

# Panasonic

## Panasonic Manufacturing Malaysia Berhad (6100-K) (Incorporated in Malaysia)

### Condensed Combined Entity Statement of Comprehensive Income for the 3<sup>rd</sup> Quarter Ended 31 December 2012

	(Unaudited)	(Unaudited) (Restated)	(Unaudited)	(Unaudited) (Restated)
	3rd Quarter ended		Cumulative period ended	
	31.12.2012 (RM'000)	31.12.2011 (RM'000)	31.12.2012 (RM'000)	31.12.2011 (RM'000)
Revenue	241,984	223,418	676,950	668,082
Operating expenses	(213,871)	(203,582)	(620,257)	(616,965)
Other operating income	6,455	4,986	19,937	18,815
Other derivative gain / (loss)	(1,611)	2,039	(318)	(2,006)
Profit from operations	32,957	26,861	76,312	67,926
Share of results of associated company (net of tax)	256	(886)	2,742	6,108
Profit before taxation	33,213	25,975	79,054	74,034
Taxation	(8,142)	(6,169)	(18,091)	(15,092)
<b>Profit after taxation for the period</b>	<b>25,071</b>	<b>19,806</b>	<b>60,963</b>	<b>58,942</b>
<u>Earnings per share attributable to equity holders:</u>				
Basic and diluted (sen)	41	33	100	97

(The Condensed Combined Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements of the Company for the financial year ended 31 March 2012)

**Condensed Combined Entity Statement of Comprehensive Income  
for the 3<sup>rd</sup> Quarter Ended 31 December 2012**

	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(Restated)		(Restated)
	<b>3rd Quarter ended</b>		<b>Cumulative period ended</b>	
	<b>31.12.2012</b>	<b>31.12.2011</b>	<b>31.12.2012</b>	<b>31.12.2011</b>
	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>
<b>Profit after taxation for the period</b>	25,071	19,806	60,963	58,942
Other comprehensive income, net of taxation	-	-	-	-
<b>Total Comprehensive Income for the period</b>	25,071	19,806	60,963	58,942
<b>Profit after taxation attributable to equity holders of the Company</b>	25,071	19,806	60,963	58,942
<b>Total Comprehensive Income attributable to equity holders of the Company</b>	25,071	19,806	60,963	58,942
<b>Note: - Included in the Total Comprehensive Income for the period are the followings:</b>				
Interest Income	3,852	3,858	11,653	11,878
Interest Expenses	N/A	N/A	N/A	N/A
Depreciation & Amortization	6,631	6,371	20,173	17,669
Provision For/Write Off of Receivables	N/A	N/A	N/A	N/A
Provision For/Write Off of Inventories	N/A	N/A	N/A	N/A
Gain/(Loss) on Disposal of Quoted and Unquoted Investment or Properties	N/A	N/A	N/A	N/A
Impairment of Assets	N/A	N/A	N/A	N/A
Gain/(Loss) on Foreign Exchange	598	(424)	603	1,182
Gain/(Loss) on Derivatives	(1,611)	2,039	(318)	(2,006)

N/A: Not Applicable

(The Condensed Combined Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements of the Company for the financial year ended 31 March 2012)

**Condensed Combined Entity Statement of Financial Position**

	(Unaudited)	(Audited)	(Audited)
	<b>As at 31.12.2012 (RM'000)</b>	<b>As at Preceding Financial Year End 31.03.2012 (RM'000)</b>	<b>As at 01.04.2011 (RM'000)</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	70,180	75,606	63,459
Interest in associated company	132,300	130,991	127,866
Deferred tax assets	10,952	11,757	14,757
	<b>213,432</b>	<b>218,354</b>	<b>206,082</b>
<b>Current assets</b>			
Inventories	26,942	18,293	18,789
Trade and other receivables	85,857	52,757	53,435
Tax recoverable	-	2,445	-
Placement of funds with related company	477,717	470,079	500,787
Cash and bank balances	291	323	151
Derivative financial instruments	517	662	1,184
	<b>591,324</b>	<b>544,559</b>	<b>574,346</b>
<b>Total assets</b>	<b>804,756</b>	<b>762,913</b>	<b>780,428</b>
<b>EQUITY</b>			
Capital and reserves attributed to equity holders			
Share capital	60,746	60,746	60,746
Retained earnings	600,092	586,966	586,620
Total equity	<b>660,838</b>	<b>647,712</b>	<b>647,366</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provision for liabilities and charges	353	1,396	3,367
	<b>353</b>	<b>1,396</b>	<b>3,367</b>
<b>Current liabilities</b>			
Trade and other payables	123,169	98,256	114,283
Taxation	2,842	-	1,452
Provision for liabilities and charges	16,835	15,003	13,946
Derivative financial instruments	719	546	14
	<b>143,565</b>	<b>113,805</b>	<b>129,695</b>
Total liabilities	<b>143,918</b>	<b>115,201</b>	<b>133,062</b>
Total equity and liabilities	<b>804,756</b>	<b>762,913</b>	<b>780,428</b>
Net assets per share (RM)	<b>10.88</b>	<b>10.66</b>	<b>10.66</b>

