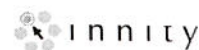


Innity Corporation Berhad

(Company No. 764555-D)
(Incorporated in Malaysia)



Quarterly report on results for the 4th Quarter ended 31 December 2011

CONDENSED CONSOLIDATED INCOME STATEMENT

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter For the period	Preceding year corresponding quarter	Current year For the period	Preceding year corresponding period
	1 October 2011 to 31 December 2011 RM'000	1 October 2010 to 31 December 2010 RM'000	1 Jan 2011 to 31 December 2011 RM'000	1 January 2010 to 31 December 2010 RM'000
Revenue	9,582	7,627	33,748	22,948
Direct costs	(5,391)	(4,752)	(20,531)	(14,298)
Gross profit	4,191	2,875	13,217	8,650
Other operating income	58	26	174	116
Operating expenses	(3,301)	(2,247)	(10,921)	(8,378)
Profit from operations	948	654	2,470	388
Finance cost	(8)	(6)	(37)	(33)
Profit before taxation	940	648	2,433	355
Tax expense	(87)	(67)	(145)	(87)
Profit for the period	853	581	2,288	268
Attributable to:				
Shareholders of the Company	918	541	2,370	201
Non Controlling Interest	(65)	40	(82)	67
Profit for the period	853	581	2,288	268
Basic earnings per share (sen)	0.73	0.43	1.88	0.16

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter For the period	Preceding year corresponding quarter	Current year For the period	Preceding year corresponding period
	1 October 2011 to 31 December 2011 RM'000	1 October 2010 to 31 December 2010 RM'000	1 Jan 2011 to 31 December 2011 RM'000	1 January 2010 to 31 December 2010 RM'000
Profit for the period	853	581	2,288	268
Other comprehensive income/(loss)				
Foreign currency translation differences for foreign operations	(21)	104	(6)	(67)
Other comprehensive income/(loss) for the period	(21)	104	(6)	(67)
Total comprehensive income for the period	832	685	2,282	201
Total comprehensive income/(loss) attributable to:				
Owners of the Company	894	638	2,371	148
Non Controlling Interest	(62)	47	(89)	53
Total comprehensive income for the period	832	685	2,282	201

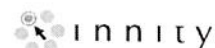
Notes:

The Condensed Consolidated Income Statement and Condensed Consolidated Statement of Comprehensive Income are prepared based on the consolidated results of Innity Corporation Berhad ("ICB") and its subsidiary companies ("Group") for the quarter ended 31 December 2011 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2010.

The accompanying notes are an integral part of this quarterly report.

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Quarterly report on results for the 4th Quarter ended 31 December 2011 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 31 December 2011 RM'000	Audited As at 31 December 2010 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,205	1,165
Development expenditure	2,615	2,642
	<u>3,820</u>	<u>3,807</u>
Current assets		
Trade receivables	15,930	9,669
Other receivables, deposit and prepayments	778	490
Tax Recoverable	21	-
Amount due from an associate	574	372
Fixed and short term deposits	3,935	4,805
Cash and cash equivalents	1,810	1,866
Deferred tax assets	11	-
	<u>23,059</u>	<u>17,202</u>
TOTAL ASSETS	<u><u>26,879</u></u>	<u><u>21,009</u></u>
EQUITY AND LIABILITIES		
Share capital		
Share capital	12,582	12,582
Reserves		
Reserves	(2,451)	(2,452)
Retained profits	6,399	4,085
Total equity attributable to owners of the Company	<u>16,530</u>	<u>14,215</u>
Non Controlling Interest		
Non Controlling Interest	(39)	118
Total equity	<u><u>16,491</u></u>	<u><u>14,333</u></u>
Non-current liabilities		
Long term borrowings	319	351
Retirement benefits obligation	37	15
	<u>356</u>	<u>366</u>
Current liabilities		
Trade payables	8,403	5,056
Amount due to an associate	-	14
Other payables and accruals	1,380	730
Short term borrowings	122	445
Tax payable	127	65
Total current liabilities	<u>10,032</u>	<u>6,310</u>
Total liabilities	<u>10,388</u>	<u>6,676</u>
TOTAL EQUITY AND LIABILITIES	<u><u>26,879</u></u>	<u><u>21,009</u></u>
Net assets per share attributable to owners of the Company (sen)	<u>13.14</u>	<u>11.30</u>

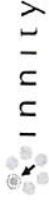
Notes:

The Condensed Consolidated Statement of Financial Position is prepared based on the consolidated results of the Group for the quarter ended 31 December 2011 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2010.

