

CYL CORPORATION BERHAD

(Incorporated in Malaysia)

Company No. 516143 - V

**QUARTERLY REPORT FOR THE FIRST FINANCIAL QUARTER ENDED 30 APRIL 2009
(THESE FIGURES ARE UNAUDITED)****CONDENSED CONSOLIDATED INCOME STATEMENT**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.04.2009 RM'000	Preceding Year Corresponding Quarter 30.04.2008 RM'000	Current Year To Date 30.04.2009 RM'000	Preceding Year Corresponding Period 30.04.2008 RM'000
Revenue	14,467	21,033	14,467	21,033
Other operating income	61	192	61	192
Changes in inventories of finished goods	(451)	(382)	(451)	(382)
Raw materials and consumables used	(6,917)	(12,944)	(6,917)	(12,944)
Directors' remuneration	(327)	(320)	(327)	(320)
Staff costs	(1,643)	(1,960)	(1,643)	(1,960)
Depreciation of property, plant and equipment	(1,842)	(1,760)	(1,842)	(1,760)
Other operating expenses	(2,259)	(2,391)	(2,259)	(2,391)
Profit from operations	1,089	1,468	1,089	1,468
Finance costs	(67)	(116)	(67)	(116)
Profit before tax	1,022	1,352	1,022	1,352
Income tax credit / (expense)	-	(100)	-	(100)
Net Profit for the period	1,022	1,252	1,022	1,252
	Sen	Sen	Sen	Sen
Net earnings per share				
- Basic	1.02	1.25	1.02	1.25
- Diluted	-	-	-	-

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 January 2009 and the accompanying explanatory notes to the quarterly financial statements.

QUARTERLY REPORT FOR THE FIRST FINANCIAL QUARTER ENDED 30 APRIL 2009
(THESE FIGURES ARE UNAUDITED)

CONDENSED CONSOLIDATED BALANCE SHEET

	30.04.2009	31.01.2009
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	66,671	66,839
Total Non-Current Assets	66,671	66,839
Current Assets		
Inventories	6,462	6,330
Trade receivables	11,747	13,211
Other receivables and prepaid expenses	1,101	1,478
Cash and bank balances	4,877	4,149
Total Current Assets	24,187	25,168
TOTAL ASSETS	90,858	92,007
EQUITY AND LIABILITIES		
Capital and Reserve		
Issued capital	50,000	50,000
Reserves	24,293	23,271
Shareholders' Equity	74,293	73,271
Non-Current Liabilities		
Long term loans – non-current portion	1,423	2,228
Hire-purchase obligations – non-current portion	0	0
Deferred tax liabilities	6,331	6,331
Total Non-Current Liabilities	7,754	8,559
Current Liabilities		
Trade payables	6,571	6,355
Other payables and accrued expenses	1,042	1,283
Bank borrowings	762	1,762
Dividend payable	-	-
Hire-purchase obligations – current portion	362	594
Tax liabilities	74	183
Total Current Liabilities	8,811	10,177
Total Liabilities	16,565	18,736
TOTAL EQUITY AND LIABILITIES	90,858	92,007

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 January 2009 and the accompanying explanatory notes to the quarterly financial statements.

QUARTERLY REPORT FOR THE FIRST FINANCIAL QUARTER ENDED 30 APRIL 2009
(THESE FIGURES ARE UNAUDITED)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	3 months ended 30.04.2009 RM'000	3 months ended 30.04.2008 RM'000
CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES	4,506	2,288
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES	(1,673)	(875)
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES	(2,105)	(1,973)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	728	(560)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	4,149	1,852
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>4,877</u>	<u>1,292</u>
Cash and cash equivalents comprises:		
Cash and Bank balances	4,877	1,292
Bank Overdraft	-	-
	<u>4,877</u>	<u>1,292</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 January 2009 and the accompanying explanatory notes to the quarterly financial statements.

**QUARTERLY REPORT FOR THE FIRST FINANCIAL QUARTER ENDED 30 APRIL 2009
(THESE FIGURES ARE UNAUDITED)**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued capital RM'000	Share premium RM'000	Revaluation Surplus RM'000	Unappropriated profits RM'000	Total RM'000
Balance as of 1 February 2008	50,000	1,504	2,148	16,783	70,435
Dividends	-	-	-	(3,000)	(3,000)
Net profit for the year	-	-	-	5,832	5,832
Deferred tax on revaluation surplus no longer required	-	-	4	-	4
Effect of change in tax rate applicable to deferred tax	-	-	-	-	-
Transfer to retained earnings	-	-	(113)	113	-
Balance as of 31 January 2009	50,000	1,504	2,039	19,728	73,271
Balance as of 1 February 2009	50,000	1,504	2,039	19,728	73,271
Dividends	-	-	-	-	-
Net profit for the year	-	-	-	1,022	1,022
Effect of change in tax rate applicable to deferred tax	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Balance as of 30 April 2009	50,000	1,504	2,039	20,750	74,293

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2009 and the accompanying explanatory notes to the quarterly financial statements.

