

PENSONIC HOLDINGS BERHAD (300426-P)

The Board of Directors of the Group are pleased to announce the following:

UNAUDITED RESULTS OF THE GROUP FOR 2nd QUARTER ENDED 30 NOVEMBER 2003

Condensed Consolidated Balance Sheet

At 30 November 2003

	30 November 2003	31 May 2003 (Audited)
	RM'000	RM'000
Property, plant and equipment	27,566	27,516
Investments in associates	-	-
Investments in jointly controlled entities	-	-
Other investments	-	-
Properties under development	-	-
Intangible assets	75	38
	27,641	27,554
Current assets		
Inventories	48,675	46,688
Properties under development	-	-
Trade receivables	31,507	28,377
Other receivables, deposits and prepayment	12,355	11,732
Other investments	-	-
Cash and cash equivalents	7,437	5,516
	99,974	92,313
Current liabilities		
Trade payables	11,914	8,128
Other payables and accruals	4,506	2,507
Borrowings	23,922	23,549
Taxation	263	157
Provision for warranties	-	-
	40,605	34,341
Net current assets	59,369	57,972
	87,010	85,526

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Reports for the year ended 31 May 2003.

PENSONIC HOLDINGS BERHAD (300426-P)

Condensed Consolidated Balance Sheet

At 30 November 2003

(continued)

	30 November 2003	31 May 2003
	RM'000	(Audited)
	RM'000	RM'000
Financed by:		
Capital and reserves		
Share Capital	46,310	46,310
Reserves	39,407	38,079
Treasury shares	-	-
	85,717	84,389
Minority shareholders' interests	733	623
Long term and deferred liabilities		
Borrowings	235	189
Deferred taxation	325	325
Retirement benefits	-	-
	87,010	85,526
Net tangible assets per share (sen)	185	182

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Reports for the year ended 31 May 2003.

PENSONIC HOLDINGS BERHAD (300426-P)

Condensed Consolidated Income Statement

For the period ended 30 November 2003

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/11/03 RM'000	Preceding Year Corresponding Quarter 30/11/02 RM'000	Current Year to Date 30/11/03 RM'000	Preceding Year Corresponding Period 30/11/02 RM'000
Revenue	38,898	39,577	71,375	59,659
Operating profit	1,294	950	1,967	1,100
Interest expense	372	318	399	318
Interest income	-	-	-	-
Share of profit of associates and jointly controlled entities	-	-	-	-
Profit before taxation	922	632	1,568	782
Tax expense	-	143	130	203
Profit after taxation	922	489	1,438	579
Pre-acquisition loss	-	-	-	-
Less: Minority interest	10	(2)	110	28
Net profit for the period	912	491	1,328	551
Basic earnings per ordinary share (sen)	1.97	1.06	2.87	1.19
Diluted earnings per ordinary share (sen)	1.97	1.06	2.87	1.19

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Reports for the year ended 31 May 2003.

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Condensed Consolidated Statement of Changes in Equity

For the period ended 30 November 2003

	Non- distributable RM'000	Distributable retained profits RM'000	Total RM'000
At 1 June 2003	83,215	1,174	84,389
Net gains and losses not recognized in the income statement	-	-	-
Currency translation differences	-	-	-
Net profit for the period	-	1,328	1,328
Dividends	-	-	-
At 30 November 2003	83,215	2,502	85,717
At 1 June 2002	83,685	5,137	88,822
MASB 19 adjustment	-	1,000	1,000
Restated balance	83,685	6,137	89,822
Net gains and losses not recognized in the income statement	-	-	-
Net profit for the period	-	551	551
At 30 November 2002	83,685	6,688	90,373

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Reports for the year ended 31 May 2003.

