

TEBRAU TEGUH BERHAD

(Company No. 8256-A)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2013**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 30.09.2013 RM'000	Previous year corresponding quarter 30.09.2012 RM'000	9 months ended 30.09.2013 RM'000	9 months ended 30.09.2012 RM'000
Revenue	74,652	91,043	170,700	149,722
Cost of sales	(67,545)	(72,301)	(156,081)	(126,696)
Gross profit	7,107	18,742	14,619	23,026
Other operating income	30	148	409	530
Operating expenses	(1,457)	(1,787)	(1,782)	(4,782)
Profit from operations	5,680	17,103	13,246	18,774
Finance costs	(61)	(50)	(715)	(101)
Profit before tax (Note 25)	5,619	17,053	12,531	18,673
Taxation (Note 19)	(1,715)	(2,663)	(3,070)	(2,512)
Profit for the period	3,904	14,390	9,461	16,161
Other comprehensive income net of tax	-	-	-	-
Total comprehensive income for the period	3,904	14,390	9,461	16,161
Profit and total comprehensive income attributable to :				
Owners of the Parent	3,904	14,390	9,461	16,161

EARNINGS PER SHARE (Note 30)

Basic (sen)	0.58	2.15	1.41	2.41
Diluted (sen)	0.58	2.15	1.41	2.41

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to these interim financial statements.

TEBRAU TEGUH BERHAD

(Company No. 8256-A)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2013

	Unaudited as at 30.09.2013 RM'000	Audited as at 31.12.2012 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	1,115	1,209
Investment properties	308	308
Available-for-sale investment	90	90
Land held for future development	119,622	188,916
	<u>121,135</u>	<u>190,523</u>
CURRENT ASSETS		
Development properties	462,160	390,015
Inventories	182	182
Trade and other receivables	183,359	77,865
Other current assets	629	30,559
Tax recoverable	1,213	3,078
Cash and bank balances	42,209	46,297
	<u>689,752</u>	<u>547,996</u>
TOTAL ASSETS	810,887	738,519
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		
Share capital	334,864	334,864
Reserves	190,718	181,259
Shareholders' equity	<u>525,582</u>	<u>516,123</u>
NON-CURRENT LIABILITIES		
Long term borrowings	1,439	1,427
Deferred tax liabilities	117,533	117,832
	<u>118,972</u>	<u>119,259</u>
CURRENT LIABILITIES		
Short term borrowings	64,930	16,162
Trade and other payables	91,744	73,975
Other current liabilities	4,506	4,565
Provisions	5,153	8,435
	<u>166,333</u>	<u>103,137</u>
TOTAL LIABILITIES	285,305	222,396
TOTAL EQUITY AND LIABILITIES	810,887	738,519
Net assets per share (RM)	0.78	0.78

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to these interim financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPTEMBER 2013

	Share capital	Share premium	Accumulated losses	Total equity
	RM'000	RM'000	RM'000	RM'000
Opening balance at 1 January 2013	334,864	225,821	(44,564)	516,121
Total comprehensive income for the period	-	-	9,461	9,461
Closing balance at 30 Sept 2013	334,864	225,821	(35,103)	525,582
Opening balance at 1 January 2012	334,864	225,821	(57,588)	503,097
Total comprehensive income for the period	-	-	16,161	16,161
Closing balance at 30 Sept 2012	334,864	225,821	(41,427)	519,258

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to these interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE QUARTER ENDED 30 SEPTEMBER 2013

	9 months ended 30.09.2013 RM'000	9 month ended 30.09.2012 RM'000
Operating activities		
Profit before tax	12,532	18,673
Adjustment for :		
Depreciation	258	294
Bad debts written off	122	-
Provision for legal claim written back	(3,035)	-
Property, plant and equipment written off	35	1
Impairment loss recovered on trade receivables	(300)	(163)
Interest income	(397)	-
Interest expenses	715	-
Operating profit before changes in working capital	9,930	18,805
Change in trade and other receivables	(75,228)	(105,951)
Change in trade and other payables	16,880	49,699
Change in property development cost	(2,851)	6,237
Change in inventories	-	274
Cash flows used in operating activities	(51,269)	(30,936)
Interest paid	(132)	-
Taxes refunded	72	-
Taxes paid	(1,577)	(1,993)
Net cash used in operating activities	(52,906)	(32,929)

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NOTES TO THE 3rd QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE QUARTER ENDED 30 SEPTEMBER 2013

