

FOCUS DYNAMICS TECHNOLOGIES BERHAD (Company No: 582924-P)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
AND QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE QUARTER ENDED 31 JULY 2011
THE FIGURES HAVE NOT BEEN AUDITED

		INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER (RESTATED)	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD (RESTATED)
	Note	31/07/2011	31/07/2010	31/07/2011	31/07/2010
		RM	RM	RM	RM
CONTINUING OPERATIONS					
REVENUE	A9	1,658,102	1,982,804	6,573,726	12,047,985
COST OF SALES		<u>(1,346,631)</u>	<u>(1,767,250)</u>	<u>(5,132,158)</u>	<u>(9,914,183)</u>
GROSS PROFIT		311,471	215,554	1,441,568	2,133,802
OTHER INCOME		93,689	158,047	107,495	899,395
OPERATING EXPENSES		<u>(3,160,831)</u>	<u>(1,271,655)</u>	<u>(4,456,591)</u>	<u>(3,855,130)</u>
LOSS FROM OPERATIONS		(2,755,671)	(898,054)	(2,907,528)	(821,933)
INTEREST INCOME		2,666	-	2,666	-
INTEREST EXPENSES		(84,284)	(26,349)	(321,846)	(229,560)
GAIN TO GROUP ON DISPOSAL OF ASSOCIATED COMPANY		1	-	1	-
LOSS TO GROUP ON DISPOSAL OF SUBSIDIARIES		-	-	-	(25,502)
SHARE OF RESULTS OF ASSOCIATED COMPANIES		<u>(535)</u>	<u>1,867</u>	<u>(25,866)</u>	<u>(154,148)</u>
LOSS BEFORE TAX		(2,837,823)	(922,536)	(3,252,573)	(1,231,143)
INCOME TAX EXPENSE	B5	<u>-</u>	<u>47,000</u>	<u>(1,684)</u>	<u>6,602</u>
LOSS FOR THE PERIOD		(2,837,823)	(875,536)	(3,254,257)	(1,224,541)
OTHER COMPREHENSIVE INCOME					
EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN OPERATIONS		-	(16,659)	-	(16,659)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		<u>(2,837,823)</u>	<u>(892,195)</u>	<u>(3,254,257)</u>	<u>(1,241,200)</u>
LOSS FOR THE PERIOD ATTRIBUTABLE TO:					
OWNERS OF THE PARENT		(2,837,823)	(875,536)	(3,254,257)	(1,224,541)
NON-CONTROLLING INTEREST		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>(2,837,823)</u>	<u>(875,536)</u>	<u>(3,254,257)</u>	<u>(1,224,541)</u>
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:					
OWNERS OF THE PARENT		(2,837,823)	(892,195)	(3,254,257)	(1,241,200)
NON-CONTROLLING INTEREST		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>(2,837,823)</u>	<u>(892,195)</u>	<u>(3,254,257)</u>	<u>(1,241,200)</u>
Loss Per Ordinary Share					
- Basic (sen)	B13	(1.75)	(0.72)	(2.00)	(1.00)
- Diluted (sen)		#	(0.72)	#	#

The fully diluted earnings per ordinary share for the Group for the preceding year corresponding quarter is not presented as the warrants would be anti-dilutive.

NOTE:

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 July 2010 and the accompanying explanatory notes to this Interim Financial Statements.

