

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011  
(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
	30.06.2011 RM' 000	30.06.2010 RM' 000	30.06.2011 RM' 000	30.06.2010 RM' 000
Revenue	17,392	18,600	35,764	24,422
Cost of sales	(12,649)	(13,872)	(25,759)	(18,107)
Gross profit	4,743	4,728	10,005	6,315
Other income	2,085	158	2,242	329
Administrative expenses	(1,232)	(1,944)	(2,167)	(3,540)
Operating profit	5,596	2,942	10,080	3,104
Finance costs	(93)	(150)	(193)	(266)
Profit before taxation	5,503	2,792	9,887	2,838
Income tax expense	(1,410)	(696)	(2,356)	(999)
Net profit for the period	4,093	2,096	7,531	1,839
Attributable to:				
Equity holders of the Company	3,809	1,966	7,045	1,901
Minority interests	284	130	486	(62)
	4,093	2,096	7,531	1,839
Earnings per share (sen)				
- Basic	1.84	0.95	3.41	0.92
- Diluted	N/A	N/A	N/A	N/A

The above consolidated statement of comprehensive income should be read in conjunction with the audited annual financial statements for the year ended 31 December 2010.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	(UNAUDITED) As at 30.06.2011 RM'000	(AUDITED) As at 31.12.2010 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Plant and equipment		567	677
Land held for property development		50,359	26,059
Club membership		86	86
		51,012	26,822
<b>Current assets</b>			
Property development costs		70,205	73,879
Inventories/Work in progress		4,243	5,370
Trade and other receivables	13	95,891	62,197
Other current assets		-	2,250
Tax recoverable		414	867
Cash and bank balances		6,901	14,119
		177,654	158,682
<b>Total assets</b>		228,666	185,504
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Loans and borrowings		2,853	3,955
Trade and other payables		33,535	17,422
Other current liabilities	14	20,019	245
Income tax payable		2,791	1,341
		59,198	22,963
Net current asset		118,456	135,719
<b>Non-current liabilities</b>			
Deferred tax liabilities		6,198	6,198
Loans and borrowings		2,388	2,992
		8,586	9,190
<b>Total liabilities</b>		67,784	32,153
<b>Net assets</b>		160,882	153,351
<b>Equity attributable to owners of the parent</b>			
Share capital		206,756	206,756
Accumulated losses		(47,003)	(54,048)
		159,753	152,708
Minority interest		1,129	643
<b>Total equity</b>		160,882	153,351
<b>Total equity and liabilities</b>		228,666	185,504
Net assets per share attributable to equity holders of the Company (RM)		0.78	0.74

The above consolidated statement of financial position should be read in conjunction with the audited annual financial statements for the year ended 31 December 2010.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 JUNE 2011

	Share Capital RM'000	Accumulated Losses RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
<b>Balance at 1 January 2011</b>	206,756	(54,048)	152,708	643	153,351
Total comprehensive income	-	7,045	7,045	486	7,531
<b>As at 30 June 2011</b>	206,756	(47,003)	159,753	1,129	160,882
<b>Balance at 1 January 2010</b>	206,756	(65,757)	140,999	437	141,436
Total comprehensive income	-	14,810	14,810	460	15,270
<b>Transactions with owners</b>					
Dividends on ordinary shares	-	(3,101)	(3,101)	-	(3,101)
Disposal of minority interest	-	-	-	(254)	(254)
<b>As at 31 December 2010</b>	206,756	(54,048)	152,708	643	153,351

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 2010.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE 2011**

	<u>6 Mths Ended</u> <u>30.06.2011</u> RM'000	<u>6 Mths Ended</u> <u>30.06.2010</u> RM'000
<b>Cash Flow From Operating Activities</b>		
Profit before tax	9,887	2,838
Adjustment for non-cash and non-operating items	181	173
Operating profit before working capital changes	<u>10,068</u>	<u>3,011</u>
Changes in working capital:-		
Net change in current assets	(26,188)	11,661
Net change in current liabilities	20,556	(31,827)
Cash (used in)/generated from operations	<u>4,436</u>	<u>(17,155)</u>
Taxes (paid)/refunded	(908)	127
Net cash (used in)/generated from operating activities	<u>3,528</u>	<u>(17,028)</u>
Net cash generated from /(used in) investing activities	(8,847)	6,482
Net cash generated from/(used in) financing activities	935	17,620
Net increase/(decrease) in cash and cash equivalents	<u>(4,384)</u>	<u>7,074</u>
Cash and cash equivalents at beginning of the period	11,285	2,626
Cash and cash equivalents at end of the period	<u><u>6,901</u></u>	<u><u>9,700</u></u>
<b>Cash and cash equivalents comprise the following:</b>		
Cash and short term deposits	<u><u>6,901</u></u>	<u><u>9,700</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 2010.

**NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE QUARTER ENDED 30 June 2011**

**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 2010.

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.

