

MLABS SYSTEMS BERHAD
(Company No. 653227-V)

Quarterly report on condensed consolidated results for the second quarter ended 30 June 2007. The figures have not been audited.
(Financial year ending 31 December 2007)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF EQUITY

6 Months ended 30 June 2007

	Share capital RM'000	Share premium RM'000	Option Reserve RM'000	Retained profits RM'000	Total RM'000
Balance as at 1 January 2007	10,296	9,735	32	4,054	24,117
Profit/(Loss) for the period	-	-	-	(378)	(378)
ESOS issued and fully exercised	-	-	-	-	-
Balance at 30 June 2007	<u>10,296</u>	<u>9,735</u>	<u>32</u>	<u>3,676</u>	<u>23,739</u>

6 Months ended 30 June 2006

	Share capital RM'000	Share premium RM'000	Option Reserve RM'000	Retained profits RM'000	Total RM'000
Balance as at 1 January 2006	10,216	9,639	-	2,552	22,407
Profit/(Loss) for the period	-	-	-	(1,072)	(1,072)
ESOS issued and fully exercised	-	-	-	-	-
Balance at 30 June 2006	<u>10,216</u>	<u>9,639</u>	<u>-</u>	<u>1,480</u>	<u>21,335</u>

NOTE:

The condensed consolidated statement of equity should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.