

BOX-PAK (MALAYSIA) BERHAD

(Company No.: 21338-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2010

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2010 (RM'000) Unaudited	Preceding Year Corresponding Quarter 30.09.2009 (RM'000) Unaudited	Current Year To Date 30.09.2010 (RM'000) Unaudited	Preceding Year Corresponding Period 30.09.2009 (RM'000) Unaudited
Revenue	50,225	39,691	134,728	108,910
Cost of Sales	(43,425)	(31,694)	(118,064)	(90,067)
Gross Profit	<u>6,800</u>	<u>7,997</u>	<u>16,664</u>	<u>18,843</u>
Other Income	270	148	550	484
Operating Expenses	(3,109)	(2,883)	(9,334)	(7,850)
Finance Costs	(307)	(373)	(877)	(1,394)
Profit before Taxation	<u>3,654</u>	<u>4,889</u>	<u>7,003</u>	<u>10,083</u>
Taxation	(429)	(349)	(1,210)	(785)
Profit for the Period	<u>3,225</u>	<u>4,540</u>	<u>5,793</u>	<u>9,298</u>
Other Comprehensive Income, Net of Tax				
Foreign Currency Translation Differences for Foreign Operations	<u>(3,196)</u>	<u>(382)</u>	<u>(5,562)</u>	<u>(207)</u>
Total Comprehensive Income for the Period	<u>29</u>	<u>4,158</u>	<u>231</u>	<u>9,091</u>
Profit Attributable to :				
Equity holders of the parent	3,225	4,540	5,793	9,298
Total Comprehensive Income Attributable to :				
Equity holders of the parent	29	4,158	231	9,091
Earnings per Share				
Basic (Sen)	5.37	7.56	9.65	15.49

(The Condensed Consolidated Statements 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.)

BOX-PAK (MALAYSIA) BERHAD

(Company No.: 21338-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2010

	AS AT CURRENT QUARTER ENDED 30.09.2010 RM'000 Unaudited	AS AT PRECEDING YEAR END 31.12.2009 RM'000 Audited
Non-current Assets		
Property, plant and equipment	86,458	82,630
Investment properties	6,671	6,841
Prepaid land lease payments	3,635	4,347
Intangible assets	3	19
Other investment	90	90
	<u>96,857</u>	<u>93,927</u>
Current Assets		
Inventories	24,830	20,516
Trade and other receivables	46,248	39,834
Amount due from related company	413	109
Cash and cash equivalents	6,895	4,938
	<u>78,386</u>	<u>65,397</u>
Total Assets	<u>175,243</u>	<u>159,324</u>
Equity and Liabilities		
Equity attributable to equity holders of the parent		
Share capital	60,023	60,023
Reserves	42,200	45,120
Total Equity	<u>102,223</u>	<u>105,143</u>
Non-current liabilities		
Retirement benefit obligations	533	499
Borrowings	17,296	9,845
Deferred tax liabilities	6,409	6,588
	<u>24,238</u>	<u>16,932</u>
Current Liabilities		
Trade and other payables	32,909	22,285
Retirement benefit obligations	98	0
Provisions for liabilities	146	77
Borrowings	8,235	12,700
Amount due to holding company	7,394	2,187
	<u>48,782</u>	<u>37,249</u>
Total Liabilities	73,020	54,181
Total Equity and Liabilities	<u>175,243</u>	<u>159,324</u>
Net Assets per Share (RM)	1.70	1.75

(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.)

BOX-PAK (MALAYSIA) BERHAD

(Company No.: 21338-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR QUARTER ENDED 30 SEPTEMBER 2010

	-----Attributable to Equity Holders of the Parent-----					Total (RM'000)
	Share Capital (RM'000)	Non distributable Reserves			Distributable Reserves	
		Share Premium (RM'000)	Revaluaton Reserve (RM'000)	Exchange Reserve (RM'000)	Retained Profits (RM'000)	
At 1 January 2010	60,023	24	28,424	(3,328)	20,000	105,143
Profit for the period	-	-	-	-	5,793	5,793
Other comprehensive loss	-	-	-	(5,562)	-	(5,562)
Total comprehensive (loss)/income	-	-	-	(5,562)	5,793	231
Issue of Share Capital	-	-	-	-	-	-
Dividends	-	-	-	-	(3,151)	(3,151)
At 30 September 2010	60,023	24	28,424	(8,890)	22,642	102,223

	-----Attributable to Equity Holders of the Parent-----					Total (RM'000)
	Share Capital (RM'000)	Non distributable Reserves			Distributable Reserves	
		Share Premium (RM'000)	Revaluation Reserve (RM'000)	Exchange Reserve (RM'000)	Retained Profits (RM'000)	
At 1 January 2009	60,023	24	2,497	(1,690)	9,833	70,687
Profit for the period	-	-	-	-	9,298	9,298
Other comprehensive income	-	-	-	(207)	-	(207)
Total comprehensive income	-	-	-	(207)	9,298	9,091
Issue of Share Capital	-	-	-	-	-	-
Dividends	-	-	-	-	(2,251)	(2,251)
At 30 September 2009	60,023	24	2,497	(1,897)	16,880	77,527

(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.)

