



## JADI IMAGING HOLDINGS BERHAD (526319 - P)

### CONDENSED CONSOLIDATED INCOME STATEMENT

For The Fourth Quarter Ended 31 December 2011

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year	Preceding Year	Current Year	Preceding Year
		31 Dec 2011	31 Dec 2010	31 Dec 2011	31 Dec 2010
		RM'000	RM'000	RM'000	RM'000
Revenue	A8	16,722	19,537	86,679	94,746
Cost of sales		(15,599)	(14,260)	(72,807)	(67,125)
<b>Gross profit</b>		<b>1,123</b>	<b>5,277</b>	<b>13,872</b>	<b>27,621</b>
Other income		(605)	255	792	1,027
Selling and distribution expenses		(882)	(1,112)	(3,404)	(3,978)
Administrative expenses		(1,336)	(1,123)	(5,328)	(5,771)
Other expenses		(450)	(364)	(1,691)	(2,844)
Finance costs		(275)	(102)	(720)	(389)
<b>Profit before taxation</b>		<b>(2,425)</b>	<b>2,831</b>	<b>3,521</b>	<b>15,666</b>
Income tax expense	B5	1,176	(943)	560	(2,420)
<b>Profit after taxation</b>		<b>(1,249)</b>	<b>1,888</b>	<b>4,081</b>	<b>13,246</b>
Other comprehensive income/(loss):					
Exchange translation differences		305	354	2,484	(2,260)
<b>Total comprehensive income</b>		<b>(944)</b>	<b>2,242</b>	<b>6,565</b>	<b>10,986</b>
Profit attributable to:					
Equity holders of the Company		(1,249)	1,888	4,081	13,246
Total comprehensive income attributable to:					
Equity holders of the Company		(944)	2,242	6,565	10,986
<b>Earnings per share (sen):</b>					
Basic	B10	(0.18)	0.27	0.58	2.10
Diluted	B10	(0.18)	0.23	0.54	2.04

#### 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 2010.



**JADI IMAGING HOLDINGS BERHAD (526319 - P)**

**CONDENSED CONSOLIDATED BALANCE SHEET**

**For The Fourth Quarter Ended 31 December 2011**

(The figures have not been audited)

	<b>Current year Quarter 31 Dec 2011 RM'000</b>	<b>Audited 31 Dec 2010 RM'000</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	101,658	95,195
Investment property	106	108
Other investment	50	50
	<u>101,814</u>	<u>95,353</u>
<b>CURRENT ASSETS</b>		
Inventories	33,545	36,224
Trade receivables	9,976	10,236
Other receivables, prepayments and deposits	2,244	5,052
Derivative financial instruments	B7 (372)	176
Tax recoverable	884	485
Fixed deposits with licensed banks	-	2,499
Cash and bank balances	5,240	5,066
	<u>51,517</u>	<u>59,738</u>
<b>TOTAL ASSETS</b>	<u>153,331</u>	<u>155,091</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	70,631	69,665
Treasury shares	(22)	(22)
Share premium	7,622	7,286
Revaluation reserve	1,933	1,933
Foreign exchange reserve	1,885	(599)
Share option reserve	-	140
Retained profits	40,604	36,523
<b>TOTAL EQUITY</b>	<u>122,653</u>	<u>114,926</u>
<b>NON-CURRENT LIABILITIES</b>		
Long-term borrowings	B6 4,573	4,018
Deferred tax liabilities	4,530	5,718
	<u>9,103</u>	<u>9,736</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	7,467	12,226
Other payables and accruals	3,706	5,266
Amount due to directors	123	225
Short-term borrowings	B6 10,220	12,516
Provision for taxation	59	196
	<u>21,575</u>	<u>30,429</u>
<b>TOTAL LIABILITIES</b>	<u>30,678</u>	<u>40,165</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>153,331</u>	<u>155,091</u>
Net assets per ordinary share (RM)	<u>0.17</u>	<u>0.16</u>

**Note:**

Net assets per share as at 31 December 2011 is arrived at based on the Group's Net Assets of RM122.65 million over the number of ordinary shares in issue (excluding treasury shares) of 706,188,777 shares of RM0.10 each. Net Assets per share as at 31 December 2010 was arrived at based on the Group's Net Assets of RM114.93 million over the number of ordinary shares in issue (excluding treasury shares) of 696,533,677 shares of RM0.10 each.



