



REXIT BERHAD (668114-K)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 31 March 2006**

A NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard ("FRS") No. 134: Interim Financial Reporting, and Chapter 7 Part VI of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the MESDAQ Market.

The interim financial statements are prepared based on the historical cost convention and in compliance with the applicable Approved Accounting Standards in Malaysia.

The accounting policies and methods of computation adopted by Rexit, its subsidiary companies and its associated company ("Rexit Group" or "Group") in the preparation of this interim financial report are consistent with those adopted in the audited financial statements for the financial period ended 30 June 2005.

The consolidated financial statements have been prepared based on the Rexit Group structure that has been in existence since 30 August 2005 and are to be read in conjunction with the Prospectus dated 20 October 2005.

A2 Audit report of preceding annual financial statements

The preceding year's annual audited financial statements were not subject to any qualification.

A3 Seasonal or cyclical factors

The Group's operations are not materially affected by seasonal or cyclical changes during the current quarter under review.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group.

A5 Material changes in estimates

There were no changes in estimates of amounts reported in prior financial years, which have a material effect in the current quarter under review.

A6 Debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares for the current quarter under review.

A7 Dividend paid

The Board of Directors had declared an interim dividend of 10% per ordinary share of RM0.10 each tax exempt in respect of the financial year ending 30 June 2006, amounting to RM1,420,000.00 (Ringgit Malaysia One Million Four Hundred and Twenty Thousand only). The dividend was paid on 16 March 2006 to shareholders registered at the close of business on 28 February 2006.



REXIT BERHAD (668114-K)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Third Quarter Ended 31 March 2006

A NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)

A8 Segmental information

Segmental information is not presented as the Group is primarily engaged in only one business segment which is to provide information technology ("IT") solutions and related services.

The Group's operations are conducted predominantly in Malaysia.

A9 Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current quarter under review.

A10 Material events subsequent to the end of the quarter

Save as disclosed below, there have been no material events between the end of the quarter to the date of this announcement.

On 12 April 2006, Rexit announced that Rexit's wholly-owned subsidiary, Rexit Software Sdn Bhd has entered into an e-Cover Electronic Hire Purchase Agreement with AmBank (M) Berhad ("AmBank") to enable AmBank's hire purchase applications to be processed electronically via the Internet through Rexit's e-Cover portal.

On 19 April 2006, Rexit announced that it has entered into a Joint Venture Agreement with PT Swadayanusa Kencana Raharja, to form a joint venture company, PT Rexit to undertake the business of providing IT services to the financial and insurance industry in the Republic of Indonesia ("Indonesia").

In conjunction with the setting up of PT Rexit, Rexit has, on 19 April 2006, received a letter of undertaking from PT Asuransi Sinar Mas ("ASM") to outsource its IT operations to PT Rexit, at terms and conditions to be mutually agreed upon.

A11 Changes in the composition of the Group

There were no material changes in the composition of the Group for the current quarter under review.

A12 Contingent liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at 28 April 2006 (the latest practicable date which is not earlier than 7 days from the date of issue of this financial results).

A13 Capital commitments

As at 31 March 2006, the Group has no material capital commitments in respect of property, plant and equipment.

A14 Significant related party transactions

The Group received Bursa Securities approval dated 10 November 2005 for obtaining shareholders' ratification for recurrent related party transactions entered into by the Group from the date of listing, 16 November 2005 until the first annual general meeting or extraordinary meeting, whichever is earlier.

During the period, there have been no related party transactions which would have a significant impact on the financial position and business of the Group.

A15 Cash and cash equivalents

	RM'000
Fixed deposits with licensed banks	17,272
Cash and bank balances	652
	<hr/>
	17,924
	<hr/>



REXIT BERHAD (668114-K)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Third Quarter Ended 31 March 2006

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1 Review of performance

For the current quarter ended 31 March 2006, Rexit Group recorded a revenue of RM4.657 million mainly attributable to sale of proprietary software, subscription and transaction fees from e-Cover portal and value-added system sales. In line with the revenue recorded and 100% tax exemption granted to Rexit Software Sdn Bhd due to its pioneer status, Rexit Group recorded a profit before tax of RM1.664 million and a profit after tax of RM1.633 million.