FOCUS DYNAMICS TECHNOLOGIES BERHAD (Company No: 582924-P)
 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AND QUARTERLY REPORT FOR THE QUARTER ENDED 31 JULY 2011
 THE FIGURES HAVE NOT BEEN AUDITED

	AS AT END OF CURRENT QUARTER 31/07/2011 Unaudited RM	AS AT PRECEDING FINANCIAL YEAR ENDED 31/07/2010 Audited RM
ASSETS		
Non-Current Assets		
Property, plant and equipment	7,986,990	7,584,620
Products development expenditure	1,207,522	1,485,564
Goodwill on consolidation	2,209,793	2,209,793
Investment in a associated company	26,873	52,740
Deferred tax assets	-	1,684
	<u>11,431,178</u>	<u>11,334,401</u>
Current Assets		
Inventories	1,411,763	2,121,772
Trade and other receivables	7,477,143	9,097,851
Amount due from associated companies	-	337,444
Tax recoverable	564,901	512,308
Short term deposits	3,001,198	-
Fixed deposits with licenced banks	10,000,000	52,924
Cash and bank balances	983,386	189,473
	<u>23,438,391</u>	<u>12,311,772</u>
TOTAL ASSETS	<u><u>34,869,569</u></u>	<u><u>23,646,173</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share capital	29,153,005	13,504,693
Share premium	1,618,772	2,091,289
Reserve	(3,595,166)	(340,909)
	<u>27,176,611</u>	<u>15,255,073</u>
Non-controlling interest	-	-
Total Equity	<u>27,176,611</u>	<u>15,255,073</u>
Liabilities		
Non-Current Liabilities		
Borrowings	4,862,917	4,988,491
	<u>4,862,917</u>	<u>4,988,491</u>
Current Liabilities		
Trade and other payables	2,574,843	3,016,513
Amount due to associated companies	5,055	48,940
Amount due to directors	73,219	92,423
Borrowings	176,924	244,733
	<u>2,830,041</u>	<u>3,402,609</u>
Total Liabilities	<u>7,692,958</u>	<u>8,391,100</u>
TOTAL EQUITY AND LIABILITIES	<u><u>34,869,569</u></u>	<u><u>23,646,173</u></u>
Number of ordinary shares at RM0.10 sen par each	291,530,044	135,046,925
Net assets per share attributable to ordinary equity holders of the parent (sen)	9.32	11.30

NOTES:

1. The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 July 2010 and the accompanying explanatory notes to this Interim Financial Statements.

2. Net assets per share is derived based on Focus Dynamics Technologies Berhad's consolidated net assets of RM27,176,611 (FYE 31/7/10- RM15,255,073) including products development expenditure over the issued number of ordinary shares of 291,530,044 (FYE 31/7/10 - 135,046,925) of RM0.10 each.

FOCUS DYNAMICS TECHNOLOGIES BERHAD (Company No: 582924-P)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AND QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE QUARTER ENDED 31 JULY 2011
THE FIGURES HAVE NOT BEEN AUDITED

	-----Attributable to Owners of the Parent----->					<-----Distributable----->	Non-Controlling Interest	Total Equity
	Share Capital	Share Premium	Warrant Reserve	Foreign Currency Translation Reserve	Retained Profits/ (Accumulated Losses)			
	RM	RM	RM	RM	RM	RM	RM	RM
Balance at 1 August 2009	10,394,693	1,769,372	574,972	16,659	308,660	13,064,356	46,467	13,110,823
Issue of shares	3,110,000	402,500	-	-	-	3,512,500	-	3,512,500
Share issue expenses	-	(80,583)	-	-	-	(80,583)	-	(80,583)
Total comprehensive loss for the year	-	-	-	(16,659)	(1,224,541)	(1,241,200)	(46,467)	(1,287,667)
Balance at 31 July 2010 (audited)	<u>13,504,693</u>	<u>2,091,289</u>	<u>574,972</u>	<u>-</u>	<u>(915,881)</u>	<u>15,255,073</u>	<u>-</u>	<u>15,255,073</u>
Balance at 1 August 2010	13,504,693	2,091,289	574,972	-	(915,881)	15,255,073	-	15,255,073
Issue of shares	15,648,312	-	-	-	-	15,648,312	-	15,648,312
Share issue expenses	-	(472,517)	-	-	-	(472,517)	-	(472,517)
Total comprehensive loss for the period	-	-	-	-	(3,254,257)	(3,254,257)	-	(3,254,257)
Balance at 31 July 2011	<u>29,153,005</u>	<u>1,618,772</u>	<u>574,972</u>	<u>-</u>	<u>(4,170,138)</u>	<u>27,176,611</u>	<u>-</u>	<u>27,176,611</u>

NOTE:

The Unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 July 2010 and the accompanying explanatory notes to this Interim Financial Statements.

