

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2013
(THESE FIGURES ARE UNAUDITED)**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.01.2013 RM'000	Preceding Year Corresponding Quarter 31.01.2012 RM'000	Current Year To Date 31.01.2013 RM'000	Preceding Year Corresponding Period 31.01.2012 RM'000
Revenue	14,660	14,816	63,307	61,645
Other income	27	22	317	1,336
Interest income from short-term deposits	46	16	142	60
Changes in inventories of finished goods	250	(75)	(135)	(208)
Raw materials and consumables used	(8,901)	(8,731)	(36,919)	(36,625)
Directors' remuneration	(356)	(351)	(1,333)	(1,303)
Staff costs	(1,352)	(1,348)	(6,420)	(6,578)
Depreciation of property, plant and equipment	(1,505)	(1,634)	(6,194)	(6,689)
Other operating expenses	(2,072)	(2,051)	(8,957)	(8,552)
Profit from operations	797	664	3,808	3,086
Finance costs	(7)	(15)	(40)	(88)
Profit before tax	790	649	3,768	2,998
Income tax expense	(128)	253	(328)	3
Net Profit for the period	662	902	3,440	3,001
Other comprehensive income				
Gain on revaluation	-	-	-	-
Deferred tax on revaluation surplus			36	38
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	662	902	3,476	3,039
Attributable to:				
Owners of the Parent	662	902	3,476	3,039
Non-Controlling Interest	-	-	-	-
Profit for the period	662	902	3,476	3,039
Total comprehensive income attributable to:				
Owners of the Parent	662	902	3,476	3,039
Non-Controlling Interest	-	-	-	-
	662	902	3,476	3,039
Net earnings per share (sen)				
- Basic	0.66	0.90	3.48	3.04

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 FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2013
(THese FIGURES ARE UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31.01.2013 RM'000	31.01.2012 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	65,195	67,752
Total Non-Current Assets	65,195	67,752
Current Assets		
Inventories	6,217	7,265
Trade receivables	12,479	11,981
Other receivables and prepaid expenses	922	925
Short-term deposit with a licensed investment bank	6,164	4,031
Cash and bank balances	2,046	2,531
Total Current Assets	27,828	26,733
TOTAL ASSETS	93,023	94,485
EQUITY AND LIABILITES		
Capital and Reserve		
Issued capital	50,000	50,000
Reserves	26,288	28,812
Shareholders' Equity	76,288	78,812
Non-Current Liabilities		
Long term loans – non-current portion	23	283
Deferred tax liabilities	5,772	6,092
Total Non-Current Liabilities	5,795	6,375
Current Liabilities		
Trade payables	7,286	7,366
Other payables and accrued expenses	1,128	1,291
Dividend payable	2,000	-
Amount owing to directors	-	13
Bank borrowings	279	452
Tax liabilities	247	176
Total Current Liabilities	10,940	9,298
Total Liabilities	16,735	15,673
TOTAL EQUITY AND LIABILITES	93,023	94,485

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 FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2013
(THese FIGURES ARE UNAUDITED)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	31.01.2013 RM'000	31.01.2012 RM'000
CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES		
Profit for the year	3,440	3,001
Adjustments for:		
Depreciation of property, plant and equipment	6,194	6,689
Finance costs	40	88
Income tax (credit) recognized in income statement	328	(3)
Unrealised loss / (gain) on forex	49	(61)
Gain on disposal of property, plant and equipment	(25)	(213)
Insurance claim	(3)	(884)
Interest income	(142)	(60)
Operating Profit Before Working Capital Changes	9,881	8,557
(Increase)/Decrease in:		
Inventories	1,048	743
Trade receivables	(498)	(588)
Other receivables and prepaid expenses	3	(633)
Increase/ (Decrease) in:		
Trade payables	(129)	(759)
Other payables and accrued expenses	(163)	235
Amount owing to directors	(13)	13
Cash Generated From Operations	10,129	7,568
Income tax paid	(541)	(260)
Insurance claim received	3	884
Net Cash From Operating Activities	9,591	8,192
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,637)	(1,759)
Proceeds from disposal of property, plant and equipment	25	214
Interest received	142	61
Net Cash Used In Investing Activities	(3,470)	(1,484)
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		
Repayment of term loans	(433)	(405)
Repayment of hire-purchase obligations	-	-
Dividend paid	(4,000)	(4,000)
Finance costs paid	(40)	(89)
Net Cash from/(Used in)Financing Activities	(4,473)	(4,494)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	1,648	2,214
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	6,562	4,348
CASH AND CASH EQUIVALENTS AT END OF PERIOD	8,210	6,562

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 FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2013
(THESE FIGURES ARE UNAUDITED)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued capital RM'000	Share Premium RM'000	Capital Reserve 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	-	-	-	(6,000)	(6,000)
Net profit for the year	-	-	-	3,440	3,440
Surplus on capital reserve	-	-	-	-	-
Other comprehensive income for the year	-	-	36	-	36
Transfer to retained earnings	-	-	(156)	156	-
Balance as of 31 January 2013	50,000	1,504	8,566	16,218	76,288

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 FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2013**

**A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED
31 JANUARY 2013 : 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.

