



BHS Industries Berhad (Company No: 719660-W)
CONDENSED CONSOLIDATED COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 30 JUNE 2011
 (The figures have not been audited)

	Fourth Quarter 3 months ended '30 June		Cumulative Quarters 12 months ended '30 June	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Revenue	12,670	17,417	46,108	48,862
Operating expenses	(11,651)	(15,834)	(40,828)	(43,923)
Other income	176	480	1,642	1,892
Investment income	108	111	313	309
Finance costs	(29)	(14)	(55)	(32)
Profit before tax	1,274	2,160	7,180	7,108
Taxation	(324)	(558)	(2,053)	(1,687)
Net profit for the period	<u>950</u>	<u>1,602</u>	<u>5,127</u>	<u>5,421</u>
Other Comprehensive Income:				
Translation of foreign operation	54	-	127	-
Net Gains/(Loss) on Available for sale financial assets	(85)	-	382	-
	<u>(31)</u>	<u>-</u>	<u>509</u>	<u>-</u>
Total Comprehensive Income for the period	<u>919</u>	<u>1,602</u>	<u>5,636</u>	<u>5,421</u>
Profit Attributable to :				
Owners of the Company	<u>950</u>	<u>1,602</u>	<u>5,127</u>	<u>5,421</u>
Total Comprehensive Income attributable to:				
Owners of the Company	<u>919</u>	<u>1,602</u>	<u>5,636</u>	<u>5,421</u>
Earnings per share (sen):				
Basic (Part B, Note 13)	<u>1.32</u>	<u>2.22</u>	<u>7.11</u>	<u>7.40</u>

Note:

The unaudited condensed consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2010 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 2011**
(The figures have not been audited)

	Non-distributable					Distributable		
	Share Capital RM' 000	Share Premium RM' 000	Other Reserve RM' 000	Fair Value Reserve RM' 000	Translation Reserve RM' 000	Treasury Shares RM' 000	Retained Profits RM' 000	Total RM' 000
As at 1 July 2010	40,000	1,684	(16,833)	-	(127)	(4,224)	34,557	55,057
Effects of adopting FRS 139				(6)				(6)
	40,000	1,684	(16,833)	(6)	(127)	(4,224)	34,557	55,051
Total comprehensive income for the period	-	-	-	264	20	-	1,376	1,660
As at 30 September 2010	40,000	1,684	(16,833)	258	(107)	(4,224)	35,933	56,711
Total comprehensive income for the period				116	41		1,849	2,006
As at 31 Decemer 2010	40,000	1,684	(16,833)	374	(66)	(4,224)	37,782	58,717
Dividend paid							(2,163)	(2,163)
Total comprehensive income for the period				87	12		952	1,051
As at 31 March 2011	40,000	1,684	(16,833)	461	(54)	(4,224)	36,571	57,605
Total comprehensive income for the period				(85)	54		950	919
As at 30 June 2011	40,000	1,684	(16,833)	376	-	(4,224)	37,521	58,524

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 2010 and the accompanying explanatory notes attached to the Interim Financial Report.



BHS Industries Berhad (Company No: 719660-W)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 30 June 2011
 (The figures have not been audited)

Cumulative 12 months ended 30 June	
2011 RM'000	2010 RM'000

Cash Flows From Operating Activities

Profit before tax	7,180	7,108
Adjusted for:		
Depreciation and amortisation	1,646	1,636
Provision for diminution in value of quoted shares/unit trusts	(13)	369
Provision for bad debts	379	972
Unrealised gains on short term investment	(258)	-
Interest expense	55	32
Unrealised exchange loss	14	-
Gains on disposal of leasehold land	-	(1,206)
Gains on disposal of quoted shares/unit trusts	(29)	(186)
(Gains)/Loss on disposal of plant & equipment	(850)	9
	8,124	8,734
Changes in working capital:		
Inventories	1,933	(1,350)
Receivables	2,189	139
Short term investments	(5,258)	2,819
Payables	(2,084)	593
Cash used in operations	4,904	10,935
Interest paid	(55)	(32)
Taxes paid	(965)	(2,211)
Net cash generated from operating activities	3,884	8,692

Cash Flows From Investing Activities

Purchase of plant & equipment	(204)	(1,967)
Purchase of freehold land and industrial units	(37)	(6,940)
Purchase of quoted shares	(225)	(3,586)
Purchase of treasury shares	-	(2,385)
Purchase of unit trust fund	-	(3,500)
Proceeds from the disposal of unit trusts	-	638
Proceeds from the disposal of quoted shares	477	3,352
Proceeds from disposal of plant & machinery	850	20
Proceeds from disposal of leasehold land	-	4,132
Net cash generated from/(used in) investing activities	861	(10,236)

Cash Flows From Financing Activities

Increase in borrowings	861	992
Dividend paid	(2,163)	(2,163)
Net cash used in financing activities	(1,302)	(1,171)
Net Incease/(Decrease) in cash and cash equivalents	3,443	(2,715)
Effects of foreign exchange rate changes	-	(127)
Cash and cash equivalents at beginning	6,668	9,510
Cash and cash equivalents at end (Part A, Note 14)	10,111	6,668

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2010 and the accompanying explanatory notes attached to the Interim Financial Statement.