FOCUS DYNAMICS TECHNOLOGIES BERHAD (Company No: 582924-P)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
AND QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE QUARTER ENDED 31 JULY 2011
THE FIGURES HAVE NOT BEEN AUDITED

	CUMULATIVE QUARTERS	
	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD Audited (Note 2)
	31/07/2011 RM	31/07/2010 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	2,849,247	10,887,934
Cash payments to suppliers and employees	(3,327,321)	(10,967,042)
Cash used in operations	<u>(478,074)</u>	<u>(79,108)</u>
Interest received	2,666	10,463
Interest paid	(313,083)	(195,155)
Income taxes refund	11,268	5,000
Income taxes paid	(63,860)	(185,566)
Net cash used in operating activities	<u>(841,083)</u>	<u>(444,366)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(506,181)	(684,723)
Proceeds from disposal of an associated company	1	20,000
Proceeds from disposal of plant and equipment	115,800	159,400
Proceeds from disposal of other investment	-	400,000
Fixed deposits pledged	-	779,547
Uplift of fixed deposits pledged	52,924	-
Disposal of subsidiaries, net of cash	-	(74,994)
Net cash (used in)/generated from investing activities	<u>(337,456)</u>	<u>599,230</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of share issues expenses	(472,517)	(80,583)
Decrease in placement of fixed deposits pledged	-	574,925
Repayments to bankers acceptance	(44,557)	(2,818,362)
HP financing obtained	61,000	-
Payment of hire purchase interest	(8,763)	(7,486)
Repayments of hire purchase liabilities	(58,810)	(286,668)
Repayments to bills payables	-	(1,404,631)
Repayments to term loan	(151,015)	(39,146)
Proceeds from issue of shares	15,648,312	3,512,500
Net cash generated from/(used in) financing activities	<u>14,973,650</u>	<u>(549,451)</u>
Net increase/(decrease) in cash and cash equivalent	13,795,111	(394,587)
Cash and cash equivalent at beginning of year	189,473	584,060
Cash and cash equivalent at end of year	<u>13,984,584</u>	<u>189,473</u>
Cash and cash equivalent comprise:		
Cash in hand and at banks	983,386	189,473
Short term deposits	3,001,198	-
Fixed deposits with licenced banks (unpledged)	10,000,000	-
	<u>13,984,584</u>	<u>189,473</u>

NOTES:

1. The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 July 2010 and the accompanying explanatory notes to this Interim Financial Statements.

2. The Cumulative Quarters for the Preceding Year Corresponding Period to 31 July 2010 are extracted from the audited figures as reported in the Annual Financial Statements for the financial year ended 31 July 2010.

**Focus Dynamics Technologies Berhad (“Focus” or the “Company”)
(Company No: 582924-P)
Interim Financial Reports for the quarter ended 31 July 2011**

A. EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD (“FRS”) 134 INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

- (a) The interim financial statements are unaudited and have been prepared in compliance with FRS 134 Interim Financial Reporting and Appendix 9B of the Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”) for the ACE Market.
- (b) The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 July 2010 except for the following new and revised FRSs, Amendments to FRSs and IC Interpretations:

		Effective for financial periods beginning on or after
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 101	Presentation of Financial Statements	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 139	Financial Instruments: Recognition and Measurement	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 Interaction	1 January 2010
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2010
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 7	Financial Instruments: Disclosures	1 January 2010
Amendments to FRS 8	Operating Segments	1 January 2010
Amendments to FRS 127	Consolidated and Separate Financial Statements: Cost of investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2010
Amendments to FRS 128	Investments in Associates	1 January 2010