The accompanying notes are an integral part of this quarterly report.

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Quarterly report on results for the 4th Quarter ended 31 December 2011 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

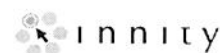
	Share Capital RM'000	Share Premium RM'000	Share period RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
Balance as at 1 January 2011	12,582	136	(2,512)	(76)	4,085	14,215	118	14,333
Foreign currency translation differences for foreign operations	-	-	-	1	-	1	(7)	(6)
Total other comprehensive income/(loss) for the period	-	-	-	1	-	1	(7)	(6)
Profit/(Loss) for the period	-	-	-	-	2,370	2,370	(82)	2,288
Comprehensive income/(Loss) for the period	-	-	-	1	2,370	2,371	(89)	2,282
Dilution arising from change in stake	-	-	-	-	(56)	(56)	(69)	(125)
Additional non-controlling interest arising on the acquisition of subsidiary	-	-	-	-	-	-	1	1
Balance as at 31 December 2011	12,582	136	(2,512)	(75)	6,399	16,530	(39)	16,491
Balance as at 1 January 2010	12,582	136	(2,512)	(23)	3,884	14,067	40	14,107
Foreign currency translation differences for foreign operations	-	-	-	(53)	-	(53)	(14)	(67)
Total other comprehensive (loss) for the period	-	-	-	(53)	-	(53)	(14)	(67)
Profit for the period	-	-	-	-	201	201	67	268
Comprehensive income/(Loss) for the period	-	-	-	(53)	201	148	53	201
Additional non-controlling interest arising on the acquisition of subsidiary	-	-	-	-	-	-	25	25
Balance as at 31 December 2010	12,582	136	(2,512)	(76)	4,085	14,215	118	14,333

The Condensed Consolidated Statement of Changes in Equity is prepared based on the consolidated results of the Group for the quarter ended 31 December 2011 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2010.

The accompanying notes are an integral part of this quarterly report.

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Quarterly report on results for the 4th Quarter ended 31 December 2011 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(The figures have not been audited)

	Current year For the period	Preceding year corresponding
	1 January 2011 to 31 December 2011 RM'000	1 January 2010 to 31 December 2010 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit before tax	2,433	355
Adjustments for :		
Amortisation of development expenditure	848	746
Depreciation of property, plant and equipment	194	169
Interest expense	37	33
Interest income from fixed and short term deposits	(122)	(111)
Provision for Doubtful debts	353	-
Retirement benefits	22	16
Operating profit before working capital changes	<u>3,765</u>	<u>1,208</u>
Increase in trade and other receivables	(6,901)	(4,156)
Increase in trade and other payables	4,015	2,132
Cash generated from/(used in) operations	<u>879</u>	<u>(816)</u>
Income tax (paid)/refunded	(95)	78
Net cash generated from/(used in) operating activities	<u>784</u>	<u>(738)</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Development expenditure paid	(822)	(992)
Increase in Fixed Deposits pledge	(30)	(60)
Interest received	122	111
Purchase of property, plant and equipment	(234)	(191)
Acquisition of subsidiaries	(122)	-
Advances to an associate	(257)	(124)
Net cash used in investing activities	<u>(1,343)</u>	<u>(1,256)</u>
CASH FLOWS USED IN FINANCING ACTIVITIES		
Interest paid	(37)	(33)
Proceeds of subscription of shares by minority shareholders of the subsidiaries	1	25
Repayment of term loans	(29)	(26)
Net cash used in financing activities	<u>(65)</u>	<u>(34)</u>
Exchange difference	(7)	(3)
Net decrease in cash and cash equivalents	<u>(631)</u>	<u>(2,031)</u>
Cash and cash equivalents at beginning of year	5,709	7,740
Cash and cash equivalents at end of year	<u>5,078</u>	<u>5,709</u>
	31 December 2011	31 December 2010
Cash and cash equivalents comprise:		
Cash and bank balances	1,810	1,866
Fixed and short term deposits	3,935	4,805
Less: Bank Overdraft	(92)	(417)
	<u>5,653</u>	<u>6,254</u>
Less: Fixed deposits pledged	(575)	(545)
	<u>5,078</u>	<u>5,709</u>

Notes:

The Condensed Consolidated Statement of Cash Flows is prepared based on the consolidated results of the Group for the quarter ended 31 December 2011 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2010.

