

AIROCOM TECHNOLOGY BERHAD (498908-A)

(Incorporated In Malaysia)

Quarterly Report on Consolidated Results for the 2nd Quarter Ended 30 June, 2008**Condensed Consolidated Income Statement**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMMULATIVE QUARTER	
	Current Year Quarter 30/06/2008	Preceding Year Corresponding Quarter 30/06/2007	Current Year To Date 30/06/2008	Preceding Year Corresponding Period 30/06/2007
	RM'000	RM'000	RM'000	RM'000
Revenue	145	167	283	223
Other Income	71	147	179	327
	216	314	462	550
Cost of Goods Sold	92	26	158	46
Staff Costs	209	383	522	792
Operating Expenses	412	8,473	886	8,949
Loss before Depreciation and Amortisation and Finance Costs	(497)	(8,568)	(1,104)	(9,237)
Depreciation and Amortisation Expenses	420	276	811	559
Loss From Operations	(917)	(8,844)	(1,915)	(9,796)
Finance Costs	65	47	116	109
Loss Before Taxation	(982)	(8,891)	(2,031)	(9,905)
Taxation	-	-	-	-
Net Loss for the Period	(982)	(8,891)	(2,031)	(9,905)
Basic Earning/(Loss) per Share (sen)	(0.65)	(5.87)	(1.34)	(6.54)
Diluted Earnings per Share (sen)	-	-	-	-

The Condensed Consolidated Income Statement should be read in conjunction with the Financial Statements for the Year Ended 31st December, 2007

AIROCOM TECHNOLOGY BERHAD (498908-A)

(Incorporated In Malaysia)

Condensed Consolidated Balance Sheet

(The figures have not been audited)

	As At End of Current Quarter 30/06/2008	As At Preceding Financial Year End 31/12/2007
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	468	656
Intangible Assets	2,156	2,344
Development Costs	3,349	3,394
	5,973	6,394
Current Assets		
Work In Progress	1,088	1,020
Receivables	2,886	7,243
Security Deposit with Licensed Financial Institution	925	835
Cash and Bank Balances	1,005	1,192
	5,904	10,290
TOTAL ASSETS	11,877	16,684
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share Capital	15,150	15,150
Share Premium	6,150	6,150
Accumulated Losses	(11,598)	(9,567)
	9,702	11,733
Non-Current Liabilities		
Hire Purchase Creditors	202	196
Term Loans		2,257
	202	2,453
Current Liabilities		
Trade Payables	966	1,022
Overdraft	976	1,256
Advanced Billing	16	
Term Loan	-	183
Hire Purchase Creditors	15	37
	1,973	2,498
TOTAL EQUITY AND LIABILITIES	11,877	16,684
NET ASSETS PER SHARE (RM)	0.06	0.09

The Condensed Consolidated Balance Sheet should be read in conjunction with the Financial Statements for the for the Year Ended 31st December, 2007.

AIROCOM TECHNOLOGY BERHAD (498908-A)

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Condensed Statement of Changes in Equity for the 1st Quarter Ended 30 June, 2008.

(The figures have not been audited)

	NOTE	Share Capital (RM'000)	Share Premium (RM'000)	Revaluation Reserve (RM'000)	Translation Reserve (RM'000)	Retained Profits (RM'000)	Total (RM'000)
Balance as at 01/01/2008		15,150	6,150	-	-	(9,567)	11,733
Net Loss for the Period		-	-	-	-	(2,031)	(2,031)
Balance as at 31/03/2008		<u>15,150</u>	<u>6,150</u>	<u>-</u>	<u>-</u>	<u>(11,598)</u>	<u>9,702</u>

The Condensed Statement of Changes in Equity should be read in conjunction with the Financial Statements for the Year Ended 31st December, 2007.

AIROCOM TECHNOLOGY BERHAD (498908-A)

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Condensed Consolidated Cash Flow Statement for the 2nd Quarter Ended 30 June, 2008.

	Current Period Ended 30/06/2008	As At Preceding Period Ended 30/06/2007
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) Before Taxation	(982)	(8,891)
Adjustments For :		
Interest Received	-	(9)
Interest Expenses	65	47
Depreciation and Amortisation Expenses	420	276
Operating Profit/(Loss) Before Working Capital Changes	(497)	(8,577)
Decrease/(Increase) in Work In Progress	27	3,869
Decrease in Receivables	3,595	15,890
(Decrease) / Increase in Advance Billing	16	(8)
Decrease in Development Cost	-	(145)
(Decrease)/ Increase in Payables	(124)	(11,900)
Cash Used In Operations	3,017	(871)
Interest Expenses Paid	(65)	(47)
Net Cash Used In Operating Activities	2,952	(918)
CASH FLOWS FROM INVESTING ACTIVITY		
Addition to Development Cost	(214)	(189)
Interest Received	-	9
Purchase of Property, Plant and Equipment	(2)	(3)
Net Cash Used In Investing Activity	(216)	(183)
CASH FLOWS FROM FINANCING ACTIVITIES		
Addition to Security Deposit with Licensed Financial Institution	(45)	(45)
Repayment of Borrowings	(2,490)	(142)
Drawdown of Borrowing	-	216
Repayment of Hire Purchase Creditors	(15)	(18)
Net Cash Generated From Financing Activities	(2,550)	11
NET INCREASE IN CASH AND CASH EQUIVALENTS	186	(1,090)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	(157)	2,888
CASH AND CASH EQUIVALENTS CARRIED FORWARD [^]	29	1,798

[^] Cash and Cash Equivalent at the end of financial period comprise of the following :

	Current Period Ended 31/03/2008	As At Preceding Period Ended 31/03/2007
Cash in Hand and at Bank	1,005	3,377
Fixed Deposit at Licensed Financial Institution		
Overdraft	(976)	(1,579)
	29	1,798

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Financial Statements for the Year Ended 31st December, 2007