

BSL CORPORATION BERHAD

(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER ENDED 30 NOVEMBER 2007**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30-Nov-07 RM'000	PRECEDING YEAR QUARTER 30-Nov-06 RM'000	CURRENT YEAR TO DATE 30-Nov-07 RM'000	PRECEDING YEAR TO DATE 30-Nov-06 RM'000
Revenue	<u>32,927</u>	<u>24,133</u>	<u>32,927</u>	<u>24,133</u>
Operating profit	2,913	1,383	2,913	1,383
Interest expense	(514)	(359)	(514)	(359)
Interest income	8	53	8	53
Share of result of associate	(116)	-	(116)	-
Profit before tax	<u>2,291</u>	<u>1,077</u>	<u>2,291</u>	<u>1,077</u>
Income tax expense	(541)	(430)	(541)	(430)
Profit for the year	<u>1,750</u>	<u>647</u>	<u>1,750</u>	<u>647</u>
Attributable to:				
Equity holders of the parent	1,648	603	1,648	603
Minority interest	102	44	102	44
	<u>1,750</u>	<u>647</u>	<u>1,750</u>	<u>647</u>
Basic Earnings Per Share based on the weighted average number of shares in issue (Sen)	<u>1.68</u>	<u>0.62</u>	<u>1.68</u>	<u>0.62</u>

Notes:

The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial year ended 31 August 2007.

BSL CORPORATION BERHAD
(Company No. 651118-K)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 30 NOVEMBER 2007

	As at 30-Nov-07 RM'000	As at 31-Aug-07 RM'000
ASSETS		
Non current assets		
Property, plant and equipment	38,205	38,467
Prepaid lease payments on leasehold land	6,567	6,585
Investment in an associate company	10,223	10,339
Quoted investment	6	6
Other investment	1,500	1,500
Goodwill on consolidation	3,541	3,962
Total non current assets	<u>60,042</u>	<u>60,859</u>
Current assets		
Inventories	15,795	15,588
Receivables	34,026	30,723
Cash and cash equivalents	9,642	9,817
Total current assets	<u>59,463</u>	<u>56,128</u>
Total assets	<u>119,505</u>	<u>116,987</u>
Equity and liabilities		
Capital and reserves		
Share capital	49,000	49,000
Share premium	1,767	1,767
Reserves	19,151	17,503
Equity attributable to equity holders of the parent	<u>69,918</u>	<u>68,270</u>
Minority Interest	1,665	1,159
Total equity	<u>71,583</u>	<u>69,429</u>
Non current liabilities		
Long term borrowings	18,708	19,190
Deferred taxation liabilities	2,479	2,304
Total non current liabilities	<u>21,187</u>	<u>21,494</u>
Current liabilities		
Payables	13,693	12,965
Short term borrowings	12,821	13,003
Tax liabilities	221	96
Total current liabilities	<u>26,735</u>	<u>26,064</u>
Total liabilities	<u>47,922</u>	<u>47,558</u>
Total equity and liabilities	<u>119,505</u>	<u>116,987</u>
Net Assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.71</u>	<u>0.70</u>

Notes :

The Unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial year ended 31 August 2007.

BSL CORPORATION BERHAD
(Company No. 651118-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 NOVEMBER 2007

	<i>Non-distributable</i>			<i>Distributable</i>		Minority Interest RM'000	Total RM'000
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Retained Profit RM'000	Attributable to Equity Holders of the Parent RM'000		
Balance as at 1 September 2007	49,000	1,767	185	17,318	68,270	1,159	69,429
Profit for the period	-	-	-	1,648	1,648	102	1,750
Minority interest share of profit guarantee	-	-	-	-	-	404	404
Balance as at 30 November 2007	<u>49,000</u>	<u>1,767</u>	<u>185</u>	<u>18,966</u>	<u>69,918</u>	<u>1,665</u>	<u>71,583</u>

	<i>Non-distributable</i>			<i>Distributable</i>		Minority Interest RM'000	Total RM'000
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Retained Profit RM'000	Attributable to Equity Holders of the Parent RM'000		
Balance as at 1 September 2006	49,000	1,767	-	13,260	64,027	759,000	64,786
Effects of adopting FRS 3	-	-	-	3,438	3,438	-	3,438
Restated Balance	<u>49,000</u>	<u>1,767</u>	<u>-</u>	<u>16,698</u>	<u>67,465</u>	<u>759</u>	<u>68,224</u>
Profit for the period	-	-	-	603	603	44	647
Balance as at 30 November 2006	<u>49,000</u>	<u>1,767</u>	<u>-</u>	<u>17,301</u>	<u>68,068</u>	<u>803</u>	<u>68,871</u>

Notes :

The Unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial year ended 31 August 2007.