The accompanying notes are an integral part of this quarterly report.

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Quarterly report on results for the 4th Quarter ended 31 December 2011

A NOTES TO INTERIM FINANCIAL REPORT

A1 Basis of preparation of Interim Financial Report

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard ("FRS") No. 134: Interim Financial Reporting, and paragraph 9.22 of Bursa Malaysia Securities Berhad's ("Bursa Securities") ACE Market Listing Requirements ("ACE LR").

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2010. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of Innity Corporation Berhad ("ICB") and its subsidiary companies ("Group") for the financial period ended 31 December 2011.

The accounting policies and methods of computation adopted by ICB and its subsidiary companies, Innity Sdn Bhd ("ISB"), Innity Limited ("Innity Ltd"), Innity Singapore Pte Ltd ("Innity Singapore"), Innity Vietnam Company Limited ("Innity Vietnam"), Spiral Vibe Sdn Bhd ("SVSB"), Advenue Digital Advertising Sdn Bhd ("ADASB"), PT. Media Innity ("PTM"), Innity Software and Advertising Company Limited ("ISACL"), DoMedia Asia Sdn Bhd ("DoMedia") and Innity China Co Ltd ("ICCL") in the preparation of this interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2010 except for the adoption of the following new/revised FRSs and amendments to certain FRSs effective on 1 January 2011:-

FRS1(Revised)	First-time Adoption of Financial Reporting Standards
FRS3(Revised)	Business Combinations
FRS 127(Revised)	Consolidated and Separate Financial Statements
Amendment to FRS 1	First-time Adoption of Financial Reporting Standards
Amendments to FRS 5	Non-current assets Held for Sale and Discontinued Operations
Amendments to FRS 138	Intangible assets
Amendments to FRS 7	Financial Instruments: Disclosure-Improving Disclosures about Financial Instruments
Improvements to FRSs (2010)	

These new/revised standards and amendments to published standards do not have any significant effects on the Interim financial report except for the following discussion.

FRS 127(Revised) Consolidated and Separate Financial Statements

The Revised FRS 127 require an entity attribute total comprehensive income to the parent of the owner and the non controlling interest even if this results in a deficit balance in the non controlling interest. No recoup of previous losses is allowed in non controlling interest.

A2 Auditor's report on preceding annual financial statements

There was no audit qualification on the financial statements of the Group for the financial year ended 31 December 2010.

A3 Seasonal or cyclical factors

In general, online advertising activities would pick up during second half of the calendar year especially towards year end.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter or financial year-to-date.

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Quarterly report on results for the 4th Quarter ended 31 December 2011

A5 Material changes in estimates

There were no changes in estimates that have a material effect in the current financial quarter or financial year-to-date results.

A6 Debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current financial quarter.

A7 Dividend paid

There were no dividends paid by the Company during the current financial quarter.

A8 Segment Information

The Company's core activities are principally for the provision of technology-based online advertising solutions and other internet related services. The segment information is presented in respect of the Group's geographical segments which are based on the Group's management and internal reporting structure.

The Group operates mainly in four geographical areas as follows:

- i) Malaysia;
- ii) Singapore;
- iii) Vietnam;
- iv) Indonesia; and
- v) Other non-reportable segment including subsidiary companies in Hong Kong.

