



TOMEI CONSOLIDATED BERHAD (692959-W)
(Incorporated in Malaysia)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2012

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2012

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31/3/2012	31/3/2011	31/3/2012	31/3/2011
	RM'000	RM'000	RM'000	RM'000
Revenue	155,685	115,244	155,685	115,244
Cost of sales	(116,127)	(81,677)	(116,127)	(81,677)
Gross profit	39,558	33,567	39,558	33,567
Other income	1,175	1,407	1,175	1,407
Selling and distribution expenses	(22,380)	(17,152)	(22,380)	(17,152)
Administrative expenses	(4,990)	(4,874)	(4,990)	(4,874)
Other expenses	(439)	(137)	(439)	(137)
Profit from operations	12,924	12,811	12,924	12,811
Finance costs	(2,466)	(1,730)	(2,466)	(1,730)
Profit before tax	10,458	11,081	10,458	11,081
Tax expense	(2,744)	(2,727)	(2,744)	(2,727)
Profit for the period	7,714	8,354	7,714	8,354
Profit attributable to:-				
Owners of the parent	7,569	8,202	7,569	8,202
Non-controlling interest	145	152	145	152
	7,714	8,354	7,714	8,354
Earnings per ordinary share attributable to equity holders of the parent (sen):-				
Basic earnings per share	5.46	5.92	5.46	5.92
Diluted earnings per share *	N/A	N/A	N/A	N/A

* Not applicable

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(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2012 (Cont'd)

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31/3/2012	31/3/2011	31/3/2012	31/3/2011
	RM'000	RM'000	RM'000	RM'000
Profit for the period	7,714	8,354	7,714	8,354
Foreign currency translations	(74)	(307)	(74)	(307)
Total comprehensive income for the period	<u>7,640</u>	<u>8,047</u>	<u>7,640</u>	<u>8,047</u>
Total comprehensive income attributable to:-				
Owners of the parent	7,495	7,895	7,495	7,895
Non-controlling interest	145	152	145	152
	<u>7,640</u>	<u>8,047</u>	<u>7,640</u>	<u>8,047</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011. The accompanying notes form an integral part of this statement.

TOMEI CONSOLIDATED BERHAD (692959–W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2012

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2012

	As At 31/3/2012 RM'000	As At 31/12/2011 RM'000 (Restated)	As At 1/1/2011 RM'000 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment	17,807	17,596	15,035
Investment properties	324	324	324
Prepaid lease payments for land	597	597	-
Deferred tax assets	-	-	408
	18,728	18,517	15,767
Current assets			
Inventories	332,235	326,097	253,713
Derivative assets	-	-	11
Trade and other receivables	26,090	25,701	22,267
Current tax recoverable	3,017	2,950	2,179
Cash and cash equivalents	12,274	13,712	9,009
	373,616	368,460	287,179
TOTAL ASSETS	392,344	386,977	302,946
EQUITY AND LIABILITIES			
Share capital	69,300	69,300	69,300
Share premium	4,036	4,036	4,036
Reserves	111,282	103,787	76,485
Equity attributable to owners of the parent	184,618	177,123	149,821
Non-controlling interest	6,153	6,008	2,491
TOTAL EQUITY	190,771	183,131	152,312
LIABILITIES			
Non-current liabilities			
Borrowings	45,675	27,523	22,428
Deferred income	427	428	6
Deferred tax liabilities	743	743	615
	46,845	28,694	23,049
Current Liabilities			
Trade and other payables	21,979	31,946	30,658
Borrowings	129,005	138,718	94,474
Current tax payable	3,744	4,488	2,453
	154,728	175,152	127,585
TOTAL LIABILITIES	201,573	203,846	150,634
TOTAL EQUITY AND LIABILITIES	392,344	386,977	302,946
Net assets per share (RM)	1.38	1.32	1.10

Upon the adoption of the MFRS framework, the Condensed Consolidated Statement of Financial Position as at 31 December 2011 and 1 January 2011 have been restated.

