



BHS Industries Berhad (Company No: 719660-W)
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2010
 (The figures have not been audited)

	Fourth Quarter 3 months ended '30 June		Cumulative Quarters 12 months ended '30 June	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Revenue	17,417	13,384	48,862	53,511
Other income	591	274	2,201	1,845
Operating expenses	(15,834)	(11,383)	(43,923)	(46,347)
Finance costs	(14)	(9)	(32)	(220)
Profit before tax	2,160	2,266	7,108	8,789
Taxation	(558)	(375)	(1,687)	(2,220)
Net profit for the period	<u>1,602</u>	<u>1,891</u>	<u>5,421</u>	<u>6,569</u>
Attributable to :				
Equity holders of the company	<u>1,602</u>	<u>1,891</u>	<u>5,421</u>	<u>6,569</u>
Earnings per share (sen):				
Basic	<u>2.22</u>	<u>2.52</u>	<u>7.40</u>	<u>8.37</u>
Weighted average number of shares in issue	<u>72,100</u>	<u>75,024</u>	<u>73,305</u>	<u>78,451</u>

Note:

The unaudited condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to the Interim Financial Report.



BHS Industries Berhad (Company No: 719660-W)
CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 June 2010
 (The figures have not been audited)

	As at 30 June 2010 RM ' 000	(Audited) As at 30 June 2009 RM ' 000
ASSETS		
Non-current assets		
Properties, plant and equipment	13,730	13,427
Investment property	6,940	-
Other investments	3,426	513
Deferred tax assets	32	3
Total non-current assets	<u>24,128</u>	<u>13,943</u>
Current assets		
Inventories	13,848	12,527
Trade receivables	9,115	10,321
Other receivables	401	300
Tax recoverable	1,101	864
Short term investments	7,562	10,381
Cash and bank balances	6,668	9,510
Total current assets	<u>38,695</u>	<u>43,903</u>
Non-current assets classified as held for sale	-	2,926
	<u>38,695</u>	<u>46,829</u>
TOTAL ASSETS	<u>62,823</u>	<u>60,772</u>
EQUITY AND LIABILITIES		
Share capital	40,000	40,000
Share premium	1,684	1,684
Other reserve	(16,833)	(16,833)
Treasury shares	(4,224)	(1,839)
Translation reserve	(127)	-
Retained earnings	34,566	31,310
Total Equity	<u>55,066</u>	<u>54,322</u>
Non-current liabilities		
Borrowings	894	33
Deferred tax liabilities	1,910	1,704
Total non-current liabilities	<u>2,804</u>	<u>1,737</u>
Current liabilities		
Trade payables	2,300	1,877
Other payables	2,276	2,106
Provision for taxation	184	668
Borrowings	193	62
Total current liabilities	<u>4,953</u>	<u>4,713</u>
TOTAL EQUITY AND LIABILITIES	<u>62,823</u>	<u>60,772</u>
Net asset per share (RM)	<u>0.76</u>	<u>0.72</u>

Note:

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to the Interim Financial Report.



BHS Industries Berhad (Company No: 719660-W)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 30 JUNE 2010
(The figures have not been audited)

	Non-distributable				Distributable		
	Share Capital RM' 000	Share Premium RM' 000	Merger Reserve RM' 000	Translation Reserve RM' 000	Treasury Shares RM' 000	Retained Profits RM' 000	Total RM' 000
As at 1 July 2009	40,000	1,684	(16,833)	-	(1,839)	31,310	54,322
Profit for the quarter	-	-	-	-	-	1,971	1,971
As at 30 September 2009	40,000	1,684	(16,833)	-	(1,839)	33,281	56,293
Share buy-back					(2,385)		(2,385)
Profit for the quarter						1,362	1,362
Foreign currency translation				(12)			(12)
As at 31 December 2009	40,000	1,684	(16,833)	(12)	(4,224)	34,643	55,258
Dividend paid						(2,165)	(2,165)
Profit for the quarter						486	486
Foreign currency translation				(104)			(104)
As at 31 March 2010	40,000	1,684	(16,833)	(116)	(4,224)	32,964	53,475
Profit for the quarter						1,602	1,602
Foreign currency translation				(11)			(11)
As at 30 June 2010	40,000	1,684	(16,833)	(127)	(4,224)	34,566	55,066

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to the Interim Financial Report.