Cumulative Quarter Ended 31/12/2011

(The figures have not been audited)

Geographical Segments	Malaysia	Singapore	Vietnam	Indonesia	Others	Inter-segment Eliminations	Group
Revenue	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	22,033	6,274	3,098	2,343	-	-	33,748
Inter-Segment Revenue	941	29	112	238	-	(1,320)	-
Total Revenue	22,974	6,303	3,210	2,581	-	(1,320)	33,748
Segment Results							
Results from operating activities	1,937	1,313	(637)	79	(222)	-	2,470
Finance costs	(37)	-	-	-	-	-	(37)
Profit/(Loss) before tax	1,900	1,313	(637)	79	(222)	-	2,433
Tax expenses	(8)	(125)	-	(12)	-	-	(145)
Profit/(Loss) for the period	1,892	1,188	(637)	67	(222)	-	2,288

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Quarterly report on results for the 4th Quarter ended 31 December 2011

A8 Segment Information (Cont'd)

Geographical segments	Malaysia	Singapore	Vietnam	Indonesia	Others	Inter-segment Eliminations	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Assets							
Segments assets	18,229	4,614	1,447	2,585	4	-	26,879
Liabilities							
Segment Liabilities	6,742	1,484	847	1,285	30	-	10,388

Cumulative Quarter Ended 31/12/2010 (The figures have not been audited)

Revenue							
Revenue from external customers	16,295	1,925	3,026	1,702	-	-	22,948
Inter-Segment Revenue	447	71	170	22	-	(710)	-
Total Revenue	16,742	1,996	3,196	1,724	-	(710)	22,948
Segment Results							
Results from operating activities	(516)	178	519	215	(8)	-	388
Finance costs	(33)	-	-	-	-	-	(33)
Profit/(Loss) before tax	(549)	178	519	215	(8)	-	355
Tax expenses	-	-	(55)	(32)	-	-	(87)
Profit/(Loss) for the period	(549)	178	464	183	(8)	-	268
Assets							
Segment assets	16,186	1,283	2,015	1,525	-	-	21,009
Liabilities							
Segment Liabilities	4,773	466	922	512	3	-	6,676

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Quarterly report on results for the 4th Quarter ended 31 December 2011

A9 Valuation of property, plant and equipment

There was no valuation of property, plant and equipment in the current quarter.

A10 Material events subsequent to the end of the quarter

There were no material events subsequent to the end of the current reporting period.

A11 Changes in the composition of the Group

- i) On 26 September 2011, Innity Sdn Bhd ("ISB"), a wholly owned-subsiary of ICB had incorporated an 80%-owned subsidiary in Hong Kong, namely Innity China Co Ltd ("ICCL") (Company Registration No.1667420). The issued and paid-up share capital of ICCL is HKD10,000 divided into 10,000 ordinary shares of HKD1.00 each. Currently, the 80% equity interest comprising 8,000 ordinary shares of HKD1.00 each in ICCL is held by ISB whilst the remaining 20%equity interest of ICCL is held by Mr Teoh Tham Kim.

The principal activity of ICCL is to provide online digital marketing solutions and other internet related services in China.

- ii) On 30 December 2011, Innity Sdn Bhd ("ISB") acquired remaining 5% equity interest in Innity Singapore Pte Ltd ("Innity Singapore"). With the acquisition, Innity Singapore becomes a wholly owned subsidiary of ICB.

Saved as disclosed above, there were no changes in the composition of the Group in the quarter under review.

A12 Contingent liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at reporting date.

A13 Capital Commitment

As at 31 December 2011, the Group has no material capital commitments in respect of property, plant and equipment.

A14 Significant related party transactions

The following were the significant related party transactions:-

	Cumulative Year to date	
	31 December 2011	31 December 2010
	RM	RM
Purchase of advertisement space	169,002	62,314
Purchase of online recruitment services	594	16,275
	<u>66,492</u>	<u>78,589</u>

The above transactions had been entered into in the ordinary course of business on normal commercial terms not materially different from those obtainable in transactions with unrelated parties.

Quarterly report on results for the 4th Quarter ended 31 December 2011

B DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS FOR THE ACE MARKET

B1 Review of performance

For the current quarter ended 31 December 2011, ICB Group recorded revenue of RM9.58 million and profit before tax ("PBT") at RM940,000 as compared to revenue of RM7.63 million and PBT at RM648,000 in preceding year corresponding quarter, an increase of approximately 26% and 45% respectively. This was attributed to higher revenue and PBT from Malaysia and Singapore segments.