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011. The accompanying notes form an integral part of this statement.

TOMEI CONSOLIDATED BERHAD (692959-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2012

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2012

	-----Attributable To Owners Of The Parent-----						Total Equity RM'000
	----Non Distributable----			Distributable			
	Share Capital RM'000	Share Premium RM'000	Exchange Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interest RM'000	
Balance as at 1 January 2012	69,300	4,036	(51)	103,838	177,123	6,008	183,131
Reclassification arising from adoption of MFRS	-	-	729	(729)	-	-	-
Restated	69,300	4,036	678	103,109	177,123	6,008	183,131
Total comprehensive income for the financial period	-	-	(74)	7,569	7,495	145	7,640
Balance as at 31 March 2012	69,300	4,036	604	110,678	184,618	6,153	190,771

	-----Attributable To Owners Of The Parent-----						Total Equity RM'000
	----Non Distributable----			Distributable			
	Share Capital RM'000	Share Premium RM'000	Exchange Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interest RM'000	
Balance as at 1 January 2011	69,300	4,036	(729)	77,214	149,821	2,491	152,312
Reclassification arising from adoption of MFRS	-	-	729	(729)	-	-	-
Restated	69,300	4,036	-	76,485	149,821	2,491	152,312
Total comprehensive income for the financial period	-	-	(307)	8,202	7,895	152	8,047
Transaction with owners:-							
-Ordinary shares contributed by a minority shareholder of a subsidiary	-	-	-	-	-	2,250	2,250
Balance as at 31 March 2011	69,300	4,036	(307)	84,687	157,716	4,893	162,609

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011. The accompanying notes form an integral part of this statement.

TOMEI CONSOLIDATED BERHAD (692959-W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST
QUARTER ENDED 31 MARCH 2012****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER
ENDED 31 MARCH 2012**

	3 months ended 31/3/2012 RM'000	3 months ended 31/3/2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	10,459	11,081
Adjustments for:-		
Amortisation of deferred income	(1)	(1)
Amortisation of prepaid lease payments for land	5	-
Depreciation of property, plant and equipment	1,367	1,340
Impairment loss on trade and other receivables	-	12
Property, plant and equipment written off	20	3
Inventory written off	5	-
Gain on disposal of property, plant and equipment	(95)	-
Unrealised loss/(gain) on gold price fluctuation and foreign exchange	357	(831)
Finance costs	2,466	1,730
Interest income	-	(89)
Profit before working capital changes	14,583	13,245
Increase in inventories	(6,143)	(16,675)
Increase in receivables	(506)	(3,557)
(Decrease)/Increase in payables	(9,744)	3,312
Cash used in operations	(1,810)	(3,675)
Interest paid	(1,687)	(1,181)
Tax paid	(3,521)	(2,003)
Net cash used in operating activities	(7,018)	(6,859)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	-	89
Ordinary share capital contributed by a minority shareholder of a subsidiary	-	2,250
Purchase of property, plant and equipment	(253)	(635)
Proceeds from disposal of property, plant and equipment	95	-
Increase in pledged deposits with licensed banks	(1,700)	5,189
Net cash (used in)/from investing activities	(1,858)	6,893

TOMEI CONSOLIDATED BERHAD (692959-W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST
QUARTER ENDED 31 MARCH 2012**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER
ENDED 31 MARCH 2012 (Cont'd)**

	3 months ended 31/3/2012 RM'000	3 months ended 31/3/2011 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Net finance costs paid	(686)	(549)
Net drawdown of term loans	17,265	2,076
Net repayments of short term borrowings	(22,024)	(6,393)
Repayments of hire-purchase liabilities	(610)	(354)
Net cash used in financing activities	<u>(6,055)</u>	<u>(5,220)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(14,931)	(5,186)
CASH & CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	(1,891)	(22,814)
EFFECT OF EXCHANGE RATES CHANGES	(3)	2
CASH & CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u><u>(16,825)</u></u>	<u><u>(27,998)</u></u>
Represented by:-		
CASH AND CASH EQUIVALENTS		
Cash and bank balances	10,574	5,741
Fixed deposits with a licensed bank	1,700	249
Bank overdrafts	<u>(27,399)</u>	<u>(33,988)</u>
	(15,125)	(27,998)
Less: Fixed deposits pledged to a licenced bank	<u>(1,700)</u>	-
	<u><u>(16,825)</u></u>	<u><u>(27,998)</u></u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011. The accompanying notes form an integral part of this statement.

