



GD Express Carrier Berhad

(Company No. 630579-A)

(Incorporated in Malaysia under the Companies Act, 1965)

Unaudited Condensed Consolidated Statement of Comprehensive Income For the Fourth Quarter Ended 30 June 2011

	Individual		Cumulative	
	Unaudited Current Financial Year Fourth Quarter Ended 30.06.2011 (RM'000)	Audited Preceding Financial Year Fourth Quarter Ended 30.06.2010 (RM'000)	Unaudited Current Financial Year Ended 30.06.2011 (RM'000)	Audited Preceding Financial Year Ended 30.06.2010 (RM'000)
1. Revenue	25,306	21,386	93,071	81,839
2. Operating expenses	(20,889)	(17,949)	(82,592)	(73,537)
3. Other operating income	62	(16)	359	420
4. Profit from operations	4,479	3,421	10,838	8,722
5. Finance costs	(293)	(105)	(973)	(464)
6. Profit before tax	4,186	3,316	9,865	8,258
7. Taxation	(1,366)	(960)	(2,882)	(2,304)
8. Net profit for the period	2,820	2,356	6,983	5,954
Other comprehensive income:				
9. Foreign currency translation differences for foreign operation	(24)	4	(64)	58
10 Transfer from deferred tax liabilities arising from revaluation of building	-	3	-	3
	(24)	7	(64)	61
10. Total comprehensive income for the period	2,796	2,363	6,919	6,015
11. Profit attributable to shareholders of the company	2,820	2,356	6,983	5,954
12. Earnings per share :				
(a) Basic EPS (sen)	1.10	0.92	2.71	2.31
(b) Fully diluted EPS (sen)	1.02	-	2.64	-

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.



GD Express Carrier Berhad

(Company No. 630579-A)

(Incorporated in Malaysia under the Companies Act, 1965)

Condensed Consolidated Statement of Financial Position As At 30 June 2011

	Unaudited As At End Of Current Quarter 30.06.2011 (RM'000)	Audited As At Preceding Financial Year Ended 30.06.2010 (RM'000)
Assets		
Non-current assets		
Property, plant and equipment	47,074	21,414
Intangible assets –Goodwill	137	137
Deferred tax assets	-	31
	47,211	21,582
Current assets		
Inventories	478	372
Trade and other receivables	25,812	23,629
Deposits with licensed banks	5,383	7,869
Cash and bank balances	7,622	3,953
	39,295	35,823
Current liabilities		
Trade and other payables	8,663	7,225
Hire-purchase payables - current portion	2,059	2,069
Short term borrowings (secured) - current portion	5,741	303
Provision for taxation	637	1,027
	17,100	10,624
Net current assets	22,195	25,199
	69,406	46,781
Financed by:		
Capital and reserves		
Share capital	25,719	25,719
Share premium	618	618
Revaluation reserve	400	409
Translation reserve	(62)	2
Retained earnings	20,059	15,639
Shareholders' funds	46,734	42,387
Non-Current Liabilities		
Provision for retirement benefits	165	73
Hire-purchase payables	3,260	1,359
Term loans (secured)	18,112	2,622
Deferred tax liabilities	1,135	340
Total Non-current liabilities	22,672	4,394
	69,406	46,781
Net Assets per share attributable to owners of the company (RM)	0.18	0.16

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.



GD Express Carrier Berhad

(Company No. 630579-A)

(Incorporated in Malaysia under the Companies Act, 1965)

