

FINANCIAL RESULTS

* New Announcement

Submitting Secretarial Firm Name : TRICOR CORPORATE SERVICES SDN. BHD.

* Company name : **TEO GUAN LEE CORPORATION BHD (283710-A)**

* Stock name : **TGL**

* Stock code : **9369**

* Contact person : Madam Toh Kian Beng

* Designation : Executive Director

PART A1: QUARTERLY REPORT

* Quarterly report for financial period ended : **30th September 2010**

* Quarter : **1st Quarter**

* Financial Year End : **30th June 2011**

* The figures : Have not been audited

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2010 (UNAUDITED)**

	Note	INDIVIDUAL QUARTER 3-MONTHS ENDED		CUMULATIVE PERIOD 3-MONTHS ENDED	
		CURRENT YEAR QUARTER 30/09/2010 RM'000	AS RESTATED PRECEDING YEAR CORRESPONDING QUARTER 30/09/2009 RM'000	CURRENT YEAR TO DATE 30/09/2010 RM'000	AS RESTATED PRECEDING YEAR CORRESPONDING PERIOD 30/09/2009 RM'000
Revenue	(A) 9	45,387	41,976	45,387	41,976
Gross profit		18,564 41%	17,151 41%	18,564 41%	17,151 41%
Other operating income		40	32	40	32
Operating expenses		<u>(6,882)</u>	<u>(5,877)</u>	<u>(6,882)</u>	<u>(5,877)</u>
Profit from the operation		11,722	11,306	11,722	11,306
Finance costs		<u>(193)</u>	<u>(233)</u>	<u>(193)</u>	<u>(233)</u>
Profit before taxation		11,529	11,073	11,529	11,073
Taxation	B(19)	<u>(2,985)</u>	<u>(2,778)</u>	<u>(2,985)</u>	<u>(2,778)</u>
Profit for the period		<u>8,544</u>	<u>8,295</u>	<u>8,544</u>	<u>8,295</u>
Other comprehensive income for the period, net of tax		<u>64</u>	<u>-</u>	<u>64</u>	<u>-</u>
Total comprehensive income for the period		<u>8,608</u>	<u>8,295</u>	<u>8,608</u>	<u>8,295</u>
Profit attributable to :					
Equity holders of the parent		8,594	8,282	8,594	8,282
Non-controlling interest		<u>(50)</u>	<u>13</u>	<u>(50)</u>	<u>13</u>
		<u>8,544</u>	<u>8,295</u>	<u>8,544</u>	<u>8,295</u>
Total comprehensive income attributable to:					
Equity holders of the parent		8,658	8,282	8,658	8,282
Non-controlling interest		<u>(50)</u>	<u>13</u>	<u>(50)</u>	<u>13</u>
		<u>8,608</u>	<u>8,295</u>	<u>8,608</u>	<u>8,295</u>
Earnings per share					
-Basic	(B) 28	21.39	20.66	21.39	20.66
-Diluted	(B) 28	<u>21.30</u>	<u>20.66</u>	<u>21.30</u>	<u>20.66</u>

The condensed consolidated statements of comprehensive income statements should be read in conjunction with the audited financial statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

TEO GUAN LEE CORPORATION BHD (COMPANY NUMBER 283710-A)**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
AS AT 30 SEPTEMBER 2010

