



JADI IMAGING HOLDINGS BERHAD (526319 - P)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Fourth Quarter Ended 31 December 2008

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Audited Preceding Year Corresponding Period
		31 Dec 2008 RM'000	31 Dec 2007 RM'000	31 Dec 2008 RM'000	31 Dec 2007 RM'000
Revenue	A8	16,004	11,960	63,160	56,668
Cost of sales		(10,545)	(7,343)	(42,974)	(37,375)
Gross profit		5,459	4,617	20,186	19,293
Other operating income		35	30	203	200
Selling and distribution expenses		(772)	(317)	(2,880)	(2,419)
Administrative expenses		(2,243)	(1,067)	(4,880)	(3,920)
Other operating expenses		(3,178)	(428)	(5,518)	(1,002)
Finance costs		(86)	77	(148)	(109)
(Loss)/Profit before taxation		(785)	2,912	6,963	12,043
Taxation	B5	43	(819)	(597)	(1,367)
(Loss)/Profit after taxation	A8	(742)	2,093	6,366	10,676
(Loss)/Earnings per share (sen):					
Basic	B12	(0.12)	0.35	1.05	2.09
Diluted		N/A	0.34	N/A	2.02

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 Fourth Quarter Ended 31 December 2008

(The figures have not been audited)

	Current year 31 Dec 2008 RM'000	Audited 31 Dec 2007 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	64,734	49,882
Prepaid land lease payments	2,097	1,910
Investment property	113	115
Available for sale investment	50	50
	<u>66,994</u>	<u>51,957</u>
CURRENT ASSETS		
Inventories	25,744	20,236
Trade receivables	10,756	4,227
Other receivables, prepayments and deposits	2,150	1,570
Tax recoverable	402	524
Cash and bank balances	3,450	12,430
	<u>42,502</u>	<u>38,987</u>
TOTAL ASSETS	<u>109,496</u>	<u>90,944</u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share capital	60,406	60,404
Share premium	60	59
Revaluation reserve	1,277	1,277
Foreign exchange reserve	1,929	(484)
Share option reserve	410	264
Retained profits	19,513	16,167
SHAREHOLDERS' FUNDS	<u>83,595</u>	<u>77,687</u>
NON-CURRENT LIABILITIES		
Hire purchase payables	1,998	47
Long term borrowings	6,800	76
Deferred tax liabilities	4,477	4,674
	<u>13,275</u>	<u>4,797</u>
CURRENT LIABILITIES		
Trade payables	4,842	5,277
Other payables and accruals	3,220	1,416
Amount due to directors	96	305
Hire purchase payables	1,389	215
Short term borrowings	3,079	1,247
Provision for taxation	-	-
	<u>12,626</u>	<u>8,460</u>
TOTAL LIABILITIES	<u>25,901</u>	<u>13,257</u>
TOTAL EQUITY AND LIABILITIES	<u>109,496</u>	<u>90,944</u>
Net Assets per share (RM)	<u>0.1384</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 30 September 2008 is arrived at based on the Group's Net Assets of RM83.60 million over the number of ordinary shares of 604,056,599 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 604,036,599 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 2008

(The figures have not been audited)

	-----Non-distributable-----				Distributable		Total RM'000
	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Foreign exchange reserve RM'000	Share option reserve RM'000	Retained profit 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	15,092	(4,732)	-	-	-	(10,360)	-
ESOS exercised	312	325	-	-	(43)	-	594
Transfer from deferred taxation	-	-	28	-	-	-	28
Exchange translation differences	-	-	-	64	-	-	64
Share Options forfeited under ESOS	-	-	-	-	(41)	-	(41)
Profit for the financial year	-	-	-	-	-	10,676	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>12 months ended 31 December 2008</u>							
At 1 January 2008	60,404	59	1,277	(484)	264	16,167	77,687
ESOS exercised	2	1	-	-	-	-	3
Exchange translation differences	-	-	-	2,414	-	-	2,414
Foreign exchange realised from disposal of a subsidiary company	-	-	-	(1)	-	-	(1)
Share Options forfeited under ESOS	-	-	-	-	(11)	-	(11)
Share Options granted under ESOS	-	-	-	-	157	-	157
Profit for the financial year	-	-	-	-	-	6,366	6,366
Dividends	-	-	-	-	-	(3,020)	(3,020)
At 31 December 2008	<u>60,406</u>	<u>60</u>	<u>1,277</u>	<u>1,929</u>	<u>410</u>	<u>19,513</u>	<u>83,595</u>

