

30 January, 2008

Dear Shareholder,

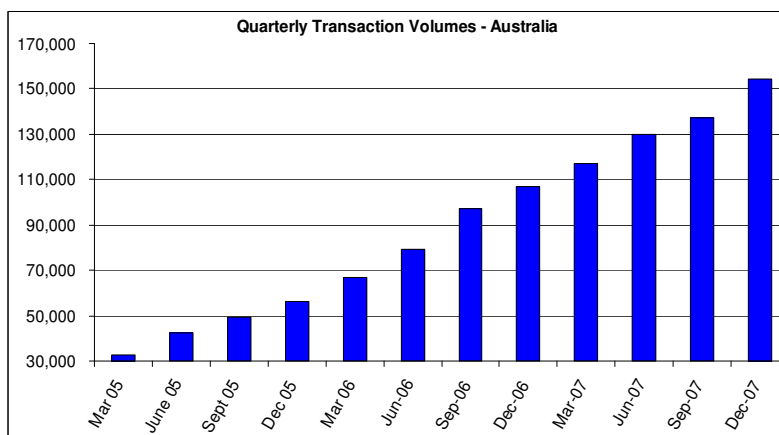
Highlights

- **Half Yearly Results:** unaudited preliminary figures show approximately 46% increase in revenue and a 6% reduction in costs compared to the same period last year
- **Australia:** volumes continue to accelerate; March quarter expected to be strong; milestone of 1 millionth batch of transactions passed in January; steady flow of new customers
- **UK:** ICSGlobal completes its first acquisition, buying The London Patient Billing Service. LPBS revenue is on track to grow about 12% this month.
- **US:** BoardTrust initiative still on foot but slower than expected. A number of US billing companies similar to London Billing are being appraised for acquisition.
- **Outlook:** ICSGlobal remains confident it will become cashflow positive and profitable during the 2007-08 financial year

In November ICSGlobal announced that as part of its global medical banking strategy it was adding a parallel billing services stream to our existing Thelma technology strategy, through the acquisition of The London Patient Billing Service (LPBS). This opens up excellent opportunities for vertical integration of Thelma with these largely paper-based medical banking companies, leveraging our Thelma technology assets to make these businesses more efficient and to expand the range of fee-earning electronic services that can be channelled to doctors, as well as back to healthcare payers. This strategy of vertically integrating Thelma with billing companies is now being pursued in the US as well.

Australian Update

Transaction volumes in Australia through THELMA continue to accelerate, as shown in the graph below. This is slower than we expected due to the confusion created by Medicare Australia's continued interference in the private health transaction market over the past five years.



We're expecting strong volume growth in the March quarter as a result of new sales and "go live" implementations during the December quarter.

An interesting milestone was passed this month with THELMA processing its one millionth batch of Australian transactions. With batches ranging from a single transaction to several hundred claims, and total processed transaction value exceeding \$5 billion, you can start to gauge just how important THELMA has become to many healthcare providers and payers.

We believe the outlook for THELMA in Australia remains bright.

UK Update

The big news in the UK since my last letter is our acquisition of The London Patient Billing Service (LPBS). LPBS is a very significant development for ICSGlobal, with its current customer base expected to contribute around \$500,000 in earnings before interest and tax (EBIT) on an annualised basis.

The acquisition of LPBS adds a parallel services stream to our existing Thelma technology strategy, and will generate compound shareholder value through the vertical integration of Thelma into the business, making LPBS more efficient by moving them from paper to electronic billing and expanding the range of value-added and fee-earning services.

Dr Diana Bell, the founder and principal of LPBS, has joined the board of Thelma-EU Limited, the wholly owned subsidiary of ICSGlobal that houses LPBS, and is continuing to manage the day to day operations of LPBS during the transition phase. Since ICSGlobal took possession of LPBS on 1st December, additional premises required for growth have been located, more staff have been hired, and revenue is on track to grow by approximately 12% this month.

In relation to the UK electronic claims business, with Thelma-EU live to Exeter Friendly Society, for this business to take off now, it is just a matter of the Big Four UK private health insurers agreeing to take electronic claims from us. Very positive meetings were held with two of the Big Four late last year, and both have since confirmed the issue is being escalated internally. There are approximately 8 million private specialist claims annually in the UK, waiting to be converted to electronic. It is very useful being able to say to these large insurers that we have a large chunk of electronic claims ready to send them from LPBS.

The clinical information initiative with ChilversMcCrea Healthcare in the public health sector is still open for development. However, when ICSGlobal realised the enormous growth prospects for LPBS, it was decided to direct our resources to this in the short term.

US Update

Our US plans to replicate the technology and services vertical integration strategy that has come together so well in the UK, continue to advance.

The BoardTrust initiative announced in May, to build a "common medical banking platform", is still on foot, but has been slower than expected. The primary reason for this is that the first phase of the new platform, a new "deductible engine" (ie a real time information exchange platform to help providers get paid at point of service by consumers/patients) is a substantial new national innovation in the US health industry, and part of the challenge of the program is for the major parties who are to use the deductible engine - the major health insurance carriers, healthcare providers and the large employers - to understand the value proposition and how the contracts between them for this new type of service will be structured. This is the focus of current discussions between these major parties.

BoardTrust evolved out of global think tank, the Medical Banking Project (MBProject). An MBProject workgroup, that included ICSGlobal, completed the high level design plans for the new deductible engine last November and is now working with the major parties to finalise the business plan.

ICSGlobal's participation in BoardTrust will be via Thelma-US, Inc., a wholly owned subsidiary of ICSGlobal which has been registered in Georgia. We have also identified a "CEO-in-waiting" for Thelma-US, Inc. who will take up the position at the appropriate time.

The other half of our US strategy involves the appraisal of a number of US billing companies, with a similar business model to London Billing, to gauge their suitability for acquisition and vertical integration with Thelma. Medical billing is a much more mature industry in the US than in either Australia or the UK. In the US there are over 400 established medical billing companies with combined fee revenue of more than US\$2 billion.

In summary, we remain confident that the combination of our organic growth and billing company acquisition plans will see ICSGlobal move towards becoming cashflow positive and profitable during the 2007-08 financial year.

Yours faithfully



Tim Murray
Chief Executive Officer