
Unaudited First Quarter Financial Statements And Dividend Announcement for the Three Months / First Quarter Ended 31 March 2010

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS

- 1(a) **An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

CONSOLIDATED INCOME STATEMENT
For the year ended 31 March 2010

	Note	Three months / first quarter ended 31 March		
		2010 US\$'000	2009 US\$'000	% Increase/ (Decrease)
Revenue		25,377	20,734	22.4%
Cost of sales		(18,537)	(16,528)	12.2%
Gross profit		6,840	4,206	62.6%
Other operating income		195	84	132.1%
Distribution expenses		(465)	(410)	13.4%
Administrative expenses		(5,246)	(5,752)	(8.8%)
Finance costs		(81)	(67)	20.9%
Profit/(loss) before income tax	(1)	1,243	(1,939)	(164.1%)
Income tax expense		(441)	(56)	687.5%
Profit/(loss) after income tax		802	(1,995)	(140.2%)

Note (1)

Profit/(loss) before income tax has been arrived at after charging / (crediting):

	Three months / first quarter ended 31 March	
	2010 US\$'000	2009 US\$'000
Depreciation	866	982
Interest income	(37)	(47)
Net foreign exchange loss/(gain) (Note a)	78	(413)
Allowance for inventories	169	94
Change in fair value of derivative financial instruments	(32)	393
Loss on disposal of property, plant and equipment	13	39
Change in market value of available-for-sale investment	(22)	-

Note a: The foreign currency exchange loss for the three months ended 31 March 2010 comprised mainly unrealized net loss on translating monetary assets less monetary liabilities in foreign currencies, mainly United States dollars and Japanese yen, to functional currency at each Group entity and realized net loss on payments denominated in foreign currencies other than the functional currency in each Group entity.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at 31 March 2010

	The Group		The Company	
	As at 31 March 2010 US\$'000	As at 31 December 2009 US\$'000	As at 31 March 2010 US\$'000	As at 31 December 2009 US\$'000
<u>ASSETS</u>				
Current Assets:				
Cash and bank balances	31,746	35,828	163	163
Trade receivables	16,958	18,162	-	-
Other receivables and prepayments	1,724	2,235	621	750
Prepaid lease payments	9	9	-	-
Income tax recoverable	7	7	-	-
Inventories	8,475	8,484	-	-
Pledged bank deposits (Note b)	1,607	1,581	-	-
Total current assets	60,526	66,306	784	913
Non-current assets				
Goodwill	1,516	1,516	-	-
Available-for-sale investments	977	955	-	-
Held-to-maturity investment	983	976	-	-
Other assets	517	518	-	-
Amount due from a subsidiary	-	-	18,026	18,046
Prepaid lease payments	450	453	-	-
Property, plant and equipment	22,351	23,028	-	-
Subsidiaries	-	-	10,735	10,735
Total non-current assets	26,794	27,446	28,761	28,781
Total assets	87,320	93,752	29,545	29,694
<u>LIABILITIES AND EQUITY</u>				
Current liabilities				
Bank and other borrowings	8,059	8,819	-	-
Trade payables	13,968	19,294	-	-
Other payables and accruals	3,100	3,618	174	199
Current portion of obligation under finance leases	200	220	-	-
Income tax payable	495	374	-	-
Derivative financial instruments	115	148	-	-
Total current liabilities	25,937	32,473	174	199
Non-current liabilities				
Bank and other borrowings	6,174	6,874	-	-
Obligation under finance leases	280	325	-	-
Retirement benefit obligations	868	816	-	-
Deferred tax liabilities	917	895	-	-
Total non-current liabilities	8,239	8,910	-	-
Capital and reserves				
Issued capital	10,087	10,087	10,087	10,087
Reserves	43,057	42,282	19,284	19,408
Total equity	53,144	52,369	29,371	29,495
Total liabilities and equity	87,320	93,752	29,545	29,694

Note b: As at 31 March 2010, the Group's bank deposits of approximately US\$1,607,000 (31 December 2009: US\$1,581,000) were pledged to financial institutions to secure banking facilities granted to the Group.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

	As at 31 March 2010		As at 31 December 2009	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Bank and other borrowings	-	8,059	-	8,819
Obligation under finance leases	200	-	220	-
Total	200	8,059	220	8,819

Amount repayable after one year

	As at 31 March 2010		As at 31 December 2009	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Bank and other borrowings	-	6,174	-	6,874
Obligation under finance leases	280	-	325	-
Total	280	6,174	325	6,874

Details of collateral

As at 31 March 2010, the Group's bank deposits of approximately US\$1,607,000 (31 December 2009: US\$1,581,000) were pledged to financial institutions to secure banking facilities granted to the Group. The Group did not utilize any such banking facilities as at 31 March 2010 and 31 December 2009. The carrying amount of the Group's property, plant and equipment includes an amount of US\$1,149,000 (31 December 2009: US\$1,223,000) in respect of assets held under finance leases which are secured by the lessor's title to the leased assets.

