



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The First Quarter Ended 31 March 2008

(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
		31 Mar 2008 RM'000	31 Mar 2007 RM'000	31 Mar 2008 RM'000	31 Mar 2007 RM'000
Revenue		17,225	13,510	17,225	13,510
Cost of sales		(12,455)	(9,006)	(12,455)	(9,006)
Gross profit		4,770	4,504	4,770	4,504
Other operating income		80	74	80	74
Selling and distribution expenses		(396)	(377)	(396)	(377)
Administrative expenses		(1,381)	(1,189)	(1,381)	(1,189)
Other operating expenses		(1,041)	6	(1,041)	6
Finance costs		(27)	(85)	(27)	(85)
Profit before taxation		2,005	2,933	2,005	2,933
Taxation	B5	(286)	(229)	(286)	(229)
Profit after taxation		1,719	2,704	1,719	2,704
Earnings per share (sen):					
Basic	B12	0.28	0.60	0.28	0.60
Diluted		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 2007.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED BALANCE SHEET

For The First Quarter Ended 31 March 2008

(The figures have not been audited)

	Current year quarter 31 Mar 2008 RM'000	Audited 31 Dec 2007 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	48,704	49,882
Prepaid land lease payments	1,925	1,910
Investment property	114	115
Available for sale investment	50	50
	<u>50,793</u>	<u>51,957</u>
CURRENT ASSETS		
Inventories	17,922	20,236
Trade receivables	8,011	4,227
Other receivables, prepayments and deposits	2,630	2,094
Cash and bank balances	12,594	12,430
	<u>41,157</u>	<u>38,987</u>
TOTAL ASSETS	<u>91,950</u>	<u>90,944</u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share capital	60,404	60,404
Share premium	59	59
Revaluation reserve	1,277	1,277
Foreign exchange reserve	(252)	(484)
Share option reserve	264	264
Retained profits	14,866	16,167
SHAREHOLDERS' FUNDS	<u>76,618</u>	<u>77,687</u>
NON-CURRENT LIABILITIES		
Hire purchase payables	47	47
Term loan - long term	-	76
Deferred tax liabilities	4,724	4,674
	<u>4,771</u>	<u>4,797</u>
CURRENT LIABILITIES		
Trade payables	4,875	5,277
Other payables and accruals	1,187	1,416
Amount due to directors	210	305
Hire purchase payables	150	215
Short term borrowings	1,041	1,247
Interim Dividend Payable	3,020	-
Provision for taxation	78	-
	<u>10,561</u>	<u>8,460</u>
TOTAL LIABILITIES	<u>15,332</u>	<u>13,257</u>
TOTAL EQUITY AND LIABILITIES	<u>91,950</u>	<u>90,944</u>
Net Assets per share (RM)	<u>0.1268</u>	<u>0.1286</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

Note:

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 2007.

Net assets per share as at 31 March 2008 is arrived at based on the Group's Net Assets of RM76.62 million over the number of ordinary shares of 604,036,600 shares of RM0.10 each. Net Assets per share as at 31 December 2007 was arrived at based on the Group's Net Assets of RM77.69 million over the number of ordinary shares of 604,036,600 shares of RM0.10 each.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The First Quarter Ended 31 March 2008

(The figures have not been audited)

	-----Non-distributable-----				-----Distributable-----		
	Share capital	Share premium	Revaluation reserve	Foreign exchange reserve	Share option reserve	Retained profit	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>12 months ended 31 December 2007</u>							
At 1 January 2007 (audited)	45,000	4,466	1,249	(548)	348	17,201	67,716
Bonus issue I	15,092	(4,732)	-	-	-	(10,359)	-
ESOS exercised	312	325	-	-	(43)	-	593
Transfer from deferred taxation	-	-	28	-	-	-	28
Exchange translation differences	-	-	-	64	-	-	64
Share Options forfeited under ESOS	-	-	-	-	(41)	-	(40)
Profit for the financial year	-	-	-	-	-	10,675	10,676
Dividends	-	-	-	-	-	(1,350)	(1,350)
At 31 December 2007 (audited)	<u>60,404</u>	<u>59</u>	<u>1,277</u>	<u>(484)</u>	<u>264</u>	<u>16,167</u>	<u>77,687</u>
<u>3 months ended 31 March 2007</u>							
At 1 January 2008 (audited)	60,404	59	1,277	(484)	264	16,167	77,687
Foreign exchange difference, representing net expense recognised directly in equity	-	-	-	232	-	-	232
Profit for the financial year	-	-	-	-	-	1,719	1,719
Surplus arising from revaluation of freehold land and building	-	-	-	-	-	-	-
Total recognised (expense)/income for the year	-	-	-	232	-	1,719	1,951
Interim Dividends	-	-	-	-	-	(3,020)	-
Share options granted under ESOS	-	-	-	-	-	-	-
At 31 March 2008	<u>60,404</u>	<u>59</u>	<u>1,277</u>	<u>(252)</u>	<u>264</u>	<u>14,866</u>	<u>79,638</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 2007.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

