



GD Express Carrier Berhad

(Company No. 630579-A)

(Incorporated in Malaysia under the Companies Act, 1965)

Condensed Consolidated Income Statement For the Third Quarter ended 31 March 2009

(The figures have not been audited)

	Individual		Cumulative	
	Current Financial Year Third Quarter 31.03.2009 (RM'000)	Preceding Financial Year Corresponding Quarter 31.03.2008 (RM'000)	Current Financial Year To Date 31.03.2009 (RM'000)	Preceding Financial Year To Date 31.03.2008 (RM'000)
Revenue	17,883	17,524	57,515	49,636
Operating expenses	(17,466)	(16,274)	(54,727)	(46,403)
Other operating income	47	57	242	182
Profit from operations	464	1,307	3,030	3,415
Finance cost	(193)	(125)	(530)	(329)
Profit before tax	271	1,182	2,500	3,086
Income tax expense	(132)	(307)	(764)	(802)
Net profit after tax	139	875	1,736	2,284
Earnings per share (sen)	0.05	0.34	0.67	0.89

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2008 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Balance Sheet
As at 31 March 2009
(The figures have not been audited)

	As At End Of Current Quarter 31.03.2009 (RM'000)	Audited As At Preceding Financial Year Ended 30.06.2008 (RM'000)
Non-Current Assets		
Property, plant and equipment	16,989	17,547
Investment property	2,708	2,750
Goodwill	137	137
Prepaid lease payments	4,436	4,506
Total Non-Current Assets	<u>24,270</u>	<u>24,940</u>
Current Assets		
Inventories	427	315
Trade receivables	15,816	18,166
Other receivables and prepaid expenses	4,436	3,581
Deposits with licensed banks	7,629	5,624
Cash and bank balances	1,733	528
Total Current Assets	<u>30,041</u>	<u>28,214</u>
Total Assets	<u>54,311</u>	<u>53,154</u>
Equity		
Share capital	25,719	25,719
Share premium	618	618
Other reserves	519	539
Retained earnings	11,897	11,406
Total equity attributable to shareholders	<u>38,753</u>	<u>38,282</u>
Non-Current Liabilities		
Hire-purchase payables	2,261	2,285
Term loans (secured)	3,300	3,719
Deferred tax liabilities	82	82
Total Non-Current Liabilities	<u>5,643</u>	<u>6,086</u>
Current Liabilities		
Trade payables	1,965	2,571
Other payables and accrued expenses	4,937	2,830
Hire-purchase payables - current portion	2,539	2,864
Term loans (secured) - current portion	474	521
Total Current Liabilities	<u>9,915</u>	<u>8,786</u>
Total Liabilities	<u>15,558</u>	<u>14,872</u>
Total Equity and Liabilities	<u>54,311</u>	<u>53,154</u>
Net assets per share (RM)	<u>0.15</u>	<u>0.15</u>

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2008 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement of Changes in Equity
For the Third Quarter ended 31 March 2009
 (The figures have not been audited)

	Issued share capital (RM'000)	Share premium (RM'000)	Retained earnings (RM'000)	Other reserves (RM'000)	Total (RM'000)
Balance as at 1 July 2008	25,719	618	11,406	539	38,282
Foreign currency translation	-	-	-	(11)	(11)
Transfer to retained earnings	-	-	9	(9)	-
Net profit for the period	-	-	1,736	-	1,736
Dividends	-	-	(1,254)	-	(1,254)
Balance as at 31 March 2009	<u>25,719</u>	<u>618</u>	<u>11,897</u>	<u>519</u>	<u>38,753</u>
Balance as at 1 July 2007	25,719	618	8,431	(10)	34,758
Foreign currency translation	-	-	-	(20)	(20)
Revaluation surplus at fair value	-	-	-	569	569
Net profit for the year	-	-	2,975	-	2,975
Balance as at 30 June 2008	<u>25,719</u>	<u>618</u>	<u>11,406</u>	<u>539</u>	<u>38,282</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2008 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Cash Flow Statement
For the Third Quarter Ended 31 March 2009
(The figures have not been audited)**