BSL CORPORATION BERHAD
(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2007**

	30-Nov-07 RM'000	30-Nov-06 RM'000
Cash flows from operating activities		
Profit before tax	2,291	1,077
Adjustments for:		
Non-cash items	1,442	1,210
Non-operating items	476	306
	<u>4,209</u>	<u>2,593</u>
Operating profit before working capital changes		
(Increase)/Decrease in working capital:		
Inventories	(207)	826
Receivables	(3,303)	(278)
Payables	728	(2,060)
	<u>1,427</u>	<u>1,081</u>
Cash generated from operations		
Tax refund / (paid)	622	(928)
	<u>2,049</u>	<u>153</u>
Net cash from operating activities		
Cash flows from investing activities		
Interest received	38	53
Proceeds from disposal of property, plant and equipment	120	-
Investment in subordinated bond	-	(1,500)
Purchase of property, plant and equipment	(801)	(3,110)
	<u>(643)</u>	<u>(4,557)</u>
Net cash used in investing activities		
Cash flows from financing activities		
Net Increase / (decrease) in bank borrowings	(1,590)	4,056
Proceeds from collateralised loan obligations	-	15,000
Interest paid	(514)	(359)
Listing expenses	-	-
	<u>(2,104)</u>	<u>18,697</u>
Net cash (decrease) / from financing activities		
Net increase / (decrease) in cash and cash equivalents	(698)	14,293
Cash and cash equivalents at beginning of financial year	9,291	8,679
Cash and cash equivalents at end of financial year	<u>8,593</u>	<u>22,972</u>
Cash and cash equivalents at end of year comprise:		
Cash and bank balances	7,664	8,382
Deposits in licensed banks	1,978	16,156
Bank overdrafts	(522)	(1,390)
	<u>9,120</u>	<u>23,148</u>
Less : Fixed deposit pledged to licensed bank	(527)	(176)
	<u>8,593</u>	<u>22,972</u>

Notes :

The Unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial year ended 31 August 2007.

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

A1. Basis of preparation

The interim financial statements of BSL Corporation Berhad (“BSL”) are unaudited and have been prepared in accordance with the requirements outlined in the Financial Reporting Standards, FRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standard Board (“MASB”) and Paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements. The interim financial statements should be read in conjunction with the audited financial statements of BSL for the year ended 31 August 2007.

The accounting policies and methods of computation adopted by BSL in these interim financial statements are consistent with those adopted in the financial statements for the year ended 31 August 2007 except for the adoption of the following new FRSs that are applicable to the Group:-

FRS 107	Cash Flow Statements
FRS 112	Income Taxes
FRS 118	Revenue
FRS 124	Related Party Disclosures
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

The adoption of the new FRSs did not have any financial effects on the results of the Group for the current and prior financial year.

A2. Qualification of annual financial statements

There were no audit qualifications on the financial statements of the Company for the year ended 31 August 2007.

A3. Seasonal and cyclical factors

In the preceding year, second half profits were stronger than first half profits, mainly due to a better output mix in the second half, which in turn is in line with customers’ product sales mix. We expect this trend to continue in 2008.

A4. Unusual nature and amounts of items affecting assets, liabilities, equity, net income or cash flows

There were no unusual nature and amounts of items affecting assets, liabilities, equity, net income or cash flows during the current quarter under review.

A5. Material changes in estimates

There was no material changes in estimates of amounts reported in the current quarter under review.

A6. Issuances and repayment of debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the current quarter under review.

Notes on the quarterly report – 30 November 2007

A9. Valuation of property, plant and equipment

Property, plant and equipment are stated at cost/valuation less accumulated depreciation and impairment losses, if any.

Freehold land and buildings which are stated at valuation are revalued at regular intervals of at least once in every three years by the directors based on valuation reports of independent professional valuers using the “open market value on existing use” basis with additional valuation in the intervening years where market conditions indicate that the carrying values of revalued assets differ materially from the market value. Freehold land and buildings were last revalued in 2007.

A10. Material events subsequent to the end of the interim period

There were no material events subsequent to the current financial quarter ended 30 November 2007 up to the date of this report, which are likely to substantially affect the results of the operations of the Group.

A11. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

A12. Changes in contingent liabilities

There were no changes on contingent liabilities and contingent assets of a material nature since the last balance sheet date until the date of this announcement, except for:

- (i) Corporate guarantees amounting to RM1.16 million given by the Company to financial institutions for credit facilities granted to the subsidiary companies.
- (ii) Corporate guarantees amounting to RM1.50 million given by the Company to one of the supplier for supplies of goods/services to one of the subsidiary company

A13. Capital commitments

	Approved and contracted for RM'000	Approved but not contracted for RM'000
Purchase of plant and machinery	1,681	-

Notes on the quarterly report – 30 November 2007

PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS

B1. Review of performance

For the three (3) months period ended 30 November 2007, the Group achieved revenue of RM32.9 million and a profit before tax of RM2.29 million.