TOMEI CONSOLIDATED BERHAD (692959-W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST
QUARTER ENDED 31 MARCH 2012**

(The figures have not been audited)

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

This interim financial report is unaudited and is prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") No 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read together with the Group's Audited Financial Statement for the year ended 31 December 2011. For the periods up and including the financial year ended 31 December 2011, the Group prepared its financial statements in accordance with the Financial Reporting Standards ("FRS").

The Group has adopted the MFRS framework issued by Malaysian Accounting Standards Board ("MASB") with effect from 1 January 2012. This MFRS framework was introduced by the MASB in order to fully converge the Malaysian's existing FRS framework with the International Financial Reporting Standards ("IFRS") framework issued by the International Accounting Standards Board.

The Group has applied MFRS 1 First Time Adoption of MFRS in the preparation of this interim financial report. In preparing the opening MFRS Statement of Financial Positions as at 1 January 2011, the Group has adjusted the amounts previously reported in its financial statements prepared in accordance with FRS.

There has been no material impact to the Group's financial statements upon the adoption of the MFRS.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2012**(The figures have not been audited)****PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (cont’d)****2. SIGNIFICANT ACCOUNTING POLICIES**

The Group has adopted all the new and revised MFRSs and IC Interpretations that are relevant and effective for accounting periods beginning on or after 1 January 2012. The adoption of these new and revised MFRSs and IC Interpretations did not result in any changes to the significant accounting policies adopted by the Group except for the foreign currency translation reserve.

Under FRS, the group recognised translation differences on foreign operations as a separate component of equity. Cumulative foreign currency translation differences for all foreign operations are deemed to be nil as at the date of transition to MFRS. Accordingly, at the date of transition to MFRS, the cumulative foreign currency translation differences as at 1 January 2011 amounting to RM 729,000 was adjusted to retained earnings as at that date as well as 31 December 2011.

At the date of authorisation of these interim financial statements, the following MFRSs, Amendment to MFRSs and IC Interpretation were issued but not yet effective and have yet to be applied by the Group.

MFRSs, Amendments to MFRSs and IC Interpretation		Effective for annual period beginning on or after
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosure of Interests in Other Entities	1 January 2013
MFRS 13	Fair value Measurement	1 January 2013
MFRS 119	Employee Benefits (IAS 19 as amended by IASB in June 2011)	1 January 2013
MFRS 127	Separate Financial Statements (IAS 27 as amended by IASB in May 2011)	1 January 2013
MFRS 128	Investment in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)	1 January 2013
Amendments to MFRS 7	Disclosures-Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)	1 January 2015

3. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report for the preceding financial year ended 31 December 2011 was issued without any qualification.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST
QUARTER ENDED 31 MARCH 2012**

(The figures have not been audited)

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (cont’d)

4. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group’s business traditionally picks up during the major festive seasons in Malaysia.

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

There were no extraordinary or exceptional items for the current quarter ended 31 March 2012.

6. CHANGES IN ESTIMATES

There were no material changes in the estimates used for the preparation of this interim financial report.

**7. CAPITAL MANAGEMENT, ISSUANCES, REPURCHASES AND
REPAYMENTS OF DEBTS AND EQUITY INSTRUMENTS**

The Group’s objectives of managing capital are to safeguard the Group’s ability to continue in operations as a going concern in order to provide fair returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain the optimal capital structure, the Group may, from time to time, adjust the dividend payout to shareholders, return capital to shareholders, issue new shares, redeem debts or sell assets to reduce debts, where necessary.

