

ISS CONSULTING SOLUTIONS BERHAD
CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2009

	Unaudited As At End of Current Quarter Ended 31.12.2009 RM'000	Audited As At End of Preceding Financial Year Ended 31.12.2008 RM'000
ASSETS		
Non-current assets		
Equipment	1,778	2,479
Deferred tax assets	90	175
Goodwill on consolidation	11,323	11,323
	13,191	13,977
Current assets		
Trade receivables	16,692	10,481
Other receivables, deposits and prepayments	3,677	1,872
Tax recoverable	21	21
Fixed deposits with licensed banks	3,182	1,686
Short term investments	35	35
Cash and bank balances	4,399	2,840
	28,006	16,935
TOTAL ASSETS	41,197	30,912

ISS CONSULTING SOLUTIONS BERHAD
CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2009 (CONT'D)

	Unaudited As At End of Current Quarter Ended 31.12.2009 RM'000	Audited As At End of Preceding Financial Year Ended 31.12.2008 RM'000
EQUITY AND LIABILITIES		
Equity		
Share capital	25,588	25,588
Share premium	15,246	15,246
Exchange fluctuation reserves	448	960
Accumulated losses	(22,252)	(21,640)
	19,030	20,154
Minority Interest	147	219
TOTAL EQUITY	19,177	20,373
Non-current liabilities		
Provision for employee entitlements	38	38
Hire purchase payables	23	108
	61	146
Current Liabilities		
Trade payables	9,680	2,033
Other payables and accruals	7,832	4,707
Short term borrowings	2,430	1,943
Amount owing to directors	424	444
Hire purchase payables	86	277
Provision for taxation	1,507	989
	21,959	10,393
TOTAL LIABILITIES	22,020	10,539
TOTAL EQUITY AND LIABILITIES	41,197	30,912
Number of ordinary shares of:- RM0.10 each ('000)	255,877	255,877
Net assets per ordinary share (RM)	0.07	0.08

(The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the Interim Consolidated Financial Statements.)

ISS CONSULTING SOLUTIONS BERHAD
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2009

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 31.12.2009 RM'000 (Unaudited)	Preceding Quarter Ended 31.12.2008 RM'000 (Unaudited)	Current Year To Date 31.12.2009 RM'000 (Unaudited)	Preceding Year To Date 31.12.2008 RM'000 (Audited)
Revenue	16,106	9,366	50,441	42,302
Cost of sales	(11,876)	(9,016)	(35,440)	(34,406)
Gross profit	4,230	350	15,001	7,896
Other operating income	267	113	405	640
	4,497	463	15,406	8,536
Administrative expenses	(4,036)	(3,853)	(13,604)	(12,335)
Marketing and distribution cost	(14)	(34)	(36)	(413)
Other operating expenses	(930)	(26,283)	(1,984)	(27,416)
Finance costs	(48))	(34)	(217)	(57)
Profit/(Loss) before taxation	(531)	(29,741)	(435)	(31,685)
Taxation	29	(24)	(249)	(602)
Profit/(Loss) for the period	502	(29,765)	(684)	(32,287)
Attributable to:				
Equity holders of the parent	(661)	(29,810)	(612)	(32,403)
Minority interests	159	45	(72)	116
Net profit/(loss) for the period	(502)	(29,765)	(684)	(32,287)
Weighted average number of shares in issue ('000)	255,877	255,877	255,877	255,877
Basic earnings/(loss) per share (sen)	(0.26)	(11.65)	(0.24)	(12.66)
Diluted earnings per share (sen) ^	N/A	N/A	N/A	N/A

Note:

^ 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 2008 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 31 DECEMBER 2009

	←-----NON DISTRIBUTABLE -----→			DISTRIBUTABLE	ATTRIBUTABLE To EQUITY HOLDERS OF PARENT	MINORITY INTERESTS RM'000
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	EXCHANGE FLUCTUATION RESERVES RM'000	ACCUMULATED LOSSES RM'000	TOTAL RM'000	
	Balance at 1.1.2009	25,588	15,246	960	(21,640)	
Foreign exchange translation difference	-	-	(512)	-	(512)	-
Profit/(Loss) for the financial period	-	-	-	(612)	(612)	(72)
Balance at 31.12.2009	25,588	15,246	448	(22,252)	19,030	147

	←-----NON DISTRIBUTABLE -----→			DISTRIBUTABLE	ATTRIBUTABLE To EQUITY HOLDERS OF PARENT	MINORITY INTERESTS RM'000
	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	
Acquisition of a subsidiary	-	-	-	-	-	103
Foreign exchange translation difference	-	-	779	-	779	-
(Loss)/Profit for the financial period	-	-	-	(32,403)	(32,403)	116
Balance at 31.12.2008	25,588	15,246	960	21,640	20,154	219

(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 2008 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 31 DECEMBER 2009

	Current Year To Date 31.12.2009 RM'000	Preceding Year To Date 31.12.2008 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(435)	(31,684)
Adjustments for:-		
Allowance for doubtful debts	1262	1,118
Amortisation of development costs	-	1,473
Depreciation of equipment	790	756
Equipment written off	-	11
Interest expense	217	57
Interest income	(38)	(32)
Loss on disposal of equipment	-	1
Unrealised loss on foreign exchange	334	120
Unrealised gain on foreign exchange	(402)	(107)
Impairment loss:		
- goodwill	-	4,456
- software development costs	-	17,321
Operating profit /(loss) before working capital changes	1,728	(6,510)
(Increase)/Decrease in trade and other receivables	(8,015)	4,744
Increase/(Decrease) in trade and other payables	9,578	232
CASH GENERATED FROM/(USED IN) OPERATIONS	3,291	(1,534)
Interest paid	(217)	(57)
Income tax refunded/(paid)	373	(1,818)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	3,447	(3,409)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Development costs incurred	-	(590)
Purchase of equipment	(27)	(661)
Proceeds from disposal of equipment	-	-
Acquisition of subsidiaries, net of cash acquired	-	(105)
Interest received	38	32
NET CASH GENERATED FROM/USED IN) INVESTING ACTIVITIES	11	(1,324)
BALANCE CARRIED FORWARD	3,458	(4,733)

ISS CONSULTING SOLUTIONS BERHAD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2009 (CONT'D)

	Current Year To Date 31.12.2009 RM'000	Preceding Year To Date 31.12.2008 RM'000
BALANCE BROUGHT FORWARD	3,458	(4,733)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment to directors	(20)	(2,164)
Repayment of hire purchase and lease payables	(275)	(373)
Short term borrowings	796	1,633
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES	501	(904)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	3,959	(5,637)
EXCHANGE TRANSLATION DIFFERENCE	(594)	980
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	4,251	8,908
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	7,616	4,251

Composition of cash and cash equivalents:

For the purpose of the Cash Flow Statement, cash and cash equivalents as at 31 DECEMBER 2009 comprise the following:

	RM'000
Short term investments	35
Fixed deposits	3,182
Cash and bank balances	4,399
	<u>7,616</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 2008 and the accompanying explanatory notes attached to the Interim Consolidated Financial Statements.)