

BSL CORPORATION BERHAD

(Company No. 651118-K)

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-Aug-10 RM'000	PRECEDING YEAR QUARTER 31-Aug-09 RM'000	CURRENT YEAR TO DATE 31-Aug-10 RM'000	PRECEDING YEAR TO DATE 31-Aug-09 RM'000
Revenue	43,936	45,526	163,691	139,828
Operating profit	2,024	876	11,265	1,665
Interest expense	(298)	(477)	(1,779)	(1,974)
Interest income	56	38	123	100
Share of result of associate	-	(273)	(463)	(1,053)
Profit/(Loss) before tax	1,782	164	9,146	(1,262)
Income tax expense	1,361	117	(376)	(322)
Profit/(Loss) for the year	3,143	281	8,770	(1,584)
Attributable to:				
Equity holders of the parent	3,045	285	8,252	(1,695)
Minority interest	98	(4)	518	111
	3,143	281	8,770	(1,584)
Basic Earnings/(Loss) Per Share based on the weighted average number of shares in issue (Sen)	3.11	0.29	8.42	(1.73)

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 AUGUST 2010

	As at 31-Aug-10 RM'000	As at 31-Aug-09 RM'000
ASSETS		
Non current assets		
Property, plant and equipment	57,047	46,973
Prepaid lease payments on leasehold land	-	6,402
Investment in an associate company	2,456	3,648
Other investments	2	2
Goodwill on consolidation	3,166	3,541
Total non current assets	<u>62,671</u>	<u>60,566</u>
Current assets		
Inventories	15,983	14,780
Receivables	37,354	33,018
Cash and bank balances	13,298	17,513
Total current assets	<u>66,635</u>	<u>65,311</u>
Total assets	<u>129,306</u>	<u>125,877</u>
Equity and liabilities		
Capital and reserves		
Share capital	49,000	49,000
Share premium	1,767	1,767
Treasury shares	(117)	(2)
Reserves	26,623	18,530
Equity attributable to equity holders of the parent	<u>77,273</u>	<u>69,295</u>
Minority Interest	2,475	1,596
Total equity	<u>79,748</u>	<u>70,891</u>
Non current liabilities		
Long term borrowings	15,203	18,117
Deferred taxation liabilities	2,053	2,302
Total non current liabilities	<u>17,256</u>	<u>20,419</u>
Current liabilities		
Payables	20,127	23,160
Short term borrowings	11,916	10,459
Tax liabilities	259	948
Total current liabilities	<u>32,302</u>	<u>34,567</u>
Total liabilities	<u>49,558</u>	<u>54,986</u>
Total equity and liabilities	<u>129,306</u>	<u>125,877</u>
Net Assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.79</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.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 AUGUST 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		
Balance as at 1 September 2009	49,000	1,767	185	(140)	(2)	18,484	69,294	1,596	70,890
Profit for the period	-	-	-	-	-	8,252	8,252	518	8,770
Minority interest share of profit guarantee	-	-	-	-	-	-	-	361	361
Currency translation differences	-	-	-	(158)	-	-	(158)	-	(158)
Treasury shares	-	-	-	-	(115)	-	(115)	-	(115)
Balance as at 31 August 2010	49,000	1,767	185	(298)	(117)	26,736	77,273	2,475	79,748

	<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)	-	21,158	72,109	2,171	74,280
Profit for the period	-	-	-	-	-	(1,695)	(1,695)	111	(1,584)
Dividend	-	-	-	-	-	(978)	(978)	(686)	(1,664)
Minority interest share of profit guarantee	-	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	(139)	-	-	(139)	-	(139)
Treasury shares	-	-	-	-	(2)	-	(2)	-	(2)
Balance as at 31 August 2009	49,000	1,767	185	(140)	(2)	18,485	69,295	1,596	70,891

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 AUGUST 2010

	31-Aug-10 RM'000	31-Aug-09 RM'000
Cash flows from operating activities		
Profit for the year	8,770	(1,584)
Adjustments for:		
Non-cash items	7,834	9,249
Non-operating items	<u>(13,086)</u>	<u>941</u>
Operating profit before working capital changes	3,518	8,606
(Increase)/Decrease in working capital:		
Inventories	(1,203)	5,015
Receivables	(3,885)	(2,977)
Payables	<u>(3,034)</u>	<u>4,653</u>
Cash generated from operations	(4,604)	15,297
Income tax (paid) / refund	<u>(1,039)</u>	<u>(842)</u>
Net cash from / (used in) operating activities	<u>(5,643)</u>	<u>14,455</u>
Cash flows from investing activities		
Interest received	123	100
Proceeds from disposal of property, plant and equipment	14,366	389
Proceeds from partial disposal of associated company	-	6,138
Purchase of property, plant and equipment	<u>(7,513)</u>	<u>(4,572)</u>
Net cash from / (used in) investing activities	<u>6,976</u>	<u>2,055</u>
Cash flows from/(used in) financing activities		
Net increase / (decrease) in bank borrowings	(4,489)	(9,679)
Dividend paid	-	(977)
Interest paid	(1,779)	(1,974)
Purchase of treasury share	<u>(115)</u>	<u>(2)</u>
Net cash from financing activities	<u>(6,383)</u>	<u>(12,632)</u>
Net increase / (decrease) in cash and cash equivalents	(5,050)	3,878
Cash and cash equivalents at beginning of financial year	<u>16,195</u>	<u>12,317</u>
Cash and cash equivalents at end of financial year	<u><u>11,145</u></u>	<u><u>16,195</u></u>
Cash and cash equivalents at end of year comprise:		
Cash and bank balances	10,035	12,353
Deposits in licensed banks	3,263	5,159
Bank overdrafts	<u>(1,420)</u>	<u>(602)</u>
	11,878	16,910
Less : Fixed deposit pledged to licensed bank	<u>(733)</u>	<u>(715)</u>
	<u><u>11,145</u></u>	<u><u>16,195</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.

