

KYM HOLDINGS BHD (Co. No. 84303-A)
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 OCTOBER 2008

	As at 31.10.2008 RM'000	As at 31.01.2008 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	56,597	59,200
Prepaid lease payment	7,926	8,022
Investment property	3,500	3,500
Land held for property development	185,251	185,251
Intangible asset	4,667	4,667
Other investment	6	6
	257,947	260,646
Current assets		
Property development costs	1,659	1,659
Inventories	8,186	6,560
Trade receivables	12,103	14,513
Other receivables	1,420	1,521
Tax recoverable	4	69
Cash and bank balances	1,082	1,842
	24,454	26,164
TOTAL ASSETS	282,401	286,810
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	81,135	81,135
Share Premium	35,803	35,803
Other reserves	31,306	31,306
Retained earnings	(120,221)	(111,109)
	28,023	37,135
Minority interest	7,291	11,205
Total Equity	35,314	48,340
Non-current liabilities		
Borrowings	176,136	11,308
Deferred tax liabilities	18,166	18,166
	194,302	29,474
Current liabilities		
Borrowings	31,616	189,230
Trade payables	6,362	8,201
Other payables	14,807	11,565
	52,785	208,996
Total liabilities	247,087	238,470
TOTAL EQUITY AND LIABILITIES	282,401	286,810
Net assets per share attributable to ordinary equity holders of the parent (sen)	35	46

The Condensed Consolidated Balance Sheets (unaudited) should be read in conjunction with the Annual Audited Financial Report for the year ended 31 January 2008. The external auditors have performed a limited review on this quarterly announcement.

KYM HOLDINGS BHD (Co. No. 84303-A)
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE NINE-MONTH PERIOD ENDED 31 OCTOBER 2008

	2008		2007	
	Current quarter ended 31.10.2008	9-month cumulative for current financial year to date ended 31.10.2008	Comparable current quarter ended 31.10.2007	Comparable 9-month cumulative for preceding financial year to date ended 31.10.2007
	RM'000	RM'000	RM'000	RM'000
Revenue	13,954	42,382	18,583	54,894
Other income	216	589	120	4,312
Operating expenses	(14,442)	(43,946)	(19,184)	(55,328)
Finance costs	(4,104)	(12,045)	(571)	(1,858)
Profit/ (Loss) before tax	(4,376)	(13,020)	(1,052)	2,020
Income tax expense	(2)	(6)	1	30
Profit/ (Loss) for the period	(4,378)	(13,026)	(1,051)	2,050
Attributable to:				
Equity holders of the parent	(3,020)	(9,112)	(984)	2,177
Minority interest	(1,358)	(3,914)	(67)	(127)
	(4,378)	(13,026)	(1,051)	2,050
Earnings per share attributable to equity holders of the parent (sen):				
Basic, for profit/ (loss) for the period	(3.72)	(11.23)	(1.21)	2.68
Diluted, for profit/ (loss) for the period	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 2008. The external auditors have performed a limited review on this quarterly announcement.

KYM HOLDINGS BHD (Co. No. 84303-A)
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 31 OCTOBER 2008

	9-month ended 31 October, 2008 RM'000	9-month ended 31 October, 2007 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (Loss) before taxation	(13,020)	2,020
Adjustments for:		
Non-cash items	2,984	3,392
Non-operating items	10,346	(2,298)
Operating profit/ (loss) before working capital changes	310	3,114
Net change in current assets	891	647
Net change in current liabilities	1,403	2,379
Cash generated from operations	2,604	6,140
Income tax (paid) / refund	59	16
Interest paid	(1,529)	(1,684)
Net cash generated from/ (used in) operating activities	1,134	4,472
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(930)	(713)
Proceeds from disposal of property, plant and equipment	582	460
Interest received	-	3
Land & Development expenditure	-	(300)
Net cash generated from/(used in) investing activities	(348)	(550)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase	(614)	(553)
Net advance of bill payables	(5,259)	(2,137)
Repayment of term loan	(1,879)	(1,733)
Drawdown of term loan	5,800	-
Net cash generated from/(used in) financing activities	(1,952)	(4,423)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,166)	(501)
CASH AND CASH EQUIVALENTS AT 01 FEBRUARY, 2008 / 01 FEBRUARY, 2007	1,500	1,029
CASH AND CASH EQUIVALENTS AT 31 OCTOBER, 2008 / 31 OCTOBER, 2007	334	528
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	886	1,395
Fixed deposits with licensed banks	196	125
	1,082	1,520
Bank overdraft	(748)	(992)
	334	528

The Condensed Consolidated Cash Flow Statement (unaudited) should be read in conjunction with the Annual Audited Financial Report for the year ended 31 January 2008. The external auditors have performed a limited review on this quarterly announcement.

KYM HOLDINGS BHD (Co. No. 84303-A)
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIOD ENDED 31 OCTOBER 2008

	Attributable to Equity Holders of the Parents					Minority Interest <i>RM'000</i>	Total Equity <i>RM'000</i>
	Share Capital <i>RM'000</i>	Share Premium <i>RM'000</i>	Other Reserves <i>RM'000</i>	Retained Earnings <i>RM'000</i>	Total <i>RM'000</i>		
At 1 February 2007	81,135	35,803	31,794	(103,707)	45,025	14,381	59,406
Loss for the period	-	-	-	(1,862)	(1,862)	(127)	(1,989)
Effect on partial disposal of subsidiary's shares	-	-	(261)	4,039	3,778	(3,778)	-
At 31 October 2007	81,135	35,803	31,533	(101,530)	46,941	10,476	57,417
At 1 February 2008	81,135	35,803	31,306	(111,109)	37,135	11,205	48,340
Loss for the period	-	-	-	(9,112)	(9,112)	(3,914)	(13,026)
At 31 October 2008	81,135	35,803	31,306	(120,221)	28,023	7,291	35,314

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 2008. The external auditors have performed a limited review on this quarterly announcement.

