



KIAN JOO CAN FACTORY BERHAD

(Incorporated in Malaysia)

(Co. Reg. No. 3186-P)

Condensed Consolidated Statement of Comprehensive Income for the fourth quarter ended 31 December 2010

(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
	31.12.2010 RM'000 Unaudited	31.12.2009 RM'000 Audited	31.12.2010 RM'000 Unaudited	31.12.2009 RM'000 Audited
Continuing Operations				
Revenue	279,210	250,702	992,672	875,601
Cost of sales	(227,602)	(203,828)	(805,019)	(737,530)
Gross profit	51,608	46,874	187,653	138,071
Other income	2,000	876	8,686	7,378
Operating expenses	(18,547)	(35,574)	(60,161)	(70,426)
Finance costs	(1,232)	(1,236)	(4,254)	(6,430)
Share of profit/(loss) of associate (net of tax)	190	112	1,003	-
Share of profit of jointly controlled entities (net of tax)	-	-	-	(102)
Profit Before Taxation	34,019	11,052	132,927	68,491
Taxation	(8,875)	(3,663)	(27,466)	(14,466)
Profit for the period	25,144	7,389	105,461	54,025
Other comprehensive (loss)/income, net of tax				
Foreign currency translation differences for foreign operations	(809)	(6,521)	(17,190)	(7,275)
Revaluation surplus of property, net of deferred tax	-	117,479	-	117,479
Other comprehensive (loss)/income for the period, net of tax	(809)	110,958	(17,190)	110,204
Total comprehensive income for the period	24,335	118,347	88,271	164,229
Profit attributable to:				
Equity holders of the company	23,526	6,341	102,386	48,776
Non-controlling interest	1,618	1,048	3,075	5,249
Profit for the period	25,144	7,389	105,461	54,025
Total comprehensive income attributable to:				
Equity holders of the company	22,697	108,266	90,305	149,666
Non-controlling interest	1,638	10,081	(2,034)	14,563
Total comprehensive income for the period	24,335	118,347	88,271	164,229
Earnings per share attributable to equity holders of the company:				
Basic (sen)				
Continuing operations	5.30	1.43	23.05	10.98
Discontinued operation	-	-	-	-
	5.30	1.43	23.05	10.98
Diluted (sen)				
Continuing operations	-	-	-	-
Discontinued operation	-	-	-	-
	-	-	-	-

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2009 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 Statement of Financial Position As at 31 December 2010

	As at 31.12.2010 RM'000 Unaudited	As at 31.12.2009 RM'000 Audited
ASSETS		
Non-Current Assets		
Property, plant & equipment	567,257	603,448
Prepaid lease payments	9,012	9,535
Investment properties	23,717	24,028
Intangible assets	1,478	419
Other investment	90	90
Investments in associated company	24,406	23,423
Deferred tax assets	3,522	6,223
	629,482	667,166
Current Assets		
Inventories	230,666	220,421
Trade and other receivables	238,637	221,823
Cash and bank balances	90,526	64,520
	559,829	506,764
TOTAL ASSETS	1,189,311	1,173,930
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the company		
Share capital	111,042	111,042
Share premium	744	744
Other reserves	89,058	106,199
Retained earnings	671,884	600,527
	872,728	818,512
Non-Controlling Interest	62,386	65,843
Total Equity	935,114	884,355
Non-Current Liabilities		
Retirement benefit obligation	22,098	22,879
Borrowings	10,726	9,930
Deferred Tax Liabilities	19,066	21,307
	51,890	54,116
Current Liabilities		
Retirement benefit obligation	2,503	1,397
Provision for solid waste disposal	151	197
Borrowings	102,146	130,829
Trade and other payables	93,293	99,193
Derivative financial instrument	8	-
Taxation	4,206	3,843
	202,307	235,459
Total Liabilities	254,197	289,575
TOTAL EQUITY AND LIABILITIES	1,189,311	1,173,930
Net assets per share attributable to equity holders of the Company (RM)	1.96	1.84

