



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 First Quarter Ended 30 September 2011

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2011 (RM'000)	Preceding Year Corresponding Quarter 30.09.2010 (RM'000)	Current Year To-Date 30.09.2011 (RM'000)	Preceding Year Corresponding Period 30.09.2010 (RM'000)
1. Revenue	26,281	21,324	26,281	21,324
2. Operating expenses	(23,744)	(19,606)	(23,744)	(19,606)
3. Other operating income	63	120	63	120
4. Profit from operations	2,600	1,838	2,600	1,838
5. Finance costs	(402)	(102)	(402)	(102)
6. Profit before tax	2,198	1,736	2,198	1,736
7. Taxation	(615)	(495)	(615)	(495)
8. Net profit for the period	1,583	1,241	1,583	1,241
Other comprehensive income:				
9. Realisation from revaluation reserve to retained earnings	1	1	1	1
10. Foreign currency translation differences for foreign operation	(1)	(14)	(1)	(14)
	0	(13)	0	(13)
11. Total comprehensive income for the period	1,583	1,228	1,583	1,228
12. Profit attributable to shareholders of the company	1,583	1,241	1,583	1,241
13. Earnings per share :				
(a) Basic EPS (sen)	0.62	0.48	0.62	0.48
(b) Fully diluted EPS (sen)	0.57	-	0.57	-

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 2011 and the accompanying explanatory notes attached to the interim financial statements.



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Unaudited Condensed Consolidated Statement of Financial Position As At 30 September 2011

	As At End Of Current Quarter 30.09.2011 (RM'000)	Audited As At Preceding Financial Year Ended 30.06.2011 (RM'000)
Assets		
Non-current assets		
Property, plant and equipment	24,230	23,817
Prepaid lease payments	23,197	23,322
Intangible assets – Goodwill	137	137
	47,564	47,276
Current assets		
Inventories	500	478
Trade and other receivables	26,732	26,574
Deposits with licensed banks	5,430	5,393
Cash and bank balances	5,912	6,876
	38,574	39,321
Current liabilities		
Trade and other payables	8,540	8,741
Hire-purchase payables - current portion	2,059	2,343
Short term borrowings (secured) - current portion	6,263	7,068
Provision for taxation	998	684
	17,860	18,836
Net current assets	20,714	20,485
	68,278	67,761
Financed by:		
Capital and reserves		
Share capital	25,719	25,719
Reserves	22,595	21,012
Shareholders' funds	48,314	46,731
Non-Current Liabilities		
Provision for retirement benefits	165	163
Hire-purchase payables	2,796	2,970
Term loans (secured)	15,892	16,786
Deferred tax liabilities	1,111	1,111
Total Non-current liabilities	19,964	21,030
	68,278	67,761
Net Assets per share attributable to owners of the company (RM)	0.19	0.18

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 2011 and the accompanying explanatory notes attached to the interim financial statements.



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Unaudited Condensed Consolidated Statement of Cash Flows For The First Quarter Ended 30 September 2011

	Current Quarter Ended 30.09.2011 (RM'000)	Preceding Year Corresponding Quarter Ended 30.09.2010 (RM'000)
Cash flows from operating activities		
Profit for the year	1,583	1,241
Adjustments for non-cash items	2,206	1,724
Operating profit before changes in working capital	<u>3,789</u>	<u>2,965</u>
(Increase)/Decrease in working capital		
Inventories	(22)	(26)
Receivables, deposits and prepayment	(157)	(840)
Payables and accruals	(202)	(311)
Cash generated from operations	<u>3,408</u>	<u>1,788</u>
Income tax paid	(301)	(622)
Net cash from operating activities	<u>3,107</u>	<u>1,166</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(1,526)	(23,515)
Deposit for acquisition of property	-	2,164
Proceeds from disposal of property, plant and equipment	-	57
(Increase) in fixed deposits pledged with licensed bank	-	-
Interest received	51	45
Net cash used in investing activities	<u>(1,475)</u>	<u>(21,249)</u>
Cash flows from financing activities		
Amount due to Directors	-	-
Term loan facilities drawdown	1,000	17,680
Repayment of term loans and Islamic bank facilities	(2,698)	(114)
Net payment of hire purchase payables	(458)	(90)
Finance costs paid	(402)	(102)
Net cash from /(used in) financing activities	<u>(2,558)</u>	<u>17,374</u>
Net change in cash and cash equivalents	<u>(926)</u>	<u>(2,709)</u>
Effect of exchange difference	(1)	(4)
Cash and cash equivalents at beginning of year	<u>11,607</u>	<u>11,161</u>
Cash and cash equivalents at end of year	<u>10,680</u>	<u>8,448</u>

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 2011 and the accompanying explanatory notes attached to the interim financial statements.



