

**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 INCOME STATEMENT**

	Individual Quarter		Cumulative Quarter	
	Current year quarter ended 30 June 2007 RM'000	Preceding year corresponding quarter ended 30 June 2006 RM'000	Current year to date ended 30 June 2007 RM'000	Preceding year corresponding period to date 30 June 2006 RM'000
<b>Revenue</b>	1,852	1,183	3,054	2,359
Cost of Sales	(264)	(585)	(471)	(1405)
<b>Gross Profit</b>	1,588	598	2,583	954
Other income	39	59	96	104
Selling and distribution expenses	(497)	(328)	(1,061)	(684)
Administration expenses	(812)	(722)	(1,607)	(1408)
Other expenses	(196)	-	(389)	(38)
<b>Profit/(loss) from operations</b>	122	(393)	(378)	(1,072)
Finance cost	-	-	-	-
<b>Profit/(loss) before taxation</b>	122	(393)	(378)	(1,072)
Income tax (expenses)/refund	-	-	-	-
<b>Profit/(loss) after taxation</b>	122	(393)	(378)	(1,072)
<b>Profit/(loss) per share</b>				
- Basic (Sen)	0.12	(0.38)	(0.37)	(1.05)
- Diluted (Sen)	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

**NOTE:**

The condensed consolidated income statements 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.