

**KIAN JOO CAN FACTORY BERHAD**

(Incorporated in Malaysia)

(Co. Reg. No. 3186-P)

Condensed Consolidated Income Statements for the quarter ended 30 September 2005

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30.09.2005 RM'000	30.9.2004 RM'000	30.09.2005 RM'000	30.9.2004 RM'000
Revenue	166,620	156,653	495,267	426,505
Operating Expenses	-150,724	-140,377	-443,314	-386,892
Other Operating Income	3,212	2,250	6,340	5,279
Profit from Operations	19,108	18,526	58,293	44,892
Interest expense	-1,664	-1,355	-5,026	-4,023
Interest income	185	438	622	1,248
Share of profit of Associated Company	1,238	524	1,730	842
Profit Before Taxation	18,867	18,133	55,619	42,959
Taxation	-4,070	-3,973	-10,088	-8,757
Profit after Taxation	14,797	14,160	45,531	34,202
Minority Interest	-158	624	228	334
Net Profit for the period	14,639	14,784	45,759	34,536
Earnings per share: -				
(a) Basic (sen)	8.19	8.34	25.59	19.54
(b) Fully diluted (sen)	8.14	8.24	25.32	19.26

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: -

	9,848	9,880	28,284	27,425
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Condensed Consolidated Balance Sheet As at 30 September 2005

	As at end of Current Quarter 30.09.2005 RM'000	As at preceding Year End 31.12.2004 RM'000
Property, Plant & Equipment	447,088	421,511
Investments in Associated Company	22,153	20,900
Other Investment	0	0
Deferred Tax Assets	14,797	14,797
Current Assets		
Inventories	237,453	154,851
Trade receivables	160,227	155,700
Amount due from associated company	3,252	2,518
Other receivables	12,882	13,302
Cash & Cash Equivalents	36,448	40,302
	<u>450,262</u>	<u>366,673</u>
Current Liabilities		
Trade payables	36,853	37,341
Other payables	28,797	21,764
Provisions	3,101	3,522
Borrowings	124,003	78,636
Taxation	1,392	1,488
	<u>194,146</u>	<u>142,751</u>
Net Current Assets	256,116	223,922
	<u>740,154</u>	<u>681,130</u>

Financed By: -

Share Capital	90,515	88,737
Reserves	501,626	468,065
Shareholders' Fund	<u>592,141</u>	<u>556,802</u>
Minority Interest	27,362	27,602
Reserve on consolidation	6,466	6,466
Provisions	21,252	22,453
Long Term Liabilities		
Borrowings	87,768	62,643
Deferred Tax Liabilities	5,164	5,164
	<u>740,154</u>	<u>681,130</u>
Net tangible assets per share (RM)	3.19	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 September 2005

	Non-distributable reserves					Distributable	Total
	Share Capital	Share Premium	Revaluation Reserve	Capital Reserve	Exchange Reserve	Retained 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	-	-	-	-	-	45,760	45,760
Dividends	-	-	-	-	-	-18,005	-18,005
Issuance pursuant to ESOS	1,779	5,869	-	-	-	-	7,648
Currency translation difference	-	-	-	-	-64 *	-	-64
Balance as at 30 September 2005 -	90,515	12,573	509	4,480	-264	484,327	592,140
Balance as at 1 January 2004 -	87,878	3,871	455	4,480	-173	424,508	521,019
Profit for the year	-	-	-	-	-	34,536	34,536
Dividends	-	-	-	-	-	-17,722	-17,722
Issuance pursuant to ESOS	786	2,594	-	-	-	-	3,380
Dilution arising of a subsidiary company issue of shares pursuant to ESOS	-	-	-12	-	-	-	-12
Currency translation difference	-	-	-	-	-44 *	-	-44
Balance as at 30 September 2004 -	88,664	6,465	443	4,480	-217	441,322	541,157

* This represents losses not recognised in the income statement.

The Condensed Consolidated Statement of Changes in Equity 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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(Incorporated in Malaysia)

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

	Quarter ended 30 Sept 2005 RM'000	Quarter ended 30 Sept 2004 RM'000
Net cash used in operating activities	-4,203	40,666
Net cash used in investing activities	-57,945	-41,629
Net cash generated from financing activities	58,463	-9,016
Net decrease in Cash and Cash Equivalents	-3,686	-9,979
Effect of Exchange Rate Changes	-89	-69
Cash and Cash Equivalents at 1 January	37,784	47,720
*Cash and Cash Equivalents at 30 September	<u>34,009</u>	<u>37,672</u>
*Cash and Cash Equivalents at 30 September 2005 comprised the following:		
Cash and bank balances	26,928	18,042
Short term deposits	9,520	26,212
Bank Overdraft (included with short term borrowing in Note 22)	-2,439	-6,582
	<u>34,009</u>	<u>37,672</u>

