



KIAN JOO CAN FACTORY BERHAD

(Incorporated in Malaysia)

(Co. Reg. No. 3186-P)

Condensed Consolidated Income Statements for the quarter ended 30 June 2005

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2005 RM'000	Preceding Year Corresponding Quarter 30.6.2004 RM'000	Current Year To Date 30.06.2005 RM'000	Preceding Year Corresponding Period 30.6.2004 RM'000
Revenue	164,331	136,182	328,648	269,852
Operating Expenses	(148,482)	(126,544)	(292,590)	(246,515)
Other Operating Income	1,476	1,574	3,128	3,029
Profit from Operations	17,325	11,212	39,186	26,366
Interest expense	(1,991)	(1,253)	(3,361)	(2,667)
Interest income	380	496	437	810
Share of profit of Associated Company	492	122	492	318
Profit Before Taxation	16,206	10,577	36,754	24,827
Taxation	(2,809)	(1,438)	(6,018)	(4,784)
Profit after Taxation	13,397	9,139	30,736	20,043
Minority Interest	109	(49)	386	(290)
Net Profit for the period	13,506	9,090	31,122	19,753
Earnings per share: -				
(a) Basic (sen)	7.59	5.14	17.48	11.19
(b) Fully diluted (sen)	7.54	5.06	17.33	11.01

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2004 and the accompanying explanatory notes attached to the interim financial statements.

NOTE ON OPERATING EXPENSES:

Included in operating expenses is depreciation expense as follows: -

	9,302	8,910	18,436	17,545
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**KIAN JOO CAN FACTORY BERHAD**

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**Condensed Consolidated Balance Sheet
As at 30 June 2005**

	As at end of Current Quarter 30.06.2005 RM'000	As at preceding Year End 31.12.2004 RM'000
Property, Plant & Equipment	435,205	421,511
Investments in Associated Company	21,392	20,900
Other Investment	0	0
Deferred Tax Assets	14,797	14,797
Current Assets		
Inventories	230,530	154,851
Trade receivables	148,849	155,700
Amount due from associated company	2,918	2,518
Other receivables	14,472	13,302
Cash & Cash Equivalents	47,805	40,302
	<u>444,574</u>	<u>366,673</u>
Current Liabilities		
Trade payables	42,613	37,341
Other payables	39,814	21,764
Provisions	1,782	3,522
Borrowings	120,641	78,636
Taxation	1,354	1,488
	<u>206,204</u>	<u>142,751</u>
Net Current Assets	238,370	223,922
	<u>709,764</u>	<u>681,130</u>
Financed By: -		
Share Capital	89,532	88,737
Reserves	492,860	468,065
Shareholders' Fund	<u>582,392</u>	<u>556,802</u>
Minority Interest	27,199	27,602
Reserve on consolidation	6,466	6,466
Provisions	22,355	22,453
Long Term Liabilities		
Borrowings	66,211	62,643
Deferred Tax Liabilities	5,141	5,164
	<u>709,764</u>	<u>681,130</u>
Net tangible assets per share (RM)	3.17	3.05

The Condensed Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2004 and the accompanying explanatory notes attached to the interim financial statements.



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**Condensed Consolidated Statement of Changes in Equity
For the quarter ended 30 June 2005**

	Non-distributable reserves					Distributable	Total
	Share	Share	Revaluation	Capital	Exchange	Retained	
	Capital	Premium	Reserve	Reserve	Reserve	Profits	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2005 -	88,737	6,704	509	4,480	(200)	456,572	556,802
Profit for the year	-	-	-	-	-	31,122	31,122
Dividends	-	-	-	-	-	(8,953)	(8,953)
Issuance pursuant to ESOS	795	2,625	-	-	-	-	3,420
Currency translation difference	-	-	-	-	2 *	-	2
Balance as at 30 June 2005 -	<u>89,532</u>	<u>9,329</u>	<u>509</u>	<u>4,480</u>	<u>(198)</u>	<u>478,741</u>	<u>582,392</u>
Balance as at 1 January 2004 -	87,878	3,871	455	4,480	(173)	424,507	521,018
Profit for the year	-	-	-	-	-	19,753	19,753
Dividends	-	-	-	-	-	(8,855)	(8,855)
Issuance pursuant to ESOS	674	2,224	-	-	-	-	2,898
Dilution arising of a subsidiary company issue of shares pursuant to ESOS	-	-	(12)	-	-	-	(12)
Currency translation difference	-	-	-	-	23 *	-	23
Balance as at 30 June 2004 -	<u>88,552</u>	<u>6,095</u>	<u>443</u>	<u>4,480</u>	<u>(150)</u>	<u>435,405</u>	<u>534,825</u>

* This represents gain not recognised in the income statement.

