

PELIKAN HOLDING AG

**INTERIM REPORT
AS OF SEPTEMBER 30, 2004**

KEY FIGURES

Pelikan Holding AG / Group

FINANCIAL KEY FIGURES

<i>CHF m</i>	INTERIM REPORT AS OF SEPTEMBER 30, 2004	1. HALF 2004
Net sales	152.0	102.2
Result from operations	14.3	9.3
Result before non-operating items	15.4	9.8
Operating cash flow (EBIDAT)	16.7	10.5
Consolidated net result	8.2	5.0
Total assets	172.1	168.1
Equity	9.3	4.6
<i>In % of total assets</i>	5%	3%
Net debt*	(7.3)	(3.8)

OPERATING KEY FIGURES

Number of employees as at September 30/ June 30	903	925
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KEY FIGURES PER SHARE

<i>CHF/ share</i>		
Consolidated net income	5.3	3.2
Equity (Net Asset Value)		
before deferred taxes	6.4	3.4
after deferred taxes	6.0	3.0

SHARE PRICE

<i>CHF</i>		
High/ low	29/20	24.8/20
at September 30/ June 30	26.8	22.3

*Interest-bearing debt less cash and cash equivalent

Pelikan shares, Swiss security number 632875 (871771 Germany)

CONSOLIDATED INCOME STATEMENT

Pelikan Holding AG / Group (Based on Swiss GAAP FER, not audited)

<i>CHF m</i>	JAN – SEPT, 2004	1. HALF 2004
Net sales	152.0	102.2
Change in the level of finished goods and work in process	1.0	2.7
Other expenses capitalized	0.9	-
Other operating income	2.1	1.1
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	156.0	106.0
Materials purchased	(63.8)	(43.0)
Personnel expenses	(39.1)	(26.3)
Depreciation and amortization	(4.9)	(3.3)
Other operating expenses	(33.9)	(24.1)
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Result from operations	14.3	9.3
Result from unconsolidated companies	2.0	0.9
Financial result, net	(0.9)	(0.4)
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Result before non-operating items	15.4	9.8
Expenses for pensioners	(4.5)	(3.0)
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Result before taxation	10.9	6.8
Taxes	(1.9)	(1.2)
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Net result for the period	9.0	5.6
Profit due to minority interests	(0.8)	(0.6)
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Consolidated net result for the period	8.2	5.0

CONSOLIDATED BALANCE SHEET

Pelikan Holding AG / Group (Based on Swiss GAAP FER, not audited)

<i>CHF m</i>	SEPTEMBER 30, 2004	JUNE 30, 2004
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	13.2	12.4
Tangible assets	27.3	26.8
Financial assets	8.1	7.3
Deferred tax assets	2.3	2.2
Total non-current assets	50.9	48.7
CURRENT ASSETS		
Inventories	41.8	43.8
Prepayments	1.0	0.8
Accounts receivable from third parties and other assets	46.7	48.1
Accounts receivable from unconsolidated companies	0.6	0.3
Accounts receivable from parent company and its related companies	15.6	15.1
Cash and cash equivalents	15.5	11.3
Total current assets	121.2	119.4
TOTAL ASSETS	172.1	168.1
SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY	9.3	4.6
MINORITY INTERESTS	12.0	12.1
LIABILITIES		
Provisions		
Provisions for pensions and similar commitments	97.8	97.6
Provisions for deferred taxes	2.9	2.9
Other provisions	20.7	18.4
Total provisions	121.4	118.9
Short-term liabilities		
Bank liabilities	8.2	7.5
Accounts payable	12.9	15.6
Other liabilities	8.0	9.3
Deferred income	0.3	0.1
Total short-term liabilities	29.4	32.5
TOTAL LIABILITIES	150.8	151.4
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	172.1	168.1

CONSOLIDATED CASH FLOW STATEMENT

Pelikan Holding AG / Group (Based on Swiss GAAP FER, not audited)

<i>CHF m</i>	JAN – SEPT, 2004	1. HALF 2004
Operating cash flow (EBIDAT)	16.7	10.5
<u>Cash flow from operating activities</u>		
Net result for the period before minority interest	9.0	5.6
Adjustments for :		
Result from unconsolidated group companies	(2.0)	(0.9)
Depreciation	4.9	3.3
Deferred taxes	0.2	0.2
Cash flow before working capital changes	12.1	8.2
Decrease in pension provisions	(3.3)	(2.2)
Change in accounts receivables, other assets and prepayments	(7.4)	(9.2)
Change in inventories	(4.1)	(6.7)
Change in payables	0.1	3.0
Change in other liabilities and deferred income	0.6	2.0
Change in other provisions	2.6	0.5
	0.6	(4.4)
<u>Cash flow from investing activities</u>		
Investments in intangible assets	(0.9)	(0.2)
Investments in tangible assets	(3.5)	(2.0)
Disposals of tangible assets	0.3	0.2
Acquisition of subsidiary	(0.3)	(0.3)
	(4.4)	(2.3)
<u>Cash flow from financing activities</u>		
Repayments from parent company	3.8	3.8
Changes in bank liabilities	1.6	1.0
Dividend to minorities	(0.9)	(0.5)
	4.5	4.3
Effect of exchange rate changes and inflation adjustments	(0.4)	(1.5)
Net change in cash and cash equivalent	0.3	(3.9)
Cash and cash equivalent at 1 January	15.2	15.2
Cash and cash equivalent at 30 September/ 30 June	15.5	11.3

Outlook 2004

The recovery of the world economy maintained in the second half of 2004. Unfortunately, the ongoing recovery in Germany has not been as robust as expected by the Economic Research Institutes. The stagnant German consumer market led to lowered expectations for our sales in 2004 on the German market compared with prior year. The lowered expectations on the German market are expected to be set off by sales on other markets, i.e. sales of the subsidiary Pelikan Benelux, acquired in 2004. However, the Group result for full year 2004 will be influenced by the general weakness of the German consumer market as well as by the strengthening of the EURO against major currencies. Nevertheless, the Group has incurred higher research & development as well as promotional expenses as compared with 2003 in line with the Group's strategy for continuous product and market developments. In addition, in connection with the planned completion of the proposed acquisition of the Group by Diperdana Holdings Berhad, consultancy and related expenses were also incurred towards year end. Therefore, we have to expect a consolidated result for full year 2004 to be below that of 2003.

In relation to this 3rd quarter 2004's result, the business of the Pelikan Group is subject to seasonal fluctuations whereby highest sales are usually achieved in the months of July to September. Therefore, the full year result of the Group is expected to be lower than the result at the end of 3rd quarter 2004.

Zurich, March 2005