

BSL CORPORATION BERHAD
(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER ENDED 31 MAY 2011**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-May-11 RM'000	PRECEDING YEAR QUARTER 31-May-10 RM'000	CURRENT YEAR TO DATE 31-May-11 RM'000	PRECEDING YEAR TO DATE 31-May-10 RM'000
Revenue	59,937	40,027	156,557	119,755
Operating profit	3,650	3,238	9,233	9,241
Interest expense	(387)	(603)	(1,133)	(1,481)
Interest income	14	20	91	67
Share of result of associate	294	(129)	536	(463)
Profit/(Loss) before tax	3,571	2,526	8,727	7,364
Income tax expense	(1,259)	(738)	(2,373)	(1,727)
Profit/(Loss) for the year	2,312	1,788	6,354	5,627
Attributable to:				
Equity holders of the parent	1,614	1,547	5,162	5,207
Minority interest	698	241	1,192	420
	2,312	1,788	6,354	5,627
Basic Earnings/(Loss) Per Share based on the weighted average number of shares in issue (Sen)	1.65	1.58	5.27	5.31

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 31 MAY 2011

	As at 31-May-11 RM'000	As at 31-Aug-10 RM'000
ASSETS		
Non current assets		
Property, plant and equipment	61,989	57,047
Investment in an associate company	4,184	3,185
Other investments	2	2
Goodwill on consolidation	250	3,166
Total non current assets	<u>66,425</u>	<u>63,400</u>
Current assets		
Inventories	13,779	15,983
Receivables	41,878	37,276
Cash and bank balances	24,155	13,298
Total current assets	<u>79,812</u>	<u>66,557</u>
Total assets	<u><u>146,237</u></u>	<u><u>129,957</u></u>
Equity and liabilities		
Capital and reserves		
Share capital	49,000	49,000
Share premium	1,767	1,767
Treasury shares	(367)	(117)
Reserves	33,540	27,273
Equity attributable to equity holders of the parent	<u>83,940</u>	<u>77,923</u>
Minority Interest	4,647	2,475
Total equity	<u>88,587</u>	<u>80,398</u>
Non current liabilities		
Long term borrowings	13,729	15,203
Deferred taxation liabilities	1,901	2,052
Total non current liabilities	<u>15,630</u>	<u>17,255</u>
Current liabilities		
Payables	24,302	20,129
Short term borrowings	16,427	11,916
Tax liabilities	1,291	259
Total current liabilities	<u>42,020</u>	<u>32,304</u>
Total liabilities	<u>57,650</u>	<u>49,559</u>
Total equity and liabilities	<u><u>146,237</u></u>	<u><u>129,957</u></u>
Net Assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.86</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.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MAY 2011

	<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 2010	49,000	1,767	-	329	(117)	26,944	77,923	2,475	80,398
Profit for the period	-	-	-	-	-	5,162	5,162	1,192	6,354
Minority Interest share of profit guarantee	-	-	-	-	-	1,020	1,020	980	2,000
Currency translation differences	-	-	-	85	-	-	85	-	85
Treasury shares	-	-	-	-	(250)	-	(250)	-	(250)
Balance as at 31 May 2011	<u>49,000</u>	<u>1,767</u>	<u>-</u>	<u>414</u>	<u>(367)</u>	<u>33,126</u>	<u>83,940</u>	<u>4,647</u>	<u>88,587</u>

	<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)	18,485	69,295	1,596	70,891
Profit for the period	-	-	-	-	-	5,207	5,207	420	5,627
Treasury shares	-	-	-	-	(27)	-	(27)	-	(27)
Balance as at 31 May 2010	<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>

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 2010.

BSL CORPORATION BERHAD
(Company No. 651118-K)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2011

