

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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
	31.12.2011 RM' 000	31.12.2010 RM' 000	31.12.2011 RM' 000	31.12.2010 RM' 000
Revenue	20,840	22,472	72,309	60,274
Cost of sales	(12,755)	(15,755)	(50,305)	(43,289)
Gross profit	8,085	6,717	22,004	16,985
Other income	170	8,204	2,584	8,651
Administrative expenses	(1,228)	(2,984)	(4,128)	(7,718)
Operating profit	7,027	11,937	20,460	17,918
Finance costs	(90)	(120)	(538)	(530)
Profit before taxation	6,937	11,817	19,922	17,388
Income tax expense	(2,022)	(733)	(5,758)	(2,118)
Net profit for the period	4,915	11,084	14,164	15,270
Attributable to:				
Equity holders of the Company	4,146	10,630	12,628	14,810
Minority interests	769	454	1,536	460
	4,915	11,084	14,164	15,270
Earnings per share (sen)				
- Basic	2.01	5.14	6.11	7.16
- 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 31.12.2011 RM'000	(AUDITED) As at 31.12.2010 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Plant and equipment		468	677
Land held for property development		64,059	26,059
Club membership		86	86
		<u>64,613</u>	<u>26,822</u>
<b>Current assets</b>			
Property development costs		67,209	73,879
Inventories		2,622	5,370
Trade and other receivables	13	90,060	62,197
Other current assets		-	2,249
Tax recoverable		279	867
Cash and bank balances		2,328	14,119
		<u>162,498</u>	<u>158,681</u>
<b>Total assets</b>		<u>227,111</u>	<u>185,503</u>
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Loans and borrowings		4,415	3,954
Trade and other payables		25,038	17,422
Other current liabilities	14	5,696	245
Income tax payable		2,189	1,341
		<u>37,338</u>	<u>22,962</u>
Net current asset		<u>125,160</u>	<u>135,719</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities		5,876	6,198
Loans and borrowings		18,900	2,992
		<u>24,776</u>	<u>9,190</u>
<b>Total liabilities</b>		<u>62,114</u>	<u>32,152</u>
<b>Net assets</b>		<u>164,997</u>	<u>153,351</u>
<b>Equity attributable to owners of the parent</b>			
Share capital		206,756	206,756
Accumulated losses		(43,480)	(54,047)
		<u>163,276</u>	<u>152,709</u>
Minority interest		1,721	642
<b>Total equity</b>		<u>164,997</u>	<u>153,351</u>
<b>Total equity and liabilities</b>		<u>227,111</u>	<u>185,503</u>
Net assets per share attributable to equity holders of the Company (RM)		<u>0.80</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 YEAR ENDED 31 DECEMBER 2011

	Share Capital RM'000	Accumulated Losses RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
<b>Balance at 1 January 2011</b>	206,756	(54,047)	152,709	642	153,351
Total comprehensive income	-	12,628	12,628	1,536	14,164
<b>Transactions with owners</b>					
Partial disposal of investment in a subsidiary		7	7	(7)	-
Acquisition of minority interest			-	150	150
Dividend paid		(2,068)	(2,068)	(600)	(2,668)
<b>As at 31 December 2011</b>	<b>206,756</b>	<b>(43,480)</b>	<b>163,276</b>	<b>1,721</b>	<b>164,997</b>
<b>Balance at 1 January 2010</b>	206,756	(65,756)	141,000	436	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>	<b>206,756</b>	<b>(54,047)</b>	<b>152,709</b>	<b>642</b>	<b>153,351</b>

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 YEAR ENDED 31 DECEMBER 2011**

