

DIVERSIFIED GATEWAY SOLUTIONS BERHAD ("DGSB")
(formerly known as ISS CONSULTING SOLUTIONS BERHAD) (675362-P)
Incorporated in Malaysia

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	THREE MONTHS ENDED 31 DECEMBER 2011 RM'000	2010 RM'000	NINE MONTHS ENDED 31 DECEMBER 2011 RM'000	2010 RM'000
Revenue	17,572	11,519	44,413	40,337
Cost of sales	(9,597)	(8,718)	(26,574)	(25,901)
Gross profits	7,975	2,801	17,839	14,436
Other operating income	106	580	3,058	2,112
Other operating expenses	(7,071)	(5,980)	(22,911)	(24,910)
Finance costs	(389)	(30)	(739)	(219)
Profit / (Loss) before tax	621	(2,629)	(2,753)	(8,581)
Tax expense	(904)	(786)	(1,657)	(1,388)
Loss for the financial period	(283)	(3,415)	(4,410)	(9,969)
Other comprehensive income / (loss), net of tax				
Foreign currency translation differences for foreign operations	285	62	(174)	363
Other comprehensive income / (loss) for the financial period, net of tax	285	62	(174)	363
Total comprehensive income / (loss) for the financial period	2	(3,353)	(4,584)	(9,606)
Loss attributable to:-				
Owners of the Company	(254)	(3,367)	(4,367)	(9,850)
Non-controlling interest	(29)	(48)	(43)	(119)
Loss for the financial period	(283)	(3,415)	(4,410)	(9,969)
Total comprehensive profit / (loss) attributable to:-				
Owners of the Company	31	(3,305)	(4,541)	(9,487)
Non-controlling interest	(29)	(48)	(43)	(119)
Total comprehensive profit / (loss) for the financial period	2	(3,353)	(4,584)	(9,606)
Loss per ordinary share (sen)				
-Basic	(0.02)	(0.25)	(0.32)	(0.73)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes to the interim financial report and the audited financial statements for the financial year ended 31 March 2011.)

DIVERSIFIED GATEWAY SOLUTIONS BERHAD ("DGSB")
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011

	Unaudited As at 31.12.2011 RM'000	Audited As at 31.03.2011 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	1,701	1,373
Goodwill	13,928	13,928
Deferred tax assets	12	301
	<u>15,641</u>	<u>15,602</u>
Current Assets		
Other investments	875	1,115
Inventories	4,825	8,527
Trade receivables	10,766	19,112
Other receivables, deposits and prepayments	6,460	12,718
Amounts owing by related companies	6,981	1,829
Current tax assets	736	561
Cash and cash equivalents	19,454	23,502
	<u>50,097</u>	<u>67,364</u>
TOTAL ASSETS	<u>65,738</u>	<u>82,966</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	135,588	135,588
Reverse acquisition reserve	(115,767)	(115,767)
Exchange translation reserve	(14)	160
Retained earnings	18,555	22,922
	<u>38,362</u>	<u>42,903</u>
Non-controlling interest	(43)	-
TOTAL EQUITY	<u>38,319</u>	<u>42,903</u>
Non-Current Liabilities		
Hire purchase and lease creditors	193	70
Provision for post-employment benefits	44	-
Deferred tax liabilities	229	-
	<u>466</u>	<u>70</u>
Current Liabilities		
Trade payables	5,833	8,775
Other payables, deposits and accruals	9,042	17,768
Amounts owing to ultimate holding company	561	248
Amounts owing to related companies	3,193	2,161
Borrowings	8,213	10,933
Hire purchase and lease creditors	80	79
Current tax payables	31	29
	<u>26,953</u>	<u>39,993</u>
TOTAL LIABILITIES	<u>27,419</u>	<u>40,063</u>
TOTAL EQUITY AND LIABILITIES	<u>65,738</u>	<u>82,966</u>
	-	-
Net assets per share (sen)	<u>2.83</u>	<u>3.16</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes to the interim financial report and the audited financial statements for the financial year ended 31 March 2011.)

