

Financial Result Announcement

Reference No JA-010504-49101



Submitting Merchant Bank :
 (if applicable)
 Submitting Secretarial Firm Name :
 (if applicable)
 * Company name : **JERNEH ASIA BERHAD**
 * Stock name : **JERNEH**
 * Stock code : **6394**
 * Contact person : **CHAN SWEE HONG**
 * Designation : **COMPANY SECRETARY**

* Financial Year End : **31-12-2001** 16

* Quarter : 1 Qtr 2 Qtr 3 Qtr 4 Qtr Other

Quarterly report on consolidated results for the financial period ended

* **31-03-2001** 16

* The figures have been audited have not been audited .

CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31-03-2001 <input checked="" type="checkbox"/> 16	31-03-2000 <input checked="" type="checkbox"/> 16	31-03-2001 <input checked="" type="checkbox"/> 16	31-03-2000 <input checked="" type="checkbox"/> 16
	[dd/mm/yyyy] RM'000	[dd/mm/yyyy] RM'000	[dd/mm/yyyy] RM'000	[dd/mm/yyyy] RM'000
1 (a) Turnover	67,661	73,822	67,661	73,822
(b) Investment income	592	10,251	592	10,251
(c) Other income including interest income	2,383	1,082	2,383	1,082
2 (a) Operating profit/(loss) before interest on borrowings, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	10,257	12,530	10,257	12,530
(b) Less interest on borrowings	247	234	247	234
(c) Less depreciation and amortisation	-300	-292	-300	-292
(d) Exceptional items	0	0	0	0
(e) Operating profit/(loss) after interest on borrowings, depreciation and amortisation and exceptional items but before income tax, minority interests and extraordinary	9,710	12,004	9,710	12,004

(f)	Share in the results of associated companies	96	123	96	123
(g)	Profit/(loss) before taxation, minority interests and extraordinary items	9,806	12,127	9,806	12,127
(h)	Taxation	-2,657	-3,282	-2,657	-3,282
(i)	Profit/(loss) after taxation before deducting minority interests	7,149	8,845	7,149	8,845
(ii)	Less minority interests	-987	-1,393	-987	-1,393
(i)	Profit/(loss) after taxation attributable to members of the company	6,162	7,452	6,162	7,452
(k)	Extraordinary items	0	0	0	0
(ii)	Less minority interests	0	0	0	0
(iii)	Extraordinary items attributable to members of the company	0	0	0	0
(l)	Profit/ (loss) after taxation and extraordinary items attributable to members of the company	6,162	7,452	6,162	7,452
3	(a) Earnings per share based on 2(j) above after deducting any provision for preference dividends, if any :				
(i)	Basic (based on ordinary shares - sen)	5.94	11.00	5.94	11.00
(ii)	Fully diluted (based on ordinary shares - sen)	5.86	11.00	5.86	11.00
4	(a) Dividend per share (sen)				
	(b) Dividend Description				

		AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
5)	Net tangible assets per share (RM)	1.8600	1.8000

Remark :

Please attach the full Financial Result Announcement here :

Kindly note that only attachment prepared using Microsoft Word and Microsoft Excel are to be attached.



JAR - 31 March 2001 ref



Jerneh Asia Berhad (363981-X)
(Incorporated in Malaysia)

**Quarterly Report On Consolidated Results
For The Financial Quarter Ended 31 March 2001**

(The figures have not been audited)

