

DIRECTORS' REVIEW

Dear Shareholders

The Directors of your company are pleased to present the un-audited accounts for the 2nd quarter and the half year ended on December 31, 2006, duly reviewed by the statutory auditors of the company as required under the Code of Corporate Governance.

Operating and Financial Results

During the 2nd quarter, the net sales were Rs.184.80 million as against Rs. 187.93 million of corresponding period last year.

The net sales for the half year increased by 4% to Rs. 381.08 million as compared to Rs. 365.30 million of the same period last year.

The gross profit for the 2nd quarter was Rs. 5.51 million as compared to Rs. 6.80 million of corresponding period last year.

The gross profit for the half year period under review was Rs. 33.58 million as against Rs. 13.10 million of the corresponding period last year, marking an increase of Rs. 20.48 million.

The profit before tax for the half year under review was Rs. 11.43 million as against Rs. 3.28 million marking an increase of Rs. 8.15 million.

The profit after tax for the half year increased by 206% to Rs. 8.15 million as compared to Rs. 2.66 million of same period last year.

Earnings per share for the half year ended December 31, 2006 worked out to Rs. 1.48 per share as against Rs. 0.48 per share of corresponding period last year.

Future Prospects

The upward trend in automotive and tractor industry is expected to continue creating more demand for castings. BCL is undertaking an expansion plan which is currently under implementation.

Acknowledgement

We would like to thank our customers and the shareholders for their trust and confidence in the company. We would also like to place on record our appreciation to our entire human resource team for their dedication and commitment to growth of company.

For and on behalf of the Board



SIKANDAR M. KHAN
Chairman

Karachi:
February 26, 2007