

ISS CONSULTING SOLUTIONS BERHAD
CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2008

	Unaudited As At End of Current Quarter Ended 31.03.2008 RM'000	Audited As At End of Preceding Financial Year Ended 31.12.2007 RM'000
ASSETS		
Non-current assets		
Equipment	2,275	2,138
Software development costs	18,519	18,424
Deferred tax assets	150	176
Goodwill on consolidation	15,635	15,635
	36,579	36,373
Current assets		
Trade receivables	16,309	14,134
Other receivables, deposits and prepayments	4,045	3,867
Tax recoverable	21	21
Short term investments	1,008	1,000
Cash and bank balances	6,981	7,908
	28,364	26,930
TOTAL ASSETS	64,943	63,303

ISS CONSULTING SOLUTIONS BERHAD
CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2008 (CONT'D)

	Unaudited As At End of Current Quarter Ended 31.03.2008 RM'000	Audited As At End of Preceding Financial Year Ended 31.12.2007 RM'000
EQUITY AND LIABILITIES		
Equity		
Share capital	25,588	25,588
Share premium	15,246	15,246
Exchange fluctuation reserves	331	181
Retained profit	11,168	10,763
TOTAL EQUITY	52,333	51,778
Non-current liabilities		
Deferred taxation	23	23
Provision for employee entitlements	42	42
Hire purchase payables	110	107
	175	172
Current Liabilities		
Trade payables	4,971	3,992
Other payables and accruals	2,311	2,400
Amount owing to directors	2,561	2,556
Hire purchase payables	338	222
Provision for taxation	2,254	2,183
	12,435	11,353
TOTAL LIABILITIES	12,610	11,525
TOTAL EQUITY AND LIABILITIES	64,943	63,303
Number of ordinary shares of:- RM0.10 each ('000)	255,877	255,877
Net assets per ordinary share (RM)	0.20	0.20

ISS CONSULTING SOLUTIONS BERHAD
CONDENSED CONSOLIDATED BALANCE SHEET As At 31 MARCH 2008 (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 2007 and the accompanying explanatory notes attached to the Interim Consolidated Financial Statements.)

ISS CONSULTING SOLUTIONS BERHAD
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE THREE MONTHS ENDED 31 MARCH 2008

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 31.03.2008 RM'000 (Unaudited)	Preceding Quarter Ended 31.03.2007 RM'000 (Unaudited)	Current Year To Date 31.03.2008 RM'000 (Unaudited)	Preceding Year To Date 31.03.2007 RM'000 (Unaudited)
Revenue	9,975	7,151	9,975	7,151
Cost of sales	(6,019)	(4,082)	(6,019)	(4,082)
Gross profit	3,956	3,069	3,956	3,069
Other operating income	1	64	1	64
	3,957	3,133	3,957	3,133
Administrative expenses	(2,968)	(2,188)	(2,853)	(2,188)
Marketing and distribution cost	(32)	(18)	(32)	(18)
Other operating expenses	(443)	(160)	(558)	(160)
Finance costs	(7)	(12)	(7)	(12)
Profit before taxation	507	755	507	755
Taxation	(102)	(238)	(102)	(238)
Profit after tax and attributable to shareholders	405	517	405	517
Weighted average number of shares in issue ('000)	255,877	218,377	255,877	218,377
Basic earnings per share (sen)	0.16	0.24	0.16	0.24
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

(The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2007 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 QUARTER ENDED 31 MARCH 2008

	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	EXCHANGE FLUCTUATION RESERVES RM'000	RETAINED PROFIT RM'000	TOTAL RM'000
Balance at 1.1.2008	25,588	15,246	181	10,763	51,778
Foreign exchange translation difference	-	-	150	-	150
Profit for the financial quarter	-	-	-	405	405
Balance at 31.03.2008	25,588	15,246	331	11,168	52,333

	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	5,534	37,018
Foreign exchange translation difference	-	-	(10)	-	(10)
Profit for the financial quarter	-	-	-	517	517
Balance at 31.03.2007	21,837	9,621	16	6,051	37,525

Note:

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 2007 and the accompanying explanatory notes attached to the Interim Consolidated Financial Statements.

ISS CONSULTING SOLUTIONS BERHAD
CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2008

	Current Year todate 31. 03.2008 RM'000	Preceding Year todate 31.03.2007 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	507	755
Adjustments for:-		
Allowance for doubtful debts	164	-
Amortisation of development costs	329	303
Depreciation of equipment	128	90
Gain on sale of equipment	-	-
Interest expense	7	12
Interest income	(1)	(64)
Unrealised loss on foreign exchange	374	-
Unrealised gain on foreign exchange	(244)	-
Operating profit before working capital changes	1,264	1,096
Increase in trade and other receivables	(2,516)	(3,700)
Increase in trade and other payables	759	1,033
CASH GENERATED USED IN OPERATIONS	(493)	(1,571)
Interest paid	(7)	(12)
Income tax paid	(29)	(451)
NET CASH USED IN OPERATING ACTIVITIES	(529)	(2,034)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Development costs incurred	(390)	(893)
Purchase of equipment	(270)	(232)
Proceeds from disposal of equipment	12	-
Acquisition of subsidiaries, net of cash acquired	-	-
Interest received	1	64
NET CASH USED IN INVESTING ACTIVITIES	(647)	(1,061)
BALANCE CARRIED FORWARD	(1,176)	(3,095)

ISS CONSULTING SOLUTIONS BERHAD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2008 (CONT'D)

	Current Year todate 31. 03.2008 RM'000	Preceding Year todate 31.03.2007 RM'000
BALANCE BROUGHT FORWARD	(1,176)	(3,095)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount owing to directors	-	-
Payment to directors	-	(12)
Drawdown / (Repayment) of hire purchase and lease payables	119	(23)
NET CASH FROM / (USED IN) FINANCING ACTIVITIES	119	(35)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,057)	(3,130)
EXCHANGE TRANSLATION DIFFERENCE	138	(5)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD / QUARTER	8,908	11,490
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	7,989	8,355

Notes :

For the purpose of the Cash Flow Statement, cash and cash equivalents as at 31 March 2008 comprise the following:

	RM000
Short term investments	1,008
Cash and Bank balances	6,981
	<u>7,989</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 2007 and the accompanying explanatory notes attached to the Interim Consolidated Financial Statements)