



KIAN JOO CAN FACTORY BERHAD

(Incorporated in Malaysia)

(Co. Reg. No. 3186-P)

Condensed Consolidated Income Statements for the fourth quarter ended 31 December 2007

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.12.2007 RM'000	Preceding Year Corresponding Quarter 31.12.2006 RM'000 (Restated)	Current Year To Date 31.12.2007 RM'000	Preceding Year Corresponding Period 31.12.2006 RM'000 (Restated)
Continuing Operations				
Revenue	199,722	178,130	787,216	638,420
Cost of sales	(175,644)	(152,272)	(686,826)	(551,405)
Gross profit	24,078	25,858	100,390	87,015
Other operating income	4,664	368	10,516	8,445
Operating expenses	(11,618)	(14,634)	(41,138)	(38,580)
Finance costs	(1,979)	(1,845)	(9,450)	(8,262)
Share of profit/(loss) of associate (net of tax)	653	(1,129)	902	(1,504)
Share of profit of jointly controlled entities (net of tax)	(38)	(166)	21	(166)
Profit Before Taxation	15,760	8,452	61,241	46,948
Taxation	(2,239)	(3,176)	(14,649)	(13,331)
Profit for the period from continuing operations	13,521	5,276	46,592	33,617
Discontinued Operations				
Profit/(Loss) for the period from a discontinued operation	(573)	(512)	404	(3,837)
Profit for the period	12,948	4,764	46,996	29,780
Attributable to :				
Equity holders of the parent	12,123	4,903	45,035	28,918
Minority interest	825	(139)	1,961	862
	12,948	4,764	46,996	29,780
Earnings per share attributable to equity holders of the parent:				
Basic (sen)				
Continuing operations	2.86	1.24	10.04	7.46
Discontinued operation	(0.13)	(0.12)	0.09	(0.87)
	2.73	1.12 *	10.13	6.59 *
Diluted (sen)				
Continuing operations	2.86	1.23 *	10.03	7.42 *
Discontinued operation	(0.13)	(0.12) *	0.09	(0.87) *
	2.73	1.11 *	10.12	6.55 *

The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements

NOTE:-

Depreciation and amortisation	9,769	10,601	37,136	40,501
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The comparative figures have been reclassified to conform with current year's presentation as reflected in Notes 16 of Explanatory Notes Pursuant to FRS 134.

* Computed based on the number of share capital which were adjusted for the proportionate change in the number as if the bonus shares and share split were issued on 1 January 2006.



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**Condensed Consolidated Balance Sheet
As at 31 December 2007**

	As at 31.12.2007 RM'000 unaudited	As at 31.12.2006 RM'000 audited
ASSETS		
Non-current Assets		
Property, Plant & Equipment	394,268	388,368
Investment Properties	9,740	9,998
Prepaid land lease payments	42,985	44,158
Intangible assets	1,343	385
Investments in associated company	23,027	22,125
Investments in jointly controlled entity	636	146
Deferred Tax Assets	6,362	8,502
	<u>478,361</u>	<u>473,682</u>
Current Assets		
Inventories	198,335	191,943
Trade receivables	190,191	194,377
Other receivables	23,725	21,761
Cash and bank balances	45,832	79,732
	<u>458,083</u>	<u>487,813</u>
Non-current asset classified as held for sale	2,770	-
	<u>460,853</u>	<u>487,813</u>
TOTAL ASSETS	<u><u>939,214</u></u>	<u><u>961,495</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent -		
Share Capital	111,042	110,862
Share Premium	743	276
Other reserves	4,520	4,974
Retained earnings	529,898	507,071
	<u>646,203</u>	<u>623,183</u>
Minority Interest	30,046	28,530
Total equity	<u>676,249</u>	<u>651,713</u>
Non-current liabilities		
Retirement benefit obligation	22,267	22,065
Borrowings	26,762	40,623
Deferred Tax Liabilities	15,934	12,035
	<u>64,963</u>	<u>74,723</u>
Current Liabilities		
Retirement benefit obligation	3,115	1,872
Provisions for other liabilities	218	416
Borrowings	126,369	162,347
Trade payables	34,839	40,560
Other payables	32,980	28,602
Current tax payable	481	1,262
	<u>198,002</u>	<u>235,059</u>
Total liabilities	262,965	309,782
TOTAL EQUITY AND LIABILITIES	<u><u>939,214</u></u>	<u><u>961,495</u></u>
Net assets per share attributable to equity holders of the Company (RM)	1.45	1.41

