



JOTECH HOLDINGS BERHAD
(Company No. 334818-P)

**QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR
THE FINANCIAL PERIOD ENDED 31 MARCH 2010**

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For the three months ended 31 March 2010 – unaudited

<i>In thousands of RM</i>	Three months ended		Period ended	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
Revenue	30,878	19,821	30,878	19,821
Cost of sales	(25,923)	(18,288)	(25,923)	(18,288)
Gross profit	4,955	1,533	4,955	1,533
Operating expenses	(3,187)	(2,235)	(3,187)	(2,235)
Other operating expense	(260)	-	(260)	-
Other operating income	229	433	229	433
Results from operating activities	1,737	(269)	1,737	(269)
Finance income	39	174	39	174
Finance costs	(330)	(744)	(330)	(744)
Profit/(Loss) from operations	1,446	(839)	1,446	(839)
Share of profit/(loss) of associates, net of tax	465	(201)	465	(201)
Profit / (Loss) before tax	1,911	(1,040)	1,911	(1,040)
Income tax expense	(347)	-	(347)	-
Profit / (Loss) for the period	1,564	(1,040)	1,564	(1,040)
Profit/(Loss) attributable to:				
Owners of the Company	1,539	(949)	1,539	(949)
Minority Interests	25	(91)	25	(91)
Profit/(Loss) for the period	1,564	(1,040)	1,564	(1,040)
Basic earnings per ordinary share (sen)	0.167	(0.103)	0.167	(0.103)
Diluted earnings per ordinary share (sen)	N/A	N/A	N/A	N/A

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2010 – unaudited (continued)

<i>In thousands of RM</i>	Three months ended		Period ended	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
Profit / (Loss) for the period	1,564	(1,040)	1,564	(1,040)
Foreign currency translation gain/(loss) for foreign operations	(1,190)	1,522	(1,190)	1,522
Other comprehensive income/(loss) for the period, net of tax	(1,190)	1,522	(1,190)	1,522
Total comprehensive income for the period	<u>374</u>	<u>482</u>	<u>374</u>	<u>482</u>
Total comprehensive income attributable to:				
Owners of the Company	654	193	654	193
Minority Interests	(280)	289	(280)	289
Total comprehensive income for the period	<u>374</u>	<u>482</u>	<u>374</u>	<u>482</u>

(The Condensed Unaudited Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009)

JOTECH HOLDINGS BERHAD
(Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2010 – unaudited

<i>In thousands of RM</i>	As at the end 31.3.2010	As at the end 31.12.2009 restated
Non-current assets		
Property, Plant And Equipment	55,220	57,832
Investment in associates	31,578	30,842
Intangible assets	1,939	1,939
Advance to associate	707	707
	89,444	91,320
Current Assets		
Inventories	11,501	10,633
Trade and other receivables	23,921	24,161
Tax recoverable	878	351
Other investments	1,932	1,520
Cash and cash equivalents	22,817	26,463
	61,049	63,128
TOTAL ASSETS	150,493	154,448
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	92,430	92,430
Reserves	10,604	9,950
Total Shareholders' Equity	103,034	102,380
Minority interests	6,085	6,365
Total Equity	109,119	108,745
Non-current liabilities		
Borrowings	18,093	19,653
Deferred tax liabilities	2,268	2,404
	20,361	22,057
Current Liabilities		
Trade and other payables	14,203	15,851
Short term borrowings	6,015	7,416
Provision for taxation	795	379
	21,013	23,646
Total liabilities	41,374	45,703
TOTAL EQUITY AND LIABILITIES	150,493	154,448
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.11	0.11

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report of the Group for the year ended 31 December 2009)

JOTECH HOLDINGS BERHAD
(Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the three months ended 31 March 2010 – unaudited