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

INTERIM FINANCIAL REPORT

Notes:

A1 Basis of Preparation

The interim financial statements of the group are unaudited and have been prepared in accordance with Financial Reporting Standards ("FRS")134: "Interim Financial Reporting" issued by Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B 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 2008.

The accounting policies and method of computations used in the preparation of the interim financial statements are consistent with those adopted in the annual audited financial statements for the year ended 31 January 2008 except for the changes arising from the adoption of the following new/revised FRSs issued by the MASB which are effective for the financial year beginning on or after 1 July 2007:-

FRS 107 Cash Flow Statements
FRS 111 Construction Contract
FRS 112 Income Taxes
FRS 118 Revenue
FRS 120 Accounting for Government Grants and Disclosure of Government Assistance
FRS 134 Interim Financial Reporting
FRS 137 Provision, Contingent Liabilities and Contingent Assets
Amendment to FRS 121 – The Effects of Changes In Foreign Exchange Rates – Net Investment in a Foreign Operation.

The adoption of these standards only impacts the form and content of disclosures presented in the financial statements

FRS 120 and Amendment to FRS 121 are not relevant to the Group's operations.

A2 Status of Audit Qualifications

The audited financial statements of the Group for year ended 31 January 2008 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 2008.

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 2008

	Gross Revenue RM'000	Profit/(Loss) before tax RM'000	Segment assets RM'000	Segment liabilities RM'000
Manufacturing	42,308	(240)	88,153	52,800
Investment holding	-	(3,363)	249,746	236,348
Property development	252	(8,020)	201,532	174,886
Others	1,845	(1,218)	23,380	32,633
Elimination	(2,023)	(179)	(280,414)	(267,746)
	42,382	(13,020)	282,397	228,921
Unallocated Assets			4	-
Unallocated Liabilities			-	18,166
			282,401	247,087

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

The Company has on 5 September 2008 entered into a Sale & Purchase Agreement for the disposal of 310,500 ordinary shares of RM1.00 representing the entire issued and paid-up capital of Ireson Perniagaan Sdn Bhd (IPSB) for a total cash consideration of RM2,710,000. IPSB owns a single storey detached factory building erected on a leasehold industrial land. The disposal is expected to result in a loss of approximately RM794,000 and to be completed in the subsequent financial quarter.

Except for the above, 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 2008.

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 31.10.2008 RM'000	Cumulative Year to-date ended 31.10.2008 RM'000
Current Tax:		
- for the financial year	(2)	(6)
	(2)	(6)

The above presented current tax is related to rental income. The effective tax rate for the current financial quarter is lower than the statutory tax rate mainly due to business loss and unabsorbed capital allowances and reinvestment allowances.

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 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.

B4 Borrowing and debt securities

	As at 31.10.2008 RM'000
Short term	
Secured	31,616
Unsecured	-
	31,616
Long term	
Secured	176,136
Unsecured	-
	176,136

The above borrowings are denominated in Ringgit Malaysia.

B5 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.

B6 Changes in Material Litigation

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

B7 Material Changes in the Profit/Loss before Taxation for the Period compared with the preceding quarter

The Group turnover was RM13.954million as compared to RM15.519million in the preceding quarter. This is due to a decreased in sales in our Carton Division and Bags Division created by the financial crises..

As the result, the Group loss before taxation was RM4.376 million for the current quarter review, compared to a loss before taxation of RM4.082 million for the preceding quarter which increased by 7.20%.

B8 Review of Performance

The Group's turnover for the current quarter of RM13.954million was an decrease of 25% compared to the corresponding quarter's turnover of last year of RM18.583million. The decrease is mainly due to the decreased sales in our Carton and Bags Division as the result of the downsizing of our operating unit in Johor and the closure of our Melaka unit.

B9 Current year prospects

The Board expects the manufacturing subsidiaries to perform satisfactory even though the market has soften due to the financial crisis. However, due to the uncertainties in the economy, we are hopeful that the operations can improve in the profitability.

The interest cost on borrowing still remain high and continue to dread the overall earnings.

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 2008.

B12 Earnings per share attributable to equity holders of the parent

	Current Quarter ended 31.10.2008	Cumulative Year to- date ended 31.10.2008
(a) <u>Basic earnings per share</u>		
(Loss)/ Profit attributed to ordinary equity holders of the parent (RM'000)	(3,020)	(9,112)
Weighted average number of ordinary shares in issue ('000)	81,135	81,135
Basic Earnings per share for (loss)/ profit for the period (sen)	(3.72)	(11.23)

(b) Diluted earnings per share

Not applicable as there was no dilutive potential ordinary shares at the end of the current quarter and cumulative year to date ended 31 October 2008.

By Order of the Board

CHEE MIN ER
Company Secretary

Kuala Lumpur
23 December 2008