CYL CORPORATION BERHAD

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EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST FINANCIAL QUARTER ENDED 30 APRIL 2009

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 2009. 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 2009.

The accounting policies and methods of computation adopted by the Group and Company in this report are consistent with those adopted in the audited financial statements for the year ended 31 January 2009.

A2 Audit Qualification of Annual Financial Statements

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

A3 Seasonal or cyclical factors

The Group is concerned with the current uncertainty in the economy.

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 30 April 2009.

A7. Dividend

No interim dividend has been proposed in the current financial quarter ended 30 April 2009.

The Board of Directors has recommended a final tax exempt dividend of 4.0 sen (8%) [2008 3.0 sen (6%)] amounting to RM 4,000,000 in respect of the financial year ended 31 January 2009 to be approved by the shareholders at the forthcoming Annual General Meeting of the Company. Proposed dividend entitlement date and payment date is 14th August 2009 and 28th August 2009 respectively.

The said proposed dividend has not been included as a liability in the Financial Statements.

A8. Segmental reporting

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

**EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR
THE FIRST FINANCIAL QUARTER ENDED 30 APRIL 2009**

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 2009.

The total additions of property, plant and equipment for the financial quarter ended 30 April 2009 amounted to RM 1,673 thousand. During the said period, there were no significant disposal of property, plant and equipment.

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 2009 and the date of this report.

A11. Changes in the composition of the Company

There were no 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 at 30 April 2009. Corporate guarantees given to banks for credit facilities granted to the subsidiary company remain at RM 30.89 million.

A13. Capital commitments

As at 30 April 2009, the Group has the following capital expenditure relating to upgrading on building and purchase of machinery as follows:

	RM'000
Approved and contracted for	<u>1,817</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 FIRST FINANCIAL QUARTER ENDED 30 APRIL 2009

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENTS

B1. Review of performance

The Group achieved profit before tax of RM 1,022 thousand based on the back of RM14.47 million revenue for the current quarter ended 30 April 2009. In the corresponding interim period ended 30 April 2008, the profit before tax and revenue were RM 1,352 thousand and RM21.033 million respectively.

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

The revenue recorded for the Group decreased by 9.81% as compared to the preceding financial quarter ended 31 January 2009 with a corresponding decrease in profit before tax of 2.11%.

B3. Prospects for the current financial year

The price of raw material has moved up in tandem with the increase in the price of crude oil. In addition, the demand for packaging materials has declined. The Board is therefore of the opinion that the performance of the Group for financial year ending 31 January 2010 will be very challenging.

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

The disclosure requirement is not applicable for the Group.

B5. Income tax credit / (expense)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.04.2009 RM'000	Preceding Year Corresponding Quarter 30.04.2008 RM'000	Current Year To Date 30.04.2009 RM'000	Preceding Year Corresponding Period 30.04.2008 RM'000
Estimated tax (payable) / credit				
Malaysian income tax	-	(100)	-	(100)
Deferred tax	--	-	-	-
Overprovision in prior years	-	-	-	-
Underprovision in prior years	-	-	-	-
	<u>-</u>	<u>(100)</u>	<u>-</u>	<u>(100)</u>

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.

B7. Quoted investments

Not applicable to the Group.

EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST FINANCIAL QUARTER ENDED 30 APRIL 2009

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 30 April 2009 are as follows:

	Secured RM'000
Current	
Bank Overdraft	-
Bankers Acceptance	-
Long term loans – current	762
Hire purchase obligation – current	362
Subtotal	1,124
Non-current	
Long term loans – non –current	1,423
Hire purchase obligation – non-current	-
Subtotal	1,423
Grand total	2,547

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 30 April 2009.

The Board of Directors has recommended a final tax exempt dividend of 4.0 sen (8%) [2008 3.0 sen (6%)] amounting to RM 4,000,000 in respect of the financial year ended 31 January 2009 to be approved by the shareholders at the forthcoming Annual General Meeting of the Company. Proposed dividend entitlement and payment date is 14th August 2009 and 28th August 2009 respectively.

The said proposed dividend has not been included as a liability in the Financial Statements.

EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST FINANCIAL QUARTER ENDED 30 APRIL 2009

B13. Basic earnings per share

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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.04.2009 RM'000	Preceding Year Corresponding Quarter 30.04.2008 RM'000	Current Year To Date 30.04.2009 RM'000	Preceding Year Corresponding Period 30.04.2008 RM'000
Net profit for the period	1,022	1,252	1,022	1,252
Weighted average number of ordinary share in issue	100,000	100,000	100,000	100,000
Basic earnings per share (sen)	<u>1.02</u>	<u>1.25</u>	<u>1.02</u>	<u>1.25</u>

BY ORDER OF THE BOARD

KUAN HUI FANG
THAM WAI YING
Company Secretaries
25 June 2009