
UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE SECURITIES EXCHANGE ACT OF 1934

Quarterly Report for the Three Months Ended September 30, 1998

Commission File Number **0-20281**

CREATIVE TECHNOLOGY LTD.

(Exact name of Registrant as specified in its charter)

SINGAPORE

(Jurisdiction of incorporation or organization)

31 International Business Park

Creative Resource

Singapore 609921

(Address of principal executive offices)

Indicate by check mark whether the Registrant files or will file annual reports under cover of Form 20-F or 40-F.

Form 20-F

Form 40-F

Indicate by check mark whether the Registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes

No

If "Yes" is marked, indicate below the file number assigned to the Registrant in connection with Rule 12g3-2(b):82 **N/A**

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PART I - FINANCIAL INFORMATION
ITEM 1 FINANCIAL STATEMENTS

CREATIVE TECHNOLOGY LTD.
CONSOLIDATED BALANCE SHEETS

(In US\$' 000, except per share data)

(Unaudited)

	<u>September 30,</u> <u>1998</u>	<u>June 30,</u> <u>1998</u>
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents	\$ 433,228	\$ 417,262
Accounts receivable, less allowances of \$13,096 and \$14,074	146,507	115,930
Inventory	120,228	144,320
Other assets and prepaids	12,943	10,180
Total current assets	<u>712,906</u>	<u>687,692</u>
Property and equipment, net	98,704	100,767
Investments and other non-current assets	83,032	76,654
	<u>\$ 894,642</u>	<u>\$ 865,113</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
Current Liabilities:		
Accounts payable	\$ 98,318	\$ 90,544
Other accrued liabilities	66,263	61,381
Income taxes payable	46,947	45,002
Current portion of long term obligations	5,740	5,973
Total current liabilities	<u>217,268</u>	<u>202,900</u>
Long term obligations	<u>31,673</u>	<u>32,277</u>
Minority interest in subsidiaries	<u>7,453</u>	<u>7,622</u>
Shareholders' equity:		
Ordinary shares ('000); S\$0.25 par value;		
Authorized: 200,000 shares		
Outstanding: 93,087 and 92,914 shares	9,703	9,678
Additional paid-in capital	159,465	158,532
Unrealized holding gains on quoted investments	7,182	13,719
Retained earnings	461,898	440,385
Total shareholders' equity	<u>638,248</u>	<u>622,314</u>
	<u>\$ 894,642</u>	<u>\$ 865,113</u>

The accompanying notes are an integral part of these consolidated financial statements.

CREATIVE TECHNOLOGY LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS

(In US\$' 000, except per share data)

(Unaudited)

	Three Months Ended September 30,	
	1998	1997
Sales, net	\$ 278,989	\$ 287,766
Cost of goods sold	199,156	193,038
	79,833	94,728
Gross profit		
Operating expenses:		
Selling, general and administrative	51,723	34,466
Research and development	10,346	8,981
	62,069	43,447
Total operating expenses		
Operating income	17,764	51,281
Net gain from investments	--	18,469
Interest income and other, net	5,617	5,005
	23,381	74,755
Income before income taxes and minority interest		
Provision for income taxes	(2,104)	(5,628)
Minority interest in loss	236	941
	21,513	70,068
Net income	\$ 21,513	\$ 70,068
Basic earnings per share:	\$ 0.23	\$ 0.79
Average ordinary shares outstanding ('000)	92,989	89,061
Diluted earnings per share:	\$ 0.23	\$ 0.74
Average ordinary shares and equivalents outstanding ('000)	94,968	94,430

The accompanying notes are an integral part of these consolidated financial statements.