**JADI IMAGING HOLDINGS BERHAD (526319 - P)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**For The Fourth Quarter Ended 31 December 2011**

(The figures have not been audited)

	<-----Non-distributable----->					<-Distributable->		
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Foreign Exchange Reserve RM'000	Share option Reserve RM'000	Retained profits RM'000	Total RM'000
<b><u>12 months ended 31 December 2010 (audited)</u></b>								
At 1 January 2010 (audited)	60,935	(1,051)	375	1,933	1,661	438	27,815	92,106
Total comprehensive income	-	-	-	-	(2,260)	-	13,246	10,986
Corporate exercises expenses	-	-	(424)	-	-	-	-	(424)
ESOS exercised	2,581	-	1,579	-	-	(366)	-	3,794
Private placement	6,146	-	6,146	-	-	-	-	12,292
Warrant conversion	3	-	2	-	-	-	-	5
Share options granted under ESOS	-	-	-	-	-	42	-	42
Share options granted under Free Warrant	-	-	-	-	-	26	-	26
Distribution of treasury shares	-	1,029	(392)	-	-	-	(637)	-
Dividend	-	-	-	-	-	-	(3,901)	(3,901)
At 31 December 2010	<u>69,665</u>	<u>(22)</u>	<u>7,286</u>	<u>1,933</u>	<u>(599)</u>	<u>140</u>	<u>36,523</u>	<u>114,926</u>
<b><u>12 months ended 31 December 2011</u></b>								
At 1 January 2011 (audited)	69,665	(22)	7,286	1,933	(599)	140	36,523	114,926
Total comprehensive income	-	-	-	-	2,484	-	4,081	6,565
Allotment fee expenses - warrant	-	-	(15)	-	-	-	-	(15)
ESOS exercised	966	-	351	-	-	(140)	-	1,177
Private placement	-	-	-	-	-	-	-	-
Warrant conversion	-	-	-	-	-	-	-	-
Share options granted under ESOS	-	-	-	-	-	-	-	-
Share options granted under Free Warrant	-	-	-	-	-	-	-	-
Distribution of treasury shares	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-
At 31 December 2011	<u>70,631</u>	<u>(22)</u>	<u>7,622</u>	<u>1,933</u>	<u>1,885</u>	<u>-</u>	<u>40,604</u>	<u>122,653</u>

**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 2010.



**JADI IMAGING HOLDINGS BERHAD (526319 - P)**

**CONDENSED CONSOLIDATED CASHFLOW STATEMENT**

**For The Fourth Quarter Ended 31 December 2011**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current	Preceding	Current	Preceding
	Year	Year	Year	Year
	Quarter	Corresponding	To date	Corresponding
	31 Dec 2011	31 Dec 2010	31 Dec 2011	31 Dec 2010
Note	RM'000	RM'000	RM'000	RM'000
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>				
Profit before taxation	(2,425)	2,831	3,521	15,666
Adjustments for:				
Allowance for slow moving stock	998	168	998	318
Depreciation	2,396	2,072	9,010	7,532
Plant & equipment written off	-	(1)	-	12
Interest expense	274	62	720	349
Unrealised (gain)/loss on foreign exchange	333	(373)	19	302
Loss/(gain) on disposal of equipment	1	-	129	(421)
Interest income	(9)	(38)	(62)	(119)
Others	(32)	8	-	70
Operating profit before working capital changes	1,536	4,729	14,335	23,709
Inventories	(560)	(5,870)	2,633	(16,588)
Receivables	7,447	3,625	3,067	(1,706)
Payables	(6,271)	3,777	(6,576)	3,915
Derivative financial instruments	371	-	548	(98)
Cash generated from operations	2,523	6,261	14,007	9,232
Interest paid	(274)	(112)	(840)	(575)
Tax paid	(75)	(255)	(1,187)	(1,793)
Net cash generated from/(used in) operating activities	2,174	5,894	11,980	6,864
<b>CASHFLOWS FOR INVESTING ACTIVITIES</b>				
Interest received	9	38	62	119
Proceeds from disposal of plant & equipment	-	3	-	550
Purchase of property, plant and equipment	(4,419)	(12,719)	(13,716)	(32,949)
Net cash used in investing activities	(4,410)	(12,678)	(13,654)	(32,280)
<b>CASHFLOWS FOR FINANCING ACTIVITIES</b>				
Repayment of revolving credit	(1,500)	(1,500)	(1,500)	(1,500)
Drawdown of term loan	-	6,393	4,646	7,829
Net proceeds from issuance of shares	-	819	1,162	15,667
Dividend paid	-	(2,089)	-	(3,901)
Repayment of hire purchase	(203)	(557)	(1,427)	(2,171)
Repayment of term loan	(871)	(303)	(3,461)	(303)
Advances from/(repayment to) directors	49	93	(102)	93
Net cash (used in)/generated from financing activities	(2,525)	2,856	(682)	15,714
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(4,761)</b>	<b>(3,928)</b>	<b>(2,356)</b>	<b>(9,702)</b>
<b>EFFECTS OF CHANGES IN FOREIGN EXCHANGE</b>	<b>(400)</b>	<b>29</b>	<b>31</b>	<b>(302)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER</b>	<b>10,401</b>	<b>11,464</b>	<b>7,565</b>	<b>17,569</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE QUARTER</b>	<b>5,240</b>	<b>7,565</b>	<b>5,240</b>	<b>7,565</b>
	A15			