	<b>12 Mths Ended 31.12.2011 RM'000</b>	<b>12 Mths Ended 31.12.2010 RM'000</b>
<b>Cash Flow From Operating Activities</b>		
Profit before tax	19,922	17,388
Adjustment for non-cash and non-operating items	835	(5,963)
Operating profit before working capital changes	<u>20,757</u>	<u>11,425</u>
Changes in working capital:-		
Decrease in inventories	2,749	2,422
Decrease in development cost	6,670	12,199
Increase in receivables	(28,081)	(30,478)
Decrease in other current assets	2,250	2,511
Increase/(Decrease) in payables	7,616	(6,632)
Increase in other liabilities	5,451	245
Cash generated from/(used in) operations	<u>17,412</u>	<u>(8,308)</u>
Tax paid, net of refund	(4,644)	(222)
Net cash generated from/(used in) operating activities	<u>12,768</u>	<u>(8,530)</u>
<b>Cash Flow From Investing Activities</b>		
Purchase of:		
- plant and equipment	(13)	(123)
- land held for property development	(38,289)	(3,043)
Proceeds from disposal of plant and equipment	23	27
Net cash inflow on disposal of a subsidiary	-	6,449
Interest received	357	170
Others	-	(5)
Net cash (used in)/generated from investing activities	<u>(37,922)</u>	<u>3,475</u>
<b>Cash Flow From Financing Activities</b>		
Proceeds from borrowings	17,000	21,118
Repayment of borrowings	(1,127)	(1,064)
Dividend paid	(2,667)	(5,810)
Interest paid	(488)	(530)
Others	150	-
Net cash generated from financing activities	<u>12,868</u>	<u>13,714</u>
Net (decrease)/increase in cash and cash equivalents	<u>(12,286)</u>	<u>8,659</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>(1,001)</u></u>	<u><u>11,285</u></u>
<b>Cash and cash equivalents comprise the following:</b>		
Cash and short term deposits	2,328	14,119
Bank overdraft	(3,329)	(2,834)
	<u><u>(1,001)</u></u>	<u><u>11,285</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 31 DECEMBER 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 31 December 2011.

**7. Dividend Paid**

During the quarter under review, an interim single-tier dividend of 1 sen net per share amounting to RM2.068 million in respect of the financial year ended 31 December 2011 was paid to shareholders on 30 December 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
<b>Revenue:</b>					
External sales	10,848	60,971	3,071	(2,581)	72,309
Inter-segment dividends	5,400	-	7,755	(13,155)	-
	<u>16,248</u>	<u>60,971</u>	<u>10,826</u>	<u>(15,736)</u>	<u>72,309</u>
<b>Results:</b>					
Segment profit/(loss)	10,283	20,661	6,668	(16,932)	20,680
Depreciation	(209)	-	(11)	-	(220)
Finance cost	(407)	(131)	-	-	(538)
	<u>9,667</u>	<u>20,530</u>	<u>6,657</u>	<u>(16,932)</u>	<u>19,922</u>
Profit/(loss) before tax	9,667	20,530	6,657	(16,932)	19,922
Income tax expense	(300)	(5,139)	(319)	-	(5,758)
	<u>9,367</u>	<u>15,391</u>	<u>6,338</u>	<u>(16,932)</u>	<u>14,164</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 31 December 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.	39,020	-
	<u>42,320</u>	<u>-</u>

The Borrowings outstanding as at 31 December 2011 and covered by the guarantees was approximately RM23.009 Million.

## 13. Trade and Other Receivables

	<b>31.12.2011 RM'000</b>	<b>31.12.2010 RM'000</b>
Trade receivables		
- Third parties	<u>67,425</u>	<u>33,789</u>
Other receivables		
- Sundry receivable	18,847	27,455
- Refundable deposits	<u>3,788</u>	<u>953</u>
	<u>22,635</u>	<u>28,408</u>
Total trade and other receivables	<u>90,060</u>	<u>62,197</u>

The trade receivables amounting to RM53.131 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

	<b>31.12.2011 RM'000</b>	<b>31.12.2010 RM'000</b>
Amount due to contract customers	5,466	-
Progress billings in respect of property development costs	<u>230</u>	<u>245</u>
	<u>5,696</u>	<u>245</u>

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

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

For the financial quarter ended 31 December 2011, the Group recorded a turnover and profit before taxation of RM20.84 million and RM6.94 million respectively, mainly from the construction segment which accounted for 84% of the revenue in the financial year ended 31 December 2011. Despite the unfavourable conditions from the western countries, the Group managed to record a strong earnings mainly from a turnkey project in Kota Damansara, Selangor Darul Ehsan as per the detailed analysis in item 8 of the Notes to the Interim Financial Report.