- 1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED CASH FLOW STATEMENT		
For the period ended 31 March 2010		
	The Group	
	Three months / first quarter ended 31 March	
	2010	2009
	US\$'000	US\$'000
OPERATING ACTIVITIES		
Profit before income tax	1,243	(1,939)
Adjustments for		
Share-based payment expenses	-	66
Allowance for inventories	169	94
Depreciation	866	982
Amortization of prepaid lease payments	3	3
Interest income	(37)	(47)
Interest expenses	81	67
Change in market value of available-for-sale investment	(22)	-
Loss on disposal of property, plant and equipment	13	39
Loss on disposal of other assets	-	3
Retirement benefit obligations	57	32
Change in fair value of derivative financial instruments	(32)	393
Operating cash flows before movements in working capital	2,341	(307)
Trade receivables, other receivables and prepayments	1,585	11,251
Inventories	(160)	1,982
Trade payables, other payables and accruals	(5,843)	(14,544)
Cash used in operations	(2,077)	(1,618)
Income tax paid	(297)	(491)
Interest paid	(81)	(67)
Net cash used in operating activities	(2,455)	(2,176)
INVESTING ACTIVITIES		
Proceeds from repayment of a loan receivable	129	256
Proceeds from disposal of property, plant and equipment	24	69
Proceeds from disposal of other assets	-	4
Decrease/(Increase) in other assets	1	(12)
Additional investment in available-for-sale investments	(3)	(3)
Purchase of property, plant and equipment (Note c)	(241)	(247)
Interest income received	37	47
Net cash (used in)/from investing activities	(53)	114
FINANCING ACTIVITIES		
Payment of share buyback	-	(38)
Increase in pledged bank deposits	(26)	(225)
Proceeds from bank and other borrowings	13,012	33,960
Repayment of obligation under finance leases	(65)	(113)
Repayment of bank and other borrowings	(14,478)	(33,302)
Net cash (used in)/from financing activities	(1,557)	282
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,065)	(1,780)
NET EFFECT OF CURRENCY TRANSLATION DIFFERENCES	(17)	(1,248)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	35,828	29,877
CASH AND CASH EQUIVALENTS AT END OF PERIOD	31,746	26,849

Note c: In the first quarter ended 31 March 2010, the Group acquired property, plant and equipment with aggregate cost of approximately US\$241,000 (1Q 2009: US\$247,000). Cash payments of approximately US\$241,000 (1Q 2009: US\$247,000) were made to purchase property, plant and equipment.

1(d) **A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediate preceding financial year.**

	Three months / first quarter ended 31 March		
	2010 US\$'000	2009 US\$'000	% Increase/ (Decrease)
Profit/(loss) after income tax	802	(1,995)	(140.2%)
Other comprehensive income:			
Exchange difference on translation of foreign operations	(27)	(851)	(96.8%)
Available-for-sale investment	-	130	N/A
Other comprehensive income for the period, net of tax	(27)	(721)	(96.3%)
Total comprehensive income for the period, net of tax	775	(2,716)	(128.5%)

- 1(e)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

The group's statement of changes in equity with a comparative statement for the corresponding period of immediately preceding financial year is as follows:

	Share Capital US\$'000	Share premium of the Company US\$'000	Treasury Shares US\$'000	Share option reserve US\$'000	Merger reserve US\$'000	Reserve Fund US\$'000	Enterprise Expansion Fund US\$'000	Other Reserve US\$'000	Revaluation reserve US\$'000	Currency translation reserve US\$'000	Retained earnings US\$'000	Total US\$'000
Balance as at 1 January 2010	10,087	18,994	(33)	286	(7,020)	4,692	310	1,170	56	9,052	14,775	52,369
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	(27)	802	775
Balance as at 31 March 2010	10,087	18,994	(33)	286	(7,020)	4,692	310	1,170	56	9,025	15,577	53,144

