

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FORTH QUARTER ENDED 31 DECEMBER 2010  
(THE FIGURES HAVE NOT BEEN AUDITED)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31.12.2010 RM' 000	31.12.2009 RM' 000	31.12.2010 RM' 000	31.12.2009 RM' 000
Revenue	22,472	11,151	60,274	39,760
Cost of sales	(15,734)	(7,285)	(43,268)	(30,513)
Gross profit	6,738	3,866	17,006	9,247
Other income	8,205	83	8,652	708
Administrative expenses	(2,993)	(1,873)	(7,727)	(5,224)
Operating profit	11,950	2,076	17,931	4,731
Finance costs	(120)	(113)	(530)	(543)
Profit before taxation	11,830	1,963	17,401	4,188
Income tax expense	(741)	707	(2,126)	26
Net profit for the period	11,089	2,670	15,275	4,214
Attributable to:				
Equity holders of the Company	10,663	2,760	14,843	4,269
Minority interests	426	(90)	432	(55)
	11,089	2,670	15,275	4,214

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	31.12.2010 RM' 000	31.12.2009 RM' 000	31.12.2010 RM' 000	31.12.2009 RM' 000
Profit for the period / Total comprehensive income	11,089	2,670	15,275	4,214
	11,089	2,670	15,275	4,214
<b>Total comprehensive income attributable to :</b>				
Equity holders of the Company	10,663	2,760	14,843	4,269
Minority interests	426	(90)	432	(55)
	11,089	2,670	15,275	4,214
Earnings per share (sen)				
- Basic	5.15	1.33	7.17	2.06
- 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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(UNAUDITED) As at 31.12.2010 RM'000	(AUDITED) As at 31.12.2009 RM'000
<b>ASSETS</b>		
Property, plant and equipment	677	665
Land held for development	25,259	80,380
Other investment	86	81
Non current trade receivable	-	3,997
Goodwill on consolidation	3	10
<b>Non-current Assets</b>	<b>26,025</b>	<b>85,133</b>
Land and development expenditure	74,679	92,848
Inventories/Work in progress	5,370	7,792
Trade and other receivables	65,339	20,188
Deposits and cash and bank balances	14,119	2,626
<b>Current Assets</b>	<b>159,507</b>	<b>123,454</b>
<b>TOTAL ASSETS</b>	<b>185,532</b>	<b>208,587</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	206,756	206,756
Reserves	(54,015)	(65,756)
Equity Attributable to Equity Holders of the Company	152,741	141,000
Minority interest	614	436
<b>Total Equity</b>	<b>153,355</b>	<b>141,436</b>
Hire Purchase Creditors	321	362
Long term borrowings	2,778	3,655
Deferred taxation	6,201	6,257
<b>Non-current Liabilities</b>	<b>9,300</b>	<b>10,274</b>
Trade and other payables	17,833	55,713
Short term borrowings	1,288	1,010
Bank Overdraft	2,382	-
Tax payable	1,374	154
<b>Current Liabilities</b>	<b>22,877</b>	<b>56,877</b>
<b>Total Liabilities</b>	<b>32,177</b>	<b>67,151</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>185,532</b>	<b>208,587</b>
Net assets per share attributable to equity holders of the Company (RM)	0.74	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)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2010**

	Share Capital RM'000	Accumulated Losses RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
<b>Balance at 1 January 2010</b>	206,756	(65,756)	141,000	436	141,436
Movement during the period		11,741	11,741	178	11,919
<b>As at 31 December 2010</b>	<u>206,756</u>	<u>(54,016)</u>	<u>152,741</u>	<u>614</u>	<u>153,355</u>
					1
<b>Balance at 1 January 2009</b>	206,756	(67,317)	139,439	-	139,439
Movement during the period	-	1,561	1,561	436	1,997
<b>As at 31 December 2009</b>	<u>206,756</u>	<u>(65,756)</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

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2010**

	<u>12 Mths Ended</u> <u>31.12.2010</u> RM'000	<u>12 Mths Ended</u> <u>31.12.2009</u> RM'000
<b>Cash Flow From Operating Activities</b>		
Profit before tax	17,401	4,188
Adjustment for non-cash and non-operating items	(7,511)	(914)
Operating profit before working capital changes	<u>9,890</u>	<u>3,274</u>
Changes in working capital:-		
Net change in current assets	28,162	4,644
Net change in current liabilities	(35,577)	9,945
Cash (used in)/generated from operations	<u>2,475</u>	<u>17,863</u>
Taxes refunded/(paid)	(2,497)	(1,346)
Net cash (used in)/generated from operating activities	<u>(22)</u>	<u>16,517</u>
Net cash generated from /(used in) investing activities	13,143	(7,773)
Net cash generated from/(used in) financing activities	(4,010)	(12,533)
Net increase/(decrease) in cash and cash equivalents	<u>9,111</u>	<u>(3,789)</u>
Cash and cash equivalents at beginning of the period	2,626	6,415
Cash and cash equivalents at end of the period	<u><u>11,737</u></u>	<u><u>2,626</u></u>
<b>Cash and cash equivalents comprise the following:</b>		
Cash and bank balances	4,841	2,426
Deposits with licenced financial institution	9,278	200
Borrowings - Overdraft	(2,382)	-
	<u><u>11,737</u></u>	<u><u>2,626</u></u>

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 31 DECEMBER 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 adopted in this interim financial report are consistent with those adopted in the most recent annual financial statements except for the adoption of the new FRS 139 which is effective for the annual financial statements beginning on or after 1 January 2010.

