

BSL CORPORATION BERHAD

(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER ENDED 28 FEBRUARY 2011**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 28-Feb-11 RM'000	PRECEDING YEAR QUARTER 28-Feb-10 RM'000	CURRENT YEAR TO DATE 28-Feb-11 RM'000	PRECEDING YEAR TO DATE 28-Feb-10 RM'000
Revenue	<u>46,825</u>	<u>37,536</u>	<u>96,620</u>	<u>79,728</u>
Operating profit	1,297	3,461	5,582	6,003
Interest expense	(386)	(471)	(745)	(877)
Interest income	77	46	77	46
Share of result of associate	133	(124)	241	(335)
Profit/(Loss) before tax	<u>1,121</u>	<u>2,912</u>	<u>5,155</u>	<u>4,837</u>
Income tax expense	(425)	(186)	(1,114)	(998)
Profit/(Loss) for the year	<u>696</u>	<u>2,726</u>	<u>4,041</u>	<u>3,839</u>
Attributable to:				
Equity holders of the parent	473	2,612	3,547	3,660
Minority interest	223	114	494	179
	<u>696</u>	<u>2,726</u>	<u>4,041</u>	<u>3,839</u>
Basic Earnings/(Loss) Per Share based on the weighted average number of shares in issue (Sen)	<u>0.48</u>	<u>2.67</u>	<u>3.62</u>	<u>3.73</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 2010.

BSL CORPORATION BERHAD
(Company No. 651118-K)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 28 FEBRUARY 2011

	As at 28-Feb-11 RM'000	As at 31-Aug-10 RM'000
ASSETS		
Non current assets		
Property, plant and equipment	59,789	57,047
Investment in an associate company	3,540	3,185
Other investments	2	2
Goodwill on consolidation	2,146	3,166
Total non current assets	<u>65,477</u>	<u>63,400</u>
Current assets		
Inventories	16,282	15,983
Receivables	39,260	37,276
Cash and bank balances	18,904	13,298
Total current assets	<u>74,446</u>	<u>66,557</u>
Total assets	<u>139,923</u>	<u>129,957</u>
Equity and liabilities		
Capital and reserves		
Share capital	49,000	49,000
Share premium	1,767	1,767
Treasury shares	(117)	(117)
Reserves	31,925	27,273
Equity attributable to equity holders of the parent	<u>82,575</u>	<u>77,923</u>
Minority Interest	3,949	2,475
Total equity	<u>86,524</u>	<u>80,398</u>
Non current liabilities		
Long term borrowings	12,064	15,203
Deferred taxation liabilities	1,901	2,052
Total non current liabilities	<u>13,965</u>	<u>17,255</u>
Current liabilities		
Payables	22,199	20,129
Short term borrowings	16,682	11,916
Tax liabilities	553	259
Total current liabilities	<u>39,434</u>	<u>32,304</u>
Total liabilities	<u>53,399</u>	<u>49,559</u>
Total equity and liabilities	<u>139,923</u>	<u>129,957</u>
Net Assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.84</u>	<u>0.80</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 2010.

BSL CORPORATION BERHAD
(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 28 FEBRUARY 2011**

	28-Feb-11 RM'000	28-Feb-10 RM'000
Cash flows from operating activities		
Profit for the year	4,041	2,726
Adjustments for:		
Non-cash items	7,970	5,338
Non-operating items	<u>309</u>	<u>(1,616)</u>
Operating profit before working capital changes	12,320	6,448
(Increase)/Decrease in working capital:		
Inventories	(299)	1,869
Receivables	(2,763)	(10,422)
Payables	<u>2,070</u>	<u>(3,331)</u>
Cash generated from operations	11,328	(5,436)
Income tax (paid) / refund	<u>(528)</u>	<u>(1,839)</u>
Net cash from / (used in) operating activities	<u>10,800</u>	<u>(7,275)</u>
Cash flows from investing activities		
Interest received	77	46
Proceeds from disposal of property, plant and equipment	5	13,897
Purchase of property, plant and equipment	<u>(5,567)</u>	<u>(17,725)</u>
Net cash from / (used in) investing activities	<u>(5,485)</u>	<u>(3,782)</u>
Cash flows from/(used in) financing activities		
Net increase / (decrease) in bank borrowings	553	9,784
Interest paid	<u>(746)</u>	<u>(877)</u>
Net cash from financing activities	<u>(193)</u>	<u>8,907</u>
Net increase / (decrease) in cash and cash equivalents	5,122	(2,150)
Cash and cash equivalents at beginning of financial year	<u>11,145</u>	<u>16,196</u>
Cash and cash equivalents at end of financial year	<u><u>16,267</u></u>	<u><u>14,046</u></u>
Cash and cash equivalents at end of year comprise:		
Cash and bank balances	12,641	11,113
Deposits in licensed banks	6,262	5,205
Bank overdrafts	<u>(1,903)</u>	<u>(1,558)</u>
	17,000	14,760
Less : Fixed deposit pledged to licensed bank	<u>(733)</u>	<u>(714)</u>
	<u><u>16,267</u></u>	<u><u>14,046</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 2010.