	Current Year To date Ended 31.03.2009 (RM'000)	Audited As At Preceding Financial Year Ended 30.06.2008 (RM'000)
Cash flows from operating activities		
Profit for the period	1,736	2,975
Adjustments for non-cash items	5,436	7,063
Operating profit before working capital changes	<u>7,172</u>	<u>10,038</u>
Changes in working capital:		
Net change in current assets	1,410	(5,083)
Net change in current liabilities	1,857	(173)
Cash flows from operations	<u>10,439</u>	<u>4,782</u>
Income tax paid	<u>(1,147)</u>	<u>(661)</u>
Net cash from operating activities	<u>9,292</u>	<u>4,121</u>
Cash flows used in investing activities		
Additions to property, plant and equipment	(1,212)	(2,599)
Additions to prepaid lease payments	-	(174)
Proceeds from disposal of property, plant and equipment	78	41
Interest received	137	144
Net cash used in investing activities	<u>(997)</u>	<u>(2,588)</u>
Cash flows used in financing activities		
Dividends paid to shareholders of the Company	(1,254)	-
Decrease in bank borrowings excluding Islamic debt facilities	-	(673)
Proceeds from Islamic debt facilities	-	3,500
Repayment of term loans and Islamic bank facilities	(466)	(320)
Payment of hire purchase payables	(2,815)	(2,648)
Finance costs paid	(530)	(671)
Net cash used in financing activities	<u>(5,065)</u>	<u>(812)</u>
Net increase in cash and cash equivalents	3,230	721
Revaluation reserve	(9)	-
Foreign reserve	(11)	(42)
Cash and cash equivalents at beginning of period	<u>5,499</u>	<u>4,820</u>
Cash and cash equivalents at end of period	<u>8,709</u>	<u>5,499</u>
Cash and bank balances	1,733	528
Deposits with licensed banks	7,629	5,624
	<u>9,362</u>	<u>6,152</u>
Less: Fixed deposits pledged with a licensed bank	<u>(653)</u>	<u>(653)</u>
	<u>8,709</u>	<u>5,499</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2008 and the accompanying explanatory notes attached to the interim financial statements.

Notes To The Interim Financial Report For the financial period ended 31 March 2009

1. Accounting Policies and Basis of Preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirement of Financial Reporting Standard (FRS) 134: "Interim Financial Reporting" and Chapter 9 Paragraph 9.22 (Appendix 9B) of the Listing Requirements for the MESDAQ Market of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2008. 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 30 June 2008. The significant accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those of the audited financial statements for the financial year ended 30 June 2008.

As at the date of this report, the followings FRSs and Issues Committee ("IC") Interpretations were in issue but were yet to be effective (the effective dates of which are listed below) and have not been applied by the Group:

		<u>Effective Date</u>
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010

The new FRSs and IC Interpretations above are not expected to have any significant financial impact on the financial statements of the Group upon their initial application, except for the changes in disclosures arising from the adoption of FRS 7 and FRS 8.

The Group is exempted from disclosing the possible impact, if any, to its financial statements upon their initial application of FRS 139.

2. Auditor's Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 30 June 2008 was not qualified.

3. Comments on Seasonal and Cyclical Factors

The Group's performance was affected by the lower deliveries during the months with numerous public and festive holidays.

4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income Or Cash Flow

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow for the current quarter and financial year-to-date.

5. Material Changes in Estimates

There were no changes in estimates that yielded a material effect on the current quarter and financial year-to-date.

6. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale or repayments of debts and/or equity securities, share buy-back, share cancellation and/or resale of treasury shares for the current quarter and financial year-to-date.

7. Dividends Paid

On 15 January 2009, the Company paid a final dividend of 5% or 0.5 sen per share less tax totaling RM1,253,784 (2008: Nil) for the financial year ended 30 June 2008. The said amount differs from the gross final dividend totaling RM 1,285,931 due to tax credits available under Section 108 of the Income Tax Act, 1967 to frank the dividends.

Save as disclosed above, there was no other dividend declared or paid during the current quarter under review and financial year-to-date.