The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements



KIAN JOO CAN FACTORY BERHAD

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Condensed Consolidated Statement of Changes in Equity For the fourth quarter ended 31 December 2007

	← Attributable to Equity Holders of the Parent →					Minority Interest	Total Equity	
	← Non-distributable →		Distributable					
	Share Capital	Share Premium	Reserve on consolidation	Other Reserve	Retained Earnings			Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2006	90,709	13,214	6,466	4,810	489,900	605,099	27,815	632,914
Effects of adopting FRS 3	-	-	(6,466)	-	6,466	-	-	-
	90,709	13,214	-	4,810	496,366	605,099	27,815	632,914
Crystallisation of revaluation reserve				(138)	138	-		-
Effect of changes in tax rate				250		250		250
Share of increase in revaluation reserve by minority interest				(38)		(38)	38	-
Foreign currency translation	-	-	-	90	-	90	(185)	(95)
Profit for the period	-	-	-	-	28,918	28,918	862	29,780
Total recognised income and expense for the year	-	-	-	164	29,056	29,220	715	29,935
Dividends					(18,351)	(18,351)		(18,351)
Issue of ordinary shares:								
Bonus issue	18,386	(18,386)	-	-	-	-	-	-
Employees' Share Option Scheme	1,767	5,448				7,215		7,215
At 31 December 2006	110,862	276	-	4,974	507,071	623,183	28,530	651,713
At 1 January 2007	110,862	276	-	4,974	507,071	623,183	28,530	651,713
Foreign currency translation				(454) *		(454)	(445)	(899)
Profit for the period	-	-	-	-	45,035	45,035	1,961	46,996
Total recognised income and expense for the year	-	-	-	(454)	45,035	44,582	1,516	46,097
Dividends					(22,208)	(22,208)		(22,208)
Issuance pursuant to ESOS	180	467	-	-	-	647	-	647
At 31 December 2007	111,042	743	-	4,520	529,898	646,203	30,046	676,249

* This represents loss not recognised in the income statement.

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements



KIAN JOO CAN FACTORY BERHAD

(Incorporated in Malaysia)

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Condensed Consolidated Cash Flow Statement For the fourth quarter ended 31 December 2007

	31.12.2007	31.12.2006
	RM'000	RM'000
Net cash generated from operating activities	81,309	79,764
Net cash used in investing activities	(42,962)	(38,292)
Net cash used in financing activities	(72,053)	(18,259)
Net (decrease)/increase in Cash and Cash Equivalents	(33,706)	23,213
Effect of Exchange Rate Changes	115	3,733
Cash and Cash Equivalents at 1 January	79,364	52,418
*Cash and Cash Equivalents at 31 December	<u>45,773</u>	<u>79,364</u>
 *Cash and Cash Equivalents at 31 December 2007 comprised the following:		
Cash and bank balances	21,492	34,624
Short term deposits	24,341	45,108
Bank Overdraft (included with short term borrowing in Note 25)	(60)	(368)
	<u>45,773</u>	<u>79,364</u>

The Condensed Consolidated Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements

1 Basis of Preparation

The Interim Financial Statements are unaudited and have been prepared in accordance with the requirements of FRS 134 - "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

These explanatory notes attached to the interim financial statements provide an explanation of the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2006.

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 2006, except for the adoption of revised FRS 117 Leases. The adoption does not have significant financial impact on the Group.