A1. Basis of Preparation (Cont'd)

Amendments to FRS 132	Financial Instruments: Presentation	1 January 2010
Amendments to FRS 134	Interim Financial Reporting	1 January 2010
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 12	Service Concession Arrangements	1 July 2010
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combinations (Revised 2010)	1 July 2010
FRS 127	Consolidated and Separate Financial Statements (Revised 2010)	1 July 2010
Amendments to FRS 2	Share-based Payment	1 July 2010
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 138	Intangible Assets	1 July 2010

The principal effects of the changes in presentation, changes in methods of computation and in accounting policies resulting from the adoption of the new and revised FRSs, IC Interpretations and Amendments are set out below:

FRS 101 (revised), Presentation of Financial Statements

Prior to the adoption of the revised FRS 101, the components of the financial statements presented consisted of a balance sheet, an income statement, a statement of changes in equity, a cash flow statement and notes to the financial statements. With the adoption of the revised FRS 101, the components of the interim financial statements presented consist of a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and notes to the financial statements.

The effects of the change in presentation are as follows:

The exchange differences on translation of foreign operations that were recognised directly in equity in the preceding year corresponding period are presented as components in other comprehensive income in the statement of comprehensive income. The total comprehensive income for preceding year corresponding period is presented separately and allocation is made to show the amount attributable to owners of the parent and to non-controlling interest. The effects on the comparatives to the Group on adoption of FRS 101 (revised) are as follows:

A1. Basis of Preparation (Cont'd)

Preceding Year Individual Quarter ended 31 July 2010	Income Statement As previously Reported RM	Effects of adoption FRS 101 (revised) RM	Statement of comprehensive income As restated RM
Loss for the individual quarter	(875,536)	-	(875,536)
Other comprehensive income	-	(16,659)	(16,659)
Total comprehensive loss	-		(892,195)
Total comprehensive loss Attributable to:			
Owners of the Parent	-	-	(892,195)
Non-controlling interest	-	-	-
			(892,195)

Preceding Year Cumulative Quarters ended 31 July 2010	Income Statement As previously Reported RM	Effects of adoption FRS 101 (revised) RM	Statement of comprehensive income As restated RM
Loss for the cumulative quarters	(1,224,541)	-	(1,224,541)
Other comprehensive income	-	(16,659)	(16,659)
Total comprehensive loss	-		(1,241,200)
Total comprehensive loss Attributable to:			
Owners of the Parent	-	-	(1,241,200)
Non-controlling interest	-	-	-
			(1,241,200)

The total comprehensive income for the period is presented as a one-line item in the statement of changes in equity.

FRS 139, Financial Instruments: Recognition and Measurement

Prior to the adoption of FRS 139, financial derivatives were recognised on their settlement dates. Outstanding derivatives at the balance sheet date were not recognised. With the adoption of FRS 139, all financial assets and financial liabilities, including derivatives, are recognised at contract dates when, and only when, the Company or any subsidiary becomes a party to the contractual provisions of the instruments.

In accordance with FRS 139, the recognition, derecognition and measurement are applied prospectively from 1 January 2010. The effects of the remeasurement on 1 January 2010 of the financial assets and financial liabilities brought forward from the previous financial year are adjusted to the opening retained profits and other opening reserves as disclosed in the statement of changes in equity.

The adoption of FRS 139 does not have any significant financial impact on the Group.

A1. Basis of Preparation (Cont'd)

- (c) At the date of authorisation of these interim financial statements, the following Amendments to FRSs, Revised FRSs and IC Interpretations were issued but not yet effective for the Group and have not been applied by the Group:

		Effective for financial periods beginning on or after
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosure for First-time Adopters	1 January 2011
Amendments to FRS 1	Additional Exemption for First-time Adoption Standards	1 January 2011
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 7	Improving Disclosures about Financial Instruments	1 January 2011
IC Interpretation 4	Determining whether an Arrangement contains a Lease	1 January 2011
IC Interpretation 18	Transfers of Assets from Customers	1 January 2011
IC Interpretation 15	Agreements for the Construction of Real Estate	1 January 2012
FRS 124	Related Party Disclosure	1 January 2012

A2. Audit Report of the Preceding Annual Financial Statements

The audit report for the annual financial statements of the Company and its subsidiaries for the financial year ended 31 July 2010 were not subject to any qualification.

