



REXIT BERHAD (668114-K)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Third Quarter Ended 31 March 2010

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter (Unaudited) 31 Mar 2010 RM'000	Preceding Year Corresponding Quarter (Unaudited) 31 Mar 2009 RM'000	Current Year To date (Unaudited) 31 Mar 2010 RM'000	Preceding Year Corresponding Period (Unaudited) 31 Mar 2009 RM'000
Revenue		4,379	4,092	12,408	14,137
Direct costs		(2,116)	(1,407)	(5,310)	(5,745)
Gross profit		2,263	2,685	7,098	8,392
Other income		272	259	939	698
Administrative expenses		(1,438)	(1,443)	(4,236)	(4,032)
Profit from operations		1,097	1,501	3,801	5,058
Share of profit in associated company		27	45	16	135
Profit before taxation		1,124	1,546	3,817	5,193
Taxation	B5	(6)	(21)	(17)	(30)
Profit for the financial period		1,118	1,525	3,800	5,163
Profit attributable to :					
Equity holders of the Company		1,112	1,868	4,370	5,110
Minority Interests		6	(343)	(570)	53
Profit for the financial period		1,118	1,525	3,800	5,163
Basic earnings per share (sen)	B12	0.59	0.99	2.34	2.70

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 31 March 2010 and is to be read in conjunction with the audited financial statements for the financial year ended 30 June 2009.

The accompanying notes are an integral part of this statement.



REXIT BERHAD (668114-K)

CONDENSED CONSOLIDATED BALANCE SHEET

As at 31 March 2010

(The figures have not been audited)

	Note	Current Year Quarter 31 Mar 2010 RM'000 (Unaudited)	Preceding Financial Year Ended 30 Jun 2009 RM'000 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		5,819	6,493
Development costs		1,691	1,783
Investment in associated company		2,020	2,004
Other investment		4,210	4,045
Deferred tax assets		15	15
		<u>13,755</u>	<u>14,340</u>
CURRENT ASSETS			
Trade receivables		3,018	1,060
Other receivables, deposits & prepayments		1,876	942
Tax recoverable		357	374
Cash and cash equivalents	A15	20,286	25,651
		<u>25,537</u>	<u>28,027</u>
TOTAL ASSETS		<u>39,292</u>	<u>42,367</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital		18,933	18,933
Treasury Shares		(1,430)	-
Exchange fluctuation reserve		(374)	(154)
Retained profits		14,788	14,159
Shareholders' funds		<u>31,917</u>	<u>32,938</u>
Minority interests		1,635	5,149
Total Equity		<u>33,552</u>	<u>38,087</u>
NON-CURRENT LIABILITIES			
Deferred tax liabilities		<u>333</u>	<u>333</u>
CURRENT LIABILITIES			
Trade payables		910	221
Other payables and accruals		166	185
Deferred income		4,331	3,541
Provision for taxation		-	-
		<u>5,407</u>	<u>3,947</u>
TOTAL EQUITY AND LIABILITIES		<u>39,292</u>	<u>42,367</u>
Net Assets per share (RM)		<u>0.17</u>	<u>0.17</u>

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 31 March 2010 and is to be read in conjunction with the audited financial statements for the financial year ended 30 June 2009.

Net Assets per share for the current quarter is arrived at based on the Group's Net Assets of RM31,917,000 over the number of ordinary shares of 189,333,333 shares of RM0.10 each.

The accompanying notes are an integral part of this statement.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Third Quarter Ended 31 March 2010

(The figures have not been audited)

	Non-distributable				Distributable		Minority Interest RM'000	Total RM'000
	Share Capital RM'000	Share Premium RM'000	Reserve on Consolidation RM'000	Foreign Exchange Reserve RM'000	Retained profits RM'000	Treasury Shares RM'000		
At 1 July 2008 (Audited)	18,933	-	-	(125)	13,607	-	5,256	37,671
Net profit for the financial period	-	-	-	-	7,179	-	(87)	7,092
Foreign exchange differences, representing net loss not recognised in income statement	-	-	-	(29)	-	-	(20)	(49)
Dividends paid	-	-	-	-	(6,627)	-	(6,627)	(6,627)
At 30 June 2009	18,933	-	-	(154)	14,159	-	5,149	38,087
At 1 July 2009 (Audited)	18,933	-	-	(154)	14,159	-	5,149	38,087
Net profit for the financial period	-	-	-	-	4,370	-	(570)	3,800
Acquisition of additional shares in subsidiary company from the minority shareholders	-	-	-	-	-	-	(3,013)	(3,013)
Foreign exchange differences, representing net loss not recognised in income statement	-	-	-	(220)	-	-	69	(151)
Treasury Shares	-	-	-	-	-	(1,430)	-	(1,430)
Dividend Paid	-	-	-	-	(3,741)	-	(3,741)	(3,741)
At 31 March 2010	18,933	-	-	(374)	14,788	(1,430)	1,635	33,552

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 31 March 2010 and is to be read in conjunction with the audited financial statements for the financial year ended 30 June 2009.