	Share Capital US\$'000	Share premium of the Company US\$'000	Treasury Shares US\$'000	Share option reserve US\$'000	Merger reserve US\$'000	Reserve Fund US\$'000	Enterprise Expansion Fund US\$'000	Other Reserve US\$'000	Revaluation reserve US\$'000	Currency translation reserve US\$'000	Retained earnings US\$'000	Total US\$'000
Balance as at 1 January 2009	10,110	19,009	-	175	(7,020)	4,513	307	1,167	-	9,204	17,724	55,189
Total comprehensive income for the period	-	-	-	-	-	-	-	-	130	(851)	(1,995)	(2,716)
Share-based payment expense	-	-	-	66	-	-	-	-	-	-	-	66
Cancellation of purchased shares under Shares Purchase Mandate	(23)	(15)	-	-	-	-	-	-	-	-	-	(38)
Balance as at 31 March 2009	10,087	18,994	-	241	(7,020)	4,513	307	1,167	130	8,353	15,729	52,501

The issuer's statement of changes in equity with a comparative statement for the corresponding period of immediately preceding financial year is as follows:

	Share Capital US\$'000	Share premium of the Company US\$'000	Treasury Shares US\$'000	Share option reserve US\$'000	Retained earnings US\$'000	Total US\$'000
Balance as at 1 January 2010	10,087	18,994	(33)	286	161	29,495
Total comprehensive income for the period	-	-	-	-	(124)	(124)
Balance as at 31 March 2010	10,087	18,994	(33)	286	37	29,371

	Share Capital US\$'000	Share premium of the Company US\$'000	Treasury Shares US\$'000	Share option reserve US\$'000	Retained earnings US\$'000	Total US\$'000
Balance as at 1 January 2009	10,110	19,009	-	175	669	29,963
Total comprehensive income for the period	-	-	-	-	(131)	(131)
Share-based payment expense	-	-	-	66	-	66
Cancellation of purchased shares under Shares Purchase Mandate	(23)	(15)	-	-	-	(38)
Balance as at 31 March 2009	10,087	18,994	-	241	538	29,860

1(e)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Share Capital

As at 31 December 2009, the Company's issued and fully paid up share capital was US\$10,087,084 represented by 503,534,221 ordinary shares and 820,000 treasury shares.

During the quarter ended 31 March 2010, the company did not purchase any shares under the Share Purchase Mandate. As at 31 March 2010, the Company's issued and fully paid up share capital was US\$10,087,084 represented by 503,534,221 ordinary shares and 820,000 treasury shares.

Treasury shares

	The Company			
	2010		2009	
	Number of shares	US\$'000	Number of shares	US\$'000
Balance as at 1 January	820,000	33	-	-
Purchased during the quarter	-	-	-	-
Balance as at 31 March	<u>820,000</u>	<u>33</u>	<u>-</u>	<u>-</u>

Share Options

On 9 March 2007, the Chief Executive Officer of the Company proposed to grant options to three executive directors and ten senior executives (the "2007 Participants") to subscribe for a total of 20,496,000 ordinary shares of US\$0.02 each in the capital of the Company. This proposal was adopted by the Remuneration Committee and options granted were accepted by the 2007 Participants in April 2007. The option will be exercisable at S\$0.13 per share with an exercise period commencing from 9 March 2008 to 8 March 2012 (both days inclusive).

On 23 May 2008, the Remuneration Committee duly authorized and appointed by the Company's board of directors to administer the CDW Holding Share Option Scheme (the "Scheme") resolved that the unexercised share options shall lapse and be cancelled on the ground that the objectives of the Scheme have not been met. The resolution was subsequently accepted by the majority of 2007 Participants and 19,032,000 share options granted were cancelled prior to 30 June 2008.

On 11 June 2008, the Chief Executive Officer of the Company proposed to grant options to four executive directors and eight senior executives (the "2008 Participants") to subscribe for a total 19,032,000 ordinary share of US\$0.02 each in the capital of the Company. This proposal was adopted by the Remuneration Committee and options granted were accepted by the 2008 Participants in June 2008. The option will be exercisable at S\$0.07 per share with an exercise period commencing from 11 June 2009 to 10 June 2013 (both days inclusive).

The number of outstanding share options as at 31 March 2010 was 20,496,000 (31 December 2009: 20,496,000).

