

KYM HOLDINGS BHD (Co. No. 84303-A)
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED BALANCE SHEET
FOR QUARTER ENDED 31 OCTOBER 2005

	As at quarter ended 31.10.2005 RM'000	As at year ended 31.01.2005 RM'000
Property, plant and equipment	69,187	71,670
Land held for development	178,562	171,382
Intangible assets	3,612	3,612
Investment in quoted shares	7,639	7,639
	<u>259,000</u>	<u>254,303</u>
Current assets		
Development properties	2,369	1,128
Inventories	8,354	9,411
Trade and other receivables	21,896	20,430
Tax recoverable	124	146
Cash and cash equivalent	1,604	1,260
	<u>34,347</u>	<u>32,375</u>
Current liabilities		
Short term borrowings	22,868	21,200
Trade and other payables	63,954	64,532
Taxation	25	25
	<u>86,847</u>	<u>85,757</u>
Net current liabilities	<u>(52,500)</u>	<u>(53,382)</u>
	<u>206,500</u>	<u>200,921</u>
Financed By:		
Capital and reserves		
Share Capital	81,135	81,135
Reserves	63,056	63,056
Accumulated losses	(135,308)	(129,063)
Shareholders' fund	8,883	15,128
Minority shareholders' interests	15,992	16,245
Borrowings	164,231	152,152
Deferred taxation	17,394	17,396
	<u>206,500</u>	<u>200,921</u>
Net tangible assets per share (sen)	<u>6</u>	<u>14</u>

The Condensed Consolidated Balance Sheets (unaudited) should be read in conjunction with the Annual Audited Financial Report for the year ended 31 January 2005

KYM HOLDINGS BHD (Co. No. 84303-A)
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR QUARTER ENDED 31 OCTOBER 2005

	2005		2004	
	Current quarter ended 31.10.2005	9-month cumulative for current financial year to date ended 31.10.2005	Comparable current quarter ended 31.10.2004	Comparable 9-month cumulative for preceding financial year to date ended 31.10.2004
	RM'000	RM'000	RM'000	RM'000
Revenue	20,972	55,127	20,754	59,686
Other Operating Income	60	770	91	258
Operating expenses	(20,877)	(57,789)	(22,091)	(63,670)
Profit/ (Loss) from operations	155	(1,892)	(1,246)	(3,726)
Finance costs	(1,601)	(4,613)	(1,463)	(4,264)
Investing Results	-	-	1,522	3,148
Loss before taxation	(1,446)	(6,505)	(1,187)	(4,842)
Taxation	-	6	(427)	(1,044)
Loss after taxation	(1,446)	(6,499)	(1,614)	(5,886)
Minority interests	92	254	122	199
Net loss for the period	(1,354)	(6,245)	(1,492)	(5,687)
EPS - Basic (sen)	(1.67)	(7.70)	(1.84)	(7.01)
- Diluted (sen)	N/A	N/A	N/A	N/A

The Condensed Consolidated Income Statements (unaudited) should be read in conjunction with the Annual Audited Financial Report for the year ended 31 January 2005

KYM HOLDINGS BHD (Co. No. 84303-A)
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR QUARTER ENDED 31 OCTOBER 2005

	9-month ended 31 October , 2005 RM'000	9-month ended 31 October, 2004 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(6,505)	(4,842)
Adjustments for:		
Non-cash items	3,497	4,159
Non-operating items	4,131	1,047
Operating profit before working capital changes	1,123	364
Net change in current assets	(1,650)	1,295
Net change in current liabilities	807	1,782
Cash generated from operations	280	3,441
Income tax (paid) / refund	23	-
Interest paid	(1,510)	(2,019)
Net cash generated from operating activities	(1,207)	1,422
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(904)	(789)
Proceeds from disposal of property, plant and equipment	187	2
Interest received	13	29
Investment in quoted shares	-	(6)
Land & Development expenditure	(299)	-
Net cash generated from/(used in) investing activities	(1,003)	(764)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of Rights Shares	-	-
Repayment of hire purchase	(305)	(250)
Net advance of bill payables	2,363	268
Repayment of term loan	(2,172)	(1,804)
Drawdown of term loan	2,500	534
Advance to associate	-	(133)
Net cash generated (used in)/generated financing activities	2,386	(1,385)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	176	(727)
CASH AND CASH EQUIVALENTS AT 01 FEBRUARY, 2005 / 01 FEBRUARY, 2004	877	1,904
CASH AND CASH EQUIVALENTS AT 31 OCTOBER , 2005 / 31 OCTOBER , 2004	1,053	1,177
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	851	981
Fixed deposits with licensed banks	753	540
	1,604	1,521
Bank overdraft	(551)	(344)
	1,053	1,177

