

PENSONIC HOLDINGS BERHAD (300426-P)

**The Board of Directors of the Group are pleased to announce the following:
UNAUDITED RESULTS OF THE GROUP FOR 3rd QUARTER ENDED 28 FEBRUARY 2005**

Condensed Consolidated Balance Sheet At 28 February 2005

	28 February 2005	31 May 2004
	RM'000	(Audited) RM'000
Property, plant and equipment	44,537	31,865
Investments in associates	-	-
Investments in jointly controlled entities	-	-
Other investments	-	-
Properties under development	-	-
Intangible assets	67	35
Goodwill on consolidation	4,955	527
	49,559	32,427
Current assets		
Inventories	60,220	50,884
Properties under development	-	-
Trade receivables	35,159	32,098
Other receivables, deposits and prepayment	12,884	13,025
Other investments	-	-
Cash and cash equivalents	7,852	10,953
	116,115	106,960
Current liabilities		
Trade payables	11,121	12,310
Other payables and accruals	10,023	4,347
Amount owing to directors	250	-
Borrowings	45,020	33,743
Taxation	200	179
Provision for warranties	-	-
	66,614	50,579
Net current assets	49,501	56,381
	99,060	88,808

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Reports for the year ended 31 May 2004.

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Condensed Consolidated Balance Sheet At 28 February 2005

(continued)

	28 February 2005	31 May 2004
	RM'000	(Audited) RM'000
Financed by:		
Capital and reserves		
Share Capital	46,310	46,310
Reserves	42,232	40,577
Treasury shares	-	-
	<hr/> 88,542	<hr/> 86,887
Minority shareholders' interests	2,189	683
Long term and deferred liabilities		
Borrowings	7,088	165
Deferred taxation	1,241	1,073
Retirement benefits	-	-
	<hr/> 99,060	<hr/> 88,808
Net tangible assets per share (sen)	90.17	*93.20

* Share capital revised to RM0.50 per share

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Reports for the year ended 31 May 2004.

PENSONIC HOLDINGS BERHAD (300426-P)

Condensed Consolidated Income Statement For the period ended 28 February 2005

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 28/02/05 RM'000	Preceding Year Corresponding Quarter 29/02/04 RM'000	Current Year to Date 28/02/05 RM'000	Preceding Year Corresponding Period 29/02/04 RM'000
Revenue	40,414	37,491	126,721	108,866
Operating profit	1,253	948	4,150	2,915
Interest expense	457	182	1,111	581
Interest income	-	-	-	-
Share of profit of associates and jointly controlled entities	-	-	-	-
Profit before taxation	796	766	3,039	2,334
Tax expense	198	414	470	544
Profit after taxation	598	352	2,569	1,790
Less: Minority interest	(164)	24	(70)	134
Net profit for the period	762	328	2,639	1,656
Basic earnings per ordinary share (sen)	0.82	*0.35	2.85	*1.79
Diluted earnings per ordinary share (sen)	0.82	*0.35	2.85	*1.79

* Share capital revised to RM0.50 per share

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Reports for the year ended 31 May 2004.

PENSONIC HOLDINGS BERHAD (300426-P)

Condensed Consolidated Statement of Changes in Equity For the period ended 28 February 2005

	Non- distributable RM'000	Distributable retained profits RM'000	Total RM'000
At 1 June 2004	83,665	3,222	86,887
Net gains and losses not recognized in the income statement	-	-	-
Currency translation differences	16	-	16
Net profit for the period	-	2,639	2,639
Dividends	-	(1,000)	(1,000)
At 28 February 2005	83,681	4,861	88,542
At 1 June 2003	83,685	1,174	84,859
MASB 25 adjustment	(20)	(723)	(743)
Restated balance	83,665	451	84,116
Net gains and losses not recognized in the income statement	-	-	-
Currency translation differences	-	-	-
Net profit for the period	-	1,656	1,656
Dividends	-	(333)	(333)
At 29 February 2004	83,665	1,774	85,439

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Reports for the year ended 31 May 2004.

PENSONIC HOLDINGS BERHAD (300426-P)

Condensed Consolidated Cash Flow Statement For the period ended 28 February 2005

	28 February 2005 RM'000	29 February 2004 RM'000
CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES		
Profit before taxation	3,039	2,334
Adjustments	2,812	1,543
Operating Profit Before Working Capital Changes	5,851	3,877
Changes in working capital		
Net changes in current assets	(15,431)	(1,549)
Net changes in current liabilities	2,827	6,336
Net Cash (Used In)/Generated From Operations	(6,753)	8,664
Tax refunded	11	-
Tax expense	(739)	(414)
Interest expense	(1,111)	(581)
Net Cash (Used In)/ Generated From Operating Activities	(8,592)	7,669
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES		
Equity investments	(5,538)	-
Other investments	(9,840)	(996)
Net Cash Used In Investing Activities	(15,378)	(996)
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		
Proceeds from issuance of shares	4,000	-
Borrowings	18,841	(827)
Dividends paid	(1,000)	(333)
Net Cash Generated From/(Used In) Financing Activities	21,841	(1,160)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(2,129)	5,513
Effect of exchange rate differences on cash and cash equivalents	1	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	5,932	3,117
CASH AND CASH EQUIVALENTS AT END OF YEAR	3,804	8,630

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Reports for the year ended 31 May 2004.