DIVERSIFIED GATEWAY SOLUTIONS BERHAD ("DGSB")
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011**
(The figures have not been audited)

	<----- Attributable to owners of the Company ----->						Total equity RM'000
	<----- Non-distributable ----->			Distributable		Non- controlling interest RM'000	
	Ordinary shares RM'000	Reverse acquisition reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000		
<u>Nine Months Financial Period Ended 31 December 2011</u>							
Balance as at 1 April 2011	135,588	(115,767)	160	22,922	42,903	-	42,903
Total comprehensive loss for the financial period	-	-	(174)	(4,367)	(4,541)	(43)	(4,584)
Balance as at 31 December 2011	135,588	(115,767)	(14)	18,555	38,362	(43)	38,319

	<----- Attributable to owners of the Company ----->						Total equity RM'000
	<----- Non-distributable ----->			Distributable		Non- controlling interest RM'000	
	Ordinary shares RM'000	Reverse acquisition reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000		
<u>Nine Months Financial Period Ended 31 December 2010</u>							
Balance as at 1 April 2010	630	-	-	40,864	41,494	-	41,494
Issuance of shares pursuant to acquisition of DGB	110,000	-	-	-	110,000	-	110,000
Adjustment arising from reverse acquisition	24,958	(115,767)	-	-	(90,809)	87	(90,722)
Total comprehensive income / (loss) for the financial period	-	-	363	(9,850)	(9,487)	(119)	(9,606)
Balance as at 31 December 2010	135,588	(115,767)	363	31,014	51,198	(32)	51,166

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes to the interim financial report and the audited financial statements for the financial year ended 31 March 2011.)

DIVERSIFIED GATEWAY SOLUTIONS BERHAD ("DGSB")
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011

	NINE MONTHS ENDED 31 DECEMBER	
	2011	2010
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(2,753)	(8,581)
Adjustment for non-cash items:		
Depreciation of property, plant and equipment	330	570
Impairment losses	1,293	1,332
Loss on disposal of property, plant and equipment	-	556
Loss on disposal of other investments	15	-
Unrealised gain on foreign currency exchange	(108)	(919)
Other non-cash items	438	(110)
Operating loss before working capital changes	(785)	(7,152)
Net changes in assets	12,037	279
Net changes in liabilities	(10,305)	(9,089)
Net cash generated from / (used in) operations	947	(15,962)
Tax paid	(1,312)	(2,093)
Tax refunded	-	60
Net cash used in operating activities	(365)	(17,995)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(658)	(170)
Proceeds from disposal of property, plant and equipment	-	104
Placement of fixed deposits pledged	(1,248)	(6,195)
Proceed from disposal of other investments	59	36
Acquisition of subsidiary companies, net of cash and cash equivalents acquired	-	5,073
Interest received	340	233
Net cash used in investing activities	(1,507)	(919)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	200	-
Repayment of borrowings	(837)	(605)
Interest paid	(685)	(171)
Net cash used in financing activities	(1,322)	(776)
Net decrease in cash and cash equivalents	(3,194)	(19,690)
Cash and cash equivalents at 1 April 2011/2010**	6,169	21,447
Effect of foreign exchange on opening balance	(143)	349
Cash and cash equivalents at 31 December 2011/2010**	2,832	2,106

** Cash and cash equivalents at the beginning and end of the financial period are net of deposits pledged to banks.

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes to the interim financial report and the audited financial statements for the financial year ended 31 March 2011.)

Notes to the Interim Financial Report
For the Third Quarter Ended 31 December 2011

1 Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard ("FRS") 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the ACE Market.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the previous financial year ended 31 March 2011.

2 Significant Accounting Policies

(a) Changes in accounting policies

The significant accounting policies adopted are consistent with those previously adopted in the audited financial statements of the Group for the financial year ended 31 March 2011 saved for the adoption of all the new/revised FRSs, Improvements to FRSs and IC Interpretations that are relevant to the Group's operations and effective for financial periods beginning on or after 1 July 2010, 1 January 2011 and 1 July 2011 as follows: -

<u>FRSs / IC Interpretations</u>		<u>Effective for financial periods beginning on or after</u>
FRS 1 (Revised)	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 (Revised)	Business Combinations	1 July 2010
FRS 127 (Revised)	Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 1 (Revised)	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 1	Additional Exemptions for First-time Adopters	1 January 2011
Amendments to FRS 2	Scope of FRS 2 and FRS 3 (Revised)	1 July 2010
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 5	Plan to Sell the Controlling Interest in a Subsidiary	1 July 2010
Amendments to FRS 7	Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2011
Amendments to FRS 138	Consequential Amendments Arising from FRS 3 (Revised)	1 July 2010
IC Interpretation 4	Determining Whether An Arrangement Contains a Lease	1 January 2011
IC Interpretation 12	Service Concession Arrangements	1 July 2010
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distribution of Non-cash Assets to Owners	1 July 2010
IC Interpretation 18	Transfer of Assets from Customers	1 January 2011
Amendments to IC Interpretation 9	Scope of IC Interpretation 9 and FRS 3 (Revised)	1 July 2010
Amendments to IC Interpretation 14	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 July 2011
FRS 119	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Improvements to FRSs (2010)		1 January 2011