For The First Quarter Ended 31 March 2008

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current	Preceding	Current	Preceding
		Year	Year	Year	Year
		Corresponding	Corresponding	To date	Corresponding
		Quarter	Quarter	Period	Period
		31 Mar 2008	31 Mar 2007	31 Mar 2008	31 Mar 2007
		RM'000	RM'000	RM'000	RM'000
CASHFLOWS FROM OPERATING ACTIVITIES					
Profit before taxation		1,719	2,933	1,719	2,933
Adjustments for:					
Depreciation		1,396	1,263	1,396	1,263
Amortisation of investment property		14	1	14	1
Share options granted under ESOS		-	52	-	52
Interest expense		25	85	25	85
Interest income		(31)	(33)	(31)	(33)
Operating profit before working capital changes		3,123	4,301	3,123	4,301
Inventories		2,314	(1,298)	2,314	(1,298)
Receivables		(4,320)	(1,225)	(4,320)	(1,225)
Payables		2,294	(363)	2,294	(363)
Cash generated from operations		3,411	1,415	3,411	1,415
Interest paid		(25)	(85)	(25)	(85)
Tax paid		(208)	(460)	(208)	(460)
Net cash generated from operating activities		3,178	870	3,178	870
CASHFLOWS FROM INVESTING ACTIVITIES					
Interest received		31	33	31	33
Purchase of property, plant and equipment		(218)	(926)	(218)	(926)
Net cash used in investing activities		(187)	(893)	(187)	(893)
CASHFLOWS FROM FINANCING ACTIVITIES					
Repayment of bankers' acceptance		-	-	-	-
Repayment of term loan		(303)	(259)	(303)	(259)
Repayment of hire purchase		(99)	(994)	(99)	(994)
Proceeds from issuance of public shares		-	-	-	-
Payment of listing expenses		-	-	-	-
Proceeds from issuance of right shares		-	-	-	-
Dividend paid		-	(1,350)	-	(1,350)
Net cash generated from financing activities		(402)	(2,603)	(402)	(2,603)
NET INCREASE IN CASH AND CASH EQUIVALENTS		2,589	(2,626)	2,589	(2,626)
EFFECTS OF CHANGES IN FOREIGN EXCHANGE		259	(144)	259	(144)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER		12,430	15,548	12,430	15,548
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	A15	15,278	12,778	15,278	12,778



JADI IMAGING HOLDINGS BERHAD (526319 - P)

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 31 March 2008 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 2007.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The First Quarter Ended 31 March 2008

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 2007. 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 2007.

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the 2007 annual financial statements.

A2 Audit report of preceding annual financial statements

The preceding year annual audited financial statements for the financial year ended 31 December 2007 were not subjected to any qualification.

A3 Seasonal or cyclical factors

The Group's operations are normally affected by seasonal factors occurring in certain periods of the financial year, such as major festivals and holidays especially during the end of the year.

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 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

On 7 March 2008, the Company declared a Tax-Exempt Interim Dividend of 5% or 0.5 sen per ordinary share of RM0.10 in respect of the financial year ended 31 December 2007 and it was subsequently paid on 11 April 2008.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The First Quarter Ended 31 March 2008

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

A8 Segmental information

Segmental information for the Group by geographical segment is presented as follows:

	Current quarter	Current year
	31 Mar 2008	to date
	RM'000	31 Mar 2008
		RM'000
<u>Segment Revenue</u>		
Malaysia	15,260	15,260
China	1,965	1,965
	<u>17,225</u>	<u>17,225</u>
<u>Segment Results</u>		
Malaysia	1,304	1,304
China	415	415
Profit from operations	<u>1,719</u>	<u>1,719</u>

Disclosure of segmental information of the Group by business segment is not presented as the Group is primarily engaged in only one business segment which is the manufacturing of toners.

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 2007.

A10 Material events subsequent to the end of the quarter

There were no material events subsequent to the end of this quarter.

A11 Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

A12 Contingent liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at 13 May 2008 (the latest practicable date which is not earlier than 7 days from the date of issue of this financial results).



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The First Quarter Ended 31 March 2008

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

A13 Capital commitments

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

	Current year to-date 31 Mar 2008 RM'000
Approved and contracted for:	
Modification of Toner Plant No. 1 to Colour Toner Plant	4,576
Construction of production plant in Suzhou, China	5,850
	<u>10,426</u>

A14 Significant related party transactions

There was no significant related party transaction for this quarter.

A15 Cash and cash equivalents

	Current year to-date 31 Mar 2008 RM'000
Cash in hand	25
Cash at banks	6,776
Short term deposit & investment	5,793
	<u>12,594</u>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The First Quarter Ended 31 March 2008

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

B1 Review of performance

For the current quarter ended 31 March 2008, the Group recorded a revenue of RM17.22 million against RM13.51 million in the corresponding quarter ended 31 March 2007, an increase of RM3.71 million or 27.4%.