BHS Industries Berhad (Company No: 719660-W)
CONDENSED CONSOLIDATED CASHFLOW STATEMENT
AS AT 30 JUNE 2010
 (The figures have not been audited)

Cumulative 12 months ended 30 June	
2010 RM'000	2009 RM'000

Cash Flows From Operating Activities

Profit before tax	7,108	8,789
Adjustment for:		
Depreciation and amortisation	1,635	1,884
Impairment loss on intangible assets	-	747
Provision for diminution in value of quoted shares & funds	369	-
Provision for bad debts	972	596
Provision for slow moving stock	-	108
Gains on disposal of leasehold land	(1,206)	-
Interest expense	32	220
(Gains)/ Loss on disposal of quoted shares& unit trust	(186)	(59)
Loss/(Gains) on disposal of property, plant & equipment	9	(702)
	8,733	11,583
Movements in working capital:		
(Increase)/Decrease in inventories	(1,350)	1,311
Decrease in receivables	139	3,335
Decrease/(Increase) in short term investments	2,819	(1,224)
Increase in payables	593	323
Cash generated in operations	10,934	15,328
Interest paid	(32)	(220)
Taxes paid	(2,211)	(1,430)
Net cash generated in operating activities	8,691	13,678

Cash Flows From Investing Activities

Purchase of property, plant & equipment	(1,967)	(2,945)
Purchase of freehold land and industrial units	(6,940)	-
Proceeds from the disposal of quoted shares	3,352	2,609
Proceeds from the disposal of leasehold land	4,132	-
Proceeds from disposal of mutual funds	638	-
Proceeds from disposal of property, plant & machinery	20	702
Purchase of treasury shares	(2,385)	(1,839)
Purchase of mutual funds	(3,500)	(500)
Purchase of quoted shares	(3,586)	(2,550)
Dividend received	3	-
Net cash used in investing activities	(10,233)	(4,523)

Cash Flows From Financing Activities

Increase/(Decrease) in borrowings	992	(3,353)
Dividend paid	(2,165)	-
Net cash used in financing activities	(1,173)	(3,353)

Net (Decrease)/Increase in cash and cash equivalents

Effects of foreign exchange rate changes	(127)	-
Cash and cash equivalents at beginning	9,510	3,708
Cash and cash equivalents at end #	6,668	9,510

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to the Interim Financial Statement.

Please refer to Part A, Note 14 for the analysis of Cash and Cash equivalents

BHS Industries Berhad (Company no: 719660-W)
Notes To The Interim Report
For The Fourth Quarter Ended 30 June 2010
(The figures have not been audited)

Part A-Explanatory Notes Pursuant to FRS 134

1 Basis of Preparation

The unaudited interim financial statements have been prepared in accordance with the reporting requirements outlined in the Financial Reporting Standard ("FRS") No.134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Company for the financial year ended 30 June 2009. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2009.

Changes in Significant Accounting Policies

The accounting policies and method of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the year ended 30 June 2009.

On 1 July 2008, the Group adopted the following revised FRSs, amendment to FRS and interpretations:

- Amendments to FRS 107: Cash Flow Statements
- Amendments to FRS 111: Construction Contracts
- Amendments to FRS 112: Income Taxes
- Amendments to FRS 118: Revenue
- Amendments to FRS 120: Accounting for Government Grants and Disclosure of Government Assistance
- Amendments to FRS 121: The Effects of Changes in Foreign Exchange Rates-Net Investment in a Foreign Operation
- Amendments to FRS 134: Interim Financial Reporting
- Amendments to FRS 137: Provisions, Contingent Liabilities and Contingent Assets
- IC Interpretation 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities
- IC Interpretation 2 Members' shares in Co-operative Entities and Similar Instruments
- IC Interpretation 5 Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- IC Interpretation 6 Liabilities Arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment
- IC Interpretation 7 Applying the Restatement Approach Under FRS 129 - Financial Reporting in Hyperinflationary Economies
- IC Interpretation 8 Scope of FRS 2

The revised FRSs, amendments to FRS and Interpretations above do not have any significant impact on the financial statements of the Group and of the Company upon the initial application.

2 Auditors' Report on Preceding Annual Financial Statements

The audited financial statements for the financial year ended 30 June 2009 were not subject to any qualification.

3 Comments about Seasonality or Cyclicity of Operations

The business operations of The Group were not materially affected by seasonal or cyclical changes.

4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

5 Changes in Estimates

There were no changes in estimates of amounts which have a material effect in the current quarter under review.