For capital management purposes, the Group considers shareholders’ equity, non-controlling interests and total debt to be the key components in the Group’s capital structure. The Group monitors capital on the basis of the net gearing ratio. The ratio is calculated as the total debt net of cash and cash equivalents to total equity. Total equity is the sum of total equity attributable to shareholders and non-controlling interests. The net gearing ratios as at 31 March 2012 and 31 March 2011, which are within the Group’s objectives for capital management, are as follows:-

	31/3/2012	31/3/2011
	RM’000	RM’000
Total debt net of cash and cash equivalents	162,406	113,962
Total equity	190,771	162,609
Net gearing ratio	0.85	0.70

The Group reported net gearing ratio of 0.85 in the current financial period ended 31 March 2012, increased by 0.15 compared to 31 March 2011. The increase in gearing is due to higher requirement for working capital arising from business expansion.

TOMEI CONSOLIDATED BERHAD (692959–W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST
QUARTER ENDED 31 MARCH 2012**

(The figures have not been audited)

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont’d)

8. DIVIDEND PAID

No dividend was paid during the current quarter.

9. OPERATING SEGMENTAL INFORMATION

The Group has arrived at two reportable segments that are based on information reported internally to the Group Managing Director. The reportable segments are summarised as follows:-

- Manufacturing & Wholesales
- Retail

The segment information for the current quarter is as follows:-

Results for financial period ended 31 March 2012	Manufacturing & Wholesales RM'000	Retail RM'000	Total RM'000
Revenue			
Total sales	43,577	121,18	164,761
Inter-segment sales	(8,754)	(32)	(9,076)
External sales	34,823	120,86	155,685
Results			
Profit before tax	1,296	9,16	10,458
Tax expense	(327)	(2,41)	(2,744)
Profit for the period	969	6,74	7,714
Non-controlling interest			(145)
Profit attributable to owners of the parent			7,569
Assets and liabilities as at 31 March 2012			
Assets			
Segment assets	67,725	327,636	395,361
Unallocated assets	-	-	(3,017)
Total assets	-	-	392,344
Liabilities			
Segment liabilities	29,047	177,013	206,060
Unallocated liabilities	-	-	(4,487)
Total liabilities	-	-	201,573

TOMEI CONSOLIDATED BERHAD (692959-W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2012**

(The figures have not been audited)

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)**9. OPERATING SEGMENTAL INFORMATION (Cont'd)**

Results for financial period ended 31 March 2011	Manufacturing & Wholesales RM'000	Retail RM'000	Total RM'000
Revenue			
Total sales	25,885	90,539	116,424
Inter-segment sales	(1,099)	(81)	(1,180)
External sales	24,786	90,458	115,244
Results			
Profit before tax	1,686	9,395	11,081
Tax expense	(324)	(2,403)	(2,727)
Profit for the period	1,362	6,992	8,354
Non-controlling interest			(152)
Profit attributable to owners of the parent			8,202
Assets and Liabilities as at 31 March 2011			
Assets			
Segment assets	50,989	265,838	316,827
Unallocated assets	-	-	2,944
Total assets	-	-	319,771
Liabilities			
Segment liabilities	15,184	137,830	153,014
Unallocated liabilities	-	-	4,148
Total liabilities	-	-	157,162

10. CARRYING AMOUNT OF REVALUED ASSETS

The valuation of property, plant and equipment and investment properties have been brought forward without any amendments from the previous Audited Financial statements of the Group.

11. SIGNIFICANT EVENTS DURING THE CURRENT QUARTER

There were no significant events during the current quarter.

12. CHANGES IN COMPOSITION OF THE GROUP

There were no changes to the composition of the Group for the current quarter.

13. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities or contingent assets which have arisen since the last annual reporting date as at 31 December 2011.