CREATIVE TECHNOLOGY LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS

Increase (decrease) in cash and cash equivalents (in US\$'000)
(Unaudited)

	Three Months Ended September 30,	
	1998	1997
Cash flows from operating activities:		
Net income	\$ 21,513	\$ 70,068
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	10,428	5,808
Minority interest in loss	(236)	(941)
Equity share in results of unconsolidated investments	42	--
Realized net gain from investments	--	(18,469)
Changes in assets and liabilities:		
Accounts receivable	(30,577)	(31,617)
Inventory	24,092	(20,950)
Other assets and prepaids	(5,028)	(1,818)
Accounts payable	7,774	23,639
Other accrued liabilities	4,882	2,951
Income taxes payable	1,945	2,480
Net cash provided by operating activities	34,835	31,151
Cash flows from investing activities:		
Capital expenditures, net	(2,746)	(7,834)
Proceeds from sale of quoted investments	--	19,264
Increase in other investments and assets, net	(16,303)	(1,876)
Net cash (used in) provided by investing activities	(19,049)	9,554
Cash flows from financing activities:		
Increase (decrease) in minority shareholders' loan and equity balance	67	(624)
Proceeds from exercise of share options and warrants	958	2,030
(Repayments of)/proceeds from long-term obligations, net	(845)	2,901
Net cash provided by financing activities	180	4,307
Net increase in cash and cash equivalents	15,966	45,012
Cash and cash equivalents at beginning of year	417,262	417,943
Cash and cash equivalents at end of year	\$ 433,228	\$ 462,955
Supplemental disclosure of cash flow information:		
Interest paid	\$ 361	\$ 321
Income taxes paid	\$ 159	\$ 3,148

The accompanying notes are an integral part of these consolidated financial statements

CREATIVE TECHNOLOGY LTD.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 - BASIS OF PRESENTATION

In the opinion of management, the accompanying unaudited consolidated interim financial statements of Creative Technology Ltd. ("Creative" or "Company") have been prepared on a consistent basis with the June 30, 1998 audited consolidated financial statements and include all adjustments, consisting only of normal recurring adjustments, necessary to provide a fair statement of the results for the interim periods presented. The consolidated financial statements are presented in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). These consolidated interim financial statements should be read in conjunction with the consolidated financial statements and accompanying notes thereto included in Creative's Annual Report on Form 20-F for the year ended June 30, 1998, filed with the Securities and Exchange Commission. The results of operations for the three month period ended September 30, 1998 are not necessarily indicative of the results to be expected for the entire year. Creative generally operates on a thirteen week calendar closing on the Friday closest to the natural calendar quarter. For convenience, all quarters are described by their natural calendar dates. Creative conducts a principal portion of its business in United States dollars ("US\$" or "\$") and all amounts included in these interim financial statements and in the notes herein are in US\$, unless designated as Singapore dollars ("S\$").

NOTE 2 - INVENTORIES

Inventories are stated at the lower of cost (first-in, first-out) or market. The components of inventory are as follows (in US\$'000):

	<u>September 30, 1998</u>	<u>June 30, 1998</u>
Raw materials	\$ 79,240	\$ 89,383
Work in progress	12,661	17,058
Finished products	28,327	37,879
	<u>\$ 120,228</u>	<u>\$ 144,320</u>

NOTE 3 - EARNINGS PER SHARE

The Company adopted Statement of Financial Accounting Standards No. 128, "Earnings per Share" (SFAS 128), during the second quarter of the fiscal year 1998 and retroactively restated earnings per share data for all periods presented. SFAS 128 requires the Company to report both basic earnings per share and diluted earnings per share. Basic earnings per share is computed using the weighted average number of ordinary (common) shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of common and potentially dilutive common equivalent shares outstanding during the period. Common equivalent shares are excluded from the computation if their effect is anti-dilutive. In computing the diluted earnings per share, the treasury stock method is used to determine, based on average stock prices for the respective periods, the common equivalent shares to be purchased using funds received from the exercise of stock options. Other than the dilutive effect of common stock equivalents, Creative did not have any other financial instruments that would have an impact on the weighted average number of Ordinary Shares outstanding, used for computing diluted earnings per share.

NOTE 4 - INCOME TAXES

Provision for income taxes for interim periods is based on estimated annual effective income tax rates. Income of foreign subsidiaries of Creative is subject to tax in the country in which the subsidiary is located. The effective income tax rate is based on the mix of income arising from various geographical regions, where the tax rates range from 26% to 50%; pioneer status income in Singapore, which is exempt from tax; and the utilization of non Singapore net operating losses. As a result, Creative's overall effective rate of tax is subject to changes based on the international source of income before tax.

