

UNAUDITED 3rd QUARTER REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

CONDENSED CONSOLIDATED INCOME STATEMENT

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 30.09.2012 (RM'000)	Corresponding quarter ended 30.09.2011 (RM'000)	Current year-to-date ended 30.09.2012 (RM'000)	Corresponding year-to-date ended 30.09.2011 (RM'000)
1 Revenue	22,067	48,889	148,151	89,728
2 Cost of sales	(14,079)	(45,032)	(124,555)	(83,143)
3 Gross profit	7,988	3,857	23,596	6,585
4 Other income	250	22	497	28
5 Other expenses	(2,080)	(1,262)	(5,659)	(3,731)
6 Profit from operations	6,158	2,617	18,434	2,882
7 Finance cost	-	17	-	14
8 Profit before tax for the period	6,158	2,634	18,434	2,896
9 Taxation	(219)	(63)	(1,205)	(633)
10 Profit for the period	5,939	2,571	17,229	2,263
Attributable to :				
Equity holders of the Company	5,939	2,571	17,229	2,263
11 Profit per share attributable to equity holders of the Company:				
(i) Basic earnings per ordinary shares (sen)	6.55	4.02	18.99	3.74
(ii) Diluted earnings per 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 2011 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 2012

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 30.09.2012 (RM'000)	Corresponding quarter ended 30.09.2011 (RM'000)	Current year-to-date ended 30.09.2012 (RM'000)	Corresponding year-to-date ended 30.09.2011 (RM'000)
1 Profit for the period	5,939	2,571	17,229	2,263
2 Currency translation differences	(41)	(14)	(22)	(24)
3 Total comprehensive income for the period	<u>5,898</u>	<u>2,557</u>	<u>17,207</u>	<u>2,239</u>
Attributable to :				
Equity holders of the Company	<u>5,898</u>	<u>2,557</u>	<u>17,207</u>	<u>2,239</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 2011 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 2012

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(UNAUDITED) As at 30.09.2012 (RM'000)	(AUDITED) As at 31.12.2011 (RM'000)
ASSETS		
Non Current Assets		
Property, Plant and Equipment	8,765	9,540
Other Investments	54	54
Intangible Assets	54	26
Trade Debtors	6,682	3,973
Deferred tax assets	1,312	2,447
	16,867	16,040
Current Assets		
Inventories	3,015	3,424
Trade Debtors	82,988	55,746
Other Debtors, Deposits and Prepayments	1,417	4,134
Cash and Bank Balances	41,966	13,652
	129,386	76,956
TOTAL ASSETS	146,253	92,996
EQUITY and LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share Capital	45,369	45,369
Reserves		
Others	281	303
Accumulated Profits	20,759	3,530
	66,409	49,202
Non-Current Liabilities		
Trade Payables	479	2,003
Other Payables and Liabilities	-	20
	479	2,023
Current Liabilities		
Trade Payables	21,492	14,662
Other Payables and Liabilities	57,863	25,839
Provision for Taxation	10	1,270
	79,365	41,771
Total Liabilities	79,844	43,794
TOTAL EQUITY and LIABILITIES	146,253	92,996
Net Assets Per Share (based on ordinary shares of RM0.50 each) (RM)	0.73	0.54

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2011 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 2012

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Company			Total Equity RM'000
	<----- Non-Distributable ----->			
	Share Capital RM'000	Non-Distributable Reserve RM'000	Accumulated Profits/(Losses) RM'000	
9 MONTHS PERIOD ENDED 30 SEPTEMBER 2012				
Balance as at 1 January 2012	45,369	303	3,530	49,202
Total Comprehensive Income for the period	-	(22)	17,229	17,207
Balance as at 30 September 2012	45,369	281	20,759	66,409
9 MONTHS PERIOD ENDED 30 SEPTEMBER 2011				
Balance as at 1 January 2011	58,726	276	(31,401)	27,601
Capital reduction	(29,363)	-	29,363	-
Rights Issue	16,005	-	-	16,005
Total Comprehensive Income for the period	-	(24)	2,263	2,239
Balance as at 30 September 2011	45,368	252	225	45,845

