

KIAN JOO CAN FACTORY BERHAD

(Incorporated in Malaysia)

(Co. Reg. No. 3186-P)

The Board of Directors is pleased to announce the audited results of the Group for the fourth quarter ended 31st December 2000.

CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT	YEAR PRECEDING	CURRENT	YEAR PRECEDING
	QUARTER	CORRESPONDING	TO DATE	CORRESPONDING
	31.12.2000	QUARTER (RESTATED) 31.12.1999	31.12.2000	PERIOD (RESTATED) 31.12.1999
	RM'000	RM'000	RM'000	RM'000
1(a) Turnover	120,094	120,441	494,536	425,517
(b) Investment income	-	-	-	-
(c) Other income including interest income	348	3,039	1,788	5,144
2(a) Operating profit/(loss) before interest on borrowings, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	15,288	22,863	72,614	90,074
(b) Interest on borrowings	(2,620)	(2,280)	(8,642)	(9,199)
(c) Depreciation and amortisation	(9,738)	(15,083)	(34,579)	(34,696)
(d) Exceptional items	-	-	-	-
(e) Operating profit/(loss) after interest on borrowings, depreciation and amortisation, exceptional items, but before income tax, minority interests and extraordinary items	2,930	5,500	29,393	46,179
(f) Share of the results in associated companies	1,357	2,064	3,641	3,505
(g) Profit/(loss) before taxation, minority interests and extraordinary items	4,287	7,564	33,034	49,684
(h) Taxation	(2,393)	(43)	(11,025)	(45)
(i) (i) Profit/(loss) after taxation before deducting minority interests	1,894	7,521	22,009	49,639
(ii) Add minority interests	94	3,635	1,960	3,281
(j) Profit/(loss) after taxation attributable to members of the company	1,988	11,156	23,969	52,920
(k) (i) Extraordinary items	-	-	-	-
(ii) Less minority interests	-	-	-	-
(iii) Extraordinary items attributable to members of the company	-	-	-	-
(l) Profit/(loss) after taxation and extraordinary items attributable to members of the company	1,988	11,156	23,969	52,920
3(a) Earnings per share based on 2(j) above after deducting any provision for preference dividends, if any:-				
(i) Basic based on 115,720,117 ordinary shares (sen)	1.7	9.6	20.7	45.7
(ii) The fully diluted earnings per share has not been disclosed as the effect arising from the possible exercise of warrants is anti-dilutive.	-	-	-	-

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CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2000

	AS AT END OF CURRENT QUARTER 31.12.2000 RM'000	AS AT PRECEDING FINANCIAL YEAR END (RESTATED) 31.12.1999 RM'000
1 Fixed Assets	390,193	341,769
2 Investments in Associated Companies	18,435	20,572
3 Long Term Investments	600	750
4 Intangible Assets	-	-
5 Current Assets		
Stocks	123,226	106,636
Trade Debtors	139,803	136,016
Other debtors , deposit and prepayments	15,548	12,179
Fixed deposits with licenced banks	22,212	26,162
Cash and bank balances	13,570	20,874
	314,359	301,867
6 Current Liabilities		
Short Term Borrowings	35,918	14,593
Trade Creditors	20,297	19,373
Other creditors and accruals	30,828	19,619
Provision for Taxation	1,055	990
Provision for Dividends	5,786	17,358
	93,884	71,933
7 Net Current Assets	220,475	229,934
	629,703	593,025
8 Shareholders' Funds		
Share Capital	57,860	57,860
Reserves		
Share premium	266	266
Revaluation reserve	12,324	16,837
Reserve on consolidation	-	4,814
Retained Profits	392,326	379,929
	462,776	459,706
9 Minority Interests	41,486	46,805
10 Long Term Borrowings	120,509	79,538
11 Other Long Term Liabilities	4,932	6,976
	629,703	593,025
12 Net Tangible assets per share (RM)	RM4.00	RM3.97

NOTES -

1 Significant Accounting Policies

The financial statements of the Group are prepared using the same accounting policies, method of computation as those used in the preparation of the most recent financial statements except for the change in accounting policy on deferred expenditure whereby the Group has now charged out those expenditure to the income statement in the year in which it was incurred instead of amortising such expenditure over a period of three years upon commencement of business of the subsidiary company to which the expenditure are related to. This has resulted in prior year adjustments to decrease retained profit brought forward by RM1.754 million and minority interest in the balance sheet by RM1.169 million.

2 Exceptional Items

There were no exceptional items for the financial period under review.

3 Extraordinary Items

There were no extraordinary items for the financial period under review.

4 Taxation

The tax charge for the year includes a reversal of deferred tax of RM2,079,000 and an adjustment for an over provision of tax amounting to RM781,000 in respect of prior years.

5 Pre-Acquisition Profits

There were no pre-acquisition profits for the financial period under review.

6 Profits on Sale of Investments and /or properties

There were no profits on sale of investments and/or properties for the financial period under review except for a capital distribution of RM4,196,000 received from the liquidator of an associated company which is currently under members' voluntary liquidation. The distribution by the liquidator has resulted in a profit of RM843,000 being included in the result for the year.

