

BSL CORPORATION BERHAD
(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER ENDED 31 AUGUST 2009**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-Aug-09 RM'000	PRECEDING YEAR QUARTER 31-Aug-08 RM'000	CURRENT YEAR TO DATE 31-Aug-09 RM'000	PRECEDING YEAR TO DATE 31-Aug-08 RM'000
Revenue	45,526	41,318	139,828	139,649
Operating profit	876	3,185	1,561	10,654
Interest expense	(477)	(591)	(1,974)	(2,189)
Interest income	38	20	100	160
Share of result of associate	(273)	(153)	(1,053)	(468)
Profit/(Loss) before tax	164	2,461	(1,366)	8,157
Income tax expense	117	(630)	(322)	(2,716)
Profit/(Loss) for the year	281	1,831	(1,688)	5,441
Attributable to:				
Equity holders of the parent	285	1,604	(1,799)	4,833
Minority interest	(4)	227	111	608
	281	1,831	(1,688)	5,441
Basic Earnings/(Loss) Per Share based on the weighted average number of shares in issue (Sen)	0.29	1.64	(1.84)	4.93

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 31 AUGUST 2009

	As at 31-Aug-09 RM'000	As at 31-Aug-08 RM'000
ASSETS		
Non current assets		
Property, plant and equipment	46,973	45,797
Prepaid lease payments on leasehold land	6,402	6,513
Investment in an associate company	3,648	9,871
Other investments	2	751
Goodwill on consolidation	3,541	3,541
Total non current assets	<u>60,566</u>	<u>66,473</u>
Current assets		
Inventories	14,780	19,795
Receivables	32,731	31,324
Cash and bank balances	17,513	12,981
Total current assets	<u>65,024</u>	<u>64,100</u>
Total assets	<u>125,590</u>	<u>130,573</u>
Equity and liabilities		
Capital and reserves		
Share capital	49,000	49,000
Share premium	1,767	1,767
Reserves	18,424	21,341
Equity attributable to equity holders of the parent	<u>69,191</u>	<u>72,108</u>
Minority Interest	2,282	2,171
Total equity	<u>71,473</u>	<u>74,279</u>
Non current liabilities		
Long term borrowings	18,117	20,742
Deferred taxation liabilities	2,302	3,499
Total non current liabilities	<u>20,419</u>	<u>24,241</u>
Current liabilities		
Payables	22,291	17,609
Short term borrowings	10,459	13,965
Tax liabilities	948	479
Total current liabilities	<u>33,698</u>	<u>32,053</u>
Total liabilities	<u>54,117</u>	<u>56,294</u>
Total equity and liabilities	<u>125,590</u>	<u>130,573</u>
Net Assets per share attributable to ordinary equity holders of the parent (RM)		
	<u>0.71</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 31 AUGUST 2009

	<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	Foreign currency translation reserve RM'000	Treasury Shares 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
Loss for the period	-	-	-	-	-	(1,799)	(1,799)	111	(1,688)
Dividend	-	-	-	-	-	(977)	(977)	-	(977)
Currency translation differences	-	-	-	(139)	-	-	(139)	-	(139)
Treasury shares	-	-	-	-	(2)	-	(2)	-	(2)
Balance as at 31 August 2009	49,000	1,767	185	(140)	(2)	18,381	69,191	2,282	71,473

	<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	Foreign currency translation reserve RM'000	Treasury Shares 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	-	-	-	-	-	4,832	4,832	608	5,440
Dividend	-	-	-	-	-	(993)	(993)	-	(993)
Minority interest share of profit guarantee	-	-	-	-	-	-	-	404	404
Currency translation differences	-	-	-	(1)	-	-	(1)	-	(1)
Balance as at 31 August 2008	49,000	1,767	185	(1)	-	21,157	72,108	2,171	74,279

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.

BSL CORPORATION BERHAD
(Company No. 651118-K)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2009

	31-Aug-09 RM'000	31-Aug-08 RM'000
Cash flows from operating activities		
Profit/(Loss) for the year	(1,688)	5,441
Adjustments for:		
Non-cash items	7,191	8,101
Non-operating items	<u>2,633</u>	<u>3,056</u>
Operating profit before working capital changes	8,136	16,598
(Increase)/Decrease in working capital:		
Inventories	5,015	(4,207)
Receivables	(2,689)	(1,653)
Payables	<u>4,535</u>	<u>4,659</u>
Cash generated from operations	14,997	15,397
Tax paid	<u>(842)</u>	<u>(223)</u>
Net cash from operating activities	<u>14,155</u>	<u>15,174</u>
Cash flows from investing activities		
Interest received	100	160
Proceeds from disposal of property, plant and equipment	389	478
Proceeds from partial disposal of associated company	6,138	-
Purchase of property, plant and equipment	<u>(4,571)</u>	<u>(6,286)</u>
Net cash from / (used in) investing activities	<u>2,056</u>	<u>(5,648)</u>
Cash flows from/(used in) financing activities		
Net decrease in bank borrowings	(9,490)	(3,317)
Dividend paid	(977)	(993)
Interest paid	(1,862)	(2,189)
Purchase of treasury share	<u>(2)</u>	<u>-</u>
Net cash from financing activities	<u>(12,331)</u>	<u>(6,499)</u>
Net increase in cash and cash equivalents	3,880	3,027
Cash and cash equivalents at beginning of financial year	<u>12,318</u>	<u>9,291</u>
Cash and cash equivalents at end of financial year	<u><u>16,198</u></u>	<u><u>12,318</u></u>
Cash and cash equivalents at end of year comprise:		
Cash and bank balances	12,354	7,651
Deposits in licensed banks	5,159	5,330
Bank overdrafts	<u>(602)</u>	<u>-</u>
	16,911	12,981
Less : Fixed deposit pledged to licensed bank	<u>(713)</u>	<u>(663)</u>
	<u><u>16,198</u></u>	<u><u>12,318</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 – 31 August 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, except off:

A total of 6,100 ordinary shares were repurchased from the open market for a total consideration of RM1,899 for the current financial year to date. The share buy-back transaction were financed by internally generated fund. The shares purchased are being held as treasury shares.

