



Media Release
(For immediate release)

XPRESS' 1Q2009 PROFIT BEFORE TAX UP 228% TO S\$2.1 MILLION FROM S\$0.7 MILLION IN 1Q2008 ON STRONGER SALES FROM TIME-SENSITIVE COMMERCIAL PRINTING ACTIVITIES

- Earnings per share up five-fold at 0.25 Singapore cent compared to 0.05 Singapore cent a year ago
- Group's strategy to diversify operations into time-sensitive commercial printing to avoid over-reliance on financial printing is bearing fruit

	1Q2009 (S\$ millions)	1Q2008 (S\$ millions)	%Chg
Revenue	15.2	13.1	15.5
Profit Before Taxation	2.1	0.7	227.6
Net Profit	3.5	0.6	441.2

SINGAPORE, 10 December 2008 – Xpress Holdings Ltd ("Xpress" or the "Group") announced today that its profit before taxation for the August – October 2008 quarter ("1Q2009") grew 227.6% to S\$2.1 million from S\$0.7 million in 1Q2008 on a 15.5% increase in revenue – mostly from stronger growth in time-sensitive commercial printing – to S\$15.2 million from S\$13.2 million over the comparative periods. Net Profit after Tax was higher at \$3.5 million after a deferred tax write-back.

Singapore Exchange Mainboard-listed Xpress said its top-line growth was boosted by orders from both private and state-owned PRC publishers which signed major contracts recently for print-solutions services.

Commenting on the performance, Xpress' Chief Executive Officer, Mr Poh Eng Seng said, "Despite the weaker macroeconomic conditions, our commendable earnings growth in 1Q2009 underscores the efficacy of our business model which offers speed, quality as well as cost-savings to customers. Our clear strategy to diversify our operations into time-sensitive commercial printing to avoid over-reliance on financial printing is bearing fruit."



"For 1Q2009, more than 70% of Group revenue came from time-sensitive commercial printing, which includes the printing of periodicals, educational materials, and marketing collaterals," added Mr Poh.

Costs of raw materials and consumables rose 17.3% year-on-year ("y-o-y") to S\$7.5 million in 1Q2009 as more paper was needed to fulfil the higher orders, while staff costs were 11.3% higher at S\$3.2 million due to higher headcount and commission payout. Meanwhile, other operating expenses were 9.3% higher in 1Q2009 at S\$2.4 million as the Group sold and leased back its Singapore headquarters.

In line with its net profit growth, Xpress' fully diluted earnings per share rose five-fold to 0.25 Singapore cent in 1Q2009 from 0.05 Singapore cent a year ago. Net asset value per share rose to 8.5 Singapore cents as at 31 October 2008 compared to 8.0 Singapore cents as at 31 July 2008.

Cash and cash equivalents, including S\$2.4 million fixed deposit pledged to financial institutions, stood at S\$8.6 million as at 31 October 2008 compared to S\$9.0 million as at 31 October 2007.

Outlook

Xpress' founder and Chief Operating Officer, Mr KK Fong, said, "Despite the global economic uncertainty in recent months, the outlook for Xpress remains positive. Our newly launched On-Site Print Station, apart from creating high entry barriers, has already helped us secure some large-value contracts, with the potential to build up momentum in the future."

"We continue to see good demand for time-sensitive commercial printing, which is helping to offset the lower revenue from financial printing. Against this backdrop, we are cautiously optimistic that our China business will not be adversely affected by the global financial turmoil," said Mr Fong.

"Barring unforeseen circumstances, the Board of Directors continues to believe that the Group will remain profitable for the financial year ending 31 July 2009," Mr Fong added.

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About Xpress Holdings Ltd

Established in 1986, Xpress was listed on SGX Mainboard on 28 June 1999. The Group serves a wide global base of local and MNC financial and corporate organisations, and provides a complete spectrum of integrated print solutions from pre-press processes to production systems as well as global distribution and delivery.

Its core products and services include the design, production and printing of time-sensitive, fast turnaround publications like annual reports, IPO prospectuses, shareholder circulars, fund management reports, brochures and newsletters.

Headquartered in Singapore, Xpress has a network of 34 Print Stations spread across 19 major cities in the Asia Pacific region.