

**UNAUDITED 3RD QUARTER REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2010**

CONDENSED CONSOLIDATED INCOME STATEMENT

	Individual Period		Cumulative Period	
	Current quarter ended	Corresponding quarter ended	Current year-to-date ended	Corresponding year-to-date ended
	30.09.2010 (RM'000)	30.09.2009 (RM'000)	30.09.2010 (RM'000)	30.09.2009 (RM'000)
1 Revenue	3,579	4,803	9,330	13,830
2 Cost of sales	(3,281)	(4,393)	(7,699)	(12,508)
3 Gross profit	298	410	1,631	1,322
4 Other income	-	264	2,267	1,555
5 Other expenses	(779)	(1,989)	(2,229)	(4,573)
6 Profit / (Loss) from operations	(481)	(1,315)	1,669	(1,696)
7 Finance cost, net	(7)	(61)	(51)	(174)
8 Profit / (Loss) before tax	(488)	(1,376)	1,618	(1,870)
9 Taxation	(111)	(89)	(316)	(343)
10 Profit / (Loss) for the period	(599)	(1,465)	1,302	(2,213)
Attributable to :				
Equity holders of the parent	(599)	(1,465)	1,302	(2,213)
Minority Interest	-	-	-	-
	(599)	(1,465)	1,302	(2,213)
11 Profit / (Losses) per share attributable to equity holders of the parent:				
(i) Basic - based on ordinary shares (sen)	(1.02)	(2.49)	2.22	(3.77)
(ii) Fully diluted - based on ordinary shares (sen)	N/A*	N/A*	N/A*	N/A*

* Fully diluted EPS is not calculated as the impact is anti-dilutive

(The Condensed Consolidated Income Statement and Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2009 and the accompanying explanatory notes attached to the Interim Financial Statements)

**UNAUDITED 3RD QUARTER REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2010**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Period		Cumulative Period	
	Current quarter ended 30.09.2010 (RM'000)	Corresponding quarter ended 30.09.2009 (RM'000)	Current year-to-date ended 30.09.2010 (RM'000)	Corresponding year-to-date ended 30.09.2009 (RM'000)
1 Profit / (Loss) for the period	(599)	(1,465)	1,302	(2,213)
2 Currency translation differences	-	(3)	4	(96)
3 Total comprehensive income for the period	(599)	(1,468)	1,306	(2,309)
Attributable to :				
Equity holders of the parent	(599)	(1,468)	1,306	(2,309)
Minority Interest	-	-	-	-
	(599)	(1,468)	1,306	(2,309)

(The Condensed Consolidated Income Statement and Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2009 and the accompanying explanatory notes attached to the Interim Financial Statements)



FUTUTECH BERHAD (122592-U)
(Incorporated in Malaysia)

**UNAUDITED 3RD QUARTER REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2010**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(UNAUDITED) As at 30.09.2010 (RM'000)	(AUDITED) As at 31.12.2009 (RM'000)
NON CURRENT ASSETS		
Property, Plant and Equipment	9,365	10,185
Prepaid Land Lease Payments	917	917
Other Investments	71	71
Other Intangible Assets	-	-
	10,353	11,173
Current Assets		
Inventories	2,769	2,917
Trade Debtors	5,823	5,731
Other Debtors, Deposits and Prepayments	5,338	1,473
Cash and Bank Balances	10,594	6,529
	24,524	16,650
Non-Current Assets Held for Sale	-	7,115
	24,524	23,765
TOTAL ASSETS	34,877	34,938
EQUITY and LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share Capital	58,726	58,726
Reserves		
Others	233	232
Accumulated Losses	(27,646)	(28,948)
	31,313	30,010
Minority Interest	-	-
Total Equity	31,313	30,010
Non-Current Liabilities		
Long Term Borrowings	-	958
Deferred Taxation	-	-
	-	958
Current Liabilities		
Trade Payables	626	911
Other Payables	2,509	2,094
Short Term Borrowings	350	886
Provision for Taxation	79	79
	3,564	3,970
Total Liabilities	3,564	4,928
TOTAL EQUITY and LIABILITIES	34,877	34,938
Net Assets Per Share (RM)	0.53	0.51
Net Tangible Assets Per Share (RM)	0.53	0.51

