
Unaudited First Quarter Financial Statements And Dividend Announcement for the Three months / First Quarter Ended 31 March 2012

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

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

	Note	Three months / first quarter ended 31 March		
		2012 US\$'000	2011 US\$'000	% Increase/ (Decrease)
Revenue		31,345	38,737	(19.1%)
Cost of sales		(24,934)	(30,735)	(18.9%)
Gross profit		6,411	8,002	(19.9%)
Other operating income		297	321	(7.5%)
Distribution expenses		(503)	(520)	(3.3%)
Administrative expenses		(5,934)	(5,783)	2.6%
Finance costs		(68)	(80)	(15.0%)
Profit before income tax	(1)	203	1,940	(89.5%)
Income tax expense		(460)	(899)	(48.8%)
(Loss)/Profit after income tax		(257)	1,041	(124.7%)
(Loss)/Profit attributable to:				
Owners of the Company		(254)	1,030	(124.7%)
Non-controlling interests		(3)	11	(127.3%)
		(257)	1,041	(124.7%)

Note (1)

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

	Three months / first quarter ended 31 March	
	2012 US\$'000	2011 US\$'000
Depreciation of property, plant and equipment	877	852
Interest income	(121)	(67)
Net foreign exchange gain (Note a)	(140)	(67)
Allowance for inventories	114	416
(Gain)/Loss on disposal of property, plant and equipment	(46)	33
Change in fair value of derivative financial instruments	87	6

Note a: The foreign currency exchange gain for the three months ended 31 March 2012 comprised mainly unrealised gain net of unrealised 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 realised gain net of realised loss on payments denominated in foreign currencies other than the functional currency in each Group entity.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the period ended 31 March 2012

	Three months / first quarter ended 31 March		
	2012 US\$'000	2011 US\$'000	% Increase/ (Decrease)
(Loss)/Profit after income tax	(257)	1,041	(124.7%)
Other comprehensive income:			
Deferred tax liability arising on revaluation of available-for-sale investments	(37)	(3)	1,133.3%
Exchange difference on translation of foreign operations	(636)	198	(421.2%)
Available-for-sale investments			
Fair value gain arising during the periods	88	28	214.3%
Other comprehensive (expense)/income for the period, net of tax	(585)	223	(362.3%)
Total comprehensive (expense)/income for the period, net of tax	(842)	1,264	(166.6%)
Total comprehensive (expense)/income attributable to:			
Owners of the Company	(839)	1,253	(167.0%)
Non-controlling interests	(3)	11	(127.3%)
	(842)	1,264	(166.6%)

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 STATEMENT OF FINANCIAL POSITION

As at 31 March 2012

	The Group		The Company	
	As at 31 March 2012 US\$'000	As at 31 December 2011 US\$'000	As at 31 March 2012 US\$'000	As at 31 December 2011 US\$'000
<u>ASSETS</u>				
Current Assets:				
Cash and bank balances	40,735	45,506	399	362
Trade receivables	16,336	24,228	-	-
Other receivables and prepayments	1,967	1,911	30	29
Prepaid lease payments	9	9	-	-
Income tax recoverable	7	7	-	-
Inventories	11,568	12,259	-	-
Derivative financial instruments	-	1	-	-
Pledged bank deposits (Note b)	143	143	-	-
Total current assets	70,765	84,064	429	391
Non-current assets				
Available-for-sale investments	713	660	-	-
Held-to-maturity investment	981	978	-	-
Other assets	717	796	-	-
Amount due from a subsidiary	-	-	17,260	17,632
Prepaid lease payments	467	469	-	-
Property, plant and equipment	22,009	22,710	-	-
Subsidiaries	-	-	10,735	10,735
Total non-current assets	24,887	25,613	27,995	28,367
Total assets	95,652	109,677	28,424	28,758
<u>LIABILITIES AND EQUITY</u>				
Current liabilities				
Bank and other borrowings	7,437	10,438	-	-
Trade payables	19,380	27,566	-	-
Other payables and accruals	4,255	5,102	132	166
Current portion of obligation under finance leases	398	349	-	-
Derivative financial instruments	86	-	-	-
Income tax payable	1,631	2,203	-	-
Total current liabilities	33,187	45,658	132	166
Non-current liabilities				
Bank and other borrowings	2,938	3,500	-	-
Obligation under finance leases	386	380	-	-
Retirement benefit obligations	934	947	-	-
Deferred tax liabilities	761	616	-	-
Total non-current liabilities	5,019	5,443	-	-
Capital, reserves and non-controlling interests				
Issued capital	10,087	10,087	10,087	10,087
Reserves	47,343	48,470	18,205	18,505
Equity attributable to owners of the Company	57,430	58,557	28,292	28,592
Non-controlling interests	16	19	-	-
Total equity	57,446	58,576	28,292	28,592
Total liabilities and equity	95,652	109,677	28,424	28,758