The Condensed Consolidated Cash Flow Statement (unaudited) should be read in conjunction with the Annual Audited Financial Report for the year ended 31 January 2005

KYM HOLDINGS BHD (Co. No. 84303-A)
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR QUARTER ENDED 31 OCTOBER 2005

	<i>Share capital RM'000</i>	<i>Share premium RM'000</i>	<i>Revaluation reserve RM'000</i>	<i>Accumulated losses RM'000</i>	<i>Total RM'000</i>
<u>Quarter ended</u> <u>31-October-2005</u>					
As at 01.02.2005	81,135	35,803	27,253	(129,063)	15,128
Loss attributable to shareholders	-	-	-	(6,245)	(6,245)
Balance as at 31.10.2005	81,135	35,803	27,253	(135,308)	8,883
<u>Quarter ended</u> <u>31-October-2004</u>					
As at 01.02.2004	81,135	35,803	27,517	(123,110)	21,345
Loss attributable to shareholders	-	-	-	(5,687)	(5,687)
Balance as at 31.10.2004	81,135	35,803	27,517	(128,797)	15,658

The Condensed Consolidated Statements of Changes in Equity (unaudited) should be read in conjunction with the Annual Audited Financial Report for the year ended 31 January 2005

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KYM HOLDINGS BHD (Co. No. 84303-A)

INTERIM FINANCIAL REPORT

Notes:

A1 Accounting Policies

The interim financial statements are unaudited and have been prepared in accordance with FRS 134: Interim Financial Reporting (formerly known as MASB 26) and Chapter 9 Part K of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 January 2005.

The accounting policies and method of computations used in the preparation of the interim financial statements are consistent with those adopted in the annual financial statements for the year ended 31 January 2005.

A2 Status of Audit Qualifications

The audited financial statements of the Group for year ended 31 January 2005 were not subject to any audit qualification.

A3 Seasonal or cyclical factors

The Group's operations have not been materially affected by seasonal or cyclical factors.

A4 Unusual Items affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial quarter ended 31st October 2005.

A5 Material Changes in Estimates

There were no material changes in estimates used in the preparation of the financial statements in the current financial quarter as compared with the previous financial quarters or previous financial year.

A6 Issuance, cancellation, repurchases, resale and repayments of debts and equity securities

There were no issuance, cancellation, repurchases, resale and repayments of debt and equity securities during the current quarter under review.

A7 Dividend Paid

There was no dividend paid during the current quarter under review.

A8 Segmental Reporting (Analysis by business segments)

Segmental analysis of the results for 9 months ended 31 October 2005

	Gross Revenue RM'000	Profit/(Loss) before tax RM'000	Segment assets RM'000	Segment liabilities RM'000
Manufacturing	57,081	(2,580)	93,002	62,235
Investment holding	-	(3,622)	237,760	296,308
Property development	572	(170)	198,838	159,734
Others	1,845	(133)	21,405	29,443
Elimination	(4,371)	-	(257,783)	(280,673)
	<u>55,127</u>	<u>(6,505)</u>	<u>293,,222</u>	<u>267,047</u>

A9 Valuations of Property, Plant and Equipment

The valuations of land and buildings have been brought forward without any amendments from the previous annual report.

A10 Material Subsequent Events

There were no material events subsequent to the end of current quarter under review that was not been reflected in the financial statement for the quarter.

A11 Changes in Composition of the Group

There were no changes in the composition of the Group.

A12 Changes in Contingent Liabilities And Contingent Assets

There were no changes in the contingent liabilities or contingent assets since the last financial year ended 31 January 2005.

