

**BSL CORPORATION BERHAD**

(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE QUARTER ENDED 31 MAY 2010**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-May-10 RM'000	PRECEDING YEAR QUARTER 31-May-09 RM'000	CURRENT YEAR TO DATE 31-May-10 RM'000	PRECEDING YEAR TO DATE 31-May-09 RM'000
Revenue	<u>40,027</u>	<u>34,245</u>	<u>119,755</u>	<u>94,301</u>
Operating profit	3,238	11	9,241	685
Interest expense	(603)	(461)	(1,481)	(1,497)
Interest income	20	15	67	62
Share of result of associate	(129)	(293)	(463)	(780)
Profit/(Loss) before tax	<u>2,526</u>	<u>(728)</u>	<u>7,364</u>	<u>(1,530)</u>
Income tax expense	(738)	75	(1,737)	(439)
Profit/(Loss) for the year	<u>1,788</u>	<u>(653)</u>	<u>5,627</u>	<u>(1,969)</u>
Attributable to:				
Equity holders of the parent	1,547	(697)	5,207	(2,083)
Minority interest	241	44	420	114
	<u>1,788</u>	<u>(653)</u>	<u>5,627</u>	<u>(1,969)</u>
Basic Earnings/(Loss) Per Share based on the weighted average number of shares in issue (Sen)	<u>1.58</u>	<u>(0.71)</u>	<u>5.31</u>	<u>(2.13)</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 2009.

**BSL CORPORATION BERHAD**  
(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**  
**AS AT 31 MAY 2010**

	As at 31-May-10 RM'000	As at 31-Aug-09 RM'000
<b>ASSETS</b>		
<b>Non current assets</b>		
Property, plant and equipment	54,216	46,973
Prepaid lease payments on leasehold land	2,787	6,402
Investment in an associate company	3,185	3,648
Other investments	2	2
Goodwill on consolidation	3,166	3,541
<b>Total non current assets</b>	<u>63,356</u>	<u>60,566</u>
<b>Current assets</b>		
Inventories	14,130	14,780
Receivables	29,218	33,018
Cash and bank balances	17,464	17,513
<b>Total current assets</b>	<u>60,812</u>	<u>65,311</u>
<b>Total assets</b>	<u>124,168</u>	<u>125,877</u>
<b>Equity and liabilities</b>		
<b>Capital and reserves</b>		
Share capital	49,000	49,000
Share premium	1,767	1,767
Treasury shares	(29)	(2)
Reserves	23,737	18,530
<b>Equity attributable to equity holders of the parent</b>	<u>74,475</u>	<u>69,295</u>
Minority Interest	2,016	1,596
<b>Total equity</b>	<u>76,491</u>	<u>70,891</u>
<b>Non current liabilities</b>		
Long term borrowings	19,573	18,117
Deferred taxation liabilities	1,015	2,302
<b>Total non current liabilities</b>	<u>20,588</u>	<u>20,419</u>
<b>Current liabilities</b>		
Payables	15,853	23,160
Short term borrowings	10,018	10,459
Tax liabilities	1,218	948
<b>Total current liabilities</b>	<u>27,089</u>	<u>34,567</u>
<b>Total liabilities</b>	<u>47,677</u>	<u>54,986</u>
<b>Total equity and liabilities</b>	<u>124,168</u>	<u>125,877</u>
Net Assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.76</u>	<u>0.71</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 2009.

