

**UNAUDITED 4th QUARTER REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2010**

CONDENSED CONSOLIDATED INCOME STATEMENT

	Individual Period		Cumulative Period	
	Current quarter ended 31.12.2010 (RM'000)	Corresponding quarter ended 31.12.2009 (RM'000)	Current year-to-date ended 31.12.2010 (RM'000)	Corresponding year-to-date ended 31.12.2009 (RM'000)
1 Revenue	8,604	4,720	17,934	18,550
2 Cost of sales	(8,661)	(3,718)	(16,360)	(16,226)
3 Gross profit	(57)	1,002	1,574	2,324
4 Other income	705	(294)	2,972	1,261
5 Other expenses	(4,350)	(7,238)	(6,579)	(11,811)
6 Profit / (Loss) from operations	(3,702)	(6,530)	(2,033)	(8,226)
7 Finance cost, net	(3)	(41)	(54)	(215)
8 Profit / (Loss) before tax	(3,705)	(6,571)	(2,087)	(8,441)
9 Taxation	47	(135)	(269)	(478)
10 Profit / (Loss) for the period	(3,658)	(6,706)	(2,356)	(8,919)
Attributable to :				
Equity holders of the parent	(3,658)	(6,706)	(2,356)	(8,919)
Minority Interest	-	-	-	-
	(3,658)	(6,706)	(2,356)	(8,919)
11 Profit / (Losses) per share attributable to equity holders of the parent:				
(i) Basic - based on ordinary shares (sen)	(6.23)	(11.42)	(4.01)	(15.19)
(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)



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

**UNAUDITED 4TH QUARTER REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2010**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Period		Cumulative Period	
	Current quarter ended 31.12.2010 (RM'000)	Corresponding quarter ended 31.12.2009 (RM'000)	Current year-to-date ended 31.12.2010 (RM'000)	Corresponding year-to-date ended 31.12.2009 (RM'000)
1 Profit / (Loss) for the period	(3,658)	(6,706)	(2,356)	(8,919)
2 Currency translation differences	(60)	(3)	(56)	(96)
3 Total comprehensive income for the period	<u>(3,718)</u>	<u>(6,709)</u>	<u>(2,412)</u>	<u>(9,015)</u>
Attributable to :				
Equity holders of the parent	(3,718)	(6,709)	(2,412)	(9,015)
Minority Interest	-	-	-	-
	<u>(3,718)</u>	<u>(6,709)</u>	<u>(2,412)</u>	<u>(9,015)</u>

(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)



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**UNAUDITED 4TH QUARTER REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2010**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(UNAUDITED) As at 31.12.2010 (RM'000)	(AUDITED) As at 31.12.2009 (RM'000)
NON CURRENT ASSETS		
Property, Plant and Equipment	8,331	10,185
Prepaid Land Lease Payments	903	917
Other Investments	54	71
Other Intangible Assets	-	-
	9,288	11,173
Current Assets		
Inventories	1,944	2,917
Trade Debtors	9,664	5,731
Other Debtors, Deposits and Prepayments	9,359	1,473
Cash and Bank Balances	5,055	6,529
	26,022	16,650
Non-Current Assets Held for Sale	-	7,115
	26,022	23,765
TOTAL ASSETS	35,310	34,938
EQUITY and LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share Capital	58,726	58,726
Reserves		
Others	176	232
Accumulated Losses	(31,303)	(28,948)
	27,599	30,010
Minority Interest	-	-
Total Equity	27,599	30,010
Non-Current Liabilities		
Long Term Borrowings	-	958
Deferred Taxation	11	-
	11	958
Current Liabilities		
Trade Payables	931	911
Other Payables	6,361	2,094
Short Term Borrowings	215	886
Provision for Taxation	193	79
	7,700	3,970
Total Liabilities	7,711	4,928
TOTAL EQUITY and LIABILITIES	35,310	34,938
Net Assets Per Share (RM)	0.47	0.51
Net Tangible Assets Per Share (RM)	0.47	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 4TH QUARTER REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2010**