	Note	AS AT END OF CURRENT PERIOD 30/09/2010 (UNAUDITED) RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 30/06/2010 AUDITED RM'000 RESTATED
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	(A)10	5,442	5,523
Investment properties	(A)10	24,064	24,819
Available for sale investments	(B)22	1,578	1,408
Deferred tax assets		159	188
		<u>31,243</u>	<u>31,938</u>
CURRENT ASSETS			
Inventories		47,885	43,044
Receivables		43,856	22,446
Tax assets		111	140
Cash and bank balances		1,413	665
		<u>93,265</u>	<u>66,295</u>
Non-current asset held for sale	(A)10	750	-
		<u>94,015</u>	<u>66,295</u>
TOTAL ASSETS		<u>125,258</u>	<u>98,233</u>
EQUITY AND LIABILITIES			
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT			
Share capital		40,306	40,158
Reserves		27,838	19,180
		<u>68,144</u>	<u>59,338</u>
Non-controlling interest		876	926
TOTAL EQUITY		<u>69,020</u>	<u>60,264</u>
NON-CURRENT LIABILITIES			
Borrowings	(B) 24	4,717	4,961
Deferred tax liabilities		2,341	2,404
		<u>7,058</u>	<u>7,365</u>
CURRENT LIABILITIES			
Payables		31,138	14,872
Tax liabilities		3,257	954
Borrowings	(B) 24	14,722	14,778
		<u>49,117</u>	<u>30,604</u>
Liability directly associated with non-current asset held for sale		63	-
		<u>49,180</u>	<u>30,604</u>
TOTAL LIABILITIES		<u>56,238</u>	<u>37,969</u>
TOTAL EQUITY AND LIABILITIES		<u>125,258</u>	<u>98,233</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2010 (UNAUDITED)**

	Attributable to equity holders of the parent						Non-Controlling Interest RM'000	Total Equity RM'000
	Non-distributable			Distributable				
Share Capital RM'000	Foreign Currency Reserve RM'000	Revaluation Reserve RM'000	Fair value Reserve RM'000	Retained Profits RM'000	Total RM'000			
Balance at 1 July 2009	40,085	(158)	70	-	12,819	52,816	929	53,745
Total comprehensive income for the period	-	112	196	-	9,133	9,441	(3)	9,438
Transactions with owners								
Employees share option scheme - proceeds from share issued	73	-	-	-	-	73	-	73
Dividend relating to year 2009 paid on 29 December 2009	-	-	-	-	(3,010)	(3,010)	-	(3,010)
	73	-	-	-	(3,010)	(2,937)	-	(2,937)
Balance at 30 June 2010	40,158	(46)	266	-	18,942	59,320	926	60,246

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY (cont'd)
FOR THE QUARTER ENDED 30 SEPTEMBER 2010 (UNAUDITED)

	Attributable to equity holders of the parent						Non-Controlling Interest RM'000	Total Equity RM'000
	Non-distributable			Distributable				
	Share Capital RM'000	Foreign Currency Reserve RM'000	Revaluation Reserve RM'000	Fair value Reserve RM'000	Retained Profits RM'000	Total RM'000		
Balance at 1 July 2010	40,158	(46)	266	-	18,942	59,320	926	60,246
Effect of apply FRS 139	-	-	-	18	-	18	-	18
	40,158	(46)	266	18	18,942	59,338	926	60,264
Total comprehensive income for the period	-	-	-	64	8,594	8,658	(50)	8,608
Transactions with owners								
Employees share option scheme - proceeds from share issued	148	-	-	-	-	148	-	148
Balance at 30 September 2010	40,306	(46)	266	82	27,536	68,144	876	69,020

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2010 (UNAUDITED)**

	3-MONTHS ENDED 30/09/2010	3-MONTHS ENDED 30/09/2009 AS RESTATE D
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	11,529	11,073
Adjustments for:		
Non-cash items		
Allowance for doubtful debts no longer required	-	(7)
Depreciation of property, plant and equipment	331	271
Inventories written off/written down	500	1,500
Impairment loss on investment properties	5	-
Gain on disposal of available for sales investment	(5)	-
	12,360	12,837
Dividend income	(4)	-
Interest expenses	193	233
Interest income	(1)	(1)
Operating profit before working capital changes	12,548	13,069
Increase in inventories	(5,341)	(8,290)
Increase in receivables	(21,410)	(18,284)
Increase in payables	16,266	12,040
Cash generated from/(used in) operations	2,063	(1,465)
Interest received	1	1
Interest paid	(193)	(233)
Tax paid	(624)	(357)
Net cash generated from/(used in) operating activities	1,247	(2,054)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(250)	(99)
Purchase of available for sale investment	(107)	-
Proceeds from disposal of available for sale investment	5	-
Dividend received	4	-
Proceeds from disposal of property, plant and equipment	-	1
Net cash used in investing activities	(348)	(98)

