

BSL CORPORATION BERHAD
(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER ENDED 28 FEBRUARY 2009**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 28-Feb-09 RM'000	PRECEDING YEAR QUARTER 29-Feb-08 RM'000	CURRENT YEAR TO DATE 28-Feb-09 RM'000	PRECEDING YEAR TO DATE 29-Feb-08 RM'000
Revenue	23,883	32,383	60,056	65,310
Operating profit/(loss)	(681)	2,403	675	5,316
Interest expense	(517)	(531)	(1,035)	(1,045)
Interest income	33	123	46	131
Share of result of associate	(265)	(96)	(487)	(212)
Profit/(loss) before tax	(1,430)	1,899	(801)	4,190
Income tax expense	(189)	(676)	(514)	(1,217)
Profit/(loss) for the year	(1,619)	1,223	(1,315)	2,973
Attributable to:				
Equity holders of the parent	(1,623)	974	(1,386)	2,622
Minority interest	4	249	71	351
	(1,619)	1,223	(1,315)	2,973
Basic Earnings/(loss) Per Share based on the weighted average number of shares in issue (Sen)	(1.66)	0.99	(1.41)	2.68

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 2008.

BSL CORPORATION BERHAD
(Company No. 651118-K)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 28 FEBRUARY 2009

	As at 28-Feb-09 RM'000	As at 31-Aug-08 RM'000
ASSETS		
Non current assets		
Property, plant and equipment	48,435	45,797
Prepaid lease payments on leasehold land	6,477	6,513
Investment in an associate company	4,214	9,871
Other investments	751	751
Goodwill on consolidation	3,541	3,541
Total non current assets	<u>63,418</u>	<u>66,473</u>
Current assets		
Inventories	17,926	19,795
Receivables	17,244	31,324
Cash and cash equivalents	22,993	12,981
Total current assets	<u>58,163</u>	<u>64,100</u>
Total assets	<u>121,581</u>	<u>130,573</u>
Equity and liabilities		
Capital and reserves		
Share capital	49,000	49,000
Share premium	1,767	1,767
Reserves	19,969	21,341
Equity attributable to equity holders of the parent	<u>70,736</u>	<u>72,108</u>
Minority Interest	2,242	2,171
Total equity	<u>72,978</u>	<u>74,279</u>
Non current liabilities		
Long term borrowings	20,117	20,742
Deferred taxation liabilities	3,689	3,499
Total non current liabilities	<u>23,806</u>	<u>24,241</u>
Current liabilities		
Payables	12,797	17,609
Short term borrowings	11,062	13,965
Tax liabilities	938	479
Total current liabilities	<u>24,797</u>	<u>32,053</u>
Total liabilities	<u>48,603</u>	<u>56,294</u>
Total equity and liabilities	<u>121,581</u>	<u>130,573</u>
Net Assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.72</u>	<u>0.74</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 2008.

BSL CORPORATION BERHAD
(Company No. 651118-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 28 FEBRUARY 2009

	Non-distributable			Distributable			Minority Interest RM'000	Total RM'000
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Foreign currency translation reserve RM'000	Retained Profit RM'000	Attributable to Equity Holders of the Parent RM'000		
Balance as at 1 September 2008	49,000	1,767	185	(1)	21,157	72,108	2,171	74,279
Profit for the period	-	-	-	-	(1,386)	(1,386)	71	(1,315)
Currency translation differences	-	-	-	14	-	14	-	14
Balance as at 28 February 2009	49,000	1,767	185	13	19,771	70,736	2,242	72,978
	Non-distributable			Distributable			Minority Interest RM'000	Total RM'000
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Foreign currency translation 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	-	-	-	-	2,422	2,422	351	2,773
Minority interest share of profit guarantee	-	-	-	-	-	-	404	404
Balance as at 29 February 2008	49,000	1,767	185	-	19,740	70,692	1,914	72,606

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 2008.

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 28 FEBRUARY 2009

	28-Feb-09 RM'000	29-Feb-08 RM'000
Cash flows from operating activities		
Profit/(loss) before tax	(801)	4,190
Adjustments for:		
Non-cash items	3,633	3,053
Non-operating items	681	489
Operating profit before working capital changes	3,513	7,732
(Increase)/Decrease in working capital:		
Inventories	1,869	(648)
Receivables	13,385	(1,446)
Payables	(4,812)	74
Cash generated from / (used in) operations	13,955	5,712
Tax paid	345	1,575
Net cash from operating activities	<u>14,300</u>	<u>7,287</u>
Cash flows from investing activities		
Interest received	46	38
Proceeds from disposal of property, plant and equipment	307	119
Proceeds from disposal of associated company	5,657	-
Purchase of property, plant and equipment	(2,883)	(1,654)
Net cash used in investing activities	<u>3,127</u>	<u>(1,497)</u>
Cash flows from financing activities		
Net increase / (decrease) in bank borrowings	(8,263)	(4,342)
Interest paid	(1,035)	(1,046)
Net cash from financing activities	<u>(9,298)</u>	<u>(5,388)</u>
Net increase in cash and cash equivalents	8,129	402
Cash and cash equivalents at beginning of financial year	<u>12,317</u>	<u>9,291</u>
Cash and cash equivalents at end of financial year	<u><u>20,446</u></u>	<u><u>9,693</u></u>
Cash and cash equivalents at end of year comprise:		
Cash and bank balances	15,866	9,745
Deposits in licensed banks	7,127	2,017
Bank overdrafts	(1,883)	(1,543)
	21,110	10,219
Less : Fixed deposit pledged to licensed bank	(664)	(526)
	<u><u>20,446</u></u>	<u><u>9,693</u></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 2008.