Other than the effect of the application of FRS 3 (Revised) and FRS 127 (Revised) described below, the application of the above new/revised FRSs, Amendments to FRSs and IC Interpretations did not result in any significant changes in the accounting policies and presentation of the financial results of the Group: -

(i) FRS 3 (Revised): Business Combinations

The revised standard continues to apply the acquisition method to business combinations but with some significant changes compared with FRS 3. For example, all payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently remeasured through the profit or loss. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs are expensed. This revised standard will be applied prospectively and therefore there will not have any financial impact on the financial statements of the Group for the current financial period but may impact the accounting for future transactions or arrangements.

(ii) FRS 127 (Revised): Consolidated and Separate Financial Statements

The revised standard requires the effects of all transactions with non-controlling interest to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. All earnings and losses of the subsidiary are attributed to the parent and the non-controlling interests, even if the attribution of losses to the non-controlling interests results in a debit balance in the shareholders' equity. Profit or loss attributable to non-controlling interests for prior years is not restated. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is remeasured to fair value, and a gain or loss is recognised in profit or loss. The Group has adopted this revised standard prospectively to transactions with non-controlling interests from 1 January 2011.

Notes to the Interim Financial Report
 For the Third Quarter Ended 31 December 2011

3 Qualification of independent auditors' report on preceding annual audited financial statements

The independent auditors' report on the annual audited financial statements for the financial year ended 31 March 2011 was not qualified.

4 Seasonal and cyclical factors

The business of the Group was not affected by any significant seasonal and cyclical factors during the current financial period under review.

5 Unusual items due to their nature, size or incidence

Saved as disclosed in note 2 and note 6 of this report, there were no unusual items affecting the assets, liabilities, equity, net income, or cash flows due to their nature, size, or incidence during the current financial period under review.

6 Material changes in estimates

There were no material changes in estimates of amounts reported in prior financial years. Thus, there is no material effect in the financial statements of the current financial period under review.

7 Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt securities of the Group and equity securities of the Company as at the date of this report.

8 Dividends paid

No dividend has been paid in the current financial period under review.

9 Segmental reporting

Business Segments	Networks RM'000	Solutions RM'000	Others RM'000	Adjustment/ Eliminations RM'000	Total RM'000
<u>Nine Months Financial Period Ended 31 December 2011</u>					
External sales	21,720	22,693	-	-	44,413
Inter segment sales	6	547	-	(553)	-
Total Sales	<u>21,726</u>	<u>23,240</u>	<u>-</u>	<u>(553)</u>	<u>44,413</u>
Segment results	4,121	(6,326)	(203)	-	(2,408)
Interest expense					(685)
Interest Income					340
Loss before tax					<u>(2,753)</u>
Segment assets	<u>38,160</u>	<u>13,048</u>	<u>14,530</u>	<u>-</u>	<u>65,738</u>
<u>Nine Months Financial Period Ended 31 December 2010</u>					
External sales	19,503	20,834	-	-	40,337
Inter segment sales	401	604	-	(1,005)	-
Total Sales	<u>19,904</u>	<u>21,438</u>	<u>-</u>	<u>(1,005)</u>	<u>40,337</u>
Segment results	4,316	(11,751)	(807)	(401)	(8,643)
Interest expense					(171)
Interest Income					233
Loss before tax					<u>(8,581)</u>
Segment assets	<u>40,585</u>	<u>27,486</u>	<u>17,671</u>	<u>-</u>	<u>85,742</u>

Notes to the Interim Financial Report
For the Third Quarter Ended 31 December 2011

10 Related Party Disclosures

Significant related party transactions are as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	THREE MONTHS ENDED 31		NINE MONTHS ENDED 31	
	DECEMBER		DECEMBER	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Sale of goods and services to related companies	6,836	1,235	7,280	3,383
Purchase of goods and services from related companies	473	39	1,391	176
Management fees to ultimate holding company	120	120	360	360

11 Carrying amount of revalued assets

There were no changes to the valuation of property, plant and equipment during the current financial period under review.

12 Subsequent events

There were no material events announced subsequent to the end of the current financial period under review.

13 Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial period under review.

14 Changes in contingent liabilities or contingent assets

There were no changes in contingent liabilities or contingent assets of the Group since the previous financial year.