Note b: As at 31 March 2012, the Group's bank deposits of approximately US\$143,000 (31 December 2011: US\$143,000) 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 2012		As at 31 December 2011	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Bank and other borrowings	-	7,437	-	10,438
Obligation under finance leases	398	-	349	-
Total	398	7,437	349	10,438

Amount repayable after one year

	As at 31 March 2012		As at 31 December 2011	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Bank and other borrowings	-	2,938	-	3,500
Obligation under finance leases	386	-	380	-
Total	386	2,938	380	3,500

Details of collateral

As at 31 March 2012, the Group's bank deposits of approximately US\$143,000 (31 December 2011: US\$143,000) were pledged to financial institutions to secure banking facilities granted to the Group. The carrying amount of the Group's property, plant and equipment includes an amount of US\$1,197,000 (31 December 2011: US\$1,160,000) in respect of assets held under finance leases which are secured by the lessor's title to the leased assets.

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

CONSOLIDATED STATEMENT OF CASH FLOWS		
For the period ended 31 March 2012		
	The Group	
	Three months / first quarter ended 31 March	
	2012	2011
	US\$'000	US\$'000
OPERATING ACTIVITIES		
Profit before income tax	203	1,940
Adjustments for		
Allowance for inventories	114	416
Depreciation of property, plant and equipment	877	852
Amortization of prepaid lease payments	3	3
Interest income	(121)	(67)
Interest expenses	68	80
(Gain)/Loss on disposal of property, plant and equipment	(46)	33
Retirement benefit obligations	39	38
Change in fair value of derivative financial instruments	87	6
Operating cash flows before movements in working capital	1,224	3,301
Trade receivables, other receivables and prepayments	7,837	(825)
Inventories	577	(2,303)
Trade payables, other payables and accruals	(9,032)	1,598
Cash generated from operations	606	1,771
Net Income tax paid	(906)	(9)
Interest paid	(68)	(80)
Net cash (used in)/from operating activities	(368)	1,682
INVESTING ACTIVITIES		
Proceeds on disposal of property, plant and equipment	216	94
Decrease in other assets	44	18
Additional investment in available-for-sale investments	(4)	(4)
Purchase of property, plant and equipment (Note c)	(418)	(772)
Interest income received	121	67
Net cash used in investing activities	(41)	(597)
FINANCING ACTIVITIES		
Payment of share buy back	(288)	-
Proceeds from bank and other borrowings	15,449	20,647
Repayment of obligation under finance leases	(52)	(86)
Repayment of bank and other borrowings	(18,840)	(22,224)
Net cash used in financing activities	(3,731)	(1,663)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,140)	(578)
NET EFFECT OF CURRENCY TRANSLATION DIFFERENCES	(631)	35
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	45,506	37,716
CASH AND CASH EQUIVALENTS AT END OF PERIOD	40,735	37,173

Note c: In the first quarter ended 31 March 2012, the Group acquired property, plant and equipment with aggregate cost of approximately US\$534,000 (1Q2011: US\$772,000) of which US\$116,000 (1Q2011: Nil) was acquired by means of finance lease. Cash payment of approximately US\$418,000 (1Q2011: US\$772,000) was made to purchase property, plant and equipment.