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Company			Total Equity RM'000
	<----- Non-Distributable ----->			
12-MONTH PERIOD ENDED 31 DECEMBER 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	-	(56)	(2,355)	(2,411)
Balance as at 31 DECEMBER 2010	58,726	176	(31,303)	27,599
12-MONTH PERIOD ENDED 31 DECEMBER 2009				
Balance as at 1 January 2009	58,726	315	(20,646)	38,395
Total Comprehensive Income for the period	-	(83)	(8,302)	(8,385)
Balance as at 31 DECEMBER 2009	58,726	232	(28,948)	30,010

(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 4th QUARTER REPORT ON CONSOLIDATED RESULTS
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CONDENSED CONSOLIDATED CASHFLOW STATEMENT

	Current year-to-date ended 31.12.2010 (RM'000)	Corresponding year-to-date ended 31.12.2009 (RM'000)
CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES		
Profit / (Loss) before tax	(2,355)	(8,303)
Adjustment for :		
Amortisation and depreciation of property, plant and equipment	1,077	2,717
Non-cash items	(1,821)	5,354
Operating Profit / (Loss) Before Working Capital Changes	(3,099)	(232)
Changes in working capital :		
Net change in current assets	(10,712)	2,459
Net change in current liabilities	4,097	(3,586)
Net Cash From / (Used In) Operations	(9,714)	(1,359)
Net income tax paid	(54)	(214)
Interest paid	(21)	(181)
Net Cash Generated From / (Used In) Operating Activities	(9,789)	(1,754)
CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES		
Other investment	10,000	7,454
Net Cash Generated From / (Used In) Investing Activities	10,000	7,454
CASH FLOW (USED IN) / FROM FINANCING ACTIVITIES		
Repayment of borrowings, net	(1,629)	(838)
Net Cash Generated (Used In) / From Financing Activities	(1,629)	(838)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(1,418)	4,862
EFFECT OF EXCHANGE RATE CHANGES	(56)	(84)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	6,529	1,752
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	5,055	6,530
CASH AND CASH EQUIVALENTS CARRIED FORWARD CONSIST OF:		
Cash and Bank Balances	5,055	6,529
Fixed Deposits with Licensed Banks	-	-
Less: Bank Overdraft	-	-
	5,055	6,529

(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)



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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE 4th QUARTER ENDED
31 December 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 4th QUARTER ENDED
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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 4th QUARTER ENDED
31 December 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 31.12.2010 (RM'000)	Year-to-date ended 31.12.2010 (RM'000)
Segment Revenue		
-- Malaysia	8,604	17,933
-- Other Countries	-	-
	8,604	17,933
Elimination of Inter-Segment Sales	-	-
Group Revenue	8,604	17,933
Segment Results		
-- Malaysia	(3,658)	(2,356)
-- Other Countries	-	-
	(3,658)	(2,356)
Elimination	-	-
Profit/(Loss) from Operations	(3,658)	(2,356)

A9. Subsequent Material Events

There were no material events in the interval between the end of the current financial quarter and 28 February 2011 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 31 December 2010, the Company has given corporate guarantees amounting to RM1.8 million for credit facilities granted to certain subsidiary companies.

A12. Capital Commitments

As at 31 December 2010 the Group has no material capital commitments.



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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE 4th QUARTER ENDED
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ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Performance

The Group recorded a turnover of RM8.60 million in Q.4 2010 as compared to a turnover of RM4.72 million in the same corresponding quarter of 2009. The significant improvement was mainly derived from the increased billings of the construction management division in the current quarter as delivery of progress works escalated.

For the current year-to-date ("YTD") 2010, the Group achieved total revenue of RM17.93 million as compared to RM18.55 million (YTD 2009). With the Group's lighting and kitchen divisions registering lower sales in 2010, the Group's entry into the construction management business mitigated the sales decline and contributed positively to its turnover in 2010.