NOTE 5 - COMPREHENSIVE INCOME

Effective July 1, 1998, the Company adopted Statement of Financial Accounting Standards No. 130 (SFAS 130), "Reporting Comprehensive Income." SFAS 130 establishes standards for the reporting of comprehensive income and its components which, as defined, includes all changes in equity (net assets) during a period from non-owner sources. Examples of items to be included in comprehensive income, which are excluded from net income, include foreign currency translation adjustments and unrealized gain/loss on available-for-sale securities. The components of total comprehensive income are as follows :

	Three months ended September 30,	
	1998	1997
Net income	\$ 21,513	\$ 70,068
Unrealized gain (loss) on available-for-sale securities	(6,536)	1,966
Total comprehensive income	\$ 14,977	\$ 72,034

NOTE 6 - SUBSEQUENT EVENTS

In November 1998, the Company obtained shareholders' approval to repurchase up to 9,300,000 of its Ordinary Shares. Subsequent to this announcement, the Company commenced the repurchase of its shares.

In November 1998, Creative's Directors recommended a dividend of \$0.50 per each Ordinary Share of the Company for fiscal 1999. The recommended dividends consist of an Ordinary Dividend of \$0.25 and a Special Dividend of \$0.25. Payment of these Ordinary Dividends and Special Dividends is subject to the approval of shareholders at the coming Annual General Meeting scheduled on December 30, 1998. If approved by shareholders at the Annual General Meeting, the dividends will be paid on February 2, 1999. Details of the payment of dividends and the related record date/book closure date and the ex-dividend date will be announced after the Annual General Meeting.

NOTE 7 - RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In June 1997, the FASB issued SFAS 131, "Disclosure About Segments Of An Enterprise And Related Information." SFAS 131 establishes standards for the way companies report information about operating segments in annual financial statements. It also establishes standards for related disclosures about products and services, geographic areas and major customers. Adoption of this new standard is not expected to have a material effect on the financial statements. The disclosures prescribed by SFAS 131 are effective beginning with fiscal 1999.

In June 1998, the FASB issued SFAS 133, "Accounting for Derivative Instruments and Hedging Activities." This Statement requires companies to record derivatives on the balance sheet as assets or liabilities, measured at fair value. Gains or losses resulting from changes in the values of those derivatives would be accounted for depending on the use of the derivative and whether it qualifies for hedge accounting. SFAS 133 will be effective for the Company's fiscal year ending June 30, 2000. Management believes that this Statement will not have a significant impact on the Company.

ITEM 2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SAFE HARBOR STATEMENTS UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Except for the historical information contained herein, the matters set forth herein (including information on future products, future marketing efforts, future effects of Year 2000 software issues, and future revenues, margins, expenses, and earnings) are forward-looking statements that are subject to certain risks and uncertainties that could cause actual results to differ materially from those set forth in the forward looking statements. Such risks and uncertainties include, among others: potential fluctuations in quarterly results due to the seasonality of Creative's business and the difficulty of projecting such fluctuations; the vulnerability of certain markets to currency fluctuations and credit shortages; reductions in the market value of products sold by Creative, including increases in supply or declines in demand or prices for CD-ROM or DVD drives, board and chip-level products, and software products; the short product cycles that characterize most of Creative's products; the increasing proliferation of sound functionality in new products from new and existing competitors and at the application software, chip and operating system levels; Creative's reliance on sole sources for many of its chips and other key components; the timely development, ramp, delivery and market acceptance of new products, including Creative's next generation audio, graphics accelerator, CD-ROM and DVD drives and communications products; the volatility of share prices for companies in Creative's industry and the effect of those prices or other events beyond Creative's control; the uncertainties inherent in identifying and correcting all Year 2000 issues in computer codes used by Creative and its suppliers and vendors; and other risk factors described in Creative's Annual Report on Form 20-F for fiscal 1998 filed with the US Securities and Exchange Commission. The Company undertakes no obligation to publicly release the results of any revisions to such forward-looking statements which may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

SELECTED CONSOLIDATED FINANCIAL DATA

The following is a summary of Creative's unaudited quarterly results for the eight quarters ended September 30, 1998, together with the percentage of sales represented by such results. In management's opinion, these results have been prepared on a basis consistent with the audited financial statements and include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the information for the periods presented when read in conjunction with the financial statements and notes thereto contained elsewhere herein.