TOMEI CONSOLIDATED BERHAD (692959-W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST
QUARTER ENDED 31 MARCH 2012**

(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

14. COMMITMENTS

Except as disclosed below, there were no other material commitments as at 31 March 2012:-

i) Rental commitments

The Group had entered into several tenancy agreements for the rental of retail space, office blocks and staff housing, resulting in future rental commitments which may, subject to certain terms in the agreements, be revised accordingly or upon its maturity based on prevailing market rates.

	RM'000
Future rental commitments	<u>31,813</u>

ii) Capital commitments

Capital expenditure in respect of purchase of property, plant and equipment:-

	RM'000
Approved but not contracted for	<u>3,538</u>

15. PERFORMANCE REVIEW

	Individual Quarter and Year to-date 3 months ended	
	31/3/2012 RM'000	31/3/2011 RM'000
Sales		
Retail	120,862	90,458
Manufacturing & wholesales	<u>34,823</u>	<u>24,786</u>
Total	<u>155,685</u>	<u>115,244</u>
Profit before tax		
Retail	9,162	9,395
Manufacturing & wholesales	<u>1,296</u>	<u>1,686</u>
Total	<u>10,458</u>	<u>11,081</u>

The retail segment which made up of 77.63% of total revenue and 87.61% of total profit before tax remained the largest contributor to the Group's performance during the quarter.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST
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(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont’d)**

15. PERFORMANCE REVIEW (Cont’d)

Comparison with corresponding quarter in the previous year

The Group’s revenue for the current quarter ended 31 March 2012 was RM 155.685 million, an increase of 35.09% from RM 115.244 million achieved in the preceding year’s corresponding quarter. The increase was mainly due to improved consumers spending especially on gold investment products.

However, the Group’s profit before tax (“PBT”) has decreased slightly to RM 10.458 million from RM 11.081 million recorded in the preceding year’s corresponding quarter mainly due to fluctuation in gold prices.

The retail segment reported a 33.61% increase in revenue to RM 120.862 million compared to the corresponding quarter last year mainly due to increase consumers’ demand for gold investment products. The acquisition of the brand “Goldheart” with 4 additional retail outlets also contributed positively to the Group’s revenue. However, due to the fluctuation in gold prices, PBT during the quarter decreased 2.48% to RM 9.162 million.

The manufacturing and wholesales segment reported increased in revenue of 40.49% compared to the corresponding quarter last year. The improvement was mainly due to better sales volume to other jewellery retailers. The acquisition of O M Design Sdn Bhd also contributed positively to the Group’s wholesales segment. However, due to fluctuation in gold prices, PBT during the quarter decreased 23.13% to RM 1.296 million.

TOMEI CONSOLIDATED BERHAD (692959–W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST
QUARTER ENDED 31 MARCH 2012**

(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont’d)**

15. PERFORMANCE REVIEW (Cont’d)

Comparison with preceding quarter

	Revenue		Profit before tax	
	3 months ended		3 months ended	
	31/3/2012	31/12/2011	31/3/2012	31/12/2011
	RM'000	RM'000	RM'000	RM'000
Retail	120,862	102,127	9,162	7,617
Manufacturing & wholesales	34,823	34,990	1,296	3,100
Total	155,685	137,117	10,458	10,717

The Group's revenue for the current quarter under review increased by 13.54% to RM 155.685 million as compared to the immediate preceding quarter mainly due better sales volumes during the current quarter.

However, due to the fluctuation in gold prices, the Group's PBT decreased slightly to RM 10.458 million from RM 10.717 million recorded in the immediate preceding quarter.

The retail segment's revenue for the current quarter increased by of 18.34% to RM 120.862 million as compared to the immediate preceding quarter mainly due better sales volume and increase number of retail outlets. As a result, the PBT has increased in tandem to RM 9.162 million.

The manufacturing and wholesales segment experienced a marginal drop in revenue during the current quarter compared to the immediate preceding quarter. Profit before tax decreased to RM 1.296 million from RM 3.100 million reported in the immediate preceding quarter mainly due to the drop in gold prices.

