

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MAY 2004**  
**The figures have not been audited**

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 31 MAY 2004**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 1st Quarter 31 May 2004 RM'000	Preceding Year Corresponding Quarter 31 May 2003 RM'000	Current Year To date 31 May 2004 RM'000	Preceding Year Corresponding Year to date 31 May 2003 RM'000
1 Revenue	30,073	22,419	30,073	22,419
Cost of goods sold	<u>(22,278)</u>	<u>(16,813)</u>	<u>(22,278)</u>	<u>(16,813)</u>
Gross profit	7,795	5,606	7,795	5,606
Other Operating Income	216	217	216	217
Administrative expenses	(3,778)	(2,630)	(3,778)	(2,630)
Selling and distribution expenses	(345)	(370)	(345)	(370)
Profit from operations	<u>3,888</u>	<u>2,823</u>	<u>3,888</u>	<u>2,823</u>
Other Income	305	471	305	471
Finance expenses	(911)	(1,007)	(911)	(1,007)
Amortisation of goodwill	(75)	(50)	(75)	(50)
Profit before taxation	<u>3,207</u>	<u>2,237</u>	<u>3,207</u>	<u>2,237</u>
Taxation	<u>(725)</u>	<u>(470)</u>	<u>(725)</u>	<u>(470)</u>
Profit after taxation	2,482	1,767	2,482	1,767
Minority interest	(235)	(137)	(235)	(137)
Net profit attributable to shareholders	<u><u>2,247</u></u>	<u><u>1,630</u></u>	<u><u>2,247</u></u>	<u><u>1,630</u></u>
2 Earnings per share (sen) :-				
(i) Basic	<u>1.59</u>	<u>1.36</u>	<u>1.59</u>	<u>1.36</u>
(ii) Diluted	<u>1.45</u>	<u>1.18</u>	<u>1.45</u>	<u>1.18</u>

**The Condensed Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 29 February 2004.**

**ATLAN HOLDINGS BHD (173250-W)**  
**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MAY 2004**

	<b>Unaudited</b>	<b>Audited</b>
	As at end of current quarter 31 May 2004 RM'000	As at preceding financial year end 29 Feb 2004 RM'000
<b>ASSETS</b>		
INTANGIBLE ASSETS	59,348	59,973
INVESTMENT PROPERTY	98,167	98,985
PROPERTY, PLANT & EQUIPMENT	48,419	49,341
<b>CURRENT ASSETS</b>		
<i>Inventories</i>	13,294	12,795
<i>Trade receivables</i>	15,709	13,889
<i>Other receivable, deposits &amp; prepayments</i>	106,189	62,013
<i>Share issue expenses</i>	80	1
<i>Tax Recoverable</i>	335	335
<i>Fixed deposits with licensed bank</i>	21,396	21,676
<i>Cash &amp; bank balances</i>	5,451	14,349
	<u>162,454</u>	<u>125,058</u>
<b>TOTAL ASSETS</b>	<b><u>368,388</u></b>	<b><u>333,357</u></b>
<b>EQUITY AND LIABILITIES</b>		
<i>Share Capital - Ordinary Shares</i>	129,585	129,585
<i>Irredeemable Convertible preference shares (Equity component *)</i>	24,044	24,394
<i>Reserves -</i>		
<i>Share Premium</i>	57,023	57,123
<i>Reserve on Consolidation</i>	14,184	14,372
<i>Exchange Translation Reserve</i>	11,031	11,888
<i>Accumulated losses c/f</i>	(1,054)	(3,120)
<b>SHAREHOLDERS' EQUITY</b>	<u>234,813</u>	<u>234,242</u>
<b>DEFERRED LIABILITIES</b>	4,675	4,342
<b>DEFERRED TAX LIABILITIES</b>	6,126	6,123
<b>IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES (Liability component *)</b>	2,653	2,302
<b>MINORITY INTEREST</b>	3,995	3,760
<b>CURRENT LIABILITIES</b>		
<i>Trade payables</i>	16,074	15,782
<i>Other payables &amp; accruals</i>	18,814	4,591
<i>Amount owing to a Director</i>	18,623	26
<i>Hire Purchase payable</i>	403	254
<i>Tax payable</i>	791	546
<i>ICPS dividend payable</i>	200	577
<i>Bank borrowings</i>	61,221	60,812
	<u>116,126</u>	<u>82,588</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>368,388</u></b>	<b><u>333,357</u></b>
<b>NET TANGIBLE ASSETS PER ORDINARY SHARE (SEN)</b>	<u>117</u>	<u>116</u>

**Notes :**

\*The Irredeemable Convertible Preference Shares (ICPS) has been reclassified into its liability and equity components to comply with MASB 24 "Financial Instruments Presentation and Disclosure".

