172,319

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 MARCH 2007

The figures have not being audited

	9 months ended 3/31/2007 RM'000	9 months ended 3/31/2006 RM'000
Operating Activities		
Net Loss Before Taxation	(9,953)	(6,685)
Adjustments for non-cash flow :		
Non-cash items	701	397
Non-operating items	8,924	7,198
Operating profit before changes in working capital	<u>(328)</u>	<u>910</u>
(Increase)/Decrease in working Capital :		
Net change in property development costs	(336)	-
Net change in current assets	555	3,567
Net change in current liabilities	10,246	(2,207)
Interest Paid	(9,225)	(10,209)
Interest Received	68	102
Payment for Liquidated Ascertained Damages	(81)	(811)
Net Tax (paid)/refund	(976)	4,216
Net cash flows from operating activities	<u>(77)</u>	<u>(4,432)</u>
Investing Activities		
Proceed from disposal of plant and equipments	-	-
Purchase of property, plant & equipments	(264)	(264)
Net cash flows from investing activities	<u>(264)</u>	<u>(264)</u>
Financing Activities		
Repayment for bank borrowings	(1,541)	(2,728)
Repayment to hire purchase creditors	(81)	-
Net cash flows from financing activities	<u>(1,622)</u>	<u>(2,728)</u>
Net Change in Cash & Cash Equivalents	(1,963)	(7,424)
Cash & Cash Equivalents at beginning of year	(65,127)	(54,942)
Cash & Cash Equivalents at end of year	<u>(67,090)</u>	<u>(62,366)</u>

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 MARCH 2007**

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

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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	<u>50,682</u>

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

	<u>Previously</u> <u>RM'000</u>	Adoption of <u>FRS 140</u> <u>RM'000</u>	<u>Restated</u> <u>RM'000</u>
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 March 2007 have not been affected by any seasonality or cyclical 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.

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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 March 2007 as follows:-

a) 9 months ended 31 March 2007

Description	Property Development (RM '000)	Letting of Investment Properties (RM '000)	Elimination (RM '000)	Consolidation (RM'000)
Revenue				
External Sales	1,044	6,464	-	7,508
Inter Segment Sales	-	-	-	-
Sub-total	1,044	6,464	-	7,508
Results				
Segment Results	(222)	(502)		(724)
Finance costs				(9,229)
Losses Before Taxation				(9,953)
Taxation				(126)
Losses After Taxation				(10,079)

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b) 9 months ended 31 March 2006

Description	Property Development (RM '000)	Letting of Investment Properties (RM '000)	Elimination (RM '000)	Consolidation (RM'000)
Revenue				
External Sales	9,231	5,980	-	15,211
Inter Segment Sales	-	-	-	-
Sub-total	9,231	5,980	-	15,211
Results				
Segment Results	586	239	-	825
Finance costs				(7,510)
Losses Before Taxation				(6,685)
Taxation				133
Losses After Taxation				(6,552)

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 March 2007 and the date of this announcement that has not been reflected in the financial statements for the current quarter ended 31 March 2007.

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.

SECTION B –LISTING REQUIREMENTS

1. REVIEW OF PERFORMANCE

The Group's revenue for this quarter was RM2.365 million and the pre-tax loss was RM3.334 million as compared to the previous corresponding period of RM3.749 million and RM2.410 million respectively.

The Group low revenue was drastically affected by the extreme slow sales in the property development division for reasons as elaborated below. The situation should significantly improve once the Company's new Lakehill Resorts development, within the Iskandar Development Region (IDR), has been granted the IDR status by the Government.

'Lakehill Resort' has obtained planning approval of a total of 4,186 units of high-end residences cum resort hotel, condominium, tourist heritage village, tourist health-care hospital etc. 'Lakehill City' has been approved a total of 241 units of 3-storey shop houses plus a business hotel, International Trade & Exhibition Centre, shopping mall, offices, etc. The said development will keep the company busy and sustainable for the next 10 years under the IDR 9th and 10th Malaysia Plans with an estimated gross development sale value of approximately RM4.0 billion (subject to final design).

(a) Divisional Performance Review

For the period under review :

i) Investment Property Division – (Wisma MPL)

The property investment division reported 8% improved revenue of RM6.464 million as compared to revenue of RM5.980 million for the correspondence period. However a pre-tax operating loss of RM0.502 million was reported as compared to pre-tax operating profit of RM0.239 million in the previous corresponding period due to higher operating and financing cost owing to ongoing upgrading and renovation works that incurred additional borrowing.

Slow effort is made to keep improving the occupancy and rental rates as limited resources for upgrading and renovation work is slow and could only be done on an as-need basis. Office type tenants on the retail floors are slowly beginning to be relocated from retail podium to the office tower in order to allow retail area for use exclusively as retail purpose only, chargeable at retail rental rates. Certain recent vacated retail spaces are now being converted to Food Court which is due for opening by July 2007. The shopping podium floors are targeted for shopping business nature only with improve business mix. The complex is planned to be opened for 6-day week initially, eventually rising to 7-day week plus longer opening-hours.