(The Condensed Combined Entity Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements of the Company for the financial year ended 31 March 2012)

**Condensed Combined Entity Statement of Changes in Equity  
For the 3<sup>rd</sup> Quarter Ended 31 December 2012**

	(Unaudited)	(Unaudited)	(Unaudited)
	<b>Attributable to equity holders</b>		
	<b>Share Capital</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
	(RM'000)	(RM'000)	(RM'000)
<b><u>Cumulative Period Ended 31 December 2011</u></b>			
At 1 April 2011	60,746	586,620	647,366
Total comprehensive income for the period	-	58,942	58,942
Dividends:			
- Final dividend for the financial year ended 31 March 2011	-	(15,946)	(15,946)
- Special dividend for the financial year ended 31 March 2011	-	(43,281)	(43,281)
At 31 December 2011	60,746	586,335	647,081
<b><u>Cumulative Period Ended 31 December 2012</u></b>			
At 1 April 2012	60,746	586,966	647,712
Total comprehensive income for the period	-	60,963	60,963
Dividends:			
- Final dividend for the financial year ended 31 March 2012	-	(15,946)	(15,946)
- Special dividend for the financial year ended 31 March 2012	-	(31,891)	(31,891)
At 31 December 2012	60,746	600,092	660,838

(The Condensed Combined Entity Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements of the Company for the financial year ended 31 March 2012)

**Condensed Combined Entity Cash Flow Statement for the  
3<sup>rd</sup> Quarter Ended 31 December 2012**

	(Unaudited) Period ended 31.12.2012 (RM'000)	(Unaudited) Period ended 31.12.2011 (RM'000)
<b>Profit after taxation</b>	60,963	58,942
<b>Adjustments for:</b>		
Non Cash Flow Items	37,686	33,794
Share of results of associated company	(2,742)	(6,108)
<b>Operating profit / (loss) before working capital changes</b>	95,907	86,628
<b>Changes in working capital</b>		
Net (increase) / decrease in current assets	(41,749)	(33,600)
Net (decrease) / increase in current liabilities	24,913	(3,394)
<b>Cash generated from operations</b>	79,071	49,634
Other operating activities	(13,754)	(18,871)
<b>Net cash flow from operating activities</b>	65,317	30,763
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(14,748)	(28,684)
Proceeds from disposal of property, plant and equipment	36	29
Interest received	3,852	3,803
Dividend received (net)	1,433	2,389
<b>Net cash flow for investing activities</b>	(9,427)	(22,463)
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>		
Dividends paid	(47,837)	(59,227)
<b>Net cash flow for financing activity</b>	(47,837)	(59,227)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	8,053	(50,927)
<b>CURRENCY TRANSLATION DIFFERENCES</b>	(447)	(816)
<b>CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE PERIOD</b>	470,402	500,938
<b>CASH AND CASH EQUIVALENTS AS AT END OF THE PERIOD</b>	478,008	449,195
<u>Cash and cash equivalents comprise:</u>		
Placement of funds with related company	477,717	449,036
Cash and bank balances	291	159
	<u>478,008</u>	<u>449,195</u>

(The Condensed Combined Entity Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statements of the Company for the financial year ended 31 March 2012)

# Panasonic

## Panasonic Manufacturing Malaysia Berhad (6100-K) (Incorporated in Malaysia)

### Notes to the Interim Financial Statements for 3<sup>rd</sup> Quarter Ended 31 December 2012

#### Note 1. Accounting Policies and Basis of Preparation

This interim financial report is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the Company’s audited statutory financial statements for the financial year ended 31 March 2012.