Notes on the quarterly report – 28 February 2011

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 2010.

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 2010.

A2. Qualification of annual financial statements

There were no audit qualifications on the financial statements of the Company for the year ended 31 August 2010.

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 – 28 February 2011

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	-	61,500	17,984	6,109	11,026	-	96,620
Inter-segment sales	-	-	-	-	-	-	-
Total revenue	-	61,500	17,984	6,109	11,026	-	96,620
Results							
Segment results	(242)	4,584	(348)	228	1,360		5,582
Profit from operations							5,582
Interest expense							(745)
Interest income							77
Share of results of associate							241
Profit before tax							5,155
Income tax expense							(1,114)
Profit for the year							4,041
Attributable to:							
Equity holders of the parent							3,547
Minority interest							494
							4,041

Notes on the quarterly report – 28 February 2011

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 2011 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	3,090	-

Notes on the quarterly report – 28 February 2011

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

B1. Review of performance

For the quarter ended 28 February 2011, the Group achieved revenue of RM46.82 million and a profit before tax of RM1.12 million.

The Precision Stamping & Tooling Division contributed 63.89% of the total revenue, amounting to RM29.92 million; the Printed Circuit Board (“PCB”) and Module Assembly Division 15.73% or RM7.37 million; the Fabrication & Forging Division 7.29% or RM3.41 million; and the Automotive Component Division 13.09% or RM6.12 million.

B2. Variation of results against preceding quarter

Total group revenue was at RM46.82 million, a decrease of 5.97% compared to the preceding quarter. The Group recorded a profit before tax of RM1.12 million for the current quarter ended 28 February 2011 as compared to a profit before tax of RM4.03 million in the preceding quarter. The reduction was mainly due to the poor performance in PCB and Module Assembly divisions.

Compared to the second quarter of the financial year ended 31 August 2010, Group revenue increased by 24.75% to RM46.82 million. Improvement in revenue was due to increase in sales by the Precision Stamping & Tooling and Automotive Components division.

B3. Current year prospects

The Board anticipates the current year’s prospect to be satisfactory due to some signs of recovery in the global economic situation. However, the earthquake in Japan may affect the performance of the Company as some of our major clients are Japanese companies. Nevertheless, 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 2011.

B5. Tax expense

	Current Quarter 28.02.2011 RM' 000	Current year To date 28.02.2011 RM' 000
Current tax expense	(576)	(1,265)
Current deferred tax expense	-	-
Overprovision of deferred tax in prior year	151	151
	<u>(425)</u>	<u>(1,114)</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 – 28 February 2011

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	1,903	-	1,903
Trust receipts, bankers' acceptance & revolving credit	4,883	-	4,883
Term loans	2,153	5,600	7,753
Hire purchase	2,143	-	2,143
	11,082	5,600	16,682
Long term			
Terms loans	10,836	-	10,836
Hire purchase	1,228	-	1,228
	12,064	-	12,064
	23,415	5,600	28,745

All borrowings are denominated in Ringgit Malaysia

Notes on the quarterly report – 28 February 2011

B10. Realised and unrealised profit/(loss) disclosure

	As at 28 February 2011 RM'000
Total retained profit of BSL and its subsidiaries	
-Realised	31,925
-Unrealised	-

	31,925
Total retained profit from associated company	
-Realised	-
-Unrealised	(415)

	(415)

Total group retained profits as per consolidated accounts	31,510
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B11. 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.

B12. 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.

B13. Dividends

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

Notes on the quarterly report – 28 February 2011

B14. Basic earnings per share

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

	Individual		Cumulative	
	Current	Preceding	Current	Preceding
	Year	Year	Year to	Year to
	Quarter	Quarter	Date	date
	28.02.11	28.02.10	28.02.11	28.02.10
Profit/(Loss) attributable to equity holders of the parent (RM'000)	473	2,612	3,547	3,660
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)	0.48	2.67	3.62	3.73

B15. 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 2011.

By order of the Board

Ngiam Tong Kwan
Executive Chairman
Selangor
27 April 2011