

I-POWER BERHAD (596299-D)**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2010**

	----- Individual Quarter -----		----- Cumulative Quarter -----	
	Current year quarter 31 December 2010 RM'000	Preceding year corresponding quarter 31 December 2009 RM'000	Current year to date 31 December 2010 RM'000	Preceding year corresponding period 31 December 2009 RM'000
Revenue	1,107	1,829	2,262	10,094
Cost of Sales	<u>(101)</u>	<u>(1,127)</u>	<u>(158)</u>	<u>(8,938)</u>
Gross Profit	1,006	702	2,104	1,156
Operating Expenses	<u>(955)</u>	<u>(1,415)</u>	<u>(1,823)</u>	<u>(2,835)</u>
Operating Profit	51	(713)	281	(1,679)
Share of associated company's results	5	7	(8)	19
Interest Expenses	-	-	-	-
Interest Income	<u>1</u>	<u>35</u>	<u>12</u>	<u>23</u>
Profit/(Loss) Before Tax	57	(671)	285	(1,637)
Taxation	<u>-</u>	<u>(3)</u>	<u>(3)</u>	<u>(6)</u>
Profit/(Loss) After Tax	57	(674)	282	(1,643)
Other comprehensive income	-	-	-	-
Total comprehensive income/(loss)	<u>57</u>	<u>(674)</u>	<u>282</u>	<u>(1,643)</u>
Profit/(Loss) attributable to :				
Equity holders of the Company	<u>57</u>	<u>(674)</u>	<u>282</u>	<u>(1,643)</u>
Total comprehensive income/(loss) attributable to :				
Equity holders of the Company	<u>57</u>	<u>(674)</u>	<u>282</u>	<u>(1,643)</u>
Weighted average no. of ordinary shares in issue ('000)	402,623	408,173	402,623	408,173
Earnings per share (sen):-				
a) Basic	0.01	(0.17)	0.07	(0.40)

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the year ended 30 June 2010.

I-POWER BERHAD (596299-D)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2010**

	As at 31 December 2010 (Unaudited) RM'000	As at Preceding Financial Year End 30 June 2010 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,622	1,874
Investment	5,229	5,237
Intangible Assets		
Intellectual Property Rights (IPR)	2,400	2,500
Software Licenses	4,106	4,219
Development costs	2,134	1,592
	<u>15,491</u>	<u>8,311</u>
Current assets		
Receivables	7,936	6,003
Cash And Cash Equivalents	1,667	3,432
	<u>9,603</u>	<u>9,435</u>
Total Assets	<u><u>25,094</u></u>	<u><u>24,857</u></u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share capital	43,820	43,820
Share premium	51,103	51,103
Treasury shares	(5,160)	(5,160)
Accumulated losses	(64,742)	(65,024)
Shareholders' equity	<u>25,021</u>	<u>24,739</u>
Current liabilities		
Payables	54	102
Provision for taxation	19	16
	<u>73</u>	<u>118</u>
Total liabilities	73	118
Total equity and liabilities	<u><u>25,094</u></u>	<u><u>24,857</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.06</u>	<u>0.06</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Company for the year ended 30 June 2010.

I-POWER BERHAD (596299-D)**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2010**

	Current year to date 31 December 2010 (Unaudited) RM'000	Preceding year corresponding period 31 December 2009 (Unaudited) RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Taxation	285	(1,637)
Adjustments for Non-cash items	474	766
Operating profit before working capital changes	759	(871)
Changes in working capital		
Net change in trade and other receivables	(1,932)	(1,554)
Net change in trade and other payables	(47)	(1,447)
Net cash from operations	(1,220)	(3,872)
Tax paid	-	-
Net cash used in operating activities	(1,220)	(3,872)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(3)	-
R&D expenditure paid	(542)	-
Net cash used in investing activities	(545)	-
CASH FLOW FROM FINANCING ACTIVITIES		
Purchase of treasury shares	-	(1,899)
Proceeds from resale of treasury shares	-	408
Net cash used in financing activities	-	(1,491)
Net Change in Cash and Cash Equivalents	(1,765)	(5,363)
Cash and Cash Equivalents at beginning of the period	3,432	10,954
Cash and Cash Equivalents at end of the period	1,667	5,591

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with audited financial statements of the Company for the year ended 30 June 2010.

I-POWER BERHAD (596299-D)**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 31 DECEMBER 2010**

	Share Capital RM'000	Non-distributable Share Premium/ (Listing Expenses) RM'000	Non-distributable Treasury Shares RM'000	Distributable Retained Profits/ (Accumulated Losses) RM'000	Total RM'000
As at 30 June 2010 (Audited)	43,820	51,103	(5,160)	(65,024)	24,739
Purchase of Treasury Shares	-	-	-	-	-
Gains from Resale of Treasury share	-	-	-	-	-
Total comprehensive income for the period	-	-	-	282	282
As at 31 December 2010	<u>43,820</u>	<u>51,103</u>	<u>(5,160)</u>	<u>(64,742)</u>	<u>25,021</u>

As at preceding year corresponding quarter 31 December 2009

As at 30 June 2009 (Audited)	43,820	51,053	(3,619)	29,748	121,002
Purchase of Treasury Shares	-	-	(1,541)	-	(1,541)
Gains from Resale of Treasury share	-	50	-	-	50
Total comprehensive loss for the period	-	-	-	(1,643)	(1,643)
As at 31 December 2009	<u>43,820</u>	<u>51,103</u>	<u>(5,160)</u>	<u>28,105</u>	<u>117,868</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the year ended 30 June 2010.