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Unaudited Condensed Consolidated Statement of Changes in Equity For the First Quarter Ended 30 September 2011

	Issued Share capital (RM'000)	←-----Non – Distributable-----→		Translation Reserve (RM'000)	Distributable Retained Earnings (RM'000)	Total Equity (RM'000)
		Share Premium (RM'000)	Revaluation Reserve (RM'000)			
(Audited)						
Balance as at 1 July 2010	25,719	618	409	2	15,639	42,387
Total comprehensive income for the period	-	-	(9)	(64)	6,989	6,916
Transactions with owners						
Dividends	-	-	-	-	(2,572)	(2,572)
Balance as at 30 June 2011	25,719	618	400	(62)	20,056	46,731
(Unaudited)						
Balance as at 1 July 2011	25,719	618	400	(62)	20,056	46,731
Total comprehensive income for the period	-	-	(2)	(1)	1,586	1,583
Transactions with owners						
Dividends	-	-	-	-	-	-
Balance as at 30 September 2011	25,719	618	398	(63)	21,642	48,314

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 2011 and the accompanying explanatory notes attached to the interim financial statements.



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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 2011.

A2. Significant Accounting Policies

The significant accounting policies and methods of computation adopted 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 2011.

At the date of this report, the new and revised Standards and IC Interpretations which were issued but not yet effective and not early adopted by the Group are as listed below:

FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to limited exemption from Comparative FRS 7 Disclosures for First-time Adopters) ¹
FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to additional exemptions for First-time Adopters) ¹
FRS 2	Share-based Payment (Amendments relating to group cash-settled share based payment transaction) ¹
FRS 7	Financial Instruments: Disclosures (Amendments relating to improving disclosures about financial instruments) ¹
FRS 124	Related Party Disclosure (Revised) ²
Improvements to FRSs 2010 ¹	
IC Interpretation 4	Determining whether an arrangement contains a lease ¹
IC Interpretation 15	Agreements for the Construction of Real Estate ³
IC Interpretation 18	Transfers of Assets from Customers ⁴
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments ⁵

¹ Effective for annual periods beginning on or after 1 January 2011

² Effective for annual periods beginning on or after 1 January 2012

³ Original effective date of 1 July 2010 deferred to 1 January 2012 via amendment issued by MASB on 31 August 2010

⁴ Applies prospectively to transfers of assets from customers received on or after 1 January 2011

⁵ Effective for annual periods beginning on or after 1 July 2011



A3. Audit Report on Preceding Annual Financial Statements

The Group annual financial statements for the year ended 30 June 2011 were not qualified.

A4. Seasonality or Cyclicity of Interim Operations

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

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There are no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size, or incidence during the current financial quarter under review.

A6. Changes in Estimates Reported in Prior Interim Periods or in Prior Financial Year

The Group revised its depreciation rates for motor vehicles from 20% to 12.5% with effect from 1 July 2010 to reflect more realistically the estimated remaining economic useful lives of the assets. The period of depreciation was also revised from 5 years to 8 years. The effect of the change in depreciation rate in accounting estimate was a decrease in depreciation charge for the prior financial year amounted to approximately RM1,795,400.

Saved as disclosed above, there were no other change in estimates that have had any material effect on current financial quarter under review.

A7. Changes in Debt And Equity Securities

There were no issuance or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial quarter under review.

A8. Dividend Paid

There were no dividends paid in the current quarter and the financial year to date.

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 period ended 30 September 2011 are tabulated below:



A9. Segmental Reporting (Continued)

Geographical segments

	Malaysia (RM'000)	Singapore (RM'000)	Elimination (RM'000)	Total (RM'000)
<u>Revenue</u>				
External sales	25,953	680	(352)	26,281
Inter-segment sales	(329)	(23)	352	-
External sales	25,624	657	-	26,281
<u>Results</u>				
Profit from operations	2,505	95	-	2,600
Finance costs	(398)	(4)	-	(402)
Profit before tax	2,107	91	-	2,198
<u>Total assets</u>				
Segment assets/ Consolidated total assets	84,440	1,698	-	86,138

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 first 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 September 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.

A13. Changes in Contingent Liabilities or Contingent Assets

There were no changes in 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. Related Party Transactions

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

	Transaction Value		Balance Outstanding	
	30.09.2011	30.09.2010	30.09.2011	30.06.2011
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
<u>Revenue</u>				
Singapore Post Limited				
- Provision of express delivery services	75	-	27	24
<hr/>				
<u>Expenses</u>				
GDx Private Limited				
- Software training	146	146	95	25
- Software update and maintenance	74	74	74	(6)
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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 September 2011 versus the same quarter in Year 2011

Group revenue for the first quarter ended 30 September increased by RM4.957 million or 23.25% compared to the corresponding quarter in the previous financial year.

