



**REXIT BERHAD (668114-K)**

**CONDENSED CONSOLIDATED INCOME STATEMENT**

**For The First Quarter Ended 30 September 2008**

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter (Unaudited) 30 Sep 2008 RM'000	Preceding Year Corresponding Quarter (Unaudited) 30 Sep 2007 RM'000	Current Year To date (Unaudited) 30 Sep 2008 RM'000	Preceding Year Corresponding Period (Unaudited) 30 Sep 2007 RM'000
Revenue		4,333	5,360	4,333	5,360
Direct costs		(1,906)	(1,239)	(1,906)	(1,239)
Gross profit		2,427	4,121	2,427	4,121
Other income		188	189	188	189
Administrative expenses		(1,094)	(1,207)	(1,094)	(1,207)
<b>Profit from operations</b>		1,521	3,103	1,521	3,103
Share of profit in associated company		60	70	60	70
<b>Profit before taxation</b>		1,581	3,173	1,581	3,173
Taxation	B5	(4)	(200)	(4)	(200)
<b>Profit for the financial period</b>		1,577	2,973	1,577	2,973
<b>Profit attributable to :</b>					
Equity holders of the Company		1,726	2,708	1,726	2,708
Minority Interests		(149)	265	(149)	265
Profit for the financial period		1,577	2,973	1,577	2,973
<b>Basic earnings per share (sen)</b>	B12	0.91	1.43	0.91	1.43

**Notes:-**

This is prepared based on the consolidated results of the Group for the financial period ended 30 September 2008 and is to be read in conjunction with the Annual Report 2008.

The accompanying notes are an integral part of this statement.



REXIT BERHAD (668114-K)

CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 September 2008

(The figures have not been audited)

	Note	Current Year Quarter 30 Sep 2008 RM'000 (Unaudited)	Preceding Financial Year Ended 30 Jun 2008 RM'000 (Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		6,313	6,470
Development costs		1,556	1,208
Investment in associated company		1,966	1,906
Other investment		4,045	2,045
		<u>13,880</u>	<u>11,629</u>
<b>CURRENT ASSETS</b>			
Trade receivables		2,052	1,092
Other receivables, deposits & prepayments		1,443	1,125
Tax recoverable		935	914
Cash and cash equivalents	A15	24,624	27,751
		<u>29,054</u>	<u>30,882</u>
<b>TOTAL ASSETS</b>		<u>42,934</u>	<u>42,511</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital		18,933	18,933
Exchange fluctuation reserve		(98)	(124)
Retained profits		15,332	13,606
Shareholders' funds		<u>34,167</u>	<u>32,415</u>
Minority interests		5,185	5,257
<b>Total Equity</b>		<u>39,352</u>	<u>37,672</u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		147	147
<b>CURRENT LIABILITIES</b>			
Trade payables		27	455
Other payables and accruals		892	127
Deferred income		2,355	3,947
Provision for taxation		161	163
		<u>3,435</u>	<u>4,692</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>42,934</u>	<u>42,511</u>
Net Assets per share (RM)		<u>0.18</u>	<u>0.17</u>

**Notes:-**

This is prepared based on the consolidated results of the Group for the financial period ended 30 September 2008 and is to be read in conjunction with the Annual Report 2008.

Net Assets per share for the current quarter is arrived at based on the Group's Net Assets of RM34,167,000 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.



**REXIT BERHAD (668114-K)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**For The First Quarter Ended 30 September 2008**

(The figures have not been audited)

	←-----Non-distributable----->				Distributable Retained profits RM'000	Shareholders' Fund RM'000	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				
At 1 July 2007 (Audited)	18,933	-	-	(46)	10,685	29,572	5,408	34,980
Foreign exchange differences, representing net loss not recognised in income statement	-	-	-	(78)	-	(78)	(222)	(300)
Net profit for the financial period	-	-	-	-	9,548	9,548	71	9,619
Dividends paid					(6,627)	(6,627)	-	(6,627)
At 30 June 2008 (Audited)	18,933	-	-	(124)	13,606	32,415	5,257	37,672
At 1 July 2008 (Audited)	18,933	-	-	(124)	13,606	32,415	5,257	37,672
Net profit for the financial period	-	-	-	-	1,726	1,726	(149)	1,577
Foreign exchange differences, representing net loss not recognised in income statement				26		26	77	103
Dividends paid						-		-
At 30 September 2008	18,933	-	-	(98)	15,332	34,167	5,185	39,352

**Notes:-**

This is prepared based on the consolidated results of the Group for the financial period ended 30 September 2008 and is to be read in conjunction with the Annual Report 2008.

The accompanying notes are an integral part of this statement.