BOX-PAK (MALAYSIA) BERHAD

(Company No.: 21338-W)

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE QUARTER ENDED 30 SEPTEMBER 2010

	9 Months ended 30.09.2010 (RM'000) Unaudited	9 Months ended 30.09.2009 (RM'000) Unaudited
Net Cash generated from operating activities	6,431	21,399
Net Cash used in investing activities	(13,068)	(2,950)
Net Cash generated from / (used in) financing activities	8,048	(14,941)
Net increase in cash and cash equivalents	<u>1,411</u>	<u>3,508</u>
Effects of Exchange Rate Changes	546	32
Cash and Cash Equivalents at 1 January	4,938	2,958
Cash and Cash Equivalents at 30 September	<u>6,895</u>	<u>6,498</u>
Cash and cash equivalents at 30 September comprise the following :-		
Cash and bank balances	6,862	4,415
Short term deposits	<u>33</u>	<u>2,083</u>
	<u>6,895</u>	<u>6,498</u>

(The Condensed Consolidated Statement of 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.)

BOX-PAK (MALAYSIA) BERHAD (21338-W)
UNAUDITED RESULTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2010

Explanatory Notes Pursuant to FRS 134

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 8	: Operating Segments
FRS 7	: Financial Instruments: Disclosures
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
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.

(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 labeled 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.

(b) FRS 101: Presentation of Financial Statements - Cont'd

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

For the period ended 30 September 2009	Income statement as previously reported RM '000	Effects of adopting FRS 101 RM '000	Statement of comprehensive income as restated RM '000
Profit for the period	9,298	-	9,298
Other comprehensive income	-	(207)	(207)
Total comprehensive income			<u>9,091</u>
Total comprehensive income attributable to:			
Owners of the parent			<u>9,091</u>
Total comprehensive income			<u>9,091</u>

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

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments at the balance sheet date reflects the designation of the financial instruments. The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard as at transitional date on 1 January 2010.

In accordance with the transitional provisions of this standard, the required changes are applied prospectively and the comparative information are not restated. This standard does not have any impact on the financial position and results of the Group.

3 Declaration of Audit Qualification

The financial statements for the year ended 31 December 2009 were not qualified.

4 Seasonal or Cyclical Factors

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

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

There were no items affecting assets, liabilities, equity, net income or cash flow that are unusual because of their nature, size or incidence.

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

No dividends was paid during the current quarter under review.

9 Segmental Reporting

The Group operations are mainly in Malaysia and Vietnam

	Malaysia RM'000	Vietnam RM'000	Elimination RM'000	Consolidated RM'000
Revenue and Expenses				
Revenue				
External sales	51,313	83,415	-	134,728
Result				
Segment results	2,523	4,807	-	7,330
Other income	536	14	-	550
Finance costs				(877)
Profit before taxation				7,003
Taxation				(1,210)
Profit for the period to date				5,793
Assets and Liabilities				
Segment assets	70,328	103,812	(35)	174,105
Unallocated corporate assets				1,138
Consolidated total assets				175,243
Segment liabilities	(17,561)	(26,646)	4,034	(40,172)
Unallocated corporate liabilities				(32,847)
Consolidated total liabilities				(73,020)
Other Information				
Capital Expenditure	364	12,995	-	13,359
Depreciation	1,409	2,438	-	3,847
Non-cash expenses other than depreciation	896	1,220	-	2,116

10 Valuation of Property, Plant and Equipment

There were no amendments in the valuation of property, plant and equipment brought forward from the previous annual financial statements.

11 Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the interim period reported that have not been reflected in the 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 Capital Commitments

The amount of capital commitments as at 30 September 2010 is as follows;

	Financial period to date 30.09.2010
	<u>RM'000</u>
Approved and contracted for	4,357

14 Changes in the Contingent Liabilities or Contingent Assets

There were no material changes in contingent liabilities or contingent assets since the last annual balance sheet date.

15 Related Party Transactions

	Financial Year to date 30.09.2010 <hr/> RM'000
Sales to holding company	68
Sales to related companies	2,524
Rental paid to holding company	45

The related companies and their relationship with the Group are as follows : -

Related companies	Relationship
Federal Metal Printing Factory Sdn Bhd	Subsidiary of the holding company
Kian Joo Canpack Sdn Bhd	Subsidiary of the holding company
Kian Joo Canpack (Nilai) Sdn Bhd	Subsidiary of the holding company
Kian Joo Packaging Sdn Bhd	Subsidiary of the holding company
KJ Can (Johore) Sdn Bhd	Subsidiary of the holding company
KJ Can (Selangor) Sdn Bhd	Subsidiary of the holding company
KJM Aluminum Can Sdn Bhd	Subsidiary of the holding company
KJ Can (Vietnam) Co. Ltd.	Subsidiary of the holding company

The above transactions were entered into in the normal course of business on terms that the Directors consider to those had the transactions been entered into with third parties.