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

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2010 (UNAUDITED) (cont'd)**

	3-MONTHS ENDED 30/09/2010 RM'000	3-MONTHS ENDED 30/09/2009 AS RESTATED RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings	7,511	6,376
Issuance of shares	148	-
Net cash generated from financing activities	7,659	6,376
Net increase in cash and cash equivalents	8,558	4,224
Cash and cash equivalent at beginning of period	(9,019)	(3,677)
Cash and cash equivalent at end of period	(461)	547
Represented by:		
Deposit, cash and bank balances	1,413	1,797
Bank overdrafts	(1,874)	(1,250)
	(461)	547

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

**(A) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2010**

1. BASIS OF PREPARATION

The interim financial statements are unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements have been prepared under the historical cost convention except for investment properties that are stated at fair value.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30th June 2010. The explanatory notes attached to the interim financial statements 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 30th June 2010.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM’000) except when otherwise indicated.

2. CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30th June 2010 except for the adoption of:

FRS 101 (revised), Presentation of Financial Statements.

FRS 139, Financial Instruments: Recognition and Measurement.

FRS 132, Financial Instruments: Presentation

FRS 7, Financial Instruments: Disclosure.

Amendment to FRS 8

IC Interpretation 10, Impairment and Interim Financial Reporting

Amendments to FRS 139, FRS 7 and IC Interpretation 9

Amendment to FRS 117

The principal effects of the changes in presentation, changes in methods of computation and in accounting policies resulting from the adoption of the new and revised FRSs, IC Interpretations and Amendments are set out below:

(i) 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. With 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.

**(A) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2010 (cont'd)**

2. CHANGES IN ACCOUNTING POLICIES (cont'd)

(i) FRS 101(revised), Presentation of Financial Statements (cont'd)

The effects of the changes in presentation are as follows:

The gains and losses that were recognised directly in equity in the preceding financial year corresponding period are presented as components in other comprehensive income in the statement of comprehensive income. The total comprehensive income for preceding financial year corresponding period is presented separately and allocation is made to show the amount attributable to owners of the parent and to non-controlling interests.

Dividend per share that was previously presented on the face of the income statement is removed and presented on the face of the statement of changes in equity.

The total comprehensive income for the financial period is presented as a one-line item in the statement of changes in equity.

(ii) FRS 139: Financial instruments: Recognition and Measurement

The measurement bases applied to the financial assets and liabilities in the prior financial year were changed to conform to the measurement standards of FRS 139 in the current quarter. At initial recognition, all financial assets and liabilities are measured at their fair value plus in the case of financial instruments not at fair value through profit or loss, transaction costs directly attributable to the acquisition or issuance of the instruments.

Subsequent to their initial recognition, the financial assets and liabilities are measured as follows:

	Category	Measurement basis
1	Financial instruments at fair value through profit or loss	At fair value through profit or loss
2	Held to maturity investments	At amortised cost effective interest method
3	Loans and receivable	At amortised cost effective interest method
4	Available for sale investments	At fair value through other comprehensive income, unless fair value cannot be reliably measured, in which case, they are measured at cost
5	Loans and other financial liabilities	At amortised cost effective interest method

All financial assets other than those classified as at fair value through profit or loss are subject to impairment test of FRS 136.