In compliant with MFRS, “MFRS 1 – First-time Adoption of Malaysian Financial Reporting Standards” has been applied in this interim report. The transition from FRS to MFRS does not have any significant impact to the financial report.

The audited financial statements of the Company for the year ended 31 March 2012 were prepared in accordance with FRS. As the requirements under FRS and MFRS are similar, the accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted in the most recent annual audited financial statements of the Company for the financial year ended 31 March 2012.

#### Note 2. Realised and Unrealised Profits / Losses

	Current Period Ended 31.12.2012 (RM'000)	Preceding Year Ended 31.03.2012 (RM'000)
Total retained profits of Company:		
- Realised profits	474,274	460,072
- Unrealised profits / (loss)	(4,482)	(2,097)
	469,792	457,975
Total share of retained profits from associated company:		
- Realised profits	131,615	131,815
- Unrealised profits / (loss)	(1,315)	(2,824)
	130,300	128,991
Total Combined Entity’s retained profits	600,092	586,966

#### Note 3. Disclosure of Audit Report Qualification

The audit report of the Company’s annual financial statements for the financial year ended 31 March 2012 was not qualified.

#### **Note 4. Seasonality or Cyclicity of Interim Operations**

The Company's business operations were not materially affected by any seasonal or cyclical factors since the last balance sheet date.

The Company's products are generally dependent on consumer demand both in the domestic and export market.

#### **Note 5. Unusual Item**

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

#### **Note 6. Changes in Estimates of Amounts Reported in Prior Interim Periods for the Current Financial Year or in Prior Financial Years**

There were no major changes in estimates of amounts reported in prior interim periods for the current financial year or changes in estimates of amounts reported in the prior financial year, which give a material effect in the current interim period.

#### **Note 7. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities**

There were no issuances and repayment of debt securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares since the last reporting date.

#### **Note 8. Dividends Declared / Paid**

There were no dividends paid in the quarter under review.

#### **Note 9. Segmental Reporting**

Analysis of the Company's segment information is as follows:

	<b>Revenue for the period ended</b>		<b>Profit before tax for the period ended</b>	
	31.12.2012 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	31.12.2011 RM'000
Home Appliance products	353,107	341,749	45,509	45,006
Fan products and Others	323,843	326,333	35,415	24,234
Total	676,950	668,082	80,924	69,240

Both segments Home Appliance and Fan share the same Group's performance trend as elaborated in Note 13.

#### **Note 10. Valuation of Property, Plant and Equipment**

There was no valuation of property, plant and equipment for the period under review.

### **Note 11. Significant Post Balance Sheet Events**

There has not arisen in the interval between 31 December 2012 and the date of this announcement, any item, transaction or event of a material or unusual nature in the opinion of the Directors that is likely to affect substantially the result of the operations of the Company for the period ended 31 December 2012 in respect of which this announcement is made.

### **Note 12. Contingent Liabilities**

There were no contingent liabilities since the last financial year ended 31 March 2012.

### **Disclosure Requirements Pursuant to Part A, Appendix 9B of Bursa Malaysia Securities Berhad Listing Requirements**

### **Note 13. Review of Performance**

#### **(a) 3<sup>rd</sup> Quarter This Year vs 3<sup>rd</sup> Quarter Last Year**

The Company achieved revenue of RM242.0 million for the current quarter ended 31 December 2012, an increase of 8.3% or RM18.6 million as compared with the revenue of RM223.4 million registered in the previous year's corresponding quarter.

In line with the increase in revenue, the Company's combined profit before tax of RM33.2 million for the current quarter ended 31 December 2012 was higher by 27.7% or RM7.2 million as compared to the previous year's corresponding quarter combined profit before tax of RM26.0 million. The increase in profitability was contributed mainly by the fan segment through material innovation which resulted in reduction of direct material costs.

