

**CYL CORPORATION BERHAD**

(Incorporated in Malaysia)

Company No. 516143 - V

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2007  
(THESE FIGURES ARE UNAUDITED)****CONDENSED CONSOLIDATED INCOME STATEMENT**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.01.2007 RM'000	Preceding Year Corresponding Quarter 31.01.2006 RM'000	Current Year To Date 31.01.2007 RM'000	Preceding Year Corresponding Period 31.01.2006 RM'000
<b>Revenue</b>	21,190	16,369	77,143	67,840
Other operating income	88	48	156	74
Changes in inventories of finished goods	129	(350)	323	(571)
Raw materials and consumables used	(12,892)	(9,213)	(46,874)	(38,153)
Directors' remuneration	(430)	(353)	(1,204)	(1,184)
Staff costs	(1,926)	(1,689)	(7,783)	(7,626)
Depreciation of property, plant and equipment	(1,602)	(1,585)	(6,530)	(6,221)
Other operating expenses	(2,569)	(1,935)	(8,702)	(9,016)
<b>Profit from operations</b>	1,988	1,292	6,529	5,143
Finance costs	(130)	(144)	(516)	(590)
<b>Profit before tax</b>	1,858	1,148	6,013	4,553
Income tax expense	-	(115)	(520)	(545)
<b>Net Profit for the period</b>	1,858	1,033	5,493	4,008
	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
Net earnings per share				
- Basic	1.86	1.03	5.49	4.01
- Diluted	-	-	-	-

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 January 2006 and the accompanying explanatory notes to the quarterly financial statements.

**CYL CORPORATION BERHAD**

(Incorporated in Malaysia)

Company No. 516143 - V

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2007  
(THESE FIGURES ARE UNAUDITED)****CONDENSED CONSOLIDATED BALANCE SHEET**

	31.01.2007 RM'000	31.01.2006 RM'000
Property, plant and equipment	68,555	70,147
<b>Current assets</b>		
Inventories	6,950	7,040
Trade receivables	18,105	14,717
Other receivables and prepaid expenses	1,651	1,360
Cash and bank balances	1,355	552
	<u>28,061</u>	<u>23,669</u>
<b>Current liabilities</b>		
Trade payables	10,964	8,320
Other payables and accrued expenses	1,081	866
Dividend payables	-	-
Bank borrowings	3,763	5,571
Hire-purchase obligations – current portion	627	1,212
Tax liabilities	253	87
	<u>16,688</u>	<u>16,056</u>
<b>Net current assets</b>	11,373	7,613
<b>Long term and deferred liabilities</b>		
Long term loans – non-current portion	3,207	3,680
Hire-purchase obligations – non-current portion	313	429
Deferred tax liabilities	8434	8,838
	<u>(11,954)</u>	<u>(12,947)</u>
<b>Net assets</b>	<u>67,974</u>	<u>64,813</u>
<b>Represented by:</b>		
Issued share capital	50,000	50,000
Reserves	17,974	14,813
<b>Shareholders' equity</b>	<u>67,974</u>	<u>64,813</u>
Net assets per share (RM)	00.68	0.65

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 January 2006 and the accompanying explanatory notes to the quarterly financial statements.

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2007**  
**(THESE FIGURES ARE UNAUDITED)**

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>12 months ended 31.01.2007 RM'000</b>	<b>12 months ended 31.01.2006 RM'000</b>
<b>CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES</b>	11,128	10,648
<b>CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES</b>	(4,426)	(3,430)
<b>CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES</b>	<u>(5,899)</u>	<u>(6,656)</u>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	803	562
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	552	(19)
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u><u>1,355</u></u>	<u><u>543</u></u>
<b>Cash and cash equivalents comprises:</b>		
Cash and Bank balances	1,355	552
Bank Overdraft	-	(9)
	<u><u>1,355</u></u>	<u><u>543</u></u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 January 2006 and the accompanying explanatory notes to the quarterly financial statements.

