

**QUARTERLY REPORT FOR THE FIRST FINANCIAL QUARTER ENDED 30 APRIL 2011**  
**(THESE FIGURES ARE UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Year Quarter</b>	<b>Preceding Year Corresponding Quarter</b>	<b>Current Year To Date</b>	<b>Preceding Year Corresponding Period</b>
	<b>30.04.2011</b>	<b>30.04.2010</b>	<b>30.04.2011</b>	<b>30.04.2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>	15,752	20,104	15,752	20,104
Other operating income	174	366	174	366
Interest income from short-term deposits	17	-	17	-
Changes in inventories of finished goods	(84)	103	(84)	103
Raw materials and consumables used	(9,061)	(12,011)	(9,061)	(12,011)
Directors' remuneration	(313)	(311)	(313)	(311)
Staff costs	(1,785)	(2,058)	(1,785)	(2,058)
Depreciation of property, plant and equipment	(1,677)	(1,797)	(1,677)	(1,797)
Other operating expenses	(2,132)	(2,731)	(2,132)	(2,731)
<b>Profit from operations</b>	<b>891</b>	<b>1,665</b>	<b>891</b>	<b>1,665</b>
Finance costs	(37)	(28)	(37)	(28)
<b>Profit before tax</b>	<b>854</b>	<b>1,637</b>	<b>854</b>	<b>1,637</b>
Income tax credit / (expense)	(100)	(100)	(100)	(100)
<b>Net Profit for the period</b>	<b>754</b>	<b>1,537</b>	<b>754</b>	<b>1,537</b>
	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
Net earnings per share				
- Basic	0.75	1.54	0.75	1.54
- Diluted	-	-	-	-

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 January 2011 and the accompanying explanatory notes to the quarterly financial statements.

**QUARTERLY REPORT FOR THE FIRST FINANCIAL QUARTER ENDED 30 APRIL 2011**  
**(THESE FIGURES ARE UNAUDITED)**

---

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>30.04.2011</b>	<b>31.01.2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	70,894	72,076
<b>Total Non-Current Assets</b>	<b>70,894</b>	<b>72,076</b>
<b>Current Assets</b>		
Inventories	8,203	8,008
Trade receivables	12,847	11,393
Other receivables and prepaid expenses	816	897
Short-term deposit with a licensed investment bank	2,541	2,524
Cash and bank balances	1,532	1,824
<b>Total Current Assets</b>	<b>25,939</b>	<b>24,646</b>
<b>TOTAL ASSETS</b>	<b>96,833</b>	<b>96,722</b>
<b>EQUITY AND LIABILITES</b>		
<b>Capital and Reserve</b>		
Issued capital	50,000	50,000
Reserves	30,527	29,773
<b>Shareholders' Equity</b>	<b>80,527</b>	<b>79,773</b>
<b>Non-Current Liabilities</b>		
Long term loans – non-current portion	630	733
Deferred tax liabilities	6,519	6,519
<b>Total Non-Current Liabilities</b>	<b>7,149</b>	<b>7,252</b>
<b>Current Liabilities</b>		
Trade payables	7,437	8,185
Other payables and accrued expenses	1,211	1,055
Bank borrowings	409	406
Tax liabilities	100	51
<b>Total Current Liabilities</b>	<b>9,157</b>	<b>9,697</b>
<b>Total Liabilities</b>	<b>16,306</b>	<b>16,949</b>
<b>TOTAL EQUITY AND LIABILITES</b>	<b>96,833</b>	<b>96,722</b>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 January 2011 and the accompanying explanatory notes to the quarterly financial statements.