**Note:**

This is prepared based on the consolidated results of the Group for the financial year ended 31 December 2011 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 2010.



## JADI IMAGING HOLDINGS BERHAD (526319 - P)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2011

#### 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 2010. 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 2010.

During the current financial year, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments):

<b>FRSs and IC Interpretations (including the Consequential Amendments)</b>	<b>Effective date</b>
FRS 1 (Revised) First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 (Revised) Business Combinations	1 July 2010
FRS 127 (Revised) Consolidated and Separate Financial Statements	1 July 2010
Amendment to FRS 1: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 1: Additional Exemptions for First-time Adopters	1 January 2011
Amendments to FRS 1 (Revised) : First-time Adoption of Financial Reporting Standards	1 January 2011
Amendments to FRS 2: Scope of FRS 2 and FRS 3 (Revised)	1 July 2010
Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 3 (Revised) : Business Combinations	1 January 2011
Amendments to FRS 5: Plan to Sell the Controlling Interest in a Subsidiary	1 July 2010
Amendments to FRS 7: Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 7: Financial Instruments Disclosures	1 January 2011
Amendments to FRS 101: Presentation of Financial Statements	1 January 2011
Amendments to FRS 121: The Effects of Changes in Foreign Exchange Rates	1 January 2011
Amendments to FRS 132 Financial Instruments: Presentation	1 January 2011
Amendments to FRS 134 Interim Financial Reporting	1 January 2011
Amendments to FRS 138: Consequential Amendments Arising from Revised FRS 3 (Revised)	1 July 2010
Amendments to FRS 139 Financial Instruments: Recognition and Measurement	1 January 2011
Amendments to IC Interpretation 9: Scope of IC Interpretation 9 and Revised FRS 3 (2010)	1 July 2010
Amendments to IC Interpretation 13 Customer Loyalty Programmes	1 January 2011
IC Interpretation 4 Determining Whether An Arrangement Contains a Lease	1 January 2011
IC Interpretation 12 Service Concession Arrangements	1 July 2010
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010
IC Interpretation 18 Transfers of Assets from Customers	1 January 2011
Annual Improvements to FRSs (2010)	1 January 2011



## **JADI IMAGING HOLDINGS BERHAD (526319 - P)**

### **QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**For The Fourth Quarter Ended 31 December 2011**

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

##### **A1 Basis of preparation (Cont'd)**

- (a) The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group's financial statements, other than the following:

FRS 3 (Revised) introduces significant changes to the accounting for business combinations, both at the acquisition date and post acquisition, and requires greater use of fair values. In addition, all transaction costs, other than share and debt issue costs, will be expensed as incurred. This revised standard has been applied prospectively during the current financial year with and therefore there will be no financial impact on the financial statements of the Group for the current financial year but may impact the accounting of its for future transactions or arrangements.

