

Pro-Tech Industries Announces Year End 2010 Results

Sacramento, Ca, Pro-Tech Industries, Inc. (OTCBB: PTCK), a leader in design-build infrastructure services, announced its results for the fiscal year ending December 31, 2010.

For the year ended December 31, 2010, the Company reported revenue of \$13.9 million, operating profit of \$193,000 and net income of \$100,000 from continuing operations or \$0.01 per share. This compares to revenue of \$13.6 million, operating loss of \$507,000 and net loss from continuing operations of \$427,000 or \$0.03 per share for the year ended December 31, 2009.

Earnings before interest, taxes, depreciation and amortization (EBITDA) were \$456,000 or \$0.03 per share for the year ended December 31, 2010, compared to a \$262,000 loss or \$0.01 loss per share for the year ended December 31, 2009. The Company views EBITDA as a useful measure of its operating performance as it eliminates the aberrations produced by amortization and discontinued operations, and enables the investment community to better evaluate our long run profitability from the ongoing operations.

During 2010, the Company restructured its operations and is in the process of divesting its specialty construction unit and shutting down its electrical division. In doing this, the Company took a one-time loss of \$2,261,000 or \$0.12 per share for the year ended December 31, 2010, arising from this discontinued operation. The divestiture and divisional closing allows management to devote attention and growth capital to its profitable core competencies in the fire life safety and telecommunications divisions.

Donald Gordon, Chairman of the Board and CEO, stated, "We are pleased with the progress made this past year. We have positive sales growth and positive earnings for the first time in two years. We believe our results show the sales effort and cost cutting measures are taking hold as we continue to execute our growth strategy and enjoy the benefit of a favorable mix of products".

Management contends that our Fire Protection segment performance is leading the way and remains solid. This segment represented 77% of our sales for fiscal 2010 as compared to 69% of our sales at the close of fiscal 2009. Currently we have seen our Telecommunications segment drop off compared to the second quarter of the prior year. However, we are trying to backfill this revenue through our relationship with Atazz Technical Services and are starting to see an increase in bid activity and job wins. We expect, but cannot guarantee, this relationship to help replace the decrease in revenue from our contract with the Sacramento based systems integrator for the State of California which is winding down. While private sector work in all of our segments remains sluggish, we are starting to see some increases in bid activity. The turbulence in the economy continues to impact all of our segments and management has worked hard at cutting costs to better position the Company to be competitive in the bidding process. We expect, but cannot provide any assurances, that both of these segments will gain strength over the balance of the year and we envision modest continued improvement into fiscal 2011.

Pro-Tech has devoted a tremendous amount of time the past few weeks, focusing on areas of cash flow improvement within our existing operations and looking at potential acquisitions. "The combination of expanding areas and disciplines the Company is currently involved in, as well as new areas of possible acquisitions, are quite exciting." said Pro-Tech's newest board member and VP of Business Development Kent Misemer. "We have been in contact with several acquisition candidates that offer some real synergies within our existing units and as well as some opportunities to expand our footprint into new areas."

The Company management is looking for acquisitions that constitute steady, repeatable cash flow and can be assimilated in our current organization. This strategic action will receive significant attention from management over the next couple of quarters.

About Pro-Tech Industries, Inc.:

Through its wholly owned subsidiary, Pro-Tech Fire Protection Systems Corp., Pro-Tech Industries, Inc. provides design-build services in the following infrastructure segments: Fire Protection, Alarm and Detection, Telecommunications and Network Services. These services are provided to the Commercial/Industrial Sector, Fortune 1000 companies, and Federal, State, and Local government. For more information please visit <http://www.pro-techind.com>.

Forward Looking Statements

Statements about the Company's expectations, including revenue and earnings and all other statements in this press release, other than historical facts, are "forward looking" statements and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward looking statements involve risks and uncertainties and are subject to change at any time. The Company's actual results could differ materially from expected results. In reflecting subsequent events or circumstances, the Company undertakes no obligation to update forward looking statements.

The following statements are summarized from the Company's annual report for the year ended December 31, 2010, on Form 10-K, filed on April 15, 2011. Please see this filing on the Security and Exchange Commission's Edgar website (sec.gov) in its entirety for full footnote disclosures and discussions.