1(d)(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 capitalisation 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 Reserves US\$'000	Revaluation reserve US\$'000	Currency translation reserve US\$'000	Retained earnings US\$'000	Attributable to equity holders of the Company US\$'000	Attributable to non-controlling interests US\$'000	Total US\$'000
Balance as at 1 January 2012	10,087	18,994	(1,347)	266	(7,020)	5,446	321	1,181	(3)	14,476	16,156	58,557	19	58,576
Total comprehensive income for the period	-	-	-	-	-	-	-	-	51	(636)	(254)	(839)	(3)	(842)
Shares purchased under Share Purchase Mandate and held as treasury shares	-	-	(288)	-	-	-	-	-	-	-	-	(288)	-	(288)
Transfer on share options lapsed	-	-	-	(20)	-	-	-	-	-	-	20	-	-	-
Balance as at 31 March 2012	10,087	18,994	(1,635)	246	(7,020)	5,446	321	1,181	48	13,840	15,922	57,430	16	57,446

	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 Reserves US\$'000	Revaluation reserve US\$'000	Currency translation reserve US\$'000	Retained earnings US\$'000	Attributable to equity holders of the Company US\$'000	Attributable to non-controlling interests US\$'000	Total US\$'000
Balance as at 1 January 2011	10,087	18,994	(33)	266	(7,020)	4,858	313	1,173	21	11,760	15,049	55,468	28	55,496
Total comprehensive income for the period	-	-	-	-	-	-	-	-	25	198	1,030	1,253	11	1,264
Balance as at 31 March 2011	10,087	18,994	(33)	266	(7,020)	4,858	313	1,173	46	11,958	16,079	56,721	39	56,760

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 2012	10,087	18,994	(1,347)	266	592	28,592
Total comprehensive income for the period	-	-	-	-	(12)	(12)
Shares purchased under Share Purchase Mandate and held as treasury shares	-	-	(288)	-	-	(288)
Transfer on share options lapsed	-	-	-	(20)	20	-
Balance as at 31 March 2012	10,087	18,994	(1,635)	246	600	28,292

	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 2011	10,087	18,994	(33)	266	42	29,356
Total comprehensive income for the period	-	-	-	-	50	50
Balance as at 31 March 2011	10,087	18,994	(33)	266	92	29,406

1(d)(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 2011, the Company's issued and fully paid up share capital was US\$10,087,084 represented by 483,048,221 ordinary shares (excluding treasury shares) and 21,306,000 treasury shares.

During the quarter ended 31 March 2012, the company purchased 3,798,000 ordinary shares of US\$0.02 each respectively under the share purchase mandate and held them as treasury shares. As at 31 March 2012, the Company's issued and fully paid up share capital was US\$10,087,084 represented by 479,250,221 ordinary shares (excluding treasury shares), and 25,104,000 treasury shares.

Treasury shares

	The Company			
	2012		2011	
	Number of shares	US\$'000	Number of shares	US\$'000
Balance as at 1 January	21,306,000	1,347	820,000	33
Purchased during the first quarter ended 31 March	3,798,000	288	-	-
Balance as at 31 March	<u>25,104,000</u>	<u>1,635</u>	<u>820,000</u>	<u>33</u>

Share Options

On 11 June 2008, the Chief Executive Officer of the Company proposed to grant options to four executive directors and eight senior executives (the "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 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). During the current quarter, total unexercised 1,464,000 share options were lapsed on the ground that the employee left the Group.

The number of outstanding share options as at 31 March 2012 was 17,568,000 (31 December 2011: 19,032,000).

1(d)(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 2012	As at 31 December 2011
Issued shares	504,354,221	504,354,221
Less: Treasury shares	(25,104,000)	(21,306,000)
Total number of issued shares excluding treasury shares	<u>479,250,221</u>	<u>483,048,221</u>

1(d)(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 shares 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 auditors.