<i>In thousands of RM</i>	Period ended	
	31.3.2010	31.3.2009
Cash flows from operating activities		
Profit / (Loss) before tax	1,911	(1,040)
Adjustments for :		
Allowance for diminution in value of other investment	74	46
Unrealised loss on foreign exchange	187	-
Share of (profit)/loss of equity accounted associate	(465)	201
Gain on disposal of quoted investments	(75)	(278)
Gain on disposal of property, plant and equipment	(4)	-
Depreciation and amortisation	1,679	1,654
Finance costs	330	744
Finance income	(39)	(174)
Dividend income	(82)	(23)
Operating profit before working capital changes	<u>3,516</u>	<u>1,130</u>
Changes in working capital:		
Net change in current assets	(335)	(4,732)
Net change in current liabilities	(1,987)	(2,757)
Cash generated from operations	<u>1,194</u>	<u>(6,359)</u>
Taxes – (paid)/refunded	(218)	32
Net cash generated from operating activities	<u>976</u>	<u>(6,327)</u>
Cash flow from investing activities		
Acquisition of property, plant and equipment	(817)	(1,566)
Acquisition of other investments	(866)	(1,170)
Acquisition of associate	(271)	-
Acquisition of subsidiary	(170)	-
Proceeds from disposals of other investments	626	1,729
Dividends received	82	23
Interest received	39	174
Proceeds from disposal of property, plant and equipment	49	-
Net cash used in investing activities	<u>(1,328)</u>	<u>(810)</u>
Cash flow from financing activities		
Interest paid	(330)	(744)
Payment of hire purchase liabilities	(100)	(168)
Repayment of borrowings - net	(2,476)	(2,327)
Net cash used in financing activities	<u>(2,906)</u>	<u>(3,239)</u>
Net decrease in cash and cash equivalents	(3,258)	(10,376)
Effects of exchange rate fluctuations on cash held	(388)	(148)
Cash and cash equivalents at beginning of period	26,463	32,921
Cash and cash equivalents at end of period	<u>22,817</u>	<u>22,397</u>
Cash and cash equivalents at end of period comprise:		
Cash and bank balances	12,303	8,092
Deposits with licensed banks	10,514	14,305
	<u>22,817</u>	<u>22,397</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report of the Group for the year ended 31 December 2009)

JOTECH HOLDINGS BERHAD
(Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the three months ended 31 March 2010 – unaudited

<i>In thousands of RM</i>	← Attributable to owners of Company →					Minority Interest	Total
	Share Capital	Share Premium	Exchange Fluctuation Reserve	Retained Profit/(Loss)	Sub-total		
At 1 January 2010							
- as previously stated	92,430	2,284	243	7,145	102,102	6,365	108,467
- effect of adopting FRS 139	-	-	-	278	278		278
- as restated	92,430	2,284	243	7,423	102,380	6,365	108,745
Total comprehensive income for the period			(885)	1,539	654	(280)	374
At 31 March 2010	92,430	2,284	(642)	8,962	103,034	6,085	109,119
At 1 January 2009	92,430	2,284	301	(1,642)	93,373	6,068	99,441
Total comprehensive income for the period			1,142	(949)	193	289	482
At 31 March 2009	92,430	2,284	1,443	(2,591)	93,566	6,357	99,923

(The Condensed Unaudited Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report of the Group for the year ended 31 December 2009)

JOTECH HOLDINGS BERHAD
(Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in compliance with FRS 134, Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The quarterly financial report do not include all the information required for the full annual financial statements and should be read in conjunction with the annual audited financial statements of the Group for the year ended 31 December 2009.

A2 Changes in Accounting Policies

Save as disclosed below, the significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2009.

i) FRS 139, Financial Instruments: Recognition and Measurement

The adoption of FRS 139 has resulted in changes to accounting policies relating to recognition and measurement of financial instruments and the new accounting policies are as follows:

I. Initial recognition and measurement

A financial instrument is recognised in the financial statements when, and only when, the Group becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, as its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with the policy applicable to the nature of the host contract.

