

KYM HOLDINGS BHD (Co. No. 84303-A)
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 JANUARY 2009

	As at 31.1.2009 RM'000	As at 31.01.2008 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	56,313	59,200
Prepaid lease payment	7,893	8,022
Investment property	-	3,500
Land held for property development	185,251	185,251
Intangible asset	4,667	4,667
Other investment	6	6
	254,130	260,646
Current assets		
Property development costs	1,471	1,659
Inventories	7,252	6,560
Trade receivables	10,884	14,513
Other receivables	1,129	1,521
Tax recoverable	12	69
Cash and bank balances	2,202	1,842
	22,950	26,164
TOTAL ASSETS	277,080	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	31,575	31,306
Retained earnings	(125,571)	(111,109)
	22,942	37,135
Minority interest	6,089	11,205
Total Equity	29,031	48,340
Non-current liabilities		
Borrowings	13,589	11,308
Deferred tax liabilities	18,048	18,166
	31,637	29,474
Current liabilities		
Borrowings	196,140	189,230
Trade payables	6,005	8,201
Other payables	14,267	11,565
	216,412	208,996
Total liabilities	248,049	238,470
TOTAL EQUITY AND LIABILITIES	277,080	286,810
Net assets per share attributable to ordinary equity holders of the parent (sen)	28	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 TWELVE-MONTH PERIOD ENDED 31 JANUARY 2009

	2009		2008	
	Current quarter ended 31.1.2009	12-month cumulative for current financial year to date ended 31.1.2009	Comparable current quarter ended 31.1.2008	Comparable 12-month cumulative for preceding financial year to date ended 31.1.2008
	RM'000	RM'000	RM'000	RM'000
Revenue	11,865	54,247	16,510	71,404
Other income	679	1,268	(988)	3,324
Operating expenses	(14,696)	(58,642)	(19,714)	(75,042)
Finance costs	(4,155)	(16,200)	(8,778)	(10,636)
Profit/ (Loss) before tax	(6,307)	(19,327)	(12,970)	(10,950)
Income tax expense	24	18	(257)	(227)
Profit/ (Loss) for the period	(6,283)	(19,309)	(13,227)	(11,177)
Attributable to:				
Equity holders of the parent	(5,081)	(14,193)	(10,178)	(8,001)
Minority interest	(1,202)	(5,116)	(3,049)	(3,176)
	(6,283)	(19,309)	(13,227)	(11,177)
Earnings per share attributable to equity holders of the parent (sen):				
Basic, for profit/ (loss) for the period	(6.26)	(17.49)	(12.54)	(9.86)
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 TWELVE-MONTH PERIOD ENDED 31 JANUARY 2009

	12-month ended 31 January, 2009 RM'000	12-month ended 31 January, 2008 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (Loss) before taxation	(19,327)	(10,950)
Adjustments for:		
Non-cash items	4,140	4,263
Non-operating items	14,644	9,491
Operating profit/ (loss) before working capital changes	(543)	2,804
Net change in current assets	871	3,851
Net change in current liabilities	2,970	815
Cash generated from operations	3,298	7,470
Income tax (paid) / refund	57	76
Interest paid	(2,105)	(2,710)
Net cash generated from/ (used in) operating activities	1,250	4,836
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,500)	(1,039)
Proceeds from disposal of property, plant and equipment	608	486
Interest received	-	1
Net cash inflow on disposal of subsidiary	2,646	-
Net cash generated from/(used in) investing activities	1,754	(552)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase	(822)	(753)
Net advance of bill payables	(5,570)	(2,071)
Repayment of term loan	(2,528)	(2,149)
Drawdown of term loan	5,800	-
Advances from related party	-	1,160
Net cash generated from/(used in) financing activities	(3,120)	(3,813)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(116)	471
CASH AND CASH EQUIVALENTS AT 01 FEBRUARY, 2008 / 01 FEBRUARY, 2007	1,500	1,029
CASH AND CASH EQUIVALENTS AT 31 JANUARY, 2009 / 31 JANUARY, 2008	1,384	1,500
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	2,025	1,718
Fixed deposits with licensed banks	177	124
	2,202	1,842
Bank overdraft	(818)	(342)
	1,384	1,500

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 TWELVE-MONTH PERIOD ENDED 31 JANUARY 2009

	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
Realisation on revaluation reserve	-	-	(599)	599	-	-	-
Revaluation Surplus	-	-	372		372	-	372
Loss for the period	-	-	-	(8,001)	(8,001)	(3,176)	(11,177)
Effect on partial disposal of subsidiary's shares	-	-	(261)	-	(261)	-	(261)
At 31 January 2008	81,135	35,803	31,306	(111,109)	37,135	11,205	48,340
At 1 February 2008	81,135	35,803	31,306	(111,109)	37,135	11,205	48,340
Realisation on revaluation reserve			269	(269)			
Loss for the period	-	-	-	(14,193)	(14,193)	(5,116)	(19,309)
At 31 January 2009	81,135	35,803	31,575	(125,571)	22,942	6,089	29,031

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 and amendment 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.

