

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011
(THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To Date	Corresponding
	30.09.2011	30.09.2010	30.09.2011	30.09.2010
	RM' 000	RM' 000	RM' 000	RM' 000
Revenue	15,705	13,380	51,469	37,802
Cost of sales	(11,791)	(9,427)	(37,550)	(27,534)
Gross profit	3,914	3,953	13,919	10,268
Other income	172	118	2,414	447
Administrative expenses	(733)	(1,194)	(2,900)	(4,734)
Operating profit	3,353	2,877	13,433	5,981
Finance costs	(255)	(144)	(448)	(410)
Profit before taxation	3,098	2,733	12,985	5,571
Income tax expense	(1,380)	(386)	(3,736)	(1,385)
Net profit for the period	1,718	2,347	9,249	4,186
Attributable to:				
Equity holders of the Company	1,437	2,279	8,482	4,180
Minority interests	281	68	767	6
	1,718	2,347	9,249	4,186
Earnings per share (sen)				
- Basic	0.70	1.10	4.10	2.02
- 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

	(UNAUDITED) As at 30.09.2011 RM'000	(AUDITED) As at 31.12.2010 RM'000
Assets		
Non-current assets		
Plant and equipment	507	677
Land held for property development	51,306	26,059
Club membership	86	86
	<u>51,899</u>	<u>26,822</u>
Current assets		
Property development costs	70,000	73,879
Inventories	3,063	5,370
Trade and other receivables	13 90,569	62,197
Other current assets	-	2,250
Tax recoverable	330	867
Cash and bank balances	12,603	14,119
	<u>176,565</u>	<u>158,682</u>
Total assets	<u>228,464</u>	<u>185,504</u>
Equity and liabilities		
Current liabilities		
Loans and borrowings	5,232	3,955
Trade and other payables	17,071	17,422
Other current liabilities	14 15,139	245
Income tax payable	2,892	1,341
	<u>40,334</u>	<u>22,963</u>
Net current asset	<u>136,231</u>	<u>135,719</u>
Non-current liabilities		
Deferred tax liabilities	6,201	6,198
Loans and borrowings	19,179	2,992
	<u>25,380</u>	<u>9,190</u>
Total liabilities	<u>65,714</u>	<u>32,153</u>
Net assets	<u>162,750</u>	<u>153,351</u>
Equity attributable to owners of the parent		
Share capital	206,756	206,756
Accumulated losses	(45,559)	(54,048)
	<u>161,197</u>	<u>152,708</u>
Minority interest	1,553	643
Total equity	<u>162,750</u>	<u>153,351</u>
Total equity and liabilities	<u>228,464</u>	<u>185,504</u>
Net assets per share attributable to equity holders of the Company (RM)	<u>0.79</u>	<u>0.74</u>

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 SEPTEMBER 2011**

	Share Capital RM'000	Accumulated Losses RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
Balance at 1 January 2011	206,756	(54,048)	152,708	643	153,351
Total comprehensive income	-	8,482	8,482	767	9,249
Transactions with owners					
Partial disposal of investment in a subsidiary		7	7	(7)	-
Acquisition of minority interest			-	150	150
As at 30 September 2011	<u>206,756</u>	<u>(45,559)</u>	<u>161,197</u>	<u>1,553</u>	<u>162,750</u>
Balance at 1 January 2010	206,756	(65,757)	140,999	437	141,436
Total comprehensive income	-	14,810	14,810	460	15,270
Transactions with owners					
Dividends on ordinary shares	-	(3,101)	(3,101)	-	(3,101)
Disposal of minority interest	-	-	-	(254)	(254)
As at 31 December 2010	<u>206,756</u>	<u>(54,048)</u>	<u>152,708</u>	<u>643</u>	<u>153,351</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 2010.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2011

	9 Mths Ended 30.09.2011	9 Mths Ended 30.09.2010
	RM'000	RM'000
Cash Flow From Operating Activities		
Profit before tax	12,985	5,571
Adjustment for non-cash and non-operating items	475	399
Operating profit before working capital changes	<u>13,460</u>	<u>5,970</u>
Changes in working capital:-		
Net change in current assets	(19,935)	1,258
Net change in current liabilities	14,543	(18,758)
Cash generated from/(used in) operations	<u>8,068</u>	<u>(11,530)</u>
Taxes paid	(1,645)	(66)
Net cash generated from/(used in) operating activities	<u>6,423</u>	<u>(11,596)</u>
Net cash (used in)/generated from investing activities	(25,139)	6,473
Net cash generated from financing activities	15,887	18,507
Net (decrease)/increase in cash and cash equivalents	<u>(2,829)</u>	<u>13,384</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>8,456</u></u>	<u><u>16,010</u></u>
Cash and cash equivalents comprise the following:		
Cash and short term deposits	12,603	16,010
Bank overdraft	(4,147)	-
	<u><u>8,456</u></u>	<u><u>16,010</u></u>

The above consolidated statement of cash flows 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 SEPTEMBER 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 September 2011.

