

**UNAUDITED 2ND QUARTER REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2010**

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	Individual Period		Cumulative Period	
	Current quarter ended 30.06.2010 (RM'000)	Corresponding quarter ended 30.06.2009 (RM'000)	Current year-to-date ended 30.06.2010 (RM'000)	Corresponding year-to-date ended 30.06.2009 (RM'000)
1 Revenue	2,138	4,450	5,751	9,027
2 Cost of sales	(1,967)	(4,102)	(4,418)	(8,116)
3 Gross profit	171	348	1,333	911
4 Other income	2,384	1,047	2,339	1,292
5 Other expenses	(186)	(1,034)	(1,522)	(2,584)
6 Profit / (Loss) from operations	2,369	361	2,150	(381)
7 Finance cost, net	(15)	(59)	(44)	(113)
8 Profit / (Loss) before tax	2,354	302	2,106	(494)
9 Taxation	(108)	(105)	(205)	(254)
10 Profit / (Loss) for the period	2,246	197	1,901	(748)
<b>Attributable to :</b>				
Equity holders of the parent	2,246	197	1,901	(748)
Minority Interest	-	-	-	-
	2,246	197	1,901	(748)
11 Profit / (Losses) per share attributable to equity holders of the parent:				
(i) Basic - based on ordinary shares (sen)	3.82	0.33	3.24	(1.27)
(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 2ND QUARTER REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2010**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Period		Cumulative Period	
	Current quarter ended 30.06.2010 (RM'000)	Corresponding quarter ended 30.06.2009 (RM'000)	Current year-to-date ended 30.06.2010 (RM'000)	Corresponding year-to-date ended 30.06.2009 (RM'000)
1 Profit / (Loss) for the period	2,246	197	1,901	(748)
2 Currency translation differences	12	(23)	4	(93)
3 Total comprehensive income for the period	2,258	174	1,905	(841)
<b>Attributable to :</b>				
Equity holders of the parent	2,258	174	1,905	174
Minority Interest	-	-	-	-
	2,258	174	1,905	(841)

**(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 2ND QUARTER REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2010**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>(UNAUDITED) As at 30.06.2010 (RM'000)</b>	<b>(AUDITED) As at 31.12.2009 (RM'000)</b>
<b>NON CURRENT ASSETS</b>		
<b>Property, Plant and Equipment</b>	9,531	10,185
<b>Prepaid Land Lease Payments</b>	917	917
<b>Other Investments</b>	71	71
<b>Other Intangible Assets</b>	-	-
	10,519	11,173
<b>Current Assets</b>		
Inventories	2,907	2,917
Trade Debtors	3,608	5,731
Other Debtors, Deposits and Prepayments	2,529	1,473
Cash and Bank Balances	14,696	6,529
	23,740	16,650
Non-Current Assets Held for Sale	-	7,115
	23,740	23,765
<b>TOTAL ASSETS</b>	34,259	34,938
<b>EQUITY and LIABILITIES</b>		
<b>Equity Attributable to Equity Holders of the Company</b>		
Share Capital	58,726	58,726
Reserves		
Others	236	232
Accumulated Losses	(27,048)	(28,948)
	31,914	30,010
<b>Minority Interest</b>	-	-
<b>Total Equity</b>	31,914	30,010
<b>Non-Current Liabilities</b>		
Long Term Borrowings	-	958
Deferred Taxation	-	-
	-	958
<b>Current Liabilities</b>		
Trade Payables	546	911
Other Payables	1,240	2,094
Short Term Borrowings	480	886
Provision for Taxation	79	79
	2,345	3,970
<b>Total Liabilities</b>	2,345	4,928
<b>TOTAL EQUITY and LIABILITIES</b>	34,259	34,938
Net Assets Per Share (RM)	0.54	0.51
Net Tangible Assets Per Share (RM)	0.54	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)**



**'UTUTECH BERHAD (122592-U)**

**(Incorporated in Malaysia)**

**UNAUDITED 2ND QUARTER REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2010**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	<b>Attributable to Equity Holders of the Company</b>			<b>Total Equity RM'000</b>
	<b>&lt;----- Non-Distributable -----&gt;</b>			
<b>6-MONTH PERIOD ENDED 30 JUNE 2010</b>	<b>Share Capital RM'000</b>	<b>Non-Distributable Reserve RM'000</b>	<b>Accumulated Losses RM'000</b>	
Balance as at 1 January 2010	58,726	232	(28,948)	30,010
Total Comprehensive Income for the period	-	4	1,901	1,905
Balance as at 30 June 2010	58,726	236	(27,047)	31,915
<b>6-MONTH PERIOD ENDED 30 JUNE 2009</b>				
Balance as at 1 January 2009	58,726	315	(20,646)	38,395
Total Comprehensive Income for the period	-	(93)	(748)	(841)
Balance as at 31 March 2009	58,726	222	(21,394)	37,554