8. Segmental Information

The Group operates predominantly in Malaysia and Singapore and is principally involved in the provision of express delivery and customised logistics solutions services. The segmental revenue and results for the financial period ended 31 March 2009 are tabulated below:-

<u>Geographical segments</u>	Malaysia (RM'000)	Singapore (RM'000)	Total (RM'000)
Revenue	56,752	763	57,515
Profit/(Loss) before taxation	2,774	(274)	2,500
Taxation	(764)	-	(764)
Net Profit for the financial period			<u><u>1,736</u></u>

9. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment has been stated at cost, except for the leasehold building which has been restated at fair value with the revaluation surplus included as other reserves.

10. Material Events Subsequent To Period End

There were no material events occurring subsequent to the end of the financial period ended 31 March 2009 that has not been reflected in this quarterly report.

11. Changes in the Composition of the Group

There were no changes in the composition of the Group in the current quarter and financial year-to-date.

12. Contingent Assets or Liabilities

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet as at 30 June 2008.

13. Capital Commitments

There were no capital commitments not provided for in the financial statements for the quarter under review.

14. Recurrent Related Party Transactions

a) GDEX relationship with the interested related parties:-

- (i) Mr Teong Teck Lean is a common director and substantial shareholder in GD Express Carrier Berhad and GD Private Limited; and
- (ii) Mr Leong Chee Tong is a common director in GD Express Carrier Berhad and GD Private Limited.

b) The related party transactions between the GDEX Group and the interested related parties are as follows:-

	Current Quarter Ended 31 March 2009 (RM'000)	Cumulative Current Quarter Ended 31 March 2009 (RM'000)
<u>GDX Private Limited</u>		
GD Technosystem Sdn Bhd - Software update and maintenance	74	221
GD Express Sdn Bhd - Software training	146	439

Additional Information Required Pursuant to the Listing Requirements for the MESDAQ Market of Bursa Malaysia Securities Berhad

1. Review of Performance for the current quarter and financial year-to-date

For the third quarter ended 31 March 2009, the Group recorded revenue and profit before taxation ("PBT") of approximately RM17.88 million and approximately RM0.27 million respectively, representing a marginal increase of 2.05% and a significant decrease of 77.07% respectively as compared to the same quarter in the preceding financial year. On a year-to-date basis, the Group's revenue increased by 15.87% to approximately RM57.52 million and PBT decreased by 18.99% to approximately RM2.50 million as compared to the preceding year-to-date.

In view of the weakening economic conditions, customers have become more cost conscious towards their business expenditure. Hence, the Group experienced a slight decline in its business volume during the quarter under review as compared to the same quarter in the preceding financial year, primarily caused by the extended business closures adopted by the customers of the Group during the festive holidays contributed to the deterioration of business volume. However, the slight increase in revenue was attributable to the increase in fuel surcharge, as a result of higher fuel prices as experienced by consumers during the quarter under review as compared to the same quarter in the preceding financial year.

As compared to the same quarter in the preceding year, the lower PBT recorded by the Group was due to the following factors:-

- (a) Contraction in the business volume of the express carrier industry;
- (b) Prompt payment rebates between 2% to 5% offered to the customers to encourage them to settle their accounts payable within a period of 60 days; and
- (c) Difficulties faced in the Group's efforts to reduce major cost components such as payroll, rental of premises, depreciation of property, plant and equipment as well as fixed facilities (i.e. call centre, delivery vehicles and etc), which are fixed in nature.

2. Material Change in the Profit Before Tax for the Current Quarter as compared to the Immediate Preceding Quarter

The Group recorded a PBT of approximately RM0.27 million for the third quarter ended 31 March 2009. As compared to the immediate preceding quarter ended 31 December 2008, the PBT for the third quarter decreased by approximately RM0.70 million or 72.18%, attributable to extended business closures adopted by the customers of the Group during the festive holidays and reduction in fuel surcharge from 25% to 20% during the quarter under review.

