

**FURQAN BUSINESS ORGANISATION BERHAD ("FBO")
INTERIM REPORT FOR THE PERIOD ENDED 31 DECEMBER 2010**

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION

	As at 31-Dec-2010 RM	As at 31-Dec-2009 RM
	Unaudited	Audited
ASSETS		
Non-Current Assets		
Property, plant and equipment	16,682,677	17,655,861
Investment properties	83,607,000	84,712,000
Prepaid land lease payments	7,291,708	7,387,549
Investment in associate	376,811	183,735
Other investments	457,801	3,775,953
Land held for development	2,000,000	2,000,000
Lease and hire-purchase receivables	833	12,500,000
Goodwill arising on consolidation	2,705,712	2,705,712
Total Non-Current Assets	113,122,542	130,920,810
Current Assets		
Property development expenditure	20,906,511	12,085,881
Inventories	5,406,853	7,332,175
Lease and hire-purchase receivables	25,406,460	8,218,424
Trade and other receivables	12,872,192	27,391,423
Tax recoverable	790,823	629,517
Deposits placed with licensed banks	3,368,474	6,536,865
Cash and bank balances	4,913,618	3,716,391
Total Current Assets	73,664,931	65,910,676
Non-current assets held for sale	154,325,206	179,586,406
Assets of disposal group	6,752,555	-
	234,742,692	245,497,082
TOTAL ASSETS	347,865,234	376,417,892
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	111,667,288	111,667,288
Reserves	33,774,660	26,451,278
Total Equity	145,441,948	138,118,566
Non-Current Liabilities		
Hire-purchase payables	566,161	451,180
Term loans	7,056,680	9,028,558
Deferred tax liabilities	11,075,222	8,734,866
Total Non-Current Liabilities	18,698,063	18,214,604
Current Liabilities		
Trade and other payables	96,064,327	103,242,400
Provisions for liabilities	30,062,711	30,250,444
Hire-purchase payables	271,764	271,547
Term loan instruments	43,678,087	83,400,242
Short term borrowings	7,656,079	259,869
Term loans	1,969,838	2,140,344
Tax payable	519,876	519,876
Total Current Liabilities	180,222,682	220,084,722
Liabilities of disposal group	3,502,541	-
	183,725,223	220,084,722
Total Liabilities	202,423,286	238,299,326
TOTAL EQUITY AND LIABILITIES	347,865,234	376,417,892
Net asset per share (sen)	65	62

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

FURQAN BUSINESS ORGANISATION BERHAD ("FBO")
 INTERIM REPORT FOR THE PERIOD ENDED 31 DECEMBER 2010

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended 31-Dec-2010 RM	3 months ended 31-Dec-2009 RM	Year-to-date 31-Dec-2010 RM	Year-to-date 31-Dec-2009 RM
<u>Continuing Operations</u>				
Revenue	9,005,827	8,164,122	31,732,821	31,416,105
Expenses excluding finance cost	(287,121,256)	(88,734,632)	(312,048,169)	(107,803,227)
Other operating income	<u>291,704,875</u>	<u>92,843,152</u>	<u>292,325,985</u>	<u>93,513,122</u>
Profit/(Loss) from operations	13,589,446	12,272,642	12,010,637	17,126,000
Finance cost	(464,603)	(414,940)	(2,424,320)	(2,574,807)
Share of results of associate	<u>(29,387)</u>	<u>(84,373)</u>	<u>193,076</u>	<u>(216,265)</u>
Profit/(Loss) before taxation	13,095,456	11,773,329	9,779,393	14,334,928
Income tax expense	<u>(2,342,902)</u>	<u>(1,202,938)</u>	<u>(2,315,278)</u>	<u>(2,041,430)</u>
Profit/(Loss) from continuing operations	10,752,554	10,570,391	7,464,115	12,293,498
<u>Discontinued operations</u>				
Loss from discontinued operations	<u>(447,306)</u>	<u>(75,790)</u>	<u>(140,733)</u>	<u>(1,612,367)</u>
Net profit/(loss) for the period	10,305,248	10,494,601	7,323,382	10,681,131
Other comprehensive income, net of tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income/(loss) for the period	<u>10,305,248</u>	<u>10,494,601</u>	<u>7,323,382</u>	<u>10,681,131</u>
Earnings/(Loss) per ordinary share attributable to equity holders of the Company (sen)				
Basic, for profit/(loss) from continuing operations	4.81	4.73	3.34	5.50
Basic, for loss from discontinued operations	<u>(0.20)</u>	<u>(0.03)</u>	<u>(0.06)</u>	<u>(0.72)</u>
Basic, for profit/(loss) for the period	<u>4.61</u>	<u>4.70</u>	<u>3.28</u>	<u>4.78</u>
Diluted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