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2009 and the accompanying explanatory notes attached to the Interim Financial Statements)



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**UNAUDITED 3RD QUARTER REPORT ON CONSOLIDATED RESULTS
 FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2010**

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Company			Total Equity RM'000
	<----- Non-Distributable ----->			
9-MONTH PERIOD ENDED 30 SEPTEMBER 2010	Share Capital RM'000	Non-Distributable Reserve RM'000	Accumulated Losses RM'000	
Balance as at 1 January 2010	58,726	232	(28,948)	30,010
Total Comprehensive Income for the period	-	1	1,302	1,303
Balance as at 30 SEPTEMBER 2010	58,726	233	(27,646)	31,313
9-MONTH PERIOD ENDED 30 SEPTEMBER 2009				
Balance as at 1 January 2009	58,726	315	(20,646)	38,395
Total Comprehensive Income for the period	-	(96)	(2,213)	(2,213)
Balance as at 30 SEPTEMBER 2009	58,726	219	(22,859)	36,182

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2009 and the accompanying explanatory notes attached to the Interim Financial Statements)



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**UNAUDITED 3RD QUARTER REPORT ON CONSOLIDATED RESULTS
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CONDENSED CONSOLIDATED CASHFLOW STATEMENT

	Current year-to-date ended 30.09.2010 (RM'000)	Corresponding year-to-date ended 30.09.2009 (RM'000)
CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES		
Profit / (Loss) before tax	1,618	(1,870)
Adjustment for :		
Amortisation and depreciation of property, plant and equipment	820	2,096
Non-cash items	(2,643)	(746)
Operating Profit / (Loss) Before Working Capital Changes	(205)	(520)
Changes in working capital :		
Net change in current assets	(4,159)	868
Net change in current liabilities	(60)	(3,915)
Net Cash From / (Used In) Operations	(4,424)	(3,567)
Net income tax paid	35	(249)
Interest paid	(51)	(174)
Net Cash Generated From / (Used In) Operating Activities	(4,440)	(3,990)
CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES		
Other investment	10,000	7,435
Net Cash Generated From / (Used In) Investing Activities	10,000	7,435
CASH FLOW (USED IN) / FROM FINANCING ACTIVITIES		
Repayment of borrowings, net	(1,495)	(626)
Net Cash Generated (Used In) / From Financing Activities	(1,495)	(626)
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,065	2,819
EFFECT OF EXCHANGE RATE CHANGES	-	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	6,529	1,752
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	10,594	4,571
CASH AND CASH EQUIVALENTS CARRIED FORWARD CONSIST OF:		
Cash and Bank Balances	10,594	4,614
Fixed Deposits with Licensed Banks	-	-
Less: Bank Overdraft	-	(43)
	10,594	4,571

(The Condensed Consolidated Cashflow Statements should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2009 and the accompanying explanatory notes attached to the Interim Financial Statements)



FUTUTECH BERHAD (122592-U)
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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2010**

INFORMATION REQUIRED BY FINANCIAL REPORTING STANDARD (FRS) 134

A1. Basis of Preparation

The quarterly consolidated financial statements have been prepared by applying accounting policies and method of computation consistent with those used in the preparation of the audited financial statements of the Group and are in accordance with FRS 134, Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective 1 January 2010 as disclosed below:

FRSs, Amendment to FRSs and Interpretations	Effective for financial year beginning on or after
FRS 4: Insurance Contracts	1 January 2010
FRS 7: Financial Instruments: Disclosures	1 January 2010
FRS 8: Operating Segments	1 July 2009
FRS 101: Presentation of Financial Statements (Revised 2009)	1 January 2010
FRS 123 : Borrowing Costs (Revised 2009)	1 January 2010
FRS 139: Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1: First-time Adoption of Financial Reporting Standards and FRS 127: Consolidated and Separate Financial Statements: Costs of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 2: Share-based Payment - Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 132: Financial Instruments: Presentation	1 January 2010
Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures, and IC Interpretation 9: Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 9: Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10: Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11: FRS 2 - Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13: Customer Loyalty Programmes	1 January 2010
IC Interpretation 14: FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interpretation	1 January 2010
TR i – 3: Presentation of Financial Statements of Islamic Financial Institutions	1 January 2010
Improvements to FRSs (2009)	1 January 2010