For the twelve months period ended 31 December 2011, the Group recorded revenue of RM33.75 million and PBT of RM2.43 million as compared to RM22.95 million of revenue and PBT of RM355,000 respectively in the same period in year 2010. These represent approximately 47% increase in revenue and 585% increase in PBT. All segments had contributed higher revenue in year 2011 as compared to the corresponding period of the preceding year. The increase in PBT was contributed by both Malaysia and Singapore segments in tandem with the increase in revenue. Vietnam and Indonesia achieved higher revenue in year 2011 as compared to the corresponding period of the preceding year, however the PBT recorded was lower due to higher operating costs.

Malaysia segment revenue and PBT were 27% and 438% higher respectively than the corresponding quarter of preceding year. Introduction of the better product features and more aggressive sales strategies adopted in year 2011 were the major factors contributing towards higher revenue. The significant improvement in PBT was in tandem with the increase in revenue together with savings in staff costs and operating expenses.

The breakthrough in the Singapore segment in revenue was attributed to changes made in product portfolio which resulted in better acceptance in online advertising by the local market. This led to higher revenue by 244% as compared to the same period in preceding year. The increase in revenue has consequently led to PBT of RM545,000 in current quarter as compared to RM48,000 in corresponding quarter of the preceding year.

The Indonesia segment revenue and PBT for the current quarter were 13% and 14% respectively below the corresponding quarter of the preceding year. This was due to loss of high spending advertiser by our client in current quarter resulting in drop in revenue. Although higher margin was achieved in the current quarter, the decline in PBT was caused by high operating expenses.

Vietnam segment recorded lower revenue by 64% and loss before tax ("LBT") by 200%. The drop in revenue was due to changes made to the business model, including from switching agency model to media network model. This is in-line with ICB Regional direction which we expect will gain higher margin in the long term. Although higher margin was obtained, the high operating costs, mainly doubtful debt provision and increase in staff costs, has led to LBT.

Quarterly report on results for the 4th Quarter ended 31 December 2011

B DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS FOR THE ACE MARKET

B2 Variation of results against immediate preceding quarter

	Current quarter 31 December 2011 RM'000	Preceding quarter 30 September 2011 RM'000
Revenue	9,582	9,528
PBT	940	1,250

During the current quarter under review, the Group recorded revenue of RM9.58 million, representing 1% slight increase in revenue as compared to the immediate preceding quarter. The Group managed to maintain encouraging performance in these two quarters mainly due to more advertising spending from key advertisers in conjunction with trade agreements signed in year 2011.

The Group recorded PBT of RM0.94 million in the current quarter as compared to PBT of RM1.25 million in the immediate preceding quarter, the decline in PBT by 25% as compared to immediate preceding quarter was mainly due to higher staff costs incurred in Singapore and Malaysia segments and doubtful debts provision in Vietnam segment during the current quarter.

B3 Prospects for the financial year ending 31 December 2012

The local and regional advertising market is expected to be supported by several big events in 2012, including the general election, the Olympic Games and the UEFA Football Championship. However, given the headwinds in external market conditions especially the still unfolding eurozone sovereign debt crisis, consumer worries over inflation and softer consumer sentiment, advertisers may reduce spending in anticipation of a period of tepid market demand. Advertising by multinational companies that receive their marketing budgets and directives from a global head office may also be adversely impacted.

Generally, digital media continues to make headway in the advertising and marketing industry as an effective communication tool. As such the future outlook for the regional digital advertising market remains strong in spite of the uncertain global economy growth. Much of the potential anticipated growth will come from the continued acceptance of digital online advertising as a mainstream media as well as customers switching from traditional advertising mediums.

We will continue to invest in increasing our marketing efforts and drive brand awareness across the region with a particular focus on China and future oversea market. Further to our commitment to deliver top-notch results to our clients, we will be improving our services by consistently enhancing and developing innovative products with new technology to retain our position as a leader in the industry.

Barring unforeseen circumstances, the directors are cautiously optimistic that the performance of the Group for the financial year ending 31 December 2012 is expected to be satisfactory,

B4 Revenue or profit estimate

The Group did not previously announce or disclose any revenue or profit estimate, forecast, projection or internal targets for the financial period ended 31 December 2011.