(A) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2010 (cont'd)

2. CHANGES IN ACCOUNTING POLICIES (cont'd)

(ii) FRS 139: Financial instruments: Recognition and Measurement (cont'd)

With the adoption of FRS 139, the non-current investment previously stated at the lower of cost and net realisable value is currently classified as available for sale investment and is measured at fair value. In accordance with FRS 139, the recognition, derecognition and measurement requirement are applied prospectively from 1st July 2010. The effects of the re-measurement on 1st July 2010 of the financial assets and financial liabilities brought forward from the previous financial year are adjusted to the opening retained profits and other operating reserves as disclosed in the statement of changes in equity. The effect of the reclassification to the comparative of the prior financial year's consolidated statement of financial position is as follows:

	As previously reported	Adjustment	As restated
30 th June 2010	RM'000	RM'000	RM'000
Available for sales investment	1,390	18	1,408
Reserves			
Foreign currency translation	(46)	-	(46)
Revaluation reserve	266	-	266
Fair value reserve	-	18	18
Retained profits	18,942	-	18,942
	19,162	18	19,180

(iii) FRS 7, Financial instrument: Disclosures

Prior to the adoption of FRS 7, the disclosures for financial instruments were based on the requirements of the original FRS 132, Financial Instruments: Disclosure and Presentation. With the adoption of FRS 7, financial assets and financial liabilities are disclosed in the statement of financial position based on their respective classifications. However, FRS 7 disclosures are not required in the interim financial statements, and hence, no further disclosures are required in these interim financial statements.

(iv) IC Interpretation 10, Impairment and Interim Financial Reporting

Prior to the adoption of IC Interpretation 10, impairment losses for equity investment recognised in an earlier interim period were reversed in a later interim period when tests revealed that the losses have reversed. With the adoption of IC Interpretation 10 and FRS 139 on 1st July 2010, the policy has been changed to conform to the impairment requirement of FRS 139. Impairment losses recognised for available for sale equity investments in an interim period are not reversed in a subsequent interim period. This changes in basis has no effect to the profit or loss of the current period ended 30th September 2010.

**(A) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2010 (cont'd)**

2. CHANGES IN ACCOUNTING POLICIES (cont'd)

(vi) Amendment to FRS 117, Leases

Prior to the adoption of the Amendment to FRS 117, leasehold lands were treated as operating leases. The considerations paid were classified and presented as prepaid lease payments in the statement of financial position. With the adoption of the Amendment to FRS 117, the Group has reassessed and determined that all leasehold land of the Group which is in substance financial leases and has reclassified the leasehold land to property, plant and equipment. The change in accounting policy has been made retrospectively in accordance with the transitional provisions of the amendment. The reclassification has no effect to the profit or loss of the current financial period ended 30th September 2010 or the comparative prior financial period. The effect of the reclassification to the comparative of the prior financial year's consolidated statement of financial position is as follows:

	As previously Report	Effects on adoption of amendment FRS117	As restated
30 th June 2010	RM'000	RM'000	RM'000
Prepaid lease payment	531	(531)	-
Property, plant and equipment	4,992	531	5,523
	<u>5,523</u>	<u>-</u>	<u>5,523</u>

The adoption of the abovementioned Standard does not have significant impact on the financial statements of the Group except for additional disclosure requirements.

3. QUALIFICATION OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report of the most recent annual financial statements for the financial year ended 30th June 2010 was not qualified.

4. SEASONAL OR CYCLICAL FACTORS

The Group is principally involved in the manufacture, wholesale and retail of garments and related accessories. The demand for the Group's products is generally dependent on the Malaysian economy, consumer confidence and is seasonal with demand peaking at the festive seasons at the end and beginning of the year.

5. UNUSUAL MATERIAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the financial period under review.

6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates that have a material effect to the current quarter results.

**(A) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2010 (cont'd)**

7. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the interim quarter under review other than issuance of 147,400 new ordinary shares of RM1.00 each under ESOS scheme at RM1.00 each.

8. DIVIDEND PAID

No dividends were paid during the quarter under review.