	9 months ended 30.09.2013 RM'000	9 months ended 30.09.2012 RM'000
Investing activities		
Purchase of property, plant and equipment	(70)	(51)
Interest received	239	-
Net cash from/(used in) investing activities	169	(51)
Financing activities		
Repayment of term and bridging loan	(4,813)	(173)
Drawdown of bridging loan	57,500	15,105
Repayment of obligations under finance leases	(133)	(106)
Net cash from financing activities	52,554	14,826
Net decrease in cash and cash equivalents	(183)	(18,154)
Cash and cash equivalents at beginning of period	38,292	37,825
Cash and cash equivalents at the end of period	38,109	19,671
Cash and cash equivalents comprise:		
Cash and bank balances	13,007	4,332
Deposit with licensed banks	29,202	19,545
	42,209	23,877
Less : Bank overdraft	(4,100)	(4,206)
	38,109	19,671

The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to these interim financial statements.

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NOTES TO THE 3rd QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

1. BASIS OF PREPARATION

The condensed consolidated interim financial statements ("Condensed Report") are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

This condensed report has also been prepared on a historical basis.

This condensed report should be read in conjunction with the audited financial statements for the year ended 31 December 2012. These explanatory notes attached to this condensed report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2012.

2. CHANGES IN ACCOUNTING POLICIES

2.1 Adoption of Standards, Amendments and IC interpretations

The accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2012.

2.2 Standards and interpretations issued but not yet effective

Amendments to FRS 9	Mandatory Effective Date of FRS 9 and Transition Disclosures
Amendments to FRS 10	Consolidation Financial Statements: Investment Entities
Amendments to FRS 12	Disclosure of Interests in Other Entities: Investment Entities
Amendments to FRS 127	Consolidated and Separate Financial Statements: Investment Entities
Amendments to FRS 132	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities

The Group will adopt the above pronouncements when they become effective in the respective financial periods. Based on the directors' preliminary assessment, they are of the opinion that the standards and amendments above will have no material impact on the financial statements in the year of initial adoption.

2.3 Malaysian Financial Reporting Standards

On 19 November 2011, the Malaysian Accounting Standards Board (the Board) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

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NOTES TO THE 3rd QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

2. CHANGES IN ACCOUNTING POLICIES (CONT'D)

2.3 Malaysian Financial Reporting Standards (Cont'd)

On 7 August 2013, the Board has decided to extend the transitional period for another year; consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2015.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2015. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The directors are of the opinion that the financial performance and financial position as disclosed in these financial statements for the year ending 31 December 2014 would not be significantly different if prepared under the MFRS Framework, except for the revenue recognition for its property development projects.

The Group currently recognises revenue arising from property development projects using the stage of completion method. Upon the adoption of MFRS, the Group may be required to change its accounting policy to recognise such revenues at completion, or upon or after delivery. The Group is in the process of making an assessment of the impact of this change in accounting policy.

3. AUDITORS' REPORT OF THE PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2012

The auditors' report on the financial statements of the Company and of the Group for the financial year ended 31 December 2012 was not subject to any qualification.

4. SEASONAL OR CYCLICAL FACTORS

The Group's business operations are not seasonal but cyclical in nature, which is dependent on the economic conditions in Malaysia.

5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period under review because of their nature, size, or incidence.

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NOTES TO THE 3rd QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

6. CHANGES IN ESTIMATES

There were no changes in estimates of amounts reported in previous quarters of the current financial period or changes in estimates of amounts reported in prior financial years that have had a material effect in the current quarter.

7. DEBTS AND EQUITY SECURITIES

There were no issuances and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the quarter ended 30 September 2013.

8. CAPITAL MANAGEMENT AND REPAYMENT OF DEBT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. In order to maintain the optimal capital structure, the Group may, from time to time, adjust the dividend payments to shareholders, return capital to shareholders, issue new shares, redeem debts or sell assets to reduce debts, where necessary.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises borrowings and trade and other payables, less cash and bank balances whereas total capital comprises the equity attributable to equity holders of the Group.

The gearing ratios as at 30 September 2013 and 31 December 2012, which are within the Group's objectives for capital management, are as follows:-

	30.09.2013	31.12.2012
	RM'000	RM'000
Borrowings	66,369	17,589
Trade and other payables	91,744	73,975
Less: Cash and bank balances	(42,209)	(46,297)
Net debt	<u>115,904</u>	<u>45,267</u>
Equity	<u>525,582</u>	<u>516,123</u>
Total capital	<u>525,582</u>	<u>516,123</u>
Capital and net debt	641,486	561,390
Gearing ratio	18.1%	8.1%

The increase in the gearing ratio of 18.1% in the current quarter ended 30 September 2013, as compared to previous year of 8.1% were due to increase in bank borrowings and amounts owing to subcontractors.