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B5 Profit for the period

	Quarter ended		Year-to-date ended	
	31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Profit for the period is arrived at after (Crediting)/charging:				
Interest income	(35)	(27)	(122)	(111)
Other income				
-Foreign exchange gain	(33)	-	(40)	-
-Miscellaneous	10	1	(12)	(5)
Interest expense	8	6	37	33
Depreciation and amortization	276	244	1,043	915
Provision for doubtful debts	353	-	353	-
Foreign exchange loss	39	33	41	66

B6 Income tax expense

	Quarter ended		Year-to-date ended	
	31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Income tax	98	67	156	87
Deferred tax	(11)	-	(11)	-
	<u>87</u>	<u>67</u>	<u>145</u>	<u>87</u>

The effective tax rate is lower than the statutory tax rate mainly due to Malaysian subsidiary's MSC-Status, which allows it to be exempted from tax until year 2015 and with brought forward unutilized losses. However the non business income is chargeable to tax based on the current year income tax rate. A provision of taxation is provided in respect of foreign subsidiaries which has no tax exemption and has fully utilised the tax losses brought forward.

B7 Group's borrowings and debt securities

	As at 31 December 2011	As at 31 December 2010
Short term borrowings:-		
Secure		
Term Loans	30	28
Bank overdrafts	92	417
	<u>122</u>	<u>445</u>
Long term Borrowings		
Secured		
Term Loans	319	351

The Group does not have any foreign currency borrowings.

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B8 Material Litigation

As at 20 February 2012 (being the date not earlier than 7 days before the date of this announcement), neither the Company nor its subsidiary companies are engaged in any litigation or arbitration, either as plaintiff or defendant which has a material effect on the financial position of the Company or its subsidiary companies and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary companies.

B9 Dividends

There was no dividend declared for the current quarter or the financial year to date.

B10 Earnings per share

	Current Quarter 31 December 2011	Current Year to Date 31 December 2011
Profit after tax and non controlling interest (RM '000)	918	2,370
Number of ordinary shares in issue ('000)	125,821	125,821
Basic earnings per share (sen)	0.73	1.88

Diluted earnings per share is not computed as the Company does not have any convertible financial instruments as at 31 December 2011.

B11 Status of corporate proposals

There are no corporate proposals announced but not yet completed as at 20 February 2012 (being the date not early than 7 days before the date of this announcement).

B12 Realised and Unrealised Profits/Losses Disclosure

The retained profits as at 31 December 2011 and 31 December 2010 are analysed as follows:-

	As at 31 December 2011	As at 31 December 2010
Total retained profits of the Company and Subsidiaries		
-Realised	6,364,063	4,092,752
-Unrealised	-	(45,134)
	6,364,063	4,047,618
Total share of accumulated losses from an associate		
-Realised	(51,524)	(51,524)
-Unrealised	-	-
	6,312,539	3,996,094
Less: Consolidation adjustments	87,124	89,519
Total Group retained profits	6,399,663	4,085,613

Innity Corporation Berhad

(Company No. 764555-D)
(Incorporated in Malaysia)



Quarterly report on results for the 4th Quarter ended 31 December 2011

B13 Utilisation of proceeds

ICB raised gross proceeds of RM11.35 million from the rights issue and public issue during the initial public offering and has utilised approximately 73% of the proceeds as at 31 December 2011.

As announced on 13 November 2009, the Company had obtained Securities Commission's approval to revise the utilisation of proceeds raised during the initial public offering. The revised utilisation and actual utilisation as at 31 December 2011 are as follows:-

Purpose	Planned utilisation as stated in Prospectus	Revised Utilisation	Actual utilisation as at 31 December 2011	Balance Unutilised		Intended time frame for utilisation from listing date	Extended time frame for the balance unutilised
	(RM'000)			(RM'000)	(RM'000)		
Research and development expenditure	4,500	4,500	(3,512)	988	22.0	Within 24 months	30 June 2012
Set up cost of regional offices	1,500	1,500	(519)	981	65.4	Within 24 months	30 June 2012
Marketing expenditure	1,000	207	(207)	-	-	Within 18 months	-
Working capital	2,850	3,643	(2,548)	1,095	30.1	Within 24 months	30 June 2012
Defrayment of listing expenses	1,500	1,500	(1,500)	-	-	Within 6 months	-
Total	11,350	11,350	(8,286)	3,064	27.0		

B14 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with the Board of Directors' meeting held on 27 February 2012.

On Behalf of the Board

Phang Chee Leong
Executive Chairman

Date: 27 February 2012