During the financial period ended 30 September 2010, the Group entered into the following related party transactions :-

(i) <u>Nature of transaction</u>	<u>Identity of related party</u>	Financial Period to date 30.09.2010 <hr/> RM'000
Sales of trading inventories	Kian Joo-Visypak Sdn Bhd(KJV)	211

The party is an associate of the holding company. The party is also deemed related to the Group by virtue of common directorship held by Y.A.M. Tunku Dato' Seri Nadzaruddin Ibni Almarhum Tuanku Ja'afar, Dato' Anthony See Teow Guan, Dato' See Teow Chuan and See Teow Koon in KJV and the Group.

(ii) <u>Nature of transaction</u>	<u>Identity of related party</u>	Financial Period to date 30.09.2010 <hr/> RM'000
Sales of trading inventories	Hercules Sdn Bhd	505
	Hercules Vietnam Co Ltd	184
	Metal Closure and Seals Sdn Bhd	-

The parties are deemed related to the Group by virtue of common directorship held by See Leong Chye @ Sze Leong Chye in Hercules Sdn Bhd, Hercules Vietnam Co Ltd, Metal Closure and Seals Sdn Bhd and the Group.

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 Review of Performance

For the third quarter 2010, the Group's revenue improved by 26% to RM50.2 million as compared to RM39.7 million recorded in the preceding year's corresponding quarter. However, the Group's profit before tax was lower by RM1.2 million to RM3.7 million as compared to RM4.9 million and this was mainly attributable to the higher paper material cost.

For the financial period ended 30 September 2010, the Group's revenue improved by 24% to RM134.7 million as compared to RM108.9 million recorded in the preceding year's corresponding period. The Group's profit before tax was lower by RM3.1 million at RM7 million compared to RM10.1 million recorded in the preceding year's corresponding period. The decrease in profit before tax was mainly attributable to the higher paper material cost and currency exchange losses incurred from the devaluation of the Vietnam Dong and strengthening of the Ringgit Malaysia.

17 Comparison with Immediate Preceding Quarter.

For the quarter ended 30 September 2010, the Group's revenue improved by 11% to RM50.2 million as compared to RM45.4 million registered in the immediate preceding quarter ended 30 June 2010. The Group registered higher profit before taxation of RM0.9 million to RM3.7 million as compared to RM2.8 million in the immediate preceding quarter. The increase in profit before tax was mainly attributable to the higher revenue.

18 Current Year Prospects

The Board expects the performance of the Group for Year 2010 to be affected by the higher material cost and volatility of the Vietnam Dong.

19 Variance from Forecast Profit and Profit Guarantee

This is not applicable to the Group.

20 Taxation

	Current Quarter RM'000	Year to date RM'000
Income Tax		
- Current	(520)	(1,388)
- Over/(Under) provision in prior year	-	-
Deferred Taxation		
- Current	91	178
- Over/(Under) provision in prior year	-	-
	<u>(429)</u>	<u>(1,210)</u>

The effective tax rate for the financial period under review is higher than statutory tax rate due to certain expenses disallowed for deduction purposes.

21 Profit on Sale of Unquoted Investments and Properties

There were no disposal of investments/properties during the financial period under review.

22 Purchase or Disposal of Quoted Securities

There were no purchases and disposals of quoted securities during the financial period under review.

23 Status of Corporate Proposals

There were no corporate proposal announced for the financial period under review.

24 Group Borrowings and Debt Securities

Total Group borrowings as at 30 September 2010 are as follows:-

	RM' 000
Current	8,235
Non-Current	17,296
	<u>25,531</u>

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

	VND '000 000
Current	50,546
Non-Current	106,157
	<u>156,703</u>

(NOTE - VND6,138 = RM1)

All the Group borrowings are unsecured

25 Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at the date of this report.

26 Changes in Material Litigation

There was no material litigation as at the date of this report.

27 Dividends

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

28 Earnings Per Share

The computation of earnings per share is as follows :-

	Current Quarter 30.09.2010	Financial year to date 30.09.2010
<u>Basic earnings per share</u>		
Issued ordinary shares at beginning of period	60,023,490	60,023,490
Basic earnings per share (sen)	5.37	9.65

29 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 23rd November 2010.

By Order of the Board
Box-Pak (Malaysia) Berhad

Chia Kwok Why
Company Secretary

Batu Caves, Selangor.
23rd November 2010