

BERTAM ALLIANCE BERHAD (Company No 305530-A)
(Incorporated in Malaysia)

**CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010**

RM'000	3 months ended		9 months ended	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
	Unaudited		Unaudited	
Revenue	13,380	5,770	37,802	28,609
Cost of sales	(9,427)	(3,928)	(27,534)	(23,228)
Gross profit	3,953	1,842	10,268	5,381
Other income	118	141	447	625
Administrative expenses	(1,194)	(1,054)	(4,734)	(3,351)
Operating profit	2,877	929	5,981	2,655
Finance costs	(144)	(142)	(410)	(430)
Profit before taxation	2,733	787	5,571	2,225
Income tax expense	(386)	(206)	(1,385)	(681)
Net profit for the period	2,347	581	4,186	1,544
Attributable to:				
Equity holders of the Company	2,279	574	4,180	1,509
Minority interests	68	7	6	35
	2,347	581	4,186	1,544

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010**

RM'000	3 months ended		9 months ended	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
	Unaudited		Unaudited	
Profit for the period / Total comprehensive income	2,347	581	4,186	1,544
	2,347	581	4,186	1,544
Total comprehensive income attributable to :				
Equity holders of the Company	2,279	574	4,180	1,509
Minority interests	68	7	6	35
	2,347	581	4,186	1,544
Earnings per share (sen)				
- Basic	1.14	0.28	2.02	0.75
- Diluted	N/A	N/A	N/A	N/A

The above consolidated statement should be read in conjunction with the audited annual financial statements for the year ended 31 December 2009

BERTAM ALLIANCE BERHAD (Company No 305530-A)
(Incorporated in Malaysia)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2010**

RM'000	As at 30.09.2010 Unaudited	As at 31.12.2009 Audited
ASSETS		
Property, plant and equipment	745	665
Land held for development	73,287	80,380
Other investment	86	81
Non current trade receivable	4,147	3,997
Goodwill on consolidation	10	10
Non-current Assets	78,275	85,133
Land and development expenditure	67,942	92,848
Inventories/Work in progress	8,176	7,792
Trade and other receivables	43,884	20,188
Amount due from contract customer	-	-
Deposits and cash and bank balances	16,010	2,626
Current Assets	136,012	123,454
TOTAL ASSETS	214,287	208,587
EQUITY AND LIABILITIES		
Share capital	206,756	206,756
Reserves	(61,576)	(65,756)
Other reserves	-	-
Equity Attributable to Equity Holders of the Company	145,180	141,000
Minority interest	442	436
Total Equity	145,622	141,436
Long term borrowings	24,364	4,017
Deferred taxation	6,202	6,257
Non-current Liabilities	30,566	10,274
Trade and other payables	34,604	55,713
Short term borrowings	1,941	1,010
Tax payable	1,554	154
Current Liabilities	38,099	56,877
Total Liabilities	68,665	67,151
TOTAL EQUITY AND LIABILITIES	214,287	208,587
Net assets per share attributable to equity holders of the Company (RM)	0.70	0.68

The above consolidated statement of financial position should be read in conjunction with the audited annual financial statements for the year ended 31 December 2009

BERTAM ALLIANCE BERHAD (Company No 305530-A)
(Incorporated in Malaysia)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010**

RM'000	Share Capital	Accumulated Losses	Other Reserves	Total	Minority interests	Total equity
Balance at 1 January 2010	206,756	(65,756)		141,000	436	141,436
Movements during the period	-	4,180	-	4,180	6	4,186
As at 30 September 2010	<u>206,756</u>	<u>(61,576)</u>	<u>-</u>	<u>145,180</u>	<u>442</u>	<u>145,622</u>
Balance at 1 January 2009	206,756	(67,317)	-	139,439	-	139,439
Movements during the period	-	1,561	-	1,561	436	1,997
As at 30 September 2009	<u>206,756</u>	<u>(65,756)</u>	<u>-</u>	<u>141,000</u>	<u>436</u>	<u>141,436</u>

The above consolidated statement of changes in equity should be read in conjunction with the audited annual financial statements for the year ended 31 December 2009

BERTAM ALLIANCE BERHAD (Company No 305530-A)
(Incorporated in Malaysia)

**CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010**

RM'000	9 months ended	
	30.09.2010	30.09.2009
Cash Flow From Operating Activities		
Profit before tax	5,571	2,225
Adjustment for non-cash and non-operating items	399	217
Operating profit before working capital changes	5,970	2,442
Changes in working capital:-		
Net change in current assets	1,258	5,238
Net change in current liabilities	(18,758)	1,766
Cash (used in)/generated from operations	(11,530)	9,446
Taxes refunded/(paid)	(66)	(1,514)
Net cash (used in)/generated from operating activities	(11,596)	7,932
Net cash generated from /(used in) investing activities	6,473	780
Net cash generated from/(used in) financing activities	18,507	(12,553)
Net increase/(decrease) in cash and cash equivalents	13,384	(3,841)
Cash and cash equivalents at beginning of the period	2,626	6,415
Cash and cash equivalents at end of the period	16,010	2,574
Cash and cash equivalents comprise the following:		
Cash and bank balances	4,810	2,574
Deposits with licenced financial institution	11,200	-
	16,010	2,574

The above consolidated cash flow statement should be read in conjunction with the audited annual financial statements for the year ended 31 December 2009.

**NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2010**

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 2009.

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 2009, as well as the new and revised standards, amendments and interpretations which are effective for annual periods beginning on or after 1 January 2010.

The adoption of new and revised FRSs, IC Interpretations and amendments to FRSs and IC Interpretations has no financial impact on the current interim financial statements or on the consolidated financial statements of the previous financial year.

2. Qualified Audit Report

The Group’s most recent annual audited financial statements for the year ended 31 December 2009 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 2010.

7. Dividend Paid

There were no dividend paid during the financial period ended 30 September 2010.

8. Segmental Information

The Group’s activities include property development and construction 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, if any.

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 2010 were as follows:

	Company RM'000	Group RM'000
Guarantees to financial institutions for banking facilities granted to subsidiary companies	4,000	-
Guarantee to a third party as security for performance of a subsidiary's undertakings, covenants, duties and obligations contained in the signed agreement	8,000	-
Guarantee to a financial institution for banking facility granted to finance the construction of a project undertaken by a subsidiary company.	12,000	-
	<u>24,000</u>	<u>-</u>

Note : The Borrowings outstanding as at 30 September 2010 and is covered by the guarantees amount to approximately RM 4Million.

ADDITIONAL EXPLANATORY NOTES OF THE LISTING REQUIREMENTS OF THE BMSB

1. Review of Performance

For the financial quarter ended 30 September 2010, the Group recorded a turnover and profit before taxation of RM 13,380,000 and RM 2,733,000 respectively.

The Group recorded a higher turnover for the current financial quarter compared to RM 5,770,000 posted in the corresponding quarter in 2009.

For the period under review, the Group recorded a net profit after taxation of RM 2,347,000 as compared to the profit after taxation of RM 581,000 recorded in the same financial quarter last year.

2. Review of Current Quarter Profitability Against Preceding Quarter

The Group registered a turnover of RM13,380,000 in the current financial quarter as compared to RM 18,600,000 achieved in the immediate preceding quarter. The Group recorded a profit before taxation of RM2,733,000 as compared to a profit before taxation of RM 2,792,000 recorded in the immediate preceding quarter.

In tandem with the higher turnover, the Group recorded a profit after taxation of RM 2,347,000 as compared to a net profit after taxation of RM 2,096,000 in the previous quarter.

3. Prospects

The Group will focus on building quality homes and shall further strengthen its presence in the market, particularly in the Klang Valley, Melaka, Negeri Sembilan and Kedah. The Group will continue its timely delivery of its projects and seek new development opportunities.

The Board is confident that the profitability of the Group for the financial year ending 31 December 2010 would surpass that actual in the preceding 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 for the period under review.

5. Taxation

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

	Current Quarter 30.09.2010 RM'000	Cumulative Year to Date 30.9.2010 RM'000
Malaysian income tax:		
Current year taxation	442	1,441
Transferred from deferred taxation	(56)	(56)
	<u>386</u>	<u>1,385</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 losses of certain subsidiary companies which cannot be offset against profits made by other subsidiary companies.

6. Sale of Unquoted Investments and/or Properties

Save as disclosed below, the Group did not engage in any purchase or disposal of unquoted investments and properties in the current financial quarter.

The Group have entered into a sales and purchase agreement on 30 April 2010 to dispose off the entire 55% shareholding in Cabaran Subang Sdn. Bhd which is pending completion as at todote.

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 2010 were as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Short Term	1,941	-	1,941
Long Term	24,364	-	24,364
	<u>26,305</u>	<u>-</u>	<u>26,305</u>

All the above borrowings are denominated in Ringgit Malaysia. Included in the long term borrowings are term loan drawn down by Cabaran Subang Sdn Bhd, a 55% owned subsidiary, of RM21 million. The Group has no debt securities as at 30 September 2010.

10. Off Balance Sheet Financial Instruments

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

11. Material Litigation

There were no material litigation for the financial period under review.

12. Dividend

The Board of Directors declares a single-tier interim dividend of 1.5 sen per share for payment in 28 December 2010.

13. Earnings Per Share

(a) Basic Earnings Per Share

	Current Quarter 30.09.2010	Cumulative Year to Date 30.09.2010
Profit attributable to the equity holder of the Company (RM'000)	2,279	4,180
Issued ordinary shares ('000)	206,756	206,756
Basic earnings per share (sen)	<u>1.10</u>	<u>2.02</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 2010