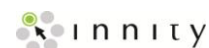


# Innity Corporation Berhad

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



## Quarterly report on results for the 2nd Quarter ended 30 June 2012 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 April 2012 to 30 June 2012 RM'000	1 April 2011 to 30 June 2011 RM'000	1 January 2012 to 30 June 2012 RM'000	1 January 2011 to 30 June 2011 RM'000
Revenue	11,984	8,134	20,185	14,638
Direct costs	(7,416)	(4,884)	(11,801)	(9,390)
Gross profit	4,568	3,250	8,384	5,248
Other operating income	35	33	85	62
Operating expenses	(3,457)	(2,557)	(7,143)	(5,048)
Profit from operations	1,146	726	1,326	262
Finance cost	(6)	(9)	(15)	(19)
Profit before taxation	1,140	717	1,311	243
Tax expense	(42)	(26)	(72)	(26)
Profit for the period	1,098	691	1,239	217
Attributable to:				
Shareholders of the Company	1,125	675	1,298	209
Non Controlling Interest	(27)	16	(59)	8
Profit for the period	1,098	691	1,239	217
Basic earnings per share (sen)	0.89	0.54	1.03	0.17

## 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 April 2012 to 30 June 2012 RM'000	1 April 2011 to 30 June 2011 RM'000	1 January 2012 to 30 June 2012 RM'000	1 January 2011 to 30 June 2011 RM'000
Profit for the period	1,098	691	1,239	217
Other comprehensive loss				
Foreign currency translation differences for foreign operations	108	31	21	(41)
Other comprehensive income for the period	108	31	21	(41)
Total comprehensive income for the period	1,206	722	1,260	176
Total comprehensive income/(loss) attributable to:				
Owners of the Company	1,228	711	1,327	185
Non Controlling Interest	(22)	11	(67)	(9)
Total comprehensive income for the period	1,206	722	1,260	176

### 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 30 June 2012 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2011.

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

# Innity Corporation Berhad

(Company No. 764555-D)

(Incorporated in Malaysia)



## Quarterly report on results for the 2nd Quarter ended 30 June 2012 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 30 June 2012 RM'000	Audited As at 31 December 2011 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,292	1,214
Development expenditure	2,655	2,615
	<u>3,947</u>	<u>3,829</u>
<b>Current assets</b>		
Trade receivables	17,839	15,906
Other receivables, deposit and prepayments	941	748
Tax Recoverable	26	21
Amount due from an associate	447	574
Amount due from an affiliated company	4	-
Fixed and short term deposits	2,400	3,976
Cash and cash equivalents	3,196	1,810
	<u>24,853</u>	<u>23,035</u>
<b>TOTAL ASSETS</b>	<u>28,800</u>	<u>26,864</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	12,582	12,582
Reserves	(2,418)	(2,447)
Retained profits	7,680	6,382
<b>Total equity attributable to owners of the Company</b>	<u>17,844</u>	<u>16,517</u>
<b>Non Controlling Interest</b>	<u>(108)</u>	<u>(41)</u>
<b>Total equity</b>	<u>17,736</u>	<u>16,476</u>
<b>Non-current liabilities</b>		
Long term borrowings	303	319
Retirement benefits obligation	36	37
	<u>339</u>	<u>356</u>
<b>Current liabilities</b>		
Trade payables	8,832	8,403
Other payables and accruals	1,425	1,380
Short term borrowings	419	122
Tax payable	49	127
<b>Total current liabilities</b>	<u>10,725</u>	<u>10,032</u>
<b>Total liabilities</b>	<u>11,064</u>	<u>10,388</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>28,800</u>	<u>26,864</u>
<b>Net assets per share attributable to owners of the Company (sen)</b>	<u>14.18</u>	<u>13.13</u>

Notes:

The Condensed Consolidated Statement of Financial Position is prepared based on the consolidated results of the Group for the quarter ended 30 June 2012 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2011.

