

To: Stock Exchange

For immediate release
27 March 2003

Martin Currie Pacific Trust plc
Annual results for the year ended 28 February 2003

This has been a disappointing year for all equity investors. Markets have experienced what is on several counts the worst bear market since the 1930's. The excess valuations of the IT boom of the 1990's are a faded memory but the effects of global manufacturing over-capacity have yet to be washed out of the system. Consumer confidence in the US, hitherto the main prop of the world economy, is being battered by a number of worries, particularly the war in Iraq. Investors remain nervous.

Although the Asian region has performed better than most world markets, the company has not been immune and our benchmark index fell by 20.5%. The company's net asset value fell by 25.2%, and improvement is clearly needed. Steps have been taken to improve on this performance, with John Millar having recently assumed overall responsibility for the company's investments and a good start has been made.

Our results have, in part, been due to the existence of borrowings. Poor stock selection played its part in our underperformance and it is apparent that its importance outweighs that of asset allocation in the increasingly inter-related economies of Asia. The managers will be reflecting this change of emphasis in future.

The much-publicised problems of the split capital investment trusts have given rise to important proposals on investment trust corporate governance. We shall be responding to these proposals in the hope of ensuring that any imposition of new rules by the Financial Services Authority does not restrict the effectiveness of the management of what remains one of the best vehicles for private investment – the investment trust. Thorough disclosure of investment policy, its actual implementation and portfolio details remain our preferred route to the company's corporate governance.

The directors are recommending a final dividend of 1.00p per share. Subject to approval by the shareholders at the annual general meeting, this will be paid on 4 July 2003.

I am sorry to report that after many years of service Sir David Thomson and Lord Wilson of Tillyorn will be retiring following the completion of the forthcoming annual general meeting. We thank them for their invaluable contributions over the years. Your board is currently seeking to appoint up to two new non-executive directors as soon as practicable, and the selection process has involved the use of external consultants.

The trust's discount has been volatile over the 12 months. Having widened out to a peak of 24%, the discount ended the year at 17%. The company did not buy-in any shares during the period, as the effect of doing so would have adversely affected the company's expense ratio and the liquidity of our shares. However, we would not exclude a buyback option in the right circumstances.

Despite a very tough environment for markets worldwide, there are some reasons for optimism within Asia. Currently China is attracting huge amounts of foreign direct investment. This, together with vast investment in infrastructure, is helping to generate demand among consumers. Accession to the WTO underscores the country's importance to the region.

A great deal of hard work and effort will be required to take full advantage of the future opportunities that we perceive. Improved global market sentiment will probably take a while to develop given present uncertainties.

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For further information, please contact:

John Millar or Michael Woodward
Martin Currie Investment Management Ltd
jmillar@martincurrie.com/mwoodward@martincurrie.com

0131 229 5252

**Unaudited statement of total return (incorporating revenue account)
for the year ended 28 February 2003**

| | Revenue £000 | Capital £000 | Total £000 |
|--|-------------------------|-------------------------|-----------------------|
| Losses on investments - realised | - | (7,885) | (7,885) |
| - unrealised | - | (6,574) | (6,574) |
| Currency losses | - | (408) | (408) |
| Income - unfranked | 1,343 | - | 1,343 |
| Investment management fee | (192) | (384) | (576) |
| Other expenses | (388) | - | (388) |
| Net return before finance costs and taxation | 763 | (15,251) | (14,488) |
| Interest payable and similar charges | (74) | (148) | (222) |
| Return on ordinary activities before taxation | 689 | (15,399) | (14,710) |
| Taxation on ordinary activities | (261) | 221 | (40) |
| Return on ordinary activities after taxation for the financial year | 428 | (15,178) | (14,750) |
| Dividends in respect of equity shares (1.00p per share) | (428) | - | (428) |
| Transfer from reserves | - | (15,178) | (15,178) |
| Return per ordinary share | 1.00p | (35.46p) | (34.46p) |

* The revenue column of this statement is the profit and loss account of the company. All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the year.

The directors recommend a dividend of 1.00p per share to be paid on 4 July 2003 to shareholders on the register on 30 May 2003.