6 Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities in the current quarter under review except the following:

In pursuance of the authority granted to the directors at the Third AGM held on 23 December 2008, the directors had during the 2nd quarter to 31.12.2009, purchased an additional 2,900,000 of the Company's ordinary shares of RM0.5 each at the open market for a total consideration of RM2,384,599. This brings the total shares purchased to 7.9 million at 31.12.2009 with an average cost of RM0.53 per share. The shares buy-back were financed by internally generated funds and are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act 1967.

BHS Industries Berhad (Company no: 719660-W)
Notes To The Interim Report
For The Fourth Quarter Ended 30 June 2010
(The figures have not been audited)

7 Dividend Paid

The Company did not pay any dividend in the quarter under review.

8 Segmental Information

Segmental Information for the Group by geographical and business segment is presented as follows:

	12 months Ended 30 June 2010 RM'000	12 months Ended 30 June 2009 RM'000
Geographical Segments		
Revenue		
Export Market		
Europe	245	358
Africa	22,251	23,102
Asean	-	354
	<u>22,496</u>	<u>23,814</u>
Local market	<u>26,366</u>	<u>29,697</u>
	<u>48,862</u>	<u>53,511</u>
Results		
Export market	2,259	3,089
Local market	2,648	3,855
Profit from operations	<u>4,907</u>	<u>6,944</u>
Add Other Income	<u>2,201</u>	<u>1,845</u>
	7,108	8,789
Less taxation	(1,687)	(2,220)
	<u>5,421</u>	<u>6,569</u>

Disclosure of segmental information of the Group by business segment is not presented as the Group is primarily engaged in only one business segment of printing.

9 Valuation of Property, Plant and Equipment

There were no valuation of the property, plant and equipment in the current quarter under review.

10 Material Events Subsequent to the End of the Quarter

There were no material events between the end of the current quarter and the date of this report, which is likely to substantially affect the current quarter results under review.

11 Changes in the Composition of the Group

There are no changes in the composition of the Group. However, on 1 July 2009, the Group streamlined the business activities of its subsidiaries by transferring the assets, stock and debtors of Pustaka Yakin Pelajar Sdn Bhd to Pustaka Sistem Pelajaran Sdn Bhd. Likewise, the assets and stock of Star CTP Imaging Sdn Bhd were also transferred to BHS Book Printing Sdn Bhd. The objectives are cost reductions and the business activities be carried out more efficiently.

12 Contingent Liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at 20 August 2010, the latest practicable date which is not earlier than 7 days from the date of issue of these financial results.

BHS Industries Berhad (Company no: 719660-W)
Notes To The Interim Report
For The Third Quarter Ended 30 June 2010
(The figures have not been audited)

13 Capital Commitments

As at 20 August 2010 (the latest practicable date which is not earlier than 7 days from the date of issue of these financial results), the Group did not have any material commitment for contracted capital expenditure which might have a material impact on the financial position or business of the Group.

14 Cash and Cash Equivalents

	As at 30 June 2010	As at 30 June 2009
	RM'000	RM'000
Cash at bank	6,668	9,510
	<u>6,668</u>	<u>9,510</u>

BHS Industries Berhad (Company no: 719660-W)
Notes To The Interim Report
For The Fourth Quarter Ended 30 June 2010
(The figures have not been audited)

PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

1 Review of performance

	Cumulative Quarters 30.06.2010 RM'000	Cumulative Quarters 30.06.2009 RM'000
Revenue	<u>48,862</u>	<u>53,511</u>
Profit After Tax	<u>5,421</u>	<u>6,569</u>

For the 12 months under review, the Group recorded a decreased revenue of RM4.6 million over the corresponding period of last year and this represents a decrease in revenue of about 8.7% which was attributed mainly to a substantial drop in print orders from local of 6.2% and overseas of 2.5%.

In tandem with the lower revenue, the Group's Profit After Tax shrank by about 17.4%. However, the margin of Profit After Tax To Revenue is fairly consistent for both periods of 11% and 12% respectively.

2 Variation of Results Against Preceding Quarter

	Current Quarter 30.06.2010 RM'000	Preceding Quarter 31.03.2010 RM'000
Revenue	<u>17,417</u>	<u>9,059</u>
Profit After Tax	<u>1,602</u>	<u>486</u>

For the Fourth Quarter under review, the Group recorded an increase of 92% in revenue of about RM8.3million over the preceding quarter and this was wholly attributed to higher print orders from overseas.

