

**M3 TECHNOLOGIES (ASIA) BERHAD**  
(Incorporated in Malaysia - Company No. 482772-D)  
**CONDENSED CONSOLIDATED INCOME STATEMENTS**  
For the six (6) months ended 31 December 2008  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	2008 Quarter Ended 31-Dec-08 RM'000	2007 Quarter Ended 31-Dec-07 RM'000	2008 Year to date 31-Dec-08 RM'000	2007 Year to date 31-Dec-07 RM'000
Revenue	8,900	7,923	17,104	15,999
Operating Expenses	(6,852)	(6,475)	(13,161)	(12,936)
Other Operating Income	-	-	-	-
<b>Profit from Operations</b>	<b>2,048</b>	<b>1,448</b>	<b>3,943</b>	<b>3,063</b>
Finance costs, net	110	63	202	108
<b>Profit before taxation</b>	<b>2,158</b>	<b>1,511</b>	<b>4,145</b>	<b>3,171</b>
Taxation	(542)	(539)	(1,091)	(1,146)
<b>Profit after taxation</b>	<b>1,616</b>	<b>972</b>	<b>3,054</b>	<b>2,025</b>
Attributable to:				
Equity holders of the Company	1,413	787	2,659	1,582
Minority interests	203	185	395	443
<b>Profit for the period</b>	<b>1,616</b>	<b>972</b>	<b>3,054</b>	<b>2,025</b>
Earnings per share				
Basic / Diluted (sen)	0.86	0.48	1.63	0.97

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2008)

**M3 TECHNOLOGIES (ASIA) BERHAD**  
**CONDENSED CONSOLIDATED BALANCE SHEET**  
As at 31 December 2008 & 30 June 2008

	(UNAUDITED) As at 31-Dec-08 RM'000	(AUDITED) As at 30-Jun-08 RM'000
<b>Non-current Assets</b>		
Plant and equipment	5,060	5,754
Inventory	189	-
Intangible assets	1,103	1,123
Deferred tax asset	121	121
Goodwill on consolidation	12,905	12,905
	<u>19,378</u>	<u>19,903</u>
<b>Current Assets</b>		
Trade receivables	9,388	11,147
Other receivables	2,834	1,398
Tax prepayment	-	2
Cash and bank balances	21,702	17,998
	<u>33,924</u>	<u>30,545</u>
<b>Current Liabilities</b>		
Trade payables	1,798	1,701
Other payables	2,589	3,082
Tax payable	1,075	1,136
	<u>5,462</u>	<u>5,919</u>
<b>Net Current Assets</b>	28,462	24,626
	<u>47,840</u>	<u>44,529</u>
<b>Shareholders' Funds</b>		
Share capital	16,352	16,352
Share premium	2,352	2,352
Retained profit	27,304	24,645
Foreign exchange reserve	(395)	(762)
	<u>45,613</u>	<u>42,587</u>
Minority interest	2,046	1,768
	<u>47,659</u>	<u>44,355</u>
Deferred tax liabilities	181	174
	<u>47,840</u>	<u>44,529</u>
<b>Net assets per share (sen)</b>	29.15	27.13
<b>Net assets per share attributable to ordinary equity holders of the parent</b>	27.89	26.04

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 30 June 2008)

**M3 TECHNOLOGIES (ASIA) BERHAD**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**For the six (6) months ended 31 December 2008 & 31 December 2007**

	<b>31-Dec-08</b>	<b>31-Dec-07</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	4,145	3,171
Adjustment for:		
Amortisation and depreciation	1,493	2,279
Loss on sale of plant and equipment	-	7
Operating profit before working capital changes	<u>5,638</u>	<u>5,457</u>
Changes in working capital:		
(Increase)/Decrease in receivables	323	(632)
Decrease in payables	(396)	(1,377)
Cash generated from operating activities	<u>5,565</u>	<u>3,448</u>
Taxes paid	(1,152)	(998)
Net cash generated from operating activities	<u>4,413</u>	<u>2,450</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of plant and equipment	(427)	(308)
Product development expenditure	(533)	(702)
Proceeds from disposal of plant and equipment	1	1
Net cash used in investing activities	<u>(960)</u>	<u>(1,010)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid to minority interest of a subsidiary	(117)	(121)
Net cash used in from financing activities	<u>(117)</u>	<u>(121)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	3,337	1,320
EFFECT OF EXCHANGE RATE CHANGES	367	(727)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>17,998</u>	<u>14,414</u>
CASH AND CASH EQUIVALENTS AT QUARTER END	<u>21,702</u>	<u>15,007</u>

The cash and cash equivalents at beginning of year and quarter end represents cash on hand and at bank.

**(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30th June 2008)**

**M3 TECHNOLOGIES (ASIA) BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**For the six (6) months ended 31 December 2008 & 31 December 2007**

	< --- Attributable to Equity Holders of the Parent ---- >					Minority Interest	Total
	Share Capital	Share Premium	Foreign		Total		
			Exchange Reserve	Retained Profit			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>Six (6) months ended 31 December 2008</b>							
Balance at 1 July 2008	16,352	2,352	(762)	24,645	42,587	1,768	44,355
Currency translation differences not recognised in income statement			367		367	-	367
Net profit for the six (6) months period ended 31 December 2008				2,659	2,659	395	3,054
Dividend paid to minority interest of a subsidiary						(117)	(117)
Balance at 31 December 2008	16,352	2,352	(395)	27,304	45,613	2,046	47,659

<b>Six (6) months ended 31 December 2007</b>							
Balance at 1 July 2007	16,352	2,352	970	20,770	40,444	1,414	41,858
Currency translation differences not recognised in income statement			(727)		(727)	-	(727)
Net profit for the six (6) months period ended 31 December 2007				1,582	1,582	443	2,025
Dividend paid to minority interest of a subsidiary						(121)	(121)
Balance at 31 December 2007	16,352	2,352	243	22,352	41,299	1,736	43,035

**(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2008 )**