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

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 September 2005 are as follows: -

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

As at 30 September 2005

No. of Shares	RM
177,473,661	88,736,831
3,557,000	1,778,500
181,030,661	90,515,331

7 Dividends Paid

For the financial period under review, a final tax exempt dividend of 10% (5 sen per share) for the financial year ended 31 December 2004 amounting to RM8.953 million was paid on 8 July 2005 and an interim tax exempt dividend of 10% (5 sen per share) for the financial year ended 31 December 2005, amounting to RM9.051 million was paid on 28 September 2005

8 Segmental Reporting

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

	General Cans RM'000	Aluminium Cans RM'000	Corrugated Cartons RM'000	Pet Products RM'000	Contract Packing RM'000	Others RM'000	TOTAL RM'000	Elimination RM'000	Consolidated RM'000
REVENUE									
External sales	219,314	197,815	55,381	14,223	8,443	91	495,267	-	495,267
Inter-segmental sales	2,045	909	2,479	1,188	-	266	6,887	(6,887)	-
	221,359	198,724	57,860	15,410	8,443	357	502,154	(6,887)	495,267
RESULTS									
Operating Profit	14,499	48,846	(43)	(2,545)	(2,327)	(137)	58,293	-	58,293
Interest Income	2,732	2	237	-	-	-	2,971	(2,349)	621
	17,231	48,848	194	(2,545)	(2,327)	(137)	61,264	(2,349)	58,915
Interest Expense	(3,638)	(3,159)	(577)	(0)	-	-	(7,375)	2,349	(5,026)
Share of profit of Associated Co	-	-	-	1,730	-	-	1,730	-	1,730
Profit before taxation	13,593	45,689	(382)	(815)	(2,327)	(137)	55,619	-	55,619
Taxation									(10,088)
Minority Interest									228
									45,759

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

The company on the 8 November 2005 announced the incorporation of a newly joint venture company, KJO Systems Sdn Bhd ("KJO") on the 26 October 2005 with an authorised share capital of RM5 million. KJO is 50%/50% joint venture between the company and Omnitech International, Inc ("OI"), a leader in can technologies and engineering services located in Golden, Colorado USA.

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 30.09.2005 RM'000
Sales to associated company	624
Management fees receivable from associated company	907
Rental receivable from associate company	1,643

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 30.09.2005 RM'000
Sales of trading inventories by a subsidiary company	Hercules Sdn Bhd ("Hercules")	114
Sales of trading inventories by a subsidiary company	Metal Closures & Seals Sdn Bhd ("Metal Closures")	272

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 September 2005, Group revenue improved 16.1% to RM495.267 million from RM426.505 million in the corresponding preceding period. Profit before tax improved 29.5% to RM55.619 million from RM42.959 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 can divisions and loss incurred from the PET and plastic divisions was lower at RM0.815 million as compared to loss of RM3.424 million in the preceding year quarter.

Kian Joo Canpack (Shah Alam) Sdn Bhd and Kian Joo Canpack Sdn Bhd, under the contract pack division, incurred loss of RM2.327 million for the period under review.

15 Comparison with Preceding Quarter's Results

Group revenue for the current quarter under review improved 1.4% at RM166.620 million, marginally higher than the preceding quarter of RM164.331 million. Profit before tax for the current quarter under review improved 16.4% at RM18.866 million as compared to RM16.206 million in the preceding quarter. The higher profit before tax was mainly due to the lower profit before tax in the preceding quarter as a result of the Voluntary Separation Scheme carried out during that period.

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	-3,539	-9,580
- under-provision in prior year	-31	-31
- associated company	-477	-477
Deferred taxation	-23	-0
	-4,070	-10,088

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 September 2005

	At Cost RM'000	At Book Value RM'000	At Market Value RM'000
Quoted shares -	19,155	-	40,150

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 September 2005 are as follows:-

	RM'000
Current	124,003
Non-current	87,768
	<u>211,771</u>

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

	VND '000 000
Current	28,899
Non-current	73,952
	<u>102,851</u>

(NOTE - VND 4212 = 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

The Directors do not recommend the payment of any interim dividend for the financial period under review.

26 Earnings per share

	Current Quarter 30.09.2005	Financial Year to Date 30.09.2005
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	2,019,000	1,319,201
Weighted average number of ordinary shares	<u>179,492,661</u>	<u>178,792,862</u>
Basic earnings per share (sen)	8.19	25.59
Diluted earnings per share		
Weighted average number of ordinary shares	179,492,661	178,792,862
Effect of Employee Share Option Scheme	1,233,999	1,942,875
Weighted average number of ordinary shares (diluted)	<u>180,726,660</u>	<u>180,735,737</u>
Diluted earnings per share (sen)	8.14	25.32

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 29 November 2005

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