

BSL CORPORATION BERHAD
(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 28 FEBRUARY 2015**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 28-Feb-15 RM'000	PRECEDING YEAR QUARTER 28-Feb-14 RM'000	CURRENT YEAR TO DATE 28-Feb-15 RM'000	PRECEDING YEAR TO DATE 28-Feb-14 RM'000
Continuing Operations				
Revenue	23,479	22,079	47,422	45,425
Cost of sales	(23,274)	(22,876)	(47,730)	(46,705)
Gross profit/(loss)	205	(797)	(308)	(1,280)
Other Income	390	235	401	828
Other expenses	(1,655)	(1,603)	(2,995)	(3,119)
Results from operating activities	(1,060)	(2,165)	(2,902)	(3,571)
Interest expense	(317)	(233)	(647)	(468)
Interest income	71	103	137	175
Share of result of joint venture	(70)	(333)	(192)	(632)
Profit/ (Loss) before tax	(1,376)	(2,628)	(3,604)	(4,496)
Income tax expense	(29)	(23)	(43)	(41)
Profit / (Loss) for the year	(1,405)	(2,651)	(3,647)	(4,537)
Other comprehensive income:				
Exchange differences on translation of foreign operations	35	(6)	(30)	(8)
			44	
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(1,370)	(2,657)	(3,677)	(4,545)
Profit/(Loss) attributable to :				
Equity holders of the company	(1,421)	(2,653)	(3,677)	(4,564)
Non-controlling interest	16	2	30	27
	(1,405)	(2,651)	(3,647)	(4,537)
Total comprehensive income attributable to :				
Equity holders of the company	(1,386)	(2,659)	(3,707)	(4,572)
Non-controlling interest	16	2	30	27
	(1,370)	(2,657)	(3,677)	(4,545)
Basic Earnings/(Loss) Per Share based on the weighted average				
number of shares in issue (Sen)	(1.47)	(2.74)	(3.80)	(4.71)

Notes:

The Unaudited Condensed Consolidated Statements Of Comprehensive Income should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial year ended 31 August 2014.

BSL CORPORATION BERHAD
(Company No. 651118-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF 28 FEBRUARY 2015

	Note	As at 28-Feb-15 RM'000	As at 31-Aug-14 RM'000
ASSETS			
Non current assets			
Property, plant and equipment		61,432	63,148
Investment in joint venture		3,379	3,384
Total non current assets		<u>64,811</u>	<u>66,532</u>
Current assets			
Inventories		8,587	9,485
Trade receivables		15,312	14,925
Other receivables		2,484	1,120
Cash and bank balances		18,301	20,972
Total current assets		<u>44,684</u>	<u>46,502</u>
Total assets		<u><u>109,495</u></u>	<u><u>113,034</u></u>
Equity and liabilities			
Capital and reserves			
Share capital		49,000	49,000
Share premium		1,767	1,767
Treasury shares		(408)	(405)
Reserves		17,361	21,014
Equity attributable to equity holders of the parent		<u>67,720</u>	<u>71,376</u>
Non-controlling interest		4,998	4,968
Total equity		<u><u>72,718</u></u>	<u><u>76,344</u></u>
Non current liabilities			
Long term borrowings		1,579	1,658
Deferred taxation liabilities		1,638	1,092
Total non current liabilities		<u>3,217</u>	<u>2,750</u>
Current liabilities			
Trade payables		10,097	9,658
Other payables		3,178	3,286
Short term borrowings		20,079	20,929
Tax liabilities		206	67
Total current liabilities		<u>33,560</u>	<u>33,940</u>
Total liabilities		<u><u>36,777</u></u>	<u><u>36,690</u></u>
Total equity and liabilities		<u><u>109,495</u></u>	<u><u>113,034</u></u>
Net Assets per share attributable to ordinary equity holders of the parent (RM)		<u><u>0.70</u></u>	<u><u>0.74</u></u>

Notes :

The Unaudited Condensed Consolidated Statements Of Financial Position should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial year ended 31 August 2014.