**CYL CORPORATION BERHAD**  
(Incorporated in Malaysia)  
**AND ITS SUBSIDIARY COMPANY**  
Company No. 516143 - V

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2007**  
**(THESE FIGURES ARE UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Issued capital RM'000	Share premium RM'000	Revaluation Reserve RM'000	Unappropriated profits RM'000	Total RM'000
<b>Balance as at 1 February 2005</b>	50,000	1,504	-	8,908	60,412
Dividends	-	-	-	(1,500)	(1,500)
Surplus on revaluation of land and buildings	-	-	1,893	-	1,893
Net profit for the period	-	-	-	4,008	4,008
<b>Balance as at 31 January 2006</b>	50,000	1,504	1,893	11,416	64,813
<b>Balance as at 1 February 2006</b>	50,000	1,504	1,893	11,416	64,813
Dividends	-	-	-	(2,400)	(2,400)
Net profit for the period	-	-	-	5,493	5,493
Revaluation surplus	-	-	67	-	67
<b>Balance as at 31 January 2007</b>	50,000	1,504	1,960	14,509	67,974

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2006 and the accompanying explanatory notes to the quarterly financial statements.

**CYL CORPORATION BERHAD**

(Incorporated in Malaysia)

Company No. 516143 - V

**EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2007**

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**A EXPLANATORY NOTES – FINANCIAL REPORTING STANDARDS (FRS) 134 : INTERIM FINANCIAL REPORTING**

**A1 Accounting policies and basis of preparation**

This interim financial report is unaudited and has been prepared in compliance with FRS 134, Interim Financial Reporting and paragraph 9.22 of the Listing requirements of Bursa Malaysia Securities Berhad (Bursa Malaysia).

The interim financial report is unaudited and should be read in conjunction with the audited financial statements for the year ended 31 January 2006. The explanatory notes attached to the quarterly financial statements provide an explanation of events and transactions that are significant to gain an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 January 2006.

The accounting policies and methods of computation adopted by the Group in this report are consistent with those adopted in the financial statements for the year ended 31 January 2006.

**A2 Audit Qualification of Annual Financial Statements**

The financial statements of the preceding year for the Company were not subject to any qualifications.

**A3 Seasonal or cyclical factors**

The Group is concerned with the rising cost of raw material driven up by supply and demand factors and rising crude oil prices.

**A4 Unusual nature and amount of items affecting assets, liabilities, equity, net income and cash flows**

There are no unusual nature and amount of items affecting assets, liabilities, equity, net income and cash flows of the Group during the quarter under review.

**A5 Material changes in estimates of amounts reported in prior periods in current financial year or prior financial years which have material effect in the current interim period**

There are no material changes in estimates of amounts reported in prior financial years that have a material effect in the current interim period.

**A6. Changes in debts and equity securities**

There were no issuance, cancellation, repurchases, resale and repayments of debts and equity securities for the current financial quarter ended 31 January 2007.

**A7. Dividend**

No interim dividend has been proposed in the current financial quarter ended 31 January 2007.

The Board of Directors has recommended a first and final tax exempt dividend of 3.0 sen (6%) [2006 : 2.4 sen (4.8%)] amounting to RM 3,000,000 in respect of the financial year ended 31 January 2007 to be approved by the shareholders at the forthcoming Annual General Meeting of the Company.

**A8. Segmental reporting**

The Group operates in a single industry in the business of manufacturing and supplying of plastic packaging products and principally in Malaysia. Accordingly, the financial information by industry and geographical segments of the Group's operations are not presented.

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**EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2007**

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**A9 Property, plant and equipment**

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements ended 31 January 2006.

The total additions of property, plant and equipment for the financial quarter ended 31 January 2007 amount to RM 1,888 thousand. There were no significant disposals of property, plant and equipment in this particular quarter.

**A10. Material events subsequent to the current quarter.**

In the opinion of the Directors, there were no items, transaction or event of a material and unusual nature which has arisen which would substantially affect the results of the Group and the Company for the period between 31 January 2007 and the date of this report.

**A11. Changes in the composition of the Company**

There were no major changes in the composition of the Group for the current financial period to date.

**A12. Changes in Contingent Assets and Contingent Liabilities**

There were no significant changes in contingent assets and liabilities since the last annual balance sheet as of 31 January 2007 i.e. RM30.39 million given to banks for credit facilities granted to the subsidiary company.