**REXIT BERHAD (668114-K)**

**CONDENSED CONSOLIDATED CASHFLOW STATEMENT**

**For The First Quarter Ended 30 September 2008**

(The figures have not been audited)

	Current Year Quarter 30 Sep 2008 RM'000	Preceding Year Corresponding Quarter 30 Sep 2007 RM'000
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,581	3,173
Adjustments for:		
Amortisation of development costs	62	62
Depreciation	193	137
Interest income	(188)	(189)
Gain/(Loss) on disposal of plant and equipment	-	
Property, plant and equipment written off	-	
Share of profit in associated company	(60)	(70)
Operating profit before working capital changes	1,588	3,113
(Increase)/Decrease in trade and other receivables	(1,278)	1,646
Increase/(Decrease) in trade and other payables	337	(1,646)
Increase/(Decrease) in deferred income	(1,592)	(1,379)
Cash generated from operations	(945)	1,734
Tax paid	(27)	(90)
Net cash generated from operating activities	(972)	1,644
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>		
Development costs	(410)	-
Interest received	188	189
Proceeds from disposal of plant and equipment	-	(374)
Purchase of property, plant and equipment	(36)	-
Purchase of other investment	(2,000)	-
Net cash used in investing activities	(2,258)	(185)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	(3,230)	1,459
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER</b>	27,751	27,837
Effects of exchange rate changes	103	-
<b>CASH AND CASH EQUIVALENTS AT END OF THE QUARTER</b>	24,624	29,296

Note

A15

**Notes:-**

This is prepared based on the consolidated results of the Group for the financial period ended 30 September 2008 and is to be read in conjunction with the Annual Report 2008.

The accompanying notes are an integral part of this statement.



**REXIT BERHAD (668114-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The First Quarter Ended 30 September 2008**

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

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 year ended 30 June 2008.

**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**

No dividend has been paid in the current financial quarter under review.



**REXIT BERHAD (668114-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The First Quarter Ended 30 September 2008**

**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 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 up to the date of this report that have not been reflected in the interim financial report.

**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 save for the following:-

On 19 September 2008, Rexit announced that a new wholly-owned subsidiary, Rexit Software (Guangzhou) Co. Ltd. ("Rexit Guangzhou") was incorporated in the People's Republic of China on 16 September 2008. The entire registered capital of Rexit Guangzhou amounting to RMB500,000 is held by Rexit. The principal activities of Rexit Guangzhou are research and development of application software and provision of related services.

**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 27 October 2008 (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 30 September 2008, the Group has no material capital commitments in respect of property, plant and equipment.



**REXIT BERHAD (668114-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The First Quarter Ended 30 September 2008**

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

**A14 Significant related party transactions**

At the Annual General Meeting held on 14 December 2007, the Group had obtained shareholders' mandate in respect of recurrent related party transactions of a trading and revenue nature ("RRPT"), the details of which are set out in the Circular to Shareholders dated 21 November 2007. During the current quarter the Group did not enter into any of the aforementioned RRPTs. Please refer to Note B13 for further information.

**A15 Cash and cash equivalents**

	<b>Current Year Quarter 30-Sep-08 RM'000</b>	<b>Preceding Year Corresponding Quarter 30-Sep-07 RM'000</b>
Fixed deposits with licensed banks	6,005	5,779
Deposits with other corporations	17,700	22,641
Cash and bank balances	919	876
	<u>24,624</u>	<u>29,296</u>



**REXIT BERHAD (668114-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**For The First Quarter Ended 30 September 2008**

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

**B1 Review of performance**

For the current quarter ended 30 September 2008, Rexit Group recorded a revenue of RM4.333 million mainly due 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 ("PAT") of RM1.581 million and RM1.726 million respectively on the back of RM4.333 million in revenue which is due to the aforementioned software sales, value-added hardware and system software sales.

**B2 Variation of results against preceding quarter**

	<b>Current Quarter 30-Sep-08 RM'000</b>	<b>Preceding Quarter 30-Sep-07 RM'000</b>
Revenue	4,333	5,360
Profit before tax	1,581	3,173

The increase in software development costs and lower software sales resulted in a lower PBT of RM1.581 million.

**B3 Prospects**

Barring any unforeseen circumstances, the Directors believe that the Group's prospects for the financial year ending 30 June 2009 will remain favourable.

**B4 Variation of actual profit from forecast profit**

Not applicable as no profit forecast was published.





**REXIT BERHAD (668114-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The First Quarter Ended 30 September 2008**

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

**B5 Taxation**

	<b>Current Quarter 30-Sep-08 RM'000</b>	<b>Cumulative Quarter 30-Sep-08 RM'000</b>
Current tax expense	4	4

The effective tax rate of the Group remained low due to the 100% tax exemption granted to 2 subsidiary companies of Rexit, Rexit Software Sdn Bhd and Rexit International Sdn Bhd, due to their pioneer status for a period of 5 years by virtue of them being companies with Multimedia Super Corridor (MSC) status.

