

Pensonic Holdings Berhad (300426-P)

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

UNAUDITED RESULTS OF THE GROUP FOR 1st QUARTER ENDED 31 AUGUST 2003

Condensed Consolidated Balance Sheet

At 31 August 2003

	31 August 2003	31 May 2003 (Audited)
	RM'000	RM'000
Property, plant and equipment	27,374	27,516
Investments in associates	-	-
Investments in jointly controlled entities	-	-
Other investments	-	-
Properties under development	-	-
Intangible assets	75	38
	27,449	27,554
Current assets		
Inventories	52,172	46,688
Properties under development	-	-
Trade receivables	29,340	28,377
Other receivables, deposits and prepayment	10,952	11,732
Other investments	-	-
Cash and cash equivalents	7,852	5,516
	100,316	92,313
Current liabilities		
Trade payables	12,173	8,128
Other payables and accruals	4,599	2,507
Borrowings	24,786	23,549
Taxation	263	157
Provision for warranties	-	-
	41,821	34,341
Net current assets	58,495	57,972
	85,944	85,526

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

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Condensed Consolidated Balance Sheet

At 31 August 2003

(continued)

	31 August 2003	31 May 2003 (Audited)
	RM'000	RM'000
Financed by:		
Capital and reserves		
Share Capital	46,310	46,310
Reserves	38,495	38,079
Treasury shares	-	-
	84,805	84,389
Minority shareholders' interests	703	623
Long term and deferred liabilities		
Borrowings	111	189
Deferred taxation	325	325
Retirement benefits	-	-
	86,944	85,526
Net tangible assets per share (sen)	183	182

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

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Condensed Consolidated Income Statement

For the period ended 31 August 2003

	3 months ended 31 August		3 months ended 31 August	
	2003 RM'000	2002 RM'000	2003 RM'000	2002 RM'000
Revenue	32,477	20,082	32,477	20,082
Operating profit	673	150	673	150
Interest expense	27	-	27	-
Interest income	-	-	-	-
Share of profit of associates and jointly controlled entities	-	-	-	-
Profit before taxation	646	150	646	150
Tax expense	130	60	130	60
Profit after taxation	516	90	516	90
Pre-acquisition loss	-	-	-	-
Less: Minority interest	100	30	100	30
Net profit for the period	416	60	416	60
Basic earnings per ordinary share (sen)	0.90	0.12	0.90	0.12
Diluted earnings per ordinary share (sen)	0.90	0.12	0.90	0.12

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 31 August 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	-	416	416
Dividends	-	-	-
At 31 August 2003	83,215	1,590	84,805
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	-	60	60
At 31 August 2002	83,685	6,197	89,882

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.

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Condensed Consolidated Cash Flow Statement

For the period ended 31 August 2003

	31 August 2003 RM'000	31 August 2002 * RM'000
Net cash inflow from operating activities	2,724	n.a.
Net cash outflow from investing activities	(202)	n.a.
Net cash outflow from financing activities	(304)	n.a.
<hr/>		
Net increase in cash and cash equivalents	2,218	n.a.
Cash and cash equivalents at 1 June	3,117	n.a.
Foreign exchange differences on opening balances	-	n.a.
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Cash and cash equivalents at 31 August	5,335	n.a.

* There was no requirement for cash flow statement reporting for the year ended 31 August 2002.

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

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Quarterly Report on consolidated results for the 1st financial quarter ended 31 August 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 first 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 material changes in estimates for the current quarter and the 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 and resale of treasury shares for the financial period ended 31 August 2003.

A7. Dividend Paid

There were no dividend paid during the current financial quarter.

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A8. Segmental Reporting for the First Quarter Ended 31 August 2003

(i) Business Segments

	Manufacturing and Assembling RM'000	Trading RM'000	Elimination RM'000	Consolidation RM'000
Revenue				
External revenue	13,294	19,183	-	32,477
Inter-segment revenue	20,941	10,365	(31,306)	-
Total revenue	<u>34,235</u>	<u>29,584</u>	<u>(31,306)</u>	<u>32,477</u>
Result				
Segment result	1,795	(1,122)	-	673
Finance costs				(27)
Profit before taxation				<u>646</u>
Tax expense				(130)
Profit after taxation				<u>516</u>
Minority interest				(100)
Net profit for the period				<u>416</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	32,338	592	122,123	37,145
Outside Malaysia	139	54	5,642	5,112
	<u>32,477</u>	<u>646</u>	<u>127,765</u>	<u>42,257</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.

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.

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A11. Changes in Composition of the Group

There were no changes in the composition of the Group for the current financial period ended 31 August 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 31.8.2003 RM'000	As at 31.5.2003 RM'000
Property, plant and equipment Contracted but not provided for	<u>524</u>	<u>524</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:

	As at 31.8.2003 RM'000	As at 31.5.2003 RM'000
Purchase of raw material from Pensia Plastic Industries Sdn. Bhd.	1,732	3,272
Electricity charges paid by Pensia Plastic Industries Sdn. Bhd.	109	206
Factory rental paid by Pensia Plastic Industries Sdn. Bhd.	<u>15</u>	<u>180</u>

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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 RM646,000 for the current year quarter compared to the profit before tax of RM150,000 in the preceding year corresponding quarter. Turnover for the current year quarter is RM32,477,000 compared to RM20,082,000 in the preceding year corresponding quarter.

There was an increase of 61.72% in turnover of the current year quarter as compared to the preceding year corresponding quarter. The significant improvement in turnover was achieved as a result of the marketing strategies and distribution network development efforts initiated by the Group earlier for both the domestic as well as the export markets.

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 31 August 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 RM646,000 for this quarter as compared with a profit before taxation of RM150,000 for the corresponding quarter in the preceding year. This is mainly due to the overall higher turnover achieved by the Group and the containment of expenses 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 various measures initiated by the Malaysian Government to spur the domestic economy, the gradual recovery of the 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

	3 months ended 31.8.2003 RM'000	3 months ended 31.8.2002 RM'000
Income Tax		
- Current period tax	130	60

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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 31 August 2003.

B7. Quoted Securities

There was no purchase or disposal of quoted securities for the current financial period ended 31 August 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 31.8.2003 RM'000	As at 31.5.2003 RM'000
Secured-repayable within one year		
Bank Overdraft	2,517	2,399
Bills Payable	21,406	20,060
Term Loan	863	1,090
	<u>24,786</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 31.8.2003 RM'000	As at 31.5.2003 RM'000
Hire Purchase Creditors	165	174
Less: Interest In Suspense	(24)	(26)
	<u>141</u>	<u>148</u>
Repayable within one year	30	30
Repayable one to five years	111	118
	<u>141</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 the certain properties belonging to subsidiary companies;
- ii) Fixed deposits belonging to 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 31 August 2003.

B12. Dividend Payable

There is no dividend proposed in this financial quarter.

B13. Earnings Per Share

	3 months ended 31.8.2003 RM'000	3 months ended 31.8.2002 RM'000
Net profit for the period	416	60
Ordinary share in issue	46,310	46,310
Basic earning per share (sen)	<u>0.90</u>	<u>0.12</u>

By order of the Board

Ker Siew Luan
Secretary

Dated : 23rd October, 2003