**2. Qualified Audit Report**

The Group’s most recent annual audited financial statements for the year ended 31 December 2010 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 were 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 June 2011.

**7. Dividend Paid**

No dividend were paid during the financial period ended 30 June 2011.

## 8. Segmental Information

The Group's activities include property development, construction and provision of corporate management services to the companies within the group which are carried out in Malaysia as follow:

	Property development RM'000	Construction RM'000	Corporate and others RM'000	Eliminations RM'000	Per consolidated financial statements RM'000
<b>Revenue:</b>					
External sales	6,526	29,516	1,576	(1,854)	35,764
<b>Results:</b>					
Segment profit/(loss)	2,278	7,913	1,036	(1,036)	10,191
Depreciation	(110)	-	(1)	-	(111)
Finance cost	(193)	-	-	-	(193)
Profit/(loss) before tax	1,975	7,913	1,035	(1,036)	9,887
Income tax expense	(155)	(1,953)	(248)	-	(2,356)
Profit/(loss), net of tax	1,820	5,960	787	(1,036)	7,531

## 9. Valuation of Plant and Equipment

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 June 2011 were as follows:

	<b>Company RM'000</b>	<b>Group RM'000</b>
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>

The Borrowings outstanding as at 30 June 2011 and covered by the guarantees amounting to approximately RM 4.8 Million.

## 13. Trade and Other Receivables

	<b>30.06.2011 RM'000</b>	<b>31.12.2010 RM'000</b>
Trade receivables		
- Third parties	<u>68,803</u>	<u>33,789</u>
Other receivables		
- Sundry receivable	26,034	27,447
- Refundable deposits	<u>1,054</u>	<u>961</u>
	<u>27,088</u>	<u>28,408</u>
Total trade and other receivables	<u>95,891</u>	<u>62,197</u>

The increase of trade receivable to RM 68,803,000 was mainly due from a turnkey contract for performance of a subsidiary's undertakings, covenants, duties and obligations contained in the signed agreement which is receivable progressively in the forthcoming months.

14. Other Current Liabilities

	As at 30.06.2011 RM'000	As at 31.12.2010 RM'000
Amount due to contract customers	19,789	-
Progress billings in respect of property development costs	<u>230</u>	<u>245</u>
	<u>20,019</u>	<u>245</u>



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

### 1. Review of Performance

For the financial quarter ended 30 June 2011, the Group recorded a turnover and profit before taxation of RM 17,392,000 and RM 5,503,000 respectively.

The Group recorded a lower turnover for the current financial quarter compared to RM 18,600,000 posted in the corresponding quarter in 2010.

For the period under review, the Group recorded a net profit after taxation of RM 4,093,000 as compared to the profit after taxation of RM 2,096,000 recorded in the same financial quarter last year.

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

The Group registered a turnover of RM 17,392,000 in the current financial quarter as compared to RM 18,372,000 achieved in the immediate preceding quarter. The Group recorded a profit before taxation of RM 5,503,000 as compared to a profit before taxation of RM 4,384,000 recorded in the immediate preceding quarter.

### 3. Prospects

In tandem with the projected growth in the local economy, the Group is looking forward to further growth on the profitability of the Company.

### 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 30.06.2011 RM'000</b>	<b>Cumulative Year to Date 30.06.2011 RM'000</b>
Malaysian income tax:		
Current year taxation	1,410	2,356

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**

The Group did not engage in any 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 June 2011 were as follows:

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
Short Term	2,853	-	2,853
Long Term	2,388	-	2,388
	<u>5,241</u>	<u>-</u>	<u>5,241</u>

All the above borrowings are denominated in Ringgit Malaysia. The Group has no debt securities as at 30 June 2011.

**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 did not recommend any payment of dividend in respect of the financial period under review.

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

	<b>As at 30.06.2011 RM'000</b>	<b>As at 31.12.2010 RM'000</b>
Total accumulated losses of Bertam Alliance Berhad and its subsidiaries		
- realised	57,791	64,836
- unrealised	(4)	(4)
	<u>57,787</u>	<u>64,832</u>
Less: consolidated adjustments	<u>(10,784)</u>	<u>(10,784)</u>
Accumulated losses as per financial statements	<u><u>47,003</u></u>	<u><u>54,048</u></u>

**14. Earnings Per Share****(a) Basic Earnings Per Share**

	<b>Current Quarter 30.06.2011</b>	<b>Cumulative Year to Date 30.06.2011</b>
Profit attributable to the equity holder of the Company (RM'000)	3,809	7,045
Issued ordinary shares ('000)	206,756	206,756
Basic earnings per share (sen)	<u>1.84</u>	<u>3.41</u>

**(b) Diluted Earnings Per Share**

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

By order of the Board

Lim Lee Kuan (MAICSA 7017753)  
Kuan Hui Fang (MIA 16876)  
Company Secretaries  
Date: 24 August 2011