

# CAN-ONE BERHAD

(Company No. 638899-K)

Quarterly report on consolidated results for the Second Quarter ended 30 June 2006. .

The figures have not been audited

(Financial year ending 31 December 2006)

## CONSOLIDATED BALANCE SHEET

	As at 31 June 2006 RM'000	As at 31 December 2005 (Audited) RM'000
<b>Non-current assets</b>		
Property, plant & equipment	77,243	74,937
Prepaid lease payments	10,673	7,335
Other investments	4,017	4,017
Goodwill on consolidation	305	305
<b>Total non-current assets</b>	<b>92,238</b>	<b>86,594</b>
<b>Current assets</b>		
Inventory	80,887	63,288
Receivables	66,544	67,866
Cash & bank balances	19,363	9,212
<b>Total current assets</b>	<b>166,794</b>	<b>140,366</b>
<b>Total assets</b>	<b>259,032</b>	<b>226,960</b>
<b>Equity</b>		
Share capital	76,200	76,200
Share premium	8,560	8,560
Retained earnings	34,575	27,596
<b>Total equity</b>	<b>119,335</b>	<b>112,356</b>
<b>Non-current liabilities</b>		
Borrowings	54,562	55,076
Deferred tax	8,022	8,026
<b>Total non-current liabilities</b>	<b>62,584</b>	<b>63,102</b>
<b>Current liabilities</b>		
Payables	15,944	13,917
Taxation	1,510	560
Borrowings	59,659	37,025
<b>Total current liabilities</b>	<b>77,113</b>	<b>51,502</b>
<b>Total liabilities</b>	<b>139,697</b>	<b>114,604</b>
<b>Total equity and liabilities</b>	<b>259,032</b>	<b>226,960</b>

### NOTE:

The condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

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## CONSOLIDATED INCOME STATEMENT

	Individual Quarter	Individual Quarter	Cumulative Quarter	Cumulative Quarter
	Current year quarter ended 30/06/2006 RM'000	Preceding year corresponding quarter ended 30/06/2005 RM'000	Current year to date ended 30/06/2006 RM'000	Preceding year corresponding period ended 30/06/2005 RM'000
Revenue	50,707	37,485	96,863	73,422
Cost of Sales	(42,165)	(30,816)	(81,445)	(60,702)
Gross profit	<u>8,542</u>	<u>6,669</u>	<u>15,418</u>	<u>12,720</u>
Other income/expenses	(297)	187	180	323
Sales & distribution expenses	(483)	(217)	(880)	(816)
Admin & general expenses	(1,673)	(1,335)	(3,411)	(2,723)
Profit from operations	<u>6,089</u>	<u>5,304</u>	<u>11,307</u>	<u>9,504</u>
Financial expenses	(1,308)	(1,221)	(2,705)	(2,288)
Profit before tax	<u>4,781</u>	<u>4,083</u>	<u>8,602</u>	<u>7,216</u>
Tax expenses	(886)	(219)	(1,623)	(783)
Profit after taxation	<u><u>3,895</u></u>	<u><u>3,864</u></u>	<u><u>6,979</u></u>	<u><u>6,433</u></u>
Earnings per share				
Basic (Sen)	2.56	2.96	4.58	4.93
Diluted (Sen)	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>

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## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital RM'000	Share premium RM'000	Retained profits RM'000	Total RM'000
<b>Current year to date ended 30 June 2006</b>				
Balance at 1 January 2006	76,200	8,560	27,596	112,356
Profit for the period	-	-	6,979	6,979
<b>Balance at 30 June 2006</b>	<b>76,200</b>	<b>8,560</b>	<b>34,575</b>	<b>119,335</b>
<b>Preceding year corresponding period ended 30 June 2005</b>				
Balance at 1 January 2005	-*	-	(12)	(12)
Impact of applying merger accounting:		(1,335)		(2,723)
- Shares issued as consideration to acquire Aik Joo Can Factory Sdn Bhd, assumed to be in issue throughout the financial period	65,200	-	-	65,200
- Retained profit of Aik Joo Can Factory Sdn Bhd as at 31 December 2004, less merger debit	-	-	12,280	12,280
Net impact	65,200	-	12,280	77,480
Profit for the period	-	-	6,433	6,433
<b>Balance at 30 June 2005</b>	<b>65,200</b>	<b>-</b>	<b>18,701</b>	<b>83,901</b>

\* Denotes RM2

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## CONSOLIDATED CASH FLOW STATEMENT

	<b>Cumulative Quarter</b>	<b>Cumulative Quarter</b>
	<b>Current year to date</b>	<b>Preceding year</b>
	<b>ended 30/06/2006</b>	<b>corresponding period</b>
	<b>RM'000</b>	<b>ended 30/06/2005</b>
		<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	8,603	7,216
<b>Adjustments:</b>		
Depreciation & amortisation	2,563	2,223
Negative goodwill recognised	-	(97)
Interest income	(106)	(80)
Interest expense	2,627	2,214
	<hr/> 13,687	<hr/> 11,476
(Increase) in inventory	(17,599)	(15,437)
(Increase) in receivables	1,322	(1,581)
Increase/(Decrease) in payables	2,027	915
	<hr/> (563)	<hr/> (4,627)
<b>Cash generated from/(used in) operations</b>		
Tax paid	(677)	(756)
	<hr/> (1,240)	<hr/> (5,383)
<b>Net cash flows from/(used in) operating activities</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions of property, plant & equipment	(8,207)	(13,773)
Acquisition of subsidiary, net of cash acquired	-	290
Interest received	106	80
	<hr/> (8,101)	<hr/> (13,403)
<b>Net cash flows from investing activities</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of term loan	568	7,806
Repayment of term loan	(5,318)	(822)
Interest paid	(2,627)	(2,214)
Increase in bankers acceptances	28,273	16,365
	<hr/> 20,896	<hr/> 21,135
<b>Net cash flows from financing activities</b>		
	<hr/> 11,555	<hr/> 2,349
<b>Net increase/(decrease) in cash &amp; cash equivalent</b>		
Cash & cash equivalent brought forward	7,808	17,127
	<hr/> 19,363	<hr/> 19,476
<b>Cash &amp; cash equivalent carried forward</b>		
Comprises:		
Cash and bank balances	<hr/> 19,363	<hr/> 19,476

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