FRS 127 (Revised) requires accounting for changes in ownership interests by the group in a subsidiary, whilst maintaining control, to be recognised as an equity transaction. When the group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The revised standard also requires all losses attributable to the non-controlling interests minority interest to be absorbed by the non-controlling interests minority interest instead of by the parent. The Group has applied the major changes of FRS 127 (Revised) prospectively during the current financial year with and therefore there will be no financial impact on the financial statements of the Group for the current financial year but may impact the accounting of its for future transactions or arrangements.

Amendments to FRS 7 expand the disclosure requirements in respect of fair value measurements and liquidity risk. In particular, the amendments require additional disclosure of fair value measurements by level of a fair value measurement hierarchy. Comparatives are not presented by virtue of the exemption given in the amendments.

Annual Improvements to FRSs (2010) contain amendments to 11 accounting standards that result in accounting changes for presentation, recognition or measurement purposes. These amendments have no material impact on the financial statements of the Group upon their initial application.

Furthermore, the amendments to FRS 101 (Revised) also clarify that an entity may choose to present the analysis of the items of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. The Group has chosen to present the items of other comprehensive income in the statement of changes in equity.



## JADI IMAGING HOLDINGS BERHAD (526319 - P)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2011

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

##### A1 Basis of preparation (Cont'd)

- (b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

<b>FRSs and IC Interpretations (including the Consequential Amendments)</b>	<b>Effective date</b>
FRS 9 Financial Instruments	1 January 2013
FRS 10 Consolidated Financial Statements	1 January 2013
FRS 11 Joint Arrangements	1 January 2013
FRS 12 Disclosure of Interests in Other Entities	1 January 2013
FRS 13 Fair Value Measurement	1 January 2013
FRS 119 (Revised) Employee Benefits	1 January 2013
FRS 124 (Revised) Related Party Disclosures	1 January 2012
FRS 127 (2011) Separate Financial Statements	1 January 2013
FRS 128 (2011) Investments in Associates and Joint Ventures	1 January 2013
Amendments to FRS 1 (Revised): Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters	1 January 2012
Amendments to FRS 7: Disclosures - Transfers of Financial Assets	1 January 2012
Amendments to FRS 101 (Revised): Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to FRS 112: Recovery of Underlying Assets	1 January 2012
IC Interpretation 15 Agreements for the Construction of Real Estate	Withdrawn on 19 November 2011
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement	1 July 2011

The Group's next set of financial statements for the annual period beginning on 1 January 2012 will be prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs") issued by the MASB that will also comply with International Financial Reporting Standards ("IFRSs"). As a result, the Group will not be adopting the above accounting standards and interpretations (including the consequential amendments) that are effective for annual periods beginning on or after 1 January 2012.

##### A2 Audit report of preceding annual financial statements

The preceding year annual audited financial statements for the financial year ended 31 December 2010 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.

##### A6 Debt and equity securities

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

##### A7 Dividend paid

There were no dividends paid during the current quarter under review.



**JADI IMAGING HOLDINGS BERHAD (526319 - P)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**For The Fourth Quarter Ended 31 December 2011**

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

**A8 Segmental information**

**Current quarter 31 December 2011**

	<b>Manufacturing</b>	<b>Investment Holding</b>	<b>Elimination</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Revenue</u>				
Revenue from external customers	16,712	-	-	16,712
Interest income	-	10	-	10
	<u>16,712</u>	<u>10</u>	<u>-</u>	<u>16,722</u>

<u>Results</u>				
Segment results	(2,157)	(208)	208	(2,157)
Other unallocated corporate expenses				(3)
Interest expense				(274)
Interest income				9
Profit before taxation				<u>(2,425)</u>
Income tax expense				1,176
Profit after taxation				<u>(1,249)</u>

	<b>Malaysia</b>	<b>China</b>	<b>USA</b>	<b>Elimination</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Revenue</u>					
Revenue from external customers	12,530	4,182	-	-	16,712
Interest income	10	-	-	-	10
	<u>12,540</u>	<u>4,182</u>	<u>-</u>	<u>-</u>	<u>16,722</u>

<u>Results</u>					
Segment results	(2,316)	(49)	-	208	(2,157)
Other unallocated corporate expenses					(3)
Interest expense					(274)
Interest income					9
Profit before taxation					<u>(2,425)</u>
Income tax expense					1,176
Profit after taxation					<u>(1,249)</u>





**JADI IMAGING HOLDINGS BERHAD (526319 - P)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**For The Fourth Quarter Ended 31 December 2011**