A3. Seasonality or Cyclicity of Operations

The Group's business operational results were not materially affected by any major seasonal or cyclical factors.

A4. Unusual Items affecting Assets, Liabilities, Equity, Net Income or Cash Flows

During the current quarter under review, there were no items or events that arose, which affected the assets, liabilities, equity, net income or cash flows, to the effect that is unusual nature, size or incidence.

A5. Material Changes in Estimates

There were no changes in estimates of amounts reported that have material effect on the results for the current quarter under review.

A6. Issuances, Cancellations, Repurchase, Resale and Repayments of Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities during the current quarter under review.

A7. Valuation of Property, Plant and Equipment

There were no changes in the valuation of the property, plant and equipment reported in the previous audited financial statements that will have effect in the current quarter under review.

A8. Dividend

No dividend has been declared or paid by the Company during the current quarter under review.

A9. Segmental Information

The Company is principally an investment holding company. The subsidiaries are principally engaged in the manufacturing, marketing, distribution and sale of industrial instruments for the control of industrial machines and process, research and development of variable speed drive, providing a range of support services covering project management services, maintenance support, engineering conceptualisation, system audit, energy saving services and other related support services.

Business segments in revenue and results of the Company and its subsidiaries ("Group") for the current quarter and current year to date for 31 July 2011 are as follows:

	Current Quarter 31/07/2011 RM'000	Current Year To Date 31/07/2011 RM'000
Business Segments		
Energy efficiency system	-	534
Manufacturing	32	272
Project	1,355	4,543
Trading	271	1,225
Total revenue	<u>1,658</u>	<u>6,574</u>

A9. Segmental Information (Cont'd)

A breakdown of business segments in total assets of the Group is as follows:

	As at end of current quarter 31/07/2011 RM'000	As at preceding financial year ended 31/07/2010 RM'000
Total assets		
Manufacturing	5,687	7,795
Trading and engineering services	12,371	12,832
Others	16,812	3,019
Total assets	34,870	23,646

A breakdown of business segments in total liabilities of the Group is as follows:

	As at end of current quarter 31/07/2011 RM'000	As at preceding financial year ended 31/07/2010 RM'000
Total liabilities		
Manufacturing	624	258
Trading and engineering services	933	1,727
Others	6,136	6,406
Total liabilities	7,693	8,391

Segmental revenue and results in geographical areas of the Company and its subsidiaries ("Group") for the current quarter and current year to date for 31 July 2011 are as follows:

	Current Quarter 31/07/2011 RM'000	Current Year To Date 31/07/2011 RM'000
Segment Revenue		
Domestic	1,421	5,400
Export	237	1,174
Total revenue	1,658	6,574
Segment Results		
Domestic	(2,797)	(3,100)
Export	41	192
	(2,756)	(2,908)
Interest income	3	3
Interest expenses	(84)	(321)
Share of results of associated company	(1)	(26)
Taxation	-	(2)
Non-controlling interest	-	-
	(2,838)	(3,254)

A9. Segmental Information (Cont'd)

A breakdown of segmental total assets in geographical areas of the Group is as follows:

	As at end of current quarter 31/07/2011 RM'000	As at preceding financial year ended 31/07/2010 RM'000
Total assets		
Domestic	34,870	23,646
Export	-	-
Total assets	<u>34,870</u>	<u>23,646</u>

A10. Material Events Subsequent to the End of the Interim Reporting Period

There were no material events subsequent to the current financial quarter ended 31 July 2011 and up to the date of this report, which is likely to substantially affect the results of the operations of the Company, which have not been announced.