PENSONIC HOLDINGS BERHAD (300426-P)

Condensed Consolidated Cash Flow Statement For the period ended 30 November 2003

	30 November 2003	30 November 2002
	RM'000	RM'000
Net cash inflow from operating activities	2,504	461
Net cash outflow from investing activities	(680)	(2,037)
Net cash inflow/(outflow) from financing activities	(514)	407
Net increase/(decrease) in cash and cash equivalents	1,310	(1,169)
Cash and cash equivalents at 1 June	3,117	3,140
Foreign exchange differences on opening balances	-	-
Cash and cash equivalents at 30 November	4,427	1,971

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Reports for the year ended 31 May 2003.

PENSONIC HOLDINGS BERHAD (300426-P)

Quarterly Report on consolidated results for the 2nd financial quarter ended 30 November 2003

NOTES TO THE INTERIM FINANCIAL REPORT

A1. Accounting Policies

The interim financial report is unaudited and has been prepared in compliance with MASB 26, Interim Financial Reporting.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 May 2003.

The accounting policies and methods of computation adopted by the Group in the interim financial report are consistent with those adopted in the financial statements for the year ended 31 May 2003 except for the adoption of MASB 19, Events After Balance Sheet Date whereby the comparative figures have been restated to reflect the impact of the non-recognition of dividends proposed after the balance sheet date. The effect of the change is disclosed in the condensed consolidated statement of changes in equity.

A2. Auditors' Report

The auditors' report of the audited financial statements for the financial year ended 31 May 2003 was not subjected to any qualification.

A3. Seasonal/Cyclical Factors

There were no significant seasonal or cyclical factors which have materially affected the results of the Group for the second quarter.

A4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the financial period under review.

A5. Changes in Estimates

There are no changes in estimates reported in prior interim periods of the current financial year or prior financial year which have a material effect in the current interim period.

A6. Issuance of Equity or Debts Securities

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the financial period ended 30 November 2003.

A7. Dividend Paid

There were no dividend paid during the current financial quarter.

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A8. Segmental Reporting for the Current Period to Date Ended 30 November 2003

(i) Business Segments

	Manufacturing and Assembling RM'000	Trading RM'000	Elimination RM'000	Consolidation RM'000
Revenue				
External revenue	5,019	66,356	-	71,375
Inter-segment revenue	63,563	1,216	(64,779)	-
Total revenue	<u>68,582</u>	<u>67,572</u>	<u>(64,779)</u>	<u>71,375</u>
Result				
Segment result	2,959	(992)	-	1,967
Finance costs				(399)
Profit before taxation				<u>1,568</u>
Tax expense				(130)
Profit after taxation				<u>1,438</u>
Minority interest				(110)
Net profit for the period				<u><u>1,328</u></u>

(ii) Geographical Segments

	Revenue by location of customers RM'000	Profit before taxation RM'000	Segment assets RM'000	Segment liabilities RM'000
Malaysia	62,899	1,983	119,645	31,887
Outside Malaysia	8,476	(415)	7,970	9,278
	<u>71,375</u>	<u>1,568</u>	<u>127,615</u>	<u>41,165</u>

A9. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

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A10. Material Subsequent Events

As at the date of issue of this quarterly report, there were no material events subsequent to the end of this period reported on that have not been reflected in the financial statements for the said period.

A11. Changes in Composition of the Group

There were no changes in the composition of the Group for the current financial period ended 30 November 2003.

A12. Contingent Liabilities or Contingent Assets

There were no changes in contingent liabilities or contingent assets since the last annual financial statements.

A13. Capital Commitments

	As at 30.11.2003 RM'000	As at 31.5.2003 RM'000
Property, plant and equipment Contracted but not provided for	524	524

A14. Significant Related Party Transactions

The significant transactions with companies in which certain Directors and person connected to Directors have substantial financial interest are as follows:

	As at 30.11.2003 RM'000	As at 31.5.2003 RM'000
Purchase of raw material from Pensia Plastic Industries Sdn. Bhd.	3,247	3,272
Electricity charges paid by Pensia Plastic Industries Sdn. Bhd.	179	206
Factory rental paid by Pensia Plastic Industries Sdn. Bhd.	80	180

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ADDITIONAL INFORMATION REQUIRED BY THE KLSE'S LISTING REQUIREMENTS

B1. Review of Performance

The Group recorded a profit before tax of RM922,000 for the current year quarter compared to the profit before tax of RM632,000 in the preceding year corresponding quarter. Turnover for the current year quarter is RM38,898,000 compared to RM39,577,000 in the preceding year corresponding quarter.

