



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Second Quarter Ended 30 June 2009

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding Period
		30 June 2009 RM'000	30 June 2008 RM'000	30 June 2009 RM'000	30 June 2008 RM'000
Revenue		21,430	13,871	37,222	31,096
Cost of sales		(15,799)	(9,656)	(26,940)	(21,881)
Gross profit		5,631	4,215	10,282	9,215
Other income		4	48	17	128
Selling and distribution expenses		(703)	(695)	(1,343)	(1,321)
Administrative expenses		(1,501)	(818)	(3,087)	(1,637)
Other expenses		(595)	(419)	(843)	(2,022)
Finance costs		(169)	(51)	(336)	(78)
Profit before taxation		2,667	2,280	4,690	4,285
Income tax expense	B5	(532)	(341)	(871)	(627)
Profit after taxation		2,135	1,939	3,819	3,658
Attributable to: Equity holders of the Company		2,135	1,939	3,819	3,658
Earnings per share (sen):					
Basic	B12	0.35	0.32	0.63	0.61
Diluted	B12	N/A	N/A	N/A	N/A

Note:

The unaudited condensed consolidated income statement should be read in conjunction with the Notes to the Interim Financial Report and the Group's audited financial statements for the financial year ended 31 December 2008.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED BALANCE SHEET

For The Second Quarter Ended 30 June 2009

(The figures have not been audited)

	Current year quarter 30 June 2009 RM'000	Audited 31 Dec 2008 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	69,192	64,663
Prepaid land lease payments	2,109	2,097
Investment property	112	113
Other investment	50	50
	<u>71,463</u>	<u>66,923</u>
CURRENT ASSETS		
Inventories	19,889	25,744
Trade receivables	7,565	10,756
Other receivables, prepayments and deposits	1,076	2,236
Tax recoverable	222	508
Short term investment	7,630	-
Fixed deposits with a licensed bank	2,010	261
Cash and bank balances	4,808	3,389
	<u>43,200</u>	<u>42,894</u>
TOTAL ASSETS	<u>114,663</u>	<u>109,817</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	60,406	60,406
Treasury shares	(7)	-
Share premium	60	60
Revaluation reserve	1,304	1,304
Foreign exchange reserve	2,324	1,929
Share option reserve	410	410
Retained profits	21,284	19,277
TOTAL EQUITY	<u>85,781</u>	<u>83,386</u>
NON-CURRENT LIABILITIES		
Hire purchase payables	2,372	1,998
Deferred tax liabilities	4,240	4,040
	<u>6,612</u>	<u>6,038</u>
CURRENT LIABILITIES		
Trade payables	7,198	5,428
Other payables and accruals	2,038	2,289
Derivative financial instruments	-	1,312
Amount due to directors	2	96
Hire purchase payables	2,028	1,389
Term Loan	-	79
Revolving credit	10,800	9,800
Provision for taxation	204	-
	<u>22,270</u>	<u>20,393</u>
TOTAL LIABILITIES	<u>28,882</u>	<u>26,431</u>
TOTAL EQUITY AND LIABILITIES	<u>114,663</u>	<u>109,817</u>
Net assets per ordinary share (RM)	<u>0.14</u>	<u>0.14</u>

Note:

Net assets per share as at 30 June 2009 is arrived at based on the Group's Net Assets of RM85.78 million over the number of ordinary shares in issue (excluding treasury shares) of 604,006,600 shares of RM0.10 each. Net Assets per share as at 31 December 2008 was arrived at based on the Group's Net Assets of RM83.39 million over the number of ordinary shares in issue of 604,056,600 shares of RM0.10 each.

The unaudited condensed consolidated balance sheet should be read in conjunction with the Notes to the Interim Financial Report and the Group's audited financial statements for the financial year ended 31 December 2008.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Second Quarter Ended 30 June 2009

(The figures have not been audited)