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

**A8 Segmental information (Cont'd)**

**Current quarter 31 December 2010**

	<b>Manufacturing</b>	<b>Investment Holding</b>	<b>Elimination</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Revenue</u>				
Revenue from external customers	19,537	3,077	(3,077)	19,537
Interest income	-	-	-	-
	<u>19,537</u>	<u>3,077</u>	<u>(3,077)</u>	<u>19,537</u>

<u>Results</u>				
Segment results	2,292	2,851	(2,287)	2,856
Other unallocated corporate expenses				(1)
Interest expense				(62)
Interest income				38
Profit before taxation				<u>2,831</u>
Income tax expense				(943)
Profit after taxation				<u>1,888</u>

	<b>Malaysia</b>	<b>China</b>	<b>USA</b>	<b>Elimination</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Revenue</u>					
Revenue from external customers	18,067	4,568	(21)	(3,077)	19,537
Interest income	-	-	-	-	-
	<u>18,067</u>	<u>4,568</u>	<u>(21)</u>	<u>(3,077)</u>	<u>19,537</u>

<u>Results</u>					
Segment results	4,641	510	(8)	(2,287)	2,856
Other unallocated corporate expenses					(1)
Interest expense					(62)
Interest income					38
Profit before taxation					<u>2,831</u>
Income tax expense					(943)
Profit after taxation					<u>1,888</u>



**JADI IMAGING HOLDINGS BERHAD (526319 - P)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**For The Fourth Quarter Ended 31 December 2011**

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

**A8 Segmental information (Cont'd)**

**Current year to date 31 Dec 2011**

	<b>Manufacturing</b>	<b>Investment Holding</b>	<b>Elimination</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Revenue</u>				
Revenue from external customers	86,669	-	-	86,669
Interest income	-	10	-	10
	86,669	10	-	86,679

Results

Segment results	4,750	(637)	69	4,182
Other unallocated corporate expenses				(3)
Interest expense				(720)
Interest income				62
Profit before taxation				3,521
Income tax expense				560
Profit after taxation				4,081

	<b>Malaysia</b>	<b>China</b>	<b>USA</b>	<b>Elimination</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Revenue</u>					
Revenue from external customers	66,312	20,357	-	-	86,669
Interest income	10	-	-	-	10
	66,322	20,357	-	-	86,679

Results

Segment results	3,391	726	(4)	69	4,182
Other unallocated corporate expenses					(3)
Interest expense					(720)
Interest income					62
Profit before taxation					3,521
Income tax expense					560
Profit after taxation					4,081



## JADI IMAGING HOLDINGS BERHAD (526319 - P)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2011

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

##### A8 Segmental information (Cont'd)

Current year to date 31 Dec 2010

	<b>Manufacturing</b>	<b>Investment Holding</b>	<b>Elimination</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Revenue</u>				
Revenue from external customers	94,742	3,077	(3,077)	94,742
Interest income	-	4	-	4
	<u>94,742</u>	<u>3,081</u>	<u>(3,077)</u>	<u>94,746</u>

##### Results

Segment results	15,843	2,383	(2,322)	15,904
Other unallocated corporate expenses				(4)
Interest expense				(349)
Interest income				115
Profit before taxation				<u>15,666</u>
Income tax expense				<u>(2,420)</u>
Profit after taxation				<u>13,246</u>

	<b>Malaysia</b>	<b>China</b>	<b>USA</b>	<b>Elimination</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Revenue</u>					
Revenue from external customers	73,354	22,407	2,058	(3,077)	94,742
Interest income	4	-	-	-	4
	<u>73,358</u>	<u>22,407</u>	<u>2,058</u>	<u>(3,077)</u>	<u>94,746</u>

##### Results

Segment results	14,543	3,826	(143)	(2,322)	15,904
Other unallocated corporate expenses					(4)
Interest expense					(349)
Interest income					115
Profit before taxation					<u>15,666</u>
Income tax expense					<u>(2,420)</u>
Profit after taxation					<u>13,246</u>

##### 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 has been brought forward without amendments from the financial statements for the financial year ended 31 December 2010.