**BSL CORPORATION BERHAD**  
(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MAY 2010**

	<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		
<b>Balance as at 1 September 2009</b>	49,000	1,767	185	(140)	(2)	18,485	69,295	1,596	70,891
Profit for the period	-	-	-	-	-	5,207	5,207	420	5,627
Treasury shares	-	-	-	-	(27)	-	(27)	-	(27)
<b>Balance as at 31 May 2010</b>	<u>49,000</u>	<u>1,767</u>	<u>185</u>	<u>(140)</u>	<u>(29)</u>	<u>23,692</u>	<u>74,475</u>	<u>2,016</u>	<u>76,491</u>
	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	Minority Interest RM'000	Total RM'000
<b>Balance as at 1 September 2008</b>	49,000	1,767	185	(1)	-	21,157	72,108	2,171	74,279
Profit for the period	-	-	-	-	-	(2,083)	(2,083)	114	(1,969)
Dividend	-	-	-	-	-	(977)	(977)	-	(977)
Currency translation differences	-	-	-	1,942	-	-	1,942	-	1,942
<b>Balance as at 31 May 2009</b>	<u>49,000</u>	<u>1,767</u>	<u>185</u>	<u>1,941</u>	<u>-</u>	<u>18,097</u>	<u>70,990</u>	<u>2,285</u>	<u>73,275</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 2009.

**BSL CORPORATION BERHAD**  
(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE PERIOD ENDED 31 MAY 2010**

	31-May-10 RM'000	31-May-09 RM'000
<b>Cash flows from operating activities</b>		
Profit for the year	5,627	(1,530)
Adjustments for:		
Non-cash items	5,176	6,678
Non-operating items	<u>1,550</u>	<u>1,129</u>
Operating profit before working capital changes	12,353	6,277
(Increase)/Decrease in working capital:		
Inventories	650	4,353
Receivables	2,368	360
Payables	<u>(7,307)</u>	<u>(1,259)</u>
Cash generated from operations	8,064	9,731
Income tax (paid) / refund	<u>(1,321)</u>	<u>(228)</u>
<b>Net cash from / (used in) operating activities</b>	<u>6,743</u>	<u>9,503</u>
<b>Cash flows from investing activities</b>		
Interest received	67	62
Proceeds from disposal of property, plant and equipment	14,090	307
Proceeds from partial disposal of associated company	-	6,262
Purchase of treasury share	(27)	-
Purchase of property, plant and equipment	<u>(18,170)</u>	<u>(2,991)</u>
<b>Net cash from / (used in) investing activities</b>	<u>(4,040)</u>	<u>3,640</u>
<b>Cash flows from/(used in) financing activities</b>		
Net increase / (decrease) in bank borrowings	(2,312)	(9,928)
Dividend paid	-	(977)
Interest paid	<u>(1,481)</u>	<u>(1,496)</u>
<b>Net cash from financing activities</b>	<u>(3,793)</u>	<u>(12,401)</u>
Net decrease in cash and cash equivalents	(1,090)	742
Cash and cash equivalents at beginning of financial year	<u>16,196</u>	<u>12,317</u>
Cash and cash equivalents at end of financial year	<u><u>15,106</u></u>	<u><u>13,059</u></u>
<b>Cash and cash equivalents at end of year comprise:</b>		
Cash and bank balances	9,208	9,153
Deposits in licensed banks	8,256	6,123
Bank overdrafts	<u>(1,644)</u>	<u>(1,553)</u>
	15,820	13,723
Less : Fixed deposit pledged to licensed bank	<u>(714)</u>	<u>(664)</u>
	<u><u>15,106</u></u>	<u><u>13,059</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 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 2009.

The accounting policies adopted by BSL in these interim financial statements are consistent with those adopted in the financial statements for the year ended 31 August 2009.

**A2. Qualification of annual financial statements**

There were no audit qualifications on the financial statements of the Company for the year ended 31 August 2009.

**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.

Notes on the quarterly report – 31 May 2010

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	-	74,885	24,964	9,989	9,917	-	119,755
Inter-segment sales	-	1	-	-	-	(1)	-
Total revenue	-	74,886	24,964	9,989	9,917	(1)	119,755
<b>Results</b>							
Segment results	(42)	9,052	(1,194)	327	1,098	-	9,241
Profit from operations							9,241
Interest expense							(1,481)
Interest income							67
Share of results of associate							(463)
Profit before tax							7,364
Income tax expense							(1,737)
Profit for the year							5,627
Attributable to:							
Equity holders of the parent							5,207
Minority interest							420
							5,627

Notes on the quarterly report – 31 May 2010

**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 May 2010 up to the date of this report, which are likely to substantially affect the results of the operations of the Group.