BSL CORPORATION BERHAD
(Company No. 651118-K)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 28 FEBRUARY 2015**

	<i>Non-distributable</i>					<i>Distributable</i>			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	Non-controlling Interest RM'000	
Balance as at 1 September 2014	49,000	1,767	-	301	(405)	20,713	71,376	4,968	76,344
Issuance of ordinary shares of subsidiary Treasury shares	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	(3)	-	(3)	-	(3)
Other comprehensive income for the period	-	-	-	25	-	(3,677)	(3,677)	30	(3,647)
Total comprehensive income for the period	-	-	-	25	-	(3,677)	(3,652)	30	(3,622)
Balance as at 28 February 2015	<u>49,000</u>	<u>1,767</u>	<u>-</u>	<u>326</u>	<u>(408)</u>	<u>17,036</u>	<u>67,721</u>	<u>4,998</u>	<u>72,719</u>

	<i>Non-distributable</i>					<i>Distributable</i>			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	Non-controlling Interest RM'000	
Balance as at 1 September 2013	49,000	1,767	-	114	(387)	30,577	81,071	4,907	85,978
Treasury shares Profit for the period	-	-	-	-	(16)	-	(16)	-	(16)
Other comprehensive income for the period	-	-	-	-	-	(4,564)	(4,564)	27	(4,537)
Total comprehensive income for the period	-	-	-	-	-	(4,564)	(4,564)	27	(4,537)
Balance as at 28 February 2014	<u>49,000</u>	<u>1,767</u>	<u>-</u>	<u>114</u>	<u>(403)</u>	<u>26,013</u>	<u>76,491</u>	<u>4,934</u>	<u>81,425</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 2014.

BSL CORPORATION BERHAD
(Company No. 651118-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 28 FEBRUARY 2015

	28-Feb-15 RM'000	28-Feb-14 RM'000
Cash flows from operating activities		
Profit for the year	(3,647)	(4,537)
Adjustments for:		
Non-cash items	3,111	4,205
Non-operating items	<u>2,075</u>	<u>1,925</u>
Operating profit before working capital changes	1,539	1,593
(Increase)/Decrease in working capital:		
Inventories	898	544
Receivables	(3,211)	3,631
Payables	<u>320</u>	<u>(200)</u>
Cash generated from operations	(454)	5,568
Income tax (paid) / refund	<u>(645)</u>	<u>(600)</u>
Net cash from / (used in) operating activities	<u>(1,099)</u>	<u>4,968</u>
Cash flows from investing activities		
Interest received	137	175
Proceeds from disposal of property, plant and equipment	1,081	592
Investment in Associated		
Purchase of property, plant and equipment	<u>(902)</u>	<u>(6,367)</u>
Net cash from / (used in) investing activities	<u>316</u>	<u>(5,600)</u>
Cash flows from/(used in) financing activities		
Net increase / (decrease) in bank borrowings	(1,501)	(2,610)
Dividend paid		
Interest paid	(647)	(468)
Purchase of treasury share	<u>(3)</u>	<u></u>
Net cash from financing activities	<u>(2,151)</u>	<u>(3,078)</u>
Net increase / (decrease) in cash and cash equivalents	(2,934)	(3,710)
Cash and cash equivalents at beginning of financial year	<u>17,456</u>	<u>25,842</u>
Cash and cash equivalents at end of financial year	<u><u>14,522</u></u>	<u><u>22,132</u></u>
Cash and cash equivalents at end of year comprise:		
Cash and bank balances	6,008	7,792
Deposits in licensed banks	12,293	17,474
Bank overdrafts	<u>(3,025)</u>	<u>(2,531)</u>
	15,276	22,735
Less : Fixed deposit pledged to licensed bank	<u>(754)</u>	<u>(603)</u>
	<u><u>14,522</u></u>	<u><u>22,132</u></u>

Notes :

The Unaudited Condensed Consolidated Statement Of Cash Flow should be read in conjunction with the Annual Financial Statements of BSL Corporation Berhad for the financial year ended 31 August 2014.

Notes on the quarterly report – 28 February 2015

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of the Malaysian Financial Reporting Standard (MFRS) 134 - Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 August 2014.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 August 2014 except for the new Malaysian Financial Reporting Standards ("MFRS"), Amendments to MFRSs and IC Interpretation which the Group adopted to the extent of the applicability from its financial year beginning from 1 September 2014.