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NOTES TO THE 3rd QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

8. CAPITAL MANAGEMENT AND REPAYMENT OF DEBT (CONT'D)

The details of the drawdown and the repayment of bank borrowings in the current quarter are as follows:

	Current year quarter 30.09.2013 RM'000	9 months cumulative to date 30.09.2013 RM'000
a) Drawdown on new bank borrowings	57,500	57,500
b) Repayment of bank borrowings	-	(9,474)

9. DIVIDENDS

No dividends were recommended, declared, or paid during the financial period ended 30 September 2013.

10. VALUATION OF INVESTMENT PROPERTIES

The valuations of investment properties had been brought forward from the audited financial statements for the financial year ended 31 December 2012, without amendments.

11. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

There were no material events subsequent to the end of the current quarter that have not been reflected in the quarterly financial statements.

12. GROUP COMPOSITION

There were no material changes in the composition of the Group during the financial quarter under review.

13. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

The Group has no contingent liabilities except for the following and as disclosed under Note 28 :

	30.09.2013 RM'000	30.09.2012 RM'000
Corporate guarantees given by the Company to financial institutions for facilities granted to subsidiaries	184,966	111,550
- Current exposure	61,807	18,842
Performance bond issued by subsidiaries involved in construction activities	51,266	22,850

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NOTES TO THE 3rd QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

14. OPERATING SEGMENTS

The following tables provide an analysis of the Group's revenue, results, assets and liabilities by business segments:-

As at 30 Sept 2013 RM'000	Property Development	Construction	Property Management	Elimination	Consolidated
Revenue					
Revenue	-	170,700	-	-	170,700
Other income	142	253	-	-	395
Unallocated other income	-	-	-	-	14
	142	170,953	-	-	171,109
RESULT					
Segment results	1,992	13,602	(10)	(1,464)	14,120
Unallocated corporate expenses					(874)
Finance costs					(715)
Profit before tax					12,531

As at 30 Sept 2012 RM'000	Property Development	Construction	Property Management	Elimination	Consolidated
Revenue					
Revenue	22,107	129,603	-	(1,988)	149,722
Other income	330	185	-	-	515
Unallocated other income	-	-	-	-	15
	22,437	129,788	-	(1,988)	150,252
RESULT					
Segment results	13,290	9,953	(6)	(3,321)	19,916
Unallocated corporate expenses					(1,142)
Finance costs					(101)
Profit before tax					18,673

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NOTES TO THE 3rd QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

14. OPERATING SEGMENTS (CONT'D)

ASSETS AND LIABILITIES

As at 30 Sept 2013 RM'000	Property Development	Construction	Property Management	Elimination	Consolidated
<u>ASSETS</u>					
Segment assets	614,766	218,990	24	(124,221)	709,559
Investment properties					308
Available-for-sale investments					90
Unallocated corporate assets					100,930
Consolidated total assets					810,887
<u>LIABILITIES</u>					
Segment liabilities	(160,747)	(245,786)	(524)	124,221	(282,836)
Unallocated corporate liabilities					(2,469)
Consolidated total liabilities					(285,305)

As at 30 Sept 2012 RM'000	Property Development	Construction	Property Management	Elimination	Consolidated
<u>ASSETS</u>					
Segment assets	591,671	172,904	26	(112,852)	651,749
Investment properties					308
Available-for-sale investments					90
Unallocated corporate assets					102,412
Consolidated total assets					754,559
<u>LIABILITIES</u>					
Segment liabilities	(160,865)	(184,724)	(487)	112,852	(233,224)
Unallocated corporate liabilities					(2,077)
Consolidated total liabilities					(235,301)

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NOTES TO THE 3rd QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

15. RELATED PARTY TRANSACTIONS

Significant related party transactions are as follows:

	3 months ended		9 months ended	
	30.09.2013	30.09.2012	30.09.2013	30.09.2012
	RM'000	RM'000	RM'000	RM'000
Purchase of raw materials from Wengcon Marketing Sdn. Bhd., a subsidiary of a company of which a director of the Company has interest	-	-	5,996	-
Rental of equipment paid or payable to Wengcon Equipment Sdn. Bhd., a subsidiary of a company of which a director of the Company has interest	-	-	2	-