The Condensed Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2004 and the accompanying explanatory notes attached to the interim financial statements.



KIAN JOO CAN FACTORY BERHAD

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(Co. Reg. No. 3186-P)

Condensed Consolidated Cash Flow Statement For the quarter ended 30 June 2005

	Quarter ended 30 Jun 2005 RM'000	Quarter ended 30 Jun 2004 RM'000
Net cash (used in) / generated from operating activities	5,622	26,637
Net cash used in investing activities	(37,744)	(19,986)
Net cash generated from financing activities	39,584	21,482
Net Increase in Cash and Cash Equivalents	7,462	28,133
Effect of Exchange Rate Changes	(14)	(5)
Cash and Cash Equivalents at 1 January 2005	37,784	47,721
*Cash and Cash Equivalents at 30 June 2005	<u>45,232</u>	<u>75,849</u>
*Cash and Cash Equivalents at 30 June 2005 comprised the following:		
Cash and bank balances	24,307	13,091
Short term deposits	23,498	66,393
Bank Overdraft (included with short term borrowing in Note 22)	(2,573)	(3,635)
	<u>45,232</u>	<u>75,849</u>

The Condensed Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2004 and the accompanying explanatory notes attached to the interim financial statements.

KIAN JOO CAN FACTORY BERHAD (3186-F)
NOTES TO THE INTERIM FINANCIAL REPORT (UNAUDITED)

1 Accounting Policies and Methods of Computation

The interim financial statements have been prepared in accordance with MASB 26 "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2004.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2004.

2 Qualification of audit report of the preceding annual financial statements

There were no qualification on audit report of the preceding financial statements.

3 Seasonal or Cyclical Factors

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

4 Extraordinary Items

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

5 Changes in estimates

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years that have a material effect in the current financial period.

6 Issuance, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial period under review.

The details of the issued and paid-up capital of the Company as at 30 June 2005 are as follows: -

No. of Shares	RM
177,473,661	88,736,831
1,591,000	795,500
179,064,661	89,532,331

As at 1 January 2005 -
Ordinary shares issued pursuant to ESOS

As at 30 June 2005

7 Dividends Paid

No dividend was paid during the period under review.

8 Segmental Reporting

Segmental results for the period ended 30 June 2005 are as follows: -

	General Cans	Aluminium Cans	Corrugated Cartons	Pet Products	Contract Packing	Others	TOTAL	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE									
External sales	143,354	135,770	34,420	9,888	5,155	61	328,648	-	328,648
Inter-segmental sales	1,458	723	2,095	888	-	266	5,430	(5,430)	-
	144,812	136,493	36,515	10,776	5,155	327	334,078	(5,430)	328,648
RESULTS									
Operating Profit	8,048	35,380	(770)	(1,740)	(1,551)	(181)	39,186	-	39,186
Interest Income	1,832	1	169	-	-	-	2,002	(1,565)	437
	9,880	35,381	(601)	(1,740)	(1,551)	(181)	41,188	(1,565)	39,623
Interest Expense	(2,389)	(2,165)	(372)	(0)	-	-	(4,926)	1,565	(3,361)
Share of profit of Associated C	-	-	-	492	-	-	492	-	492
Profit before taxation	7,492	33,216	(973)	(1,248)	(1,551)	(181)	36,754	-	36,754
Taxation									(6,018)
Minority Interest									386
									31,122

9 Valuation of property, plant and equipment

There were no amendments in the valuation of property, plant and equipment since the last annual financial statements.

10 Material events subsequent to the end of the interim period

There are no material events subsequent to the end of the period under review that have not been reflected in the quarterly financial statements.

11 Changes in the Composition of the Group

There were no changes in the composition of the Group during the period under review.

12 Changes in contingent liabilities or contingent assets

There were no material changes in contingent liabilities or contingent assets since the last annual balance sheet date.

13 Related Party Transactions

	Financial Period to date 30.06.2005 RM'000
Sales to associated company	402
Management fees receivable from associated company	607
Rental receivable from associate company	1,096
	<u> </u>

Apart from the above, the Group also entered into the following related party transactions : -

(i) <u>Nature of transaction</u>	<u>Identity of related party</u>	Financial Period to date 30.06.2005 RM'000
Sales of trading inventories by a subsidiary company	Hercules Sdn Bhd ("Hercules")	90
Sales of trading inventories by a subsidiary company	Metal Closures & Seals Sdn Bhd ("Metal Closures")	154

The parties are deemed related to the Group by virtue of common directorship held by See Leong Chye @ Sze Leong Chye in Hercules, Metal Closures and a subsidiary company.