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2009 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 fourth quarter ended 31 December 2010

	Attributable to Equity Holders of the Company						Total Equity RM'000
	Non-distributable			Distributable		Non-Controlling Interest RM'000	
	Share Capital RM'000	Share Premium RM'000	Other Reserve RM'000	Retained Earnings RM'000	Total RM'000		
At 1 January 2009	111,042	744	5,309	573,959	691,054	52,297	743,351
Profit for the period	-	-	-	48,776	48,776	5,249	54,025
Revaluation surplus of property, net of deferred tax	-	-	105,768	-	105,768	11,711	117,479
Currency translation differences	-	-	(4,878)	-	(4,878)	(2,397)	(7,275)
Total comprehensive income for the period	-	-	100,890	48,776	149,666	14,563	164,229
Dividends	-	-	-	(22,208)	(22,208)	-	(22,208)
Dividend payable to minority interest	-	-	-	-	-	(1,017)	(1,017)
At 31 December 2009	111,042	744	106,199	600,527	818,512	65,843	884,355
At 1 January 2010	111,042	744	106,199	600,527	818,512	65,843	884,355
Profit for the year	-	-	-	102,386	102,386	3,075	105,461
Currency translation differences	-	-	(12,081)	-	(12,081)	(5,109)	(17,190)
Disposal of property	-	-	(5,060)	5,060	-	-	-
Total comprehensive income for the period	-	-	(17,141)	107,446	90,305	(2,034)	88,271
Dividends	-	-	-	(36,089)	(36,089)	-	(36,089)
Dividend payable to minority interest	-	-	-	-	-	(1,423)	(1,423)
At 31 December 2010	111,042	744	89,058	671,884	872,728	62,386	935,114

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 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 Cash Flow For the fourth quarter ended 31 December 2010

	31.12.2010	31.12.2009
	RM'000	RM'000
	Unaudited	Audited
Net cash generated from operating activities	112,048	150,528
Net cash used in investing activities	(23,549)	(55,120)
Net cash used in financing activities	(61,319)	(82,718)
Net increase in Cash and Cash Equivalents	27,180	12,690
Effect of Exchange Rate Changes	(1,174)	(736)
Cash and Cash Equivalents at 1 January	64,520	52,566
*Cash and Cash Equivalents at 31 December	<u>90,526</u>	<u>64,520</u>
 *Cash and Cash Equivalents at 31 December comprised the following:		
Cash and bank balances	32,116	47,942
Short term deposits	58,410	16,578
	<u>90,526</u>	<u>64,520</u>

The Condensed Consolidated Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2009 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 Main Market 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 2009.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2009.

2 Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2009, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations with effect from 1 January 2010.

FRSs, Amendments to FRSs and Interpretations Adopted by the Group on 1 January 2010

FRS 7	: Financial Instruments: Disclosures
FRS 8	: Operating Segments
FRS 101	: Presentation of Financial Statements (revised)
FRS 123	: Borrowing Costs
FRS 139	: Financial Instruments: Recognition and Measurement
Amendments to FRS 1	: First-time Adoption of Financial Reporting Standards
Amendments to FRS 7	: Financial Instruments: Disclosures
Amendments to FRS 127	: Consolidated and Separate Financial Statements
Amendments to FRS 132	: Financial Instruments: Presentation
Amendments to FRS 139	: Financial Instruments: Recognition and Measurement
Amendments to FRSs 'Improvements to FRSs (2009)'	
IC Interpretation 9	: Reassessment of Embedded Derivatives
IC Interpretation 10	: Interim Financial Reporting and Impairment

The above new FRSs, Amendments to FRSs and Interpretations are expected to have no significant changes in the accounting policies and presentation of the financial statements of the Group upon their initial application, other than for the application of FRS 8, FRS 101 and FRS 139.

