

QUARTERLY REPORT FOR THE THIRD FINANCIAL QUARTER ENDED 31 OCTOBER 2012  
(THESE FIGURES ARE UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.10.2012 RM'000	Preceding Year Corresponding Quarter 31.10.2011 RM'000	Current Year To Date 31.10.2012 RM'000	Preceding Year Corresponding Period 31.10.2011 RM'000
<b>Revenue</b>	15,469	15,241	48,647	46,830
Other income	168	42	290	1,314
Interest income from short-term deposits	32	10	96	45
Changes in inventories of finished goods	91	110	(385)	(134)
Raw materials and consumables used	(8,977)	(9,090)	(28,018)	(27,895)
Directors' remuneration	(329)	(320)	(977)	(953)
Staff costs	(1,687)	(1,719)	(5,068)	(5,230)
Depreciation of property, plant and equipment	(1,570)	(1,692)	(4,689)	(5,055)
Other operating expenses	(2,352)	(2,052)	(6,885)	(6,500)
<b>Profit from operations</b>	845	530	3,011	2,422
Finance costs	(9)	(17)	(33)	(73)
<b>Profit before tax</b>	836	513	2,978	2,349
Income tax expense	(120)	(50)	(200)	(250)
<b>Net Profit for the period</b>	716	463	2,778	2,099
<b>Other comprehensive income</b>				
Gain on revaluation	-	-	-	-
Deferred tax on revaluation surplus	-	-	-	-
Other comprehensive income for the year	-	-	-	-
<b>Total comprehensive income for the year</b>	716	463	2,778	2,099
Attributable to:				
Owners of the Parent	716	463	2,778	2,099
Non-Controlling Interest	-	-	-	-
<b>Profit for the period</b>	716	463	2,778	2,099
Total comprehensive income attributable to:				
Owners of the Parent	716	463	2,778	2,099
Non-Controlling Interest	-	-	-	-
	716	463	2,778	2,099
Net earnings per share				
- Basic	0.72	0.46	2.78	2.10

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes to the quarterly financial statements.

QUARTERLY REPORT FOR THE THIRD FINANCIAL QUARTER ENDED 31 OCTOBER 2012  
(THese FIGURES ARE UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31.10.2012 RM'000	31.01.2012 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	66,200	67,752
<b>Total Non-Current Assets</b>	<b>66,200</b>	<b>67,752</b>
<b>Current Assets</b>		
Inventories	6,257	7,265
Trade receivables	13,086	11,981
Other receivables and prepaid expenses	1,173	925
Short-term deposit with a licensed investment bank	6,121	4,031
Cash and bank balances	1,081	2,531
<b>Total Current Assets</b>	<b>27,718</b>	<b>26,733</b>
<b>TOTAL ASSETS</b>	<b>93,918</b>	<b>94,485</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserve</b>		
Issued capital	50,000	50,000
Reserves	27,590	28,812
<b>Shareholders' Equity</b>	<b>77,590</b>	<b>78,812</b>
<b>Non-Current Liabilities</b>		
Long term loans – non-current portion	122	283
Deferred tax liabilities	6,092	6,092
<b>Total Non-Current Liabilities</b>	<b>6,214</b>	<b>6,375</b>
<b>Current Liabilities</b>		
Trade payables	7,792	7,366
Other payables and accrued expenses	1,831	1,291
Dividend payable	-	-
Amount owing to directors	-	13
Bank borrowings	291	452
Tax liabilities	200	176
<b>Total Current Liabilities</b>	<b>10,114</b>	<b>9,298</b>
<b>Total Liabilities</b>	<b>16,328</b>	<b>15,673</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>93,918</b>	<b>94,485</b>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes to the quarterly financial statements.