The adoption of the followings new MFRSs, Amendments to MFRSs and IC Interpretation that came into effect on 1 April 2014 will have no material impact on the financial statements of the Group:

<u>MFRSs, Amendments to MFRSs and IC Interpretation</u>	<u>Effective for annual periods beginning on or after</u>
Amendment to MFRSs (Annual Improvements to MFRSs 2010-2012 Cycle)	1 July 2014
Amendment to MFRSs (Annual Improvements to MFRSs 2011-2013 Cycle)	1 July 2014
Employee Benefits (IAS 19 as amended by IASB in November 2013)	1 July 2014

At the date of authorization of the interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

<u>MFRSs, Amendments to MFRSs and IC Interpretation</u>	<u>Effective for annual periods beginning on or after</u>
MFRS 9 Financial Instruments (IFRS 9)	To be announced by MASB

A2. Qualification of annual financial statements

There were no audit qualifications on the financial statements of the Company for the year ended 31 August 2014.

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.

Notes on the quarterly report – 28 February 2015

A5. Material changes in estimates

There were 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.

A8. Segment information

Segmental information from continuing operations 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	Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External sales	-	35,348	7,966	4,005	103	-	47,422
Inter-segment sales	-	-	-	95	50	(145)	-
Total revenue	-	35,348	7,966	4,100	153	(145)	47,422
Results							
Segment results	(46)	(73)	(2,526)	(236)	(21)		(2,902)
Loss from operations							(2,902)
Interest expense							(647)
Interest income							137
Share of results of joint venture							(192)
Loss before tax							(3,604)
Income tax expense							(43)
Loss for the year							(3,647)

Notes on the quarterly report – 28 February 2015

Attributable to:

Equity holders of the parent	(3,677)
Minority interest	30
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	(3,647)
	<hr/> <hr/>

A9. Material events subsequent to the end of the interim period

Save as disclosed below, there were no material events subsequent to the current quarter ended 28 February 2015 up to the date of this report, which are likely to substantially affect the results of the operations of the Group.

Beside the Crestronics (M) Sdn Bhd (“CMSB”), a wholly owned subsidiary of the Company had on 24 December 2014, received two (2) Bills of Demand from the Royal Malaysian Customs Selangor (“RMCS”) for the Import Duty and Sales Tax amounting to RM6,493,737.69 and RM4,637,773.57 respectively for the period December 2011 to July 2014.

CMSB will seek the necessary tax advice to file appeal application(s) against the demands to RMCS.

A10. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

A11. 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: Corporate guarantees amounting to RM25.39 million given by the Company to financial institutions for credit facilities granted to the subsidiary companies.

A12. Capital commitments

	Approved and contracted for RM'000	Approved but not contracted for RM'000
Investment in Associate & purchase of plant and machinery	2,065	-
	<hr/>	<hr/>

Notes on the quarterly report – 28 February 2015

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

B1. Review of performance

For the quarter ended 28 February 2015, the Group achieved a revenue of RM23.48 million and a loss after tax of RM1.45 million, compared to a loss after tax of RM2.65 million for the corresponding quarter last year.

The performance of each operating segment is as follows:

Precision stamping & tooling segment

This segment recorded a revenue of RM18.89 million and a profit of RM0.40 million for the quarter ended 28 February 2015 as compared to a revenue of RM16.02 million and a loss of RM0.84 million for the corresponding period last year.

The improvement of result was due to increase in sales from European and South Korean customers

Printed circuit board (“PCB”) & module assembly segment

This segment recorded a revenue of RM3.48 million and a loss of RM1.46 million for the quarter ended 28 February 2015 as compared to a revenue of RM3.82 million and a loss of RM1.41 million for the corresponding period last year.

The decline in revenue was mainly due to drop in orders from audio assembly and consumer electronics.

Fabrication & forging segment

This segment recorded a revenue of RM2.10 million and a loss of RM0.26 million for the quarter ended 28 February 2015 as compared to a revenue of RM2.27 million and a loss of RM0.14 million for the corresponding period last year.