II. Financial instrument categories and subsequent measurement

The Group categorises financial instruments as follows:

Financial assets

a) *Financial assets at fair value through profit or loss*

Fair value through profit or loss category comprises financial assets that are held for trading, including derivatives (except for a derivative that is a designated and effective hedging instrument) or financial assets that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

JOTECH HOLDINGS BERHAD
(Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

NOTES TO THE INTERIM FINANCIAL REPORT (continued)

A2 Changes in Accounting Policies (continued)

i) FRS 139, Financial Instruments: Recognition and Measurement (continued)

II. Financial instrument categories and subsequent measurement (continued)

Financial assets (continued)

a) *Financial assets at fair value through profit or loss (continued)*

Other financial assets categorised as fair value through profit or loss is subsequently measured at their fair values with the gain or loss recognised in profit or loss.

b) *Held-to-maturity investments*

Held-to-maturity investments category comprises debt instruments that are quoted in an active market and the Group has the positive intention and the ability to hold to maturity.

Financial assets categorised as held-to-maturity investments are subsequently measured at amortised cost using the effective interest method.

c) *Loans and receivables*

Loans and receivables category comprises debt instruments that are not quoted in an active market, trade and other receivables and cash and cash equivalents.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

d) *Available-for-sale financial assets*

Available-for-sale category comprises investment in equity and debt securities instruments that are not held for trading.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. Other financial assets categorised as available-for-sale are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss. On derecognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss. Interest calculated for a debt instrument using the effective interest method is recognised in profit or loss.

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment.

JOTECH HOLDINGS BERHAD
(Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

NOTES TO THE INTERIM FINANCIAL REPORT (continued)

A2 Changes in Accounting Policies (continued)

i) FRS 139, Financial Instruments: Recognition and Measurement (continued)

II. Financial instrument categories and subsequent measurement (continued)

Financial Liabilities

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are held for trading, derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities that are specially designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

III. Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

- a) the recognition of an asset to be received and the liability to pay for it on the trade date, and
- b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

IV. Hedge accounting

Fair value hedge

A fair value hedge is a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment, or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect the profit or loss.

In a fair value hedge, the gain or loss from remeasuring the hedging instrument at fair value or the foreign currency component of its carrying amount translated at the exchange rate prevailing at the end of the reporting period is recognised in profit or loss. The gain or loss on the hedged item, except for hedge item is categorised as available-for-sale, attributable to the hedged risk is adjusted to the carrying amount of the hedged item and recognised in profit or loss. For a hedge item categorised as available-for-sale, the fair value gain or loss attributable to the hedge risk is recognised in profit or loss.

JOTECH HOLDINGS BERHAD
(Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

NOTES TO THE INTERIM FINANCIAL REPORT (continued)

A2 Changes in Accounting Policies (continued)

i) FRS 139, Financial Instruments: Recognition and Measurement (continued)

IV. Hedge accounting (continued)

Fair value hedge (continued)

Fair value hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated or exercised, the hedge is no longer highly effective or the hedge designation is revoked.

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and could affect profit or loss. In a cash flow hedge, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income and the ineffective portion is recognised in profit or loss.

Subsequently, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss in the same period or periods during which the hedged forecast cash flows affect profit or loss. If the hedge item is a non-financial asset or liability, the associated gain or loss recognised in other comprehensive income is removed from equity and included in the initial amount of the asset or liability. However, loss recognised in other comprehensive income that will not be recovered in one or more future periods is reclassified from equity into profit or loss.

Cash flow hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated or exercised, the hedge is no longer highly effective, the forecast transaction is no longer expected to occur or the hedge designation is revoked. If the hedge is for a forecast transaction, the cumulative gain or loss on the hedging instrument remains in other comprehensive income until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, any related cumulative gain or loss recognised in other comprehensive income on the hedging instrument is reclassified from equity into profit or loss.

Hedge of a net investment

A hedge of a net investment is a hedge in the interest of the net assets of a foreign operation. In a net investment hedge, the portion of gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income and the ineffective portion is recognised in profit or loss. The cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss on disposal of the foreign operation.