	Non-distributable			Distributable			
	Treasury shares	Share premium	Revaluation reserve	Foreign exchange reserve	Share option reserve	Retained profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
12 months ended 31 December 2008 (audited)							
At 1 January 2008	-	59	1,277	(484)	264	16,167	77,687
Transfer from deferred taxation	-	-	27	-	-	-	27
Exchange translation differences	-	-	-	2,414	-	-	2,414
Foreign exchange reserve realised from deconsolidation of a subsidiary	-	-	-	(1)	-	-	(1)
Net income recognised directly in equity	-	-	27	2,413	-	-	2,440
Profit after taxation	-	-	-	-	-	6,130	6,130
Total income recognised for the year	-	-	27	2,413	-	6,130	8,570
ESOS exercised	2	1	-	-	-	-	3
Share Options forfeited under ESOS	-	-	-	-	(11)	-	(11)
Share Options granted under ESOS	-	-	-	-	157	-	157
Dividends	-	-	-	-	-	(3,020)	(3,020)
At 31 December 2008	60,406	60	1,304	1,929	410	19,277	83,386
6 months ended 30 June 2009							
At 1 January 2009 (audited)	60,406	60	1,304	1,929	410	19,277	83,386
Share buy back	-	-	-	-	-	-	(7)
Exchange translation differences	-	-	-	395	-	-	395
Net (expense)/ income recognised directly in equity	-	(7)	-	395	-	-	388
Profit after taxation / Total income recognised for the period	-	-	-	-	-	3,819	3,819
Dividends	-	-	-	-	-	(1,812)	(1,812)
At 30 June 2009	60,406	(7)	1,304	2,324	410	21,284	85,781

Note:

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the Notes to the Interim Financial Report and the Group's audited financial statements for the financial year ended 31 December 2008.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

For The Second Quarter Ended 30 June 2009

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding Period
Note	30 June 2009 RM'000	30 June 2008 RM'000	30 June 2009 RM'000	30 June 2008 RM'000
CASHFLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	2,667	2,280	4,690	4,285
Adjustments for:				
Depreciation	1,771	1,473	3,408	2,869
Interest expense	169	53	336	78
Interest income	(26)	(97)	(35)	(128)
Unrealised loss/(gain) on foreign exchange	80	-	(18)	-
Others	13	14	24	28
Operating profit before working capital changes	4,674	3,723	8,405	7,132
Inventories	2,673	(5,329)	5,954	(3,015)
Receivables	(295)	225	4,386	(4,095)
Payables	1,634	2,440	1,539	1,714
Derivative financial instruments	(219)	-	(1,312)	-
Cash generated from operations	8,467	1,059	18,972	1,736
Interest paid	(169)	(53)	(336)	(78)
Tax refund	34	-	119	-
Tax paid	(180)	(419)	(300)	(627)
Net cash generated from operating activities	8,152	587	18,455	1,031
CASHFLOWS FOR INVESTING ACTIVITIES				
Interest received	26	97	35	128
Purchase of property, plant and equipment	(483)	(828)	(5,812)	(1,046)
Net cash used in investing activities	(457)	(731)	(5,777)	(918)
CASHFLOWS FOR FINANCING ACTIVITIES				
Proceeds from issuance of shares	-	2	-	2
Share buy back	(7)	-	(7)	-
Repayment of term loan	-	(287)	(79)	(569)
Repayment of hire purchase	(489)	(65)	(879)	(130)
Repayment to director	-	-	(94)	-
Drawdown of revolving credit	-	-	1,000	-
Dividend paid	(1,812)	(3,020)	(1,812)	(3,020)
Net cash used in financing activities	(2,308)	(3,370)	(1,871)	(3,717)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	5,387	(3,514)	10,807	(3,604)
EFFECTS OF CHANGES IN FOREIGN EXCHANGE	(163)	(41)	(9)	213
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER	9,224	12,594	3,650	12,430
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	A15 14,448	9,039	14,448	9,039

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 30 June 2009 and is to be read in conjunction with the Notes to the Interim Financial Report and the Group's audited financial statements for the financial year ended 31 December 2008.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Second Quarter Ended 30 June 2009

A NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements outlined in the Financial Reporting Standards ("FRS") No. 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2008. These 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 the Group since the financial year ended 31 December 2008.

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the 2008 annual financial statements.

The Group has not adopted the following FRSs, IC Interpretations and amendments that have been issued as at the date of authorisation of these interim financial statements:

- (i) FRS issued and effective for financial periods beginning on or after 1 January 2010 :

FRS 123 Borrowing Costs

The possible impacts of FRS 123 on the financial statements upon its initial application are not disclosed as the existing accounting policies of the Group are consistent with the requirements under this new standard.

- (ii) Amendments issued and effective for financial periods on or after 1 January 2010:

- (a) Amendments to FRS1 and FRS 127 - First-time Adoption of Financial Reporting Standards and Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
(b) Amendments to FRS 2 - Vesting Conditions and Cancellations

The above amendments are not relevant to the Group's operations.

A2 Audit report of preceding annual financial statements

The preceding year annual audited financial statements for the financial year ended 31 December 2008 were not subjected to any audit qualification.

A3 Seasonal or cyclical factors

The Group's operations are not materially affected by seasonal or cyclical changes during the current quarter under review.