FRS 111, FRS 120 and Amendment to FRS 121 are not relevant to the Group's operations.

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

IC Interpretations issued and effective for financial periods beginning on or after 1 July 2007:

IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment
IC Interpretation 7	Applying the Restatement Approach under FRS 129 ²⁰⁰⁴ Financial Reporting in Hyperinflationary Economies
IC Interpretation 8	Scope of FRS 2

The above IC Interpretations are not relevant to the Group's operations.

The Group has not adopted the following FRSs and IC Interpretations that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group and the Company:

- (i) FRS issued and effective for financial periods beginning on or after 1 July 2009:

FRS 8 Operating Segments

FRS 8 replaces FRS 114₂₀₀₄ Segment Reporting and requires a “management approach”, under which segment information is presented on the same basis as that used for internal reporting purposes. The adoption of this standard only impacts the form and content of disclosures presented in the financial statements of the Group.

- (ii) FRSs issued and effective for financial periods beginning on or after 1 January 2010:

FRS 4 Insurance Contracts
FRS 7 Financial Instruments: Disclosures
FRS 139 Financial Instruments: Recognition and Measurement

FRS 4 is not relevant to the Group’s operations. The possible impacts of FRS 7 and FRS 139 on the financial statements upon their initial applications are not disclosed by virtue of the exemptions given in these standards.

- (iii) IC Interpretations issued and effective for financial periods beginning on or after 1 January 2010:

IC Interpretation 9 Reassessment of Embedded Derivatives
IC Interpretation 10 Interim Financial Reporting and Impairment

IC Interpretation 9 is not relevant to the Group’s operations. IC Interpretation 10 prohibits the impairment losses recognised in an interim period on goodwill and investments in equity instruments and in financial assets carried at cost to be reversed at a subsequent balance sheet date. This interpretation is expected to have no material impact on the financial statements of the Group upon its initial application.

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 January 2009.

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 12 months ended 31 January 2009

	Gross Revenue RM'000	Profit/(Loss) before tax RM'000	Segment assets RM'000	Segment liabilities RM'000
Manufacturing	53,679	(797)	85,876	51,080
Investment holding	-	(7,476)	248,104	239,165
Property development	336	(11,493)	201,129	177,708
Others	2,358	(2,010)	23,616	33,566
Elimination	(2,126)	2,449	(281,658)	(271,523)
	<u>54,247</u>	<u>(19,327)</u>	<u>277,067</u>	<u>229,996</u>
Unallocated Assets			12	-
Unallocated Liabilities			-	18,052
			<u>277,079</u>	<u>248,048</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

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 has completed on 23 January 2009 and has resulted a loss of approximately RM759,000. Following the completion of the disposal, IPSB ceased to be a subsidiary of the Group.

Except for the above, 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 31.1.2009 RM'000	Cumulative Year to-date ended 31.1.2009 RM'000
Current Tax:		
- for the financial year	2	(4)
Deferred Tax:		
- relating to reversal of temporary differences	22	22
	<u>24</u>	<u>18</u>

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 31.1.2009 RM'000
Short term	
Secured	196,140
Unsecured	-
	<u>196,140</u>
Long term	
Secured	13,589
Unsecured	-
	<u>13,589</u>

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 RM11.865million as compared to RM13.954million in the preceding quarter. This is due to a decrease in sales in our Carton Division and Bags Division as the result of the downturn created by the financial crises.

As the result, the Group loss before taxation was RM6.307 million for the current quarter review, compared to a loss before taxation of RM4.378million for the preceding quarter mainly due to the decrease in turnover and the loss from disposal of Ireson Perniagaan Sdn Bhd as mentioned in Note A11.

B8 Current year prospects

The Board expects the manufacturing subsidiaries to perform satisfactory even though the market has soften due to the financial crises. However, due to the uncertainties in the economy, we have put forward plans for the Group to return to profitability.

The interest cost on borrowing still remain high and continue to be the significant cost in the Group's results.

B9 Review of Performance

The Group's turnover for the current year of RM54.247 million is a decrease of 24% compared to the previous year. The decrease was mainly due to downsizing of the carton division.

The net loss for the current year was RM19.309 million compared to the previous year of RM11.177 million. The increase in losses was mainly due to the increase of loan interest in the current year, as compared to the lower loan interest last year with the waiver of interest by the bankers of RM6.711 million.

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 January 2009.

B12 Earnings per share attributable to equity holders of the parent

	Current Quarter ended 31.1.2009	Cumulative Year to- date ended 31.1.2009
(a) <u>Basic earnings per share</u>		
(Loss)/ Profit attributed to ordinary equity holders of the parent (RM'000)	(5,081)	(14,193)
Weighted average number of ordinary shares in issue ('000)	81,135	81,135
Basic Earnings per share for (loss)/ profit for the period (sen)	(6.26)	(17.49)

(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 January 2009.

By Order of the Board

CHEE MIN ER
Company Secretary

Kuala Lumpur
31 March 2009

c.c. Securities Commission