JOTECH HOLDINGS BERHAD
(Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

NOTES TO THE INTERIM FINANCIAL REPORT (continued)

A2 Changes in Accounting Policies (continued)

i) FRS 139, Financial Instruments: Recognition and Measurement (continued)

V. Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in the profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the profit or loss.

Investment in equity securities

Prior to the adoption of FRS 139, investments in non-current equity securities, other than investments in subsidiaries and associates were stated at cost less allowance for diminution in value which is other than temporary. With the adoption of FRS 139, quoted investments in non-current equity securities, other than investments in subsidiaries and associates are now categorised and measured as fair value through profit or loss, or as available-for-sale as detailed above.

Prior to the adoption of FRS 139, current investments were carried at the lower of cost and market value, determined on an aggregate portfolio basis by category of investments. With the adoption of FRS 139, current investments are now categorised and measured as fair value through profit and loss as detailed above.

Derivatives

Prior to the adoption of FRS 139, derivative contracts were recognised in the financial statements on settlement date. With the adoption of FRS 139, derivative contracts are now categorised as fair value through profit or loss and measured at their fair values with the gain or loss recognised in the profit or loss other than derivatives designated as hedging instrument which are accounted for in accordance with the hedge accounting requirements as described in the hedge accounting policy as detailed above.

JOTECH HOLDINGS BERHAD
(Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

NOTES TO THE INTERIM FINANCIAL REPORT (continued)

A2 Changes in Accounting Policies (continued)

ii) FRS 139, Financial Instruments: Recognition and Measurement (continued)

V. Derecognition (continued)

Impairment of trade and other receivables

Prior to the adoption of FRS 139, an allowance for doubtful debts was made when a receivable is considered irrecoverable by the management. With the adoption of FRS 139, an impairment loss is recognised for trade and other receivables and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate.

Changes on adoption

These changes in accounting policies have been made in accordance with the transitional provisions of FRS 139. In accordance with the transitional provisions of FRS 139 for the first time adoption, adjustments arising from remeasuring the financial instruments at the beginning of the financial period were recognised as adjustment of the opening balance of retained earnings or another appropriate reserve. Comparatives are not adjusted.

Consequently, the adoption of FRS 139 does not affect the basic and diluted earnings per ordinary share for prior periods. It is not practicable to estimate the impact arising from the adoption of FRS 139 to the current period's basic and diluted earnings per ordinary share.

The application of the above new policies has the following effect:

	Retained Earnings RM'000
At 1 January 2010, as previously stated	7,145
Effect of adopting of FRS 139 by associate	278
At 1 January 2010, as restated	<u>7,423</u>

iii) FRS 140, Investment Property

Before 1 January 2010, an investment property under construction was classified as property, plant and equipment and measured at cost. Such property is stated at cost until construction or development was completed, at which time it would be reclassified at its prevailing carrying value as investment property.

With the amendment made to FRS 140 with effect from 1 January 2010, investment property under construction is classified as investment property.

Hence, the adoption of FRS 140 does not affect the basic and diluted earnings per ordinary share for the current and prior periods.

JOTECH HOLDINGS BERHAD
(Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

NOTES TO THE INTERIM FINANCIAL REPORT (continued)

A2 Changes in Accounting Policies (continued)

iv) FRS 8, Operating Segments

As of 1 January 2010, the Group determines and presents operating segments based on the information that internally is provided to the Board of Directors. This change in accounting policy is due to the adoption of FRS 8. Previously operating segments were determined and presented in accordance with FRS 114²⁰⁰⁴, *Segment Reporting*.

Since the change in accounting policy only impacts presentation and disclosure aspects, there is no impact on earnings per ordinary share.

v) FRS 117, Leases

The amendments clarify the classification of lease of land and require entities with existing leases of land and buildings to reassess the classification of land as finance or operating lease. Leasehold land which in substance is a finance lease will be reclassified to property, plant and equipment. The adoption of these amendments will result in a change in accounting policy which will be applied retrospectively in accordance with the transitional provisions.