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 2011 except for the adoption of the new and revised International Financial Reporting Standards which came into effect this financial year from 1 January 2012. 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.**

(Loss)/Profit per ordinary share for the periods based on
(loss)/profit attributable to owners of the company on
1(a) above

	Three months / first quarter ended 31 March	
	2012	2011
Based on weighted average number of ordinary shares in issue (US cents)		
- Basic	(0.05)	0.20
- Fully diluted	(0.05)	0.20
Weighted average number of ordinary shares for the purpose of basic earnings per ordinary share (Note d)	482,448,935	503,534,221
Effect of dilutive share options	4,684,404	2,429,210
	<hr/>	<hr/>
Weighted average number of ordinary shares for the purpose of diluted earnings per ordinary share	<u>487,133,339</u>	<u>505,963,431</u>

Note d: 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 2012	31 December 2011
Net asset value per ordinary share, excluding treasury shares (US cents)		
- The Group	11.99	12.13
- The Company	5.90	5.92

The calculation of the net asset value per ordinary share was based on total number of 479,250,221 (31 December 2011: 483,048,221) 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

During the current quarter, the Group recorded a 19.1% decrease in revenue to US\$31.3 million as compared to the revenue of US\$38.7 million in the corresponding period in the previous year. The decrease was mainly due to inventory adjustments, termination of some old products and delay of mass production of new products. The Group expected the loss of sales arising from inventory adjustments and termination of old models would be compensated by the mass production of new products. Unfortunately, this expectation did not crystallize with the delay in mass production and the Group's sales for the quarter were then seriously affected.

The Group's gross profit for this quarter was reduced by US\$1.6 million or 19.9% to US\$6.4 million with gross profit margin kept relatively stable at 20.5%. Distribution expenses slightly dropped as the Group's revenue decreased. Administrative expenses grew by 2.6% or US\$0.2 million to US\$5.9 million, attributable to the increase in headcount and salary-related expenses. Finance costs remained at a low level during the quarter as the Group maintained a low gearing policy in a low interest rate environment. Income tax expenses were decreased by US\$0.4 million from US\$0.9 million to US\$0.5 million over the quarter. Against the drop in revenue, the Group recorded profit before income tax of US\$0.2 million and loss after income tax of US\$0.3 million for the quarter, representing a decline of US\$1.7 million and US\$1.3 million respectively.

LCD Backlight Units

Comprising more than half of the Group's sales, LCD Backlight Units segment's sales declined by 24.4% to US\$18.0 million in the first quarter, as compared to the sales of US\$23.8 million in the corresponding period in the previous year. Orders from customers dropped owing to inventory adjustments and termination of some old products. During the quarter, the Group manufactured 1.0 million units for handsets and 8.4 million units for gamesets as compared to 1.8 million units for handsets and 9.4 million units for gamesets in the corresponding period in the previous year. The Group recorded a decline in the segment's operating margin points of 2.5% to 4.8% during the quarter.

Office Automation

Sales in the Office Automation segment were affected by weak demand in Japan and termination of some old products in the PRC, which collectively led to a decrease in sales by 19.4% or US\$1.2 million to US\$5.0 million. The Group recorded a negative operating margin of 14.7% as compared to a positive operating margin of 3.6% in the corresponding period in the previous year.

LCD Parts and Accessories

There was a marginal drop in revenue of this segment to US\$8.3 million in the current quarter from US\$8.7 million in the corresponding period in the previous year. Operating margin was maintained at 9.3%. The delay of mass production was attributable to a problem experienced by a customer. The segment continues to take the leverage of close relationship with manufacturer of optical sheets and to strengthen the business related to Japanese-made optical sheets.

Statement of Financial Position

As at 31 March 2012, total assets and liabilities stood at US\$95.7 million and US\$38.2 million respectively.

Total current assets fell by US\$13.3 million over the current quarter to US\$70.8 million as at 31 March 2012. Apart from the decrease in cash and bank balances due to the settlement of trade payables and bank loans, trade receivables and inventories also dropped owing to the decrease in sales with explanation stated above. For the trade receivables, the Group debtor turnover day was 59 days. In general, there is no material change in the credit term to customers. Other receivables mainly represented utility deposits, prepaid expenses and value-added tax recoverable.

