

**INFORTECH ALLIANCE BERHAD**  
**(Company No. 439230 - A)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011**

**Unaudited Condensed Consolidated Statements of Cash Flow**

	<b>Cumulative Current Year 30-Jun-11 RM'000</b>	<b>Preceding Year Corresponding Period 30-Jun-10 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	64	243
Adjustments for:		
Non-cash items	63	73
Non-operating items	<u>(2)</u>	<u>(8)</u>
Operating profit before working capital changes	125	308
Changes in working capital:		
Net changes in current assets	(194)	41
Net changes in current liabilities	(163)	(341)
Increase in development costs	<u>(20)</u>	<u>(115)</u>
Cash absorbed by operations	(252)	(107)
Tax paid	-	-
<b>Net cash used in operating activities</b>	<b><u>(252)</u></b>	<b><u>(107)</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investments		(1)
Purchase of property, plant and equipment	-	(30)
Interest received	9	-
<b>Net cash generated from/(used in) investing activities</b>	<b><u>9</u></b>	<b><u>(31)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>		
Proceed from issuance of shares	-	-
Share issuance expense	<u>-</u>	<u>-</u>
<b>Net cash generated from financing activity</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Net decrease in cash and cash equivalents</b>	<b>(243)</b>	<b>(138)</b>
Effect of exchange rate changes	-	(11)
<b>Cash and cash equivalents at 1 January</b>	<b>858</b>	<b>546</b>
<b>Cash and cash equivalents at 30 June</b>	<b><u>615</u></b>	<b><u>397</u></b>
<b>Cash and cash equivalents at end of financial period comprise:</b>		
Cash & bank balances	115	286
Fixed deposits with licensed banks	<u>500</u>	<u>111</u>
	<b><u>615</u></b>	<b><u>397</u></b>

The unaudited Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to this interim financial statements.