PENSONIC HOLDINGS BERHAD (300426-P)

Quarterly Report on consolidated results for the 3rd financial quarter ended 28 February 2005

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 and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 May 2004.

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 2004 except for the following:

- (a) MASB 25, Income Taxes which has been adopted retrospectively. Comparative figures have been adjusted to reflect the changes in this accounting policy; and
- (b) MASB 29, Employee Benefits which has been adopted retrospectively. The adoption of this Standard has no material impact on the financial statements.

A2. Auditors' Report

The auditors' report of the audited financial statements for the financial year ended 31 May 2004 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 third 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 were no significant changes in estimates of accounts reported in prior interim period of the current or previous financial year.

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 by the Company during the current quarter.

A7. Dividend Paid

A first and final dividend of 3 sen per share less tax at 28% amounting to RM1,000,296 in respect of the financial year ended 31 May 2004 was paid on 30 December 2004.

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A8. Segmental Revenue and Results

(i) Business Segments

	Manufacturing and Assembling	Trading	Elimination	Consolidation
2005	RM'000	RM'000	RM'000	RM'000
Revenue				
External revenue	9,854	116,867	-	126,721
Inter-segment Revenue	100,448	1,776	(102,224)	-
Total revenue	110,302	118,643	(102,224)	126,721
Result				
Segment result	1,407	2,743	-	4,150
Finance costs	(684)	(427)	-	(1,111)
Profit before taxation	723	2,316	-	3,039
Tax expense				(470)
Profit after taxation				2,569
Minority interest				70
Net profit for the period				2,639
Other segment item				
Depreciation	1,453	500	-	1,953

	Manufacturing and Assembling	Trading	Elimination	Consolidation
2004	RM'000	RM'000	RM'000	RM'000
Revenue				
External revenue	6,583	102,283	-	108,866
Inter-segment Revenue	97,166	814	(97,980)	-
Total revenue	103,749	103,097	(97,980)	108,866
Result				
Segment result	3,205	(290)	-	2,915
Finance costs	(364)	(217)	-	(581)
Profit/(Loss) before taxation	2,841	(507)	-	2,334
Tax expense				(544)
Profit after taxation				1,790
Minority interest				(134)
Net profit for the period				1,656
Other segment item				
Depreciation	592	374	-	966

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A8. Segmental Revenue and Results (Cont'd)

(ii) Geographical Segments

	Revenue by location of customers	Profit/(Loss) before taxation	Segment assets	Segment liabilities
2005	RM'000	RM'000	RM'000	RM'000
Malaysia	108,621	4,664	156,180	70,517
Outside Malaysia	18,100	(1,625)	9,494	4,426
	126,721	3,039	165,674	74,943

	Revenue by location of customers	Profit/(Loss) before taxation	Segment assets	Segment liabilities
2004	RM'000	RM'000	RM'000	RM'000
Malaysia	93,817	2,745	115,793	28,010
Outside Malaysia	15,049	(411)	9,112	10,426
	108,866	2,334	124,905	38,436

Year 2005 refers to 9 months period ended 28 February 2005 and year 2004 refers to 9 months period ended 29 February 2004.

A9. Valuation of Property, Plant and Equipment

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

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

On 6 December 2004, the Company has acquired 1,785,000 ordinary shares of RM1.00 each representing 51% equity interest in Arcadia Global Sdn. Bhd. together with the assignment of a Profit Guarantee from Cangkat Kordinasi Sdn Bhd for a total consideration of RM6,069,000.00, satisfied by cash. The principle activity of Arcadia Global Sdn. Bhd. is investment holding while its subsidiary companies are involved in back-end process in the manufacture of substrates on a consignment basis. The Foreign Investment Committee (FIC) has approved the said acquisition on 15 January 2005 and the acquisition is deemed completed.