## JADI IMAGING HOLDINGS BERHAD (526319 - P)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2011

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

##### 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.

##### 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 15 February 2012 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

##### A13 Capital commitments

Capital expenditure of the Group approved by the Directors but not provided for in the condensed financial statements are as follows:

	<b>Current year To date 31 Dec 2011 RM'000</b>
Approved and contracted for:	
Construction of factory cum warehouse	1,066
Purchase of plant & equipment	2,583
	<u>3,649</u>

##### A14 Significant related party transactions

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

##### A15 Cash and cash equivalents

	<b>Current year To date 31 Dec 2011 RM'000</b>
Cash and bank balances	5,240
Fixed deposits with licensed banks	-
	<u>5,240</u>



## JADI IMAGING HOLDINGS BERHAD (526319 - P)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2011

#### **B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

##### **B1 Detailed Analysis**

For the current quarter ended 31 December 2011, the Group recorded a lower revenue of RM16.72 million against RM19.54 million in the corresponding quarter ended 31 December 2010, a decrease of 14.4% or RM2.82 million due to the decrease in sales volume of both black and colour toner.

Profit before taxation for the Group decreased by 185.6% or RM5.26 million compared to the corresponding quarter ended 31 December 2010, mainly attributed to the weakening of US Dollar against Malaysian Ringgit. The Malaysian Ringgit has surged approximately 9% against the US Dollar as compared to the quarter ended 31 December 2010. The lower profit before taxation was also caused by the increase in production cost arising from higher cost of materials purchased in Japanese Yen denomination.

##### **Comparison results of current quarter and previous year corresponding quarter**

The performance of the two business segments for Q4 2011 as compared to previous year corresponding quarter is as below:

###### a) Manufacturing

Revenue in 4Q 2011 has decreased by 14.5% as a result of the decrease in sales volume of both black and colour toner by approximately 24.4%. The lower sales volume was impacted by the European debt crisis, which had led to a general slowdown in market demand as buyers were more cautious with their purchase in light of the uncertainty in the global economic environment.

Profit before taxation has decreased by 194.1% mainly due to the increase in production cost arising from higher cost of materials purchased in Japanese Yen denomination, and strengthening of Malaysian Ringgit against the US Dollar leading to higher pressure on sales profit margin.

###### b) Investment Holding

Interest income has increased by 100% due to placements with financial institutions.

##### **Comparison results of current year-to-date and previous year-to-date**

The performance of the two business segments for FY2011 as compared to previous year is as below:

###### a) Manufacturing

Revenue of current year-to-date has decreased by 8.5% mainly due to the decrease in sales volume of both black and colour toner by approximately 4.4%. The lower sales volume was impacted by the European debt crisis, which had led to a general slowdown in market demand towards the second half of 2011.

Profit before taxation has decreased by 70% mainly due to the increase in production cost arising from higher cost of materials purchased in Japanese Yen denomination, strengthening of Malaysian Ringgit against the US dollar which led to higher pressure on sales profit margin, and provision for slow moving stock of RM1.0 million (in compliance with the Group's stringent slow moving stock policy).

###### b) Investment Holding

Interest income has increased by 100% as a result of placements with financial institutions.

##### **B2 Variation of results against preceding quarter**

The Group recorded a revenue of RM16.72 million for the current quarter under review against RM23.07 million in the preceding quarter ended 30 September 2011, a decrease of 27.5% or RM6.35 million. The decrease was mainly due to lower sales volume of both black and colour toner following price increase to customers in order to mitigate higher material costs. The lower sales was also compounded by the European debt crisis, which had led to a general slowdown in market demand as buyers were more cautious with their purchase in light of the uncertainty in the global economic environment.

Profit before tax decreased by 315.6% or RM3.55 million as compared to preceding quarter ended 30 September 2011. The Group recorded a lower profit before tax for the current quarter mainly due to the slow moving stock provision of RM1.0 million (in compliance with the Group's stringent slow moving stock policy), lower sales volume as indicated above, increase in production overhead cost and overall higher cost of materials.



## JADI IMAGING HOLDINGS BERHAD (526319 - P)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2011

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

##### B3 Prospects

Amidst the highly uncertain global economic environment, particularly in the United States and Europe; rising material cost as a result of the Japanese earthquake/ tsunami in March; appreciation of Japanese Yen as well as the weakening of US Dollar against the Malaysian Ringgit, the Group remains cautiously optimistic with the industry's outlook and will continuously manage risks to sustain its sales volume moving forward. The Group also aims to penetrate new market segments by developing more niche and high value products, and embark on a differentiation strategy to promote its environmentally-friendly Palmotone Colour Chemically Produced Toner.

