

PENSONIC HOLDINGS BERHAD (300426-P)

**The Board of Directors of the Group are pleased to announce the following:
UNAUDITED RESULTS OF THE GROUP FOR THE 4th QUARTER ENDED 31 MAY 2007**

Condensed Consolidated Balance Sheet As At 31 May 2007

	Unaudited As At 31 May 2007 RM'000	Audited As At 31 May 2006 RM'000 (restated)
ASSETS		
Non-current assets		
Property, plant and equipment	40,083	44,469
Investment properties	929	939
Investment in an associate	70	-
Investments in jointly controlled entities	-	-
Other investments	-	-
Intangible assets	916	26
Goodwill on consolidation	663	4,790
	42,661	50,224
Current assets		
Inventories	75,793	56,022
Properties under development	-	-
Trade receivables	74,258	38,822
Other receivables	23,096	13,105
Tax recoverable	2,052	2,285
Cash and cash equivalents	13,035	9,186
	188,234	119,420
TOTAL ASSETS	230,895	169,644

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 May 2006.

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Condensed Consolidated Balance Sheet

As At 31 May 2007

(continued)

	Unaudited As At 31 May 2007 RM'000	Audited As At 31 May 2006 RM'000 (restated)
EQUITY AND LIABILITIES		
Equity		
Share Capital	46,310	46,310
Reserves	43,725	44,659
	90,035	90,969
Minority interest	2,150	2,524
Total equity	92,185	93,493
Non-current liabilities		
Borrowings	5,631	8,234
Deferred taxation	998	1,212
	6,629	9,446
Current liabilities		
Trade payables	40,502	13,076
Other payables	12,019	6,942
Short-term borrowings	75,627	46,687
Taxation	3,933	-
	132,081	66,705
Total liabilities	138,710	76,151
	230,895	169,644
TOTAL EQUITY AND LIABILITIES		
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.97	0.98

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 May 2006.

PENSONIC HOLDINGS BERHAD (300426-P)

Condensed Consolidated Income Statement For the year ended 31 May 2007

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 May 07 RM'000	Preceding Year Corresponding Quarter 31 May 06 RM'000	Current Year to Date 31 May 07 RM'000	Preceding Year Corresponding Period 31 May 06 RM'000
Revenue	103,701	48,569	302,321	187,296
Cost of sales	(84,241)	(33,389)	(239,263)	(142,397)
Gross profit	19,460	15,180	63,058	44,899
Other operating income	166	(778)	2,074	1,482
Negative goodwill	-	-	610	-
Distribution and administrative Expenses	(15,921)	(12,607)	(53,927)	(39,268)
Other expenses	(160)	(128)	(611)	(570)
Profit from operations	3,545	1,667	11,204	6,543
Finance costs	(1,019)	(519)	(3,354)	(1,828)
Profit before taxation	2,526	1,148	7,850	4,715
Tax expense				
-current year	(1,047)	(623)	(2,597)	(1,072)
-underprovision for prior years	(3,630)	(116)	(3,630)	(116)
Profit for the period	(2,151)	409	1,623	3,527
Attributable to:				
Equity holders of the parent	(2,770)	108	534	3,280
Minority interest	619	301	1,089	247
Profit for the period	(2,151)	409	1,623	3,527
Basic earnings per ordinary share (sen)	(2.99)	0.12	0.58	3.54
Diluted earnings per ordinary share (sen)	(2.99)	0.12	0.58	3.54

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 May 2006.

PENSONIC HOLDINGS BERHAD (300426-P)

Condensed Consolidated Statement of Changes in Equity For the year ended 31 May 2007