9. SEGMENTAL REPORTING

3-months ended 30th September 2010

	Revenue RM'000	Profit before taxation RM'000
Apparels	46,601	11,687
Investment properties	436	246
Consolidation adjustments	(1,650)	(404)
	<hr/>	<hr/>
	45,387	11,529
	<hr/>	<hr/>

The Group's business activities were predominantly carried out in Malaysia.

10. CARRYING AMOUNT OF REVALUED ASSETS

The valuation of land and buildings have been brought forward, without amendment from the financial statements for the financial year ended 30th June 2010 except for adjustment for impairment loss on investment property amounted RM5,400 based on subsequent selling price as disclosed in Note 11.

11. MATERIAL SUBSEQUENT EVENTS

There were no material events subsequent to 30th September 2010 except for disposal of property by P.P.A.C (M) Sdn. Bhd. ("PPAC"), a wholly-owned subsidiary of the Company to a related party, Toh Peng Chooi Holdings Sdn. Bhd. ("TPCH"), for a total consideration of RM750,000, as announced on 15th October 2010. Accordingly, the above investment property was reclassified as non-current asset held for sale.

12. CHANGES IN COMPOSITION OF GROUP

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

(A) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2010 (cont'd)

13. CONTINGENT LIABILITIES

As at the date of this report, the Group has contingent liabilities as follows:-

Unsecured

Corporate guarantees for credit facilities granted to subsidiary companies

RM'000

42,878

14. CAPITAL COMMITMENTS

Capital commitment as at 30th September 2010 is as follows:

Contracted

Non-cancellable operating lease commitment

- Not later than 1 year

- Later than 1 year and not later than 5 years

RM'000

737

483

1,220

15. SIGNIFICANT RELATED PARTY TRANSACTIONS

The Group undertakes at agreed terms and prices, the following significant related party transactions for the financial period ended 30th September 2010.

Purchase of goods from

- Perniagaan Sulam Kim Bin (M) Sdn. Bhd.

Rental paid to

- TGL Packaging Sdn. Bhd.

- TGL Industries Sdn. Bhd.

- Bidang Cendana Sdn. Bhd.

RM'000

42

151

120

70

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**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2010**

16. REVIEW OF PERFORMANCE

Revenues for the current quarter under review was RM45.39 million as compared to RM41.98 million recorded in the same quarter in previous year, an increased of 8.12% or RM3.41 million. The increase is mainly due to better sales nationwide mega sales and Hari Raya festive season.

The Group recorded a profit before taxation of RM11.53 million during the current quarter under review, increased by 4.16% or RM0.46 million as compared to a profit before taxation of RM11.07 million registered in the previous year's same quarter. The increase is mainly due to the increase in sales as mentioned above.

The gross profit during the current quarter is approximately 41%, which is fairly consistent compared with the previous year's same quarter.

17. COMPARISON WITH PRECEDING QUARTER'S REPORT

	Quarter ended 30 September 2010 RM'000	Quarter ended 30 June 2010 RM'000
Revenue	45,387	19,932
Profit before taxation	11,529	(102)

As compared to the previous quarter, revenue for the quarter under review increased by RM25.46 million or 127.71%.

For the first quarter ended 30th September 2010, profit before taxation of the Group was RM11.53 million, compared with loss before taxation of RM0.10 million recorded in preceding quarter ended 30th June 2010.

The higher revenue and profit before taxation achieved in the current quarter under review was mainly due to higher sales recorded during nationwide mega sales and Hari Raya festive season.

18. COMMENTARY ON PROSPECTS

The local retail market remains challenging and competitive. Nevertheless, the Group maintains a cautious approach to the current financial year and continue to implement stringent cost controls and strategic measures to improve its performance.

Barring any unforeseen circumstances, the Directors are cautiously optimistic that the Group is able to achieve a comparable performance for the current financial year to that achieved during the previous financial year.

19. VARIANCE FROM PROFIT FORECASTS

Not applicable as the Group did not publish any profit forecast.