3. Prospects of the Group

The Group expects to continue to operate in a challenging environment for the second half of the financial year ending 30 June 2009 as the express carrier industry continues to contract. A majority of the Group's customers have been affected by the deteriorating global economic conditions, and hence are more cost-conscious towards their business expenditures in view of the economic uncertainties.

Nevertheless, the Group will exercise various cost control measures and reallocation of its resources in its efforts to mitigate the impact of unfavourable market conditions.

Barring unforeseen circumstances, the Directors are of the opinion that the demand for logistical solutions will continue to grow and the Group's prospect will remain positive in the long term.

4. Profit Forecast

The Company did not disclose any profit forecast or guarantee for this financial year.

5. Taxation

The taxation figures are as follows:-

	Individual		Cumulative	
	Current Year Third Quarter 31.03.2009 (RM'000)	Preceding Year Corresponding Quarter 31.03.2008 (RM'000)	Current Year To Date 31.03.2009 (RM'000)	Preceding Year To Date 31.03.2008 (RM'000)
Estimated tax payable	132	307	764	802
Deferred tax	-	-	-	-
	<u>132</u>	<u>307</u>	<u>764</u>	<u>802</u>

The effective tax rate is higher than the statutory corporate tax rate of 25%, due to certain expenses being non-deductible for tax and the tax loss arising from GDEX's Singapore subsidiary being unable to be offset against the taxable profit from its Malaysian operations.

6. Unquoted Securities and/or Properties

There were no purchases or disposals of any unquoted securities and/or properties for the current quarter and financial year-to-date.

7. Quoted Securities

There were no purchases or disposals of any quoted securities for the current quarter and financial year-to-date.

8. Status of Corporate Proposals

On 8 January 2009, the Company entered into a Memorandum of Understanding (“MOU”) with Entrepise Des Postes Lao (“EPL”) for the feasibility study of conducting express delivery services in Laos and the existing operation mode, system and procedure adopted by EPL to enter into a strategic partner relationship, to develop international and domestic express delivery services under shared brands for the Laos market. During the financial period under review, both parties have commenced the said feasibility study. The findings and conclusions from the study will be announced in due course.

9. Group Borrowings

The Group borrowings consist of the following:-

	S\$'000	RM'000
Short term borrowings (secured) :		
Denominated in Ringgit Malaysia		
Hire purchase payables		2,466
Term loans		474
Denominated in Singapore Dollar		
Hire purchase payables	30	73
Long- term borrowings (secured):		
Denominated in Ringgit Malaysia		
Hire purchase payables		2,252
Term loans		3,300
Denominated in Singapore Dollar		
Hire purchase payables	4	9
Total borrowings	34	8,574

There was no unsecured debt during the current quarter and financial year-to-date.

10. Financial Instruments

There were no off balance sheet financial instruments as at the date of the quarterly report.

11. Material Litigations

There were no further developments to the matters previously disclosed in the audited financial statements for the financial year ended 30 June 2008.

12. Dividends

On 15 January 2009, the Company paid a final dividend of 5% or 0.5 sen per share less tax totaling RM1,253,784 (2008: Nil) for the financial year ended 30 June 2008. The said amount differs from the gross final dividend totaling RM 1,285,931 due to tax credits available under Section 108 of the Income Tax Act, 1967 to frank the dividends.

Save as disclosed above, there was no other dividend declared or paid during the current quarter under review and financial period-to-date.

13. Earnings Per Share

i. Basic

The basic earnings per share is calculated by dividing the net profit for the period by the number of ordinary shares in issue during the period.

	Current Quarter 31.03.2009 (RM'000)	Current Year To Date 31.03.2009 (RM'000)
Net profit attributable to ordinary shareholders	139	1,736
Weighted average number of ordinary share of RM0.10 each in issue (units)	257,186,038	257,186,038
Basic earnings per share (sen)	<u>0.05</u>	<u>0.67</u>

ii. Diluted

The Company does not have any convertible share or convertible financial instrument for the current quarter and financial year-to-date.

By Order of the Board

Wong Wei Fong (MAICSA 7006751)
Lim Lee Kuan (MAICSA 7017753)
Secretaries
21 May 2009