BHS Industries Berhad (Company No: 719660-W)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 June 2011
 (The figures have not been audited)

	As at 30 June 2011 RM ' 000	(Audited) As at 30 June 2010 RM ' 000
ASSETS		
Non-current assets		
Plant and equipment	12,388	13,730
Investment property	6,977	6,940
Other investments	3,592	3,426
Deferred tax assets	11	32
Total non-current assets	22,968	24,128
Current assets		
Inventories	11,872	13,848
Trade receivables	7,183	9,106
Other receivables	123	401
Tax recoverable	569	1,101
Short term Investments	12,820	7,562
Cash and bank balances	10,111	6,668
	42,678	38,686
TOTAL ASSETS	65,646	62,814
EQUITY AND LIABILITIES		
Share capital	40,000	40,000
Share premium	1,684	1,684
Other reserve	(16,457)	(16,960)
Treasury shares	(4,224)	(4,224)
Retained earnings	37,521	34,557
Total Equity	58,524	55,057
Non-current liabilities		
Borrowings	1,102	896
Deferred tax liabilities	2,230	1,910
Total non-current liabilities	3,332	2,806
Current liabilities		
Trade payables	1,642	2,300
Other payables	850	2,276
Provision for taxation	452	184
Borrowings	846	191
Total current liabilities	3,790	4,951
TOTAL EQUITY AND LIABILITIES	65,646	62,814
Net asset per share (RM)	0.81	0.76

Note:

The unaudited condensed consolidated Statement Of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2010 and the accompanying explanatory notes attached to the Interim Financial Report.

BHS Industries Berhad (Company no: 719660-W)
Notes To The Interim Report
For The Four Quarter Ended 30 June 2011
(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 2010. 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 2010.

The significant accounting policies adopted by the Group in this interim financial statement are consistent with those adopted in the financial statements for the year ended 30 June 2010, except for the new and revised FRSs, IC Interpretations and Amendments to FRSs and IC Interpretation which are applicable to its financial statements with effect from 1 January 2010.

The adoption of the new standards and interpretations did not have any significant impact on the financial statements of the Group except for the adoption of FRS 101 (revised)- Presentation of Financial Statements and new FRS 139 Financial Statements and new FRS 139 Financial Instruments: Recognition and Measurement as set out below:

FRS 101 (revised): Presentation of Financial Statements

Prior to the adoption of the revised FRS 101, the components of the financial statements presented consisted of a balance sheet, an income statement, a statement of changes in equity, a cash flow statement and notes to the financial statements. Following the adoption of the revised FRS 101, the components of the interim financial statements presented consist of a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and notes to the financial statements.

FRS 139, Financial Instruments: Recognition and Measurement

The adoption of FRS 139 has resulted in a change in the accounting policy relating to the recognition and measurement of other investment and other derivative financial instruments

Financial assets

Before 1 July 2010, Other Investments were stated at cost less any diminution in value of the investments and this was charged to the income statement. Following the adoption of FRS 139, financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

a) Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are so designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are separately recognised in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that are held primarily for trading purposes are presented as current whereas financial assets that are not held primarily for trading purposes are presented as current or non-current based on settlement date.

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(The figures have not been audited)

b) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

c) Available-for-sale financial assets

After the initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchanges gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gains or losses previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on available-for-sale equity instrument are recognised in profit or loss when the Group and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after reporting date.

Financial liabilities

Financial liabilities are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments. Financial liabilities are classified as either financial liabilities at fair value through profit or loss, or other financial liabilities.

a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Group and the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Group and the Company have not designated any financial liabilities as at fair value through profit or loss.

b) Other financial liabilities

The Group's and the Company's other financial liabilities include trade payables, other payables and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liabilities for at least 12 months after the reporting date.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

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(The figures have not been audited)

2 Auditors' Report on Preceding Annual Financial Statements

The audited financial statements for the financial year ended 30 June 2010 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 on the results 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.