FURQAN BUSINESS ORGANISATION BERHAD ("FBO")
 INTERIM REPORT FOR THE PERIOD ENDED 31 DECEMBER 2010

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital RM	Non-distributable Revaluation Reserve RM	Capital Reserve RM	Distributable Retained Profits/ (Accumulated Losses) RM	Total RM
At 1 January 2009	446,669,151	100,590	-	(319,332,306)	127,437,435
Capital reorganisation exercise	(335,001,863)	-	-	335,001,863	-
Net profit for the year	-	-	-	10,681,131	10,681,131
Reclassification	-	-	110,238,037	(110,238,037)	-
At 31 December 2009 as restated	111,667,288	100,590	110,238,037	(83,887,349)	138,118,566
At 31 December 2009					
- as previous reported	111,667,288	100,590	-	26,350,688	138,118,566
- reclassification	-	-	110,238,037	(110,238,037)	-
At 31 December 2009 as restated	111,667,288	100,590	110,238,037 #	(83,887,349) #	138,118,566
Net profit for the year	-	-	-	7,323,382	7,323,382
At 31 December 2010	111,667,288	100,590	110,238,037 #	(76,563,967) #	145,441,948

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

FURQAN BUSINESS ORGANISATION BERHAD ("FBO")
INTERIM REPORT FOR THE PERIOD ENDED 31 DECEMBER 2010

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 months ended 31-December-2010 RM	12 months ended 31-December-2009 RM
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit/(Loss) before income tax expense for the period		
- Continuing operations	9,779,393	14,334,928
- Discontinued operations	-	(1,593,567)
Adjustments for:		
Share of results of associate	(193,076)	216,265
Allowance for doubtful debts no longer required	-	(17,363)
Bad debt recovered	-	(300)
Gain on disposal of:		
Non-current assets held for sale	(80,000)	(50,000)
Property, plant and equipment	(43,224)	(1,162,565)
Investment in subsidiaries	(291,184,878)	(88,751,822)
Investment in associate company	-	(139,000)
Interest income	(107,831)	(186,066)
Impairment loss on:		
Other investments	2,818,071	-
Land held for development	-	500,000
Prepaid lease payment	-	124,360
Interest expense	2,424,320	2,951,788
Allowance for doubtful debts	5,259,802	7,673,352
Depreciation of property, plant and equipment	599,022	1,309,660
Net loss on fair value adjustment on:		
Investment properties	155,000	-
Non-current assets held for sale	-	6,531,245
Amortisation of prepaid lease payments	95,841	95,840
Provision for liabilities	-	33,704,161
Written off:		
Bad debts	268,803,382	29,584,476
Property, plant and equipment	28	6,461
Inventories	-	740,000
Reversal of impairment loss in other investments	-	(3,033,000)
Unrealised loss on foreign currency exchange	-	24,881
Operating Profit/(Loss) Before Working Capital Changes	(1,674,150)	2,863,734
(Increase)/Decrease in:		
Property development expenditure	(8,820,630)	(812,960)
Inventories	1,925,322	2,065,549
Lease and hire-purchase receivables	(8,013,603)	(10,056,825)
Trade and other receivables	(13,859,728)	(27,172,836)
Increase/(Decrease) in:		
Trade and other payables	24,298,339	23,358,152
Provision for liabilities	(187,733)	(5,940,805)
Income tax (paid)/refunded, net	(6,332,183)	(15,695,991)
	(153,906)	(230,419)
Net Operating Cash Flow	(6,486,089)	(15,926,410)
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Additions to property, plant and equipment	(795,121)	(240,350)
Additions to investment in associate	-	(400,000)
Increase in deposits pledged to banks	(19,816)	(28,281)
Proceeds from disposal of non-current assets held for sale	2,191,200	5,400,000
Proceeds from disposal of investment properties	950,000	-
Proceeds from disposal of an associates company	-	139,000
Acquisition of prepaid land lease payments	-	(1,300,000)
Interest received	107,831	186,066
Proceeds from disposal of property, plant and equipment	43,500	96,500
Net cash (out)/inflow from disposal of subsidiaries*	(17,858)	18,924,601
Net Investing Cash Flow	2,459,736	22,777,536
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		
Drawdown/(Repayment) of term loans, net	5,624,358	(1,984,961)
Interest paid	(1,293,326)	(953,473)
Increased in short term borrowings	-	122,994
Repayment of term loan instruments	(1,553,750)	(426,250)
Net addition of hire-purchase payables	169,989	(360,795)
Net Financing Cash Flow	2,947,271	(3,602,485)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(1,079,082)	3,248,641
NET CASH FLOW FROM DISCONTINUED OPERATIONS*	(160,829)	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	9,200,762	5,952,121
CASH AND CASH EQUIVALENTS AT END OF PERIOD	7,960,851	9,200,762
CASH AND CASH EQUIVALENTS AT END OF PERIOD COMPRISE THE FOLLOWING:		
Cash and bank balances	4,712,291	3,515,064
Housing Development Account	201,327	201,327
Deposits placed with licensed banks	3,368,474	6,536,865
Bank overdrafts	(156,079)	(259,869)
	8,126,013	9,993,387
Add : Bank balances and deposits from discontinued operations (included in Assets held for disposal)	647,279	-
Less : Deposits pledged with licensed bank	(812,441)	(792,625)
	7,960,851	9,200,762

* The impact of the cash flows from discontinued operations in respect of operating activities, investing activities and financing activities have not been separately disclosed for the preceding year's corresponding period. For the period ended 31 December 2009, the net cash outflow from discontinued operations amounted to RM22,860.

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.