Notes on the quarterly report – 28 February 2009

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 2008.

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 2008.

A2. Qualification of annual financial statements

There were no audit qualifications on the financial statements of the Company for the year ended 31 August 2008.

A3. Seasonal and cyclical factors

The Group’s business operation results were not materially affected by any major seasonal or cyclical factors.

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.

A7. Dividend paid

There was no dividend paid by the Company during the quarter under review.

A8. Segment information

Segmental information is presented in respect of the Group’s business segment

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Notes on the quarterly report – 28 February 2009

	Investment holding	Precision stamping and tooling	Printed Circuit Board ("PCB") and module assembly	Fabrication and forging	Automotive components	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External sales	-	35,342	14,376	5,514	4,824	-	60,056
Inter-segment sales	-	2	-	-	-	(2)	-
Total revenue	-	35,344	14,376	5,514	4,824	(2)	60,056
Results							
Segment results	202	2,122	(854)	(1,041)	246	-	675
Profit from operations							675
Interest expense							(1,035)
Interest income							46
Share of results of associate							(487)
Loss before tax							(801)
Income tax expense							(514)
Loss for the year							(1,315)
Attributable to:							
Equity holders of the parent							(1,386)
Minority interest							71
							(1,315)

Notes on the quarterly report – 28 February 2009

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

Save as disclosed below, there were no material events subsequent to the current financial quarter ended 28 February 2009 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	-	-

Notes on the quarterly report – 28 February 2009

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

B1. Review of performance

For the six (6) months period ended 28 February 2009, the Group achieved revenue of RM60.06 million and a loss before tax of RM0.81 million.

The Precision Stamping & Tooling Division contributed approximately 58.85% of the total revenue, amounting to RM35.34million; the Printed Circuit Board (“PCB”) and Module Assembly Division approximately 23.94% or RM14.38 million; the Fabrication and Forging Division approximately 9.18% or RM5.51 million; and the Automotive Component Division approximately 8.03% or RM4.82 million.

B2. Variation of results against preceding quarter

Total group revenue decreased by 33.98% to RM23.88 million, compared to the preceding quarter.

The Group recorded a loss before tax of RM1.43 million for the current quarter ended 28 February 2009 as compared a profit before tax RM0.62 million in the preceding quarter. The decrease was mainly due to weak demand from our export oriented customers which were affected by the global financial crisis.

Compared to the second quarter of the financial year ended 31 August 2008, Group revenue decreased by 26.24% to RM23.88 million. Loss before tax was due to decrease in sales from PCB Assembly, Fabrication and Forging and Automotive Components divisions.

B3. Current year prospects

The Group anticipates the coming months will continue to be challenging due to the uncertainty in the global economic situation. The Group will continue in its effort to reduce costs and improve productivity in facing these challenges.

B4. Variance of actual and forecast profit

The Group has not provided any profit forecast for the current financial year ending 31 August 2009.

Notes on the quarterly report – 28 February 2009

B5. Tax expense

	Current Quarter 28.02.2009 RM' 000	Current year To date 28.02.2009 RM' 000
Current tax expense	(1)	324
Current deferred tax expense	703	703
Over provision of deferred in prior year	(513)	(513)
	<u>189</u>	<u>514</u>

The effective tax rate is higher than the statutory tax rate of 25% mainly due to certain expenses are not allowable for tax deduction purposes.

B6. Unquoted investments and/or properties

On 9 September 2008, the Company through its wholly owned subsidiary, BSL (HK) Limited, have disposed 25% of the issued and paid-up share capital of Hongze Yiyang Steel Pipe Co., Ltd to Zhangjiagang City Yiyang Pipe Producing Co., Ltd for a cash consideration of USD1,800,000.00. The disposal was completed on 9 December 2008.

B7. Quoted and marketable investments

Total investments in quoted shares as at 28 February 2009:

	Cost RM'000	Book Value RM'000	Market Value RM'000
Total quoted shares	<u>17</u>	<u>1.7</u>	<u>1.0</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. The timeframe for the utilisation of the gross proceeds raise from its listing exercise from the Public Issue has been extended from 31 August 2008 to 31 August 2009. As at the date of this announcement, the said proceeds has been fully utilised in the following manner:

	Total RM'000	Utilised RM'000	Unutilised RM'000
Capital expenditure	4,800	4,800	-
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>15,702</u>	<u>-</u>

Notes on the quarterly report – 28 February 2009

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	1,883	-	1,883
Trust receipts, bankers' acceptance & revolving credit	4,125	-	4,125
Term loans	546	-	546
Hire purchase	4,508	-	4,508
	<hr/>	<hr/>	<hr/>
	11,062	-	11,062
Long term			
Terms loans	714	15,000	15,714
Hire purchase	4,403	-	4,403
	<hr/>	<hr/>	<hr/>
	5,117	15,000	20,117
	<hr/>	<hr/>	<hr/>
	16,179	15,000	31,179

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 Board of Directors does not propose any dividend for the period under review.

Notes on the quarterly report – 28 February 2009

B13. Basic earnings per share

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

	Individual		Cumulative	
	Current	Preceding	Current	Preceding
	Year	Year	Year to	Year to
	Quarter	Quarter	Date	date
	28.02.09	29.02.08	28.02.09	29.02.08
Net profit/(loss) attributable to equity holders of the parent (RM'000)	(1,623)	974	(1,386)	2,622
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	98,000	98,000	98,000	98,000
Basic Earnings/(Loss) Per Share based on the weighted average number of shares in issue (sen)	(1.66)	0.99	(1.41)	2.68

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 27 April 2009.

By order of the Board

Ngiam Tong Kwan
Executive Chairman
Selangor
27 April 2009