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 for the current quarter under review.

A5 Material changes in estimates

There were no changes in estimates of amounts reported in prior interim period or financial year which have a material effect in the current quarter under review.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 June 2009**

A NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)

A6 Debt and equity securities

The shareholders of the Company, by way of a special resolution passed in the Annual General Meeting held on 20 May 2009, approved the Company's plan to purchase its own ordinary shares.

During the current quarter under review, the Company purchased 50,000 of its issued share capital from the open market. The average price paid for the shares purchased was RM0.14 per share which was financed by internally generated funds. The shares purchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.

Except for the above, there were no other issuance, cancellation, repurchases, resales and repayments of debts and equity securities during the period under review.

A7 Dividend paid

On 10 April 2009, the Company declared an interim tax-exempt dividend of 3% or 0.3 sen per ordinary share of RM0.10 in respect of the financial year ended 31 December 2008. The said dividend amounting to RM1,812,144 was paid on 8 May 2009.

A8 Segmental information

Current quarter 30 June 2009

	Manufacturing RM'000	Investment RM'000	Elimination RM'000	Group RM'000	
Revenue					
Revenue from external customers	21,406	-	-	21,406	
Interest income	-	24	-	24	
	<u>21,406</u>	<u>24</u>	<u>-</u>	<u>21,430</u>	
Results					
Segment results	2,907	(75)	2	2,834	
Interest expense				(169)	
Interest income				<u>2</u>	
Profit before taxation				<u>2,667</u>	
Income tax expense				<u>(532)</u>	
Profit after taxation				<u>2,135</u>	
	Malaysia RM'000	China RM'000	USA RM'000	Elimination RM'000	Group RM'000
Revenue					
Revenue from external customers	17,180	3,659	567	-	21,406
Interest income	24	-	-	-	24
	<u>17,204</u>	<u>3,659</u>	<u>567</u>	<u>-</u>	<u>21,430</u>
Results					
Segment results	2,855	147	(170)	2	2,834
Interest expense					(169)
Interest income					<u>2</u>
Profit before taxation					<u>2,667</u>
Income tax expense					<u>(532)</u>
Profit after taxation					<u>2,135</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 June 2009**

A NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)

A8 Segmental information (Cont'd)

Current year to date 30 June 2009

	Manufacturing RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>				
Revenue from external customers	37,192	-	-	37,192
Interest income	-	30	-	30
	37,192	30	-	37,222

<u>Results</u>				
Segment results	5,167	(96)	(50)	5,021
Interest expense				(336)
Interest income				5
Profit before taxation				4,690
Income tax expense				(871)
Profit after taxation				3,819

	Malaysia RM'000	China RM'000	USA RM'000	Elimination RM'000	Group RM'000
<u>Revenue</u>					
Revenue from external customers	30,629	5,809	754	-	37,192
Interest income	30	-	-	-	30
	30,659	5,809	754	-	37,222

<u>Results</u>					
Segment results	5,622	(123)	(428)	(50)	5,021
Interest expense					(336)
Interest income					5
Profit before taxation					4,690
Income tax expense					(871)
Profit after taxation					3,819



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Second Quarter Ended 30 June 2009

A NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)

A9 Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current quarter under review. The valuation of property, plant and equipment have been brought forward without amendments from the financial statements for the financial year ended 31 December 2008.

A10 Material events subsequent to the end of the quarter

There were no material events subsequent to the end of this quarter that have not been reflected in the financial statements for the current quarter under review.

A11 Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter under review except for the following:

The Group had on 8 May 2009, incorporated a 50% owned subsidiary company, namely Jadi Chemicals Sdn Bhd ("JCSB"). Subsequently on 19 May 2009, the Group purchased one ordinary share of RM1.00 each of JCSB, representing the remaining 50% equity interest in JCSB for total cash consideration of RM1.00. With this acquisition, JCSB is now a wholly-owned subsidiary of the Group.

A12 Changes in contingent liabilities or contingent assets

The Directors are of the opinion that there were no changes in contingent liabilities or contingent assets since the last annual balance sheet date which, upon crystallisation would have a material impact on the financial position and business of the Group as at 7 August 2009 (the latest practicable date which is not earlier than 7 days from the date of issue of this financial results).

A13 Capital commitments

There was no capital commitment for the current quarter under review.

A14 Significant related party transactions

There was no significant related party transaction for the current quarter under review.