A11. Changes in the Composition of the Group

Save as disclosed below, there are no changes in the composition of the Group during the quarter under review.

DPC Industrial Systems Sdn. Bhd. had on 29 July 2011 disposed of its 49% owned associated company, Focus Dynamics Power Sdn. Bhd., a company incorporated in Malaysia.

A12. Contingent Liabilities

There were no material contingent liabilities as at 31 July 2011 and up to the date of this report.

A13. Capital Commitments

There are no material capital commitments as at 31 July 2011 and up to the date of this report.

**Focus Dynamics Technologies Berhad (“Focus” or the “Company”)
(Company No: 582924-P)
Interim Financial Reports for the quarter ended 31 July 2011**

B. ADDITIONAL INFORMATION REQUIRED BY “BURSA SECURITIES”

B1. Review of Performance

For the cumulative 4 quarters ended 31 July 2011, the Group recorded a total revenue of RM6.57 million, as compared to RM12.05 million for the financial year ended 31 July 2010, a decrease of 45.44%. The Group posted a loss before taxation of RM3.25 million for the cumulative 4 quarters ended 31 July 2011 as compared to a loss before taxation of RM1.23 million for the corresponding period in the preceding year. The decrease in revenue and increase in loss before taxation is due to declining contribution from energy efficient application system segment, impairment of trade receivables and higher finance cost.

For the current quarter ended 31 July 2011, the Group recorded a total revenue of RM1.66 million, as compared to RM1.98 million in the preceding year's corresponding quarter, a decrease of 16.38%. The decrease in revenue was primarily due to lesser uptake of energy efficiency application system.

The Group recorded a loss before taxation of RM2.84 million for the current quarter as compared to a loss before taxation of RM0.92 million in the preceding year's corresponding quarter, mainly due to impairment of trade receivables.

B2. Comparison of Current Quarter Results with the Preceding Quarter

	Quarter ended 31 July 2011 RM'000	Quarter ended 30 April 2011 RM'000
Revenue	1,658	1,674
Loss before taxation	(2,838)	(116)

For the three months period ended 31 July 2011, the Group recorded a revenue of RM1.66 million, representing a decrease of 0.93% compared to the quarter ended 30 April 2011. The decrease in revenue was primarily due to decrease in trading activities.

The Group posted a loss before taxation of RM2.84 million for the current quarter as compared to a loss before taxation of RM0.12 million in the preceding quarter, mainly due to impairment of trade receivables.

B3. Current Year Prospects

The Board of Directors is of the view that the Group will continue to operate in competitive environment. The Board of Directors is taking necessary measures and evaluating the Group's overall business strategy to enhance the prospect of the Group going forward.

B4. Variance on Profit Forecast, Profit Guarantee and Internal Targets

The Group has not provided any profit forecast, profit guarantee or internal targets in a public document or any announcement.

B5. Taxation

	Current Quarter 31/07/2011 RM'000	Current Year To Date 31/07/2011 RM'000
Deferred tax expense		
- current quarter	-	(2)
	<hr/>	<hr/>
	-	(2)

There was no corporate taxation charge for the Group for the current period ended 31 July 2011 due to losses incurred by the Group other than one of the wholly owned subsidiaries, DPC Industrial Systems Sdn. Bhd. DPC Industrial Systems Sdn. Bhd. that has been granted Pioneer Status under the Promotion of Investments Act, 1986, which allows it to enjoy tax relief during the pioneer period from 21 January 2008 to 20 January 2013.

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

There was no disposal of unquoted investment or properties during the financial quarter under review and financial year-to-date.

B7. Purchase and Disposal of Quoted Securities

There was no purchase or disposal of quoted securities during the financial quarter under review and financial year-to-date.

B8. Status of Corporate Proposals

The Company has announced on 29 September 2011 on the proposed change of year end from 31 July 2011 to 31 December 2011.