7 Dividend Paid

The Company did not make any dividend payment in the current quarter under review

8 Segmental Information

Segmental information for the Group by geographical segment is presented as follows:

	12 months Ended 30 June 2011 RM'000	12 months Ended 30 June 2010 RM'000
Geographical Segments		
Revenue		
Export market	20,019	22,496
Local market	26,089	26,366
	<u>46,108</u>	<u>48,862</u>
Results		
Export market	2,269	2,259
Local market	2,956	2,648
Profit from operations	5,225	4,907
Add Other Income & Investment income	1,955	2,201
	7,180	7,108
Less taxation	(2,053)	(1,687)
	<u>5,127</u>	<u>5,421</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.

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Notes To The Interim Report
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(The figures have not been audited)

11 Changes in the Composition of the Group

There are no changes in the composition of the Group.

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 22 August 2011, the latest practicable date which is not earlier than 7 days from the date of issuance of these financial results.

13 Capital Commitments

As at 22 August 2011 (the latest practicable date which is not earlier than 7 days from the date of issuance 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 2011	As at 30 June 2010
	RM'000	RM'000
Cash at bank	<u>10,111</u>	<u>6,668</u>

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(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 30.06.2011 RM'000	Cumulative Quarters 30.06.2010 RM'000
Revenue	<u>46,108</u>	<u>48,862</u>
Profit After Tax	<u>5,127</u>	<u>5,421</u>

For the 12 months under review, the Group recorded a drop in revenue of RM2.7 million compared with the corresponding period of last year. Although the Group made a higher tax provision this year, it was able to reduce administrative expenses to maintain Profit After Tax of about 11%

2 Variation of Results Against Preceding Quarter

	Current Quarter 30.06.2011 RM'000	Preceding Quarter 31.03.2011 RM'000
Revenue	<u>12,670</u>	<u>11,169</u>
Profit After Tax	<u>950</u>	<u>952</u>

For the Fourth Quarter under review, the Group recorded a rise of 13.4% in revenue of about RM1.5million compared with the preceding quarter and this was attributed to higher overseas sales

The "Profit to Revenue Margin" for the current quarter is about 7.5% compared with 8.5% in the preceding quarter. The lower margin was contributed by higher operating expenses in the current quarter.

3 Prospects

With the global economic uncertainty surrounding the US, Europe and Asia, the directors are of the opinion that the next 12 months will be challenging. The Group is cautious on capital expenditure and will take steps to reduce cost to remain competitive.

4 Profit Forecast and Profit Guarantee

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

5 Taxation

	12 months Ended 30 June 2011 RM'000
Provision of Income tax	<u>2,053</u>

The effective tax rate of the Group for the 12 months ended 30 June 2011 is higher than the statutory tax rate of 25% due to a higher depreciation charge against the claim on capital allowances and also losses made by subsidiaries which are not being group relieved.

On 29 March 11, the Company made an incentive claim on exemption of Income For Value of Increased Export of Services in respect of YA 2009. If the claim is successful, the Company is eligible for a refund of RM889,000.

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Notes To The Interim Report
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(The figures have not been audited)

6 Unquoted Investments and Properties

There were no purchases or sales of unquoted investments and properties in the quarter under review.

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 2011 RM'000	12 months Ended 30 June 2011 RM'000
Total purchases at cost	-	225
Total sales proceeds	-	(477)
(Profits)/Loss on sale of shares	-	(29)
Total carrying value/market value		49
Original cost of acquisition		59

8 Group's Borrowings and Debt Securities

	30 June 2011 RM'000
Foreign Currency Trade Loan (USD)-due within 12 months	675
Bank loan-due within 12 months	171
	846
Bank loan-due after 12 months	1,102
	1,948

9 Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk applicable to the Group as at 22 August 2011, 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 have 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.

11 Dividends

The Board of Directors did not propose any dividend for the quarter under review. However, it will consider the proposal once the audited accounts for the year ended 30.6.2011 are available.

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Notes To The Interim Report
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(The figures have not been audited)

12 Retained profits/(accumulated losses) of the Group	RM' 000
- Realised	52,576
-Unrealised	(2,219)
	<u>50,357</u>
Less Consolidated adjustment	(12,836)
Total group's retained profits	<u><u>37,521</u></u>

13 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 2011 RM' 000	Cumulative 12 months Ended 30 June 2011 RM'000
Profit attributable to shareholders	<u>950</u>	<u>5,127</u>
Weighted average number of shares in issue ('000) (Excluding treasury shares)	<u>72,100</u>	<u>72,100</u>
Basic earnings per share (sen)	<u>1.32</u>	<u>7.11</u>

14 Corporate Proposals

(a) There was no corporate proposal for the period under review.

(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 22 Aug 2011 (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 22.08.11 RM'000	Balance to be utilised RM'000
Expansion plan	8,250	5,734	2,516
Working capital	1,270	1,270	-
	<u>9,520</u>	<u>7,004</u>	<u>2,516</u>

15 Authorisation for Issue

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