Pro-Tech Industries, Inc. Consolidated Balance Sheet

	<u>2010</u>	<u>2009</u>
Assets		
Current Assets:		
Cash and cash equivalents	\$ 323,472	\$ 186,894
Contract receivable, net of allowance for doubtful accounts	2,471,505	2,077,643
Costs and estimated earnings in excess of billings	347,254	123,185
Inventory	59,948	151,394
Other current assets	127,399	231,386
Deferred financing cost, net	30,130	-
Discontinued operations	-	<u>2,064,466</u>
Total current assets	<u>3,359,708</u>	<u>4,834,968</u>
Property plant and equipment, net	282,183	298,141
Other Assets:		
Intangibles, net of accumulated amortization	-	102,548
Deposits	10,856	10,856
Discontinued Operations	-	<u>335,581</u>
Total assets	<u>\$ 3,652,747</u>	<u>\$ 5,582,094</u>
Liabilities and Stockholders' Equity (Deficit)		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 1,821,676	\$ 1,630,846
Short term note payable	26,658	-
Notes payable – current portion	214,872	184,512
Accruals on uncompleted projects	310,082	98,367
Reserve for loss on uncompleted contracts	6,472	-
Line of credit	950,000	900,000

Warrant and preferred stock derivative liability	547,472	-
Discontinued operations	<u>554,114</u>	<u>1,429,275</u>
Total current liabilities	4,431,346	4,243,000
Long -Term Liabilities:		
Notes payable- others – long term portion	183,530	332,580
Discontinued Operations	<u>123,526</u>	<u>81,491</u>
Total Long Term Liabilities	307,056	414,071
Series A 10% convertible redeemable preferred stock	459,411	-
Stockholders' Equity (Deficit):		
Common Stock	18,833	18,594
Additional paid in capital	1,152,934	1,421,467
Accumulated deficit	<u>(2,716,833)</u>	<u>(515,038)</u>
Total stockholders' equity (deficit)	(1,545,066)	925,023
Total liabilities and stockholders' equity (deficit)	<u>\$ 3,652,747</u>	<u>\$ 5,582,094</u>

Pro-Tech Industries, Inc.
Consolidated Income Statement

	2010	2009
Net revenue	\$ 13,890,892	\$ 13,623,986
Cost of sales	<u>9,119,909</u>	<u>8,064,534</u>
Gross profit	4,770,983	5,559,452
Operating Expenses:		
Depreciation and amortization	263,784	245,090
Selling, general and administrative	<u>4,314,596</u>	<u>5,821,543</u>
Total Operating Expenses	4,578,380	6,066,633
Income (Loss) from Operations	192,603	(507,181)
Other Income (Expense):		
Gain on change in fair value of derivative liability	(33,818)	-
Interest expense, net	<u>(139,350)</u>	<u>(94,900)</u>
Total Other Income (Expense)	<u>(173,168)</u>	<u>(94,900)</u>
Income (loss) income before income taxes	19,435	(602,081)
Income tax benefit (expense)	<u>80,490</u>	<u>174,901</u>
Income(loss) from continuing operations	99,925	(427,180)
Income(loss) from discontinued operations	<u>(2,260,864)</u>	<u>(87,858)</u>
Net Income(Loss)	(2,160,939)	(515,038)
Preferred stock dividends and amortized discount	<u>398,065</u>	-
Net Income(loss) attributable to common shareholders	\$ <u>(2,559,004)</u>	\$ <u>(515,038)</u>
Net income (loss) per share from continuing operations:	\$ <u>0.01</u>	\$ <u>(0.03)</u>
Net income (loss) per share:	\$ <u>(0.12)</u>	\$ <u>(0.03)</u>

Weighted average common shares outstanding (Note C)

18,209,335

17,766,190

Pro-Tech Industries, Inc.
Reconciliation of Income (Loss) from Operations to EBITDA

	Year Ended December 31, 2010	Year Ended December 31, 2009
Income (Loss) from Operations	\$ 192,603	\$ (507,181)
Add back:		
Depreciation and amortization	<u>263,784</u>	<u>245,090</u>
EBITDA(loss BITDA)	\$ <u>456,387</u>	\$ <u>(262,091)</u>
EBITDA(loss BITDA) per share	\$ 0.03	\$ (0.01)
Weighted average common shares outstanding	18,209,335	17,766,190

INVESTOR CONTACT:

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