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2011 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 2012

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

	Current year-to-date ended 30.09.2012 (RM'000)	Corresponding year-to-date ended 30.09.2011 (RM'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	18,434	2,896
Adjustment for :		
Amortisation and depreciation of property, plant and equipment	983	951
Non-cash items	(455)	156
Operating Profit Before Working Capital Changes	18,962	4,003
Changes in working capital :		
Net change in operating assets	(27,059)	(21,990)
Net change in operating liabilities	37,311	15,370
Net Cash Generated From Operations	29,214	(2,617)
Income tax paid	(1,096)	(633)
Interest received/(paid)	455	(3)
Net Cash Generated From/(Used In) Operating Activities	28,573	(3,253)
CASH FLOW FROM INVESTING ACTIVITY		
Other investment	(237)	(1,124)
Net Cash Used In Investing Activity	(237)	(1,124)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowings, net	-	(215)
Proceeds from issuance of shares	-	16,005
Net Cash Generated From Financing Activities	-	15,790
NET INCREASE IN CASH AND CASH EQUIVALENTS	28,336	11,413
EFFECT OF EXCHANGE RATE CHANGES	(22)	(24)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	13,652	5,055
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	41,966	16,444

(The Condensed Consolidated Cashflow Statements should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2011 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 FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

INFORMATION REQUIRED BY FINANCIAL REPORTING STANDARD (FRS) 134

A1. Corporate Information

Fututech Berhad is a public limited company incorporated and domiciled in Malaysia, and is listed on the Bursa Malaysia Securities Berhad. The registered office is located at 802, 8th Floor, Block C, Kelana Square, 17 Jalan SS7/26, 47301 Petaling Jaya, Selangor. The principal place of business is located at No.1 (2nd Floor) Bangunan One Wangsa, Jalan Wangsa Permai, Taman Wangsa Permai, 52200 Kuala Lumpur.

A2. First-time adoption of Malaysian Financial Reporting Standards ("MFRS")

These condensed consolidated interim financial statements, for the period ended 30 September 2012, have been prepared in accordance with MFRS 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standard Board. For the period up to and including the year ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRSs").

These condensed consolidated interim financial statements are the Group's first MFRS condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS annual financial statements for the year ending 31 December 2012. MFRS 1 First-Time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") has been applied.

The transition from FRS to MFRS has not had a material impact to the Group as the accounting policies adopted under the previous FRS Framework were already in line with the requirements of the MFRS framework.



NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

A3. Audit Report

The audited financial statements for the preceding financial year ended 31 December 2011 were not subject to any qualification.

A4. Seasonal or Cyclical Factors

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

A5. Unusual Items

There were no unusual items for the current quarter under review and financial period that affecting the assets, liabilities, equity, net income or cashflow of the Group.

A6. Changes in Estimates

There were no significant changes in estimates that have a material effect to the current quarter under review and financial period .

A7. Debt and Equity Securities

There were no other issuance or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares by the Group for the financial period.

A8. Dividends Paid

No dividend has been paid during the financial period.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

A9. Segmental Information

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

	Construction (RM'000)	Manufacturing (RM'000)	Others (RM'000)	Eliminated (RM'000)	Total (RM'000)
External Revenue	145,870	2,281	-	-	148,151
Inter Segment Revenue	75,277	10,182	-	(85,459)	-
	221,147	12,463	-	(85,459)	148,151

RESULTS

Segment Results	16,854	744	(369)	-	17,229
-----------------	--------	-----	-------	---	--------

OTHER INFORMATION

Segment Assets	106,757	122,535	34,780	(117,819)	146,253
Segment Liabilities	149,525	68,378	41,347	(179,406)	79,844

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

	Construction (RM'000)	Manufacturing (RM'000)	Others (RM'000)	Eliminated (RM'000)	Total (RM'000)
External Revenue	86,553	3,175	-	-	89,728
Inter Segment Revenue	10,281	2,706	-	(12,987)	-
	96,835	5,881	-	(12,987)	89,728

RESULTS

Segment Results	3,423	(679)	(481)	-	2,263
-----------------	-------	-------	-------	---	-------

OTHER INFORMATION

Segment Assets	43,081	41,568	36,202	(51,976)	68,875
Segment Liabilities	40,528	54,510	40,805	(112,813)	23,030

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

A9. Segmental Information (contd.)

