

**ISS CONSULTING SOLUTIONS BERHAD**  
**CONDENSED CONSOLIDATED BALANCE SHEET As At 31 DECEMBER 2007**

	<b>Unaudited As At End of Financial Year Ended 31.12.2007 RM'000</b>	<b>Audited As At End of Preceding Financial Year Ended 31.12.2006 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Equipment	2,171	899
Software development costs	18,425	15,216
Deferred tax assets	45	50
Goodwill on consolidation	15,512	802
	36,153	16,967
<b>Current assets</b>		
Trade receivables	13,902	10,180
Other receivables, deposits and prepayments	4,466	4,059
Tax recoverable	30	11
Short term investments	635	9,776
Cash and bank balances	7,908	1,714
	26,941	25,740
<b>TOTAL ASSETS</b>	<b>63,094</b>	<b>42,707</b>

**ISS CONSULTING SOLUTIONS BERHAD**  
**CONDENSED CONSOLIDATED BALANCE SHEET As AT 31 DECEMBER 2007 (CONT'D)**

	<b>Unaudited As At End of Current Quarter Ended 31.12.2007 RM'000</b>	<b>Audited As At End of Preceding Financial Year Ended 31.12.2006 RM'000</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	25,587	21,837
Share premium	15,246	9,621
Exchange fluctuation reserves	115	26
Retained profit	10,941	5,534
<b>TOTAL EQUITY</b>	<b>51,889</b>	<b>37,018</b>
<b>Non-current liabilities</b>		
Deferred taxation	23	23
Provision for employee entitlements	147	164
Hire purchase payables	106	129
	276	316
<b>Current Liabilities</b>		
Trade payables	1,024	1,100
Other payables and accruals	4,297	2,338
Amount owing to directors	678	140
Amount owing to shareholders	2,454	-
Hire purchase payables	195	274
Provision for taxation	2,281	1,521
	10,929	5,373
<b>TOTAL LIABILITIES</b>	<b>11,205</b>	<b>5,689</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>63,094</b>	<b>42,707</b>
Number of ordinary shares of:- RM0.10 each ('000)	255,877	218,377
Net assets per ordinary share (RM)	0.20	0.17

**ISS CONSULTING SOLUTIONS BERHAD**  
**CONDENSED CONSOLIDATED BALANCE SHEET As AT 31 DECEMBER 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 THREE AND TWELVE MONTHS ENDED 31 DECEMBER 2007**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 31.12.2007 RM'000 (Unaudited)	Preceding Quarter Ended 31.12.2006 RM'000 (Unaudited)	Current Year To Date 31.12.2007 RM'000 (Unaudited)	Preceding Year To Date 31.12.2006 RM'000 (Audited)
Revenue	13,347	8,452	39,357	17,881
Cost of sales	(5,444)	(4,466)	(20,967)	(9,185)
Gross profit	7,903	3,986	18,390	8,696
Other operating income	65	257	194	2,458
Administrative expenses	7,968 (3,898)	4,243 (2,307)	18,584 (10,863)	11,154 (4,251)
Marketing and distribution cost	(38)	(67)	(142)	(106)
Other operating expenses	(23)	(778)	(359)	(886)
Finance costs	(14)	(39)	(54)	(56)
Profit before taxation	3,995	1,052	7,166	5,855
Taxation	(573)	185	(1,759)	(308)
Profit after tax and attributable to shareholders	3,422	1,237	5,407	5,548
Weighted average number of shares in issue ('000)	255,877	218,377	233,377	124,554
Basic earnings per share (sen)	1.34	0.57	2.32*	4.45*
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 financial year ended 31 December 2006 were prepared based on the actual post-acquisition results of the Group for the period from 1 June 2006 to 31 December 2006.
3. - The acquisition of Ledge Consulting Pte Ltd was completed in June 2007. The results of the Group above for the current year to date include the results of Ledge Consulting Pte Ltd for the period from 1 July 2007 to 31 December 2007.
- 4.\* The difference in the basic earnings per share was mainly due to different weighted average number of shares in issue for financial year ended 31 December 2006 and 31 December 2007 respectively while profit after tax and attributable to shareholders remained relatively consistent.