The decline in revenue was mainly due to drop in order for steel forging parts.

B2. Variation of results against preceding quarter

Total Group revenue was at RM23.48 million, a decrease of 1.94% compared to the preceding quarter. The Group recorded a loss before tax of RM1.37 million for the current quarter ended 28 February 2015 as compared to a loss before tax of RM2.23 million in the preceding quarter.

The reduction in loss was mainly due to the better performance of the Precision Stamping & tooling segment.

B3. Current year prospects

The Board foresees the current year’s prospect to be challenging due to the uncertain global economics environment.

The group will further its effort in promoting the EMS (Electronic Manufacturing Services) business model and to bring in new clients. Furthermore we will consolidate and centralize our operation in Rawang to further reduce our operating cost.

Notes on the quarterly report – 28 February 2015

B4. Variance of actual and forecast profit

The Group had not provided any profit forecast for the current financial year ended 31 August 2015.

B5. Profit/(Loss) for the period

Profit/(loss) for the period is arrived at after charging/(crediting):-	Current Quarter 28.02.2015 RM'000	Current year To date 25.02.2015 RM'000
Depreciation of property, plant & equipment	1,446	2,903
Finance cost	317	647
Loss/(Gain) on disposal of property, plant & equipment	(45)	(136)
Net foreign exchange loss/(gain)	(35)	(44)
Interest income	(71)	(137)
Bad debts written off	-	-

B6. Tax expense

	Current Quarter 28.02.2015 RM' 000	Current year To date 28.02.2015 RM' 000
Current tax expense	(29)	43
Current deferred tax expense	-	-
Overprovision of deferred tax in prior year	-	-
	(29)	(43)

The effective tax rate was higher than the statutory tax rate of 25% mainly because interest income subject to tax expenses.

B7. 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.

B8. Quoted and marketable investments

There was no purchase or disposal of quoted securities during the current quarter.

B9. Status of corporate proposal announced

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

Notes on the quarterly report – 28 February 2015

B10. 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	3,025	-	3,025
Trust receipts, bankers' acceptance & revolving credit	1,392	-	1,392
Term loans	15,101	-	15,101
Hire purchase	561	-	561
	<hr/> 20,079	<hr/> -	<hr/> 20,079
Long term			
Terms loans	1,101	-	1,101
Hire purchase	478	-	478
	<hr/> 1,579	<hr/> -	<hr/> 1,579
	<hr/> <hr/> 21,658	<hr/> <hr/> -	<hr/> <hr/> 21,658

All borrowings are denominated in Ringgit Malaysia

B11. Realised and unrealised profit/(loss) disclosure

	As at 28 February 2015 RM'000
Total retained profit of BSL and its subsidiaries	
-Realised	19,191
-Unrealised	(1,638)
	<hr/> 17,553
Total retained profit/(loss) from joint venture company	
-Realised	(192)
-Unrealised	-
	<hr/> (192)
Total group retained profits as per consolidated accounts	<hr/> <hr/> 17,361

Notes on the quarterly report – 28 February 2015

B12. 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.

B13. Changes in material litigation

Neither BSL nor any of its subsidiaries are engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the 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 the Company or any of its subsidiaries.

B14. Dividends

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

B15. 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
	28.02.15	28.02.14	28.02.15	28.02.14
Profit/(Loss) attributable to equity holders of the parent (RM'000)	(1,421)	(2,653)	(3,678)	(4,564)
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	96,791	96,865	96,791	96,865
Basic Earnings/(Loss) Per Share based on the weighted average number of shares in issue (sen) for:				
Profit from continuing operations	(1.47)	(2.74)	(3.80)	(4.71)
Profit/(Loss) from discontinued operations	-		-	-
Total (sen)	(1.47)	(2.74)	(3.80)	(4.71)

Notes on the quarterly report – 28 February 2015

B16. Authorisation for issue

This quarterly report was authorized for issue by the Board of Directors in accordance with the resolution of the directors on 29 April 2015.

By order of the Board

Ngiam Tong Kwan
Executive Chairman
Selangor
29 April 2015