**QUARTERLY REPORT FOR THE THIRD FINANCIAL QUARTER ENDED 31 OCTOBER 2012  
(THese FIGURES ARE UNAUDITED)**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	31.10.2012 RM'000	31.01.2012 RM'000
<b>CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES</b>		
Profit for the year	2,778	3,001
Adjustments for:		
Depreciation of property, plant and equipment	4,689	6,689
Finance costs	33	88
Income tax (credit) recognized in income statement	200	(3)
Unrealised loss / (gain) on forex	26	(61)
Gain on disposal of property, plant and equipment	(16)	(213)
Insurance claim	(3)	(884)
Interest income	(96)	(60)
<b>Operating Profit Before Working Capital Changes</b>	<b>7,611</b>	<b>8,557</b>
(Increase)/Decrease in:		
Inventories	1,008	743
Trade receivables	(1,105)	(588)
Other receivables and prepaid expenses	(546)	(633)
Increase/ (Decrease) in:		
Trade payables	400	(759)
Other payables and accrued expenses	540	235
Amount owing to directors	(13)	13
<b>Cash Generated From Operations</b>	<b>7,895</b>	<b>7,568</b>
Income tax paid	(176)	(260)
Insurance claim received	3	884
<b>Net Cash From Operating Activities</b>	<b>7,722</b>	<b>8,192</b>
<b>CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2,839)	(1,759)
Proceeds from disposal of property, plant and equipment	16	214
Interest received	96	61
<b>Net Cash Used In Investing Activities</b>	<b>(2,727)</b>	<b>(1,484)</b>
<b>CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES</b>		
Repayment of term loans	(322)	(405)
Repayment of hire-purchase obligations	-	-
Dividend paid	(4,000)	(4,000)
Finance costs paid	(33)	(89)
<b>Net Cash from/(Used in)Financing Activities</b>	<b>(4,355)</b>	<b>(4,494)</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>640</b>	<b>2,214</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>6,562</b>	<b>4,348</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>7,202</b>	<b>6,562</b>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes to the quarterly financial statements.

QUARTERLY REPORT FOR THE THIRD FINANCIAL QUARTER ENDED 31 OCTOBER 2012  
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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 2011	50,000	1,504	8,803	19,466	79,773
Dividends	-	-	-	(4,000)	(4,000)
Net profit for the year	-	-	-	3,001	3,001
Other comprehensive income for the year	-	-	38	-	38
Transfer to retained earnings	-	-	(155)	155	-
Balance as of 31 January 2012	50,000	1,504	8,686	18,622	78,812
Balance as of 1 February 2012	50,000	1,504	8,686	18,622	78,812
Dividends	-	-	-	(4,000)	(4,000)
Net profit for the year	-	-	-	2,778	2,778
Surplus on revaluation reserve	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Balance as of 31 October 2012	50,000	1,504	8,686	17,400	77,590

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes to the quarterly financial statements.

**EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 31 OCTOBER 2012**

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**A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 OCTOBER 2012 : EXPLANATORY NOTES IN COMPLIANCE TO MFRS 134 ON INTERIM FINANCIAL REPORTING**

**A1. Accounting policies and basis of preparation**

This interim financial report is unaudited and has been prepared in compliance with the requirements of MFRS 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 2012. 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 2012.

**A2. Changes in Accounting Policies**

These are the Group's condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS framework annual financial statements and MFRS 1: First Time Adoption of Malaysia Financial Reporting Standards has been applied.

As the former FRSs are virtually identical to the MFRSs, adoption of most of the MFRSs applicable to the Group does not have any material financial impact to these interim financial statements.

**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.

**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 31 October 2012.

**EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR  
THE THIRD FINANCIAL QUARTER ENDED 31 OCTOBER 2012**

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**A8. Dividend**

No interim dividend has been proposed in the current financial quarter ended 31 October 2012.

The final tax exempt dividend of 8% [2011 (8%)] amounting to RM 4,000,000 in respect of the financial year ended 31 January 2012 has been approved by the shareholders at the twelfth Annual General Meeting on 26<sup>th</sup> July 2012 and has been paid on 29<sup>th</sup> August 2012 to shareholders whose names appear in the Record of Depositors on 15<sup>th</sup> August 2012.