CONSOLIDATED INCOME STATEMENT	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 1st Quarter 31-Mar-2001 RM '000	Preceding Year 1st Quarter 31-Mar-2000 RM '000	Current Year To date 31-Mar-2001 RM '000	Preceding Year Corresponding Period 31-Mar-2000 RM '000
1 (a) Turnover	67,661	73,822	67,661	73,822
(b) Investment income	592	10,251	592	10,251
(c) Other income	2,383	1,082	2,383	1,082
2 (a) Operating profit/(loss) before interest on borrowings, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	10,257	12,530	10,257	12,530
(b) Interest on borrowings	(247)	(234)	(247)	(234)
(c) Depreciation and amortisation	(300)	(292)	(300)	(292)
(e) Operating profit/(loss) after interest on borrowings, depreciation and amortisation and exceptional items before income tax, minority interests and extraordinary items	9,710	12,004	9,710	12,004
(f) Share in the results of associated companies	96	123	96	123
(g) Profit/(loss) before taxation, minority interests and extraordinary items	9,806	12,127	9,806	12,127
(h) Taxation	(2,657)	(3,282)	(2,657)	(3,282)
(i) (i) Profit/(loss) after taxation before deducting minority interests	7,149	8,845	7,149	8,845
(ii) Less minority interests	(987)	(1,393)	(987)	(1,393)
(j) Profit/(loss) after taxation attributable to members of the company	6,162	7,452	6,162	7,452
(l) Profit/(loss) after taxation and extraordinary items attributable to members of the company	6,162	7,452	6,162	7,452
3 (a) Earnings per share based on 2(j) above after deducting any provision for preference dividends, if any:-				
(i) Basic (based on 103,777,000 ordinary shares) (sen)	5.94	11	5.94	11
(ii) Fully diluted (based on 105,134,000 ordinary shares) (sen)	5.86	11	5.86	11



Jerneh Asia Berhad (363984-X)
(Incorporated in Malaysia)

**Quarterly Report On Consolidated Results
For The Financial Quarter Ended 31 March 2001**

(The figures have not been audited)

CONSOLIDATED BALANCE SHEET		
	As At End of Current Quarter 31-Mar-2001 RM '000	As At Preceding Financial Year End 31-Dec-2000 RM '000
1 Fixed Assets	3,755	3,869
2 Investment in Associated Companies	19,483	19,469
3 Long Term Investments	94	94
4 Intangible Assets	-	-
	23,332	23,432
5 Current Assets		
Stocks	-	-
Trade Debtors	80,834	104,147
Short Term Investments	366,769	337,421
Cash	9,044	39,417
Others	20,534	32,781
	477,182	513,766
6 Current Liabilities		
Short Term Borrowings	20,000	20,000
Trade Creditors	171,611	216,134
Other Creditors	17,939	14,553
Provision for Taxation	(4,962)	-
Others	79,855	77,619
	284,443	328,306
7 Net Current Assets or Current Liabilities	192,739	185,460
	216,073	208,892
8 Shareholders' Funds		
Share capital	103,777	103,777
Reserves		
Share Premium	22,014	22,014
Revaluation Reserve	-	-
Retained Profit	69,858	63,697
Exchange Fluctuation Reserve	(2,563)	(2,596)
9 Minority Interests	22,951	21,964
10 Long Term Borrowings	-	-
11 Other Long Term Liabilities	36	36
	216,073	208,892
12 Net tangible assets per share (RM)	1.86	1.80

Notes**1. Accounting Policies**

The accounting policies adopted in this quarterly financial statement are the same as that used in the financial statement for the year ended 31 December 2000.

2. Exceptional Items

There were no exceptional items for the quarter ended 31 March 2001.

3. Extraordinary Items

There were no extraordinary items for the quarter ended 31 March 2001.

4. Taxation

The taxation figures do not contain any deferred tax and/or adjustments for under or over provisions in respect of prior years. The effective tax rate is as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year 1st Quarter 31-Mar-01 RM '000	Preceding Year 1st Quarter 31-Mar-00 RM '000	Current Year To date 31-Mar-01 RM '000	Preceding Year Corresponding Period 31-Mar-00 RM '000
Profit/(loss) before taxation, minority interests and extraordinary items	9,806	12,127	9,806	12,127
Taxation	2,657	3,282	2,657	3,282
Effective tax rate	27.1%	27.1%	27.1%	27.1%

5. Preacquisition Profits

There were no preacquisition profits for the current financial period ended 31 March 2001.

6. Investment Income and Profit on Sale of Investments and/or Properties

The investment income as disclosed under item 1 (b) of the Consolidated Income Statement is investment income arising mainly from fixed deposit interest and profit on sale of investments.