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

A1. Basis of Preparation (Cont'd)

The adoption of the above pronouncements does not have significant impact to the Group, except as described below:

(b) FRS 101 (revised): Presentation of Financial Statement

The Group applies FRS 101 (revised) which became effective as of 1 January 2010. Pursuant to the revised standard, the Group presents all non-owner changes in equity separately in the consolidated statement of comprehensive income.

Comparative information has also been re-presented in conformity with the revised standard.

A2. Audit Report

The audited financial statements of the Company for the preceding financial year ended 31 December 2009 were not subject to any qualification.

A3. Seasonal or Cyclical Factors

The principal business operations of the Group are not significantly affected by any seasonal or cyclical factors.

A4. Unusual Items

There were no unusual items during the current financial quarter affecting the assets, liabilities, equity, net income or cashflow of the Group.

A5. Changes in Estimates

There were no estimation of amount used in the previous interim reports having a material impact in the current interim report.

A6. Debt and Equity Securities

There were no other issuance or repayment of any debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year-to-date.

A7. Dividends Paid

No dividend has been paid during the current financial year-to-date.



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

A8. Segmental Information

The Group's operations are substantially in the manufacturing sector. The following analysis of activities are based on geographical basis.

	Quarter ended 30.09.2010 (RM'000)	Year-to-date ended 30.09.2010 (RM'000)
Segment Revenue		
-- Malaysia	3,658	10,398
-- Other Countries	-	-
	3,658	10,398
Elimination of Inter-Segment Sales	(79)	(1,068)
Group Revenue	3,579	9,330
Segment Results		
-- Malaysia	3,658	10,398
-- Other Countries	-	-
	3,658	10,398
Elimination	-	-
Profit/(Loss) from Operations	3,658	10,398

A9. Subsequent Material Events

There were no material events in the interval between the end of the current financial quarter and 25 November 2010 other than disclosed in Note A12.

A10. Changes in Composition of the Group

There were no material effect of changes in the composition of the Group during the current financial year under review.

A11. Changes in Contingent Liabilities or Contingent Assets

As at 30 September 2010, the Company has given corporate guarantees amounting to RM350,000 (as at 31 December 2009 : RM1.8 million) to financial institutions for credit facilities granted to certain subsidiary companies.

A12. Capital Commitments

As at 30 September 2010 the Group has no material capital commitments.



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

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Performance

Qtr 3 '10 vs Qtr 3 '09

Total sales achieved by the Group in Q.3 2010 were RM3.58 million with the initial billings being registered by the Group's construction management division. By comparison, sales of RM4.80 million were registered in the corresponding quarter of 2009. After the downsizing of the Group in the second half of year 2010 which resulted in the significant decline of overall costs and the cessation of its point of sale business, sales for lighting and kitchen had also declined proportionately against the availability of resources in the Group.

YTD Sept, 2010 vs YTD Sept, 2009

The Group recorded lower revenue of RM9.33 million for the current year-to-date ("YTD") September 2010 as compared to RM 13.83 million for YTD September 2009 as the Group's manufacturing operations and products were rationalized as part of the overall Group restructuring exercise in 2010 to reduce costs going forward.

Loss before tax for Q.3 2010 was RM488 thousand whilst YTD September 2010 achieved a profit before tax of RM1.62 million. By comparison, previous year's loss before tax for Q.3 2009 and YTD 2009 were RM1.38 million and RM1.87 million respectively. The improved results were mainly due to the costs cutting measures undertaken in the restructuring exercise in 2010 and the realizable capital gain from the disposal of the Group's Puchong factory in the first half of 2010.