The accompanying notes are an integral part of this statement.



REXIT BERHAD (668114-K)

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

For The Third Quarter Ended 31 March 2010

(The figures have not been audited)

	Note	Current Year Quarter 31 Mar 2010 RM'000 (Unaudited)	Preceding Year Corresponding Quarter 31 Mar 2009 RM'000 (Unaudited)
CASHFLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		1,124	1,546
Adjustments for:			
Amortisation of development costs		112	98
Depreciation		227	225
Interest income		(598)	(259)
Share of profit in associated company		(27)	(45)
Operating profit before working capital changes		838	1,565
(Increase) in trade and other receivables		4,124	2,540
Decrease in trade and other payables		622	(1,978)
Increase in deferred income		(1,823)	(470)
Cash generated from operations		3,761	1,657
Tax paid		(2)	(160)
Net cash generated from operating activities		3,759	1,497
CASHFLOWS FROM INVESTING ACTIVITIES			
Other Investment		(165)	-
Interest received		598	259
Purchase of property, plant and equipment		(12)	(528)
Net cash used in investing activities		421	(269)
CASHFLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(3,741)	-
Treasury Shares		(422)	-
Net cash used in financing activities		(4,163)	-
NET DECREASE IN CASH AND CASH EQUIVALENTS		17	1,228
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER		20,440	25,925
Effects of exchange rate changes		(171)	143
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	A15	20,286	27,296

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 31 March 2010 and is to be read in conjunction with the audited financial statements for the financial year ended 30 June 2009.

The accompanying notes are an integral part of this statement.



REXIT BERHAD (668114-K)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

For The Third Quarter Ended 31 March 2010

A EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134 INTERIM FINANCIAL REPORTING

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 Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market.

The accounting policies and methods of computation adopted by Rexit Berhad ("Rexit" or "the Company") and its subsidiaries ("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 year ended 30 June 2009.

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 were not materially affected by any seasonal or cyclical factors 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 material changes in estimates of amounts reported in prior financial years, which may have a material effect in the current quarter results.

A6 Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter under review save for the following:

The shareholders of Rexit had given their approval for Rexit to buy back its own shares at the Annual General Meeting ("AGM") held on 30 October 2008. The Company had obtained its renewal of authority to buy back its own shares at the Fifth AGM held on 24 November 2009. During the quarter under review, Rexit repurchased a total of 666,000 ordinary shares of its issued share capital from the open market at an average cost of RM0.62 per share. The total consideration paid for the shares bought back, including transaction costs during the current quarter amounted to RM422,343 and was financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965. None of the treasury shares held were resold or cancelled during the current financial quarter. As at 31 March 2010, the total number of treasury shares held was 2,276,200 ordinary shares.

A7 Dividend paid

The Board of Directors had declared a tax-exempt interim dividend of 20% per ordinary share of RM0.10 during the preceding quarter for the financial year ending 30 June 2010, amounting to RM3,741,143 (Ringgit Malaysia: Three Million Seven Hundred Forty One Thousand One Hundred and Forty Three only). The dividend was paid on 12 February 2010 to shareholders who were registered at the close of business on 8 February 2010.

No dividends has been paid in the preceding year corresponding quarter.

A EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134 INTERIM FINANCIAL REPORTING (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 currently 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

There were no material events subsequent to the end of the quarter under review.

A11 Changes in the composition of the Group

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

A12 Contingent liabilities

The Directors are of the opinion that during the current quarter under review, the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group.

A13 Capital commitments

The Group has no material capital commitments in respect of property, plant and equipment in the current quarter under review.

A14 Significant related party transactions

During the current quarter under review, the Directors are of the opinion that the Group has no related party transactions which would have a significant impact on the financial position and business of the Group.

A15 Cash and cash equivalents

	Current Year Quarter 31-Mar-10 RM'000	Preceding Year Corresponding Quarter 31-Mar-09 RM'000
Fixed deposits with licensed banks	6,372	5,164
Deposits with other corporations	12,289	15,989
Cash and bank balances	1,625	6,143
	<u>20,286</u>	<u>27,296</u>

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET

B1 Review of performance

For the current quarter ended 31 March 2010, Rexit Group recorded a revenue of RM4.379 million mainly attributed to software sales including subscription and transaction fees, value-added hardware and system software sales. For the financial year-to-date, the Group recorded a profit before tax ("PBT") and profit after tax and minority interests of RM1.124 million and RM1.112 million respectively.