1 (a) FRS 117: Leases

The adoption of the revised FRS 117 has resulted in retrospective change in the accounting policy relating to the classification of leasehold land. Prior to 1 January 2007, leasehold land was classified as property, plant and equipment and was stated at cost less accumulated depreciation. The leasehold land was revalued in periods prior to 1998 on the basis that the revaluation carried out then, was a one-off isolated event and not intended to be adopted as a revaluation policy in place of historical cost.

Upon the adoption of the revised FRS 117 at 1 January 2007, the unamortised carrying amount of RM 44.158 million is reclassified from property, plant and equipment to prepaid lease payments as allowed by the transitional provisions of the revised FRS 117.

The following comparative amounts have been restated due to the adoption :

	As restated RM'000	As previously reported RM'000
Balance Sheet as at 31 December 2006		
Prepaid land lease payments	44,158	-
Property, plant and equipment	388,368	432,526

1 (b) FRS 5: Non-Current Assets Held for Sale and Discontinued Operation

The Group has applied FRS 5 prospectively in accordance with its transitional provisions. FRS 5 requires a component of an entity to be classified as discontinued operation when the criteria to be classified as held for sale have been met or disposed of and such a component represents a separate major line of business or geographical area of operations and is part of a single co-ordinated major line of business or geographical area of operations.

An item is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. Immediately before classification as held for sale, the carrying amount of the assets should be measured in accordance with the applicable FRSS. FRS 5 requires the non-current assets to be subject to impairment test and recovery of impairment loss.

As required by FRS 5, certain comparatives of the Group have been re-presented due to the current financial year's discontinued operations. The effect on the consolidated income statements for the quarter ended 31 December 2007 are set out in Note 12.

2 Qualification of Audit Report of the Preceding Annual Financial Statements

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

3 Seasonal or Cyclical Factors

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

4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows.

There were no other unusual items affecting assets, liabilities, equity, net income or cash flows during the financial year 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 year.

6 Issuance, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuance, cancellation, repurchases, resale and repayments of debt and equity securities for the current financial year

The details of the issued and paid-up capital of the Company as at 31 December 2007 are as follows: -

	No. of shares	RM
As at 1 January 2007	443,447,786	110,861,947
Ordinary shares issued pursuant to ESOS	720,000	180,000
As at 31 December 2007	444,167,786	111,041,947

On 7 April 2007, the ESOS scheme which commenced on 8 April 2002 expired and the Board of Directors has no intention to establish a new ESOS.

7 Dividends Paid

For the financial year under review, a final tax exempt dividend of 10% (2.5 sen per share) for the financial year ended 31 December 2006 amounting to RM11.1 was paid on 29 June 2007 and an interim tax exempt dividend of 10% (2.5 sen per share) in respect of financial year ended 31 December 2007 amounting to RM11.1 million was paid on 24 September 2007.

8 Segmental Reporting

Segmental results for the year ended 31 December 2007 are as follows: -

	General Cans	Aluminium Cans	Corrugated Cartons	Pet Products	Contract Packing	Others	Continuing Operation	Discontinued Operation	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE										
External sales	354,268	292,227	115,938	-	24,603	180	787,216	1,706	-	788,922
Inter-segmental sales	4,882	12,992	3,375	-	291	-	21,540	5	(21,545)	-
	<u>359,150</u>	<u>305,219</u>	<u>119,313</u>	<u>-</u>	<u>24,894</u>	<u>180</u>	<u>808,756</u>	<u>1,711</u>	<u>(21,545)</u>	<u>788,922</u>
RESULTS										
Operating Profit	16,299	47,942	5,479	-	(1,818)	55	67,957	404	-	68,361
Interest Income	4,411	3	126	-	-	-	4,540	-	(2,729)	1,811
	<u>20,710</u>	<u>47,945</u>	<u>5,605</u>	<u>-</u>	<u>(1,818)</u>	<u>55</u>	<u>72,497</u>	<u>404</u>	<u>(2,729)</u>	<u>70,172</u>
Interest Expense	(6,306)	(4,471)	(1,402)	-	-	-	(12,179)	-	2,729	(9,450)
Share of gain of Associated Co	-	-	-	902	-	-	902	-	-	902
Share of gain of Jointly Controlled Entity	-	-	-	-	-	21	21	-	-	21
Profit before taxation	<u>14,404</u>	<u>43,474</u>	<u>4,203</u>	<u>902</u>	<u>(1,818)</u>	<u>76</u>	<u>61,241</u>	<u>404</u>	<u>-</u>	<u>61,645</u>
Taxation										(14,649)
Minority Interest										(1,961)
										<u>45,035</u>

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 year under review that have not been reflected in the quarterly financial statements.