	< ----- Attributable to Equity Holders of the Parent ----- >					
	Share Capital RM'000	Non- distributable Reserves RM'000	Distributable Retained Profits RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
At 1 June 2006	46,310	37,318	7,341	90,969	2,524	93,493
Effect of adopting FRS 3	-	(8,716)	8,716	-	-	-
Restated balance	46,310	28,602	16,057	90,969	2,524	93,493
Currency translation differences	-	-	199	199	35	234
Disposal of subsidiaries	-	-	-	-	(1,498)	(1,498)
Net profit for the year	-	-	534	534	1,089	1,623
Dividends	-	-	(1,667)	(1,667)	-	(1,667)
At 31 May 2007	46,310	28,602	15,123	90,035	2,150	92,185
At 1 June 2005	46,310	37,355	5,394	89,059	2,277	91,336
Effect of adopting FRS 3	-	(8,716)	8,716	-	-	-
Restated balance	46,310	28,639	14,110	89,059	2,277	91,336
Currency translation differences	-	(54)	-	(54)	(15)	(69)
Net profit for the year	-	-	3,298	3,298	262	3,560
Dividends	-	-	(1,334)	(1,334)	-	(1,334)
At 31 May 2006	46,310	28,585	16,074	90,969	2,524	93,493

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 May 2006.

PENSONIC HOLDINGS BERHAD (300426-P)

Condensed Consolidated Cash Flow Statement For the year ended 31 May 2007

	31 May 2007 RM'000	31 May 2006 RM'000
CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES		
Profit before taxation	7,850	4,715
Adjustments	4,600	5,351
Operating Profit Before Working Capital Changes	12,450	10,066
Changes in working capital		
Net changes in current assets	(44,475)	(5,157)
Net changes in current liabilities	22,451	4,854
Net Cash (Used In)/Generated From Operations	(9,574)	9,763
Tax refunded		
	-	-
Tax expense	(3,227)	(1,856)
Interest expense	(3,268)	(1,683)
Net Cash (Used In) / Generated From Operating Activities	(16,069)	6,224
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES		
Equity investments	(959)	-
Other investments	(3,053)	(4,024)
Net Cash Used In Investing Activities	(4,012)	(4,024)
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		
Borrowings	20,701	213
Dividends paid	(1,667)	(1,334)
Net Cash Generated From/(Used In) Financing Activities	19,034	(1,121)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,047)	1,079
Effect of exchange rate changes	(216)	260
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,682	1,343
CASH AND CASH EQUIVALENTS AT END OF YEAR	1,419	2,682
Cash and cash equivalents comprised the following:		
Cash and bank balances	12,926	9,075
Overdrafts	(11,507)	(6,393)
	1,419	2,682

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 May 2006.

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NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in compliance with Financial Reporting Standards 134₂₀₀₄, 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 2006.

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 2006 except as noted under Note A2.

A2. Changes in accounting policies

The Group has adopted the following new and revised Financial Reporting Standards (“FRS”) that are effective for the financial period beginning on or after 1 January 2006:

FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 101	Presentation of Financial Statements
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 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated and Separate Financial Statements
FRS 128	Investments in Associates
FRS 132	Financial Instruments: Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Property

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A2. Changes in accounting policies (Cont'd)

The principal effects of the changes of accounting policies resulting from the adoption of the new or revised FRSs are discussed below:

a. FRS 2: Share-Based Payment

FRS 2 requires an entity to recognize share-based payment transactions in the financial statements, including transactions with employees or other parties to be settled in cash, or equity instruments of the entity. Prior to the adoption of FRS 2, the Group did not recognize the financial effect of share-based payments until such payments were settled. All the options under the Employees' Share Option Scheme of the Company were granted before 31 May 2003. In accordance with the transitional provisions of FRS 2, the FRS has not been applied to the options granted to employees on or before 31 May 2003, thus, the change in accounting policy has no impact on the results for the current financial year.

b. FRS 3: Business Combinations, FRS 136: Impairment of Assets and FRS 138: Intangible Assets Goodwill

There is no change of accounting policy for goodwill in current financial year. In the financial statements for the financial year ended 31 May 2006, the Group has adopted the accounting policy that the goodwill arises on acquisition be recognized as an intangible asset and disclosed separately on the consolidated balance sheet at cost less any impairment losses, if any. The goodwill is not subject to annual amortization but is reviewed for impairment annually. Impairment will be recognized in the income statement when the results of such impairment review indicate the carrying value of goodwill is impaired.