The reclassification does not affect the basic and diluted earnings per ordinary share for the current and prior periods.

The following comparative figures have been restated following the adoption of the amendment to FRS 117:

	As at 31 December 2009	
	As restated	As previously stated
	RM'000	RM'000
Property, plant and equipment	57,832	53,860
Prepaid lease payments	-	3,972
	<hr/>	<hr/>

vi) FRS 101 (revised), Presentation of Financial Statements

The Group applies revised FRS 101 (revised) which became effective as of 1 January 2010. As a result, the Group presents all non-owner changes in equity in the consolidated statement of comprehensive income.

Comparative information has been re-presented so that it is in conformity with the revised standard. Since the change only affects presentation aspects, there is no impact on earnings per ordinary share.

The Group has not applied the following accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group:

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 March 2010

- Amendments to FRS 132, *Financial Instruments: Presentation – Classification of Rights Issues*

JOTECH HOLDINGS BERHAD
(Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

NOTES TO THE INTERIM FINANCIAL REPORT (continued)

A2 Changes in Accounting Policies (continued)

i) FRS 101 (revised), Presentation of Financial Statements (continued)

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2010

- FRS 1, *First-time Adoption of Financial Reporting Standards* (revised)
- FRS 3, *Business Combinations* (revised)
- FRS 127, *Consolidated and Separate Financial Statements* (revised)
- Amendments to FRS 2, *Share-based Payment*
- Amendments to FRS 5, *Non-current Assets Held for Sale and Discontinued Operations*
- Amendments to FRS 138, *Intangible Assets*
- IC Interpretation 12, *Service Concession Agreements*
- IC Interpretation 15, *Agreements for the Construction of Real Estate*
- IC Interpretation 16, *Hedges of a Net Investment in a Foreign Operation*
- IC Interpretation 17, *Distribution of Non-cash Assets to Owners*
- Amendments to IC Interpretation 9, *Reassessment of Embedded Derivatives*

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2011

- Amendments to FRS 1, *First-time Adoption of Financial Reporting Standards - Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters*
- Amendments to FRS 7, *Financial Instruments: Disclosures - Improving Disclosures about Financial Instruments*

The Group plans to apply the abovementioned standards, amendments and interpretations from the annual period beginning 1 January 2011 for those standards, amendments or interpretations that will be effective for annual periods beginning on or after 1 March 2010, 1 July 2010 and 1 January 2011 except for FRS 1, Amendments to FRS 2, IC Interpretation 12 and IC Interpretation 15 which are not applicable to the Group.

The initial application of a standard, an amendment or an interpretation, which will be applied prospectively, is not expected to have any financial impact to the current and prior periods' financial statements upon their first adoption.

JOTECH HOLDINGS BERHAD
(Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

NOTES TO THE INTERIM FINANCIAL REPORT (continued)

A3. Qualified audit report

The preceding financial statements for the year ended 31 December 2009 were reported on without any qualification.

A4. Seasonal or cyclical factors

There were no material seasonal or cyclical factors affecting the performance of the Group for the period ended 31 March 2010.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flow

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

A6. Material changes in estimates

There were no material changes in estimates in the prior financial year which have a material effect in the period ended 31 March 2010.

A7. Debt and equity securities

There were no issuances, cancellations, repurchases and resale of the Company's debt or equity securities for the period ended 31 March 2010.

A8. Dividend paid

Since the end of the previous financial year, no dividend was paid by the Company.

JOTECH HOLDINGS BERHAD
(Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

NOTES TO THE INTERIM FINANCIAL REPORT (continued)

A9. Segmental information

Segmental information is presented in respect of the Group's business segments. Inter-segment pricing is determined base on a negotiated basis.