Prior to the adoption of MFRSs, land and buildings of the Group stated at valuation were revalued at regular intervals of at least once in every five years by the directors based on the valuation reports of independent professional valuers with additional valuation in the intervening years where market conditions indicate that the carrying values of the revalued assets differ materially from the market value. Upon transition to MFRSs, the Group had decided to measure its land and buildings using the cost model under MFRS 116 *Property, Plant and Equipment*. Thus, at the date of transition to MFRSs, the optional exemption in MFRS 1 was applied to regard the FYE 2011 revalued amounts of land and buildings as deemed cost.

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.

**EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR
THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2013**

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 January 2013.

A8. Dividend

An interim tax exempt dividend of 4% amounting to RM 2,000,000 has been declared in the current financial quarter ended 31 January 2013. The interim tax exempt dividend will be paid on the 8th February 2013 to shareholders whose names appear in the Record of Depositors on 25th January 2013. This interim tax exempt dividend has been included as a liability in the current quarter.

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 January 2013 amounted to RM 140 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 January 2013 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 2012. Corporate guarantees given to banks for credit facilities granted to the subsidiary company is currently at RM 12.76 million.

**EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR
THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2013**

A14. Capital commitments

As at 31 January 2013, 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>533</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 FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2013

B ADDITIONAL NOTES PURSUANT TO MFRS 134

B1. Review of performance

The Group revenue for the current financial quarter ended 31 January 2013 decreased by RM 156 thousand as compared to corresponding quarter ended 31 January 2012.

The Group achieved profit before tax of RM 790 thousand and revenue of RM 14.66 million for the current quarter ended 31 January 2013. In the corresponding interim period ended 31 January 2012, the profit before tax and revenue were RM 649 thousand and RM 14.82 million respectively. This is due to the focus on being lean and efficient in terms of productivity and various cost cutting measures 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 5.23% as compared to the preceding financial quarter ended 31 October 2012. Profit before tax decreased by 5.5% mainly due to shorter operating days with more public holidays during the current quarter.

B3. Prospects for the next financial year

The Group foresees a continued competitive operating environment for the next financial year. High raw material costs, high costs of labor and the implementation of minimum wage 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 31.01.2013 RM'000	Preceding Year Corresponding Quarter 31.01.2012 RM'000	Current Year To Date 31.01.2013 RM'000	Preceding Year Corresponding Period 31.01.2012 RM'000
Estimated tax payable	(411)	(135)	(611)	(385)
Deferred tax	283	384	283	384
Overprovision of Deferred tax in prior year	-	4	-	4
	<u>(128)</u>	<u>253</u>	<u>(328)</u>	<u>3</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.

EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2013

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 January 2013 are as follows:

	Secured RM'000
Current	
Bank Overdraft	-
Bankers Acceptance	-
Long term loans – current	279
Hire purchase obligation – current	-
Subtotal	279
Non-current	
Long term loans – non –current	23
Hire purchase obligation – non-current	-
Subtotal	23
Grand total	302

B8. Material litigation

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

B9. Dividend

An interim tax exempt dividend of 4% amounting to RM 2,000,000 has been declared in the current financial quarter ended 31 January 2013. The interim tax exempt dividend will be paid on the 8th February 2013 to shareholders whose names appear in the Record of Depositors on 25th January 2013. This interim tax exempt dividend has been included as a liability in the current quarter.

A second interim tax exempt dividend of 5% amounting to RM2,500,000 has been declared for the financial year ended 31 January 2013. The second interim dividend will be paid on the 28th June 2013 to the shareholders whose names appear in the Record of Depositors on 12th June 2013

EXPLANATORY NOTES TO INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH FINANCIAL QUARTER ENDED 31 JANUARY 2013

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 31.01.2013 RM'000	Preceding Year Corresponding Quarter 31.01.2012 RM'000	Current Year To Date 31.01.2013 RM'000	Preceding Year Corresponding Period 31.01.2012 RM'000
Net profit for the period	662	902	3,476	3,039
Weighted average number of ordinary share in issue	100,000	100,000	100,000	100,000
Basic earnings per share (sen)	<u>0.66</u>	<u>0.90</u>	<u>3.48</u>	<u>3.04</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 January 2013 and 31 October 2012, into realised and unrealised profits, pursuant to the directive, is as follows:

	Current financial period (RM'000) 31.01.2013	Current financial period (RM'000) 31.10.2012
Total retained profits / (accumulated losses) of CYL Corporation and its subsidiaries :		
- Realised	20,814	22,257
- Unrealised	(4,596)	(4,857)
Total group retained profits as per consolidated accounts	<u>16,218</u>	<u>17,400</u>