11 Changes in the Composition of the Group

On 29 November 2007, a newly incorporated joint-venture company, Kian Joo Canpack (Vietnam) Co. Ltd. ("KJCP (V)"), was incorporated in Vietnam with an authorised share capital of US\$10 million. KJCP (V) is a 60% subsidiary of KJCF with the other 40% held by Nihon Canpack of Japan, a consolidated subsidiary of Hokkan Holdings Ltd.

There were no changes in the composition of the Group during the financial year ended 31 December 2007 other than as disclosed above.

12 Discontinued Operation

On 1 April 2007, Multi-Pet Sdn Bhd ("MUP"), a 100% owned subsidiary of KJCF ceased operation and the Directors have decided to dispose of its property, plant and equipment. Hence, the property, plant and equipment has been reclassified as non-current asset held for sales.

The revenue, results and cash flow of the subsidiary were as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31.12.2007 RM'000	31.12.2006 RM'000	31.12.2007 RM'000	31.12.2006 RM'000
Revenue	19	4,718	1,706	19,579
Profit/(Loss) before tax	(573)	(512)	404	(3,837)
Taxation	-	-	-	-
Profit/(Loss) for the period from a discontinued operation	<u>(573)</u>	<u>(512)</u>	<u>404</u>	<u>(3,837)</u>
Cash flow from operating activities	(342)	(330)	5,310	(723)
Cash flow from investing activities	969	440	5,025	195
Cash flow from financing activities	(692)	36	(11,117)	1,527

13 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.

14 Capital Commitments

The amount of capital commitments as at 31 December 2007 is as follows:-

	RM'000
Approved and contracted for	34,403
Share of capital commitments of associated company & jointly controlled entity	-
	<u>34,403</u>

15 Related Party Transactions

Financial
Period to date
31.12.2007
RM'000

Sales to associated company	522
Management fees receivable from associated company	-

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

Financial
Period to date
31.12.2007
RM'000

(a) Nature of transaction	Identity of related party	
Sales of trading inventories by a subsidiary company	(i) Hercules Sdn. Bhd. (ii) Hercules (Vietnam) Co Ltd. (iii) Metal Closures & Seals Sdn. Bhd.	550 78 114

The parties are deemed related to the Group by virtue of common directorship held by See Leong Chye @ Sze Leong Chye in these parties 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.

16 Changes in Previous Quarter Presentation

The following disclosure for the fourth quarter ended 31 December 2006 has been restated to conform with the current year's presentation:

Quarter ended 31 December 2006

	Previously stated RM'000	Reclassified RM'000	Restated RM'000
Revenue	656,987	(18,567)	638,420
Cost of sales	(573,004)	21,599	(551,405)
Operating expenses	(39,385)	805	(38,580)
Profit before taxation	43,111	3,837	46,948
Loss for the period from a discontinued operation	-	(3,837)	(3,837)

17 Review of Performance of the Company and its Principal Subsidiaries

For the financial year ended 31 December 2007, Group revenue increased by 23.3% to RM787.2 million from RM638.4 million in the preceding year. Profit before tax from continuing operation improved by 30.4% to RM61.2 million as compared to the profit before tax of RM46.9 million in the preceding year.

The higher profit before taxation was mainly attributable to the significant increase in revenue, gain on disposal of property, plant and equipment of RM1.3 million and lower loss incurred from contract packing division of approximately RM1.3 million. The Group registered a profit from discontinued operation of RM0.4 million on disposal of property, plant and equipment.