A15 Cash and cash equivalents

	Current year to-date 30 June 2009 RM'000
Cash and bank balances	4,808
Fixed deposits with a licensed bank	2,010
Short term investment	7,630
	<hr/> 14,448 <hr/>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Second Quarter Ended 30 June 2009

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1 Review of performance

For the current quarter ended 30 June 2009, the Group recorded a revenue of RM21.43 million against RM13.87 million in the corresponding quarter ended 30 June 2008, an increase of RM7.56 million or 54.5% mainly due to increase in sales volume of black toner.

Profit before taxation for the Group increased by RM0.39 million or 17.1% to RM2.67 million as compared to RM2.28 million for the corresponding quarter ended 30 June 2008. Although revenue increased by approximately 54.5%, profit before taxation only increased by 17.1% as the Group's results for the second quarter ended 30 June 2009 was mainly affected by higher raw material costs due to stronger Japanese Yen against Malaysian Ringgit as compared to quarter ended 30 June 2008. In addition, the results were also affected by factory overheads of Suzhou factory amounting to RM0.110 million being charged to income statement due to the temporary cessation of production for relocation, moving cost due to relocation of China factory and machinery, loss of US operation of RM0.170 million, and allowance for doubtful debts of RM0.160 million.

B2 Variation of results against preceding quarter

The Group recorded a revenue of RM21.43 million for the current quarter under review against RM15.79 in the preceding quarter ended 31 March 2009, an increase of RM5.64 million or 35.7%. The increase was contributed by higher sales volume of both black and colour toner.

Profit before tax increased by RM0.65 million or 32.2% to RM2.67 million as compared to RM2.02 million in the preceding quarter. The Group's results for the second quarter ended 30 June 2009 was mainly affected by weakening of US Dollar against Malaysian Ringgit over the 3 months period, thus affecting gross profit margin and further led to foreign exchange loss of RM0.341 million in the current quarter as compared to foreign exchange gain of RM0.668 in the preceding quarter ended 31 March 2009. Besides, the Group provided for doubtful debts amounting to RM0.160 million during the current quarter under review. However, the effect was mitigated by final unwind of USD forward currency and option contracts in April 2009, reporting a loss on USD forward and currency option contracts amounting to only RM0.002 million as compared to loss of RM0.788 in the preceding quarter.

B3 Prospects

With the Group's continuous effort to increase sales and enhance productivity, the Directors are of the opinion that the prospect of the third quarter of 2009 remains positive.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Second Quarter Ended 30 June 2009

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)

B4 Profit forecast and profit guarantee

No profit forecast or profit guarantee has been issued by the Group.

B5 Income tax expense

	Current quarter 30 June 2009 RM'000	Current year to date 30 June 2009 RM'000
Income tax		
Current year	355	565
Under provision in prior years	77	106
Deferred tax expense		
Current year	100	200
	532	871

The deferred tax liabilities arose from realisation of unrealised foreign exchanges losses as at 31 December 2008. The effective tax rate for the current quarter is lower than the statutory tax rate principally due to the tax savings arising from the investment allowances available.

B6 Profit/(Loss) on sale of unquoted investments and/or properties

There were no sale of unquoted investments and/or properties during the current quarter under review.

B7 Quoted securities

There were no acquisitions or disposals of quoted securities during the current quarter under review.

B8 Group's borrowings and debt securities

As at 30 June 2009, the Group had total borrowings of approximately RM15.2 million, details of which are set out below:

	RM'000
Interest bearing borrowings:	
<i>Short term borrowings</i>	
Secured:	
Revolving credit	10,800
Hire purchase	2,028
<i>Long term borrowings</i>	
Secured:	
Hire purchase	2,372
Total	15,200

As at 30 June 2009, the Group does not have any foreign currency denominated borrowings.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 30 June 2009**

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)

B9 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk applicable to the Group as at the date of this announcement.

B10 Material litigation

Neither the Company nor its subsidiary companies is 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.

B11 Dividends

The Board of Directors do not recommend the payment of any dividend for the current quarter under review.

B12 Earnings per share

	Current Quarter 30 June 2009	Current Year To date 30 June 2009
<i>(a) Basic earnings per share</i>		
Profit attributable to ordinary equity holders of the Company (RM'000)	2,135	3,819
Weighted average number of ordinary shares in issue ('000)	604,038	604,047
Basic earnings per share (sen)	<u>0.35</u>	<u>0.63</u>

(b) Diluted earnings per share

Not applicable as the assumed conversion from the exercise of the share options under the Employees' Share Option Scheme would be anti-dilutive

B13 Status of corporate proposals

There were no pending corporate proposals.

B14 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors.

Jadi Imaging Holdings Berhad

14 August 2009