(a) FRS 8: Operating Segments

FRS 8 requires segment information to be presented on a similar basis to that used for internal reporting purposes. As a result, the Group's segmental reporting had been presented based on the internal reporting to the chief operating decision maker, who makes decisions on the allocation of resources and assess the performance of the reportable segments. This standard does not have any impact on the financial position and results of the Group.

2 Significant Accounting Policies (cont'd)

(b) FRS 101: Presentation of Financial Statements

FRS 101 separates owner and non-owner changes in equity. Therefore, the current consolidated statement of changes in equity only includes details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. Comparative information, with exception of the requirements under FRS 139, had been re-presented to conform with the revised standard. This standard does not have any impact on the financial position and results of the Group.

The effects on the comparatives to the Group on adoption of FRS 101 are as follows:

	Income statement as previously reported RM '000	Effects of adopting FRS 101 RM '000	Statement of comprehensive income as restated RM '000
For the year ended 31 December 2009			
Profit for the year	54,025	-	54,025
Other comprehensive income	-	110,204	110,204
Total comprehensive income			<u>164,229</u>
Total comprehensive income attributable to:			
Owners of the company			149,666
Minority interest			14,563
Total comprehensive income			<u>164,229</u>

(c) FRS 139: Financial Instruments - Recognition and Measurement

Prior to the adoption of FRS 139, foreign exchange gain/(loss) arising from currency forward contracts were recognised on their settlement dates. Outstanding derivatives at the reporting date were not recognised. With the adoption of FRS 139, such foreign currency forward contracts are recognised at contract dates as financial assets and financial liabilities. At initial recognition, all financial assets and financial liabilities are measured at their fair value.

In accordance with FRS 139, the recognition, derecognition and measurement are applied prospectively from 1 January 2010, and comparative information are not restated. There were no financial assets and financial liabilities as at 1 January 2010 that were brought forward from the previous financial year.

The Group does not apply hedge accounting.

2 Significant Accounting Policies (cont'd)

FRSs, Amendments to FRSs and Interpretations Issued But Not Yet Effective

At the date of authorisation of these interim financial statements, the following new FRSs, Amendments to FRSs and Interpretations were issued but not yet effective and have not been applied by the Company:

FRSs, Amendments to FRSs and Interpretations	Effective For Financial Periods Beginning On or After
Amendments to FRS 1 : Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 1 : Additional Exemptions for First-Time Adopters	1 January 2011
Amendments to FRS 5 : Non-Current Assets Held For Sale Discontinued Operations	1 July 2010
Amendments to FRS 7 : Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 127 : Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 July 2010
Amendments to FRS 1, FRS 3, FRS 7, FRS 101, FRS 121, FRS 128, FRS 131, FRS 132, FRS 134, FRS 139 and Amendments to IC Interpretation 13 : Improvements to FRSs (2010)	1 January 2011
Amendments to FRS 138 : Intangible Assets	1 July 2010
Amendments to IC Interpretation 9 : Reassessment of Embedded Derivatives	1 July 2010
IC Interpretation 17 : Hedges of a Net Investment in a Foreign Operation	1 July 2010

The new FRSs, Amendments to FRSs 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 the revised FRS 3. The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, the future acquisitions and transactions with minority interests.

3 Qualification of Audit Report of the Preceding Annual Financial Statements

There was 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 (cont'd)

There were no other unusual items affecting assets, liabilities, equity, net income or cash flows during the financial year-to-date, except for the effects arising from the adoption of FRS 139 as disclosed in Note 2(c).

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 on the financial year-to-date results.

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

For the financial period under review, an interim single-tier exempt dividend of 10% on 444,167,786 ordinary shares amounting to RM11,104,195 (2.5 sen per share) and a special single-tier exempt dividend of 15% on 444,167,786 ordinary shares amounting to RM16,656,292 (3.75 sen per share) in respect of the current financial year ended 31 December 2010 was paid on 27 September 2010.

