

ATLAN HOLDINGS BHD (173250-W)
Incorporated in Malaysia

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MAY 2005
The figures have not been audited

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 31 MAY 2005

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 1st Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding Year to date
	31 May 2005 RM'000	31 May 2004 RM'000	31 May 2005 RM'000	31 May 2004 RM'000
1 Revenue	37,343	30,073	37,343	30,073
Cost of goods sold	<u>(26,042)</u>	<u>(22,278)</u>	<u>(26,042)</u>	<u>(22,278)</u>
Gross profit	11,301	7,795	11,301	7,795
Other Operating Income	310	216	310	216
Administrative expenses	(5,710)	(3,778)	(5,710)	(3,778)
Selling and distribution expenses	(690)	(345)	(690)	(345)
Profit from operations	<u>5,211</u>	<u>3,888</u>	<u>5,211</u>	<u>3,888</u>
Other Income	162	305	162	305
Finance expenses	(2,734)	(911)	(2,734)	(911)
Share of results of associated company	3,872	-	3,872	-
Amortisation of goodwill	(360)	(75)	(360)	(75)
Profit before taxation	<u>6,151</u>	<u>3,207</u>	<u>6,151</u>	<u>3,207</u>
Taxation:				
Company and subsidiaries	(650)	(725)	(650)	(725)
Associated company	(360)	-	(360)	-
	<u>(1,010)</u>	<u>(725)</u>	<u>(1,010)</u>	<u>(725)</u>
Profit after taxation	5,141	2,482	5,141	2,482
Minority interest	(1,737)	(235)	(1,737)	(235)
Net profit attributable to shareholders	<u><u>3,404</u></u>	<u><u>2,247</u></u>	<u><u>3,404</u></u>	<u><u>2,247</u></u>
2 Earnings per share (sen) :-				
(i) Basic	<u>1.76</u>	<u>1.51</u>	<u>1.76</u>	<u>1.51</u>
(ii) Diluted	<u>1.75</u>	<u>1.37</u>	<u>1.75</u>	<u>1.37</u>

The Condensed Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2005.

ATLAN HOLDINGS BHD (173250-W)
CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MAY 2005

	Unaudited	Audited
	As at end of current quarter 31 May 2005 RM'000	As at preceding financial year end 28 Feb 2005 RM'000
ASSETS		
PROPERTY, PLANT & EQUIPMENT	144,099	149,141
INTANGIBLE ASSETS	58,150	59,921
INVESTMENT IN ASSOCIATED COMPANY	264,612	262,009
AMOUNT OWING BY ASSOCIATED COMPANY	-	317
CURRENT ASSETS		
<i>Inventories</i>	17,050	13,743
<i>Trade receivables</i>	24,416	20,936
<i>Other receivable, deposits & prepayments</i>	33,326	32,430
<i>Fixed deposits with licensed bank</i>	21,283	22,444
<i>Tax Recoverable</i>	423	425
<i>Cash & bank balances</i>	5,959	9,128
	<u>102,457</u>	<u>99,106</u>
TOTAL ASSETS	<u>569,318</u>	<u>570,494</u>
EQUITY AND LIABILITIES		
<i>Share Capital - Ordinary Shares</i>	192,390	192,390
<i>Irredeemable Convertible preference shares (ICPS) (Equity component)</i>	2,134	2,134
<i>Reserves -</i>		
<i>Share Premium</i>	98,742	98,796
<i>Reserve on Consolidation</i>	13,431	13,619
<i>Exchange Translation Reserve</i>	10,396	14,461
<i>Accumulated profit / (loss) c/f</i>	5,099	1,711
SHAREHOLDERS' EQUITY	<u>322,192</u>	<u>323,111</u>
IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES (ICPS) (Liability component)	235	235
REDEEMABLE PREFERENCE SHARES - A	11,610	11,610
REDEEMABLE CONVERTIBLE PREFERENCE SHARES	15	15
DEFERRED TAX LIABILITIES	6,054	6,314
OTHER LONG TERM LIABILITIES	182,934	186,690
MINORITY INTEREST	6,096	4,995
CURRENT LIABILITIES		
<i>Trade payables</i>	23,149	19,231
<i>Other payables & accruals</i>	8,349	9,912
<i>Hire Purchase payable</i>	609	596
<i>Tax payable</i>	1,035	873
<i>Bank borrowings</i>	7,022	6,841
<i>ICPS dividend payable</i>	18	71
	<u>40,182</u>	<u>37,524</u>
TOTAL EQUITY AND LIABILITIES	<u>569,318</u>	<u>570,494</u>
NET TANGIBLE ASSETS PER ORDINARY SHARE (SEN)	<u>128</u>	<u>129</u>

The Condensed Balance Sheet should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2005.