**Audited statement of total return (incorporating revenue account)
for the year ended 28 February 2002**

| | Revenue £'000 | Capital £'000 | Total £'000 |
|--|--------------------------|--------------------------|------------------------|
| Losses on investments - realised | - | (8,415) | (8,415) |
| - unrealised | - | (1,056) | (1,056) |
| Currency gains | - | 1,181 | 1,181 |
| Income - unfranked | 1,559 | - | 1,559 |
| Investment management fee | (197) | (394) | (591) |
| Other expenses | (324) | - | (324) |
| Net return before finance costs and taxation | 1,038 | (8,684) | (7,646) |
| Interest payable and similar charges | (76) | (152) | (228) |
| Return on ordinary activities before taxation | 962 | (8,836) | (7,874) |
| Taxation on ordinary activities | (305) | 107 | (198) |
| Return on ordinary activities after taxation for the financial year | 657 | (8,729) | (8,072) |
| Dividends in respect of equity shares (1.50p per share) | (642) | - | (642) |
| Transfer to/(from) reserves | 15 | (8,729) | (8,714) |
| Return per ordinary share | 1.53p | (20.39p) | (18.86p) |

Balance sheet

| | 28 February 2003 | 28 February 2002 |
|--|-------------------------|-------------------------|
| | Unaudited | Audited |
| | £000 | £000 |
| Fixed assets | | |
| Listed on stock exchanges abroad | 49,386 | 65,640 |
| Unlisted at directors' valuation | 2,097 | 3,403 |
| | 51,483 | 69,043 |
| Current assets | | |
| Debtors | 350 | 2,766 |
| Cash at bank and in hand | 5,757 | 2,925 |
| | 6,107 | 5,691 |
| Creditors | | |
| Amounts falling due within one year | (1,237) | (3,361) |
| Net current assets | 4,870 | 2,330 |
| Total assets less current liabilities | 56,353 | 71,373 |
| Creditors | | |
| Amounts falling due after one year | (11,358) | (11,200) |
| Net assets | 44,995 | 60,173 |
| Capital and reserves | | |
| Called up ordinary capital | 21,401 | 21,401 |
| Share premium account | 3,886 | 3,886 |
| Capital redemption reserve | 1,162 | 1,162 |
| Capital reserve-realised | 21,782 | 30,386 |
| Capital reserve-unrealised | (5,288) | 1,286 |
| Revenue reserve | 2,052 | 2,052 |
| Total shareholders' funds | 44,995 | 60,173 |
| Net asset value per ordinary share | 105.1p | 140.6p |

Statement of cash flow

| | Year to 28 February 2003 Unaudited | | Year to 28 February 2002 Audited | |
|--|--|-------|--|---------|
| | £000 | £000 | £000 | £000 |
| Operating activities | | | | |
| Net dividends and interest received from investments | 1,018 | | 1,370 | |
| Interest received from deposits | 150 | | 102 | |
| Investment management fee | (590) | | (617) | |
| Fees and expenses paid to and on behalf of directors | (72) | | (79) | |
| Bank charges | (79) | | (46) | |
| Net taxation recovered | 73 | | 35 | |
| Other cash payments | (282) | | (224) | |
| Net cash inflow from operating activities | | 218 | | 541 |
| Servicing of finance | | | | |
| Interest paid | (222) | | (232) | |
| Net cash outflow from servicing of finance | | (222) | | (232) |
| Taxation | | | | |
| Net corporation tax paid | (69) | | - | |
| Taxation paid | | (69) | | - |
| Capital expenditure and financial investment | | | | |
| Payments to acquire investments | (77,505) | | (74,390) | |
| Receipts from disposal of investments | 81,302 | | 76,561 | |
| Net cash inflow from capital expenditure and financial investment | | 3,797 | | 2,171 |
| Equity dividends paid | | (642) | | (428) |
| Net cash inflow before financing | | 3,082 | | 2,052 |
| Financing | | | | |
| Increase in short term borrowings | 1,529 | | - | |
| Decrease in short-term borrowings | (1,529) | | (1,431) | |
| Cash outflow from financing | | - | | (1,431) |
| Increase in cash for the period | | 3,082 | | 621 |