



KIAN JOO CAN FACTORY BERHAD

(Incorporated in Malaysia)

(Co. Reg. No. 3186-P)

Condensed Consolidated Income Statements for the second quarter ended 30 June 2009

(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
	30.06.2009 RM'000 unaudited	30.06.2008 RM'000 unaudited	30.06.2009 RM'000 unaudited	30.06.2008 RM'000 unaudited
Continuing Operations				
Revenue	203,284	204,723	390,761	402,726
Cost of sales	(177,940)	(166,072)	(339,092)	(333,232)
Gross profit	25,344	38,651	51,669	69,494
Other income	4,304	1,739	6,524	4,532
Operating expenses	(12,978)	(10,941)	(22,795)	(22,428)
Finance costs	(1,577)	(2,340)	(3,829)	(4,339)
Share of loss of associate (net of tax)	(254)	-	(552)	-
Share of profit of jointly controlled entities (net of tax)	(80)	(4)	(113)	(22)
Profit Before Taxation	14,759	27,105	30,904	47,237
Taxation	(3,640)	(4,905)	(6,800)	(9,556)
Profit for the period from continuing operations	11,119	22,200	24,104	37,681
Equity attributable to equity holders of the parent				
Profit/ (loss) for the period from a discontinued operation	-	(150)	-	(167)
Profit for the period	11,119	22,050	24,104	37,514
Attributable to :				
Equity holders of the parent	10,017	21,222	21,954	35,773
Minority interest	1,102	828	2,150	1,741
	11,119	22,050	24,104	37,514
Earnings per share attributable to equity holders of the parent:				
Basic (sen)				
Continuing operations	2.26	4.81	4.94	8.09
Discontinued operation	0.00	(0.03)	0.00	(0.04)
	2.26	4.78	4.94	8.05
Diluted (sen)				
Continuing operations	-	-	-	-
Discontinued operation	-	-	-	-
	-	-	-	-

The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements



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Condensed Consolidated Balance Sheet As at 30 June 2009

	As at 30.06.2009 RM'000 unaudited	As at 31.12.2008 RM'000 audited
ASSETS		
Non-current Assets		
Property, plant & equipment	449,810	450,714
Prepaid land lease payments	45,652	45,789
Investment properties	11,318	9,620
Intangible assets	504	669
Other investment	90	90
Investments in associated company	22,871	23,423
Investments in jointly controlled entity	1,034	768
Deferred tax assets	18,330	18,578
	<u>549,609</u>	<u>549,651</u>
Current Assets		
Inventories	247,206	259,441
Trade and other receivables	193,511	203,469
Cash and bank balances	46,268	52,566
	<u>486,985</u>	<u>515,476</u>
TOTAL ASSETS	<u><u>1,036,594</u></u>	<u><u>1,065,127</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	111,042	111,042
Share Premium	744	744
Other reserves	5,816	5,309
Retained earnings	584,809	573,959
	<u>702,411</u>	<u>691,054</u>
Minority Interest	53,884	52,297
Total equity	<u>756,295</u>	<u>743,351</u>
Non-current liabilities		
Retirement benefit obligation	22,366	24,878
Borrowings	23,514	23,487
Deferred Tax Liabilities	14,239	13,432
	<u>60,119</u>	<u>61,797</u>
Current Liabilities		
Retirement benefit obligation	1,093	521
Provision for solid waste disposal	180	207
Borrowings	146,860	178,580
Trade and other payables	71,503	78,914
Taxation	544	1,757
	<u>220,180</u>	<u>259,979</u>
Total liabilities	280,299	321,776
TOTAL EQUITY AND LIABILITIES	<u><u>1,036,594</u></u>	<u><u>1,065,127</u></u>
Net assets per share attributable to equity holders of the Company (RM)	1.58	1.56

The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements



KIAN JOO CAN FACTORY BERHAD

(Incorporated in Malaysia)

(Co. Reg. No. 3186-P)

Condensed Consolidated Statement of Changes in Equity For the first quarter ended 30 June 2009

	Attributable to Equity Holders of the Company						
	Non-distributable			Distributable		Minority Interest	Total Equity
	Share Capital	Share Premium	Other Reserve	Retained Earnings	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2008	111,042	744	4,520	530,010	646,316	30,046	676,362
Foreign currency translation	-	-	(298) *	-	(298)	(251)	(549)
Profit for the period	-	-	-	35,773	35,773	1,741	37,514
Total recognised income and expense for the period	-	-	(298)	35,773	35,475	1,490	36,965
Dividends	-	-	-	(11,104)	(11,104)	-	(11,104)
Dividend payable to minority shareholders	-	-	-	-	-	(1,179)	(1,179)
Investment in subsidiary company	-	-	-	-	-	13,079	13,079
At 30 June 2008	111,042	744	4,222	554,679	670,687	43,436	714,123
At 1 January 2009	111,042	744	5,309	573,959	691,054	52,297	743,351
Foreign currency translation	-	-	507 *	-	507	454	961
Profit for the period	-	-	-	21,954	21,954	2,150	24,104
Equity attributable to equity holders of the parent	-	-	507	21,954	22,461	2,604	25,065
Dividends	-	-	-	(11,104)	(11,104)	-	(11,104)
Dividend payable to minority shareholders	-	-	-	-	-	(1,017)	(1,017)
At 30 June 2009	111,042	744	5,816	584,809	702,411	53,884	756,295