B2. Comparison of Profit Before Taxation for the Current Quarter with Immediate Preceding Quarter

	Current Quarter ended 30.09.2010 (RM'000)	Preceding Quarter ended 30.06.2010 (RM'000)
Revenue	3,579	2,138
Consolidated Profit / (Loss) Before Tax	(488)	2,354

The current quarter saw a higher turnover against its immediate preceding quarter as the Group's construction management division began its initial billings from an awarded project. Loss before tax of RM488 thousand in the current quarter was registered as lighting and kitchen sales collectively declined by about 25% as compared to its immediate preceding quarter which recorded a profit before tax of RM2.354 million. The latter result was primarily due to a "once-off" realizable capital gain from the sale of a factory in the Group in the first half of 2010 which was part of the overall rationalization and restructuring exercise.



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

B3. Prospects

As manufacturing sales face more challenges in the local and export markets, the Group believes that the current year performance of the Company would be impacted. However, its extension or diversification into project based construction related business will enable it to achieve more positive results going forward.

B4. Profit Forecast

Not applicable as no profit forecast was published.

B5. Taxation

	Quarter ended 30.09.2010 (RM'000)	Year-to-Date ended 30.09.2010 (RM'000)
Current Taxation	111	316

Although the Group recorded a loss, taxation was incurred as certain expenses are disallowed for tax purposes and losses recorded by certain subsidiaries are not allowed to be set-off against taxable profits of other subsidiaries as group tax relief is not available.

B6. Profit on Sale of Unquoted Investments and/or Properties

Advance Industries Sdn Bhd, a wholly owned subsidiary of Fututech Berhad, entered into a conditional sale and purchase agreement on 21.10.2009 with one Lau Boon Liang and one Cheng Pei Pei to dispose of a piece of land held under its Geran 54070, Lot 2, Pekan Puchong Perdana, Daerah Petaling, Negeri Selangor together with a single storey factory building with an annexed double-storey office building erected thereon and certain fixtures and fittings for a total cash consideration of RM10.0 million. The approval of the shareholders of Fututech was obtained in the Extraordinary General Meeting held on 29 December 2009. The transaction was completed in second quarter 2010. The Group realised a gain of approximately RM2.7 million from the disposal. Proceeds from the disposal will be used to repay borrowings and as working capital for the Group.



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

B7. Quoted Securities

Investments in quoted securities as at 30 September 2010 are as follows :-

	RM
At cost	19,800
At carrying value	2,310
At market value	2,310

B8 Group Borrowings and Debt Securities

	As at 30.06.2010 (RM'000)
a) Secured borrowings	350
Unsecured borrowings	-
	350
b) Short term	
- hire purchase creditors	350
- term loans	-
	350
Long term	
- hire purchase creditors	-
- term loans	-
	-
Total Borrowings	350

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

B9. Off Balance Sheet Financial Instruments

There are no financial instruments with off balance sheet risk as at 25 November 2010

B10. Material Litigation

There is no pending material litigation as at 25 November 2010

B11. Dividends

No interim dividend has been declared for the current financial quarter under review.

B12. Earnings Per Share

	Quarter Ended		Year-to-Date Ended	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
Earnings				
Profit / (Loss) attributable to equity holders of the Company (RM'000)	(599)	(1,465)	1,302	(2,213)
a) Basic				
Issued ordinary shares at the beginning of the period ('000)	58,726	58,726	58,726	58,726
Effect of shares issued ('000)	-	-	-	-
Weighted average number of ordinary shares ('000)	58,726	58,726	58,726	58,726
Basic Profit/(losses) per share attributable to equity holders of the parent (Sen)	(1.02)	(2.49)	2.22	(3.77)
b) Diluted				
Weighted average number of ordinary shares ('000)	N/A*	N/A*	N/A*	N/A*
Effect of share options ('000)	N/A*	N/A*	N/A*	N/A*
Weighted average number of ordinary shares (diluted) ('000)	N/A*	N/A*	N/A*	N/A*
Fully diluted earnings / (losses) per share attributable to equity holders of the parent (Sen)	N/A*	N/A*	N/A*	N/A*

*

Fully diluted EPS is not calculated as the impact is anti-dilutive