

**ISS CONSULTING SOLUTIONS BERHAD**  
**CONDENSED CONSOLIDATED BALANCE SHEET As At 30 JUNE 2008**

	Unaudited As At End of Current Quarter Ended 30.06.2008 RM'000	Audited As At End of Preceding Financial Year Ended 31.12.2007 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Equipment	2,523	2,138
Software development costs	18,149	18,424
Deferred tax assets	154	176
Goodwill on consolidation	15,635	15,635
	36,461	36,373
<b>Current assets</b>		
Trade receivables	15,933	14,134
Other receivables, deposits and prepayments	4,057	3,867
Tax recoverable	21	21
Short term investments	2,945	1,000
Cash and bank balances	5,308	7,908
	28,264	26,930
<b>TOTAL ASSETS</b>	<b>64,725</b>	<b>63,303</b>

**ISS CONSULTING SOLUTIONS BERHAD**  
**CONDENSED CONSOLIDATED BALANCE SHEET As At 30 JUNE 2008 (CONT'D)**

	<b>Unaudited As At End of Current Quarter Ended 30.06.2008 RM'000</b>	<b>Audited As At End of Preceding Financial Year Ended 31.12.2007 RM'000</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	25,588	25,588
Share premium	15,246	15,246
Exchange fluctuation reserves	924	181
Retained profit	11,579	10,763
<b>TOTAL EQUITY</b>	<b>53,337</b>	<b>51,778</b>
<b>Non-current liabilities</b>		
Deferred taxation	23	23
Provision for employee entitlements	42	42
Hire purchase payables	110	107
	175	172
<b>Current Liabilities</b>		
Trade payables	4,831	3,992
Other payables and accruals	2,137	2,400
Amount owing to directors	2,325	2,556
Hire purchase payables	382	222
Provision for taxation	1,538	2,183
	11,213	11,353
<b>TOTAL LIABILITIES</b>	<b>11,388</b>	<b>11,525</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>64,725</b>	<b>63,303</b>
Number of ordinary shares of:- RM0.10 each ('000)	255,877	255,877
Net assets per ordinary share (RM)	0.208	0.202

(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 SIX MONTHS ENDED 30 JUNE 2008**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30.06.2008 RM'000 (Unaudited)	Preceding Quarter Ended 30.06.2007 RM'000 (Unaudited)	Current Year To Date 30.06.2008 RM'000 (Unaudited)	Preceding Year To Date 30.06.2007 RM'000 (Unaudited)
Revenue	12,915	8,030	22,890	15,181
Cost of sales	(8,963)	(4,868)	(14,982)	(8,950)
Gross profit	3,952	3,162	7,908	6,231
Other operating income	-	50	1	114
	3,952	3,212	7,909	6,345
Administrative expenses	(2,784)	(2,263)	(5,752)	(4,452)
Marketing and distribution cost	(111)	(40)	(143)	(56)
Other operating expenses	(472)	(43)	(915)	(203)
Finance costs	(7)	(14)	(14)	(26)
Profit before taxation	578	852	1,085	1,608
Taxation	(167)	(116)	(269)	(355)
Profit after tax and attributable to shareholders	411	736	816	1,253
Weighted average number of shares in issue ('000)	255,877	218,377	255,877	218,377
Basic earnings per share (sen)	0.16	0.34	0.32	0.57
Diluted earnings per share (sen) ^	N/A	N/A	N/A	N/A

Notes:

^ No diluted earnings per share has been computed as the Company has not issued securities that have dilutive effects on the Company's existing shares in issue

(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 PERIOD ENDED 30 JUNE 2008**

	←----- NON- DISTRIBUTABLE -----→			DISTRIBUTABLE	TOTAL RM'000
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	EXCHANGE FLUCTUATION RESERVES RM'000	RETAINED PROFIT RM'000	
<b>Balance at 1.1.2008</b>	25,588	15,246	181	10,763	51,778
Foreign exchange translation difference	-	-	743	-	743
Profit for the financial quarter	-	-	-	816	816
<b>Balance at 30.06.2008</b>	25,588	15,246	924	11,579	53,337

	←----- NON- DISTRIBUTABLE -----→			DISTRIBUTABLE	TOTAL RM'000
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	EXCHANGE FLUCTUATION RESERVES RM'000	RETAINED PROFIT RM'000	
<b>Balance at 1.1.2007</b>	21,837	9,621	26	5,534	37,018
Foreign exchange translation difference	-	-	105	-	105
Profit for the financial quarter	-	-	-	1,253	1,253
<b>Balance at 30.06.2007</b>	21,837	9,621	131	6,787	38,376

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 PERIOD ENDED 30 JUNE 2008**

	<b>Current Year todate 30.06.2008 RM'000</b>	<b>Preceding Year todate 30.06.2007 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,085	1,608
Adjustments for:-		
Allowance for doubtful debts	266	-
Amortisation of development costs	735	618
Depreciation of equipment	351	178
Gain on sale of equipment	-	-
Interest expense	15	26
Interest income	(1)	(114)
Unrealised loss on foreign exchange	344	-
Unrealised gain on foreign exchange	(82)	-
Operating profit before working capital changes	2,713	2,316
Increase in trade and other receivables	(2,254)	(1,733)
Increase in trade and other payables	314	228
<b>CASH GENERATED FROM OPERATIONS</b>	773	811
Interest paid	(15)	(26)
Income tax paid	(912)	(542)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	(154)	243
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Development costs incurred	(492)	(1,921)
Purchase of equipment	(732)	(435)
Proceeds from disposal of equipment	13	-
Acquisition of subsidiaries, net of cash acquired	-	-
Interest received	1	114
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	(1,210)	(2,242)
<b>BALANCE CARRIED FORWARD</b>	(1,364)	(1,999)

**ISS CONSULTING SOLUTIONS BERHAD**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2008 (CONT'D)**

	<b>Current Year todate 30.06.2008 RM'000</b>	<b>Preceding Year todate 30.06.2007 RM'000</b>
BALANCE BROUGHT FORWARD	(1,364)	(1,999)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment to directors	(232)	(30)
Drawdown / (Repayment) of hire purchase and lease payables	163	111
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>(69)</u>	<u>81</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(1,433)	(1,918)
<b>EXCHANGE TRANSLATION DIFFERENCE</b>	778	51
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD / QUARTER</b>	8,908	11,490
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<u>8,253</u>	<u>9,623</u>

**Composition of cash and cash equivalents:**

For the purpose of the Cash Flow Statement, cash and cash equivalents as at 30 June 2008 comprise the following:

	RM000
Short term investments	2,945
Cash and bank balances	5,308
	<u>8,253</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)