* This represents loss or profit 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 2008 and the accompanying explanatory notes attached to the interim financial statements



KIAN JOO CAN FACTORY BERHAD

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

	2009 RM'000 unaudited	2008 RM'000 unaudited
Net cash generated from operating activities	54,800	17,935
Net cash used in investing activities	(12,751)	(29,608)
Net cash (used in)/ generated from financing activities	(45,596)	17,552
Net (decrease)/ increase in Cash and Cash Equivalents	(3,547)	5,879
Effect of Exchange Rate Changes	(2,929)	(117)
Cash and Cash Equivalents at 1 January	52,566	45,773
*Cash and Cash Equivalents at 30 June	46,090	51,535
 *Cash and Cash Equivalents at 30 June comprised the following:		
Cash and bank balances	45,232	19,569
Short term deposits	1,036	31,966
Bank Overdraft	(178)	-
	46,090	51,535

The Condensed Consolidated Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2008 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 2008.

2 Significant Accounting Policies

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 2008. The following new Financial Reporting Standards ("FRS") and Interpretations were issued but not yet effective and have not been applied by the Group:

<u>FRSs and Interpretations</u>	<u>Effective for financial periods beginning on or after</u>
FRS 4 : Insurance Contracts	1 January 2010
FRS 7 : Financial Instruments: Disclosures	1 January 2010
FRS 8 : Operating Segments	1 July 2009
FRS 139 : Financial Instruments: Recognition and Measurement	1 January 2010
IC Interpretation 9 : Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10 : Interim Financial Reporting and Impairment	1 January 2010

The new FRS and Interpretations above are expected to have no significant impact on the financial statements of the Group upon their initial application except for the changes in disclosures arising from the adoption of FRS 7 and FRS 8. The Group is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 139.

3 Qualification of Audit Report of the Preceding Annual Financial Statements

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

4 Seasonal or Cyclical Factors

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

5 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 period under review.

6 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.

7 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 period.

8 Dividends Paid

A final tax exempt dividend of 10% on 444,167,786 ordinary shares amounting to RM11.1 million in respect of financial year ended 31 December 2008 was paid on 28 May 2009.

9 Segmental Reporting

Segmental results for the period ended 30 June 2009 are as follows: -

	Cans Division RM'000	Cartons Division RM'000	Contract Packing RM'000	Others RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
REVENUE							
External sales	307,750	67,996	14,995	20	390,761	-	390,761
Inter-segmental sales	77,377	1,222	-	-	78,599	(78,599)	-
Total revenue	385,127	69,218	14,995	20	469,360	(78,599)	390,761
RESULTS							
Segment results	23,688	5,650	(342)	(117)	28,879	-	28,879
Other income	6,862	565	22	-	7,449	(930)	6,519
	30,550	6,215	(320)	(117)	36,328	(930)	35,398
Finance costs	(3,738)	(1,021)	-	-	(4,759)	930	(3,829)
Share of gain of Associated Co	-	-	-	(552)	(552)	-	(552)
Share of loss of Jointly Controlled Entity	-	-	-	(113)	(113)	-	(113)
Profit before taxation	26,812	5,194	(320)	(782)	30,904	-	30,904
Taxation							(6,800)
Minority Interest							(2,150)
							21,954

9 Segmental Reporting (cont'd)

	Cans Division	Cartons Division	Contract Packing	Others	Total	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
ASSETS AND LIABILITIES							
Segment assets	925,417	118,090	88,247	4,328	1,136,082	(121,850)	1,014,232
Unallocated corporate assets	22,198	81	-	83	22,362	-	22,362
Consolidated total assets							1,036,594
Segment liabilities	(222,234)	(40,722)	(2,541)	(19)	(265,516)	-	(265,516)
Unallocated corporate liabilities	(13,194)	(1,104)	-	(485)	(14,783)	-	(14,783)
Consolidated total liabilities							(280,299)
OTHER INFORMATION							
Capital Expenditure	10,729	878	3,366	-	14,973	-	14,973
Depreciation and amortisation	16,057	2,143	1,373	53	19,626	-	19,626
Non-cash expenses other than depreciation	4,494	182	70	-	4,746	-	4,746

10 Valuation of Property, Plant and Equipment

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

11 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.