Loss before tax in Q.4 2010 and YTD 2010 was RM3.70 million and RM2.09 million respectively. By comparison, loss before tax for Q.4 2009 and YTD 2009 were RM6.53 million and RM8.30 million (audited) respectively. Although certain main provisions, amongst others, were made for the year on impairment of engineering equipment (RM0.78 million), stocks (RM0.81million) and legal costs (RM0.63million), the Group managed to improve its overall annual results from the positive contribution of the Group's new construction management business and the gain from the disposal of a land & building of a subsidiary in 2010.

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

	Current Quarter ended 31.12.2010 (RM'000)	Preceding Quarter ended 30.09.2010 (RM'000)
Revenue	8,604	3,579
Consolidated Profit / (Loss) Before Tax	(3,705)	(488)

Revenue for the current quarter was RM8.60 million compared to RM3.58 million recorded in the immediate preceding quarter. Whilst manufacturing revenues declined in the current quarter, the Group's construction management business contributed more than 50% of its current quarter's turnover as progress billings increased. Nevertheless, the Group's result was impacted by certain main provisions made in its manufacturing business.



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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE 4th QUARTER ENDED
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B3. Prospects

With the construction and property sector envisaged to remain positive in view of the various initiatives under the Government's Economic Transformation Program, the Group believes that its move into the construction management business is expected to yield encouraging results for 2011.

B4. Profit Forecast

Not applicable as no profit forecast was published.

B5. Taxation

	Quarter ended 31.12.2010 (RM'000)	Year-to-Date ended 31.12.2010 (RM'000)
Current Taxation	47	269

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.



**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE 4th QUARTER ENDED
31 December 2010**

B6. Quoted Securities

Investments in quoted securities as at 31 December 2010 are as follows :-

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

B7 Group Borrowings and Debt Securities

	As at 31.12.2010 (RM'000)
a) Secured borrowings	218
Unsecured borrowings	-
	218
b) Short term	
- hire purchase creditors	218
- term loans	-
	218
Long term	
- hire purchase creditors	-
- term loans	-
	-
Total Borrowings	218

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE 4th QUARTER ENDED
31 December 2010

B9. Off Balance Sheet Financial Instruments

There are no financial instruments with off balance sheet risk as at 28 February 2011

B10. Material Litigation

There is no pending material litigation as at 28 February 2011

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	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Earnings				
Profit / (Loss) attributable to equity holders of the Company (RM'000)	(3,658)	(6,706)	(2,356)	(8,919)
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)	(6.23)	(11.42)	(4.01)	(15.19)
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



NOTES TO THE INTERIM FINANCIAL REPORT FOR THE 4th QUARTER ENDED
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B13 Realised and Unrealised Profit / Losses Disclosure

On 25 March 2010, Bursa Malaysia Securities Berhad ("Bursa Securities") had issued directives to all listed issuers pursuant to Paragraph 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose a breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into unrealised profits or losses.

Bursa Securities, had on 20 December 2010 further issued guidance on the disclosure and the prescribed format of presentation.

Pursuant to the directives issued, the disclosure of the Group's realised and unrealised profit / losses is as follows:

	As at Financial Year ended 31/12/2010 RM
Total Accumulated Losses of the Company and its subsidiaries	
- Realised	94,619,641
- Unrealised	1,083,304
Share of Accumulated losses from associate companies	
- Realised	-
- Unrealised	-
Share of retained profit from jointly controlled entity	
- Realised	-
- Unrealised	-
	<hr/>
	95,702,945
Less: Consolidated Adjustment	64,400,087
Total Group Accumulated Losses as per consolidated accounts	<hr/> <u>31,302,858</u>

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No.1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements", issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profit is solely for the purpose of complying with the disclosure requirements stipulated in the directives of Bursa Securities and not to be applied for any other purposes.