Note:

The unaudited condensed consolidated statement of changes in equity for the financial year ended 31 December 2008 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 Fourth Quarter Ended 31 December 2008

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Audited Preceding Year Corresponding Period
	31 Dec 2008 RM'000	31 Dec 2007 RM'000	31 Dec 2008 RM'000	31 Dec 2007 RM'000
CASHFLOWS FROM OPERATING ACTIVITIES				
(Loss)/Profit before taxation	(785)	2,912	6,963	12,043
Adjustments for:				
Depreciation	1,254	1,208	6,007	5,315
Property, plant and equipment written off	434	-	434	-
Share options granted under ESOS	-	(197)	-	(40)
Interest expense	2	(77)	148	198
Interest income	(2)	(70)	(170)	(179)
Unrelied loss on foreign exchange	1,324	-	1,324	194
Share-based payments	146	-	146	-
Others	(16)	-	(14)	(102)
Operating profit before working capital changes	2,357	3,776	14,838	17,429
Inventories	2,727	(2,512)	(4,865)	(6,073)
Receivables	(1,805)	6,610	(7,195)	14
Payables	(3,181)	(2,169)	371	(745)
Cash generated from operations	98	5,705	3,149	10,625
Interest paid	(2)	77	(148)	(198)
Tax refund	17	-	17	-
Tax paid	395	(189)	(691)	(983)
Net cash generated from operating activities	508	5,593	2,327	9,444
CASHFLOWS FROM INVESTING ACTIVITIES				
Interest received	2	70	170	179
Proceeds from disposal of property, plant and equipment	-	-	-	28
Prepaid land lease payments	-	-	-	(1,944)
Purchase of property, plant and equipment	(11,198)	(2,325)	(16,379)	(6,764)
Net cash used in investing activities	(11,196)	(2,255)	(16,209)	(8,501)
CASHFLOWS FROM FINANCING ACTIVITIES				
Repayment of term loan	(297)	(298)	(1,158)	(1,068)
Repayment of hire purchase	(603)	(88)	(926)	(1,667)
Drawdown of revolving credit	9,800	-	9,800	-
Repayment to directors	(209)	-	(209)	(571)
Proceeds from issuance of shares under ESOS	1	49	3	-
Proceeds from issuance of right shares	-	-	-	593
Dividend paid	-	-	(3,020)	(1,350)
Net cash generated from/(used in) financing activities	8,692	(337)	4,490	(4,063)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,996)	3,001	(9,392)	(3,120)
EFFECTS OF CHANGES IN FOREIGN EXCHANGE	396	(80)	413	2
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER	5,050	9,509	12,429	15,548
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	A15 3,450	12,430	3,450	12,430

Note:

This is prepared based on the consolidated results of the Group for the financial year ended 31 December 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 Fourth Quarter Ended 31 December 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 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 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

No dividend was paid during the quarter under review.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS For The Fourth Quarter Ended 31 December 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 31 December 2008 RM'000	Current year to date 31 December 2008 RM'000
<u>Segment Revenue</u>		
Malaysia	13,597	55,228
China	2,407	7,932
	<u>16,004</u>	<u>63,160</u>
<u>Segment Results</u>		
Malaysia	334	7,213
China	(698)	171
USA	(421)	(421)
Profit from operations	<u>(785)</u>	<u>6,963</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 since the end of last financial year except for the followings:

- (i) The Group had on 28 May 2008, incorporated a wholly-owned subsidiary company, namely Jadi Imaging Supplies (US), Inc in the State of California, United States of America. The cost of investment was USD1,500 for 1,500 common shares with no par value.
- (ii) A wholly-owned subsidiary, namely Jadi Imaging Supplies (UK) Pte Ltd has been struck off from the Register of Companies in the United Kingdom and was dissolved on 25 November 2008 pursuant to Section 652A of the Companies Act 1985, United Kingdom.