15 Capital commitments

There were no capital commitments during the current financial period under review.

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Additional information required by Bursa Securities Listing Requirements
For the Third Quarter Ended 31 December 2011

1 Detailed analysis of performance

The Group recorded RM17.6 million of revenue in the current quarter under review, an increase of approximately 52.5% from RM11.5 million in the corresponding quarter of the preceding financial year. The Group recorded RM44.4 million of revenue in the financial period under review, an increase of approximately 10.1% from RM40.3 million in the corresponding financial period of the preceding financial year. The detailed breakdown of revenue by business segments of the Group are as follows: -

	INDIVIDUAL QUARTER THREE MONTHS ENDED 31 DECEMBER		CUMULATIVE PERIOD NINE MONTHS ENDED 31 DECEMBER	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Networks	11,900	6,483	21,720	19,503
Solutions	5,672	5,036	22,693	20,834
Total	<u>17,572</u>	<u>11,519</u>	<u>44,413</u>	<u>40,337</u>

The increase in revenue of RM5.4 million for the current quarter under review for Networks segment is mainly due to the increase in billing from a contract secured during the financial period under review.

The detailed breakdown of profit / (loss) before tax by business segments of the Group are as follows: -

	INDIVIDUAL QUARTER THREE MONTHS ENDED 31 DECEMBER		CUMULATIVE PERIOD NINE MONTHS ENDED 31 DECEMBER	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Networks	2,460	1,713	4,310	4,102
Solutions	(1,633)	(4,305)	(6,412)	(11,876)
Others	(206)	(37)	(651)	(807)
Total	<u>621</u>	<u>(2,629)</u>	<u>(2,753)</u>	<u>(8,581)</u>

The Group achieved a profit before tax of RM0.6 million for the current quarter under review, compared to a loss before tax of RM2.6 million in the corresponding quarter of the preceding financial year. This is mainly due to an improved of billing under both Networks and Solutions segments and improvement of gross profit margin under Solutions segment.

The Group recorded a loss before tax of RM2.8 million for the current financial period-to-date, a decrease of loss by approximately RM5.8 million compared to the corresponding period of the preceding financial year. The results have improved due to improvement of gross profit margin under Solutions segment. The employee related expenses under Solutions segment has also decreased by approximately RM2.2 million resulting from improvement in operational efficiency.

2 Variation of results against preceding quarter

	3 months ended 31.12.2011 RM'000	3 months ended 30.09.2011 RM'000
Profit / (Loss) before tax	<u>621</u>	<u>(5,833)</u>

The group achieved a profit before tax of RM0.6 million for the current quarter under review as compared to a loss before tax of RM5.8 million for the preceding quarter. The loss in the preceding quarter under review was attributable by a lower billing and a cost written off for a foreseeable loss of RM4.5 million in one of the existing projects of a subsidiary under Solutions segment.

3 Current year prospects

Taking into consideration of the contracts secured on hand as at 31 Dec 2011 by the business segments of the Group as listed below, the Board of Directors expects the performance for the Group for the next financial quarter to be satisfactory.

	31.12.2011 RM'000
Networks	20,631
Solutions	7,848
Total	<u>28,479</u>

4 Profit forecast

Not applicable.

**Additional information required by Bursa Securities Listing Requirements
 For the Third Quarter Ended 31 December 2011**

5 Tax expense

	INDIVIDUAL QUARTER THREE MONTHS ENDED 31 DECEMBER		CUMULATIVE PERIOD NINE MONTHS ENDED 31 DECEMBER	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Current tax expense				
- Malaysian taxation	426	911	874	1,186
- Foreign taxation	(46)	-	204	-
Under provision in prior periods				
- Malaysian taxation	3	20	3	20
- Foreign taxation	1	127	56	182
	<u>384</u>	<u>1,058</u>	<u>1,137</u>	<u>1,388</u>
Deferred taxation				
- origination and reversal of temporary differences	520	(272)	520	-
	<u>904</u>	<u>786</u>	<u>1,657</u>	<u>1,388</u>

The Group's effective tax rate for the current financial quarter is higher than the statutory tax rate as profits of certain subsidiaries cannot be set-off against losses of other subsidiaries for tax purposes as these subsidiaries are not able to satisfy the conditions for group relief and certain expenses were disallowed for tax deductions.

6 Status of corporate proposals

There were no corporate proposals announced or outstanding as at the date of this report.