**B6 Unquoted investments and properties**

There were no changes in the unquoted investments and properties of the Group for the current quarter under review and for the financial period ended 30 September 2008.

**B7 Quoted securities**

There were no acquisitions or disposals of quoted securities during the current quarter under review and for the financial period ended 30 September 2008.

**B8 Group's borrowings and debt securities**

The Group has no borrowings or debts securities as at 30 September 2008.

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 First Quarter Ended 30 September 2008**

**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**

No dividends has been declared in respect of the current quarter under review.

**B12 Earnings per share**

	<b>Current Year Quarter 30-Sep-08</b>	<b>Preceding Year Corresponding Quarter 30-Sep-07</b>	<b>Current Year To date 30-Sep-08</b>	<b>Preceding Year Corresponding Period 30-Sep-07</b>
Profit after taxation and minority interests (RM'000)	1,726	2,708	1,726	2,708
Weighted average number of shares in issue ('000)	189,333	189,333	189,333	189,333
Basic earnings per share (sen)	0.91	1.43	0.91	1.43

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.



**REXIT BERHAD (668114-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The First Quarter Ended 30 September 2008**

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

**B13 Status of corporate proposals**

There were no corporate proposals announced but not yet completed as at the date of this announcement save as disclosed below:-

**(1) Bumiputera Equity Condition**

Pursuant to the approval of Rexit's listing on the MESDAQ 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").

Rexit has achieved the profit track record requirement for listing on the Second Board based on the profit track record for the five (5) years ended 30 June 2002 to 30 June 2006 with an aggregate PAT of RM14.38 million and a consolidated PAT of RM6.61 million for the financial year ended 30 June 2006. As such Rexit is required to comply with the Bumiputera Equity Condition by 30 June 2007.

On 2 April 2008, Rexit announced that it 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 Securities Commission 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.

**(2) Agreements / Letter of Intent**

- (i) On 11 September 2008, Rexit announced that Rexit International Sdn. Bhd. has completed the study and entered into an agreement with William S.T. Lee, a 95% subsidiary of Sompo Japan, to provide the comprehensive e-Cover services based on the agreed terms and conditions.
- (ii) On 29 September 2008, Rexit announced that Rexit International Sdn. Bhd. has received a letter of confirmation from Sompo Japan Insurance Company (Asia) Pte. Ltd of Singapore, a wholly-owned subsidiary of Sompo Japan Insurance Inc. of Japan, to commence study to finalise implementation of comprehensive e-Cover services based on the agreed terms and conditions.



**REXIT BERHAD (668114-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**For The First Quarter Ended 30 September 2008**

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

- (iii) On 30 September 2008, Rexit announced that the Federation of Malaysian Unit Trust Managers ("FMUTM") has issued a Letter of Intent to appoint Rexit Software Sdn Bhd, a wholly owned subsidiary of Rexit, as the vendor to develop and implement the e-Unit Trust system. ("e-PPA")

The Company will announce the details of the appointment upon the execution of the necessary agreements.

The e-PPA system aims to enable on-line transactions of unit trusts for the member companies of FMUTM. Leveraging on its e-Cover infrastructure, Rexit Software Sdn Bhd, will develop and implement an IT system on a 'pay per use' model to the participating FMUTM companies, whereby fees will be collected on a per transaction basis.

**(3) RRPT**

On 30 September 2008, the Board of Directors of Rexit has announced that the Company will be seeking shareholders' approval to renew the existing shareholders' mandate for the RRPTs which was obtained at the AGM of the Company held on 14 December 2007 between Rexit Solutions Sdn Bhd and Rexit International Sdn Bhd which involved the interest of the major shareholder, Marubeni Corporation of Japan.

Rexit will not be seeking a renewal for the existing shareholders' mandate obtained at the AGM held on 14 December 2007 between Rexit Software Sdn Bhd and Rexit International Sdn Bhd.

In addition to the above, the Board of Directors of Rexit announced that the Company will be seeking shareholders' approval at the forthcoming AGM for a new shareholders' mandate in respect of RRPTs to be entered into by Rexit Guangzhou and Rexit International Sdn Bhd which involves the interest of the major shareholder, Marubeni Corporation of Japan.



**REXIT BERHAD (668114-K)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
For The First Quarter Ended 30 September 2008**

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

**(4) Proposed Share Buy-Back**

On 30 September 2008, the Board of Directors of Rexit has announced that the Company proposes to undertake the Proposed Share Buy-Back. The Company will be seeking the shareholders' mandate at the forthcoming AGM and such authority from the shareholders of the Company will be effective immediately upon the expiration of three (3) years from the date of the Company's admission to the MESDAQ Market of Bursa Malaysia Securities Berhad.

**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 30 October 2008.

Rexit Berhad  
30 October 2008