Under FRS 3, after reassessment, any excess of the Group's interest in the net fair value of acquirees' identifiable assets, liabilities and contingent liabilities over the cost of the acquisitions (previously referred to as "negative goodwill"), is now recognized immediately in income statement. Prior to 1 January 2006, negative goodwill is stated in the balance sheet as reserve on consolidation. In accordance with the transitional provision of FRS 3, the negative goodwill as at 1 June 2006 of RM8,716,000 was derecognized with a corresponding increase in retained earnings.

Intangible assets other than goodwill

Under the new FRS 138, trademark is an intangible asset. From 1 June 2006, trademark is stated at cost less accumulated amortization and impairment losses. FRS 138 require that the useful lives of intangible assets other than goodwill be assessed at the individual asset level as having either a finite or indefinite life. Intangible assets with indefinite useful lives are not amortized but instead, are tested for impairment annually

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A2. Changes in accounting policies (Cont'd)

c. FRS 101: Presentation of Financial Statements and FRS 127: Consolidated and Separate Financial Statements

The adoption of the revised FRS 101 and FRS 127 has affected the presentation of minority interest and other disclosures. In the consolidated balance sheet, minority interests are now presented within total equity. In the consolidated income statement, minority interests are presented as an allocation of the total profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity. FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognized income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interest. The current year's presentation of the group's financial statements is based on the revised requirements of FRS 101, with the comparatives restated to conform with the current year's presentation.

d. FRS 140: Investment Property

Investment properties, being properties held to earn rentals and/or for capital appreciation, previously included under property, plant and equipment at valuation less accumulated depreciation, are now disclosed as a separate line item in non-current assets and stated at cost.

A3. Auditors' Report

The auditors' report of the audited financial statements for the financial year ended 31 May 2006 was not subject to any qualification.

A4. Seasonal/Cyclical Factors

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

A5. Unusual Items

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

A6. Changes in Estimates

There were no changes in estimates of accounts reported in prior interim period of the current or previous financial year.

A7. Debts and Equity 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.

A8. Dividend Paid

A proposed first and final dividend of 2.5sen per share less tax at 28% amounting to RM 1,667,160 in respect of the financial year ended 31 May 2006 was paid on 29 December 2006.

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A9. Segmental Revenue and Results

(i) Business Segments

	Investment Holding	Manufacturing and Assembling	Trading	Elimination	Consolidation
2007	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External revenue	-	16,672	285,649	-	302,321
Inter-segment Revenue	3,983	163,417	2,007	(169,407)	-
Total revenue	3,983	180,089	287,656	(169,407)	302,321
Result					
Segment result	(790)	3,122	8,262	-	10,594
Finance costs	(3)	(1,823)	(1,528)	-	(3,354)
Negative goodwill			610		610
Profit before taxation	(793)	1,299	7,344		7,850
Tax expense					(6,227)
Profit after taxation					1,623
Minority interest					(1,089)
Net profit for the period					534
Other segment item					
Depreciation	17	2,589	635	-	3,241

	Investment Holding	Manufacturing and Assembling	Trading	Elimination	Consolidation
2006	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External revenue	-	43,300	143,996	-	187,296
Inter-segment Revenue	3,300	137,715	448	(141,463)	-
Total revenue	3,300	181,015	144,444	(141,463)	187,296
Result					
Segment result	(430)	2,237	4,736	-	6,543
Finance costs	-	(1,262)	(566)	-	(1,828)
Negative goodwill					-
Profit before taxation	(430)	975	4,170	-	4,715
Tax expense					(1,188)
Profit after taxation					3,527
Minority interest					(247)
Net profit for the period					3,280
Other segment item					
Depreciation	-	2,544	969	-	3,513

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A9. Segmental Revenue and Results (Cont'd)

(ii) Geographical Segments

	Revenue by location of customers	Profit/(Loss) before taxation	Segment assets	Segment liabilities
2007	RM'000	RM'000	RM'000	RM'000
Malaysia	226,374	5,306	155,864	107,671
Outside Malaysia	75,947	2,544	37,346	32,770
	302,321	7,850	193,210	140,441

	Revenue by location of customers	Profit/(Loss) before taxation	Segment assets	Segment liabilities
2006	RM'000	RM'000	RM'000	RM'000
Malaysia	160,601	5,128	152,402	71,221
Outside Malaysia	26,695	(413)	12,451	4,786
	187,296	4,715	164,853	76,007

Year 2007 refers to financial year ended 31 May 2007 and year 2006 refers to financial year ended 31 May 2006.