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

The Group registered a lower turnover of RM20.84 million in the current financial quarter as compared to RM22.47 million achieved in the immediate preceding quarter. This has resulted the Group recorded a lower profit before taxation of RM6.94 million as compared to a profit before taxation of RM11.82 million recorded in the immediate preceding quarter.

The better performance achieved in the immediate preceding quarter was principally due to gain on disposal of a subsidiary.

### **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.

However, in view of the project success, the Group envisages to replicate the strategy to develop and to launch later in the year similar product in Langkawi, Kedah which will incorporate contemporary designs taking advantage of the sea view from the elevated site.

Currently, the Group is undertaking a feasibility study on another high-end bungalow turnkey project in Setiawangsa, overlooking the skyline of Kuala Lumpur.

The Group will also launch a few in Shah Alam and Kota Damansara in Selangor and Tampin in Negeri Sembilan this year.

During the current financial year, barring any unforeseen circumstances, the Group expects to launch several development and joint development projects offering affordable housing schemes and industrial properties in Tampin, Gemencheh, Sungai Buaya, Subang Jaya, Cheras and Muar.

### **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 31.12.2011 RM'000</b>	<b>Cumulative Year to Date 31.12.2011 RM'000</b>
Malaysian income tax:		
Current year taxation	<u>2,022</u>	<u>5,758</u>

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. Corporate Proposal**

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

**7. Group Borrowings and Debt Securities**

The Group borrowings as at 31 December 2011 were as follows:

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
Short Term	4,415	-	4,415
Long Term	18,900	-	18,900
	<u>23,315</u>	<u>-</u>	<u>23,315</u>

All the above borrowings are denominated in Ringgit Malaysia. The Group has no debt securities as at 31 December 2011.

**8. Material Litigation**

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

**9. Dividend**

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

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

	As at 31.12.2011 RM'000	As at 31.12.2010 RM'000
Total accumulated losses of Bertam Alliance Berhad and its subsidiaries		
- realised	55,085	64,836
- unrealised	-	(4)
	<u>55,085</u>	<u>64,832</u>
Less: consolidated adjustments	(11,605)	(10,785)
	<u>43,480</u>	<u>54,047</u>

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

	Current Quarter 31.12.2011	Cumulative Year to Date 31.12.2011
Profit attributable to the equity holder of the Company (RM'000)	4,146	12,628
Issued ordinary shares ('000)	206,756	206,756
Basic earnings per share (sen)	<u>2.01</u>	<u>6.11</u>

**(b) Diluted Earnings Per Share**

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

## 12. Notes To The Statement Of Comprehensive Income

The following items have been included in arriving at profit before tax:-

	<b>Current Quarter 31.12.2011 (RM'000)</b>	<b>Cumulative Year to Date 31.12.2011 (RM'000)</b>
Interest income	102	357
Other income including investment income	68	2,227
Interest expense	75	488
Depreciation and amortisation	39	220
Provision for and write off of receivables	250	250
Provision for and write off of inventories	-	-
Gain or loss on disposal of quoted or unquoted investments or properties	7	24
Impairment of assets	290	290
Foreign exchange gain or loss	-	-
Gain or loss on derivatives	-	-
Exceptional items	-	-
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By order of the Board

Lim Lee Kuan (MAICSA 7017753)  
Kuan Hui Fang (MIA 16876)  
Company Secretaries  
Date: 23 February 2012