(In thousands of RM)	Investment Holding	Precision Stamping	Eliminations	Consolidated
External revenue	82	30,796	-	30,878
Inter segment revenue	355	491	(846)	-
Total revenue	<u>437</u>	<u>31,287</u>	<u>(846)</u>	<u>30,878</u>
Segment results				1,737
Finance costs				(330)
Finance income				39
Share of net profit of associate				465
Profit before tax				<u>1,911</u>
Income tax expense				(347)
Profit for the period				<u>1,564</u>
Other comprehensive income for the period				(1,190)
Total comprehensive income for the period				<u>374</u>
Minority interest				280
Total comprehensive income attributable to owners of the Company				<u><u>654</u></u>

A10. Valuation of property, plant and equipment

The Group accounts its property, plant and equipment at cost less accumulated depreciation and does not adopt a policy to revalue its property, plant and equipment.

A11. Material events subsequent to the end of the interim period

There have been no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the current period.

A12. Changes in composition of the Group

The Company announced on 5 February 2010 that Jotech Metal Fabrication Industries Sdn Bhd, a wholly-owned subsidiary of the Company has acquired 50,000 ordinary shares of Yee Heng Precision Stamping Sdn Bhd ("YH") representing the entire issued and paid-up share capital of YH. YH is now a wholly-owned sub-subsidiary of the Company.

A13. Contingent liabilities/Contingent assets

There were no contingent liabilities/assets since the last annual balance sheet date.

A14. Capital commitment

There was no material capital commitment as at 31 March 2010.

JOTECH HOLDINGS BERHAD

(Company No. 334818-P)

QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENT

B1. Review of performance

The Group registered revenue of RM30.9 million for the current quarter, representing an increase of about 56% or RM11.1 million compared to RM19.8 million achieved in the corresponding quarter last year.

The Group reported a turnaround from a net loss of RM1.0 million in the corresponding quarter last year to a net profit of RM1.6 million for the current quarter. The strong performance in the current quarter was contributed mainly by the precision stamping operations in Indonesia, which posted improvements in revenue and profit buoyed by continuous recovery in business. The investment in associate, AIC Corporation Berhad also contributed RM0.5 million share of net profit to the Group compared to RM0.2 million share of net loss in the corresponding quarter last year.

B2. Comparison with preceding quarter's results

The Group's current quarter revenue of RM30.9 million was RM2.3 million lower than the preceding quarter's revenue of RM33.1 million. This was attributable to the cyclical nature of precision stamping business which is generally slower in the first quarter of the year.

In line with the lower revenue secured and lower contribution from the share of net profit of associate of about RM0.5 million, the Group registered RM1.6 million net profit in the current quarter. The Group posted RM7.3 million net profit in the preceding quarter which was contributed from RM4.1 million reversal of impairment on investment in associated company.

B3. Prospects

The Group's first quarter performance had shown good improvement compared to the corresponding quarter last year. This is in line with the recovery in economy of the regional markets where the Group has presence. The Group's regional business together with the associated companies' business in semiconductor and resources industry will spearhead the growth of the Group for remaining period of financial year 2010.

B4. Variance of actual profit from forecast profit / shortfall in profit guarantee

Not applicable as no profit forecast was published.

B5. Taxation

The taxation for the current quarter and year-to-date are as follows:-

	Current quarter / Year-to-date 31.3.2010 RM'000
Current tax expense	
Malaysia	29
Overseas	318
	<hr/>
	347
	<hr/>

The effective tax rate of the Group for the current quarter is lower than the statutory rate due mainly to utilisation of reinvestment allowance.

JOTECH HOLDINGS BERHAD
 (Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENT (continued)

B6. Sale of unquoted investments or properties

There were no sales of unquoted investments or properties in the current quarter and financial year-to-date.