A10. 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.

A11. Material Subsequent Events

There were no material events subsequent to the end of this financial year except for the following:

- (a) On 1 June 2007, Pensonic Holdings Berhad has acquired one subscriber share in Microtag Engineering Sdn Bhd, a company with issued and paid up share capital of RM 2.00, for a cash consideration of RM 1.
- (b) Pensonic Sales & Service Sdn Bhd, a 100% owned subsidiary company of Pensonic Holdings Berhad had on 1 June 2007 acquired 2 ordinary shares of RM 1.00 each in Kollektion Distribution Sdn Bhd, which represents the entire issued and paid up share capital, for a cash consideration of RM 2.00

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A12. Changes in Composition of the Group

(a) On 30 June 2006, the Company has acquired 2,000,000 ordinary shares of RM1.00 and 500,000 ordinary shares of S\$1.00 each representing the entire equity interest in Amtek Marketing Services Sdn. Bhd. (AMSSB)(now known as Cornell Sales & Service Sdn. Bhd.) and Amtek Marketing Services Pte. Ltd. (AMSPL) for a total consideration of RM1,000,000 and RM1,009,551 respectively, satisfied by cash. The principal activities of Amtek Marketing Services Sdn. Bhd. and Amtek Marketing Services Pte. Ltd. are marketing and distribution of electrical goods in Malaysia and Singapore respectively. The Foreign Investment Committee (FIC) has no objection relating to the said acquisition.

Effect of acquisition

The acquisition had the following effect on the Group:

	AMSSB RM'000	AMSPL RM'000	Total RM'000
Property, plant and equipment	86	22	108
Current assets	9,284	5,421	14,705
Current liabilities	(7,760)	(4,578)	(12,338)
Net assets acquired	1,610	865	2,475
Goodwill on acquisition	-	145	145
Negative goodwill	(610)	-	(610)
Minority shareholders' interest	-	-	-
Purchased price paid	1,000	1,010	2,010
Less: Cash & cash equivalents of subsidiaries acquired	(50)	458	408
Cash outflow on acquisition net of cash acquired	1,050	552	1,602

(c) On 29 May 2007, Pensonic Holdings Berhad entered into a Sales & Purchase Agreement with Ribuan Utara Sdn Bhd, for the disposal of 1,785,000 ordinary shares of RM 1 each in Arcadia Global Sdn Bhd, which represents 51% of the issued and paid up capital in Arcadia Global Sdn Bhd for a total cash consideration of RM 6,426,000. The cost of investment in Arcadia Global Sdn Bhd was RM 6,069,000 and this disposal has resulted in a gain on disposal of RM 594,880 for the group.

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A13. Contingent Liabilities

Contingent liabilities of the Group are as follows:

	As at 31.05.2007 RM'000	As at 31.05.2006 RM'000
Guarantees to financial institutions for facilities granted to subsidiary companies	<u>150,150</u>	<u>83,906</u>

A14. Significant Related Party Transactions

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

	Year ended 31.05.2007 RM'000	Year ended 31.05.2006 RM'000
Purchase of raw material from Pensia Plastic Industries Sdn. Bhd.	7,147	5,742
Electricity charges paid by Pensia Plastic Industries Sdn. Bhd.	280	248
Factory rental paid by Pensia Plastic Industries Sdn. Bhd.	<u>140</u>	<u>180</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 RM2,526,000 for the current year quarter compared to the profit before tax of RM1,148,000 in the preceding year corresponding quarter.

Turnover for the current year quarter is RM103,701,000 compared to RM48,569,000 in the preceding year corresponding quarter. There was an increase of 214% in turnover of the current year quarter as compared to the preceding year corresponding quarter. This is mainly due to a significant increase in export sales and sales contributions made by two subsidiary companies acquired on 30 June 2006, as mentioned in paragraph A12 above.