As the business of the Group is engaged entirely in Malaysia, no reporting by geographical location of operation is presented.

For management purposes, the Group is organised into business units based on their products and services, and has three (3) reportable operating segments as follow:

(i) Construction - Supply and installation of aluminium and glazing works, stone works, interior fixtures, fittings, lightings, cabinetry and related products, provision of contract workmanship and general building works and related services.

(ii) Manufacturing - Manufacture, assemble, installation and sale of light fittings, furniture, kitchen cabinetry and related products.

(iii) Others - Investment holding and dormant companies

Segment performance for the current financial period ended September 2012 as compared to previous financial period ended September 2011

(i) Construction

Construction segment recorded a revenue of RM145.87 million for the current financial period as compared to previous financial period of RM86.55 million, representing a significant increase of RM59.32 million or 68.54%. The increase in revenue due mainly to higher revenue recognised as all projects reach full swing, specifically 2 major projects are at their tail end during current financial period as compared to previous financial period. With the growth in revenue, segment result improved from RM3.42 million in previous financial period ended September 2011 to RM16.85 million in current financial period ended September 2012, representing an increase of RM13.43 million.

(ii) Manufacturing

Manufacturing segment recorded a revenue of RM2.28 million for the current financial period as compared to previous financial period of RM3.17 million. Despite the decrease in revenue, with effective cost and resource management, the segment result improved from a loss of RM679 thousand in previous financial period ended September 2011 to a net profit of RM744 thousand in current financial period ended September 2012. The inter-segment revenue referred to progress revenue from manufacturing of kitchen cabinetry and related products for construction purpose that would have self-eliminated at the group level.

(iii) Others

Others refer to investment holding and dormant companies. Segmental loss of RM369 thousand during current financial period due to operating expenses incurred.



NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

A10. Profit Before Tax

	Individual Quarter ended 30.09.2012 (RM'000)	Cumulative Quarter ended 30.09.2012 (RM'000)
Amortisation and depreciation of property, plant and equipment	324	983
Interest income	227	455
Realised foreign exchange loss	(7)	(17)

Other than the above items, there were no exceptional items, inventories written down and written off and allowance for impairment loss on investment properties for the current quarter under review.

A11. Subsequent Events

As at the date of this report, there were no material events subsequent to the balance sheet date that affect the results of the Group for the financial period except that on 19 November 2012, the Company acquired two (2) ordinary shares of RM1.00 each in Senandung Raya Sdn Bhd ("Senandung Raya"), representing 100% of the issued and paid-up share capital of Senandung Raya for a total consideration of RM2.00. The acquisition would not have a material effect on the consolidated earnings and net assets for the financial year ending 31 December 2012.

A12. Changes in Composition of the Group

There were no changes in the composition of the Group during the financial period except that on 29 May 2012, the Company has acquired two (2) ordinary shares of RM1.00 each in Bazarbayu Sdn Bhd ("Bazarbayu"), representing 100% of the issued and paid-up share capital of Bazarbayu for a total consideration of RM2.00. The acquisition would not have a material effect on the consolidated earnings and net assets for the financial year ending 31 December 2012.

A13. Changes in Contingent Liabilities or Contingent Assets

As at the date of this report, the Company has given corporate guarantees amounting to RM4.65 million for credit facilities granted to certain subsidiary companies.

Other than as disclosed above, there were no other changes in the contingent liabilities or assets since the last financial year ended 31 December 2011.

A14. Capital Commitments

As at the date of this report, the Group has no material capital commitments.



NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Performance

For the current quarter under review, the Group posted a revenue of RM22.07 million as compared to RM48.90 million in the same corresponding quarter of 2011, representing a decrease of RM26.83 million or 54.87%. The reduction in revenue was driven by lower revenue recognised, specifically from 2 projects that are nearing completion stage as at the current quarter under review. Despite lower revenue recorded, with higher margin achieved from deliverables during the quarter, the Group registered a pre-tax profit of RM6.16 million as compared to RM2.63 million in the same corresponding quarter of 2011, representing an increase of RM3.53 million.

With the improved of overall margin, the Group's pre-tax profit also increased significantly from RM2.90 million for the nine months ended 30 September 2011 to RM18.43 million for the nine months ended 30 September 2012, representing an increase of RM15.53 million.

B2. Material Change in Results of Current Quarter Compared with Preceding Quarter

	Current Quarter ended 30.09.2012 (RM'000)	Preceding Quarter ended 30.06.2012 (RM'000)
Revenue	22,067	46,199
Profit before tax	6,158	6,060

For the current quarter under review, the Group posted a revenue of RM22.07 million and a pre-tax profit of RM6.16 million as compared to its immediate preceding quarter ended 30 June 2012 where revenue and pre-tax profit was RM46.20 million and RM6.06 million respectively. The decrease revenue in this quarter due mainly to lower revenue recognised from 2 major projects that are nearing completion stage. For the current quarter under review, the pre-tax profit increased marginally as compared to its preceding quarter as a result of improved overall margin.

B3. Current Year Prospects

The Group is cautiously optimistic of the general market outlook and barring unforeseen circumstances, believes that its construction and manufacturing bases will maintain satisfactory results for the year.

B4. Profit Forecast

There were no profit forecast prepared or profit guarantee made by the Group.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

B5. Taxation

	Individual Quarter ended 30.09.2012 (RM'000)	Cumulative Quarter ended 30.09.2012 (RM'000)
Malaysia income tax		
- current year	(189)	354
- in respect of previous years	-	(285)
	<u>(189)</u>	<u>69</u>
Deferred tax	<u>408</u>	<u>1,136</u>
	<u>219</u>	<u>1,205</u>

The effective tax rate of the Group is lower than the statutory tax rate of 25% due mainly to the utilisation of tax losses brought forward. Deferred tax expense arose from the reversal of deferred tax assets that previously recognised on unabsorbed business losses brought forward.

B6. Quoted Securities

Investments in quoted securities as at 30 September 2012 are as follows:

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

B7. Group Borrowings and Debt Securities

There were no borrowings and debts securities as at the financial period.

B8. Status of Corporate Proposals announced

As at the date of this report, there were no corporate proposals announced but not completed.

B9. Changes in Material Litigation

As at the date of this report, there were no pending material litigation for the Group.

B10. Dividends

No interim dividend has been declared for the financial period.

B11. Derivatives and Fair Value Changes of Financial Liabilities

(a) There were no derivatives as at the financial period.

(b) There were no fair value gain/(loss) on fair value changes of financial liabilities for the current quarter under review and financial period.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

B12. Earnings Per Share

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.09.2012	30.09.2011	30.09.2012	30.09.2011
Earnings				
Profit attributable to equity holders of the Company (RM'000)	5,939	2,571	17,229	2,263
a) Basic				
Weighted average number of ordinary shares ('000)	90,737	63,945	90,737	60,485
Basic Profit per share attributable to equity holders of the Company (Sen)	6.55	4.02	18.99	3.74
b) Diluted				
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 FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

B13. Realised and Unrealised Profits / 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 profits / losses is as follows:

	As at 30.09.2012 (RM'000)	As at 31.12.2011 (RM'000)
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(44,875)	(61,900)
- Unrealised	341	159
	<u>(44,534)</u>	<u>(61,741)</u>
Add: Consolidated Adjustments	65,293	65,271
Total Group accumulated profits	<u>20,759</u>	<u>3,530</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.