

ISS CONSULTING SOLUTIONS BERHAD
CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2007

	Unaudited As At End of Current Quarter Ended 30.09.2007 RM'000	Audited As At End of Preceding Financial Year Ended 31.12.2006 RM'000
Non-current assets		
Equipment	2,288	899
Software development costs	17,556	15,216
Deferred tax assets	48	50
Goodwill on consolidation	16,194	802
	36,086	16,967
Current assets		
Trade receivables	13,110	10,180
Other receivables, deposits and prepayments	4,684	4,059
Tax recoverable	30	11
Short term investments	426	9,776
Cash and bank balances	4,463	1,714
	22,713	25,740
TOTAL ASSETS	58,799	42,707

ISS CONSULTING SOLUTIONS BERHAD
CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2007 (CONT'D)

	Unaudited As At End of Current Quarter Ended 30.09.2007 RM'000	Audited As At End of Preceding Financial Year Ended 31.12.2006 RM'000
Share capital	25,587	21,837
Share premium	15,246	9,621
Exchange fluctuation reserves	128	26
Retained profit	7,519	5,534
TOTAL EQUITY	48,480	37,018
Non-current liability		
Deferred taxation	23	23
Provision for employee entitlements	156	164
Hire purchase payables	132	129
	311	316
Current Liabilities		
Trade payables	1,393	1,100
Other payables and accruals	2,896	2,338
Amount owing to directors	100	140
Amount owing to shareholders	3,199	-
Hire purchase payables	284	274
Provision for taxation	2,136	1,521
	10,008	5,373
TOTAL LIABILITIES	10,319	5,689
TOTAL EQUITY AND LIABILITIES	58,799	42,707
Number of ordinary shares of:- RM0.10 each ('000)	255,877	218,377
Net assets per ordinary share (RM/share)	0.19	0.17

ISS CONSULTING SOLUTIONS BERHAD
CONDENSED CONSOLIDATED BALANCE SHEET As At 30 SEPTEMBER 2007 (CONT'D)

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to the Interim Consolidated Financial Statements.

ISS CONSULTING SOLUTIONS BERHAD
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2007

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30.09.2007 RM'000	Preceding Quarter Ended 30.09.2006 RM'000	Current Year To Date 30.09.2007 RM'000	Preceding Year To Date 30.09.2006 RM'000
Revenue	10,830	5,365	26,011	9,429
Cost of sales	(6,574)	(3,285)	(15,524)	(4,719)
Gross profit	4,256	2,080	10,487	4,710
Other operating income	15	14	129	2,201
	4,271	2,094	10,616	6,911
Administrative expenses	(2,513)	(1,335)	(6,965)	(1,944)
Marketing and distribution cost	(48)	(24)	(104)	(39)
Other operating expenses	(133)	(73)	(336)	(108)
Finance costs	(14)	(12)	(40)	(17)
Profit before taxation	1,563	650	3,171	4,803
Taxation	(832)	(141)	(1,186)	(492)
Profit after tax and attributable to shareholders	731	509	1,985	4,311
Weighted average number of shares in issue ('000)	240,388	209,876	225,795	94,745
Basic earnings per share (sen)	0.30	0.24	0.88	4.55
Diluted earnings per share (sen) ^	N/A	N/A	N/A	N/A

Notes:

1. ^ - No diluted earnings per share has been computed as the Group presently does not have any dilutive potential ordinary shares
2. - The actual acquisitions of the subsidiaries were completed on 25 May 2006. For the purpose of consolidation, the cumulative results of the Group above for the preceding quarter ended 30 September 2006 were prepared based on the actual post-acquisition results of the Group for the period from 1 June 2006 to 30 September 2006.
3. - The acquisition of Ledge Consulting Pte Ltd has been completed. The results of the Group above for the current quarter includes the results of Ledge Consulting for the quarter from 1 July 2007 to 30 September 2007.

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to the Interim Consolidated Financial Statements.

ISS CONSULTING SOLUTIONS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2007

	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	EXCHANGE FLUCTUATION RESERVES RM'000	RETAINED PROFIT RM'000	TOTAL RM'000
Balance at 1.1.2007	21,837	9,621	26	5,53	37,018
Issue of shares	3,750	5,625	-	-	9,375
Foreign exchange translation difference	-	-	102	-	102
Profit after taxation for the financial period	-	-	-	1,98	1,985
Balance at 30.09.2007	25,587	15,246	128	7,51	48,480

	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	EXCHANGE FLUCTUATION RESERVES RM'000	RETAINED PROFIT RM'000	TOTAL RM'000
Balance at 1.1.2006	#	-	-	(1)	(14)
Issue of shares	21,837	12,761	-	-	34,598
Foreign exchange translation difference	-	-	(38)	-	38
Listing expenses	-	(1,500)	-	-	(1,500)
Profit after taxation for the financial period	-	-	-	4,31	4,311
Balance at 30.09.2006	21,837	11,261	(38)	4,29	37,357

Note:

- represents RM2

The unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to the Interim Consolidated Financial Statements.

ISS CONSULTING SOLUTIONS BERHAD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2007

	Current period to 30. 09.2007 RM'000	Preceding Period to 30. 09.2006 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,171	4,803
Adjustments for:-		
Amortisation of development costs	907	331
Depreciation of equipment	318	108
Gain on sale of equipment	-	(114)
Interest expense	40	17
Interest income	(130)	(43)
Excess of net fair value of acquired subsidiary's identifiable assets, liabilities and Contingent liabilities over cost of acquisition	-	(689)
Waiver of amount owing to directors	-	(1,482)
Operating profit before working capital changes	4,306	2,931
Increase in trade and other receivables	(1,392)	(2,076)
Decrease in trade and other payables	(1,283)	(1,093)
CASH GENERATED FROM / (USED IN) OPERATIONS	1,631	(238)
Interest paid	(40)	(17)
Income tax paid	(589)	-
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	1,002	(255)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Development costs incurred	(3,361)	(1,022)
Purchase of equipment	(1,595)	(240)
Proceeds from disposal of equipment	-	183
Net outflows from acquisition of Ledge Consulting	(2,969)	396
Interest received	130	43
NET CASH USED IN INVESTING ACTIVITIES	(7,795)	(640)
BALANCE CARRIED FORWARD	(6,793)	(895)

ISS CONSULTING SOLUTIONS BERHAD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2007 (CONT'D)

	Current Period to 30. 09.2007 RM'000	Preceding Period to 30. 09.2006 RM'000
BALANCE BROUGHT FORWARD	(6,793)	(895)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment to directors	(40)	(104)
Drawdown / (Repayment) of hire purchase and lease payables	13	2
Net proceeds from public issue	0	15,377
NET CASH (USED IN) / FROM FINANCING ACTIVITIES	<u>(27)</u>	<u>15,275</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	<u>(6,820)</u>	<u>14,380</u>
EXCHANGE TRANSLATION DIFFERENCE	219	(38)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD / QUARTER	11,490	#
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>4,889</u>	<u>14,342</u>

Notes :

Represents RM2

For the purpose of the Cash Flow Statement, cash and cash equivalents as at 30 September 2007 comprise the following:

	RM000
Short term investments	426
Cash and Bank balances	4,463
	<u>4,889</u>

The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to the Interim Consolidated Financial Statements.