There was a marginal decrease of 1.72% in turnover of the current year quarter as compared to the preceding year corresponding quarter.

In the opinion of the Board of Directors, no items, transaction or event of a material and unusual nature has arisen which would affect substantially the results of the operation of the Group for the period from 30 November 2003 to the date of issue of this quarterly report.

B2. Variation of Results against Preceding Quarter

The Group achieved a profit before taxation of RM922,000 for this quarter as compared with a profit before taxation of RM632,000 for the corresponding quarter in the preceding year. This is mainly due to the result of effective cost control achieved by the Group in the current quarter.

B3. Prospect for the Current Financial Year

The Board of Directors expects pricing pressure from China imports will continue to pose a challenge and create competitiveness to the operating environment of the Group. However, with the improving domestic and global economy, and the continual marketing efforts of the Group, the Board is of the opinion that business prospects for the remaining part of the financial year will be positive barring any unforeseen circumstances.

B4. Variance from Profit Forecast

Not applicable as no profit forecast was published.

B5. Tax Expense

	6 months ended 30.11.2003 RM'000	6 months ended 30.11.2002 RM'000
Income Tax		
- Current period tax	<u>130</u>	<u>203</u>

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B6. Profit on Sale of Investments and/or Properties

There were no profits on sale of investments and/or properties for the current financial period ended 30 November 2003.

B7. Quoted Securities

There was no purchase or disposal of quoted securities for the current financial period ended 30 November 2003.

B8. Status of Corporate Proposal

There were no corporate proposals announced nor were there any corporate proposal not completed as at the date of this quarterly report.

B9. Borrowings and Debts Securities

Details of the Group's borrowings as at the end of this reporting period:

	As at 30.11.2003 RM'000	As at 31.5.2003 RM'000
Secured-repayable within one year		
Bank Overdraft	3,010	2,399
Bills Payable	20,347	20,060
Term Loan	565	1,090
	<u>23,922</u>	<u>23,549</u>
Secured-repayable one to five years		
Term Loan	-	71

Details of the Group's hire purchase creditors as at the end of this reporting period:

	As at 30.11.2003 RM'000	As at 31.5.2003 RM'000
Hire Purchase Creditors	275	174
Less: Interest In Suspense	(39)	(26)
	<u>236</u>	<u>148</u>
Repayable within one year	50	30
Repayable one to five years	186	118
	<u>236</u>	<u>148</u>

The bank borrowings and term loan bear interest at rates ranging from 1% to 2% above the banks' base lending rates and are secured by the following:

- i) Legal charges over certain properties belonging to the subsidiary companies;
- ii) Fixed deposits belonging to the subsidiary companies; and
- iii) Corporate guarantee by the Company.

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B10. Off Balance Sheet Financial Instruments

There are no financial instruments with off balance sheet risk at date of issue of this quarterly report.

B11. Material Litigation

The Group is not engaged in any material litigation for the financial period ended 30 November 2003.

B12. Dividend Payable

There is no dividend proposed in this financial quarter.

B13. Earnings Per Share

	6 months ended 30.11.2003 RM'000	6 months ended 30.11.2002 RM'000
Net profit for the period	1,328	551
Ordinary share in issue	46,310	46,310
Basic earning per share (sen)	<u>2.87</u>	<u>1.19</u>

By order of the Board

Ker Siew Luan
Secretary

Dated : 7th January, 2004