#### **(b) Current Year to Date vs Last Year to Date**

The Company's revenue of RM677.0 million for the nine months ended 31 December 2012, was an increase of RM8.9 million or 1.3% as compared to the previous year's corresponding period of RM668.1 million.

The Company's combined profit before tax of RM79.1 million for the nine months ended 31 December 2012 was higher by 6.9% or RM5.1 million; as compared to the previous year's corresponding period combined profit before tax of RM74.0 million.

### **Note 14. Material Changes in Quarterly Results Compared to Preceding Quarter**

The Company's revenue of RM242.0 million in the current quarter was an increase of 7.4% or RM16.7 million over the revenue of RM225.3 million recorded in the preceding quarter.

Correspondingly, the Company achieved a combined profit before taxation for the current quarter ended 31 December 2012 of RM33.2 million, which was an increase of 43.7% or RM10.1 million; as compared to the combined profit before taxation of RM23.1 million reported in the preceding quarter.



**Note 15. Prospects and Outlook**

The Company expects the improved sales achieved in the year to date to continue in the financial year. The Company will continue to optimize its cost efficiencies and enhance its business processes to deliver a better performance for this financial year.

**Note 16. Profit Forecast, Profit Guarantee or Internal Targets**

The Company did not issue or publicly announce or disclose any profit forecasts, profit guarantee or internal targets for the period under review.

**Note 17. Taxation**

	<b>Current Quarter Ended 31.12.2012 (RM'000)</b>	<b>Preceding Quarter Ended 31.12.2011 (RM'000)</b>	<b>Cumulative Period ended 31.12.2012 (RM'000)</b>	<b>Cumulative Period ended 31.12.2011 (RM'000)</b>
Taxation charge:				
- current financial year	(7,897)	(5,823)	(17,287)	(14,938)
Deferred Tax:				
- current financial year	(245)	(346)	(804)	(154)
- prior financial year	-	-	-	-
	(8,142)	(6,169)	(18,091)	(15,092)

**Note 18. Sale of Unquoted Investments and/or Properties**

There were no sales of unquoted investments or properties for the current quarter under review.

**Note 19. Purchase/Disposal of Quoted Securities**

There were no purchases or disposal of quoted securities for the current quarter under review.

**Note 20. Corporate Proposals**

There were no corporate proposals announced but not completed as at the date of the issuance of this interim financial report.

**Note 21. Derivatives**

Derivative financial instruments are entered into by the Company in currencies other than Ringgit Malaysia for highly probable forecasted transactions to manage the exposure to fluctuations in foreign currency exchange rates.

As at 31 December 2012, the details of derivative financial instruments outstanding measured at fair values together with their corresponding contract / notional values are as follows:-

Type of Derivatives	Contract / Notional Value RM'000	Net Fair Value of Assets / (Liabilities) RM'000
Less than 1 year - Sell USD	62,789	517
Less than 1 year - Buy JPY	5,588	(613)
Less than 1 year - Buy SGD	509	(1)
Less than 1 year - Sell Euro	5,097	(105)
		(202)

#### Note 22. Material Litigation

There were no material litigations pending the date of this announcement.

#### Note 23. Dividends

The Board is not recommending any dividend for the quarter under review.

#### Note 24. Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to the shareholders by the weighted average number of ordinary shares in issue as at 31 December 2012 of 60,745,780 shares.

##### (a) Basic earnings per share

	Period Ended 31.12.2012	Period Ended 31.12.2011
Profit after taxation for the period (RM'000)	60,963	58,942
Weighted average number of ordinary shares in issue ('000)	60,746	60,746
Basic earnings per share (sen)	100	97

##### (b) Summary of earnings per share

	Basic (sen)	Diluted (sen)
Quarter 1	30	Not Applicable
Quarter 2	29	Not Applicable
Quarter 3	41	Not Applicable
Year-to-date	100	Not Applicable

**Note 25. Commitments for Capital Expenditure**

	<b>As at 31.12.2012 (RM'000)</b>	<b>As at 31.12.2011 (RM'000)</b>
Contracted	5,020	3,555
Not contracted	668	1,022
Analysed as follows: Property, plant and equipment	5,688	4,577

**By Order of the Board**

Leong Oi Wah  
Company Secretary  
27 February 2013