1(e)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	The Company	
	As at 31 March 2010	As at 31 December 2009
Issued shares	504,354,221	504,354,221
Less: Treasury shares	(820,000)	(820,000)
Total number of issued shares excluding treasury shares	<u>503,534,221</u>	<u>503,534,221</u>

1(e)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and/or use of treasury share during the current financial period reported on.

2. Whether the figures have been audited, or reviewed and in accordance with which standard or practice.

The figures have not been audited or reviewed by any independent auditor.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied.

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the most recently audited annual financial statements for the year ended 31 December 2009 except for the adoption of the new and revised Financial Reporting Standards which came into effect this financial year from 1 January 2010. The adoption of these new accounting policies did not give rise to any significant change to the financial statements.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Profit/(loss) per ordinary share for the periods based on profit attributable to shareholders on 1(a) above	Three months / first quarter ended 31 March	
	2010	2009
Based on weighted average number of ordinary shares in issue (US cents)		
- Basic	0.16	(0.39)
- Fully diluted (Note d)	0.16	(0.39)
Weighted average number of ordinary shares for the purpose of basic earnings per ordinary share (Note e)	503,534,221	505,468,366
Effect of dilutive share options	2,955,736	-
Weighted average number of ordinary shares for the purposes of diluted earnings per ordinary shares	<u>506,489,957</u>	<u>505,468,366</u>

Note d: There was no diluted effect on the earnings per share as the average market price of ordinary shares during the quarter ended 31 March 2009 was below the exercise price for the granted options.

Note e: The weighted average number of ordinary shares was computed after adjusting for the effect of treasury shares held by the Company.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	31 March 2010	31 December 2009
Net assets value per ordinary share, excluding treasury shares (US cents)		
- The Group	10.55	10.40
- The Company	5.83	5.85

The calculation of the net assets value per ordinary shares was based on total of 503,534,221 (2009: 503,534,221) ordinary shares (excluding treasury shares).

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors, and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Income Statement

With the pick-up in consumer and business sentiment worldwide, the Group's operating environment has been improving since the lows of first quarter 2009. Total revenue for this quarter was US\$25.4 million, representing an increase of 22.4% as compared to the corresponding period in the previous year. Gross profit increased by 62.6% to US\$6.8 million over the corresponding period in the previous year.

The Group's continuous focus on higher value-added products and cost containment led to an improvement in the gross profit margin of 6.7% to 27.0% vis-à-vis the corresponding period in the previous year.

The Group recorded a net profit of US\$0.8 million in this quarter as compared to a net loss of US\$2.0 million in the first quarter 2009 due to the reasons below.

LCD Backlight Units

Revenue from LCD Backlight Units segment increased by 58.1% to US\$11.7 million for this quarter as compared to US\$7.4 million in the corresponding period in the previous year.

In this quarter, the Group manufactured a total of 4.9 million units backlight units for gamesets and other handheld devices (which mainly included digital camera) and 0.9 million backlight units for handsets as compared to 4.5 million units and 0.4 million units respectively for the corresponding period in the previous year.

Increase in revenue led to an operating profit of US\$0.5 million for this quarter as compared to an operating loss of US\$0.9 million in the corresponding period in the previous year.

LCD Parts and Accessories

Revenue from the LCD Parts and Accessories segment decreased by 12.4% to US\$7.8 million for this quarter from US\$8.9 million for the corresponding period in the previous year due to a fall in order volume. However, with orders for new products which had higher margin, this segment recorded an operating profit of US\$0.3 million as compared to an operating profit of US\$0.1 million in the corresponding period in the previous year.

Office Automation

Revenue from Office Automation segment was up by 34.1% to US\$5.9 million for this quarter from US\$4.4 million in the corresponding period in the previous year. With continuing cost containment measures, this segment achieved an operating profit of US\$1.1 million for this quarter while there was an operating loss of US\$0.1 million for the corresponding period in the previous year.

Other operating income increased by 132.1% to US\$0.20 million for this quarter over the corresponding period in the previous year as a result of more scrapped metal and mould for sales.

Distribution expenses increased by 13.4% to US\$0.47 million as a result of the increase in sales. However, such percentage increase in distribution expenses was less than the percentage increase in sales for the quarter. The major costs were freight and storage costs, courier charge and packing materials which were under strict control.

Administrative expense dropped by 8.8% to US\$5.2 million for this quarter over the corresponding period in the previous year. It was mainly contributed by the continuous cost containment measures which led to a reduction in all salary related-expenses, marketing cost and utility and facility expenses.