**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 31 December 2010.

**7. Dividend Paid**

During the quarter under review, an interim single-tier dividend of 1.5 sen net per share amounting to RM 3,101,347.40 in respect of the financial year ended 31 December 2010 was paid to shareholders on 28 December 2010.

**8. Segmental Information**

The Group’s activities include property development and construction which are 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

Save as disclosed below, there were no changes in the composition of the Group during the financial period under review.

Further to the Company's announcements made on 30 April 2010 and 3 May 2010 pertaining to the disposal of its entire 55% shareholding in its subsidiary company, Cabaran Subang Sdn. Bhd. ("Sale Shares"), the Company had on 20 December 2010 announced that it has entered into a Supplemental Agreements ("SA") to the Share Sale Agreements ("SSA") dated 30 April 2010 with the two purchasers, Koperasi Pendidikan Islam Malaysia Berhad and Peak Landmark Sdn. Bhd. respectively to vary the terms and conditions of the SSA.

Pursuant to the SA, all parties have agreed that arising from the variation to certain conditions set out in the SSA, the disposal shall be deemed to be completed as at the date of the SA and accordingly Cabaran Subang Sdn Bhd ceased to be a subsidiary of the group.

## 12. Contingent Liabilities

The contingent liabilities of the Company and the Group as at 31 December 2010 were as follows:

	Company RM'000	Group RM'000
Guarantees to financial institutions for banking facilities granted to subsidiary companies	2,500	-
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	-
Guarantees to financial institutions for banking facility granted to finance the working capital and construction of projects undertaken by a subsidiary company.	12,000	-
	<u>22,500</u>	<u>-</u>

Note : The Borrowings outstanding as at 31 December 2010 and is covered by the guarantees amount to approximately RM 6.4 Million.

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

### **1. Review of Performance**

For the financial quarter ended 31 December 2010, the Group recorded a turnover and profit before taxation of RM 22,472,000 and RM 11,830,000 respectively.

The Group recorded a higher turnover for the current financial quarter compared to RM 11,151,000 posted in the corresponding quarter in 2009.

For the period under review, the Group recorded a net profit after taxation of RM 11,089,000 as compared to the profit after taxation of RM 2,670,000 recorded in the same financial quarter last year.

The higher profit achieved for the financial quarter ended 31 December 2010 was due to a profit of RM 7,939,788 realised from the disposal of its entire 55% shareholding in Cabaran Subang Sdn Bhd.

For the financial year ended 31 December 2010, the Group recorded a turnover and profit before taxation of RM 60,274,000 and RM 17,401,000 respectively compared to a turnover and profit before taxation of RM 39,760,000 and RM 4,188,000 respectively for the corresponding financial period in 2009.

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

The Group registered a turnover of RM 22,472,000 in the current financial quarter as compared to RM 13,380,000 achieved in the immediate preceding quarter. The Group recorded a profit before taxation of RM 11,830,000 as compared to a profit before taxation of RM 2,733,000 recorded in the immediate preceding quarter.

### **3. Prospects**

The Group will 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.

In tandem with the projected growth in the local economy, the Group is looking forward to maintain its profit momentum for the current 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:

	<b>Current Quarter 31.12.2010 RM'000</b>	<b>Cumulative Year to Date 31.12.2010 RM'000</b>
Malaysian income tax:		
Current year taxation	741	2,126
Transferred from deferred taxation	-	-
	<u>741</u>	<u>2,126</u>

The effective rate of taxation of the Group is lower than the statutory rate of taxation due to the availability of unabsorbed tax losses and unabsorbed capital allowances brought forward from previous years of certain subsidiary companies which can be offset against the profits generated during the year.

## 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.

Further to the Company's announcements made on 30 April 2010 and 3 May 2010 pertaining to the disposal of its entire 55% shareholding in its subsidiary company, Cabaran Subang Sdn. Bhd. ("Sale Shares"), the Company had on 20 December 2010 announced that it has entered into a Supplemental Agreements ("SA") to the Share Sale Agreements ("SSA") dated 30 April 2010 with the two purchasers, Koperasi Pendidikan Islam Malaysia Berhad and Peak Landmark Sdn. Bhd. respectively to vary the terms and conditions of the SSA.

Pursuant to the SA, all parties have agreed that arising from the variation to certain conditions set out in the SSA, the disposal shall be deemed to be completed as at the date of the SA.

## 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 31 December 2010 were as follows:

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
Short Term	3,670	-	3,670
Long Term	2,778	-	2,778
	<u>6,448</u>	<u>-</u>	<u>6,448</u>

All the above borrowings are denominated in Ringgit Malaysia. The Group has no debt securities as at 31 December 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 does not recommend any payment of dividend in respect of the financial period under review.

**13. Realised and Unrealised Profit/ (Losses) Disclosure**

	<b>As at 31.12.2010 RM'000</b>	<b>As at 30.09.2010 RM'000</b>
Total accumulated losses of Bertam Alliance Berhad and its subsidiaries		
- Realised	(45,503)	(53,294)
- Unrealised	(8,512)	(8,281)
Total group accumulated losses as per consolidated	<u>(54,015)</u>	<u>(61,575)</u>

Comparative figures are not required in the first financial year of complying with the realised and accumulated losses disclosure.

**14. Earnings Per Share**

**(a) Basic Earnings Per Share**

	<b>Current Quarter 31.12.2010</b>	<b>Cumulative Year to Date 31.12.2010</b>
Profit attributable to the equity holder of the Company (RM'000)	10,663	14,843
Issued ordinary shares ('000)	206,756	206,756
Basic earnings per share (sen)	<u>5.15</u>	<u>7.17</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: 25 February 2011