The above transactions were entered into in the normal course of business on terms that the Directors consider comparable to those had the transactions been entered into with third parties.

14 Review of Performance of the Company and its Principal Subsidiaries

For the financial period ended 30 June 2005, Group revenue improved 21.8% to RM328,648 million from RM269,852 million in the corresponding preceding period. Profit before tax improved 48% to RM36,754 million from RM24,827 million in the corresponding preceding period. The improved revenue was the result of continued positive growth generated from all divisions. The improved profit before tax was mainly contributed by the aluminium and general can divisions. The corrugated and PET and plastic divisions continued to be plagued by rising raw material cost and competitive market condition and incurred loss for the period under review of RM0.974 million and RM1.248 million respectively.

Kian Joo Canpack (Shah Alam) Sdn Bhd and Kian Joo Canpack Sdn Bhd, under the contract pack division, commenced commercial production during the period under review and incurred loss of RM1.551 million.

15 Comparison with Preceding Quarter's Results

Group revenue for the current quarter under review was RM164,331 million, marginally higher than the preceding quarter of RM164,317 million. Profit before tax for the current quarter under review was 21% lower at RM16,205 million as compared to RM20,549 million in the preceding quarter. The lower profit before tax was mainly attributable to the payment of RM4,995 million under the Voluntary Separation Scheme that was carried out during the period under review and completed on 30th June 2005.

16 Current Year Prospects

The Group will continue to focus efforts on growth and expansion of products range and services, both in the domestic and export market. Performance for the year 2005 is expected to improve further with growing demand of aluminium can and general can, the two main divisions within the Group

17 Variance from Forecast Profit and Profit Guarantee

This is not applicable to the Group.

18 Taxation

	Current Qtr RM'000	Year to date RM'000
Income Tax		
- current year	(2,809)	(6,041)
Deferred taxation	0	23
	<u>(2,809)</u>	<u>(6,018)</u>

The effective tax rate for the financial period under review is lower than the statutory tax rate due to certain tax incentive being claimed for tax purposes and utilisation of unabsorbed tax losses by certain subsidiary companies.

19 Profits on Sale of Unquoted Investments and/or Properties

There were no profits on sale of investments and/or properties for the financial period under review.

20 Purchase or Disposal of 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 30 June 2005

	At Cost	At Book Value	At Market Value
	RM'000	RM'000	RM'000
Quoted shares -	19,155	-	42,125

21 Status of Corporate Proposals

There were no corporate proposals announced which were pending completion.

22 Group Borrowings and Debt Securities

Total Group borrowings as at 30 June 2005 are as follows:-

	RM'000
Current	120,641
Non-current	66,211
	<u>186,852</u>

The detail of borrowings which are denominated in Vietnam Dong are as follows: -

	VND '000 000
Current	27,652
Non-current	67,468
	<u>95,120</u>

(NOTE - VND 4162 = RM1)

All the Group borrowings are unsecured.

23 Off Balance Sheet Financial Instruments

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

24 Material Litigation

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

25 Dividend

(a) A final tax exempt dividend of 10% (5 sen per share) for the financial year ended 31 December 2004 was approved by shareholders of the Company at the Annual General Meeting held on 13 June 2005 and was paid on 18 July 2005.

(b) For the financial period under review, the Board of Directors is pleased to declare an interim tax exempt dividend of 10% (5 sen per share) payable on 28 September 2005 to shareholders registered at the close of business on 13th September 2005.

26 Earnings per share

	Current Quarter	Financial Year to Date
	30.06.2005	30.06.2005
Basic earnings per share		
Issued ordinary shares at beginning of period	177,473,661	177,473,661
Effect of ordinary shares issued during the period	1,153,000	573,674
Weighted average number of ordinary shares	<u>178,626,661</u>	<u>178,047,335</u>
Basic earnings per share (sen)	8	17
Diluted earnings per share		
Weighted average number of ordinary shares	178,626,661	178,047,335
Effect of Employee Share Option Scheme	1,285,806	1,512,603
Weighted average number of ordinary shares (diluted)	<u>179,912,467</u>	<u>179,559,938</u>
Diluted earnings per share (sen)	8	17

27 Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25th August 2005.

BY ORDER OF THE BOARD,
Chia Kwok Why
Secretary,
Batu Caves, Selangor Darul Ehsan.
25 August 2005