Group profit before tax for the same quarter was higher by RM0.46 million or 26.6% compared to the corresponding quarter in the previous financial year.

This favorable performance was attributed by higher demand for courier and logistics services, in tandem with the growing outsourcing trend in the business environment. In response to external demand, the Group has invested further in infrastructure, processes and people to facilitate higher business growth and improved performance.

B2. Comparison of Results with Preceding Quarter

Group revenue for the quarter under review was higher by RM0.98 million or 3.8% compared to RM25.306 million recorded for the preceding quarter.

Profit before tax for the Group for this quarter was reduced by RM1.985 million or 47.5% compared to the preceding quarter.

As disclosed in Note A6 above and A2 (ii) in preceding quarter announcement, the Group's profit before tax in the preceding quarter was affected by the change in accounting estimates relating to depreciation rate for motor vehicles. After discounting for the impact on change in accounting estimates, the performance for the current quarter under review also affected by the business closure during Hari Raya festive holiday and hub facilities improvement activities carried out during the period.

B3. Prospects

The Group expects the domestic economy to remain healthy, with the implementation of various government initiatives. However, the recent liberalization of courier industry brought in new foreign entrants to the local market which intensify competition. The Group will continue its key focus in improving service quality and gain greater trust from the customers.

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:

	Individual Quarter Current Year Quarter 30.09.2011 (RM'000)	Cumulative Quarter Current Year To-Date 30.09.2011 (RM'000)
Taxation	615	615

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:-

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").

The approvals on the Proposed Special Bumiputera Issue had been obtained from the following parties:-

- Shareholders of the Company;
- Bursa Malaysia Securities Berhad ("Bursa Securities");
- Securities Commission; and
- Ministry of International Trade and Industry.

As of to date, the Proposed Special Bumiputera Issue has not been implemented.



B9. Group Borrowings and Debt Securities

The Group borrowings consist of the following:

	(S\$'000)	Current Quarter 30.09.2011 (RM'000)
Short term borrowings (secured):		
Denominated in Ringgit Malaysia		
Hire purchase payables	-	1,825
Short term revolving credit	-	5,000
Term loans	-	1,263
Denominated in Singapore Dollar		
Hire purchase payables	95	234
Long term borrowings (secured):		
Denominated in Ringgit Malaysia		
Hire purchase payables	-	2,743
Term loans	-	15,892
Denominated in Singapore Dollar		
Hire purchase payables	22	53
Total borrowings	134	27,010

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

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.

B12. Dividend

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. The book closure date is fixed on 22 December 2011 and the payment date will be on 5 January 2012.

Save as disclosed above, there were no other dividends declared during the current quarter under review and financial period-to-date.



B13. Earnings Per Share

i. Basic Earnings Per Share

	Individual Quarter Current Year Quarter 30.09.2011 (RM'000)	Cumulative Quarter Current Year To-Date 30.09.2011 (RM'000)
Net profit attributable to ordinary shareholders	1,583	1,583
Weighted average number of ordinary share of RM0.10 each in issue (units)	257,186,038	257,186,038
Basic earnings per share (sen)	0.62	0.62

ii. Diluted Earnings Per Share

	Individual Quarter Current Year Quarter 30.09.2011 (RM'000)	Cumulative Quarter Current Year To-Date 30.09.2011 (RM'000)
Net profit attributable to ordinary shareholders	1,583	1,583
Weighted average number of ordinary share in issue (units)	257,186,038	257,186,038
Adjustment for share warrants	18,752,057	18,752,057
Weighted average number of ordinary shares (units)	275,938,095	275,938,095
Diluted earnings per share (sen)	0.57	0.57

B14. Realised and Unrealised Earnings Disclosure

	At the End of Current Quarter 30.09.2011 (RM'000)	At the End of Preceding Quarter 30.06.2011 (RM'000)
Total Retained Earnings of the Group:		
- Realised	16,694	15,188
- Unrealised	(1,111)	(1,111)
	15,583	14,077
Consolidation adjustments	6,059	5,979
Total retained earnings	21,642	20,056



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 24 November 2011.

By Order of the Board

Wong Wai Foong (MAICSA 7001358)

Lim Lee Kuan (MAICSA 7017753)

Soo Shiow Fang (MAICSA 7044946)

Secretaries

Date: 24 November 2011