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 operations of the Group for the year from 31 May 2007 to the date of issue of this quarterly report.

B2. Variation of Results against Preceding Quarter

The Group achieved a profit before taxation of RM2,526,000 for this quarter as compared with a profit before taxation of RM1,148,000 for the corresponding quarter in the preceding year. The increase in profit before taxation is due to increase in turnover during the current quarter.

B3. Prospect for the Forthcoming Financial Year

The economy is expected to continue growing moderately for the forthcoming financial year. Salary adjustments for government workers at the local front will certainly boost up general local consumption. Implementation of the Nineth Malaysian Plan which commenced in 2006 is also expected to stimulate the local economic growth. The Group will continue its cost containment effort to remain competitive and to pursue marketing efforts to further increase its export market revenue. Barring any unforeseen circumstances, the Group expects its business prospects for the forthcoming financial year to be positive.

B4. Variance from Profit Forecast

Not applicable as no profit forecast was published.

B5. Tax Expense

	Year ended 31.05.2007 RM'000	Year ended 31.05.2007 RM'000
Income Tax		
- Provision for current year	2,597	1,072
-Underprovision in respect of prior years	3,630	116
	<u>6,227</u>	<u>1,188</u>

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B5. Tax Expense (cont'd)

The Group's effective tax rate for the current quarter and cumulative year to date is higher than the statutory tax rate mainly due to certain expenses are not allowable for tax purposes.

B6. Profit on Sale of Investments and/or Properties

On 29 May 2007, Pensonic Holdings Berhad entered into a Sales & Purchase Agreement with Ribuan Utara Sdn Bhd, for the disposal of 1,785,000 ordinary shares of RM 1 each in Arcadia Global Sdn Bhd, which represents 51% of the issued and paid up capital in Arcadia Global Sdn Bhd for a total cash consideration of RM 6,426,000. The cost of investment in Arcadia Global Sdn Bhd was RM 6,069,000 and this disposal has resulted in a gain on disposal of RM 594,880 for the group.

B7. Quoted Securities

There were no purchase or disposal of quoted securities for the current financial year ended 31 May 2007.

B8. Status of Corporate Proposal

There are no corporate proposals announced but 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 year:

	As at 31.05.2007 RM'000	As at 31.05.2006 RM'000
Secured-repayable within one year		
Bank Overdrafts	11,507	6,394
Bills Payable	64,120	39,443
Term Loan	623	849
	<u>76,250</u>	<u>46,686</u>
Secured-repayable one to five years		
Term Loan	<u>5,008</u>	<u>6,864</u>

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

	As at 31.05.2007 RM'000	As at 31.5.2006 RM'000
Hire Purchase Creditors	1,708	1,981
Less: Interest In Suspense	134	196
	<u>1,574</u>	<u>1,785</u>
Repayable within one year	496	419
Repayable one to five years	1,078	1,366
	<u>1,574</u>	<u>1,785</u>

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B9. Borrowings and Debts Securities (Cont'd)

The bank borrowings bear interest at rates ranging from 1.25% to 2% per annum above the banks' base lending rates and the term loans bear interest at rates of 6% and 7.75% per annum and at rates ranging from 1% to 1.75% per annum above the banks' base lending rates.

The bank borrowings and term loans are secured by the following:

- i) Legal charges over certain properties belonging to the subsidiary companies;
- ii) Lien on fixed deposits belonging to the subsidiary companies;
- iii) Trade Financing General Agreement; and
- iv) 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 year ended 31 May 2007.

B12. Dividend Payable

The directors recommended the payment of a first and final dividend of 2.5 sen per share less tax in respect of the financial year ended 31 May 2007, subject to the approval of members at the forthcoming Annual General Meeting of the Company.

B13. Earnings Per Share

	Year ended 31.05.2007	Year ended 31.05.2007
Net profit attributable to equity holders of the parent for the year (RM'000)	534	3,280
Ordinary shares in issue ('000)	92,620	92,620
Basic earning per share (sen)	<u>0.58</u>	<u>3.54</u>

By order of the Board
Ker Siew Luan
Secretary