Total non-current assets stood at US\$24.9 million, representing a reduction of US\$0.7 million over the three months. Included in property, plant and equipment was the newly purchased production equipment amounting to US\$0.5 million which was netted off against the depreciation charge for the current quarter.

Total liabilities as at 31 March 2012 dropped to US\$38.2 million, representing a decrease of US\$12.9 million over the current quarter. The Group settled bank loans and other borrowings on schedule, which was decreased by US\$3.6 million to US\$10.4 million as at 31 March 2012.

The trade payables were down by US\$8.2 million to US\$19.4 million as at 31 March 2012. It was consistent with the drop in the revenue. There was no material change in the credit terms offered by the Group's suppliers.

The income tax on profit was provided and adjusted under tax rules of different jurisdiction.

Statement of Cash Flows

The Group had net cash used in operating activities amounting to US\$0.4 million for the current quarter as compared to US\$1.7 million net cash from operating activities in the corresponding period in the previous year. The decrease in operating cash flow was due to the reduction in the profit before tax and the decrease in non-cash adjustment, mainly allowance for inventories.

There were immaterial cash flows in investing activities. During the current quarter, the Group purchased property, plant and equipment amounting to US\$0.5 million mainly for LCD Parts and Accessories segment.

Net cash used in financing activities was increased to US\$3.7 million as compared to US\$1.7 million in the corresponding period in the previous year. The net cash out flows included the payment of share buyback and net settlement of bank loans amounting to US\$0.3 million and US\$3.4 million respectively.

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

As stated in the fourth quarter and full year 2011 results announcement released on 28 February 2012 and the profit guidance announced on 4 May 2012, the loss for the three months or first quarter ended 31 March 2012 was as forecasted.

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 operating in a highly competitive environment; the outlook for the Group's business is contingent upon the timing of mass production, pricing and consumer demand for the end-products. Eurozone sovereign debt crisis, a weak Japanese economy and a tepid US recovery have been the global concern and continue to make the global economic environment uncertain and bearish in coming months.

As previously explained in paragraph 8, the inventory adjustments and planned termination of certain old products in the LCD Backlight Units and the Office Automation segments, and unexpected delay of mass production of certain new products in LCD Parts and Accessories segment resulted in a loss in 1Q12. Mass production of these new products in LCD Parts and Accessories segment have commenced in the second quarter.

LCD Backlight Units and Office Automation segments are still experiencing weak demand, which would likely to continue in the second quarter. The management is actively engaged in exploring new orders at acceptable and reasonable margin, and expects recovery of production orders in the second half of this year. Overall, the management remains optimistic towards the performance of the Group's operation for the current financial year.

For most of our manufacturing operations are located in the PRC, an appreciating Chinese renminbi, coupled with increased minimum wages and tightening labour supply, will likely lead to higher operating costs.

As disclosed in the announcement released on 14 November 2011, one of our wholly-owned subsidiaries, Crystal Display Components (Suzhou) Co., Limited, received a general notice from the government authorities of Mu Du Town informing it that the authorities invited the subsidiary to negotiate the sale of its land and building under a land acquisition exercise. Update on this land acquisition will be immediately release upon any further development.

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.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained any general mandate from shareholders for IPTs, and did not have any interested person transactions for the quarter ended 31 March 2012.