The Precision Stamping & Tooling Division contributed approximately 41.16% of the total revenue, amounting to RM13.55million; the Printed Circuit Board (“PCB”) and Module Assembly Division approximately 30.32% or RM9.98 million; the Fabrication and Forging Division approximately 8.12% or RM2.67 million; and the Automotive Component Division approximately 20.40% or RM6.72 million.

B2. Variation of results against preceding quarter

Total group revenue increased by 4.19% to RM32.93million, compared to the preceding quarter.

The Group recorded a higher profit before tax of RM2.29 million for the current quarter ended 30 November 2007 as compared RM1.37 million in the preceding quarter. The increase is mainly due to the improvement of results in the PCB assembly and metal stamping division.

Compared to the first quarter of the financial year August 31, 2007, Group revenue increased by 36.43% to RM32.93 million. Profit before taxation increase by 123.50% to RM2.29 million. This was mainly due to the increase in sales and improved product mix in the PCB assembly division. The improvement was partly offset by the decrease in the performance of the metal stamping division.

B3. Current year prospects

The Group anticipates increase in sales in current year due to expected increase in new customers and product ranges.

B4. Variance of actual and forecast profit

The Group has not provided any profit forecast for the current financial year ending 31 August 2008.

Notes on the quarterly report – 30 November 2007

B5. Tax expense

	Current Quarter 30.11.2007 RM' 000	Current year To date 30.11.2007 RM' 000
Current tax expense	366	366
Current deferred tax expense	168	168
Under provision of deferred tax in prior year	7	7
	<u>541</u>	<u>541</u>

The effective tax rate is lower than the statutory tax rate of 26% mainly due to utilisation of tax losses brought forward from previous year.

B6. Unquoted investments and/or properties

The Group has not disposed off any investments in any unquoted investments and/or properties during the financial quarter under review.

B7. Quoted and marketable investments

Total investments in quoted shares as at 30 November 2007:

	Cost RM'000	Book Value RM'000	Market Value RM'000
Total quoted shares	<u>17</u>	<u>6</u>	<u>6</u>

B8. Status of corporate proposal announced

There were no corporate proposals announced but not completed as at the date of this announcement.

BSL has raised gross proceeds of RM15,702,230 from its listing exercise from the Public Issue based on the issue price of RM0.68 per share and Right Issues of RM0.50 per share. As at the date of this announcement, the said proceeds has been utilised in the following manner:

	Total RM'000	Utilised RM'000	Unutilised RM'000
Capital expenditure	4,800	4,118	682
Repayment of bank borrowings	6,900	6,900	-
Working capital	2,102	2,102	-
Estimated listing expenses	1,900	1,900	-
	<u>15,702</u>	<u>15,020</u>	<u>682</u>

The timeframe for the utilisation of the gross proceeds raise from its listing exercise from the Public Issue has been extended from 31 August 2007 to 31 August 2008.

Notes on the quarterly report – 30 November 2007

B9. Group borrowings

The Group's borrowings as at the end of the reporting quarter are as follows:

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Short term			
Bank overdrafts	522	-	522
Trust receipts, bankers' acceptance & revolving credit	9,620	-	9,620
Term loans	954	-	954
Hire purchase	1,725	-	1,725
	<hr/> 12,821	<hr/> -	<hr/> 12,821
Long term			
Terms loans	1,476	15,000	16,476
Hire purchase	2,232	-	2,232
	<hr/> 3,708	<hr/> 15,000	<hr/> 18,708
	<hr/> 16,529	<hr/> 15,000	<hr/> 31,529

All borrowings are denominated in Ringgit Malaysia

B10. Off balance sheet financial instrument

There are no financial instruments with off balance sheet risk as at the end of the previous financial year to the date of this announcement.

B11. Changes in material litigation

Neither BSL nor any of its subsidiary companies are engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect the financial position of Company or any of its subsidiaries and the Board is not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of Company or any of its subsidiaries.

B12. Dividends

The Directors have proposed a first and final dividend of 2.74% less tax for the financial year ended 31 August 2007 which is subject to the approval of the shareholders of the Company at the forthcoming Annual General Meeting.

Notes on the quarterly report – 30 November 2007

B13. Basic earnings per share

The basic earnings per share for the current quarter and cumulative year to date are computed as follow:-

	Individual Current Year Quarter 30.11.07	Preceding Year Quarter 30.11.06	Cumulative Current Year to Date 30.11.07	Preceding Year To date 30.11.06
Net profit attributable to equity holders of the parent (RM'000)	1,648	603	1,648	603
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	98,000	98,000	98,000	98,000
Basic Earnings Per Share based on the weighted average number of shares in issue (sen)	1.68	0.62	1.68	0.62

B14. Authorisation for issue

This quarterly report was authorized for issue by the Board of Directors in accordance with the resolution of the directors on 29 January 2008.

By order of the Board

Ngiam Tong Kwan
Executive Chairman
Petaling Jaya
29 January 2008