16. COMMENTARY ON PROSPECTS

The recent election results in France and Greece have created fears that the Euro debts crisis may be revisited and further dampen the recovery efforts put in place by the respective EU countries members. However, this is mitigated by the encouraging economic data from the USA. In the local front, our economy is expected to continue to perform well from local demand and consumer spending. In the light of this the Board of Directors will adopt a more conservative approach in term of opening new outlets and expanding overseas operation. With a more conservative approach and barring any unforeseen circumstances, the Board expects the Group to sustain its profitability for the remaining financial year 2012.

TOMEI CONSOLIDATED BERHAD (692959-W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST
QUARTER ENDED 31 MARCH 2012**

(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)**

17. PROFIT FORECAST OR PROFIT GUARANTEE

The Group has not provided any profit forecast or profit guarantee in any public document during the current financial year.

18. TAX EXPENSE

	Individual Quarter	
	31/3/2012 RM'000	31/3/2011 RM'000
Current taxation	2,744	2,728
Overprovision in prior years	-	(1)
	<u>2,744</u>	<u>2,727</u>

The effective tax rates of the Group for the current quarter approximate its statutory tax rate 25%.

19. CORPORATE PROPOSALS

There were no corporate proposals undertaken by the Group during the current quarter.

20. BORROWINGS AND DEBT SECURITIES

As at 31 March 2012, the Group has total borrowings of RM 174.680 million, all of which are denominated in Ringgit Malaysia.

	Secured RM'000	Unsecured RM'000	Total RM'000
Current	2,395	126,610	129,005
Non-current	4,057	41,618	45,675
	<u>6,452</u>	<u>168,228</u>	<u>174,680</u>

21. CHANGES IN MATERIAL LITIGATIONS

No material litigation has arisen since 31 December 2011.

22. DIVIDEND PAYABLE

A first and final single tier dividend of 3.5 sen per ordinary share, amounting to RM 4.851 million in respect of the financial year ended 31 December 2011, had been declared and approved by shareholders in the just concluded Annual General Meeting of the Company. The dividend will be paid to shareholders on 31 May 2012.

TOMEI CONSOLIDATED BERHAD (692959-W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST
QUARTER ENDED 31 MARCH 2012**

(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)****23. EARNINGS PER SHARE**

The basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

	Individual Quarter	
	31/3/2012 RM'000	31/3/2011 RM'000
Consolidated profit for the financial period attributable to equity holders of the parent	7,569	8,202
Weighted average number of ordinary shares in issue ('000)	138,600	138,600
Basic earnings per share (sen)	5.46	5.92
Diluted earnings per share	N/A	N/A

There is no diluted earning per share as the Company does not have any convertible financial instruments in issue.

24. PROFIT BEFORE TAX

	Individual quarter	
	31/3/2012 RM'000	31/3/2011 RM'000
Profit before tax is arrived at after charging/(crediting):-		
Amortisation and depreciation	1,371	1,339
Impairment loss on trade and other receivables	-	12
Interest expense	2,466	1,730
Property, plant and equipment written off	20	3
Inventory written off	5	-
Gain on disposal of property, plant and equipment	95	-
(Gain)/Loss on gold price fluctuation and foreign exchange	661	1,114
Interest income	-	(89)

TOMEI CONSOLIDATED BERHAD (692959-W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST
QUARTER ENDED 31 MARCH 2012**

(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)**

25. REALISED AND UNREALISED RETAINED EARNINGS

	Individual Quarter	
	31/3/2012	31/3/2011
	RM'000	RM'000
Total retained earnings:-		(Restated)
- realised	127,640	100,084
- unrealised	(357)	91
	<hr/>	<hr/>
	127,283	100,175
Less: Consolidation adjustments	(16,605)	(15,488)
	<hr/>	<hr/>
Total Group retained earnings	<u>110,678</u>	<u>84,687</u>

The retained earnings as at 31 March 2011 has been restated upon the adoption of MFRS.

By Order of the Board

Secretary
Teoh Kok Jong (LS 04719)
Dated : 15 May 2012