Condensed Consolidated Statement of Cash Flows

For The Year Ended 30 June 2011

	Unaudited Current Financial Year Ended 30.06.2011 (RM'000)	Audited Preceding Financial Year Ended 30.06.2010 (RM'000)
Cash flows from operating activities		
Profit for the year	6,983	5,954
Adjustments for non-cash items	7,994	8,044
Operating profit before changes in working capital (Increase)/Decrease in working capital	14,977	13,998
Inventories	(106)	12
Receivables, deposits and prepayment	(2,184)	(3,487)
Payables and accruals	1,467	863
Cash generated from operations	14,154	11,386
Income tax paid	(2,446)	(1,118)
Net cash from operating activities	11,708	10,268
Cash flows from investing activities		
Acquisition of property, plant and equipment	(29,815)	(1,487)
Deposit for acquisition of property	-	(2,165)
Proceeds from disposal of property, plant and equipment	347	192
Acquisition of subsidiaries, net of cash acquired	-	0
(Increase) in fixed deposits pledged with licensed bank	(1)	(53)
Interest received	(191)	193
Net cash used in investing activities	(29,660)	(3,320)
Cash flows from financing activities		
Amount due to Directors	(29)	4
Term loan facilities drawdown	21,680	-
Dividends paid to shareholders of the Company	(2,572)	(2,572)
Repayment of term loans and Islamic bank facilities	(752)	(268)
Net payment of hire purchase payables	1,891	(3,174)
Finance costs paid	(978)	(464)
Net cash from /(used in) financing activities	19,240	(6,474)
Net change in cash and cash equivalents	1,288	474
Effect of exchange difference	(107)	10
Cash and cash equivalents at beginning of year	11,161	10,677
Cash and cash equivalents at end of year	12,342	11,161

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.



GD Express Carrier Berhad

(Company No. 630579-A)

(Incorporated in Malaysia under the Companies Act, 1965)

Unaudited Condensed Consolidated Statement of Changes in Equity For the Fourth Quarter Ended 30 June 2011

	Issued Share capital (RM'000)	Non – Distributable Share Premium (RM'000)	Revaluation Reserve (RM'000)	Translation Reserve (RM'000)	Distributable Retained earnings (RM'000)	Total Equity (RM'000)
Balance as at 1 July 2009	25,719	618	417	(56)	12,246	38,944
Total comprehensive income for the period	-	-	(8)	58	5,965	6,015
Transactions with owners						
Dividends	-	-	-	-	(2,572)	(2,572)
Balance as at 30 June 2010	25,719	618	409	2	15,639	42,387

	Issued share capital (RM'000)	Non – Distributable Share premium (RM'000)	Revaluation Reserve (RM'000)	Translation Reserve (RM'000)	Distributable Retained earnings (RM'000)	Total Equity (RM'000)
Balance as at 1 July 2010	25,719	618	409	2	15,639	42,387
Total comprehensive income for the period	-	-	(9)	(64)	6,992	6,919
Transactions with owners						
Dividends	-	-	-	-	(2,572)	(2,572)
Balance as at 30 June 2011	25,719	618	400	(62)	20,059	46,734

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.



GD Express Carrier Berhad

(Company No. 630579-A)

(Incorporated in Malaysia under the Companies Act, 1965)

PART A – EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARDS 134 (“FRS 134”)

A1. Basis of Preparation

The interim financial report has been prepared in accordance with the requirements of Financial Reporting Standards (“FRS”) 134 “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the Group’s annual audited financial statements for the year ended 30 June 2010.

A2. Significant Accounting Policies

Except as described below, the accounting policies applied by the Group in these condensed consolidated financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 30 June 2010.

- i) On 1 July 2010, the Group adopted the following FRS:-

Amendments to FRS 117, Leases (*effective for annual periods beginning on or after 1 January 2010*)

The amendments to FRS 117 clarify the classification of lease of land and require entities with existing leases of land and buildings to reassess the classification of land as finance or operating lease.

The Group has reassessed and determined that all leasehold land are in substance finance lease and will be reclassified to property, plant and equipment. The adoption of these amendments will result in a change in accounting policy which will be applied retrospectively in accordance with the transitional provisions and has no effect on reported profit and equity. This change in accounting policy will result in reclassification of the carrying amount of lease of land amounting to RM7,010,403 as at 30 June 2010 from prepaid lease payments to property, plant and equipment. The following comparative figures have been restated following the adoption of the amendments to FRS117:

Group	As reported 30 June 2010 (RM'000)	Adoption of FRS117 (RM'000)	As restated (RM'000)
Property, plant and equipment	14,403	7,010	21,413
Prepaid lease payment	7,010	(7,010)	-

- ii) The Company revised its depreciation rates for motor vehicles from 20% to 12.5% with effect from 1st July, 2010 to reflect more realistically the estimated remaining economic useful lives of the assets. The effect of this change in accounting estimate is a decrease in depreciation charge for the year approximately RM1,589,000.