7. Dividend Paid

No dividend was paid during the financial period ended 30 September 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 are as follow:

	Property development RM'000	Construction RM'000	Corporate and others RM'000	Eliminations RM'000	Per consolidated financial statements RM'000
Revenue:					
External sales	8,874	42,595	2,180	(2,180)	51,469
Inter-segment dividends	-	-	2,755	(2,755)	-
	<u>8,874</u>	<u>42,595</u>	<u>4,935</u>	<u>(4,935)</u>	<u>51,469</u>
Results:					
Segment profit/(loss)	5,049	11,731	(411)	(2,755)	13,614
Depreciation	(173)	-	(8)	-	(181)
Finance cost	(317)	(131)	-	-	(448)
	<u>4,559</u>	<u>11,600</u>	<u>(419)</u>	<u>(2,755)</u>	<u>12,985</u>
Profit/(loss) before tax	4,559	11,600	(419)	(2,755)	12,985
Income tax expense	(646)	(2,921)	(169)	-	(3,736)
	<u>3,913</u>	<u>8,679</u>	<u>(588)</u>	<u>(2,755)</u>	<u>9,249</u>

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 was 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 2011 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.	34,400	-
	<u>44,900</u>	<u>-</u>

The Borrowings outstanding as at 30 September 2011 and covered by the guarantees was approximately RM 24.065 Million.

13. Trade and Other Receivables

	30.09.2011 RM'000	31.12.2010 RM'000
Trade receivables		
- Third parties	<u>68,048</u>	<u>33,789</u>
Other receivables		
- Sundry receivable	21,875	27,455
- Refundable deposits	646	953
	<u>22,521</u>	<u>28,408</u>
Total trade and other receivables	<u>90,569</u>	<u>62,197</u>

The trade receivables amounting to RM68.048 Million 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

	30.09.2011 RM'000	31.12.2010 RM'000
Amount due to contract customers	230	-
Progress billings in respect of property development costs	14,909	245
	<u>15,139</u>	<u>245</u>

ADDITIONAL EXPLANATORY NOTES OF THE LISTING REQUIREMENTS OF THE BMSB

1. Review of Performance

For the financial quarter ended 30 September 2011, the Group recorded a turnover and profit before taxation of RM15.705 million and RM3.098 million respectively.

The Group recorded a higher turnover for the current financial quarter compared to RM13.380 million posted in the preceding year corresponding quarter.

For the period under review, the Group recorded a net profit after taxation of RM1.718 million as compared to the net profit after taxation of RM2.347 million recorded in the same financial quarter last year.

2. Review of Current Quarter Profitability against Preceding Quarter

The Group registered a turnover of RM 15.705 million in the current financial quarter as compared to RM17.392 million achieved in the immediate preceding quarter. The Group recorded a profit before taxation of RM3.098 million as compared to a profit before taxation of RM 5.503 million recorded in the immediate preceding quarter.

3. Prospects

The robust growth of the property market over the years seems to have slowed down somewhat recently in tandem with the economic uncertainties experienced by USA and European Union which have a negative impact on the Malaysian economy, particularly on our export sector. Operating within these uncertain economic environments, the Directors now expect the profit of the Group for the current financial year to be lower than that achieved in the last 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 30.09.2011 RM'000	Cumulative Year to Date 30.09.2011 RM'000
Malaysian income tax:		
Current year taxation	1,380	3,736

The effective tax rate of the Group was higher than the statutory tax rate mainly due to the under provision of income tax in respect of prior years and non-deductibility of certain expenses incurred during the quarter.

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 September 2011 were as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Short Term	5,232	-	5,232
Long Term	19,179	-	19,179
	<u>24,411</u>	<u>-</u>	<u>24,411</u>

All the above borrowings are denominated in Ringgit Malaysia. The Group has no debt securities as at 30 September 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 was no material litigation for the financial period under review.

12. Dividend

The Board of Directors declares a single-tier interim dividend of 1 sen per share for payment on 30 December 2011.

13. Realised and Unrealised Profit/ (Losses) Disclosure

	As at 30.09.2011 RM'000	As at 31.12.2010 RM'000
Total accumulated losses of Bertam Alliance Berhad and its subsidiaries		
- realised	60,751	64,836
- unrealised	-	(4)
	<u>60,751</u>	<u>64,832</u>
Less: consolidated adjustments	(15,192)	(10,784)
Accumulated losses as per financial statements	<u><u>45,559</u></u>	<u><u>54,048</u></u>

14. Earnings Per Share

(a) Basic Earnings Per Share

	Current Quarter 30.09.2011	Cumulative Year to Date 30.09.2011
Profit attributable to the equity holder of the Company (RM'000)	1,437	8,482
Issued ordinary shares ('000)	206,756	206,756
Basic earnings per share (sen)	<u>0.70</u>	<u>4.10</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 November 2011