**(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)**

**UNAUDITED 2ND QUARTER REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2010**

**CONDENSED CONSOLIDATED CASHFLOW STATEMENT**

	<b>Current year-to-date ended 30.06.2010 (RM'000)</b>	<b>Corresponding year-to-date ended 30.06.2009 (RM'000)</b>
<b>CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES</b>		
Profit / (Loss) before tax	2,106	(749)
Adjustment for :		
Amortisation and depreciation of property, plant and equipment	654	1,450
Non-cash items	(2,650)	(646)
Operating Profit / (Loss) Before Working Capital Changes	110	55
Changes in working capital :		
Net change in current assets	725	1,164
Net change in current liabilities	(1,409)	(2,355)
Net Cash From / (Used In) Operations	(574)	(1,136)
Net income tax paid	146	(255)
Interest paid	(44)	(113)
Net Cash Generated From / (Used In) Operating Activities	(472)	(1,504)
<b>CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES</b>		
Other investment	10,000	7,220
Net Cash Generated From / (Used In) Investing Activities	10,000	7,220
<b>CASH FLOW (USED IN) / FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings, net	(1,365)	(414)
Net Cash Generated (Used In) / From Financing Activities	(1,365)	(414)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	8,163	5,302
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	4	-
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR</b>	6,529	1,752
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	14,696	7,054
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD CONSIST OF:</b>		
Cash and Bank Balances	14,696	8,405
Fixed Deposits with Licensed Banks	-	-
Less: Bank Overdraft	-	(1,351)
	14,696	7,054

(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)**  
**(Incorporated in Malaysia)**

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED  
 30 JUNE 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:

<b>FRSs, Amendment to FRSs and Interpretations</b>	<b>Effective for financial year beginning on or after</b>
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



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

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED  
30 JUNE 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 SECOND QUARTER ENDED  
 30 JUNE 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 30.06.2010 (RM'000)	Year-to-date ended 30.06.2010 (RM'000)
<b>Segment Revenue</b>		
-- Malaysia	2,396	6,740
-- Other Countries	-	-
	2,396	6,740
Elimination of Inter-Segment Sales	(258)	(989)
Group Revenue	2,138	5,751
<b>Segment Results</b>		
-- Malaysia	2,369	2,150
-- Other Countries	-	-
	2,369	2,150
Elimination	-	-
Profit/(Loss) from Operations	2,369	2,150

**A9. Subsequent Material Events**

There were no material events in the interval between the end of the current financial quarter and 23 August 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 June 2010, the Company has given corporate guarantees amounting to RM480,000 (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 June 2010 the Group has no material capital commitments.





**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED  
 30 JUNE 2010**

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1. Review of Performance**

The Group registered total sales of RM 2.14 million in the current quarter (Q.2. 2010) as compared to RM 4.45 million in the corresponding quarter of 2009 (Q.2, 2009). The significant decline was mainly attributed to lower lighting orders being confirmed in Q.2, 2010 due to the shift and consolidation of our production facility from Puchong to Ijok in the months of May and June. In addition, sales in the kitchen division had also decreased with lesser project roll-outs being registered in the current quarter. Total Group revenue for the current year-to-date ("YTD") June 2010 stood at RM 5.75 million as compared to RM 9.03 million in the corresponding period of YTD June 2009.

Although overall sales for Q.2, 2010 and YTD June 2010 were significantly lower than its previous corresponding periods respectively, the Group managed to achieve a net profit before tax of RM 2.35 million in Q.2, 2010 and a net profit before tax of RM 2.10 million for YTD June 2010 as compared to a net profit before tax of RM 302 thousand in Q.2, 2009 and a net loss before tax of RM 494 thousand in YTD June 2009. Such results were mainly attributed to the substantially lower operating costs being achieved in the Group and a gain from the disposal of a property registered in the current period consequent to the continuing restructuring of the Group's operations since last year.

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

	Current Quarter ended 30.06.2010 (RM'000)	Preceding Quarter ended 31.03.2010 (RM'000)
Revenue	2,138	3,613
Consolidated Profit / (Loss) Before Tax	2,354	(248)

The Group's revenue fell about 41% from RM3,613 million (Q.1 2010) to RM2,138 million (Q.2 2010) due to the shift of our production facility from Puchong to Ijok affecting mainly the lighting division, although kitchen sales were higher in the current quarter. Nevertheless, with lower operating costs being achieved in the Group and a gain from the disposal of a property registered in the current period, the Group managed to achieve a net profit before tax of RM 2.354 million.



NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED  
30 JUNE 2010

---

**B3. Prospects**

The Group believes that the construction sector will be one of the engines of growth in the country going forward. As such, with the rationalization and consolidation of its manufacturing business particularly its lighting division, the Group has extended its current project based business into construction management where it can capitalize its strengths on working with premium developers, consultants, main contractors and various sub-contractors to drive the Group forward.

**B4. Profit Forecast**

Not applicable as no profit forecast was published.

**B5. Taxation**

	Quarter ended 30.06.2010 (RM'000)	Year-to-Date ended 30.06.2010 (RM'000)
Current Taxation	108	97

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 SECOND QUARTER ENDED  
30 JUNE 2010

**B7. Quoted Securities**

Investments in quoted securities as at 30 June 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	480
Unsecured borrowings	-
	480
b) Short term	
- hire purchase creditors	480
- term loans	-
	480
Long term	
- hire purchase creditors	-
- term loans	-
	-
Total Borrowings	480

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED  
30 JUNE 2010**

**B9. Off Balance Sheet Financial Instruments**

There are no financial instruments with off balance sheet risk as at 23 August 2010

**B10. Material Litigation**

There is no pending material litigation as at 23 August 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	
	30.06.2010	30.06.2009	30.06.2010	30.06.2009
<b>Earnings</b>				
Profit / (Loss) attributable to equity holders of the Company (RM'000)	2,246	197	1,901	(748)
<b>a) Basic</b>				
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
<b>Basic losses per share attributable to equity holders of the parent (Sen)</b>	3.82	0.34	3.24	(1.27)
<b>b) Diluted</b>				
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*
<b>Fully diluted earnings / (losses) per share attributable to equity holders of the parent (Sen)</b>	N/A*	N/A*	N/A*	N/A*

\*

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