	Unaudited data for quarters ended (in US\$'000 except per share data)							
	Sep 30 1998	Jun 30 1998	Mar 31 1998	Dec 31 1997	Sep 30 1997	Jun 30 1997	Mar 31 1997	Dec 31 1996
Sales, net	\$ 278,989	\$ 253,009	\$ 298,423	\$ 395,010	\$ 287,766	\$ 280,066	\$ 282,818	\$ 386,048
Cost of goods sold	199,156	188,210	202,124	264,933	193,038	192,204	195,264	276,622
Gross profit	79,833	64,799	96,299	130,077	94,728	87,862	87,554	109,426
Operating expenses:								
Selling, general and administrative	51,723	43,899	42,949	41,150	34,466	35,370	32,406	37,824
Research and development	10,346	10,615	10,142	11,985	8,981	10,094	7,459	9,512
Other charges (1)	--	8,268	--	60,300	--	--	--	--
Operating income	17,764	2,017	43,208	16,642	51,281	42,398	47,689	62,090
Net gain from investments	--	--	--	--	18,469	6,803	--	--
Interest income and other, net	5,617	3,172	6,730	6,276	5,005	7,276	1,273	2,387
Income before income taxes and minority interest	23,381	5,189	49,938	22,918	74,755	56,477	48,962	64,477
Provision for income taxes	(2,104)	(883)	(4,962)	(8,332)	(5,628)	(4,968)	(4,896)	(7,631)
Minority interest in loss (income)	236	491	261	86	941	(282)	173	80
Net income	\$ 21,513	\$ 4,797	\$ 45,237	\$ 14,672	\$ 70,068	\$ 51,227	\$ 44,239	\$ 56,926
Basic earnings per share	\$ 0.23	\$ 0.05	\$ 0.50	\$ 0.16	\$ 0.79	\$ 0.58	\$ 0.50	\$ 0.65
Average ordinary shares outstanding ('000)	92,989	92,218	91,169	90,167	89,061	88,743	88,481	88,248
Diluted earnings per share	\$ 0.23	\$ 0.05	\$ 0.48	\$ 0.15	\$ 0.74	\$ 0.55	\$ 0.48	\$ 0.64
Average ordinary shares and equivalents outstanding ('000)	94,968	95,339	95,056	95,031	94,430	93,397	92,395	89,046

Unaudited data for quarters ended (as a percentage of sales)								
	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31
	1998	1998	1998	1997	1997	1997	1997	1996
Sales, net	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %
Cost of goods sold	71	74	68	67	67	69	69	72
Gross profit	29	26	32	33	33	31	31	28
Operating Expenses:								
Selling, general and administrative	19	18	14	11	12	13	11	10
Research and development	4	4	3	3	3	3	3	2
Other charges (1)	--	3	--	15	--	--	--	--
Operating income	6	1	15	4	18	15	17	16
Net gain from investments	--	--	--	--	6	2	--	--
Interest income and other, net	2	1	2	2	2	3	--	1
Income before income taxes and minority interest	8	2	17	6	26	20	17	17
Provision for income taxes	--	--	(2)	(2)	(2)	(2)	(1)	(2)
Minority interest in loss (income)	--	--	--	--	--	--	--	--
Net income	8 %	2 %	15 %	4 %	24 %	18 %	16 %	15 %

(1) Other charges included in the results of operations represent the following: for the quarter ended June 30, 1998, a charge for cessation of certain activities; and for the quarter ended December 31, 1997, the write-off of acquired in-process technology resulting from the acquisitions of Ensoniq Corporation, Cambridge SoundWorks Inc. and the NetMedia Division of OPTi Inc.