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

14. **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 / first quarter ended 31 March 2012

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	18,029	4,987	8,329	-	31,345
Inter-segment sales	-	438	468	(906)	-
Total revenue	18,029	5,425	8,797	(906)	31,345
<u>Results</u>					
Segment result	861	(733)	771		899
Unallocated corporate expense					(749)
Operating profit					150
Interest income					121
Interest expenses					(68)
Profit before income tax					203
Income tax expense					(460)
Profit after income tax					(257)
<u>Assets</u>					
Segment assets	30,893	15,619	47,090	(799)	92,803
Unallocated assets					2,849
Consolidated total assets					95,652
<u>Liabilities</u>					
Segment liabilities	9,020	4,354	10,842	(799)	23,417
Bank and other borrowings and obligation under finance leases					11,159
Unallocated liabilities					3,630
Consolidated total liabilities					38,206
<u>Other information</u>					
Capital expenditure	26	85	423		534
Depreciation of property, plant and equipment	169	95	613		877

Business segment for the three months / first quarter ended 31 March 2011

	LCD backlight units	Office automation	LCD parts and accessories	Eliminations	Consolidated
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenue					
External sales	23,840	6,235	8,662	-	38,737
Inter-segment sales	-	1,081	771	(1,852)	-
Total revenue	23,840	7,316	9,433	(1,852)	38,737
Results					
Segment result	1,741	225	806		2,772
Unallocated corporate expense					(819)
Operating profit					1,953
Interest income					67
Interest expenses					(80)
Profit before income tax					1,940
Income tax expense					(899)
Profit after income tax					1,041
Assets					
Segment assets	38,774	19,054	42,642	(1,601)	98,869
Unallocated assets					4,079
Consolidated total assets					102,948
Liabilities					
Segment liabilities	10,822	5,685	13,600	(1,601)	28,506
Bank and other borrowings and obligation under finance leases					14,140
Unallocated liabilities					3,542
Consolidated total liabilities					46,188
Other information					
Capital expenditure	18	513	241		772
Depreciation of property, plant and equipment	182	148	522		852

Geographical Segment for the three months / first quarter ended 31 March 2012 and 2011

	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	
	2012 US\$'000	2011 US\$'000	2012 US\$'000	2011 US\$'000	2012 US\$'000	2011 US\$'000
Hong Kong	10,384	12,249	1,148	1,158	18	26
PRC	16,683	21,962	17,801	17,586	502	737
Japan	4,277	4,525	4,096	6,005	14	9
Others	1	1	-	-	-	-
Total	31,345	38,737	23,045	24,749	534	772

Non-current assets mainly comprise prepaid lease payment and property, plant, equipment and deposits. Non-current assets as at 31 March 2011 also included goodwill amounting to US\$1.5 million which was fully impaired in the financial year 2011.

Information about major customer

Revenue from one key customer which has transactions with all segments accounted for 72% (1Q2011: 82%) of total revenue for 1Q2012.

15. 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 business segments. In terms of geographical segments, the Group was generating revenue in Hong Kong, the PRC and Japan. Revenue in Hong Kong, the PRC and Japan accounted for 33.1%, 53.2% and 13.7% of the total revenue respectively. Total revenue decreased by 19.1% to US\$31.3 million for the current quarter as compared to the corresponding period in the previous year.

As at 31 March 2012, non-current assets located in Hong Kong, the PRC and Japan accounted for 5.0%, 77.2% and 17.8% of the total non-current of the Group assets respectively. During this quarter, the Group invested a total capital expenditure of US\$0.5 million for the purchase of equipment in Hong Kong, PRC and Japan, in which capital expenditure of US\$0.5 million was made in the PRC mainly for producing new products.

16. A breakdown of sales

	Three months / first quarter ended 31 March		
	2012 US\$'000	2011 US\$'000	% Increase/ (Decrease)
Sales reported for the first quarter	31,345	38,737	(19.1%)
Operating (loss)/profit after income tax for the first quarter	(257)	1,041	(124.7%)

17. 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 2011	Year ended 31 December 2010
Ordinary dividend		
- Interim	1,461	1,510
- Final	1,932	1,511
Total	3,393	3,021

18. Negative confirmation by the Board pursuant to Rule 705(5)

We, Urano Koichi and Dy Mo Hua Cheung, Philip, being two directors of CDW Holding Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of the directors of the Company which may render the financial statements for the three months / first quarter ended 31 March 2012 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

URANO Koichi
Executive Director
13 May 2012

DY MO Hua Cheung, Philip
Executive Director