A3. Audit Report on Preceding Annual Financial Statements

The Group annual financial statements for the year ended 30 June 2010 were not qualified.

A4. Seasonal or Cyclical Factors

The business operations of the Group are generally affected by lower deliveries during the month with numerous public and festive holidays.

A5. Exceptional Items

There were no exceptional items for the current financial quarter under review except for the effects arising from the adoption of FRS 117 as disclosed in Note 2.

A6. Changes in Estimates

There were no changes in estimates that have had any material effect on current financial quarter under review except as disclosed in Note A2 (ii) above.

A7. Changes in Share Capital

There were no issuance and repayment of debt or any movement in the share capital for the current financial quarter under review.

A8. Dividend Paid

	Year Ended 30 June	
	2011	2010
	(RM'000)	(RM'000)
Final single tier dividends paid:		
2010 – 1 sen per share	2,572	-
2009 – 0.5 sen per share	-	1,286
Special single tier dividends paid		
2009 – 0.5 sen per share	-	1,286
	<u>2,572</u>	<u>2,572</u>



A9. Segmental Reporting

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, results and total assets for the financial year ended 30 June 2011 are tabulated below:

Geographical segments

	Malaysia (RM'000)	Singapore (RM'000)	Elimination (RM'000)	Total (RM'000)
<u>Revenue</u>				
External sales	97,771	2,181	(6,881)	93,071
Inter-segment sales	(5,553)	(1,328)	6,881	-
External sales	92,218	853	-	93,071
<u>Results</u>				
Profit from operations	10,685	152	-	10,837
Finance costs	(946)	(27)	-	(973)
Profit before tax	9,739	125	-	9,864
<u>Total assets</u>				
Segment assets/ Consolidated total assets	84,861	1,645	-	86,506

A10. Property, Plant and Equipment Valuation

There were no changes in the valuation of property, plant and equipment for the current financial quarter under review.

A11. Events Subsequent to the End of the Period

Between the end of the third quarter and the date of this announcement, there has not been any item, transaction or event of a material and unusual nature which, in the opinion of the Directors is likely to affect substantially the results of the operations of the Group for the quarter ended 30 June 2011.

A12. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial quarter under review including business combination, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations except for the following:-

On 28 September 2010, the Company announced that the Company acquired 2 ordinary shares of S\$1.00 each representing the entire equity interest in the capital of GDEX Regional Alliance Pte Ltd for a total cash consideration of S\$2.00.



A13. Changes in Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets as at the date of this report.

A14. Capital Commitments

All capital commitments undertaken have been included in the financial statements for the quarter under review.

A15. Significant Related Party Transactions

a) GDEX's relationship with the interested related parties:

(i) Mr. Teong Teck Lean is a common director and substantial shareholder in GDEX and GD Private Limited; and

(ii) Mr. Leong Chee Tong is a common director in GDEX and GD Private Limited.

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

	Current Quarter Ended 30 June 2011 (RM'000)	Current Financial Year Ended 30 June 2011 (RM'000)
<u>GD Private Limited</u>		
GD Technosystem Sdn Bhd - Software update and maintenance	74	294
	<hr/>	
GD Express Sdn Bhd - Software training	146	585
	<hr/>	



GD Express Carrier Berhad

(Company No. 630579-A)

(Incorporated in Malaysia under the Companies Act, 1965)

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

Performance for the quarter ended 30 June 2011 versus the same quarter in Year 2010

Group revenue for the fourth quarter ended 30 June increased by RM3.920 million or 18.3% compared to the corresponding quarter in the previous financial year.