RESULTS OF OPERATIONS

Three Months Ended September 30, 1998 Compared to Three Months Ended September 30, 1997

Sales for the first quarter of fiscal 1999 (Q1/99) decreased by \$8.8 million or 3%, compared to the same quarter in the prior year (Q1/98), due primarily to a decrease in sales of Multimedia Upgrade Kits ("MMUK"). Audio product sales (Sound Blaster audio cards and chipsets) as a percentage of sales improved by one percentage point to 51% in Q1/99 compared to Q1/98, when they represented 50% of sales. MMUK sales decreased by 39% in Q1/99 and represented 26% of sales, compared with Q1/98, when they represented 41%. This decrease in MMUK sales was primarily a result of lower average selling prices and a reduction of sales to Asian and Latin American customers resulting from the macro-economic issues in those regions. Sales of Video and Graphics products increased by 451% and represented 9% of total sales in Q1/99, compared with Q1/98, when they represented 2% of total sales. This was attributable to an increase in sales of Creative's new graphics products which includes 3D Blaster Voodoo2, Graphics Blaster RIVA TNT and 3D Blaster Banshee graphic accelerator cards. Sales of 'Other products' increased in Q1/99 by 89%, compared with Q1/98, due primarily to an increase in speaker sales and represented 14% of total sales, compared with 7% in Q1/98.

Gross profit as a percentage of sales decreased by four percentage points to 29% in Q1/99, compared to Q1/98. In absolute dollar terms, Q1/99 gross profit decreased by 16% over Q1/98. This decrease in profitability is primarily attributable to a decline in average selling prices of audio and MMUK products.

Q1/99 selling, general and administrative (SG&A) expenses increased by \$17.3 million over Q1/98, and

represented 19% of sales, compared to 12% in Q1/98. This increase was primarily attributable to an increase in overhead expenses arising from the four strategic acquisitions made in the second and fourth quarters of fiscal 1998, and an increase in marketing and advertising expenses incurred in launching of new products. Research and development expenses in Q1/99 increased by \$1.4 million over Q1/98, and represented 4% of sales, compared to 3% in Q1/98.

Included in the results of Q1/98 was a net gain from investments of \$18.5 million, resulting primarily from sales of quoted investments. Net interest and other income (expense) as a percentage of sales remained unchanged at 2% in Q1/99 as compared to Q1/98.

Creative's Q1/99 provision for income taxes decreased by \$3.5 million over Q1/98. The decrease is primarily attributable to decreased profitability; the mix of income arising from various geographical regions, where the tax rates range from 26% to 50%; pioneer status income from Singapore, which is exempt from tax; and utilization of non Singapore net operating losses.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents as of September 30, 1998 increased by \$16.0 million to \$ 433.2 million, compared to the balance at June 30, 1998. This increase primarily resulted from cash generated from operating activities of \$34.8 million. During the quarter, Creative utilized \$19.0 million for capital expenditures and purchases of other investments and assets.

As of September 30, 1998, in addition to the cash reserves, Creative had unutilized credit facilities totaling approximately \$102.6 million for overdrafts, guarantees and letters of credits. Creative continually reviews and evaluates investment opportunities, including potential acquisitions of and investments in companies that can provide Creative with technologies, subsystems or complementary products that can be integrated into or offered with the Company's existing product range.

Management believes that Creative has adequate resources to meet its projected working capital and other cash needs for at least the next twelve months.

To date, inflation has not had a significant impact on Creative's operating results.

EFFECTS OF RECENT ACCOUNTING PRONOUNCEMENTS

In June 1997, the FASB issued SFAS 131, "Disclosure About Segments Of An Enterprise And Related Information." SFAS 131 establishes standards for the way companies report information about operating segments in annual financial statements. It also establishes standards for related disclosures about products and services, geographic areas and major customers. Adoption of this new standard is not expected to have a material effect on the financial statements. The disclosures prescribed by SFAS 131 are effective beginning with fiscal 1999.