For a long time, quite many of the shops own by us and other co-owners are used as offices and storage facilities, thus, creating an unconducive atmosphere for shopping. The Management is taking steps to rectify this mistake and disallow such practice anymore.

Based on a limited budget, refurbishment and upgrading works and the proposed new building extension are done in gradual phases. Steps were also taken so as not to interrupt existing business activities. On completion of renovation and extension work, the new outlook and

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increased floor area will provide more space for better quality tenants and better shopping traffic in future.

Wisma MPL will undergo comprehensive planning changes to transform into a modern and preferred shopping centre. The Company is going through a realignment of rental rates exercise because many tenancy agreements signed in the past were on long tenancy period and at a low rental rate. Once the revision is completed, the property will register a better yield, reflecting the current market price.

The Company is opened to consider alternative options of disposing part, if not all, of Wisma MPL for immediate cashflow and capital gain for use in new investment purpose which management has in mind. The sale will solve the group's current high borrowing immediately. This will positively turnaround the Company towards a new beginning in a clean slate.

ii) Property Development Division (IDR-Johor)

The Company's property development is located in Johor. Both 'Taman Nusa Damai' develop by Taman Bandar Baru Masai Sdn Bhd and 'Lakehill Resort/Lakehill City' develop by Lakehill Resort Development Sdn Bhd. Both are situated within the 'Iskandar Development Region' (IDR) Johor, which will derive future long-term benefits from the Government's impetus and aim targeted for IDR under the 9MP.

At the current moment Taman Nusa Damai development is recording disappointing revenue of RM1.044 million for this quarter as compared to RM9.231 million for the previous corresponding quarter.

The Company is currently focused on marketing the remaining available medium-cost houses in "Taman Nusa Damai". The sale of medium-cost houses had been slow due to large overhang of ready-built medium-cost houses unsold in Johor. Unless the government has resolved the housing over-hang problem, new medium-cost housing development will face undue competition.

The pre-tax operating profit of RM586,000 for the previous corresponding quarter was down to a pre-tax operating loss of RM222,000 in the quarter under review. Prudent measures may be taken by the company to change course to switch 'Taman Nusa Damai' into better type houses in harmony with the "Lakehill Resort" concept nearby, if sale of medium-cost houses continue to be slow.

The plan for the Lakehill Resort development is awaiting to be launched in the near future. It is pending for the final amended layout plan to be approved and the IDR-status to be granted to developers in IDR.

2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

Owing to the above reasons, turnover for the current quarter was disappointing. The sale was reduced by approximately 23% to RM2.365 million as compared to the preceding quarter of RM3.065 million. The pre-tax loss for the current quarter recorded a loss of RM3.334 million as compared to the pre-tax loss of RM3.261 million of the preceding quarter.

3. PROSPECT FOR THE FINANCIAL YEAR

Prospect of Lakehill Resort-IDR, Johor

In the remaining quarter of the financial year ending 30 June 2007, the Company shall pursue vigorously for an early approval of the amended layout plan of the Company's Lakehill Resort and Lakehill City as well as the IDR status being accorded. Upon approval, launching of the "Lakehill Resort and Lakehill City" will immediately take shape in the form of international roadshows and promotions.

In the short term, the Company will make extra efforts to improve sales revenue from the 'Taman Nusa Damai' development, but not the Lakehill Resort yet.

The Government's relaxation of approval requirements, special tax incentive status, the spillover wealth-effects from Singapore, the incentives given to "Malaysia My Second Home" (MM2H), the exemption of Real Property Gain Tax (RPGT) and new infrastructures located nearby 'Lakehill Resort' development would create an exciting optimism and prospect for the Company.

While waiting for Lakehill to be approved, 163 units of Phase 4M in "Taman Nusa Damai" development will open up for sale in the next two quarters. If sales is achieved, the total revenue to be derived from the new launch would amount to about RM30.0 million and this will contribute positively to the next two quarters improvement and nett cashflow position.

As a long term strategic plan, management will put great efforts in the branding of "Lakehill Resort" and "Lakehill City". The aim is to make Lakehill Resort become an exclusive development comprising of high-end lifestyle residential, commercial, educational, touristic, recreational and holistic suburb on the Eastern side of IDR catering for the Singaporean, expatriates, successful local business and professional executives. Lakehill City will encompass a large shopping precinct with well integrated permanent International Trade and Exhibition Centre to complement the Malaysian government's objectives and vision to make IDR-Singapore reflects the Shenzhen-Hong Kong success story. Lakehill Resort is designed to be a self-contained community-living lifestyle suburb, by taking into advantage the two existing golf-courses that are in close proximity plus a well-served population of other matured developments that are already converging into Lakehill Resort parameters.

Wisma MPL

Wisma MPL's upgrading and improvement is ongoing. The application to double the building plot ratio in Wisma MPL is under planning stage. Approval for extension of the 'Red Sail' theme restaurants and entertainment is expected to be obtained soon.