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 25 February 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 Fourth Quarter Ended 31 December 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 December 2008 RM'000
Approved and contracted for:	
Acquisition of plant and machinery for color toner line	3,120
Construction of factory in Suzhou, China	3,258
	<hr/> 6,379 <hr/>

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 December 2008 RM'000
Cash and bank balances	3,189
Short term deposit & investment	261
	<hr/> 3,450 <hr/>



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2008

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

B1 Review of performance

For the current quarter ended 31 December 2008, the Group recorded a revenue of RM16 million against RM11.96 million in the corresponding quarter ended 31 December 2007, an increase of RM4.04 million or 34% due to increase in sales of both black & color toners.

The profit before taxation for the Group decreased by RM3.70 million to a loss before taxation of RM0.785 million compared to profit before taxation of RM2.91 million in the corresponding quarter ended 31 December 2007 mainly due to the increase in the price of raw material and increase in loss on foreign exchange of RM2.33 million arising from loss on USD forward and currency option contracts and depreciation in Ringgit Malaysia against Japanese Yen. In addition, the shift of Suzhou factory in the fourth quarter of year 2008 has resulted to write-off of transformer and other assets amounting to RM434k and temporary cessation of production while factory overheads such as depreciation, salaries, etc. amounting to RM550k continued to be incurred and charge to income statement in the current quarter. Furthermore, pre-operating expenses of US operations amounting to RM421k were charged to income statement in the current quarter.

B2 Variation of results against preceding quarter

The Group recorded a revenue of RM16 million for the current quarter under review against RM16.06 in the preceding quarter, a minor decrease of RM0.06 million.

The profit before taxation decreased by RM4.25 million to loss before taxation of RM0.785 million compared to the profit before taxation of RM3.46 million achieved in the preceding quarter mainly due to increase in loss on foreign exchange of RM2.91 million arising from loss on USD forward and option contracts and depreciation in Ringgit Malaysia against Japanese Yen. In addition, the shift of Suzhou factory in the fourth quarter of year 2008 has resulted to write-off of transformer and other assets amounting to RM434k and temporary cessation of production while factory overheads such as depreciation, salaries, etc. amounting to RM550k continued to be incurred and charge to income statement in the current quarter. Furthermore, pre-operating expenses of US operations amounting to RM421k were charged to income statement in the current quarter.

B3 Prospects

The Board expects the first quarter of 2009 to remain challenging for the Group in view of the negative impact of the uncertain global financial condition. The Group's results for the first quarter of 2009 will continue to be impacted by the operating cost of Suzhou factory due to the temporary cessation of production for relocation and loss on USD forward and currency option contracts until final unwinding of the contracts.

B4 Profit forecast and profit guarantee

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

B5 Taxation

	Current quarter	Current year
	31 December 2008	to date
	RM'000	31 December 2008
	RM'000	RM'000
Income tax	(506)	794
Deferred tax	463	(197)
	<u>(43)</u>	<u>597</u>

Tax expense for the current quarter ended 31 December 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. The tax credit position for the period presented above was due to the loss position of the Group for the current quarter as explained in Note B1 above.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2008

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

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 December 2008, the Group had total borrowings of approximately RM13.27 million, details of which are set out below:

Interest bearing borrowings:	RM'000
<i>Short term borrowings</i>	
Revolving credit	3,000
Term loan	79
Hire purchase	1,389
<i>Long term borrowings</i>	
Revolving credit	6,800
Hire purchase	1,998
Total	<u>13,266</u>

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

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 have been declared under the current quarter under review.



JADI IMAGING HOLDINGS BERHAD (526319 - P)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Fourth Quarter Ended 31 December 2008

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

B12 Earnings per share

	Current Quarter 31 December 2008 RM'000	Current Year To date 31 December 2008 RM'000
Profit after taxation (RM'000)	(742)	6,366
Weighted average number of shares in issue ('000)	604,057	604,049
Basic earnings per share (sen)	(0.12)	1.05

B13 Status of corporate proposals

There were no pending corporate proposal.

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 duly passed.

Jadi Imaging Holdings Berhad

25 February 2009