Group profit before tax for the same quarter was higher at RM0.87 million or 26.2% compared to RM3.32 million in the corresponding quarter of the financial year 2010.

Performance for the 12 months ended 30 June 2011 versus the same period in Year 2010

For the 12 months ended 30 June 2011, Group revenue increased by 13.7% or RM11.2 million to RM93.071 million from RM81.839 million in the corresponding period of the previous financial year.

Profit before tax for the Group was higher by RM1.61 million or 19.4% compared to the corresponding period in the previous financial year.

This favorable performance is largely due to the higher demand for logistics services in the market, as business operators have deployed many innovative distribution mode that require express and secured delivery services.

B2. Comparison of Results with Preceding Quarter

Group revenue for the quarter under review was higher by RM2.197 million or 9.5% compared to RM23.109 million recorded for the preceding quarter.

Profit before tax for the Group for this quarter was higher by RM2.345 million or 127.4% compared to the preceding quarter.

This favourable performance is mainly caused by increased in the number of business days during the quarter as compared to the immediate preceding quarter, which due to less festival seasons during this quarter.



B3. Prospects

The Group expects the domestic economy to remain healthy. Whilst competition is expected to remain intense, the Group will continue to focus in strengthening its service quality, increasing handling capacity and streamlining process flow to drive operational efficiencies to ensure the long term sustainability of the Group.

Barring unforeseen circumstances, the Board is of the opinion that the Group's prospects will remain positive.

B4. Variance from Profit Forecast

No profit forecast was issued during the financial quarter under review.

B5. Taxation

Taxation in respect of the current financial period comprises the following:

	<i>Current Quarter 30/06/2011 (RM'000)</i>	<i>Current Financial Year 30/06/2011 (RM'000)</i>
Taxation	540	2,056
Deferred taxation	826	826
	<hr/> 1,366	<hr/> 2,882

The Group's effective tax rate for the current financial quarter under review was higher than the statutory tax rate mainly due to certain expenses were disallowed for tax purposes.

B6. Sale of Unquoted Investments and/or Properties

There were no sales of unquoted investments or properties for the current financial quarter under review.

B7. Quoted Securities

There were no purchases or disposal of quoted securities for the current financial quarter under review.

B8. Status of Corporate Proposals

Save as disclosed below, there were no corporate proposals announced as at the date of this announcement:

On 10 November 2010, Hong Leong Investment Bank Berhad ("HLIB") had, on behalf of the Board announced that the Company proposed to undertake the following:-



B8. Status of Corporate Proposals (Continued)

Proposed special Bumiputera issue of up to 36,740,863 new GDEX Shares (“Special Issue Shares”), representing 12.5% of the enlarged issued and paid-up share capital of the Company, to Bumiputera investors to be identified and / or approved by the Ministry of International Trade and Industry (“MITI”) (“proposed Special Bumiputera Issue”).

Approvals have been obtained from shareholders and Bursa Malaysia Securities Berhad. On 10 February 2011, HLIB on behalf of the Company has submitted the applications to Securities Commission (Equity Compliance) and Ministry of International Trade and Industry and were approved on 8 March 2011 and 16 March 2011 respectively.

B9. Group Borrowings and Debt Securities

The Group borrowings consist of the following:

	Current Financial Year Ended 30/06/2011	
	(\$'000)	(RM'000)
Short term borrowings (secured):		
Denominated in Ringgit Malaysia		
Hire purchase payables	-	1,825
Short term revolving credit	-	4,000
Term loans	-	1,741
Denominated in Singapore Dollar		
Hire purchase payables	95	234
Long term borrowings (secured):		
Denominated in Ringgit Malaysia		
Hire purchase payables	-	3,163
Term loans	-	18,112
Denominated in Singapore Dollar		
Hire purchase payables	39	97
Total borrowings	134	29,172

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

B10. Financial Instruments

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

B11. Material Litigation

Save as disclosed below, the Directors of GDEX confirm that the Group is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, and the Directors of GDEX do not have any knowledge of proceedings pending or threatened against GDEX and/or its subsidiaries, or of any fact likely to give rise to any proceeding, which might materially and adversely affect the financial position or business of the Group as at the date of this report.