12 Changes in the Composition of the Group

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

13 Discontinued Operation

On 1 April 2007, Multi-Pet Sdn Bhd ("MUP"), a 100% owned subsidiary of KJCF ceased operation and in the year ended 31 December 2008 the company has provide full impairment on the assets.

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2009 RM'000	Preceding Year Corresponding Quarter 30.06.2008 RM'000	Current Year To Date 30.06.2009 RM'000	Preceding Year Corresponding Period 30.06.2008 RM'000
Revenue	-	-	-	-
Loss before tax	-	(150)	-	(167)
Taxation	-	-	-	-
Loss for the period from a discontinued operation	-	(150)	-	(167)
Cash flow generated from operating activities	-	16	-	749
Cash flow generated from investing activities	-	68	-	83
Cash flow used in financing activities	-	(83)	-	(831)

14 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.

15 Capital Commitments

The amount of capital commitments as at 30 June 2009 is as follows:-

	RM'000
Approved and contracted for	12,263
Share of capital commitments of associated company & jointly controlled entity	-
	12,263

16 Related Party Transactions

Financial
Period to date
31.06.2009
RM'000

Sales to associated company	84
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Apart from the above, the Group has also entered into the following related party transactions : -

(a) Nature of transaction	Identity of related party	Financial Period to date 30.06.2009	RM'000
Sales of trading inventories	(i) Hercules Sdn. Bhd.	284	
by a subsidiary company	(ii) Hercules (Vietnam) Co Ltd.	32	

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.

17 Review of Performance of the Company and its Principal Subsidiaries

For the financial period ended 30 June 2009, Group revenue decreased by 3.0% to RM390.7 million from RM402.7 million in the previous corresponding quarter. Profit before tax from continuing operation was lower by RM16.3 million at RM30.9 million as compared to the profit before tax of RM47.2 million in the previous corresponding quarter. The lower profit before taxation was mainly attributable to the high carried forward material cost and lower profit margin.

18 Comparison with Preceding Quarter's Results

Group revenue for the current quarter under review increased 8.4% to RM203.3 million as compared to the immediate preceding quarter of RM187.4 million. Profit before tax from continuing operation was 8.6% lower at RM14.7 million as compared to RM16.1 million in the immediate preceding quarter. The lower profit before tax was mainly attributable to lower selling price.

19 Current Year Prospects

The Board expects the performance of the Group for year 2009 to be affected by the global economic crisis. However, the Group will continue to focus its efforts to improve its operational efficiency and productivity.

20 Variance from Forecast Profit and Profit Guarantee

This is not applicable to the Group.

21 Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2009 RM'000	Preceding Year Corresponding Quarter 30.06.2008 RM'000	Current Year To Date 30.06.2009 RM'000	Preceding Year Corresponding Period 30.06.2008 RM'000
Group				
Income Tax				
- current year	(2,895)	(2,665)	(5,662)	(4,816)
- under provision in prior year	(82)	(3)	(82)	(3)
Deferred taxation	(662)	(2,237)	(1,056)	(4,737)
	(3,639)	(4,905)	(6,800)	(9,556)
Discontinued operation	-	-	-	-

The effective tax rate for the financial period under review is lower than the statutory tax rate due to utilisation of capital allowances and tax losses and tax exempt income from subsidiary companies.

22 Profits on Sale of Unquoted Investments and /or Properties

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

23 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 2009

Quoted shares -

At Cost RM'000	At Book Value RM'000	At Market Value RM'000
19,155	-	27,315

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 30 June 2009 are as follows:-

	RM'000
Current	146,860
Non-current	23,514
	170,374

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

	VND '000 000
Current	33,150
Non-current	63,783
	96,933

(NOTE - VND 4,804.60 = 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 period under review.

28 Dividend

For the financial period under review, the Board of Directors is pleased to declare an interim tax exempt dividend of 10%, amounting to RM11.1 million (2008: interim tax exempt dividend of 10%, amounting to RM11.1 million and a special tax exempt dividend of 15%, amounting to RM16.7 million). The dividend amounting to RM11.1 million will be paid on 18 September 2009 to shareholders whose name appear in the Record of Depositors on 7 September 2009.

A Depositor shall qualify for entitlement to the dividend only in respect of:

- a) Shares transferred to the Depositor's securities account before 4.00pm on 7 September 2009 in respect of transfer; and
- b) Shares bought on Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the Rules of Bursa Securities.

29 Earnings Per Share

	Current Quarter 30.06.2009 RM'000	Financial Year to Date 30.06.2009 RM'000
Profit attributable to ordinary equity holders of the parent	10,017	21,954
Weighted average number of ordinary shares	444,167,786	444,167,786
Basic earnings per share (sen)	2.26	4.94

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 19 August 2009.

BY ORDER OF THE BOARD,
Chia Kwok Why
Secretary.
Batu Caves, Selangor Darul Ehsan.
19 August 2009