Finance cost was US\$0.1 million in the current quarter under review and remained at low level under the Group's low debt policy and low interest rate environment.

Income tax expense increased to US\$0.4 million for the quarter. It was attributable to increasing profits in the operating entities in PRC and Japan.

Statements of Financial Position

As at 31 March 2010, the total assets and liabilities stood at US\$87.3 million and US\$34.2 million respectively.

Current assets declined by US\$5.8 million over the current quarter to US\$60.5 million as at 31 March 2010, and mainly consisted of cash and bank balances, receivables and inventories. Cash and bank balances dropped by US\$4.1 million over the three months to US\$31.7 million at quarter-end, which was due to the settlement of certain bank borrowings and trade payables. While trade receivable turnover remained unchanged, the trade receivables were reduced by US\$1.2 million over the three months to US\$17.0 million at quarter-end. It was in line with lowering sales for the current quarter. Inventory was unchanged and maintained at a similar level at the current quarter end.

Non-current assets were US\$ 26.8 million, representing a reduction over the current quarter amounting to US\$0.7 million. Such reduction was attributable to the purchase of equipment of US\$0.2 million less the depreciation charge of US\$0.9 million for the current quarter.

Current liabilities and non-current liabilities dropped by US\$6.5 million and US\$0.7 million over the current quarter to US\$25.9 million and US\$8.2 million respectively at the quarter-end. They mainly consisted of bank and other borrowings, obligation under finance leases, retirement benefit, payables and accruals, income tax and deferred tax liabilities. The drop mainly represented the net settlement of US\$1.5 million in bank and other borrowings and US\$5.8 million in payables and accrual for the quarter under review. There were no material changes in other balance sheet items.

Cash Flow Statement

The Group had net cash used in operating activities amounting to US\$2.5 million for current quarter as compared to US\$2.2 million in the corresponding period in the previous year.

For investing activities, the Group purchased equipment with value of US\$0.2 million and received from the loan receivable a partial payment of US\$0.13 million in the current quarter.

During the quarter, the Group recorded net cash outflow in the financing activities amounting to US\$1.5 million, being the repayment of bank borrowings over the proceed of new bank borrowings.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group is cautiously optimistic about prospects as the global markets exhibit a gradual, albeit uneven, recovery from the world recession. Going forward, the Group believes that the business momentum will continue and carry through to the current year 2010.

The LCD Backlight Unit segment continues to encounter significant competitive pressures. The LCD parts and accessories segment produces goods for a wide range of end-products which offers the Group new opportunities. The Office Automation business, comprising primarily of products used in the manufacture of office printers and photocopiers, should continue to maintain a steady performance due to the stable demand attributable to the replacement cycle.

We envisage a tight labour market and appreciating Renminbi in our operating locations in PRC. As a result, it is likely to have an adverse impact on our operating costs in the current financial year.

Regardless of developments in our operating environment, CDW will continue with cost containment measures such as reducing administrative expenses and lowering production cost per unit through production

process re-engineering. It will also aim to improve inventory management, reducing inventory turnover days, and synchronizing supply levels with customer orders.

The Group purchases Japanese made raw materials in Japanese yen while sales were denominated in United States dollars. The Group is exposed to foreign currency risk, mainly the volatility of United States dollars against Japanese Yen. The Group has been actively mitigating currency risk through forward contracts and options on a monthly basis and will continue doing so.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3, Q4 or Half Year and Full Year Results)

13. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

CDW Holding Limited

Business segment for the three months / first quarter ended 31 March 2010

The Group is organized into three reportable operating segments as follows:

- i) LCD backlight units – Manufacturing of LCD backlight units for LCD module
- ii) Office automation – Manufacturing and trading of parts and precision accessories for office equipment and electrical appliances
- iii) LCD parts and accessories – Manufacturing and trading of parts and precision accessories for LCD module