B2 Variation of results against preceding quarter

	Current Quarter 31-Mar-10 RM'000	Preceding Quarter 31-Dec-09 RM'000
Revenue	4,379	4,210
Profit before tax	1,124	1,496

The increase in software development and payroll costs resulted in a lower PBT of RM1.124 million.

B3 Prospects

Barring any unforeseen circumstances, the Directors of Rexit believe that the Group's prospects for the financial year ending 30 June 2010 remains favourable.

B4 Variation of actual profit from forecast profit

Not applicable as no profit forecast was published.

B5 Taxation

	Current Quarter 31-Mar-10 RM'000	Cumulative Quarter 31-Mar-10 RM'000
Current tax expense	6	17

The effective tax rate of the Group remained low due to the 100% tax exemption granted to 2 subsidiaries of Rexit i.e. Rexit Software Sdn Bhd and Rexit International Sdn. Bhd. based on the Pioneer Status incentive awarded to the said subsidiaries as a Multimedia Super Corridor Status companies under Section 4A of the Promotion of Investment Act, 1986.

B6 Unquoted investments and properties

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

B7 Quoted securities

There were no acquisitions or disposals of quoted securities for the current quarter and financial year under review.

B8 Group's borrowings and debt securities

The Group has no borrowings or debts securities for the current quarter and financial year under review.

The Group does not have any foreign currency borrowings.

B9 Off balance sheet financial instruments

The Group does not have any off balance sheet financial instruments.

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET (Cont'd)

B10 Material litigation

Neither the Company nor its subsidiaries 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 subsidiaries and the Board is not aware 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 subsidiaries.

B11 Dividends

The Board of Directors is declaring a tax exempt interim dividend of 15% per ordinary share of RM0.10 for the financial year ending 30 June 2010. The proposed dividend will be paid on 25 May 2010 to shareholders who are registered at the close of business on 17 May 2010.

In the preceding year corresponding quarter, the Board of Directors had declared a tax-exempt interim dividend of 15% per ordinary share of RM0.10 for the financial year ended 30 June 2009, amounting to RM2,840,000 (Ringgit Malaysia: Two Million Eight Hundred and Forty Thousand only).

B12 Earnings per share

	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To date	Corresponding
	31-Mar-10	Quarter	31-Mar-10	Period
		31-Mar-09		31-Mar-09
Profit after taxation and minority interests (RM'000)	1,112	1,868	4,370	5,110
Weighted average number of shares in issue ('000)				
Issued at the beginning of the year	189,333	189,333	189,333	189,333
Treasury Shares	(666)	-	(2,276)	-
	188,667	189,333	187,057	189,333
Basic earnings per share (sen)	0.59	0.99	2.34	2.70

Diluted earnings per share is not disclosed herein as the options under the Employees' Share Option Scheme have not been granted as at the date of this announcement.

B13 Status of corporate proposals

There were no corporate proposals announced but not yet completed as at 23 April 2010 (the latest practicable date which is not earlier than 7 days from the date of issue of this financial results) save as disclosed below:-

(1) Bumiputera Equity Condition

Pursuant to the approval of Rexit's listing on the MESDAQ Market (now known as ACE Market), the Securities Commission ("SC") had imposed a condition which requires Rexit to meet a Bumiputera equity requirement of 30% within one (1) year after Rexit achieves a profit track record requirement for listing on the Second Board or five (5) years after being listed on the MESDAQ market, whichever is earlier ("Bumiputera Equity Condition"). However, in line with the new Listing Requirements which came into effect on 3 August 2009 whereby the Main and Second Boards was merged into a single unified board called the Main Market, and all eligible Second Board companies will be absorbed into the Main Market.

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET (Cont'd)

Rexit has achieved the profit track record requirement for listing on the Main Market based on the profit track record for the five (5) years ended 30 June 2002 to 30 June 2006 with an aggregate Profit After Tax ("PAT") of RM14.38 million and a consolidated PAT of RM6.61 million for the financial year ended 30 June 2006. As such Rexit was required to comply with the Bumiputera Equity Condition by 30 June 2007 but as announced by the Prime Minister of Malaysia on 30 June 2009 wherein the Government of Malaysia had revised the Bumiputera Equity Condition from 30% to 12.5%, Rexit is now required to meet the revised equity requirement of 12.5% instead of the earlier 30% condition imposed.

On 2 April 2008, Rexit had submitted an application to the SC to seek for an extension of time to meet the Bumiputera Equity Condition. Subsequent thereto, on 25 April 2008, Rexit announced that the SC has vide its letter dated 23 April 2008 approved the extension of time until 30 June 2009 for Rexit to meet the Bumiputera Equity Condition. However as announced by Rexit on 8 September, SC has vide its letter dated 7 September 2009 approved the extension of time until 6 March 2011 to meet the 12.5% Bumiputera equity condition.

B14 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 29 April 2010.

Rexit Berhad
29 April 2010