

June 9, 2006

Company Name	BSL CORPORATION
Name of Representative	Hiroyasu Takei, CEO
Securities Code Number	3113
Market of Public Listing	2 nd Sections of TSE, OSE and NSE
Contact Person	Koji Kirimura, Public & Investor Relations Dept. (Telephone 03-5412-7700)

Contribution to Capital of K Laser Technology Inc. (Taiwan) and Formation of Capital Tie-up

We are pleased to announce that BSL has decided to enter into a capital tie-up with K Laser Technology Inc. (listed on the Taiwan Stock Exchange, Securities Code 2461, hereinafter “K Laser”), a multi-national developer and manufacturer of holographic products based in Taiwan with the view of expanding the holographic product business pursued by subsidiary Coburn Japan Corporation (hereinafter “Coburn Japan”).

1. Capital Tie-up with K Laser

(1) Outline of Capital Tie-up

Purpose: Strengthening of the existing relationship between BSL’s subsidiary (Coburn Japan) and K Laser to accelerate Asian market penetration, development of new materials, marketing and other aspects.

Method: Private placement of new shares issued for capital increase

Number of new shares: 6,500,000 common shares

Subscription price: 120,250,000 New Taiwan Dollars (NT\$) (18.50 NT\$ per share) (approx. 422M yen when converted at ¥3.51/NT\$)

Closing date: June 20, 2006

BSL’s equity position: Prior to the subscription: 0% / Post-subscription: 4.78% (BSL to become sixth-ranked major holder through the present subscription).

(2) Outline of K Laser

Company name: K Laser Technology Inc.

Address: No.1 Li-Hsin Rd. VI, Science-base Industrial Park, Hsinchu, Taiwan

Representative: Chairman, Dr. Alex Kuo

Establishment: 1988

Business description: Development, manufacturing and sales of holograms and other optics-related products

Stockholders’ equity: 5.85B yen (as of Dec 31, 2004)

Total assets: 11.4B yen („)

Employees: 190 (as of Apr 2006; non-cons.)

Major holders: China Development Industrial Bank 8,61% / Chiao Tung Bank 7.17%

Consolidated performance:

(Unit: 100 millions of yen)

	FY 12/03	FY 12/04	FY 12/05	Jan-Apr 05
Net sales	55.3	72.7	95.7	34.5
Operating income	0.3	6.1	9.9	(YOY +22.3%)
Net income	-8.8	2.9	5.8	

(Conversion rate: ¥3.6/NTD)

Website: <http://www.klaser.com.tw>

(3) [Reference]: Performance of K Laser China Group Co., Ltd. (K Laser's principal subsidiary)

(Unit: millions of US\$)

	FY 12/03	FY 12/04	FY 12/05
Net sales	23.5	39.5	54.0
Operating income	1.8	4.6	6.8
Net income	0.8	3.6	5.8

Note: figures are based on unofficial data

2. Background of the Capital Tie-up and Future Outlook

The present investment decision is founded on our recognition of the superior performance and promising future of the business developed by K Laser and our anticipation that the present capital tie-up will solidify the business relationship with Coburn Japan.

K Laser currently enjoys the top market share in Asia in terms of production volume of holographic materials having established a unique global presence capable of offering a full-range of holographic products by handling all hologram processing stages in-house.

Holographic films, paper and foils which constitute K Laser's key products are utilized for various purposes such as forgery prevention for bank notes, stock certificates and other value documents, security printing, product authentication, protection of branded products from counterfeiting, decorative & promotional packaging, etc. and are finding widespread application in recent years. K Laser's superior technology in optics is also being applied and commercialized in such areas as home theater equipment and fingerprint recognition systems.

As the world's No. 1 supplier for holographic materials, K Laser has established an extensive global sales network supplying a broad range of industries and major end-users such as Intel, Disney and P&G.

The vision of K Laser's management is to promote its brand name "as a true and foremost world brand" by continuing to build up its China subsidiary and other worldwide operations, seeking inroads into new markets for products in the development pipeline and developing application-specific new materials. With the company's business plan additionally calling for the initial public offering of the China subsidiary during the next fiscal year, consolidated earnings are expected to increase substantially after 2007 considering the expanded fund raising capabilities.

Coburn Japan, on the other hand, has entered into tie-ups with U.S., Hong Kong and several other overseas manufacturers in addition to K Laser for the import, secondary processing and marketing of holograms, lenticular products (laser-generated images creating 3D effects) and enjoys a near monopoly on holographic film in the Japanese market. By bolstering its relationship with K Laser through the present capital tie-up, we anticipate that Coburn Japan will make major strides in assuming a leading role in the increasingly important Japanese market as the company continues to replenish its line of high-grade products, expedite its procurement and supply systems and address new and latent market needs.

Coburn Japan has constantly put itself at the vanguard of the Japanese market with overwhelming authority by committing itself to the development of new applications for existing materials in such areas as promotional sales tools and entertainment and opening up new markets. Henceforth, the company will go a step further and play a trailblazing role in promoting new applications in security-related products while continuing to cultivate existing market segments.

3. Effects on BSL's Performance

Any future effect on BSL's business performance will be announced as soon as determined.

[Reference] Outline of Coburn Japan

Corporate name: Coburn Japan Corporation
Address: 1-6-11 Minato, Chuo-ku, Tokyo
Establishment: 1978
Business description: Selling and secondary processing of holographic and plastic films lenticular products, selling of stage/studio lighting equipment and decorative illumination

BSL's equity position: 75.85%
Capital stock: 13M yen Employees: 25
Performance:

(Unit: 100 millions of yen)

	FY 12/03	FY 12/04	FY 12/05
Net sales	13.7	14.7	15.2
Operating income	1.7	2.1	3.3
Net income	0.8	2.3	2.4

Website: <http://www.coburn.co.jp>