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A11. Changes in Composition of the Group (Cont'd)

Effect of acquisition

The acquisition had the following effect on the Group:

	28 February 2005 RM'000
Property, plant and equipment	4,566
Current assets	1,493
Current liabilities	(2,842)
Net assets acquired	3,217
Goodwill on acquisition	4,428
Minority shareholders' interest	(1,576)
Purchased price paid	6,069
Less: Cash & cash equivalents of subsidiary acquired	531
Cash outflow on acquisition net of cash acquired	5,538

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 28.02.2005 RM'000	As at 31.05.2004 RM'000
Property, plant and equipment Contracted but not provided for	<u>319</u>	<u>6,387</u>

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:

	9 months ended 28.02.2005 RM'000	9 months ended 29.02.2004 RM'000
Purchase of raw material from Pensia Plastic Industries Sdn. Bhd.	5,785	4,988
Electricity charges paid by Pensia Plastic Industries Sdn. Bhd.	216	252
Factory rental paid by Pensia Plastic Industries Sdn. Bhd.	<u>135</u>	<u>135</u>

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ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

B1. Review of Performance

The Group recorded a profit before tax of RM796,000 for the current year quarter compared to the profit before tax of RM766,000 in the preceding year corresponding quarter.

Turnover for the current year quarter is RM40,414,000 compared to RM37,491,000 in the preceding year corresponding quarter. There was an increase of 7.80% 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 28 February 2005 to the date of issue of this quarterly report.

B2. Variation of Results against Preceding Quarter

The Group achieved a profit before taxation of RM796,000 for this quarter as compared with a profit before taxation of RM766,000 for the corresponding quarter in the preceding year. This is mainly due to the higher sales recorded in this quarter compared to the preceding year corresponding quarter.

B3. Prospect for the Current Financial Year

The Board of Directors expects the domestic and global economy to continue to be stable in the absence of any external shocks. The Group has put in continuous efforts to enhance operational efficiency, product quality and branding activities in order to increase its market share in both the domestic as well as export markets. Barring any unforeseen circumstances, the Group expects that business prospects for the current financial year to remain positive.

B4. Variance from Profit Forecast

Not applicable as no profit forecast was published.

B5. Tax Expense

	9 months ended 28.02.2005 RM'000	9 months ended 29.02.2004 RM'000
Income Tax		
- Provision for current period	200	351
- Under provision for prior years	270	193
	<u>470</u>	<u>544</u>

The Group's effective tax rate for the current quarter and cumulative year to date is lower than the statutory tax rate due mainly to the utilization of available capital allowances and unabsorbed losses brought forward.

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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 28 February 2005.

B7. Quoted Securities

There was no purchase or disposal of quoted securities for the current financial period ended 28 February 2005.

B8. Status of Corporate Proposal

(a) the Company has subdivided its issued and fully paid-up capital of 46,310,000 ordinary shares of RM1.00 each into 92,620,000 ordinary shares of RM0.50 each. All approvals from the relevant authorities and shareholders for the share split have been obtained. After the share split, the entire issued and paid-up share capital were requoted on 5 January 2005; and

(b) the Company has established a new Employees' Share Option Scheme ("ESOS") of up to fifteen percent (15%) of the issued and paid-up share capital of the Company. All approvals from the relevant authorities and shareholders have been obtained for the ESOS. The said ESOS has been implemented on 11 January 2005.

B9. Borrowings and Debts Securities

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

	As at 28.02.2005 RM'000	As at 31.05.2004 RM'000
Secured-repayable within one year		
Bank Overdraft	4,048	362
Bills Payable	39,842	24,250
Term Loan	1,130	312
	<u>45,020</u>	<u>24,924</u>
Secured-repayable one to five years		
Term Loan	<u>6,505</u>	<u>-</u>

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

	As at 28.02.2005 RM'000	As at 31.5.2004 RM'000
Hire Purchase Creditors	888	260
Less: Interest In Suspense	(94)	(36)
	<u>794</u>	<u>224</u>
Repayable within one year	211	51
Repayable one to five years	<u>583</u>	<u>173</u>
	<u>794</u>	<u>224</u>

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B9. Borrowings and Debts Securities (Cont'd)

The bank borrowings and term loans bear interest at rates ranging from 1.25% 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.

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 28 February 2005.

B12. Dividend Payable

There is no dividend proposed in this financial quarter.

A first and final dividend of 3 sen per share less tax at 28% amounting to RM1,000,296 in respect of the financial year ended 31 May 2004 was paid on 30 December 2004.

B13. Earnings Per Share

During the current quarter, the Company has subdivided its issued and fully paid up capital of RM46,310,000 into 92,620,000 ordinary shares of RM0.50 each.

	9 months ended 28.02.2005 RM'000	9 months ended 29.02.2004 RM'000
Net profit for the period	2,639	1,656
Ordinary share in issue (RM0.50 per share)	92,620	92,620
Basic earning per share (sen)	<u>2.85</u>	<u>1.79</u>

By order of the Board

Ker Siew Luan
Secretary

Dated : 27th April, 2005