##### B4 Profit forecast and profit guarantee

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

##### B5 Income tax expense

	Current quarter 31 Dec 2011 RM'000	Current year To date 31 Dec 2011 RM'000
Income tax		
Current year	196	629
Under provision in prior years	(4)	101
Deferred tax expense		
Current year	(1,368)	(1,290)
	<u>(1,176)</u>	<u>(560)</u>

During the current quarter, there has been recognition of deferred tax asset on the unutilised reinvestment allowance.

The effective tax rate for the current quarter is lower than the statutory tax rate principally due to tax savings arising from tax incentive and tax allowance available.

##### B6 Group's borrowings and debt securities

As at 31 December 2011, the Group had total borrowings of approximately RM14.79 million, details of which are set out below:

	RM'000
Interest bearing borrowings:	
<i>Short term borrowings</i>	
Unsecured:	
Revolving credit	5,500
Secured:	
Term loan	4,470
Hire purchase	250
	<u>10,220</u>
<i>Long term borrowings</i>	
Secured:	
Term loan	4,241
Hire purchase	332
	<u>4,573</u>
Total	<u>14,793</u>

As at 31 December 2011, the Group does not have any foreign currency denominated borrowings.



## JADI IMAGING HOLDINGS BERHAD (526319 - P)

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For The Fourth Quarter Ended 31 December 2011

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

##### B7 Derivatives

As at 31 December 2011, the Group had outstanding derivatives, details of which are set out below:

Type of Derivatives	Notional Value RM'000	Fair value Assets RM'000
Forward foreign exchange contracts - less than 1 year	8,861	(372)

##### B8 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.

##### B9 Dividends

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

##### B10 Earnings per share

	Current Quarter 31 Dec 2011	Current Year to date 31 Dec 2011
<i>(a) Basic earnings per share</i>		
Profit attributable to ordinary equity holders of the Company (RM'000)	(1,249)	4,081
Issued ordinary shares at 1 October 2011 / 1 January 2011 ('000)	706,189	696,534
Effect of distribution of treasury shares ('000)	-	-
Effect of employee share option scheme ('000)	-	7,102
Effect of private placement ('000)	-	-
Effect of warrant conversion ('000)	-	-
Weighted average number of ordinary shares in issue ('000)	706,189	703,636
Basic earnings per share (sen)	(0.18)	0.58
<i>(b) Diluted earnings per share</i>		
Profit attributable to ordinary equity holders of the Company (RM'000)	(1,249)	4,081
Weighted average number of ordinary shares for basic earnings per share ('000)	706,189	703,636
Effect of dilution under employee share option scheme ('000)	-	-
Effect of dilution under warrant conversion ('000)	(2,060)	53,706
Weighted average number of ordinary shares in issue ('000)	704,129	757,342
Diluted earnings per share (sen)	(0.18)	0.54

##### B11 Status of corporate proposals

There were no pending corporate proposals.



## JADI IMAGING HOLDINGS BERHAD (526319 - P)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2011

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

##### B12 Realised and unrealised profits/losses disclosure

The breakdown of the retained profits of the Group as at the end of the reporting period into realised and unrealised profits are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, as follows:-

	As at 31 Dec 2011 RM'000	As at 30 Sept 2011 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	44,441	47,406
- Unrealised	(4,269)	(5,595)
	40,172	41,811
Less: Consolidation adjustments	431	42
	40,604	41,853

##### B13 Profit/(loss) before taxation

	Current Quarter 31 Dec 2011 RM'000	Current Year to date 31 Dec 2011 RM'000
Profit before taxation is arrived at after charging/(crediting):-		
Interest income	0	60
Other income	(52)	17
Interest expense	275	720
Depreciation and amortisation	2,364	9,010
Provision for and write off of inventories	998	998
Foreign exchange (gain)/loss	611	409
(Gain)/loss on derivatives	348	-

The following items are not applicable for the quarter/year:

1. Provision for and write off of receivables
2. (Gain)/loss on disposal of quoted or unquoted investments or properties
3. Impairment of assets
4. Exceptional items

##### 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**

22 February 2012