The directors are of the opinion that the above transactions have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

16. REVIEW OF PERFORMANCE

(i) 3rd quarter 2013 vs 3rd quarter 2012, comparison with the preceding quarter.

a) Property Development

As of to date, the Group has not launched any new products for the period under review and is expected to launch its new luxury apartment, The Botanica by end of the year. Revenue of RM21.6 million recorded in 3rd quarter 2012 was mainly contributed by sale of commercial land to Northstar Frontier Sdn Bhd.

b) Construction

During 3rd quarter 2013, revenue generated from construction activities increased to RM170.7 million as compared to 3rd quarter 2012 of RM129.6 million. This was attributed by the projects awarded by Unit Perancang Ekonomi Negeri Johor (UPEN) on Pengerang-Building and Infrastructure worth RM335 million and Rimbulan Kaseh-Earthwork worth RM32 million.

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NOTES TO THE 3rd QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

16. REVIEW OF PERFORMANCE (CONT'D)

- (ii) 3rd quarter 2013 vs 2nd quarter 2013, comparison with the previous corresponding quarter.
- a) Property Development
No revenue was recorded from property development in the previous corresponding and current quarter.
- b) Construction
The revenue generated from construction activities has increased from RM65.2 million in 2nd quarter 2013 to RM74.7 million in the current quarter was due to projects awarded by UPEN as mentioned in the above 16(i)(b).

17. PROSPECTS

The Group looks forward to 2014 with optimism especially in respect of property development activities as the Group expects to launch its new product, The Botanica @ Bayu Puteri, at the end of 2013. The development plan which has been submitted for approval comprise 3 towers of 792 units apartment and 3 blocks of 54 units townhouse with an expected gross development value of RM488 million.

For the construction activities, the Company is carrying out its appointment as "contractor" for Pengerang; building & infrastructure contract and for Rimbunan Kaseh; earthwork contract. These two contracts will contribute improvement to revenue and net profit for construction division for the financial year 2013. The Group is also exploring potential joint venture with a new performance to enhance the potential of the group.

18. PROFIT FORECAST

The Group has not provided any profit forecast in a public document.

19. TAXATION

	Quarter ended		9 months cumulative to date	
	30.09.2013	30.09.2012	30.09.2013	30.09.2012
	RM'000	RM'000	RM'000	RM'000
Income tax	1,732	3,336	3,367	3,410
Deferred tax	(17)	(672)	(297)	(897)
	<u>1,715</u>	<u>(2,664)</u>	<u>3,070</u>	<u>(2,513)</u>

Income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated assessable profit for the period.

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NOTES TO THE 3rd QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

19. TAXATION (CONT'D)

	Current quarter 30.09.2013 RM'000	9 months cumulative to date 30.09.2013 RM'000
Major components of tax expenses:		
Profit before tax	5,619	12,531
Taxation at the Malaysian statutory tax rate of 25%	1,405	3,133
Adjustments:		
- Income not subject to taxation	-	(798)
- Non- deductible expenses	1,006	1,273
- Overprovision in prior year	(696)	(538)
Income tax expenses	1,715	3,070
Effective tax rate	30.52%	24.50%

20. UNQUOTED INVESTMENTS AND PROPERTIES

There were no purchases or sales of unquoted investments and properties for the current quarter and financial period-to-date.

21. QUOTED INVESTMENTS

There were no purchases or sales of quoted securities for the current quarter and financial period-to-date.

There were no investments in quoted securities as at the end of the current quarter.

22. STATUS OF CORPORATE PROPOSALS

There were no corporate proposals announced but not completed as at the reporting date.

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NOTES TO THE 3rd QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

23. BORROWINGS AND DEBT EQUITIES

Details of the Group's borrowings (all denominated in Malaysian currency) as at 30 September 2013 are as follows:

Secured	Current RM'000	Non current RM'000	Total RM'000
Contract Financing – Note 1	3,195	-	3,195
Bridging loans – Note 2	-	1,113	1,113
Revolving Credit – Note 3	57,500	-	57,500
Obligations under finance lease	134	327	461
Bank overdraft	4,100	-	4,100
Total	64,929	1,440	66,369

Note 1 : As at 30 September 2013, the balance of RM3,195 million as stated above is an amount due to Bank Kerjasama Rakyat Malaysia Bhd in relation to Short Term Advance facilities dedicated to Package B Project with State Secretary Incorporated (“SSI”). The facilities will be repaid through direct deduction from the contract proceeds received. The Group had received an outstanding of RM36 million from SSI in Oct 2013.

