



**UNAUDITED RESULTS FOR
THE FINANCIAL PERIOD ENDED MARCH 31, 2009**

Notes To The Financial Statements

1. BASIS OF PREPARATION

The interim financial statements have been prepared under the historical cost convention. The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 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 year ended 31 December 2008.

2. CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2008.

3. STATUS ON QUALIFIED FINANCIAL STATEMENT

Not applicable.

4. SEASONAL OR CYCLICAL FACTORS

The principal business operations of the Group are not significantly affected by seasonality or cyclical factors.

5. UNUSUAL ITEMS

Other than disclosed in the financial statement, there were no unusual items affecting the financial statement for the financial period under review.

6. CHANGES IN ESTIMATES

There were no significant changes in estimates that materially affect the financial statements for the financial period under review.



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7. DEBTS AND EQUITY SECURITIES

There were no repayment and issuance of debt securities, share buy-backs, share cancellation, share held as treasury shares and resale of treasury shares for the financial period under review.

8. DIVIDENDS PAID

No dividend was paid out in the financial period under review.

9. SEGMENTAL REPORTING

The segmental reporting is disclosed separately for the bulk mailing outsourcing contribution and television content services. The segmental reporting by business segment is reflected below:

As at 31 March 2009	IT related products and services	Bulk mailing outsourcing services	Television content services	Consolidation Adjustments	Consolidated
REVENUE	RM '000	RM '000	RM '000	RM '000	RM '000
External	141,684	12,557	4,035	(70,436)	87,840
RESULT					
Profit for the period	1,787	579	697	(2,005)	1,058



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10. VALUATION OF PROPERTY, PLANT & EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

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

11. SUBSEQUENT EVENT

There was no material event during the period from 31 March 2009 to the date of this announcement, which affects substantially the results of the operations of the Group for the period ended 31 March 2009 in respect of which this announcement is made.

12. CHANGES IN THE COMPOSITION OF THE GROUP

During the period under review, the Company has acquired 2,250,000 of 70% of the ordinary shares in PT Intercity Kerlipan, Indonesia for cash consideration amounting to RM 3,597,000. The principal activity of PT Intercity Kerlipan (Indonesia) is to provide the bulk mailing services.

There were no other material changes to the composition of the Group beside as disclosed above in the current financial period under review.

13. CAPITAL COMMITMENT

The amount of commitments for purchase of property, plant & equipment not provided for in the interim financial statements as at March 31, 2009 is as follows:

	Unaudited Financial Period <u>31/03/09</u> RM'000
Approved and contracted for	1,899
Approved but not contracted for	11,261



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14. CONTINGENT LIABILITIES

There were no contingent liabilities for the Group as at May 20, 2009 being the latest practicable date, which is not earlier than seven days from the date of issuance of this quarterly announcement.

15. REVIEW OF PERFORMANCE

The Group has recorded a revenue of RM87,840,000 for the financial period ended March 31, 2009, a decrease of RM 7,891,000 or 8% relative to the previous financial year period ended March 31, 2008. The decrease in revenue was mainly attributable from the decline in trading of hardware and software from the System Integration business for the current period.

The Group recorded profit before taxation of RM 2,324,000 for the financial period ended March 31, 2009, a decrease of RM 3,750,000 or 62% relative to the financial period ended March 31, 2008. The decrease was mainly contributed by the lower gross profit of the Group by RM 2,100,000, resulted by the lower revenue recorded as stated above.

In addition, the decrease of the Group profit before taxation was also due to the share of loss from an associated company amounting to RM 1,270,000 for the current quarter ended 31 March 2009 as compared to share of profit amounting to RM 480,000 recorded during the corresponding quarter in 2008.

The Group further recorded a profit after taxation of RM 1,058,000 for the financial quarter ended March 31, 2009. This represents a decrease of RM 3,326,000 or 76% compared to the previous financial period ended March 31, 2008 as a result of decrease in profit before taxation as mentioned above.