B7. Purchase and disposal of quoted investments

(a) Total purchases of quoted investments for the current quarter and financial year-to date were as follows:

	Current quarter 31.3.2010 RM'000	Financial year- to-date 31.3.2010 RM'000
Purchase of quoted shares	866	866

(b) Total disposals of quoted investments for the current quarter and financial year-to-date were as follows:

	Current quarter 31.3.2010 RM'000	Financial year- to-date 31.3.2010 RM'000
Sales proceeds of quoted shares	625	625
Cost of quoted shares	(550)	(550)
Gain on disposal of quoted shares	75	75

(c) Total investment in quoted shares as at 31 March 2010:

	Cost RM `000	Book Value RM `000	Market Value RM `000
Total quoted shares	2,405	1,932	1,932

JOTECH HOLDINGS BERHAD
 (Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENT (continued)

B8. Corporate proposals

The Company announced on 5 February 2010 that Jotech Metal Fabrication Industries Sdn Bhd, a wholly-owned subsidiary of the Company has acquired 50,000 ordinary shares of Yee Heng Precision Stamping Sdn Bhd (“YH”) representing the entire issued and paid-up share capital of YH for a total cash consideration of RM170,000 (“the Acquisition”).

None of the directors, major shareholders or person connected with them, have any interest, direct or indirect in the Acquisition.

There were no outstanding corporate proposals announced but not yet completed within 7 days from the date of issue of this report.

B9. Group borrowings

The Group borrowings as at 31 March 2010 were as follows:-

	RM'000
Secured	24,108
Unsecured	-
Total Group Borrowings	24,108

	RM'000
Short Term	6,015
Long Term	18,093
Total Group Borrowings	24,108

The total borrowings denominated in foreign and local currency as at 31 March 2010 were as follows:-

	RM'000
Foreign Currency:	
- USD340,000 @ RM3.2625/USD1	1,109
- RMB12,536,250 @ RM0.4779/RMB1	5,991
- IDR258,531,844 @ RM0.0359/IDR100	93
Local Currency	16,915
Total Group Borrowings	24,108

JOTECH HOLDINGS BERHAD
 (Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENT (continued)

B10. Financial Instruments

a) Derivatives

The Group has entered into some forward foreign exchange currencies contracts to hedge its exposure to fluctuations in foreign currency arising from sales. The details of the open foreign exchange forward contracts are as follows:-

	Amount in original currency	Average contract rate	Contract Value	Rate as at 31 Mar 2010	Unrealised gain
	USD'000		RM'000		RM'000
Less than 1 year	400	3.423	1,369	3.2625	64

The derivatives have been recorded on the Consolidated Statement of Financial Position for this reporting period in compliance with FRS 139.

The above instruments are executed with credit worthy financial institutions in Malaysia and as such credit and counterparties risks are minimal. There are no transaction costs at the inception of these contracts. The Group is exposed to minimal cash flow risk in view of its healthy cash position.

b) Gains/(losses) arising from fair value changes in financial liabilities

There was no gain/(loss) arising from fair value changes in financial liabilities in this reporting period.

B11. Material litigation

There is no material litigation against the Group as at the date of this report.

JOTECH HOLDINGS BERHAD
 (Company No. 334818-P)
QUARTERLY UNAUDITED REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENT (continued)

B12. Earnings per share

	Current Year Quarter 31.3.2010 RM'000	Preceding Year Quarter 31.3.2009 RM'000	Current Year To Date 31.3.2010 RM'000	Preceding Year To Date 31.3.2009 RM'000
Profit attributable to equity holders of the parent				
From continuing operations	1,539	(949)	1,539	(949)
a) Basic				
Weighted average number of ordinary shares @ 10 sen ('000)	924,300	924,300	924,300	924,300
b) Diluted				
Weighted average number of ordinary shares @ 10 sen ('000)	924,300	924,300	924,300	924,300
Basic earnings per share (sen)				
From continuing operations	0.167	(0.103)	0.167	(0.103)
Diluted earnings				
From continuing operations	N/A*	N/A*	N/A*	N/A*

* The diluted earnings per share were not presented as the effect of the assumed conversion of warrants outstanding would be anti-dilutive.