B9. Group Borrowings and Debt Securities

Particulars of the Group's borrowings as at 31 July 2011 are as follows:

		RM'000
Short term borrowing		
Term loan	- secured	148
Hire purchase	- unsecured	29
		<u>177</u>
Long term borrowings		
Term loan	- secured	4,809
Hire purchase	- unsecured	54
		<u>4,863</u>
Total Borrowings		<u>5,040</u>

The Group does not have any foreign borrowings as at the date of this report.

B10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report.

B11. Material Litigation

As at 30 September 2011, the Group is not involved in any litigation, either as plaintiff or defendant, which has a material effect on the financial position and the Directors have no knowledge of any proceedings pending or threatened or any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business.

B12. Dividend

No dividend has been declared or paid during the current quarter under review and financial year-to-date.

B13. Earnings Per Share

The earnings per share for the current quarter and current year-to-date is calculated by dividing the net loss attributable to owners of the parent of RM2,837,823 and RM3,254,257, by the weighted average number of shares in issue of 162,516,816 Focus shares.

	Current quarter 31/07/2011	Preceding year corresponding quarter 31/07/2010	Current year to-date 31/07/2011	Preceding year corresponding period 31/07/2010
Net loss (RM)	(2,837,823)	(875,536)	(3,254,257)	(1,224,541)
Weighted average no. of ordinary shares in issue	162,516,816	123,168,843	162,516,816	123,168,843
Basic Loss per Ordinary Share (sen)	(1.75)	(0.72)	(2.00)	(1.00)
Diluted Loss per Ordinary Share (sen)	#	(0.72)	#	#

The fully diluted earnings per ordinary share for the Group for the preceding year corresponding quarter is not presented as the warrants would be anti-dilutive.

B14. (a) Utilisation of Private Placement Proceeds

The status of the utilisation of the proceeds raised from the private placement exercise ("Private Placement") of 11,894,600 Focus shares at the placement price of RM0.10 per share amounting to RM1,189,460 as at 30 September 2011 is as follows:

Purpose	Proposed Utilisation	Actual Utilisation	Intended Time Frame for Utilisation	Deviation Amount		Explanation
	RM'000	RM'000		RM'000	%	
Working Capital	1,089	1,113	-	-	-	-
Private Placement expenses	100	76	-	-	-	-

Note: * The variation in the actual private placement expenses from the estimated amount has been utilised for working capital.

B14. (b) Utilisation of Rights Issue Proceeds

The status of the utilisation of the proceeds raised from the rights issue of 144,588,519 at price of RM0.10 per share amounting to RM14,458,852 as at 30 September 2011 is as follows:

Purpose	Proposed Utilisation	Actual Utilisation	Intended Time Frame for Utilisation	Deviation Amount		Explanation
	RM'000	RM'000		RM'000	%	
Repayment of bank borrowings	5,000	-	*	5,000	100	Pending finalisation of settlement terms.
Working capital	9,059	150	*	8,909	98	-
To defray expenses relating to the Rights Issue with Warrants	400	397	**	3	1	-

Note: * The above proceed is expected to be utilised within twelve (12) months from 10 June 2011 i.e. the completion of date of the Rights Issue.

** The above proceed is expected to be utilised within two (2) months from 10 June 2011 i.e. the completion of date of the Rights Issue.

B15. Realised and Unrealised Profits/Losses Disclosure

	As at end of current quarter 31/07/2011 RM'000	As at preceding financial year ended 31/07/2010 RM'000
Total accumulated losses of Focus and its subsidiaries:		Note: Comparative figures are not required in the first financial year of complying with the Realised and Unrealised Profits/Losses Disclosures.
- Realised	(4,142)	
- Unrealised	(2)	
Total share of accumulated losses from associated companies:		
- Realised	-	
- Unrealised	(26)	
Total group accumulated losses as per consolidated accounts	(4,170)	