

**NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

**1. Basis of Preparation**

The unaudited interim financial report has been prepared in accordance with FRS 134 Interim Financial Reporting and the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”).

The interim financial report should be read in conjunction with the annual audited financial statements of the Group for the year ended 31 December 2008.

The accounting policies and methods of computation used by the Group in this interim financial report are consistent with those adopted in the annual financial statements for the year ended 31 December 2008.

**2. Qualified Audit Report**

The Group’s most recent annual audited financial statements for the year ended 31 December 2008 were not subject to any audit qualification.

**3. Seasonal or Cyclical Factors**

There were no material seasonal or cyclical factors affecting the performance of the Group during the period under review.

**4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial period that are unusual because of their nature, size or incidence.

**5. Changes in Estimates**

There are no changes in estimates of amount which have material effect in the current interim period.

**6. Issuances, Cancellation, Repurchases, Resale and Repayment of Debts and Equity Securities**

There were no issuance and repayment of debt securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the financial period ended 30 September 2009.

**7. Dividend**

There were no dividends paid during the financial period under review.

## 8. Segmental Information

The Group is involved in property development which is carried out in Malaysia.

## 9. Valuation of Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation, amortisation and impairment loss.

## 10. Subsequent Material Events

There were no material events subsequent to the end of the financial period reported.

## 11. Changes in the Composition of the Group

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

## 12. Contingent Liabilities

The contingent liabilities of the Company and the Group as at 30 September 2009 were as follows:

	<b>Company</b> <b>RM'000</b>	<b>Group</b> <b>RM'000</b>
Guarantees to financial institutions for banking facilities granted to subsidiary companies	*9,000	-
	<u>9,000</u>	<u>-</u>

Note \* : The borrowings outstanding as at 30 September 2009 and covered by the guarantees amount to approximately RM4.4 million.

## ADDITIONAL EXPLANATORY NOTES OF THE LISTING REQUIREMENTS OF THE BMSB

### 1. Review of Performance

For the financial quarter ended 30 September 2009, the Group recorded a turnover and profit before taxation of RM5,770,000 and RM787,000 respectively.

The Group recorded a lower turnover for the current financial quarter compared to RM20,489,000 posted in the corresponding quarter in 2008.

For the period under review, the Group recorded a profit after taxation of RM581,000 as compared to a profit after taxation of RM2,739,000 recorded in the same financial quarter last year.

## 2. Review of Current Quarter Profitability Against Preceding Quarter

The Group registered a turnover of RM5,770,000 in the current financial quarter as compared to RM14,239,000 achieved in the immediate preceding quarter. The Group recorded a profit before taxation of RM787,000 as compared to a profit before taxation of RM866,000 recorded in the preceding quarter.

## 3. Prospects

The economy is slowly showing signs of stabilising and thus the Board is confident that the Group will achieve satisfactory results for the current financial year ending 31 December 2009.

The Group had planned to launch several new property projects located in USJ and Kota Damansara, Selangor and Langkawi, Kedah during the last quarter of the current financial year. However, due to the delays experienced by the Group in obtaining certain approvals from the authorities, it is now expected that these projects will be launched during the next financial year.

## 4. Explanatory Note for Variance of Actual Profit from Profit Forecast and Profit Guarantee

The Group did not issue any profit forecast or profit guarantee and therefore, this note is not applicable.

## 5. Taxation

The taxation for the current financial quarter and the year to date are as follows:

	<b>Current Quarter 30.09.2009 RM'000</b>	<b>Cumulative Year to Date 30.09.2009 RM'000</b>
Malaysian income tax:		
Current year taxation	351	826
Transferred from deferred taxation	(145)	(145)
	<u>206</u>	<u>681</u>

The effective rate of taxation of the Group is higher than the statutory rate of taxation due to the non-deductibility of certain expenses and the losses of certain subsidiary companies which cannot be offset against profits made by other subsidiary companies.

## 6. Sale of Unquoted Investments and/or Properties

The Group did not engage in any purchase or disposal of unquoted investments and properties in the current financial quarter.

## 7. Purchase or Disposal of Marketable Securities

There were no purchases or disposal of marketable securities for the financial period under review.

## 8. Corporate Proposal

There were no corporate proposals for the financial period under review.

## 9. Group Borrowings and Debt Securities

The Group borrowings as at 30 September 2009 were as follows:

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
Short Term	706	-	706
Long Term	4,258	-	4,258
	<u>4,964</u>	<u>-</u>	<u>4,964</u>

All the above borrowings are denominated in Ringgit Malaysia. The Group has no debt securities as at 30 September 2009.

## 10. Off Balance Sheet Financial Instruments

The Group did not enter into any contracts involving off balance sheet financial instruments.

## 11. Material Litigation

Linear Harvest Sdn Bhd and Ong Tai Chin (“Plaintiffs”) vs Bertam Development Sdn Bhd (“BDSB”)

The parties have reached a settlement on the matter.

In connection with the above, the Plaintiff had on 27 October 2009 filed a Notice of Discontinuance in respect of their claim against BDSB and similarly, BDSB had on 26 October 2009 filed a Notice of Discontinuance on BDSB’s counterclaim. In addition, BDSB had also on 29 October 2009 filed a Notice of Discontinuance in the Court of Appeal in respect of BDSB’s appeal on the amendments.

## 12. Dividend

The Board of Directors does not recommend any payment of dividend in respect of the financial period under review.

### 13. Earnings Per Share

#### (a) Basic Earnings Per Share

	<b>Current Quarter 30.09.2009</b>	<b>Cumulative Year to Date 30.09.2009</b>
Profit attributable to the equity holders of the Company(RM'000)	574	1,509
Issued ordinary shares ('000)	206,756	206,756
Basic earnings per share (sen)	<u>0.28</u>	<u>0.73</u>

#### (b) Diluted Earnings Per Share

The calculation of the diluted earnings per share is not applicable.

By order of the Board

Wong Wei Fong (MAICSA 7006751)  
Kuan Hui Fang (MIA 16876)  
Company Secretaries  
Date: 26 November 2009