(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 YEAR ENDED 31 DECEMBER 2007**

	<b>SHARE CAPITAL RM'000</b>	<b>SHARE PREMIUM RM'000</b>	<b>EXCHANGE FLUCTUATION RESERVES RM'000</b>	<b>RETAINED PROFIT RM'000</b>	<b>TOTAL RM'000</b>
<b>Balance at 1.1.2007</b>	21,837	9,621	26	5,534	37,018
Issue of shares	3,750	5,625	-	-	9,375
Foreign exchange translation difference	-	-	89	-	89
Profit for the financial year	-	-	-	5,407	5,407
<b>Balance at 31.12.2007</b>	<b>25,587</b>	<b>15,246</b>	<b>115</b>	<b>10,941</b>	<b>51,889</b>

	<b>SHARE CAPITAL RM'000</b>	<b>SHARE PREMIUM RM'000</b>	<b>EXCHANGE FLUCTUATION RESERVES RM'000</b>	<b>RETAINED PROFIT RM'000</b>	<b>TOTAL RM'000</b>
<b>Balance at 1.1.2006</b>	#	-	-	(14)	(14)
Issue of shares	21,837	12,761	-	-	34,598
Foreign exchange translation difference	-	-	26	-	26
Listing expenses	-	(3,140)	-	-	(3,140)
Profit for the financial year	-	-	-	5,548	5,548
<b>Balance at 31.12.2006</b>	<b>21,837</b>	<b>9,621</b>	<b>26</b>	<b>5,534</b>	<b>37,018</b>

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 YEAR ENDED 31 DECEMBER 2007**

	<b>Current Year ended 31. 12.2007 RM'000</b>	<b>Preceding Year ended 31.12.2006 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	7,166	5,855
Adjustments for:-		
Allowance for doubtful debts	-	46
Amortisation of development costs	1,314	813
Depreciation of equipment	501	199
Gain on sale of equipment	-	(218)
Interest expense	40	23
Interest income	(195)	(138)
Unrealised gain on foreign exchange	-	(77)
Excess of net fair value of acquired subsidiary's identifiable assets, liabilities and Contingent liabilities over cost of acquisition	421	(467)
Waiver of amount owing to directors	-	(1,482)
Operating profit before working capital changes	9,247	4,554
Decrease in trade and other receivables	(2,018)	(4,334)
Decrease in trade and other payables	(576)	(130)
<b>CASH GENERATED FROM / (USED IN) OPERATIONS</b>	6,653	90
Interest paid	(40)	(23)
Income tax paid	(1,154)	(66)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	5,459	1
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Development costs incurred	(4,792)	(2,541)
Purchase of equipment	(1,616)	(295)
Proceeds from disposal of equipment	-	287
Acquisition of subsidiaries, net of cash acquired	(2,973)	395
Interest received	195	139
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	(9,186)	(2,015)
<b>BALANCE CARRIED FORWARD</b>	(3,727)	(2,014)

**ISS CONSULTING SOLUTIONS BERHAD**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2007 (CONT'D)**

	<b>Current Year</b>	<b>Preceding Year</b>
	<b>ended 31.12.2007 RM'000</b>	<b>ended 31.12.2006 RM'000</b>
BALANCE BROUGHT FORWARD	(3,727)	(2,014)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advance from directors	678	
Payment to directors	(140)	31
Drawdown / (Repayment) of hire purchase and lease payables	(103)	(252)
Listing expenses	-	(3,140)
Proceeds from issuance of shares	-	16,877
<b>NET CASH (USED IN) / FROM FINANCING ACTIVITIES</b>	<b>436</b>	<b>13,516</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(3,291)</b>	<b>11,502</b>
<b>EXCHANGE TRANSLATION DIFFERENCE</b>	<b>344</b>	<b>(12)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD / QUARTER</b>	<b>11,490</b>	<b>#</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b>8,543</b>	<b>11,490</b>

Notes :

# Represents RM2

For the purpose of the Cash Flow Statement, cash and cash equivalents as at 31 December 2007 comprise the following:

	RM000
Short term investments	635
Cash and Bank balances	7,908
	<u>8,543</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)