Note 2 : As at 30 September 2013, RM1.1 million has been drawdown from the Bridging facilities of RM32.2 million under the Bai ‘Al Istisna with Bank Kerjasama Rakyat Malaysia Bhd. The facility will be repaid through the redemption from sale of development properties products.

Note 3 : As at 30 September 2013, RM57.5 million has been withdrawn from Revolving Credit (RC) Facilities with Amlslamic Bank Berhad to finance Rimbunan Kaseh Project for Earthwork & Site Clearing and Building & Infrastructure Project in Pengerang Kota Tinggi.

24. REALISED AND UNREALISED PROFITS/LOSSES

The Group's realised and unrealised accumulated losses disclosure is as follows:

RM'000	For the quarter ended 30.09.2013	For the quarter ended 30.06.2013
Total accumulated losses of the Company and subsidiaries:		
- Realised	(14,679)	(18,602)
- Unrealised	1,157	1,176
	<u>(13,522)</u>	<u>(17,426)</u>
Add: Consolidation adjustments	(21,581)	(21,581)
Total Group accumulated losses	<u>(35,103)</u>	<u>(39,007)</u>

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NOTES TO THE 3rd QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

25. PROFIT BEFORE TAX

The following amounts have been included in arriving at profit before tax:

	Quarter ended		9 months cumulative to date	
	30.09.2013 RM'000	30.09.2012 RM'000	30.09.2013 RM'000	30.09.2012 RM'000
Depreciation	79	95	258	295
Bad debts written off	-	-	122	15
Impairment loss recovered on trade receivables	-	(163)	(300)	(163)
Interest income	(28)	(111)	(396)	(348)
Interest expenses	61	50	715	101
Other income	(1)	(37)	(12)	(182)
Provision for legal claim written back	-	-	(3,035)	-
Property, plant and equipment written off	-	1	35	1

Other than as disclosed above, the other items as required under Appendix 9B, Part A (16) of the Bursa Malaysia Listing Requirement are not applicable.

26. EVENTS AFTER REPORTING PERIOD

There were no material events subsequent to the end of the current quarter.

27. DERIVATIVES

- There were no outstanding derivatives (including financial instruments designated as hedging instruments) as at the end of the quarter ended 30 September 2013; and
- The Group has not entered into a type of derivatives not disclosed in the previous financial year or any of the previous quarters under the current financial period.

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NOTES TO THE 3rd QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

28. MATERIAL LITIGATION

<p><u>Case No./Parties</u></p> <p>Johor Bahru High Court Writ No. 22C-7-10/2013 ML Sepakat Sdn Bhd vs. Tebrau Bay Constructions Sdn Bhd</p> <p><u>Descriptions</u></p> <p>Tebrau Bay Constructions Sdn Bhd (“TBCSB”), a wholly owned subsidiary of Tebrau Teguh Berhad was served with a sealed copy of a Writ of Summons and Statement of Claim (“the Writ”) on 1 November 2013 by ML Sepakat Sdn Bhd (“MSSB”) claiming for:</p> <ol style="list-style-type: none">1. a sum of RM28,979,574.76 being the sum allegedly owned by TBCSB pursuant to site clearance and earthworks contract awarded by TBCSB to MSSB;2. a sum of RM2,942,500.00 being the retention monies held by TBCSB; and3. interest on the claimed amounts and other incidental costs. <p>TBCSB is in the midst of seeking legal advice to defend against the Writ.</p>
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29. DIVIDEND PAYABLE

No interim ordinary dividend has been declared for the financial period ended 30 September 2013 (31 December 2012 : RMNil).

30. EARNINGS PER SHARE

The basic earnings per share for the financial period has been calculated based on the Group's earnings after taxation and divided by the 669,727,143 ordinary shares of RM0.50 each in issue during the financial period.

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NOTES TO THE 3rd QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

31. STATUS OF JOINT VENTURE PROJECTS

Following is the status of the existing joint venture projects as at 30 September 2013:

	Paradise Realty Sdn. Bhd.
<u>Development Status</u>	
Total land area	20.324 acres
% land under development	100%
% of development completed	35 %
% of development not yet completed	65 %
<u>Joint Venture Consideration</u>	
Minimum consideration (RM'000)	30,067
Amount invoiced (RM'000)	12,302
Amount collected (RM'000)	(12,302)
Outstanding as at 30 September 2013 (RM'000)	-

32. AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 14th November 2013.