**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 2012.

The total additions of property, plant and equipment for the financial quarter ended 31 October 2012 amounted to RM 58 thousand. 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 31 October 2012 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 October 2012. Corporate guarantees given to banks for credit facilities granted to the subsidiary company is currently at RM 12.76 million.

**A14. Capital commitments**

As at 31 October 2012, 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>2,424</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 THIRD FINANCIAL QUARTER ENDED 31 OCTOBER 2012**

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**B ADDITIONAL NOTES PURSUANT TO MFRS 134**

**B1. Review of performance**

The Group revenue for the current financial quarter ended 31 October 2012 increased by RM 228 thousand as compared to corresponding quarter ended 31 October 2011.

The Group achieved profit before tax of RM 836 thousand and revenue of RM 15.47 million for the current quarter ended 31 October 2012. In the corresponding interim period ended 31 October 2011, the profit before tax and revenue were RM 513 thousand and RM 15.24 million respectively. This is due to the decrease in the price of raw materials in the current financial quarter, contributing to the bottom line of the Company.

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

The revenue recorded for the Group was lower by 13.86% as compared to the preceding financial quarter ended 31 July 2012. Profit before tax decreased by 36.57% mainly due to lower orders and public holidays.

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

The Group foresees a continued competitive operating environment for the rest of the financial year. Escalating raw material and operating costs will inevitably affect the Group's profit margin. The Board of Directors will continue to focus on improving production efficiency, productivity and processes to ensure a satisfactory financial result for the remainder of the financial year.

**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 31.10.2012 RM'000	Preceding Year Corresponding Quarter 31.10.2011 RM'000	Current Year To Date 31.07.2012 RM'000	Preceding Year Corresponding Period 31.10.2011 RM'000
Estimated tax payable	(120)	(50)	(200)	(250)
	(120)	(50)	(200)	(250)

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

**EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 31 OCTOBER 2012**

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**B6. 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.

**B7. Group borrowings and debt securities**

Group borrowings (all denominated in Malaysian currency) as at 31 October 2012 are as follows:

	<b>Secured RM'000</b>
<b>Current</b>	
Bank Overdraft	-
Bankers Acceptance	-
Long term loans – current	291
Hire purchase obligation – current	-
<b>Subtotal</b>	<b>291</b>
<b>Non-current</b>	
Long term loans – non –current	122
Hire purchase obligation – non-current	-
<b>Subtotal</b>	<b>122</b>
<b>Grand total</b>	<b>413</b>

**B8. Material litigation**

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

**B9. Dividend**

No interim dividend has been proposed in the current financial quarter ended 31 October 2012.



EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR  
THE THIRD FINANCIAL QUARTER ENDED 31 OCTOBER 2012

**B10. 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 31.10.2012 RM'000	Preceding Year Corresponding Quarter 31.10.2011 RM'000	Current Year To Date 31.10.2012 RM'000	Preceding Year Corresponding Period 31.10.2011 RM'000
Net profit for the period	716	463	2,778	2,099
Weighted average number of ordinary share in issue	100,000	100,000	100,000	100,000
Basic earnings per share (sen)	<u>0.72</u>	<u>0.46</u>	<u>2.78</u>	<u>2.10</u>

**B11. 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 requiring 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 31 October 2012 and 31 July 2012, into realised and unrealised profits, pursuant to the directive, is as follows:

	Current financial period (RM'000) 31.10.2012	Current financial period (RM'000) 31.07.2012
Total retained profits / (accumulated losses) of CYL Corporation and its subsidiaries :		
- Realised	22,257	21,552
- Unrealised	(4,857)	(4,868)
Total group retained profits as per consolidated accounts	<u>17,400</u>	<u>16,648</u>