9 Segmental Reporting

Segmental results for the year ended 31 December 2010 are as follows: -

	Cans Division	Cartons Division	Contract Packing	Others	Total	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE							
External sales	742,283	192,015	58,260	114	992,672	-	992,672
Inter-segmental sales	202,814	3,498	4	-	206,316	(206,316)	-
Total revenue	945,097	195,513	58,264	114	1,198,988	(206,316)	992,672
RESULTS							
Segment results	112,756	12,268	1,015	1,453	127,492	-	127,492
Other income	10,633	793	578	392	12,396	(3,710)	8,686
	123,389	13,061	1,593	1,845	139,888	(3,710)	136,178
Finance costs	(5,725)	(1,270)	(969)	-	(7,964)	3,710	(4,254)
Share of gain of Associated Co	-	-	-	1,003	1,003	-	1,003
Profit before taxation	117,664	11,791	624	2,848	132,927	-	132,927
Taxation							(27,466)
Minority interest							(3,075)
							102,386
ASSETS AND LIABILITIES							
Segment assets	1,063,595	181,632	50,369	9,220	1,304,816	(120,188)	1,184,628
Unallocated corporate assets	4,156	356	-	171	4,683	-	4,683
Consolidated total assets							1,189,311
Segment liabilities	(164,295)	(63,003)	(3,586)	(50)	(230,934)	8	(230,926)
Unallocated corporate liabilities	(14,366)	(6,731)	-	(1,801)	(22,898)	(373)	(23,271)
Consolidated total liabilities							(254,197)
OTHER INFORMATION							
Capital Expenditure	10,461	20,123	1,516	-	32,100	-	32,100
Depreciation and amortisation	35,963	5,509	4,743	224	46,439	-	46,439
Non-cash expenses other than depreciation	7,159	1,103	253	-	8,515	-	8,515

10 Valuation of Property, Plant and Equipment

There were no changes to the valuation of property, plant and equipment from the previous annual financial statements.

11 Material Events Subsequent to the End of the Interim Period

There were no significant events subsequent to the end of the period under review to the date of this announcement that are not disclosed 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 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 2010 is as follows:-

	RM'000
Approved and contracted for	15,763
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15 Related Party Transactions

	Financial Period to date 31.12.2010 RM'000
Sales to associated company	298
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Apart from the above, the Group has also entered into the following related party transactions :

		Financial Period to date 31.12.2010 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	622 277
		<hr/>

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 transactions entered into with third parties.

16 Review of Performance of the Company and its Principal Subsidiaries

4th Quarter 2010 versus 4th Quarter 2009

The Group's revenue of RM279.2 million for 4th Quarter 2010 outperformed the preceding year's corresponding quarter revenue of RM250.7 million by 11%. The Group's profit before tax was higher in 4th Quarter 2010 at RM34.0 million, compared to RM11.1 million in the preceding year's corresponding quarter. The improvement in 4th Quarter 2010 results was due to an increase in sales and operating cost efficiency in the cans, corrugated cartons and contract packing divisions.

Financial year ended 31 December 2010 versus financial year ended 31 December 2009

In the financial year ended 31 December 2010, the Group recorded a revenue of RM992.7 million, an increase of 13% from RM875.6 million in the preceding financial year. Profit before tax rose by RM64.4 million from RM68.5 million in the financial year ended 31 December 2009 to RM132.9 million in the current financial year.

The significant improvement in profit before taxation in the current financial year was mainly due to a significant growth in sales and improved cost efficiency in the cans and contract packing divisions. This improvement in the Group's results compared to the preceding year was due to an exceptionally low margin in the preceding financial year. The margin for year 2009 was badly affected by the financial crisis, which resulted in a reduction of revenue, higher inventory costs and a downward pressure on selling prices.

17 Comparison with Preceding Quarter's Results

The Group's revenue for the current quarter under review increased by RM19.6 million or 8% to RM279.2 million from RM259.6 million in the preceding quarter ended 30 September 2010. The Group's profit before tax was lower by 15% at RM34.0 million compared to RM40.2 million in the preceding quarter. This decrease in profit before tax was mainly due to writing down raw material cost to their realisable value and additional accrual for staff performance rewards.