18 Comparison with Preceding Quarter's Results

Group revenue for the current quarter under review decreased by 5.4% to RM199.7 million as compared to the preceding quarter of RM211.2 million. Profit before tax from continuing operation was 23.6% lower at RM15.8 million as compared to RM20.6 million in the preceding quarter. The lower in profit before tax was mainly attributable to lower sales revenue, provision for slow moving stock and foreign exchange loss.

19 Current Year Prospects

The Board expects the performance of the Group for year 2008 to improve further.

20 Variance from Forecast Profit and Profit Guarantee

This is not applicable to the Group.

21 Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.12.2007 RM'000	Preceding Year Corresponding Quarter 31.12.2006 RM'000	Current Year To Date 31.12.2007 RM'000	Preceding Year Corresponding Period 31.12.2006 RM'000
Continuing operations				
Income Tax				
- current year	(2,578)	(2,850)	(8,682)	(9,646)
- (under)/ over provision in prior year	73	650	73	638
Deferred taxation	266	(976)	(6,040)	(4,323)
	<u>(2,239)</u>	<u>(3,176)</u>	<u>(14,649)</u>	<u>(13,331)</u>
Discontinued operation	-	-	-	-

The effective tax rate for the financial year under review is lower than the statutory tax rate due to utilisation of capital allowances and tax losses and tax exempt income from subsidiaries in Vietnam.

22 Profits on Sale of Unquoted Investments and /or Properties

There were no profits on sale of investment and/or properties during the financial year under review.

23 Purchase or Disposal of Quoted Securities

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

(b) Investment in quoted shares as at 31 December 2007

Quoted shares -

At Cost RM'000	At Book Value RM'000	At Market Value RM'000
19,155	-	29,619

24 Status of Corporate Proposals

There were no corporate proposals announced which were pending completion.

25 Group Borrowings and Debt Securities

Total Group borrowings as at 31 December 2007 are as follows:-

	RM'000
Current	126,369
Non-current	26,762
	<u>153,131</u>

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

	VND '000 000
Current	53,233
Non-current	32,394
	<u>85,627</u>

(NOTE - VND 4878 = RM1)

All the Group borrowings are unsecured.

26 Off Balance Sheet Financial Instruments

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

27 Material Litigation

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

28 Dividend

The Directors are recommending a final tax-exempt dividend of 10% (2.5 sen per share), amounting to RM11.1 million, subject to approval by shareholders at the forthcoming Annual General Meeting of the Company.

29 Earnings Per Share

	Current Quarter 31.12.2007 RM'000	Financial Year to Date 31.12.2007 RM'000
Profit/(Loss) attributable to ordinary equity holders of the parent:		
Continuing operation	12,696	44,631
Discontinued operation	(573)	404
	<u>12,123</u>	<u>45,035</u>

29 (a) Basic earnings per share

Issued ordinary shares at beginning of year	443,447,786	443,447,786
Effect of ordinary shares issued during the year	0	912,868
Weighted average number of ordinary shares	<u>443,447,786</u>	<u>444,360,654</u>

Basic (sen)

Continuing operations	2.86	10.04
Discontinued operation	(0.13)	0.09
	<u>2.73</u>	<u>10.13</u>

29 (b) Diluted earnings per share

Weighted average number of ordinary shares	443,447,786	444,360,654
Effect of Employee Share Option Scheme	0	469,285
Weighted average number of ordinary shares (diluted)	<u>443,447,786</u>	<u>444,829,939</u>

Diluted (sen)

Continuing operations	2.86	10.03
Discontinued operation	(0.13)	0.09
	<u>2.73</u>	<u>10.12</u>

Since the ESOS Scheme expired on 7 April 2007, the diluted earnings per share is not applicable for the current quarter.

30 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 28 February 2008.

BY ORDER OF THE BOARD,
Chia Kwok Why
Secretary,
Batu Caves, Selangor Darul Ehsan.
28 February 2008.