Several offers of purchase were received by the Company to sell the Wisma MPL. The Company shall evaluate and obtain the best and fair deal between buyer-and-seller and by taking into the account of the premium valuation in the increased building plot-ratio.

Barring any unforeseen circumstances, the Group's future is optimistic and bright.

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4. VARIANCES ON ACTUAL PROFIT FROM FORECAST PROFIT

This is not applicable to the Group.

5. TAXATION

The taxation for the current quarter ended and period ended 31 March 2007 consists of the following:

	Current Quarter Ended 31-3-2007 (RM)	Current Year To-Date Ended 31-3-2007 (RM)
Taxation		
- current year	122,417	122,417
- prior year	3,749	3,749
	126,166	126,166

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 31 March 2007.

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. PROPOSED CORPORATE JOINT-VENTURE

On 11 April 2007 the Company has announced that Bedford PJ Complex Sdn Bhd ("Bedford"), a wholly-owned subsidiary of the Company, together with Seacrest Land Limited ("Seacrest"), a substantial shareholder of the Company or its nominated subsidiary, intends to incorporate a joint company for the purpose of investing into property development in Mongolia. Bedford shall subscribe for up to 30% of the equity interest in the new Joint-Venture Company (JV A) and the balance 70% equity interest shall be subscribed by Seacrest.

Under the proposed arrangement, JVA shall hold 70% equity interest in a new Joint Venture Development Company (" JV M") to be incorporated in Mongolia, whilst Tsetsens LLC will hold the remaining 30% equity interest.

Tsetsens LLC is currently the owner of the land rights of the project site and shall contribute the said land rights in the JV M for the 30% equity interest.

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The JV A shall contribute in terms of capital injection of 70% equity portion in the JV M and shall be appointed as project manager in the design, development, construction and the procurement of project financing and the management of the JV M. As the project, the JV A will be paid a fee of 7.5% of the total construction cost by JV M.

The project feasibility study and due diligence is on-going subject to the Board's further approval. Due diligence will be carried out by JVA's lawyers on the legal issue of the land rights.

The Company will make further announcement of the Company's decision as soon as the legal due diligence has been completed.

9. GROUP BORROWINGS

Total Group's borrowings as at 31 March 2007 are as follows:

	Short Term	Long Term	
	Secured	Secured	Total
	(RM '000)	(RM '000)	(RM '000)
HP Creditors	39	525	564
Revolving Credit	25,704	-	25,704
Bank Overdraft	67,454	-	67,454
Term Loan	1,400	74,321	75,721
Total	94,597	74,846	169,443

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.

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

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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. On 27 April 2007, the Company and Taman Bandar Baru Masai Sdn Bhd filed amendments to the original Statement of Claim at the recommendation of the Company's lawyers.

The matter is pending extraction and service on 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 of the suspicious circumstances in the sale of land held under PTD 149705 H.S(D) 310451, Mukim Plentong, Daerah Johor Bahru to Inta Development Sdn Bhd. The claim is for loss and damages pursuant to the sale of the said property 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 awaiting a mention date. The Company and TBBM have applied 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 construction of infrastructure works alleged should have been included in the purchase price pursuant to the Sale and Purchase Agreement dated 26 December 2001 between Inta and TBBM in respect of land held under PTD 149705 H.S(D) 310451, Mukim Plentong, Daerah Johor Bahru. The case is to be heard in conjunction to (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, Chut Nyak Isham bin Nyak Ariff, Yusof bin Jusoh, Tengku Sharif Syed Amir Abidin Jamalullail and Thomas Teng Poh Foh against the Company vide Kuala Lumpur Civil High Court No. S2-23-29-06 concerning the statements made by the Company reported under 'Material Litigation', in the Company's Annual Report ended June 2005, plus what was

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subsequently cited in the Star Newspaper dated 15 November 2005 pursuant to the same report.

The Court had, on 8 February 2007 struck out the claim of slander brought by the four (4) former directors against the Company and ordered that the Plaintiffs do amend their statements of claim, by deleting the claim of slander against the Company.

The matter is pending a mention date.

- e) A mandatory injunction was filed on the 10 April 2007 by TBBM against Scientex Quatari Sdn Bhd for trespass and damage of TBBM's land held under HS(D) 310467, PTD 149729 Mukim Plentong, Daerah Johor Bahru (herein referred to as the Land). TBBM is seeking an order to stop Scientex Quatari from encroaching and cutting the slope along the stretch into the boundary of TBBM's land. This has caused soil erosion and instability. TBBM is seeking Scientex Quatari to make good the damage and restore the land back to its original ground level position and restore the earth stability. TBBM has also claimed for general damages and loss of potential income.

The matter which was originally scheduled for hearing on 3 May 2007 has been postponed to 4 July 2007.

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 31-03-2007	Current Year To Date 31-03-2007
Net profit/(loss) attributable to ordinary shareholders (RM'000)	(3,460)	(10,079)
Weighted average number of ordinary shares in issue ('000)	172,597	172,597
Basic profit/(loss) per share (sen)	(2.00)	(5.84)

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b. Diluted earnings per share

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