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.

BSL CORPORATION BERHAD
(Company No: 651118-K)

Notes on the quarterly report – 31 August 2009

A8. Segment information

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

	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	-	93,312	26,366	10,721	9,429	-	139,828
Inter-segment sales	-	3	-	-	-	(3)	-
Total revenue	-	93,315	26,366	10,721	9,429	(3)	139,828
Results							
Segment results	(486)	8,600	(4,836)	(2,085)	368	-	1,561
Profit from operations							1,561
Interest expense							(1,974)
Interest income							100
Share of results of associate							(1,053)
Loss before tax							(1,366)
Income tax expense							(322)
Loss for the year							(1,688)
Attributable to:							
Equity holders of the parent							(1,799)
Minority interest							111
							(1,688)

Notes on the quarterly report – 31 August 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 31 August 2009 up to the date of this report, which are likely to substantially affect the results of the operations of the Group.

On 26 August, 2009, the wholly-owned subsidiary of the Company, Ban Seng Lee Industries Sdn Bhd (Company No. 40335-P) (“BSLI”) entered into a Sale and Purchase Agreement (“SPA”) with Super Enterprise Sdn Bhd (Company No. 46374-D), for the purpose of acquiring a piece of freehold industrial land together with a single storey detached factory with an annexed double storey office of individual design and construction erected thereon, for a total cash consideration of Ringgit Malaysia Twelve Million (RM12,000,000-00).

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 property, plant and machinery	11,750	-

Notes on the quarterly report – 31 August 2009

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

B1. Review of performance

For the year ended 31 August 2009, the Group achieved revenue of RM139.83 million and a loss before tax of RM1.37 million.

The Precision Stamping & Tooling Division contributed approximately 66.73% of the total revenue, amounting to RM93.31 million; the Printed Circuit Board (“PCB”) and Module Assembly Division approximately 18.86% or RM26.36million; the Fabrication and Forging Division approximately 7.67% or RM10.72 million; and the Automotive Component Division approximately 6.74% or RM9.43 million.

B2. Variation of results against preceding quarter

Total group revenue increased by 32.94% to RM45.53 million, compared to the preceding quarter.

The Group recorded a profit before tax of RM0.16 million for the current quarter ended 31 August 2009 as compared to a loss before tax of RM0.73 million in the preceding quarter. The improvement was mainly from the precision stamping and tooling division which enjoyed better sales.

Compared to the fourth quarter of the financial year ended 31 August 2008, Group revenue increased by 10.18% to RM45.53 million. Improvement in revenue was due to increase in sales by the precision stamping and tooling division.

Compared to last financial year 2008, the Group’s revenue remained the same but reported a loss before tax of RM1.37 million. This was mainly due to decrease in sales from PCB Assembly, Forging and Automotive Components divisions and loss for PCB Assembly and Forging divisions in this financial year.

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 had not provided any profit forecast for the current financial year ended 31 August 2009.

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Notes on the quarterly report – 31 August 2009

B5. Tax expense

	Current Quarter 31.08.2009 RM' 000	Current year To date 31.08.2009 RM' 000
Current tax expense	882	1,519
Current deferred tax expense	(1,566)	(1,251)
Underprovision of deferred tax in prior year	567	54
	(117)	322

The effective tax rate is higher than the statutory tax rate of 25% mainly due to certain non-deductable expenses.

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 31 August 2009:

	Cost RM'000	Book Value RM'000	Market Value RM'000
Total quoted shares	17	1.7	1.0

B8. Status of corporate proposal announced

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

BSL 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 raised from its listing exercise from the Public Issue had been extended from 31 August 2008 to 31 August 2009. As at the date of this announcement, the said proceeds had 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	-
	15,702	15,702	-

Notes on the quarterly report – 31 August 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	602	-	602
Trust receipts, bankers' acceptance & revolving credit	5,275	-	5,275
Term loans	546	-	546
Hire purchase	4,036	-	4,036
	<u>10,459</u>	<u>-</u>	<u>10,459</u>
Long term			
Terms loans	421	15,000	15,421
Hire purchase	2,696	-	2,696
	<u>3,117</u>	<u>15,000</u>	<u>18,117</u>
	<u>13,576</u>	<u>15,000</u>	<u>28,576</u>

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 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.

BSL CORPORATION BERHAD
(Company No: 651118-K)

Notes on the quarterly report – 31 August 2009

B13. Basic earnings per share

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

	Individual Current Year Quarter 31.08.09	Preceding Year Quarter 31.08.08	Cumulative Current Year to Date 31.08.09	Preceding Year to date 31.08.08
Profit/(Loss) attributable to equity holders of the parent (RM'000)	285	1,604	(1,799)	4,833
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)	0.29	1.64	(1.84)	4.93

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 26 October 2009.

By order of the Board

Ngiam Tong Kwan
Executive Chairman
Selangor
26 October 2009