



ISS has a 13 year history of providing the oil and gas industry with software solutions to improve the efficiency of capital intensive production assets.

ASX Code:	ISS
Shares on Issue:	99.3 million
Options:	31.1 million
Current Price: (28/08/08)	\$0.58
52 week Share Price Range:	\$0.71 - \$0.27
Market Capitalisation:	\$57.5 million

ISS Group delivers software solutions to the global energy, minerals and manufacturing industries. ISS Group was established in 1995 and listed on the ASX in 2004. The Company has offices in Australia, US, Europe and Asia and maintains a blue chip client base, including Schlumberger, BHP Billiton, Woodside, Rio Tinto, Shell, BG Group, BP, Petronas and Mars SnackFoods.

The company's flagship product BabelFish™ provides the framework from which companies can aggregate and integrate their disparate real-time systems from field equipment, process control systems and management systems to provide a holistic view of operations, enabling the effective management of high risk technical issues that could threaten critical processes and ultimately revenue streams.

The highlight of 2007-08 was undoubtedly the marketing agreement with Schlumberger, which will underpin the company's growth profile over the coming years. However, the "real" strength of the result lies in the structural transition of ISS Group, which is currently underway.

The three key structural features of the result are the growth in recurring income, the rapidly growing share of revenue attributable to the overseas operations and the broadening of the sales base into vertical markets.

The agreement earlier this year with global oil and gas services group, Schlumberger, to market the company's products in the upstream oil and gas industry will guarantee a minimum of US\$15 million revenue over the next few years and underwrite short to medium term growth. The more recent sale of BabelFish™ to confectionary group, Mars SnackFoods demonstrates the versatility of the platform and its potential across a very wide range of market segments, with considerable opportunities for growth in verticals beyond the company's traditional base in the energy and mining industries.

www.issgroup.com.au

VALUE DRIVERS TO LOOK FOR

As ISS is sustainably profitable, the key value drivers are sales and profit growth momentum, initiatives to accelerate growth and the securing of large sales or broader distribution contracts. Furthermore, the risk profile is diminishing as high quality, recurring maintenance fees rise as a proportion of revenue.

RECENT NEWS

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- 16/06/08 | Awarded contract by Mars SnackFood Ballarat operations
- 29/05/08 | Upstream oil and gas agreement with Schlumberger
- 14/04/08 | ISS confirms order with Petronas