**QUARTERLY REPORT FOR THE FIRST FINANCIAL QUARTER ENDED 30 APRIL 2011**  
**(THESE FIGURES ARE UNAUDITED)**

---

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>3 months ended 30.04.2011 RM'000</b>	<b>3 months ended 30.04.2010 RM'000</b>
<b>CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES</b>	307	1,353
<b>CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES</b>	(445)	(503)
<b>CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES</b>	(137)	(122)
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(275)	728
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	4,348	4,390
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u>4,073</u>	<u>5,118</u>
<b>Cash and cash equivalents comprises:</b>		
Cash and Bank balances	4,073	5,118
Bank Overdraft	-	-
	<u>4,073</u>	<u>5,118</u>

**The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 January 2011 and the accompanying explanatory notes to the quarterly financial statements.**

**CYL CORPORATION BERHAD**

(Incorporated in Malaysia)

Company No. 516143 - V

**QUARTERLY REPORT FOR THE FIRST FINANCIAL QUARTER ENDED 30 APRIL 2011****(THESE FIGURES ARE UNAUDITED)****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<b>Issued capital RM'000</b>	<b>Share Premium RM'000</b>	<b>Revaluation Surplus RM'000</b>	<b>Unappropriated profits RM'000</b>	<b>Total RM'000</b>
<b>Balance as of 1 February 2010</b>	50,000	1,504	1,956	19,592	73,052
Dividends	-	-	-	(4,000)	(4,000)
Net profit for the year	-	-	-	3,719	3,719
Other comprehensive income for the year	-	-	7,002	-	7,002
Transfer to retained earnings	-	-	(155)	155	-
<b>Balance as of 31 January 2011</b>	<u>50,000</u>	<u>1,504</u>	<u>8,803</u>	<u>19,466</u>	<u>79,773</u>
<b>Balance as of 1 February 2011</b>	50,000	1,504	8,803	19,466	79,773
Dividends	-	-	-	-	-
Net profit for the year	-	-	-	754	754
Surplus on revaluation reserve	-	-	-	-	-
Effect of revaluation surplus applicable to deferred tax	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
<b>Balance as of 30 April 2011</b>	<u>50,000</u>	<u>1,504</u>	<u>8,803</u>	<u>20,220</u>	<u>80,527</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2011 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 FIRST FINANCIAL QUARTER ENDED 30 APRIL 2011**

**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 2011. 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 2011.

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 2011.

**A2. Changes in Accounting Policies**

The significant accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 January 2011, except for the following new FRSs and IC Interpretations which are effective for the annual financial period beginning on or after 1 July 2011:

**FRS and IC Interpretations**

At the date of authorisation for issue of these financial statements, the FRSs, IC Int. and amendments to FRSs and IC Int. which were issued but not yet effective are as listed below.

FRS 124                      Related Party Disclosures (revised)

**Improvements to FRSs 2010**

IC Int. 14                      FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction (Amendments relating to prepayments of a minimum funding requirement)

IC Int. 15                      Agreement for the Construction of Real Estate

IC Int. 19                      Extinguish Financial Liabilities with Equity Instruments

The Directors anticipate that the abovementioned Standards and Interpretations will be adopted in the annual financial statements of the Group and the Company when they become effective and that the adoption of these Standards and Interpretations will have no material impact on the financial statements of the Group and the Company in the period of initial application.

**A3. Audit Qualification of Annual Financial Statements**

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

**A4. Seasonal or cyclical factors**

The Group's interim business operation was not materially affected by seasonal or cyclical factors for the quarter under review.

**A5. 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.

**CYL CORPORATION BERHAD**

(Incorporated in Malaysia)

Company No. 516143 - V

**EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST FINANCIAL QUARTER ENDED 30 APRIL 2011**

---

**A6. 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.

**A7. 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 2011.

**A8. Dividend**

No interim dividend has been proposed in the current financial quarter ended 30 April 2011.

The Board of Directors has recommended a final tax exempt dividend of 4.0 sen (8%) [2010 4.0 sen (8%)] amounting to RM 4,000,000 in respect of the financial year ended 31 January 2011 to be approved by the shareholders at the forthcoming Annual General Meeting of the Company. Proposed dividend entitlement date and payment date is 15 August 2011 and 29 August 2011 respectively.

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

**A9. 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 applicable.

**A10. 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 2011.

The total additions of property, plant and equipment for the financial quarter ended 30 April 2011 amounted to RM 495,288. During the said period, there were no significant disposal of property, plant and equipment.