B11. Material Litigation (continued)

T&T (“Plaintiff”) vs. GD Express (“Defendant”)

On 14 September 2005, T&T, a former business agent of GD Express commenced legal proceedings against GD Express for disputes on the amount owing for services rendered in the course of courier business. Based on GD Express’ record, T&T has double claimed for certain transactions and was also reluctant to compensate for shipment lost in their possession. The total amount claimed by T&T was RM181,000. However, GD Express had made a payment to the Kuching Session Court for RM98,000 which has been paid out to the Plaintiff. On 31 December 2009, Kuching Sessions Court has passed a

judgment against GD Express to pay an additional judgment sum of RM61,949 to the Plaintiff and to refund franchise fees with interest of 8% interest per annum on the abovementioned judgment sum and franchisee fees calculated from the judgment date until full and final settlement of the said sum and fees. In addition, GD Express has to bear the Plaintiff’s costs in relation to this trial which will be assessed at a later date.

On 27 April 2010, Kuching High Court had allowed the appeal made by GD Express and ordered that Kuching Session Court judgment which was passed on 31 December 2009 for the additional sum and franchise fees amounting to RM61,949.26 and RM40,000 respectively, be set aside with costs to be in favour of GD Express, being the Defendant. Subsequently, T&T has filed an appeal to the Court of Appeal in Putrajaya on 27 May 2010 and the Court of Appeal had granted leave to appeal to T&T and T&T had filed in the Notice of Appeal on 22 October 2010 and the Record of Appeal after that. The Court of Appeal has given the hearing date on 23 June 2011. At this hearing, the Appeal has been dismissed with costs of RM10,000.00 to GDEX.

B12. Dividend

On 29 December 2010, the Company had declared and paid a final single tier dividend of 10% or 1 sen per share amounting to RM2,571,860 (2009: RM2,571,860) for the financial year ended 30 June 2010.

The Directors proposed a 12.5% single tier dividend amounting to RM3,214,825 in respect of the financial year ended 30 June 2011. The proposed dividend, which is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company, has not been included as a liability in the Financial Statements.

B13. Earnings Per Share

i. Basic Earnings Per Share

	Current Quarter 30.06.2011 (RM'000)	Current Year To Date 30.06.2011 (RM'000)
Net profit attributable to ordinary shareholders	2,820	6,983
Weighted average number of ordinary share of RM0.10 each in issue (units)	257,186,038	257,186,038
Basic earnings per share (sen)	1.10	2.71



B13. Earnings Per Share (continued)

ii. Diluted Earnings Per Share

	Current Quarter 30.06.2011 (RM'000)	Current Financial Year 30.06.2011 (RM'000)
Net profit attributable to ordinary shareholders	2,820	6,983
Weighted average number of ordinary share in issue (units)	257,186,038	257,186,038
Adjustment for share warrants	18,729,853	7,326,829
Weighted average number of ordinary shares (units)	275,915,891	264,512,867
Diluted earnings per share (sen)	1.02	2.64

B14. Realised and Unrealised Earnings Disclosure

	At the End of Current Quarter 30.06.2011 (RM'000)	At the End of Preceding Quarter 31.03.2011 (RM'000)
Total Retained Earnings of the Group:		
- Realised	19,721	16,927
- Unrealised	338	312
	20,059	17,239

B15. Authorisation for Issue

The Unaudited Condensed Interim Financial Statements were authorized for issue by the Board in accordance with a resolution of the Directors on 25 August 2011.

By Order of the Board

Wong Wai Foong (MAICSA 7001358)
 Lim Lee Kuan (MAICSA 7017753)
 Soo Shioh Fang (MAICSA 7044946)
 Secretaries
 Date: 25 August 2011