7. Quoted Securities

(a) The purchase and disposal of quoted securities by the Group (other than those subsidiary companies involved in the insurance business) for the period ended 31 March 2001 are as follows:-

	RM'000
Purchase of quoted securities	<u>2,317</u>
Sale of quoted securities	<u>1,767</u>
Profit/(Loss) arising therefrom	<u>144</u>

(b) As at 31 March 2001, the Group's investment in quoted shares (other than by those subsidiary companies involved in the insurance business) are as follows:-

	RM'000
At Cost	<u>6,022</u>
At Book Value	<u>5,804</u>
At Market Value	<u>5,674</u>

8. Changes in the Composition of the Company

There were no changes in the composition of the Company for the quarter ended 31 March 2001.

9. Status of Corporate Proposals

On 24 August 2000, the Company announced the proposed acquisition of 60% equity interest in each of KRM Reinsurance Brokers Phils Inc and Taishan Insurance Brokers Philippines Inc. At present, this exercise is pending the approval of the Philippines Insurance Commission and Philippines Securities and Exchange Commission.

10. Explanatory comments about the seasonality or cyclicity of operations.

The Group's operations are not seasonal or cyclical in nature.

11. Details of issuances and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year to date.

There were no issuances and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the quarter ended 31 March 2001.

12. Group Borrowings

The Group borrowings as at 31 March 2001 amounted to RM20.0 million, all of which were unsecured and short term in nature.

13. Commitments and Contingent Liabilities

In the normal course of business, the Group makes various commitments and incurs certain liabilities on behalf of customers. Details of the Group's commitments and contingent liabilities as at 4 May 2001 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) are as follows:-

	RM'000
<u>Capital Commitments</u>	
Approved and contracted for	<u>43,229</u>
<u>Other Commitments and Contingencies</u>	
Performance bonds	<u>2,256</u>

14. Off Balance Sheet Risk

The Group did not have any financial instruments with off balance sheet risk as at 4 May 2001, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

15. Material Litigation

There were no material litigation as at 4 May 2001, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

16. Segmental reporting**By Activity**

As at 31 March 2001

Underwriting and brokerage of general insurance business
Credit & leasing
Trading & marketable securities

Less: Group's share of associated companies' turnover

Turnover	Profit Before Taxation & MI	Assets employed
RM'000	RM'000	RM'000
67,189	9,102	452,099
965	703	39,488
42	1	8,927
<u>68,196</u>	<u>9,806</u>	<u>500,514</u>
(535)	-	-
<u>67,661</u>	<u>9,806</u>	<u>500,514</u>

By geographical location

As at 31 March 2001

Malaysia
Outside Malaysia (Hong Kong and the Philippines)

Less: Group's share of associated companies' turnover

Turnover	Profit Before Taxation & MI	Assets employed
RM'000	RM'000	RM'000
56,916	8,448	440,795
11,280	1,358	59,719
<u>68,196</u>	<u>9,806</u>	<u>500,514</u>
(535)	-	-
<u>67,661</u>	<u>9,806</u>	<u>500,514</u>

17. Explanatory comments on any material change in the profit before taxation for the quarter reported on as compared with the preceding quarter.

The Group registered a higher Profit Before Tax ("PBT") of RM9.8 million as compared to the previous quarter's Group PBT of RM6.8 million due to better underwriting results from the Company's subsidiary, Jerneh Insurance Bhd ("JIB").

18. Review of the performance of the company and its principal subsidiaries.

The Group PBT for this quarter ended 31 March 2001 was RM9.8 million as compared to RM12.1 million achieved in the same corresponding period in year 2000. The lower Group PBT for the first quarter of 2001 was derived at after JIB's deduction for diminution in value of its quoted investments of RM2.3 million (as a result of KLSE's drop of 32.16 points within the first quarter of 2001) in compliance with BNM's accounting requirements.

19. Prospects for the current financial year

Provided that the business environment does not deteriorate further and that there are no dramatic changes in the overall economy of the country, the Directors expect the Group PBT for the full year 2001 to be better than the previous years' PBT.

20. Explanatory notes for variance of JAB Group's actual profit from forecast profit

Not applicable.

21. Dividend

No interim dividends have been recommended.

Kuala Lumpur
11 May 2001

By Order of the Board
CHAN SWEE HONG
Company Secretary