18 Current Year Prospects

The Board expects the Group's performance for year 2011 to be satisfactory.

19 Variance from Forecast Profit and Profit Guarantee

No profit forecast or guarantee was issued by the Group.

20 Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To Date	Corresponding
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	RM'000	RM'000	RM'000	RM'000
Group				
Income Tax				
- current year	(8,951)	(6,783)	(26,325)	(16,646)
- under provision in prior year	(334)	(106)	(681)	(390)
Deferred taxation	410	3,226	(460)	2,570
	(8,875)	(3,663)	(27,466)	(14,466)

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.

21 Retained Earnings

	As at 31.12.2010 RM'000	As at 30.09.2010 RM'000
Total retained earnings of Group:		
- Realised	655,000	628,203
- Unrealised	2,478	3,749
Total share of retained earnings from associated company:		
- Realised	14,406	14,216
- Unrealised	-	-
	671,884	646,168
Less: Consolidated adjustments	-	-
Total Group retained earnings as per Consolidated Accounts	671,884	646,168

22 Profits on Sale of Unquoted Investments and /or Properties

On 1 March 2010, the Group entered into a sales and purchase agreement with MWE Properties Sdn. Bhd. to dispose off a piece of freehold vacant land for a cash consideration of RM6.2 million. The disposal was subsequently completed upon receipt of final payment from the purchaser on 6 July 2010.

Save as disclosed above, there were no significant sales of unquoted investments 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 31 December 2010

	At Cost	At Book Value	At Market Value
	RM'000	RM'000	RM'000
Quoted shares -	19,155	-	39,163

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 2010 are as follows:-

	RM'000
Current	102,146
Non-current	10,726
	112,871

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

	VND'000,000
Current	110,902
Non-current	65,769
	176,672

(NOTE: VND 6,132 = RM1)

All the Group's borrowings are unsecured.

26 Financial Instruments

The relevant accounting policies and the effects of the adoption of new accounting policies are disclosed in Note 2 Significant Accounting Policies. There were no other off balance sheet financial instruments as at the reporting date other than as disclosed.

The details of the outstanding derivative financial instruments as at 31 December 2010 are as follows:-

Type of derivative	Notional amount RM'000	Fair value RM'000	Fair value net gain/(loss) RM'000
Forward exchange contracts			
- less than 1 year	2,908	2,900	(8)

26 Financial Instruments - Cont'd

Forward exchange contracts were entered into by the Group to minimise its exposure to foreign currency risks as a result of changes in fair value of its firm commitments due to fluctuations in the exchange rate.

Fair values of the above forward contracts are determined using market rates at the end of reporting period. The subsequent cumulative change in fair values of the firm commitments attributable to the hedged risk is recognised as an asset or liability with the corresponding gain or loss recognised in profit or loss.

The above foreign exchange contracts are subject to credit risk arising from possibility of default of the counterparty in meeting its contractual obligations where the Group has a gain in the contract. This risk, however, is minimal as the financial instruments were executed only with credit-worthy financial institutions in Malaysia that are governed by appropriate policies and procedures.

27 Material Litigation

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

28 Dividend

The Directors are recommending a final single-tier exempt dividend of 10% (2.5 sen per share) and a special single-tier exempt dividend of 20% (5.0 sen per share) on 444,167,786 ordinary shares in respect of the current financial year ended 31 December 2010, subject to approval by shareholders at the forthcoming Annual General Meeting of the Company.

29 Earnings Per Share

	Current Quarter	Financial Year to Date
	31.12.2010	31.12.2010
	RM'000	RM'000
Profit attributable to ordinary equity holders of the company	23,526	102,386
Weighted average number of ordinary shares	444,167,786	444,167,786
Basic earnings per share (sen)	5.30	23.05

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 25 February 2011.

BY ORDER OF THE BOARD,
Chia Kwok Why
Secretary
Batu Caves, Selangor Darul Ehsan
25 February 2011