**A11. 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 30 April 2011 and the date of this report.

**A12. Changes in the composition of the Company**

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

**A13. 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 31 January 2011. Corporate guarantees given to banks for credit facilities granted to the subsidiary company is currently at RM 9.84 million.

**CYL CORPORATION BERHAD**

(Incorporated in Malaysia)

Company No. 516143 - V

**EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR  
THE FIRST FINANCIAL QUARTER ENDED 30 APRIL 2011**

---

**A14. Capital commitments**

As at 30 April 2011, the Group has the following capital expenditure relating to upgrading on building and purchase of machinery as follows:

	<b>RM'000</b>
Approved and contracted for	<u>1,409</u>

**A15. 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 2011**

---

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

**B1. Review of performance**

The Group achieved profit before tax of RM 854,568 and revenue of RM 15.75 million for the current quarter ended 30 April 2011. In the corresponding interim period ended 30 April 2010, the profit before tax and revenue were RM 1.64 million and RM 20.10 million respectively. The decrease in revenue and profit before tax is due to the lower customer orders.

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

The revenue recorded for the Group increased by 5.64% as compared to the preceding financial quarter ended 31 January 2011. However, profit before tax dropped by 30.34%. This is mainly due to the reversal of certain provisions provided for the previous financial year in the preceding financial quarter.

**B3. Prospects for the current financial year**

The Board remained cautious about the Group's prospects given the uncertainty in the price of crude oil, increase in utility and labor costs and the volatility of the business.

**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)**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Year Quarter</b>	<b>Preceding Year Corresponding Quarter</b>	<b>Current Year To Date</b>	<b>Preceding Year Corresponding Period</b>
	<b>30.04.2011</b>	<b>30.04.2010</b>	<b>30.04.2011</b>	<b>30.04.2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Estimated tax (payable) / credit				
Malaysian income tax	(100)	(100)	(100)	(100)
	<u>(100)</u>	<u>(100)</u>	<u>(100)</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 2011**

---

**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 2011 are as follows:

	<b>Secured RM'000</b>
<b>Current</b>	
Bank Overdraft	-
Bankers Acceptance	-
Long term loans – current	409
Hire purchase obligation – current	-
<b>Subtotal</b>	<b>409</b>
<b>Non-current</b>	
Long term loans – non –current	630
Hire purchase obligation – non-current	-
<b>Subtotal</b>	<b>630</b>
<b>Grand total</b>	<b>1,039</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 30 April 2011.

The Board of Directors has recommended a final tax exempt dividend of 4.0 sen (8%) [2010 4.0 sen (8%)] amounting to RM 4,000,000 in respect of the financial year ended 31 January 2011 to be approved by the shareholders at the forthcoming Annual General Meeting of the Company. Proposed dividend entitlement date and payment date is 15 August 2011 and 29 August 2011 respectively.

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

**CYL CORPORATION BERHAD**

(Incorporated in Malaysia)

Company No. 516143 – V

**EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST FINANCIAL QUARTER ENDED 30 APRIL 2011****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 30.04.2011 RM'000	Preceding Year Corresponding Quarter 30.04.2010 RM'000	Current Year To Date 30.04.2011 RM'000	Preceding Year Corresponding Period 30.04.2010 RM'000
Net profit for the period	754	1,537	754	1,537
Weighted average number of ordinary share in issue	100,000	100,000	100,000	100,000
Basic earnings per share (sen)	<u>0.75</u>	<u>1.54</u>	<u>0.75</u>	<u>1.54</u>

**B14. Disclosure on realized and unrealized profits**

On 25 March 2010, Bursa Malaysia issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of the Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Malaysia further issued guidance on the disclosure and the format required.

The breakdown of the retained profits of the Group as at 30 April 2011 and 31 January 2011, into realised and unrealised profits, pursuant to the directive, is as follows:

	Current financial period (RM'000) 30.04.2011	Current financial period (RM'000) 31.01.2011
Total retained profits / (accumulated losses) of CYL Corporation and its subsidiaries :		
- Realised	24,639	24,636
- Unrealised	(5,191)	(5,170)
Total group retained profits as per consolidated accounts	<u>20,220</u>	<u>19,466</u>