The "Profit to Revenue Margin" for the current quarter is 9.2% compared with 5.4% in the preceding quarter. The higher margin was in line with the increased revenue. However, it is below the annual rate of 11% since higher stock write off on a change of medium of instruction for Maths and Science subjects and a higher bad debt provision has also been made.

3 Prospects

With the global economy expected to be slowly picking up, the Board of Directors is of the view that the Group will perform satisfactorily in the next financial year ending 30.6.2011.

4 Profit Forecast and Profit Guarantee

The Group has not issued any profit forecast or profit guarantee in the current financial year.

5 Taxation

	3 months Ended 30 June 2010 RM'000	12 months Ended 30 June 2010 RM'000
Provision of Income tax	555	1,481
Deferred tax	<u>3</u>	<u>206</u>
	<u>558</u>	<u>1,687</u>

The effective tax rate of the Group for the 12 months ended 30 June 2010 is lower than the statutory tax rate of 25% due to a capital gain arising which is not subject to income tax.

BHS Industries Berhad (Company no: 719660-W)
Notes To The Interim Report
For The fourth Quarter Ended 30 June 2010
(The figures have not been audited)

6 Unquoted Investments and Properties

In the quarter to 31.12.2009, BHS increased the Paid Up Share Capital of its wholly owned subsidiary, BHS Resources Pte. Ltd. from SGD2 to SGD1 million.

BHS Resources Pte. Ltd purchased two factory units for about RM2.5 million. The developer has completed and delivered vacant possession of the unit in May 10. The company has placed the units with Agents for letting since June 10. In compliance with FRS the properties have been represented in the financial statements as Investment Property.

7 Other Investment

1. Quoted Securities

During the quarter under review, the Company's investment in quoted shares is as follows:

	3 months Ended 30 June 2010 RM'000	12 months Ended 30 June 2010 RM'000
Total purchases at cost	<u>813</u>	<u>3,586</u>
Total sales proceeds	<u>(1,685)</u>	<u>(3,352)</u>
{Profits}/Loss on sale of shares	<u>24</u>	<u>(48)</u>
Total carrying value/market value		<u>258</u>
Original cost of acquisition		<u>282</u>
2. Unit Trust		
Total purchases at cost	<u>1,000</u>	<u>3,500</u>
Total sales proceeds	<u>(638)</u>	<u>(638)</u>
Profits on sale of units	<u>138</u>	<u>138</u>
Total carrying value/market value		<u>3,155</u>
Original cost of acquisition		<u>3,500</u>

8 Group's Borrowings and Debt Securities

	30 June 2010 RM'000
Hire purchase payables- due within 12 months	33
Bank loan-due within 12 months	160
Bank loan-due after 12 months	<u>894</u>
	<u>1,087</u>

9 Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk applicable to the Group as at 20 August 2010, the latest practicable date which is not earlier than 7 days from the date of issuance of these financial results.

10 Material Litigation

Neither the Company nor 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 its subsidiaries and the Board is not aware of any proceedings pending or threatened or of any acts likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiaries.

BHS Industries Berhad (Company no: 719660-W)
Notes To The Interim Report
For The Fourth Quarter Ended 30 June 2010
(The figures have not been audited)

11 Dividends

The Board of Directors did not propose any dividend in the quarter under review. However, it will consider the proposal once the audited figures are available.

12 Earnings Per Share

Basic earnings per share is calculated by dividing net profit attributable to ordinary equity holders by the weighted average number of ordinary shares in issue (excluding treasury shares) during the period.

Weighted average number of shares for calculation of basic earnings per share:

	3 months Ended 30 June 2010 RM' 000	Cumulative 12 months Ended 30 June 2010 RM'000
Profit attributable to shareholders	1,602	5,421
Weighted average number of shares in issue ('000) (Excluding treasury shares)	72,100	73,305
Basic earnings per share (sen)	2.22	7.40

13 Corporate Proposals

(a) There were no corporate proposals for the financial period.

(b) Status of Utilisation of Proceeds

The Company raised a total gross proceeds of RM17,975,229 from the Rights Issue and Public Issue. The utilisation of proceeds as at 20 August 2010 (the latest practicable date not earlier than 7 days from the date of issue of this report) is as follows:

	Revised utilisation announced on 28.7.08 RM'000	Actual utilised as at 20.08.10 RM'000	Balance to be utilised RM'000
Expansion plan	8,250	5,734	2,516
Working capital	1,270	1,270	-
	9,520	7,004	2,516

14 Authorisation for Issue

The unaudited interim financial statements were authorised for issuance by the Board of Directors.