

To the Stockholders of BNS Holding, Inc.,

The fiscal year just ended was a year filled with tremendous activity, strong financial results and, most importantly, the establishment of a strong base upon which to move forward in fiscal 2008. It all started with the acquisition of Collins Industries, Inc. on the first day of the fiscal year by the partnership of BNS Holding, Inc. and American Industrial Partners. The management team of Collins, led by President and CEO Randall Swift, then embarked on an aggressive program to improve the operating and financial performance of the business through the consolidation of manufacturing locations, implementation of lean manufacturing practices, revamping the company's procurement and aftermarket parts efforts, and strategic growth through the acquisition of the Corbeil brand school bus business in Canada.

In addition to the major initiatives undertaken in the Collins Industries business, BNS Holding, Inc. completed a capital restructuring in August 2007 that enabled us to reduce our investor base to less than 300 shareholders, thus becoming a non-SEC reporting company and eliminating the significant costs of being a public reporting company, including the substantial costs of compliance with Section 404 of the Sarbanes-Oxley Act. Thus management attention can now be focused on the Collins business long-term goals and objectives.

Efforts to change and improve the operations and financial results of Collins focused on 3 major initiatives...

First, consolidation of all bus manufacturing at our Hutchinson, Kansas facility, resulting in the closing of the Bluffton, Ohio plant, consolidating all ambulance manufacturing at Orlando, Florida plant and closing our Hutchinson ambulance facility, and selling our Fairview, Oklahoma specialty loader business. These plant consolidations resulted in approximately \$3.1 million in non-recurring expenses in fiscal 2007.

Second, the establishment of aggressive LEAN manufacturing techniques and programs at each of our focused manufacturing plants. These programs are aimed at dramatically improving manufacturing cycles, product quality and inventory management, with significant creative participation by everyone involved in the manufacturing process. One-time costs to effect these changes totaled approximately \$1.7 million in fiscal 2007. We expect to achieve significant working capital and efficiency improvements in fiscal 2008 from this on-going initiative.

Third, revamping Collins aftermarket and procurement infrastructure with the goal of establishing a long-term platform for sustained cost savings and growth in the company's aftermarket parts business.

We believe all of these efforts will significantly improve the efficiency and cost competitiveness of Collins going forward.

Fiscal 2007 was a solid operating year for Collins even though total vehicle sales volume declined by 3.4% due to shortfalls in chassis supplied by one of our principal vendors to our ambulance business. In spite of this volume decline, consolidated operating income before plant closure and other non-recurring expenses was \$17.8 million versus \$14.9 million in fiscal 2006. Please note that fiscal 2006 results are all pre business combination amounts. Collins will continue to incur additional non-recurring expenses in fiscal 2008 as it completes the majority of its business improvement initiative. These expenses, however, are expected to be less than \$2.0 million.

Higher interest expense associated with the acquisition of Collins and previously discussed non-recurring expenses resulted in a small net loss for the year.

Collins's Cash flow generation measured by earnings before interest, taxes, depreciation, and amortization was \$24.3 in 2007 versus \$22.4 million in 2006, before non-recurring charges of \$4.8 million and \$4.6 million respectively in 2007 and 2006 and related party fees and expenses of \$2.3 million and \$0 million in 2007 and 2006 respectively.

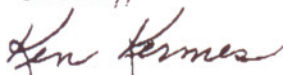
Going forward, we expect continued improvements in earnings fueled principally by the reduction in non-recurring expenses and the cost savings generated from Collins business improvement program. We are cautious on the state of the economy and possible ill effects it may have on demand for our products, particularly at our terminal truck business which is dependent on continued global trade flows. We remain, however, confident that the business strategies developed at Collins have greatly improved the prospects of the company. Through plant consolidation and lean manufacturing Collins has improved its cost structure across all of its operating units. Collins has also successfully penetrated the growing white activity bus segment and the recent acquisition of the Corbeil brand should provide additional growth opportunities. Collins continues to be focused on the aftermarket parts business and has invested in establishing a platform for additional growth.

During 2007 Collins also invested \$2.4 million in capital expenditures, in addition to the \$3.9 million spent on the acquisition in Canada. Our capital expenditures are directed at both productivity improvements and cost reduction projects. Collins expects to continue to invest in its core infrastructure with a particular emphasis in 2008 on MIS related projects

BNS's focus and outlook for 2008 continues to be positive regarding our ability to protect and make available our tax loss carryforwards to shelter Collins taxable income, and to monitor closely our asbestos liabilities to minimize or eliminate any risks to our shareholders.

This letter contains historical and forward-looking information. The forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The Company believes the assumptions underlying these forward-looking statements are reasonable; however any of the assumptions could be inaccurate, and therefore, actual results may differ materially from those projected in the forward-looking statements due to certain risks and uncertainties, including but not limited to, changes in funds budgeted by Federal, state and local governments, changes in competition, substantial dependence on third parties for product quality, the availability of key raw materials, components and chassis, interest rate fluctuations, adequate direct labor pools, development of new products, changes in tax and governmental rules and regulations applicable to the Company. The Company undertakes no obligation to publicly release any revisions to any forward-looking statements contained herein to reflect events or circumstances occurring after the date released or to reflect the occurrence of unanticipated events.

Sincerely,



Ken Kermes
Chairman of the Board

January 29, 2008