



**GREAT
AMERICAN
PRODUCTS
LTD.**

A subsidiary of
**DYNA GROUP
INTERNATIONAL**

May 12, 2010

Dear Shareholder:

Dyna Group International, Inc. (DGIX.PK) announced today revenues of \$2,768,695 for the three months ended March 31, 2010, an increase of \$375,876, or 15.7%, as compared to the three months ended March 31, 2009. Net income (after gain/loss on investments) increased from (\$63,998) in the 1st quarter of 2009 to \$109,048 for the 1st quarter of 2010.

Licensed sports sales are up for the quarter as compared to last year. The rise in these sales is attributed mainly to collegiate product sales and hot market sales of Super Bowl XLIV Champions New Orleans Saints products.

During the first quarter, GAP had booths at the Sports Licensing Show, Promotional Product Show, and CAMEX collegiate market show. We are looking forward to the NY Stationary Show in mid-May where we will highlight our new metallic engravable line and our sports licensed lines as groomsmen gifts.

E-commerce sales are still strong, indicating continued interest in our licensed sports lines in the online community. With licensing permission now to ship to Canada with most leagues via our drop-ship programs, our products can reach more customers internationally.

Our new line of water bottles and our new -14 series of logos have been a hit, encouraging a surge of orders (and reorders) to keep products on the shelves. Keep an eye out for GAP's new products scheduled to hit the market during the second half of 2010.

We look forward to the second quarter of 2010 and the possibilities it brings. Many teams are updating their logos this summer, so we will be introducing many revamped looks coming soon. Be sure to check our website at www.gap1.com for up-to-date additions to our product lines.

As always, we look forward to hearing from you and welcome you to stop in if you are in the New Braunfels area.

Sincerely,

Roger R. Tuttle
CEO

Dyna Group International, Inc and Subsidiaries
Consolidated Balance Sheet
March 31, 2010 and December 31, 2009

ASSETS	(unaudited) March 31, 2010	(unaudited) 2009
Current Assets		
Cash	\$ 327,962	\$ 183,418
Marketable securities	1,652,510	1,610,897
Accounts Receivable, net allowance of \$54,289 and \$40,750	1,573,337	1,843,171
Receivable from equity-method foreign investee	1,081,153	850,329
Inventory	2,437,754	2,418,947
Prepaid expenses	120,397	238,650
Federal income tax receivable	-	-
Deffered Income tax	-	-
Other	-	-
Total Current Assets	7,193,113	7,145,412
Property and equipment, net of accumulated depreciation of \$3,177,657 and \$3,080,156	776,573	813,583
Investment in equity -method foreign investee	466,689	466,689
Cash surrender value of life insurance	206,551	206,551
Other assets	24,000	12,000
TOTAL ASSETS	\$ 8,666,926	\$ 8,644,235
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Bank revolving line of credit	\$ -	\$ -
Account payable	256,509	324,703
Payable to foreign investee	-	-
Accrued expenses	230,171	310,558
Federal income tax payable	107,120	44,898
Total Current Liabilities	593,800	680,159
Deferred Income tax	-	-
Total Liabilities	593,800	680,159
Commitments and Contingencies		
Stockholders' Equity		
Common stock, \$.001 par value, 100,000,000 shares authorized		
shares issued and outstanding	7,427	7,427
Paid in Capital	968,182	968,182
Retained earnings	7,097,517	6,988,467
Total Stockholders' Equity	8,073,126	7,964,076
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	\$ 8,666,926	\$ 8,644,235
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Dyna Group International, Inc and Subsidiaries
Consolidated Statements of Income
Years Ended March 31, 2009 and 2010

	(unaudited) 2010	(audited) 2009
Revenue	\$ 2,768,695	\$ 2,392,819
Cost of Sales	1,714,316	1,717,309
Selling	377,639	345,253
Royalties	233,372	164,409
General & Administrative	306,582	266,530
Total operating expenses	<u>2,631,909</u>	<u>2,493,501</u>
Operating income (loss)	136,786	(100,682)
Other income (expense):		
Interest expense	(750)	(190)
Equity in net income of unconsolidated affiliate - joint venture	-	-
Income (loss) before income taxes	<u>136,036</u>	<u>(100,872)</u>
Income tax benefit (expense)	(71,664)	32,968
Net Income (loss)	<u>64,372</u>	<u>(67,904)</u>
Other comprehensive income (loss)		
Unrealized income (loss) on marketable securities	<u>44,676</u>	<u>3,906</u>
Net and other comprehensive income (loss)	\$ 109,048	\$ (63,998)
Basic and diluted earnings per share	\$ 0.01	\$ (0.01)
Weighted average shares outstanding	7,453,558	7,453,558