However, the profit before taxation for the Group decreased by RM0.93 million or 31.7% to RM2.00 million compared to RM2.93 million in the corresponding quarter ended 31 March 2007 mainly due to the appreciation of Malaysian Ringgit against the US Dollar which negatively impacted our sales revenue and the depreciation of Malaysian Ringgit against the Japanese Yen which increased our production cost. In addition, it was also negatively impacted by an one-off expenses amounting to RM1.04 million that was incurred on a proposed acquisition of an imaging supplies business in Europe which was subsequently aborted as the parties failed to agree on the final terms of the proposed acquisition following the receipt of the preliminary due diligence findings.

B2 Variation of results against preceding quarter

The Group recorded a revenue of RM17.22 million for the current quarter under review against RM11.96 in the preceding quarter, an increase of RM5.26 million or 43.9%.

However the profit before tax decreased by RM0.91 million or 31.3% to RM2.00 million compared to the RM2.91 million achieved in the preceding quarter mainly due to the appreciation of the Malaysian Ringgit against the US Dollar, the depreciation of Malaysian Ringgit against the Japanese Yen and the one-off expenses amounting to RM1.04 million that was incurred on a proposed acquisition that was subsequently aborted.

The profit after tax of RM1.72 million was lower by RM0.37 million or 17.7% compared to the RM2.09 million achieved in the preceding quarter mainly due to the same reasons.

B3 Prospects

The Board expects the the year 2008 to remain challenging for the Group. As export revenue accounts for the bulk of the Group's total revenue and all the Group's exports are quoted in US Dollars, the appreciation of the Malaysian Ringgit against the US Dollar will continue to erode the Group's revenue and squeeze its profit margins. Further, the appreciation of the Japanese Yen against the Malaysian Ringgit is also expected to increase the Group's production cost as the main raw material used by the Group, resin, is imported from Japan.

To mitigate these negative developments, the Group will continue with its ongoing efforts to enhance productivity and efficiency, expand its customer base and increase sales, especially of higher value products with higher margins including color toners. In addition, the Group will continue to maintain a natural hedge against currency fluctuations by matching its trade receipts which are mainly denominated in US Dollars with the settlement of trade payables on raw material purchases which are transacted in US Dollars and Japanese Yen. The Group will also continue to monitor its foreign exchange exposure closely and take the necessary steps to minimize its exposure whenever appropriate.

The strengthening Japanese Yen affects not only the Group but also the Group's major competitors throughout the world as resin manufacturers in Japan are their main suppliers as well. Thus, it has not affected the Group's competitive position in the global market. On the contrary, as Japanese toner manufacturers are the Group's main competitors, the Board expects the strengthening Japanese Yen to improve the Group's competitive position.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The First Quarter Ended 31 March 2008

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 Taxation

	Current quarter 31 Mar 2008 RM'000	Current year to date 31 Mar 2008 RM'000
Income tax	236	236
Deferred tax	50	50
	<u>286</u>	<u>286</u>

Tax expense for the current quarter ended 31 March 2008 is derived based on management's best estimate of the tax rate for the year. The deferred tax liabilities arose from accelerated capital allowances over depreciation of qualifying plant and equipment and the effect arising from the revaluation of freehold land and building. The effective tax rate for the period presented above is lower than the statutory tax rate principally due to the tax savings arising from the investment allowances available.

B6 Unquoted investments and properties

There were no changes in the unquoted investments and properties of the Group 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 31 March 2008, the Group had total borrowings of approximately RM1.24 million, details of which are set out below:

Interest bearing borrowings:	RM'000
<i>Short term borrowings</i>	
Term loan	1,041
Hire purchase	150
<i>Long term borrowings</i>	
Term loan	-
Hire purchase	47
Total	<u>1,238</u>

As at 31 March 2008, the Group does not have any foreign currency denominated borrowings.



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QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The First Quarter Ended 31 March 2008

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

No dividend was recommended for the quarter under review.

B12 Earnings per share

	Current Quarter 31 Mar 2008 RM'000	Current Year To date 31 Mar 2008 RM'000
Profit after taxation (RM'000)	1,719	1,719
Weighted average number of shares in issue ('000)	60,404	60,404
Basic earnings per share (sen)	0.28	0.28

B13 Status of corporate proposals

The were no pending corporate proposals.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The First Quarter Ended 31 March 2008

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

B14 Utilisation of IPO proceeds

The proceeds raised during the IPO were approved for the following activities and the status on the funds utilisation as at 20 May 2008 is summarised as follows:

	Approved utilisation RM'000	Amount utilised RM'000	Utilised from working capital* RM'000	Expected time frame Balance for full utilisation RM'000	
Acquisition of a new factory *	6,000	(5,858)	(142)	-	Fully utilised
Acquisition of new production lines	20,000	(20,000)	-	-	Fully utilised
Estimated listing expenses*	1,600	(2,054)	454	-	Fully utilised
Working capital*	7,792	(7,480)	(454)	-	Fully utilised
Working capital*			142	-	
	<u>35,392</u>	<u>(35,392)</u>	<u>-</u>	<u>-</u>	

* Actual expenses for the listing exercise amounted to RM2.054 million. As stated in the Company's prospectus dated 27 March 2006, the additional RM454,000 has been funded out of the portion allocated for working capital.

* The unused portion amounting to RM0.142 million approved for the acquisition of a new factory has been utilised for working capital.

B15 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

20 May 2008