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

# Innity Corporation Berhad

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



## Quarterly report on results for the 2nd Quarter ended 30 June 2012 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

	<----- Non-distributable ----->			Translation Reserve	Retained Earnings	Total	Non-controlling Interests	Total Equity
	Share Capital	Share Premium	period					
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Balance as at 1 January 2012</b>	12,582	136	(2,512)	(71)	6,382	16,517	(41)	16,476
Foreign currency translation differences for foreign operations	-	-	-	29	-	29	(8)	21
Total other comprehensive profit for the period	-	-	-	29	-	29	(8)	21
Profit for the period	-	-	-	-	1,298	1,298	(59)	1,239
Comprehensive income for the period	-	-	-	29	1,298	1,327	(67)	1,260
<b>Balance as at 30 June 2012</b>	<b>12,582</b>	<b>136</b>	<b>(2,512)</b>	<b>(42)</b>	<b>7,680</b>	<b>17,844</b>	<b>(108)</b>	<b>17,736</b>
<b>Balance as at 1 January 2011</b>	12,582	136	(2,512)	(76)	4,086	14,216	117	14,333
Foreign currency translation differences for foreign operations	-	-	-	(24)	-	(24)	(17)	(41)
Total other comprehensive loss for the period	-	-	-	(24)	-	(24)	(17)	(41)
Profit for the period	-	-	-	-	209	209	8	217
Comprehensive income for the period	-	-	-	(24)	209	185	(9)	176
<b>Balance as at 30 June 2011</b>	<b>12,582</b>	<b>136</b>	<b>(2,512)</b>	<b>(100)</b>	<b>4,295</b>	<b>14,401</b>	<b>108</b>	<b>14,509</b>

The Condensed Consolidated Statement of Changes in Equity is prepared based on the consolidated results of the Group for the quarter ended 30 June 2012 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2011.

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

# Innity Corporation Berhad

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



## Quarterly report on results for the 2nd Quarter ended 30 June 2012 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

*(The figures have not been audited)*

	Current year For the period	Preceding year corresponding
	1 January 2012 to 30 June 2012 RM'000	1 January 2011 to 30 June 2011 RM'000
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		
Profit before tax	1,311	243
Adjustments for :		
Amortisation of development expenditure	439	424
Depreciation of property, plant and equipment	101	87
Retirement benefit	(1)	-
Interest expense	15	19
Interest income from fixed and short term deposits	(44)	(52)
Loss on disposal of property, plant and equipment	2	-
Property, Plant and equipments write off	22	-
<b>Operating profit before working capital changes</b>	1,845	721
Increase in trade and other receivables	(2,259)	(2,190)
Increase in trade and other payables	597	1,778
<b>Cash generated from operations</b>	183	309
Income tax paid	(151)	(64)
<b>Net cash generated from operating activities</b>	32	245
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Development expenditure paid	(479)	(492)
Increase in Fixed Deposits pledge	(30)	(15)
Interest received	44	52
Purchase of property, plant and equipment	(204)	(141)
Sales proceeds from disposal of plant and equipment	2	-
Acquisition of subsidiaries	-	-
Advances to an associate	93	(192)
<b>Net cash used in investing activities</b>	(574)	(788)
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>		
Interest paid	(15)	(19)
Proceeds from issue of share	2	-
Repayment of term loans	(15)	(14)
Advance to associate	30	-
<b>Net cash used in financing activities</b>	2	(33)
Exchange difference	24	(41)
<b>Net decrease in cash and cash equivalents</b>	(516)	(617)
<b>Cash and cash equivalents at beginning of year</b>	5,078	5,709
<b>Cash and cash equivalents at end of year</b>	4,562	5,092
	<b>30 June 2012</b>	<b>30 June 2011</b>
<b><u>Cash and cash equivalents comprise:</u></b>		
Cash and bank balances	3,196	1,219
Fixed and short term deposits	2,400	4,860
Less: Bank Overdraft	(387)	(427)
	5,209	5,652
Less: Fixed deposits pledged	(647)	(560)
	4,562	5,092

Notes:

The Condensed Consolidated Statement of Cash Flows is prepared based on the consolidated results of the Group for the quarter ended 30 June 2012 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2011.

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