	31-May-11 RM'000	31-May-10 RM'000
Cash flows from operating activities		
Profit for the year	6,354	5,627
Adjustments for:		
Non-cash items	10,569	5,176
Non-operating items	<u>2,428</u>	<u>1,550</u>
Operating profit before working capital changes	19,351	12,353
(Increase)/Decrease in working capital:		
Inventories	2,204	650
Receivables	(5,533)	2,368
Payables	<u>4,173</u>	<u>(7,307)</u>
Cash generated from operations	20,195	8,064
Income tax (paid) / refund	<u>(958)</u>	<u>(1,321)</u>
Net cash from / (used in) operating activities	<u>19,237</u>	<u>6,743</u>
Cash flows from investing activities		
Interest received	40	67
Proceeds from disposal of property, plant and equipment	5	14,090
• Purchase of treasury share	(249)	(27)
Purchase of property, plant and equipment	<u>(6,261)</u>	<u>(18,170)</u>
Net cash from / (used in) investing activities	<u>(6,465)</u>	<u>(4,040)</u>
Cash flows from/(used in) financing activities		
Net increase / (decrease) in bank borrowings	(1,280)	(2,312)
Interest paid	<u>(1,082)</u>	<u>(1,481)</u>
Net cash from financing activities	<u>(2,362)</u>	<u>(3,793)</u>
Net increase / (decrease) in cash and cash equivalents	10,410	(1,090)
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>21,555</u></u>	<u><u>15,106</u></u>
Cash and cash equivalents at end of year comprise:		
Cash and bank balances	15,658	9,208
Deposits in licensed banks	8,496	8,256
Bank overdrafts	<u>(1,866)</u>	<u>(1,644)</u>
	22,288	15,820
Less : Fixed deposit pledged to licensed bank	<u>(733)</u>	<u>(714)</u>
	<u><u>21,555</u></u>	<u><u>15,106</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 – 31 May 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 – 31 May 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	-	97,052	26,601	10,400	22,504	-	156,557
Inter-segment sales	-	-	-	-	-	-	-
Total revenue	-	97,502	26,601	10,400	22,504	-	156,557
Results							
Segment results	(2,194)	8,778	(1,161)	592	3,218	-	9,233
Profit from operations							9,233
Interest expense							(1,133)
Interest income							91
Share of results of associate							536
Profit before tax							8,727
Income tax expense							(2,373)
Profit for the year							6,354
Attributable to:							
Equity holders of the parent							5,162
Minority interest							1,192
							6,354

Notes on the quarterly report – 31 May 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 31 May 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	-	-

Notes on the quarterly report – 31 May 2011

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

B1. Review of performance

For the quarter ended 31 May 2011, the Group achieved revenue of RM59.94 million and a profit before tax of RM3.57 million. During the current quarter an impairment loss on goodwill of RM1.89 million was provided due to the cessation of operation of the automotive component division.

The Precision Stamping & Tooling Division contributed 59.31% of the total revenue, amounting to RM35.55 million; the Printed Circuit Board (“PCB”) and Module Assembly Division 14.38% or RM8.62 million; the Fabrication & Forging Division 7.16% or RM4.29 million; and the Automotive Component Division 19.15% or RM11.48 million.

B2. Variation of results against preceding quarter

Total Group revenue was at RM59.94 million, an increase of 28.0% compared to the preceding quarter. The Group recorded a profit before tax of RM3.57 million for the current quarter ended 31 May 2011 as compared to a profit before tax of RM1.12 million in the preceding quarter. The better result was mainly due to improve performance from all divisions.

Compared to the third quarter of the financial year ended 31 August 2010, Group revenue increased by 49.74% to RM59.94 million. Improvement in revenue was due to increase in sales by the Precision Stamping & Tooling, Automotive Components and Fabrication & Forging divisions.

B3. Current year prospects

The Board foresees the current year’s prospect tends to be challenging due to the uncertain global economics environment. 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 31.05.2011 RM' 000	Current year To date 31.05.2011 RM' 000
Current tax expense	(1,410)	(2,524)
Current deferred tax expense	-	-
Overprovision of deferred tax in prior year	151	151
	<u>(1,259)</u>	<u>(2,373)</u>

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

Notes on the quarterly report – 31 May 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 May 2011:

	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	1,866	-	1,866
Trust receipts, bankers' acceptance & revolving credit	4,553	-	4,553
Term loans	1,471	5,600	7,071
Hire purchase	2,937	-	2,937
	10,827	5,600	16,427
Long term			
Terms loans	11,003	-	11,003
Hire purchase	2,726	-	2,726
	13,729	-	13,729
	24,556	5,600	30,156

All borrowings are denominated in Ringgit Malaysia

Notes on the quarterly report – 31 May 2011

B10. Realised and unrealised profit/(loss) disclosure

	As at 31 May 2011 RM'000
Total retained profit of BSL and its subsidiaries	
-Realised	35,607
-Unrealised	(1,901)

	33,706
Total retained profit from associated company	
-Realised	-
-Unrealised	(580)

	(580)

Total group retained profits as per consolidated accounts	33,126
	=====

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 – 31 May 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 Current Year Quarter 31.05.11	Preceding Year Quarter 31.05.10	Cumulative Current Year to Date 31.05.11	Preceding Year to date 31.05.10
Profit/(Loss) attributable to equity holders of the parent (RM'000)	1,614	1,547	5,162	5,207
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)	1.65	1.58	5.27	5.31

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 July 2011.

By order of the Board

Ngiam Tong Kwan
 Executive Chairman
 Selangor
 27 July 2011