In June 1998, the FASB issued SFAS 133, "Accounting for Derivative Instruments and Hedging Activities." This Statement requires companies to record derivatives on the balance sheet as assets or liabilities, measured at fair value. Gains or losses resulting from changes in the values of those derivatives would be accounted for depending on the use of the derivative and whether it qualifies for hedge accounting. SFAS 133 will be effective for the Company's fiscal year ending June 30, 2000. Management believes that this Statement will not have a significant impact on the Company.

YEAR 2000

The Company currently uses software and related computerized information systems that will be affected by the date change in the year 2000. The year 2000 issue exists because many computer systems and applications currently utilize two-digit date fields, rather than four-digit date fields, to define the applicable year. When the millennium date change occurs, date-sensitive systems may recognize the year 2000 as the year 1900, or not at all. This inability to recognize or properly treat the year 2000 may result in systems failure or cause systems to process critical financial and operational information incorrectly.

Based on ongoing assessments, the Company has determined that it will be required to modify or upgrade portions of its computer software so that its computer systems will properly use and recognize dates beyond December 31, 1999. Based on preliminary information compiled by the Company, the Company makes the following forward looking statement: The Company does not believe that the costs of addressing the year 2000 issue will be material to the Company. Other factors that may affect the Company's costs in addressing the year 2000 issue include, but are not limited to, the availability and cost of personnel trained in this area, the ability to locate and correct all relevant computer codes, and similar uncertainties. The Company expects to complete all year 2000 programming changes during fiscal 1999. The estimated costs of and time frame related to this project are based on estimates of the Company's management, and there can be no assurance that actual costs will not differ materially from the current expectations. In addition, the Company's ability to interface with its customers, particularly with respect to EDI programs, may be impacted by the failure of its customers to make the appropriate upgrades or modifications to their programs to address the year 2000 issue. Nevertheless, the Company does not expect that the costs of addressing potential problems relating to the year 2000 issue will have a material adverse impact on the Company's financial position, results of operations or cash flows in future periods. While the Company plans to devote the necessary resources to resolve all significant year 2000 issues in a timely manner, if such processing issues are not resolved in a timely manner, the year 2000 issue could have a material impact on the operations and financial condition of the Company.

ITEM 3 QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Reference is made to Part I, Item 9A, Quantitative and Qualitative Disclosures about Market Risk, in the Registrant's Annual Report on Form 20-F for the year ended June 30, 1998.

PART II - OTHER INFORMATION

SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

At the Extraordinary General Meeting (EGM) of stockholders held on November 6, 1998, the following resolutions, set forth in detail in the Circular dated October 14, 1998 filed with Securities and Exchange Commission and incorporated herein by reference, were approved:

AS SPECIAL RESOLUTION:

RESOLUTION 1

THAT subject to the Companies (Amendment) Act 1998 being passed and becoming operational, the Memorandum and Articles of Association of the Company be and are hereby amended in the manner described in Appendix I of the Circular to shareholders dated October 14, 1998 (“Circular”) with effect from the date hereof or the date on which the Companies (Amendment) Act 1998 becomes operational, whichever is later.

Votes For*

Votes Against*

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AS ORDINARY RESOLUTION:

RESOLUTION 2

THAT subject to Resolution 1 taking effect, the Directors of the Company be and are hereby authorized to make market purchases from time to time of up to 9,300,000 Shares at the price of up to but not exceeding the Maximum Price, in accordance with the “Guidelines on Share Repurchases” set out in Appendix II of the Circular and this mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the date that the next annual general meeting of the Company is held or is required by law to be held, whichever is the earlier.

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* Under the Company’s Memorandum and Articles of Association, which are in accordance with the (Singapore) Companies Act, voting at meetings is based on either a show of hands or on a poll of shares held. If the former voting method is used, any stock holder present has the right to request for a poll of shares being voted. At the EGM held on November 6, 1998, voting was based on a show of hands and no stockholder present requested a poll of shares.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CREATIVE TECHNOLOGY LTD

.....
Ng Keh Long
Chief Financial Officer.
Date: December 23, 1998.