On 24 June 2010, the Company made early settlement of RM1.0 million, being part of the fixed rate term loan facility of up to RM15.0 million arranged by Alliance Investment Bank Berhad and issued by Idaman Capital Berhad pursuant to Primary Collateralised Loan Obligations.

The Facility is for a period of five (5) years and is granted to the Company on an unsecured basis and the outstanding amount of the facility after the partial settlement is RM6.0 million.

**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 RM14.67 million given by the Company to financial institutions for credit facilities granted to the subsidiary companies.

**A13. Capital commitments**

	<b>Approved and contracted for RM'000</b>	<b>Approved but not contracted for RM'000</b>
Purchase of property, plant and machinery	2,370	-

Notes on the quarterly report – 31 May 2010

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

**B1. Review of performance**

For the quarter ended 31 May 2010, the Group achieved revenue of RM119.75 million and a profit before tax of RM7.36 million.

The Precision Stamping & Tooling Division contributed 62.53% of the total revenue, amounting to RM74.89 million; the Printed Circuit Board (“PCB”) and Module Assembly Division 20.85% or RM24.96 million; the Fabrication & Forging Division 8.34% or RM9.99 million; and the Automotive Component Division 8.28% or RM9.91 million.

**B2. Variation of results against preceding quarter**

Total group revenue was at RM40.03 million, increase of 6.64% compared to the preceding quarter. However, the Group recorded a profit before tax of RM2.53 million for the current quarter ended 31 May 2010 as compared to a profit before tax of RM2.91 million in the preceding quarter. After excluding the gain from disposal of asset in the second quarter, the profit before tax of third quarter was significantly better in line with improved sales.

Compared to the third quarter of the financial year ended 31 August 2009, Group revenue increased by 16.88% to RM40.03 million. Improvement in revenue was due mainly to increase in group sales.

**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 ending 31 August 2010.

**B5. Tax expense**

	<b>Current Quarter 31.05.2010 RM' 000</b>	<b>Current year To date 31.05.2010 RM' 000</b>
Current tax expense	738	1,737
Current deferred tax expense	-	-
Underprovision of deferred tax in prior year	-	-
	<u>738</u>	<u>1,737</u>

The effective tax rate is lower than the statutory tax rate of 25% mainly due to certain income are non-taxable.



Notes on the quarterly report – 31 May 2010

**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 28 February 2010:

	Cost RM'000	Book Value RM'000	Market Value RM'000
Total quoted shares	17	1.7	0.5

**B8. Status of corporate proposal announced**

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

**B9. Group borrowings**

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

	Secured RM'000	Unsecured RM'000	Total RM'000
<b>Short term</b>			
Bank overdrafts	1,644	-	1,644
Trust receipts, bankers' acceptance & revolving credit	4,704	-	4,704
Term loans	2,017	-	2,017
Hire purchase	1,653	-	1,653
	<u>10,018</u>	<u>-</u>	<u>10,018</u>
<b>Long term</b>			
Terms loans	8,633	7,000	15,633
Hire purchase	3,940	-	3,940
	<u>12,573</u>	<u>7,000</u>	<u>19,573</u>
	<u>22,591</u>	<u>7,000</u>	<u>29,591</u>

*All borrowings are denominated in Ringgit Malaysia*

**B10. Off balance sheet financial instrument**

Notes on the quarterly report – 31 May 2010

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 did not propose any dividend for the period under review.

**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 31.05.10	Preceding Year Quarter 31.05.09	Cumulative Current Year to Date 31.05.10	Preceding Year to date 31.05.09
Profit/(Loss) attributable to equity holders of the parent (RM'000)	1,547	(697)	5,207	(2,083)
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)	1.58	(0.71)	5.31	(2.13)

**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 28 July 2010.

By order of the Board

Ngiam Tong Kwan  
Executive Chairman  
Selangor  
28 July 2010