B2 Variation of results against preceding quarter

	Current Quarter 31 Mar 2006 RM'000	Preceding Quarter 31 Dec 2005 RM'000
Revenue	4,657	5,195
Profit after tax	1,633	1,658

The results for the preceding quarter are based on the assumption that the Group has been in existence since 30 August 2005. The Group was subsequently admitted to the MESDAQ Market of Bursa Malaysia Securities Berhad on 16 November 2005. Rexit Group's revenue shown a slight decrease as compared to second quarter's revenue mainly due to a decrease in hardware sales.

B3 Prospects

Barring any unforeseen circumstances, the Directors believe that the Group's prospects for the financial year ending 30 June 2006 will remain favourable.

B4 Variation of actual profit from forecast profit

Not applicable as no profit forecast was published.

B5 Taxation

The effective tax rate of the Group remained low due to the 100% tax exemption granted to a subsidiary company of Rexit, Rexit Software Sdn Bhd, due to its pioneer status for a period of 5 years by virtue of it being a company with Multimedia Super Corridor (MSC) status.

B6 Unquoted investments and properties

There were no changes in the unquoted investments and properties of the Group during the current quarter under review.

B7 Quoted securities

There were no acquisitions or disposals of quoted securities during the current quarter under review.

B8 Group's borrowings and debt securities

The borrowings of the Group as at 31 March 2006 represents term loan obligation of RM1,284,446.68 of which RM82,829.16 is short term and RM1,201,617.52 is long term.

The Group does not have any foreign currency borrowings.

B9 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at the date of this announcement applicable to the Group.



REXIT BERHAD (668114-K)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Third Quarter Ended 31 March 2006

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)

B10 Material litigation

Neither the Company nor its subsidiary companies is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary companies and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary companies.

B11 Dividends

The Board of Directors had declared an interim dividend of 10% per ordinary share of RM0.10 each tax exempt in respect of the financial year ending 30 June 2006, amounting to RM1,420,000.00 (Ringgit Malaysia One Million Four Hundred and Twenty Thousand only). The dividend was paid on 16 March 2006 to shareholders registered at the close of business on 28 February 2006.

B12 Earnings per share

	Current Year Quarter 31 Mar 2006	Current Year To date 31 Mar 2006
Profit after taxation (RM'000)	1,633	4,806
Weighted average number of shares in issue ('000)	142,000	105,189
Basic earnings per share (sen)	1.15	4.57

Diluted earnings per shares is not disclosed herein as the options under the ESOS have not been granted as at the date of this announcement.

B13 Status of corporate proposals

Save as set out below, there were no corporate proposals announced but not yet completed as at the date of this announcement.

- 1 On 19 April 2006, Rexit announced that it has entered into a Joint Venture Agreement with PT Swadayanusa Kencana Raharja, to form a joint venture company, PT Rexit to undertake the business of providing IT services to the financial and insurance industry in Indonesia. ("Proposed Joint Venture")

The Proposed Joint Venture is subject to the approvals the following, of which the approvals are currently pending.

- (a) the Bank Negara Malaysia; and
- (b) the relevant government authorities and/or regulators in Indonesia.

- 2 The Board of Directors proposes to implement a bonus issue of 47,333,333 new Rexit Shares to be credited as fully paid-up on the basis of one (1) new Rexit Share for every three (3) existing Rexit Shares held by shareholders whose names appear in the Record of Depositors of Rexit on an entitlement date to be determined and announced later ("Proposed Bonus Issue"). The Proposed Bonus Issue will be implemented via the capitalisation of share premium and retained profits of Rexit.



REXIT BERHAD (668114-K)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Third Quarter Ended 31 March 2006

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)

B14 Utilisation of IPO proceeds

The status of utilisation of the proceeds raised from the public issue pursuant to the listing of the Company on MESDAQ Market of Bursa Securities amounting to RM6.054 million is as follows:

	Proposed Utilisation ⁽¹⁾ RM'000	Utilised as at the date of this report RM'000	Balance RM'000
Research and development expenses	2,000	-	2,000
Working capital	2,454	-	2,454
Estimated listing expenses	1,600 *	1,488	112
	<u>6,054</u>	<u>1,488</u>	<u>4,566</u>

Note: -

(1) extracted from Rexit's Prospectus dated 20 October 2005

* the Company had only utilised RM1,488,206 of its estimated listing expenses. As such, the additional balance of RM111,794 will be transferred for the Company's working capital requirements.

B15 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 28 April 2006.

Rexit Berhad
 28 April 2006