16. COMPARISON WITH PRECEDING QUARTER'S RESULTS

In comparison with the preceding quarter (quarter ended December 31, 2008), there was a decrease in consolidated revenue of 44% from RM 156,408,000 to RM 87,840,000. Profit before taxation also recorded a decrease from RM24,965,000 to RM 2,324,000 in the current quarter ended 31 March 2009. The decrease was mainly due to gain on sale of property during the preceding quarter ended 31 December 2008.

Consequently, due to the above, profit after taxation of the Group has decreased from RM20,895,000 in the preceding quarter to RM 1,058,000 in the current quarter.

17. PROSPECTS IN THE CURRENT FINANCIAL YEAR

The Group expects to remain profitable for the current financial year.

18. VARIANCE ON FORECAST PROFIT

Not Applicable.



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19. TAXATION

The taxation of the Group for the financial year under review was as follows:-

	Current Quarter <u>31/03/2009</u> RM'000	Accumulated Current Year <u>31/03/2009</u> RM'000
Current Taxation	<u>1,267</u>	<u>1,267</u>

20. PROFIT ON SALE OF INVESTMENT

There were no profits on sale of investment and/or investment properties for the financial period under review.

21. QUOTED SECURITIES

There was no acquisition or disposal of quoted securities for the financial period under review.

22. CORPORATE DEVELOPMENTS

There were no corporate developments during the financial period under review.

23. GROUP BORROWINGS AND DEBT SECURITIES

As at March 31, 2009, the Group has the following borrowings which are denominated in Ringgit Malaysia from a local financial institution:-

Secured:	<u>Total RM'000</u>
<u>Short Term Borrowings</u>	
Hire Purchase Creditor due within 12 months	349
Other short term borrowings due within 12 months	<u>6,472</u>
	<u>6,821</u>
<u>Long Term Borrowings</u>	
Hire Purchase Creditor due after 12 months	2,546
Other long term borrowings due after 12 months	<u>74,424</u>
	<u>76,970</u>
Total	<u>83,791</u>

This document forms part of the unaudited quarterly announcement of HeiTech Group for the financial period ended 31/03/2009.



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24. OFF BALANCE SHEET FINANCIAL INSTRUMENT

The Group does not have any financial instruments with off balance sheet risk as at May 20 2009, being the latest practicable date, which is not earlier than seven days from the date of issuance of this quarterly announcement.

25. MATERIAL LITIGATION

The Group is not engaged in any material litigation, claims or arbitration either as plaintiff or defendant as at May 20, 2009, being the latest practicable date, which is not earlier than seven days from the date of issuance of this quarterly announcement.

26. PROPOSED DIVIDEND

At the forthcoming Annual General Meeting, a final dividend of 2.67% less 25% taxation on 100,138,700 ordinary shares in respect of the financial year ended 31 December 2008, amounting to dividend payable of RM 2,005,277 (2 cents net per ordinary share) will be proposed for shareholders' approval. The interim financial statements for the current period do not reflect this proposed dividend.

There are no dividends proposed in respect of the current financial year during the financial period under review.

27. EARNINGS PER SHARE

	Current Quarter <u>31/03/2009</u>	Accumulated Current Year <u>31/03/2009</u>
<u>a) Basic</u>		
Net profit attributable to ordinary equity holders of the parent company (RM'000)	815	815
Number of ordinary shares issued at beginning of the year	100,011,500	100,011,500
Weighted average number of ordinary shares in issue	100,096,300	100,096,300
Basic earnings per share (sen)	<u>0.81</u>	<u>0.81</u>
Diluted earnings per share (sen)	<u>0.81</u>	<u>0.81</u>



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28. SIGNIFICANT EVENT

On 16 January 2009, the Company has accepted Letter of Acceptance from the Government of Malaysia for the Supply, Delivery, Installation, Configuration, Testing, Commissioning and Maintenance of the Application Development for the Learning Management System (“LMS”), Purchase of Equipment and Leased Line at the Pusat Latihan Pengajar dan Latihan Lanjutan or Centre for Instructor and Advance Skill Training (CIAST), Selangor Darul Ehsan amounting to RM4,414,500.

By Order of the Board

KHAERUDDIN BIN SUDHARMIN (LS007037)
NORISWADI BIN HAJI ISMAIL (LS0008892)
Secretary