	LCD backlight units	Office automation	LCD parts and accessories	Eliminations	Consolidated
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<u>Revenue</u>					
External sales	11,711	5,907	7,759		25,377
Inter-segment sales	8	1,825	894	(2,727)	-
Total revenue	<u>11,719</u>	<u>7,732</u>	<u>8,653</u>		<u>25,377</u>
<u>Results</u>					
Segment result	451	1,123	342		1,916
Unallocated corporate expense					(629)
Operating profit					1,287
Interest income					37
Interest expenses					(81)
Profit before income tax					1,243
Income tax expense					(441)
Profit after income tax					<u>802</u>
<u>Assets</u>					
Segment assets	25,363	18,287	40,951	(2,065)	82,536
Unallocated assets					4,784
Consolidated total assets					<u>87,320</u>
<u>Liabilities</u>					
Segment liabilities	6,130	5,828	7,086	(2,065)	16,979
Bank borrowings and obligation under finance leases					14,713
Unallocated liabilities					2,484
Consolidated total liabilities					<u>34,176</u>
<u>Other information</u>					
Capital expenditure	19	15	207		241
Depreciation of property, plant and equipment	236	102	528		866

Business segment for the three months / first quarter ended 31 March 2009

	LCD backlight units	Office automation	LCD parts and accessories	Eliminations	Consolidated
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenue					
External sales	7,425	4,431	8,878		20,734
Inter-segment sales	68	266	1,182	(1,516)	-
Total revenue	7,493	4,697	10,060		20,734
Results					
Segment result	(923)	(126)	99		(950)
Unallocated corporate expense					(969)
Operating profit					(1,919)
Interest income					47
Interest expenses					(67)
Profit before income tax					(1,939)
Income tax expense					(56)
Profit after income tax					(1,995)
Assets					
Segment assets	24,008	12,975	41,106	(570)	77,519
Unallocated assets					5,787
Consolidated total assets					83,306
Liabilities					
Segment liabilities	6,397	4,770	7,102	(570)	17,699
Bank borrowings and obligation under finance leases					11,416
Unallocated liabilities					1,690
Consolidated total liabilities					30,805
Other information					
Capital expenditure	5	10	232		247
Depreciation of property, plant and equipment	283	174	525		982

Geographical Segment for the Three months / first quarter ended 31 March 2010 and 2009

	Turnover		Non-Current Assets		Capital Expenditure	
	Three months / first quarter ended 31 March		Three months / first quarter ended 31 March		Three months / first quarter ended 31 March	
	2010 US\$'000	2009 US\$'000	2010 US\$'000	2009 US\$'000	2010 US\$'000	2009 US\$'000
Hong Kong	9,069	8,077	1,293	435	18	10
PRC	10,673	8,596	17,523	20,105	196	237
Japan	5,615	4,059	5,951	6,437	27	-
Others	20	2	-	-	-	-
Total	25,377	20,734	24,767	26,977	241	247

Non-current assets are mainly comprised of goodwill, prepaid lease payment and property, plant and equipment.

Information about major customer

During the quarter ended 31 March 2010, revenue from one key customer which has transactions with all segments accounted for 68% (1Q 2009: 69%).

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to paragraph 8 for the factors leading to any material changes in contribution to revenue and earnings by the business segments. In terms of geographical segments, the Group was generating revenue in Hong Kong, PRC and Japan. Revenue in Hong Kong, PRC and Japan accounted for 35.7%, 42.1% and 22.1% of the total revenue respectively. Total revenue increased by 22.4% to US\$25.4 million for the current quarter as compared to the corresponding period in the previous year.

As at 31 March 2010, the total non-current assets located in Hong Kong, PRC and Japan accounted for 5.2%, 70.8% and 24.0% of the total non-current assets respectively. During this quarter, the Group invested a total capital expenditure of US\$0.2 million in the equipment in the Hong Kong, PRC and Japan.

15. A breakdown of sales

	Three months / first quarter ended 31 March		
	2010 US\$'000	2009 US\$'000	% Increase / (Decrease)
Sales reported for the first quarter	25,377	20,734	22.4%
Operating profit/(loss) after income tax for the first quarter	802	(1,995)	(140.2%)

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Annual Dividend (in US\$'000)	Year ended 31 December 2009	Year ended 31 December 2008
Ordinary dividend		
- Interim	1,008	2,026
- Final	1,510	2,017
Total	2,518	4,043

17. Interested person transactions for the three months / first quarter ended 31 March 2010

Nil

CONFIRMATION BY THE BOARD

We, Yoshimi Kunikazu and Dy Mo Hua Cheung, Philip, being two directors of CDW Holding Limited (the "Company"), do hereby confirm, to the best of their knowledge, nothing has come to the attention of the board of the directors of the Company which may render the financial results for the three months/ first quarter ended 31 March 2010 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

YOSHIMI Kunikazu
Executive Director
14 May 2010

DY MO Hua Cheung, Philip
Executive Director