The Condensed Balance Sheet should be read in conjunction with the Annual Financial Statements for the year ended 29 February 2004.



**ATLAN HOLDINGS BHD (173250-W)**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE PERIOD ENDED 31 MAY 2004**

Unaudited

	Current year to date 31 May 2004 RM'000	Preceding year to date 31 May 2003 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	3,207	2,237
Adjustments for :-		
Allowance for doubtful debts	20	(2)
Amortisation of goodwill on consolidation	263	175
Amortisation of reserve on consolidation	(188)	(125)
Depreciation	1,028	975
Loss on disposal of property, plant and equipment	1	-
Interest income	(305)	(471)
ICPS dividends - liability component	20	-
Interest on bank overdrafts	83	78
Interest on bills payable	30	33
Interest on hire purchase	24	10
Interest on revolving credit	-	23
Interest on term loan	754	863
Property, plant and equipment written off	199	-
Provision for inventories written off	41	18
Provision for R & D expenses	5	-
Operating profit before working capital changes	<u>5,182</u>	<u>3,814</u>
Increase in inventories	(540)	(405)
Increase in receivables	(46,365)	(11,708)
Increase / (Decrease) in payables	<u>33,134</u>	<u>(1,487)</u>
Cash used in operations	(8,589)	(9,786)
Interest paid	(914)	(1,007)
Tax paid	(439)	(647)
Net cash used in operating activities	<u>(9,942)</u>	<u>(11,440)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(529)	(428)
Acquisition of subsidiary companies	-	6,751
Proceeds from disposal of property, plant & equipment	2	-
Interest received	307	271
Placement of fixed deposit	-	(19,569)
Net cash used in investing activities	<u>(220)</u>	<u>(12,975)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of Rights shares	-	64,544
Proceeds from issuance of ICPS	-	100
Repayment of revolving credit	-	(2,500)
Drawdown on hire purchase	617	-
Repayment of hire purchase payable	(89)	(52)
Repayment of term loans	-	(942)
Dividend paid	(577)	-
Net cash from / (used in) financing activities	<u>(49)</u>	<u>61,150</u>
Net (decrease) / increase in cash and cash equivalents	(10,211)	36,735
Effect on foreign exchange translation	150	85
Cash and cash equivalents brought forward	10,745	(5,459)
Cash and cash equivalents carried forward	<u>684</u>	<u>31,361</u>
<b>REPRESENTED BY :</b>		
Cash and bank balances	5,451	34,306
Bank overdrafts	(4,767)	(2,945)
	<u>684</u>	<u>31,361</u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 29 February 2004.

**ATLAN HOLDINGS BHD**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 31 MAY 2004**

			← Non Distributable →			Distributable	Total RM'000
	Share Capital RM'000	ICPS - Equity Component RM'000	Share Premium RM'000	Reserve on Consolidation RM'000	Currency Translation Reserve RM'000	Retained Profit / (Loss) RM'000	
<b>Quarter ended 31 May 2004</b>							
Balance as at 1 Mar 2004	129,585	24,394	57,123	14,372	11,888	(3,120)	234,242
Net profit for the period	-	-	-	-	-	2,247	2,247
Amortisation	-	-	-	(188)	-	-	(188)
Translation differences	-	-	-	-	(857)	-	(857)
Share issue expenses	-	-	(100)	-	-	-	(100)
Dividend on ICPS	-	-	-	-	-	(181)	(181)
ICPS - classified as liability component	-	(350)	-	-	-	-	(350)
Balance as at 31 May 2004	<b>129,585</b>	<b>24,044</b>	<b>57,023</b>	<b>14,184</b>	<b>11,031</b>	<b>(1,054)</b>	<b>234,813</b>

			← Non Distributable →			Distributable	Total RM'000
	Share Capital RM'000	ICPS - Equity Component RM'000	Share Premium RM'000	Reserve on Consolidation RM'000	Currency Translation Reserve RM'000	Retained Profit / (Loss) RM'000	
<b>Quarter ended 31 May 2003</b>							
Balance as at 1 Mar 2003	17,929	-	11,067	-	-	(8,181)	20,815
Net profit for the period	-	-	-	-	-	1,630	1,630
Acquisition of subsidiary company	-	-	-	15,062	-	-	15,062
Amortisation	-	-	-	(125)	-	-	(125)
Translation differences	-	-	-	-	2,892	-	2,892
Issue of ordinary shares	105,187	-	41,062	-	-	-	146,249
Issue of ICPS	-	36,290	-	-	-	-	36,290
Conversion of ICPS	4,340	(7,682)	3,342	-	-	-	-
Balance as at 31 May 2003	<b>127,456</b>	<b>28,608</b>	<b>55,471</b>	<b>14,937</b>	<b>2,892</b>	<b>(6,551)</b>	<b>222,813</b>

**The Condensed Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 29 February 2004.**