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Notes on the quarterly report – 31 August 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	-	101,943	35,930	13,103	12,715	-	163,691
Inter-segment sales	-	1	-	-	-	(1)	-
Total revenue	-	101,944	35,930	13,103	12,715	(1)	163,692
Results							
Segment results	(425)	9,866	479	598	1,429	(682)	11,265
Profit from operations							11,265
Interest expense							(1,779)
Interest income							123
Share of results of associate							(463)
Profit before tax							9,146
Income tax expense							(376)
Profit for the year							8,770
Attributable to:							
Equity holders of the parent							8,252
Minority interest							518
							8,770

Notes on the quarterly report – 31 August 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 year ended 31 August 2010 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 RM14.67 million given by the Company to financial institutions for credit facilities granted to the subsidiary companies.

A13. Capital commitments

	Approved and contracted for RM'000	Approved but not contracted for RM'000
Purchase of property, plant and machinery	5,359	-

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Notes on the quarterly report – 31 August 2010

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

B1. Review of performance

For the year ended 31 August 2010, the Group achieved revenue of RM163.69 million and a profit before tax of RM9.15 million.

The Precision Stamping & Tooling Division contributed 62.28% of the total revenue, amounting to RM101.94 million; the Printed Circuit Board (“PCB”) and Module Assembly Division 21.95% or RM35.93 million; the Fabrication & Forging Division 8.0% or RM13.10 million; and the Automotive Component Division 7.77% or RM12.72 million.

B2. Variation of results against preceding quarter

Total group revenue was at RM43.94 million, increase of 9.77% compared to the preceding quarter. However, the Group recorded a profit before tax of RM1.78 million for the current quarter ended 31 August 2010 as compared to a profit before tax of RM2.53 million in the preceding quarter. The profit before tax of the fourth quarter slightly reduced due to lower margin.

Compared to the fourth quarter of the financial year ended 31 August 2009, Group revenue decreased by 3.49% to RM43.94 million. This was due to decrease in sales from Precision Stamping & Tooling division

Compared to last financial year 2009, the Group’s revenue increased by 17.1% amounting to RM163.69 million and recorded a profit of RM8.77 million. This was mainly due to higher demand from existing customers.

B3. Current year prospects

The Board anticipates the current year’s prospect to be reasonably satisfactory due to some signs of recovery in the global economic situation. The Group will continue in its effort to reduce costs and improve productivity.

B4. Variance of actual and forecast profit

The Group had not provided any profit forecast for the current financial year ended 31 August 2010.

B5. Tax expense

	Current Quarter 31.08.2010 RM' 000	Current year To date 31.08.2010 RM' 000
Current tax expense	1,112	(625)
Current deferred tax expense	(2)	(2)
Underprovision of deferred tax in prior year	251	251
	<u>1,361</u>	<u>(376)</u>

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

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 2010:

	Cost RM'000	Book Value RM'000	Market Value RM'000
Total quoted shares	17	1.7	0.1

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
Short term			
Bank overdrafts	1,420	-	1,420
Trust receipts, bankers' acceptance & revolving credit	5,180	-	5,180
Term loans	1,909	-	1,909
Hire purchase	3,407	-	3,407
	<u>11,916</u>	<u>-</u>	<u>11,916</u>
Long term			
Terms loans	8,233	5,600	13,833
Hire purchase	1,370	-	1,370
	<u>9,603</u>	<u>5,600</u>	<u>15,203</u>
	<u>21,519</u>	<u>5,600</u>	<u>27,119</u>

All borrowings are denominated in Ringgit Malaysia

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Notes on the quarterly report – 31 August 2010

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 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 31.08.10	Preceding Year Quarter 31.08.09	Cumulative Current Year to Date 31.08.10	Preceding Year to date 31.08.09
Profit/(Loss) attributable to equity holders of the parent (RM'000)	3,625	285	8,832	(1,695)
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)	3.70	0.29	9.01	(1.73)

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 22 October 2010.

By order of the Board

Ngiam Tong Kwan
Executive Chairman
Selangor
22 October 2010