7 Quoted Securities

(a) There were no purchase or disposal of quoted securities for the financial period under review.

(b) Investment in quoted shares as at 31.12.2000

Quoted shares -

At Cost	At Valuation	At Market Value
19,155	-	43,441

8 Changes in the Composition of the Group

The acquisition of the entire issued and paid up capital of Guolene Metal Can Sdn Bhd comprising 35,250,000 ordinary shares of RM1.00 each from Guolene Packaging Industries Bhd for a cash consideration of RM12.342 million was completed on 1 July 2000. During the quarter ended 31 December 2000, agreement from the vendor was obtained to reduce the purchase consideration by RM1.4 million as provided under the warranty clause of the sale and purchase agreement. This has resulted in an adjustment to decrease the goodwill arising on consolidation by the same amount.

Goodwill arising from consolidation amounting to RM9.327 million has been written off against reserves of the Group.

Guolene Metal Can Sdn Bhd has changed its name to KJ Can (Selangor) Sdn Bhd.

9 Status of Corporate Proposals

The Group does not have any corporate proposal which has not been completed as at the date of this announcement.

10 Seasonal or Cyclical Factors

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

11 Changes in Share Capital

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period under review.

12 Group Borrowings

Total Group borrowings as at 31.12.2000 are as follows:-

Short Term Borrowings	35,918
Long Term Loans	120,509
	<u>156,427</u>

All the Group borrowings are unsecured.

13 Contingent Liabilities

There were no contingent liabilities for the financial period under review.

14 Off Balance Sheet Financial Instruments

The Group has not entered into any contract for financial instruments with off Balance Sheet risks.

15 Material Litigation

There is no pending litigation against the Group for the financial period under review.

16 Segmental Reporting

	TURNOVER	PROFIT BEFORE	TOTAL ASSETS
		TAXATION	EMPLOYED
	RM'000	RM'000	RM'000
General Cans	225,166	6,607	269,539
Aluminium Cans	195,380	16,492	340,697
Corrugated Cartons	52,186	7,094	78,151
Pet Products	20,784	2,793	30,592
Property	120	82	1,013
Others	900	(34)	3,595
	<u>494,536</u>	<u>33,034</u>	<u>723,587</u>

17 Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

For the period under review, the Group recorded a turnover of RM120.094 million compared with RM141.262 million in the preceding quarter. The Group's profit before tax for the fourth quarter was RM4.287 million compared with RM6.059 million in the preceding quarter, a decline of 29%. Losses incurred by subsidiary companies for the fourth quarter amounted to RM5.9 million.

18 Review of Performance of the Company and its Principal Subsidiaries

The Group recorded an increase of 16% in turnover of RM494.536 million compared RM425.517 million in the preceding year. Profit before tax for the Group amounted to RM33.034, a decline of 34% compared with preceding year of RM49.684 million. The decline in profit was mainly attributable to the lower contribution from the general cans division.

Profit contribution from the general cans division declined 80% from RM32.870 million in the preceding year to RM6.607 million mainly due to higher raw material cost, lower interest income and the provision of retirement benefits. The newly acquired subsidiary, KJ Can (Selangor) Sdn Bhd contributed a loss of RM2.994 million for the six months ended 31 December 2000.

Turnover from the aluminium cans division increased 31% and profit before tax increased 190%. The improved profit was attributable to the lower loss sustained by KJM Aluminium Can Sdn Bhd during the year from RM17.184 in the preceding year to RM11.678 for the current year.

Corrugated cartons division recorded improved turnover of 24% with profit before tax remains the same as compared with prior year. The higher raw material cost and the difficulty in passing on the cost resulted in lower operating margin.

Earnings from the plastic division was lower by 31% largely affected by the sharp increase in resin prices during the year.

In the opinion of the Directors, the results of the current financial period under review have not been affected by any transaction or event of a material or unusual nature.

19 Prospects for the Current Financial Year

Barring unforeseen circumstances, the Board of Directors expects profit for the current year to be affected by the anticipated lower contribution from the general cans division.

20 Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was issued for the financial year.

21 Dividend

(a) A final dividend of 10% tax exempt, amounting to RM5.786 million has been recommended for the year ended 31 December 2000. The entitlement date and date of payment of the dividend would be fixed and announced at a later date.

(b) (i) For the year ended 31 December 1999, a final tax exempt dividend of 10% and a special tax exempt dividend of 20%, amounting to RM17.358 (15 sen per share) was paid on 28 June 2000.

(ii) For the current financial year, an interim tax exempt dividend of 10% (5 sen per share) was paid on 10 November 2000.

22 Comparative figures

Certain comparative figures, namely the intangible assets, retained profit and minority interests in the balance sheet and profit before taxation, minority interests and earnings per share in the income statement have been restated to reflect the change in accounting policy as disclosed in Note 1 of this report.

BY ORDER OF THE BOARD,
Chia Kwok Why
Secretary.
Batu Caves, Selangor Darul Ehsan.
28.2.2001