**A13. Capital commitments**

As of 31 January 2007, the Group has the following capital expenditure relating to the upgrading on building and purchase of machinery :

	<b>RM'000</b>
Approved and contracted for	<u>1,626</u>

**A14. Significant Related Party Transactions**

There were no significant related party transactions during the quarter under review.

**EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2007**

**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENTS**

**B1. Review of performance**

The Group achieved profit before tax of RM 1.86 million based on the back of RM 21.19 million revenue for the current quarter ended 31 January 2007. In the corresponding interim period ended 31 January 2006, the profit before tax and revenue were RM 1.15 million and RM 16.37 million respectively.

**B2. Material change in the quarterly results compared to preceding quarter's results**

The revenue recorded for the Group increased by 8.60% as compared to the preceding financial quarter ended 31 October 2006 with a corresponding increase in profit before tax of 100%.

**B3. Prospect for the forthcoming financial year**

The fluctuation of crude oil prices affect the price of plastic resins which are the Group's main raw material. Any changes in the crude oil prices for the year will have a direct impact on the Group's bottom line. The Directors believe that barring unforeseen circumstances, the performance of the Group for the financial year ending 31 January 2008 will be satisfactory.

**B4. Variance of actual profit from profit forecast or profit guarantee**

This disclosure requirement is not applicable for the Group.

**B5. Income tax expense**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.01.2007 RM'000	Preceding Year Corresponding Quarter 31.01.2006 RM'000	Current Year To Date 31.01.2007 RM'000	Preceding Year Corresponding Period 31.01.2006 RM'000

Estimated tax payable:

Malaysian income tax		140	567	320
Deferred tax		(50)	(184)	300
Overprovision in prior years	(80)	-	(153)	(75)
Underprovision in prior years		25	290	-
	-	115	520	545

The Group's effective tax rate is not proportionate to the statutory tax rate mainly due to reinvestment allowance claimed by the subsidiary company.

**B6. Unquoted investments and properties**

There were no material disposals of unquoted investments and properties during the current quarter.

**EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2007**

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**B7. Quoted investments**

Not applicable to the Group.

**B8. Status of corporate proposals announced**

As of the date of issue of this interim financial report, there were no corporate proposals announced but not completed.

**B9. Group borrowings and debt securities**

Group borrowings (all denominated in Malaysian currency) as at 31 January 2007 are as follows:

	<b>Secured RM'000</b>
<b>Current</b>	
Bank Overdraft	-
Bankers Acceptance	3,000
Long term loans – current	763
Hire purchase obligation – current	627
<b>Subtotal</b>	<b>4,390</b>
<b>Non-current</b>	
Long term loans – non –current	3,207
Hire purchase obligation – non-current	313
<b>Subtotal</b>	<b>3,520</b>
<b>Grand total</b>	<b>7,910</b>

**B10. Off Balance Sheet Financial Instruments**

As at the date of issue of this interim financial report, there were no off balance sheet financial instruments.

**B11. Material litigation**

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

**B12. Dividend**

No interim dividend has been proposed in the current financial quarter ended 31 January 2007.

The Board of Directors has recommended a first and final tax exempt dividend of 3.0 sen (6%) [2006 : 2.4 sen (4.8%)] amounting RM 3,000,000 in respect of the financial year ended 31 January 2007 to be approved by the shareholders at the forthcoming Annual General Meeting of the Company.



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**EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2007****B13. Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit for the period by the number of ordinary shares in issue during the period held by the Company.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.01.2007 RM'000	Preceding Year Corresponding Quarter 31.01.2006 RM'000	Current Year To Date 31.01.2007 RM'000	Preceding Year Corresponding Period 31.01.2006 RM'000
Net profit for the period	1,858	1,033	5,493	4,008
Number of ordinary share in issue	100,000	100,000	100,000	100,000
Basic earnings per share (sen)	<u>1.86</u>	<u>1.03</u>	<u>5.49</u>	<u>4.01</u>

BY ORDER OF THE BOARD

KUAN HUI FANG

THAM WAI YING

Company Secretaries

30 March 2007