**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2010 (cont'd)**

20. TAXATION

	3-months ended 30 September	
	2010 RM'000	2009 RM'000
Tax liabilities at 1 July	814	748
Current period's provision	2,956	2,669
Net payment made during the period	(624)	(357)
Tax liabilities as at 30 September	3,146	3,060
Disclosed as:		
Tax assets	(111)	(227)
Tax liabilities	3,257	3,287
	3,146	3,060
Taxation expense for the period:-		
Malaysian taxation	2,956	2,669
Deferred taxation	29	109
	2,985	2,778

The effective tax rate for the six months ended 30th September 2010 was 26%.

21. PROFIT ON SALE OF INVESTMENT AND/OR PROPERTIES

There was no profit on sale of investment and/or properties for for the quarter ended 30th September 2010 other than as disclosed in Note 22.

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**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2010 (cont'd)**

22. PURCHASE OR DISPOSAL OF QUOTED SECURITIES

- (a) The gain on disposal of quoted securities for the quarter under review is RM4,943.
- (b) The Group acquired additional quoted securities for RM106,931 during the quarter under review.
- (c) The investments in quoted shares as at end of the reporting period were:
- | | |
|---|-----------|
| | RM'000 |
| (i) At cost | 1,678,385 |
| (ii) At carrying value | 1,451,445 |
| (iii) At market value as at 30 th September 2010 | 1,451,445 |

23. CORPORATE PROPOSAL

At the date of this report, there are no corporate proposals which have been announced that remain uncompleted.

24. GROUP BORROWINGS AND DEBT SECURITIES

	As at	
	30 September	
	2010	2009
	RM'000	RM'000
(a) Short term borrowings		
- Unsecured	13,212	18,726
- Secured	1,510	1,544
	14,722	20,270
 (b) Long term borrowings		
- Secured	4,717	6,330
	4,717	6,330
 Total	19,439	26,600

The above borrowings are all denominated in Ringgit Malaysia.

**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2010 (cont'd)**

25. FINANCIAL INSTRUMENTS - DERIVATIVE

There Group has not entered into any derivative financial instruments during the quarter under review.

26. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

The Group does not have any financial instruments with off balance sheet risk as at 30th September 2010.

27. MATERIAL LITIGATION

There were no material litigation pending at the date of this announcement.

28. DIVIDEND PAYABLE

The first and final dividend which has been declared for the financial year ended 30th June 2010 is as follows:

Rate	:	15 sen per share less 25% tax
Announced	:	11 th October 2010
Book Closure	:	1 st December 2010
Payment Date	:	22 nd December 2010

29. EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share of the Group is calculated based on the net profit attributable to shareholders divided by weighted average number of ordinary shares in issue as follow:-

	3-month ended	
	30 September	
	2010	2009
		Restated
Net profit attributable to shareholders (RM'000)	8,594	8,282
Weighted average number of ordinary shares in issue ('000)	40,183	40,085
Basic earningsper share (sen)	21.39	20.66

The basic earnings per shares of the Group is calculated based on profit attributable to shareholders divided by the weighted average number of ordinary shares in issue.

**(B) NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2010 (cont'd)**

29. EARNINGS PER SHARE (cont'd)

(b) Diluted earnings per share

The diluted earnings per share of the Group for the financial year is calculated based on the profit attributable to equity holders divided by the adjusted weighted average number of ordinary shares.

The weighted average number of ordinary shares is adjusted to assume the conversion of all dilutive potential shares, namely share options granted under the Company's ESOS scheme, and is calculated as follows:

	3-month ended 30 September	
	2010	2009
		Restated
Net profit attributable to shareholders (RM'000)	8,594	8,282
Weighted average number of ordinary shares in issue ('000)	40,339	40,085
Basic earnings per share (sen)	21.30	20.66

30. AUTHORISED FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with the resolution of the directors on 25th November 2010.

For and on behalf of the Board,
Teo Guan Lee Corporation Berhad

Tan Choong Khiang
Company Secretary

Date: 25th November 2010