7 Borrowings and debts securities

The Group's bank borrowings as at 31 December 2011 are as follows:

	RM'000
Short term bank borrowings - secured	
- Denominated in RM	<u>8,213</u>

8 Realised and unrealised Profits

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits, pursuant to the directive issued by Bursa Securities on 25 March 2010 and 20 December 2010, is as follows:

	31.12.2011 RM'000	30.09.2011 RM'000
Total retained profits of the Group: -		
- Realised	18,693	18,434
- Unrealised - in respect of deferred tax recognised in the statement of comprehensive income	(217)	302
- in respect of other items of income and expense	79	73
Total Group retained profits as per consolidated financial statements	<u>18,555</u>	<u>18,809</u>

The determination of realised and unrealised profits is based on the Guidedance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Securities Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

9 Changes in material litigation

Please refer to the Summary of Material Litigation attached for further details.

10 Dividends

No dividends have been recommended during the financial quarter under review.

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Additional information required by Bursa Securities Listing Requirements
For the Third Quarter Ended 31 December 2011

11 Loss per ordinary share

(a) Loss per ordinary share

Basic loss per ordinary share for the financial period under review is calculated based on the Group's loss after tax and minority interests divided by the weighted average ("WA") number of ordinary shares in issue during the financial period.

	INDIVIDUAL QUARTER THREE MONTHS ENDED 31 DECEMBER		CUMULATIVE PERIOD NINE MONTHS ENDED 31 DECEMBER	
	2011	2010	2011	2010
	Loss after tax and minority interests (RM'000)	(254)	(3,367)	(4,367)
WA number of ordinary shares in issue ('000)	1,355,877	1,355,877	1,355,877	1,343,781
Basic loss per ordinary share (sen)	(0.02)	(0.25)	(0.32)	(0.73)

(b) Fully diluted earnings per ordinary share

The Group has no potential ordinary shares in issue as at 31 December 2011 and therefore, diluted earnings per share has not been presented.

12 Profit / (Loss) before tax

	INDIVIDUAL QUARTER THREE MONTHS ENDED 31 DECEMBER		CUMULATIVE PERIOD NINE MONTHS ENDED 31 DECEMBER	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Profit / (Loss) before tax is arrived at after charging: -				
Bad debts written off	1	-	91	-
Depreciation of property, plant and equipment	91	160	330	570
Impairment loss on:				
- trade receivables	755	189	2,928	1,650
- other investments	79	-	306	158
Interest expenses	366	34	685	171
Inventories written off	-	-	-	25
Loss on disposal of:				
- property, plant and equipment	-	1	-	601
- other investments	-	-	15	-
Property, plant and equipment written off	-	-	2	-
Realised loss on foreign currency transactions	69	71	177	76
Unrealised loss on foreign currency translation	367	17	61	17

And crediting: -

Dividend income	-	-	-	74
Fair value gain on other investments	141	-	141	-
Gain on disposal of property, plant and equipment	-	-	-	45
Interest income	100	88	340	233
Reversal of impairment losses on				
- trade receivables	159	204	1,800	475
- other investments	-	19	-	-
Realised gain on foreign currency transactions	42	82	437	244
Unrealised gain on foreign currency translation	52	178	169	936

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SUMMARY OF STATUS OF MATERIAL LITIGATION AS AT 21 FEBRUARY 2012

A. MATERIAL LITIGATION AGAINST THE GROUP

No.	Parties to the Suit	Case / Summons No.	Court	Latest Status
1	<p>Wills Consulting Pte. Ltd. (Plaintiff) vs Ledge Consulting Pte Ltd (Defendant)</p> <p>Ledge Consulting Pte Ltd (Plaintiff in Counterclaim) vs 1) Wills Consulting Pte. Ltd and 2) William Toh Geok Kim (Defendants in Counterclaim)</p>	Suit No. 427 of 2011/A	High Court of the Republic of Singapore	Parties have entered into a settlement agreement on 27th December 2011. The matter has been fixed for further Pre-Trial Conference on 8th March 2012 pending full compliance with the settlement terms.

B. MATERIAL LITIGATION FOR THE GROUP

No.	Parties to the Suit	Case / Summons No.	Court	Latest Status
1	ISS Consulting (M) Sdn Bhd ("ISS (M)") v TSH Resources Berhad		Regional Centre for Arbitration at Kuala Lumpur	A sole arbitrator, mutually agreed to by ISS (M) and TSH, has been appointed on 31st January 2012. The preliminary meeting before the arbitrator has been fixed on 1st March 2012.