ATLAN HOLDINGS BHD (173250-W)
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE QUARTER ENDED 31 MAY 2005

	←	Unaudited	→
	Current year to date 31 MAY 2005 RM'000		Preceding year to date 31 MAY 2004 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation	6,151		3,207
Adjustments for :-			
Share of profit from associated company	(3,872)		-
Allowance for doubtful debts	-		20
Amortisation of goodwill on consolidation	548		263
Amortisation of reserve on consolidation	(188)		(188)
Depreciation	936		1,028
(Gain) / loss on disposal of property, plant and equipment	(13)		1
Interest income	(162)		(305)
ICPS dividends - liability component	2		20
Interest on bank overdrafts	82		83
Interest on bills payable	49		30
Interest on hire purchase	43		24
Interest on Islamic private debt securities	1,660		-
Interest on term loan	898		754
Inventories written off	34		41
Property, plant and equipment written off	-		199
Provision for R & D expenses	5		5
Operating profit before working capital changes	<u>6,173</u>		<u>5,182</u>
Increase in inventories	(3,357)		(540)
Increase in receivables	(4,682)		(46,365)
Increase in payables	<u>2,541</u>		<u>33,234</u>
Cash from / (used in) operations	675		(8,489)
Interest paid	(2,699)		(914)
Tax paid	(506)		(439)
Tax refund	2		-
Net cash used in operating activities	<u>(2,528)</u>		<u>(9,842)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	(114)		(529)
Proceeds from disposal of property, plant & equipment	13		2
Interest received	156		307
Net cash from / (used in) investing activities	<u>55</u>		<u>(220)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Drawdown on hire purchase	-		617
Repayment of hire purchase payable	(149)		(89)
Repayment of term loans	(693)		-
Dividend paid to shareholders of the company	-		(577)
Dividend paid to ICPS holders	(71)		-
Share issue expenses	(54)		(100)
Net cash used in financing activities	<u>(967)</u>		<u>(149)</u>
Net decrease in cash and cash equivalents	(3,440)		(10,211)
Effect on foreign exchange translation	(66)		150
Cash and cash equivalents brought forward	5,214		10,745
Cash and cash equivalents carried forward	<u>1,708</u>		<u>684</u>
REPRESENTED BY :			
Cash and bank balances	5,959		5,451
Bank overdrafts	(4,251)		(4,767)
	<u>1,708</u>		<u>684</u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2005.

ATLAN HOLDINGS BHD
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MAY 2005

	← Non Distributable →		Distributable			Total RM'000	
	Share Capital RM'000	ICPS - Equity Component RM'000	Share Premium RM'000	Reserve on Consolidation RM'000	Exchange Translation Reserve RM'000		Retained Profit / (Loss) RM'000
Quarter ended 31 May 2005							
Balance as at 1 Mar 2005	192,390	2,134	98,796	13,619	14,461	1,711	323,111
Net profit for the year	-	-	-	-	-	3,404	3,404
Amortisation	-	-	-	(188)	-	-	(188)
Translation differences	-	-	-	-	(4,065)	-	(4,065)
Share issue expenses	-	-	(54)	-	-	-	(54)
Dividend on ICPS	-	-	-	-	-	(16)	(16)
Balance as at 31 May 2005	192,390	2,134	98,742	13,431	10,396	5,099	322,192

	← Non Distributable →		Distributable			Total RM'000	
	Share Capital RM'000	ICPS - Equity Component RM'000	Share Premium RM'000	Reserve on Consolidation RM'000	Exchange Translation Reserve RM'000		Retained Profit / (Loss) RM'000
Quarter ended 31 May 2004							
Balance as at 1 Mar 2004	129,585	24,394	57,123	14,372	11,888	(3,120)	234,242
Net profit for the year	-	-	-	-	-	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	129,585	24,044	57,023	14,184	11,031	(1,054)	234,813

The Condensed Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2005.