As disclosed in the financial statements for the year ended 31 January 2005, Jabatan Kastam Diraja Malaysia, Johor ("Kastam Malaysia") has, on 5 November 2004, issued a Notice of Demand to KYM Industries (Johor) Sdn Bhd. ("KYMJ"), a subsidiary of KYM Holdings Bhd. for a claim of import duties amounting to approximately RM3,947,000 under Custom Act, 1967. The claim is in respect of sales made by the subsidiary in previous years.

On 28 December 2004, KYMJ made an appeal to Kastam Malaysia on the said Notice of Demand. As at the date of this report, the appeal is still pending.

A13 Capital Commitments

There was no capital commitment not provided for in the financial statement for the quarter.

Additional information required by the BMSB's Listing Requirements**B1 Taxation**

The taxation of the Group for the financial period under review is as follows:-

	Current Quarter ended 31.10.2005 RM'000	Cumulative Year to-date ended 31.10.2005 RM'000
- Tax for current year	-	-
- Refund of tax credit from IRB	-	6

B2 Profit/(Loss) on sale of unquoted investments and/or properties

There was no sale of unquoted investments and/or properties during the quarter.

B3 Quoted Investments**a) Investment in quoted securities as at 31 October 2005**

	RM'000
At cost	30,157
Carrying Value/Book Value	7,638
Market Value	5,903

B4 Status of corporate proposals announced

All the previous corporate proposals announced have either been completed or lapsed during the previous quarter and there were no new corporate proposals announced during the quarter under review.

B5 Borrowing and debt securities

	As at 31.10.2005 RM'000
Short term	
Secured	22,868
Unsecured	-
	22,868
Long term	
Secured	164,231
Unsecured	-
	164,231

The above borrowings are denominated in Ringgit Malaysia.

B6 Off balance sheet financial instrument

During the financial year to date, the Group did not enter into any contracts involving off balance sheet financial instrument.

B7 Changes in Material Litigation

As at the date of the report, there is no pending material litigation.

B8 Material Changes in the Profit/Loss before Taxation for the Period compared with the preceding quarter

The Group turnover was RM20.97 million as compared to RM17.48 million in the preceding quarter due to the increase in sales in the Carton and Industrial Bags Divisions.

Due to the increased turnover, the Group loss before taxation was reduced from RM2.288 million for the preceding quarter to RM1.446 million for the current quarter under review.

B9 Current year prospects

The Packaging Division is continuing its efforts to reduce costs and increase productivity to meet the challenges of a highly competitive industry. These remedial measures are already bearing fruit and we are continuously optimistic that the performance of our core Carton business will continue to improve.

The development of Phase 1 of the Tasik Suria project at Teluk Rubiah, a 228 unit mixed residential development has been officially launched on 4 June 2005 and the construction works are on going. Also, we are finalizing the sale of certain parcels of land to potential buyers for other developments.

Going forward, we expect the Property Division to contribute positively to the Group's performance.

B10 Profit forecast

There is no published forecast/profit guarantee.

B11 Dividend

The Board of Directors does not recommend the payment of any dividend in respect of the financial period ended 31 October 2005.

B12 Gain/(Loss) per share

	Current Quarter ended 31.10.2005	Cumulative Year to- date ended 31.10.2005
(a) <u>Basic Gain/(Loss) per share</u>		
Net Gain/(Loss) attributed to ordinary shareholders (RM'000)	(1,354)	(6,245)
Weighted average number of ordinary shares in issue ('000)	81,135	81,135
Basic Gain/(Loss) per shares (sen)	(1.67)	(7.70)
(b) <u>Diluted Gain/(Loss) per share</u>		

The Employee's Share Option Scheme ("ESOS") of KYM Holdings Bhd. which took effect from 25 May 1995 had expired on 24 May 2005. There was no dilutive potential ordinary shares at the end of the current quarter and cumulative year to date ended 31 October 2005. Accordingly, Diluted Loss per share is not presented

By Order of the Board

CHEE MIN ER
Company Secretary

Kuala Lumpur
23 December 2005