



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2012

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2012

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30/9/2012	30/9/2011	30/9/2012	30/9/2011
	RM'000	RM'000	RM'000	RM'000
Revenue	136,150	135,279	441,701	368,270
Cost of sales	(102,017)	(91,244)	(334,747)	(255,958)
Gross profit	34,133	44,035	106,954	112,312
Other income	463	27	2,105	3,010
Selling and distribution expenses	(21,933)	(19,799)	(64,395)	(55,972)
Administrative expenses	(5,232)	(5,531)	(15,704)	(15,752)
Other expenses	(671)	(1,751)	(1,121)	(2,660)
Profit from operations	6,760	16,981	27,839	40,938
Finance costs	(3,368)	(2,240)	(8,496)	(5,950)
Profit before tax	3,392	14,741	19,343	34,988
Tax expense	(431)	(3,708)	(4,748)	(8,875)
Profit for the period	2,961	11,033	14,595	26,113
Profit attributable to:-				
Owners of the parent	2,818	10,445	14,208	24,997
Non-controlling interest	143	588	387	1,116
	2,961	11,033	14,595	26,113
Earnings per ordinary share attributable to equity holders of the parent (sen):-				
Basic earnings per share	2.03	7.54	10.25	18.04
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 30 SEPTEMBER 2012 (Cont'd)

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30/9/2012	30/9/2011	30/9/2012	30/9/2011
	RM'000	RM'000	RM'000	RM'000
Profit for the period	2,961	11,033	14,595	26,113
Foreign currency translations	(699)	519	(734)	360
Total comprehensive income for the period	<u>2,262</u>	<u>11,552</u>	<u>13,861</u>	<u>26,473</u>
Total comprehensive income attributable to:-				
Owners of the parent	2,119	10,964	13,474	25,357
Non-controlling interest	143	588	387	1,116
	<u>2,262</u>	<u>11,552</u>	<u>13,861</u>	<u>26,473</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 THIRD QUARTER ENDED 30 SEPTEMBER 2012

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2012

	As At 30/9/2012 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	18,805	17,596	15,035
Investment property	324	324	324
Prepaid lease payments for land	564	597	-
Deferred tax assets	-	-	408
	<u>19,693</u>	<u>18,517</u>	<u>15,767</u>
Current assets			
Inventories	358,990	326,097	253,713
Derivative assets	-	-	11
Trade and other receivables	26,089	25,701	22,267
Current tax recoverable	4,676	2,950	2,179
Cash and cash equivalents	9,237	13,712	9,009
	<u>398,992</u>	<u>368,460</u>	<u>287,179</u>
TOTAL ASSETS	<u>418,685</u>	<u>386,977</u>	<u>302,946</u>
EQUITY AND LIABILITIES			
Share capital	69,300	69,300	69,300
Share premium	4,036	4,036	4,036
Reserves	112,410	103,787	76,485
Equity attributable to owners of the parent	<u>185,746</u>	<u>177,123</u>	<u>149,821</u>
Non-controlling interest	6,395	6,008	2,491
TOTAL EQUITY	<u>192,141</u>	<u>183,131</u>	<u>152,312</u>
LIABILITIES			
Non-current liabilities			
Borrowings	47,910	27,523	22,428
Deferred income	415	428	6
Deferred tax liabilities	743	743	615
	<u>49,068</u>	<u>28,694</u>	<u>23,049</u>
Current Liabilities			
Trade and other payables	25,444	31,946	30,658
Borrowings	151,021	138,718	94,474
Current tax payable	1,011	4,488	2,453
	<u>177,476</u>	<u>175,152</u>	<u>127,585</u>
TOTAL LIABILITIES	<u>226,544</u>	<u>203,846</u>	<u>150,634</u>
TOTAL EQUITY AND LIABILITIES	<u>418,685</u>	<u>386,977</u>	<u>302,946</u>
Net assets per share (RM)	1.39	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 THIRD QUARTER ENDED 30 SEPTEMBER 2012

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPTEMBER 2012

	-----Attributable To Owners Of The Parent-----						
	--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	Total Equity 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	-	-	(734)	14,208	13,474	387	13,861
Transaction with owners:-							
-Dividends paid	-	-	-	(4,851)	(4,851)	-	(4,851)
Balance as at 30 September 2012	69,300	4,036	(56)	112,466	185,746	6,395	192,141

	----Attributable To Owners Of The Parent-----						
	---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	Total Equity 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	-	-	360	24,997	25,357	1,116	26,473
Transaction with owners:-							
-Ordinary shares contributed by a minority shareholder of a subsidiary	-	-	-	-	-	2,250	2,250
-Dividends paid	-	-	-	(4,574)	(4,574)	-	(4,574)
Balance as at 30 September 2011	69,300	4,036	360	96,908	170,604	5,857	176,461

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 THIRD
QUARTER ENDED 30 SEPTEMBER 2012****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER
ENDED 30 SEPTEMBER 2012**

	9 months ended 30/9/2012 RM'000	9 months ended 30/9/2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	19,343	34,988
Adjustments for:-		
Amortisation of deferred income	(2)	(2)
Amortisation of prepaid lease payments for land	14	20
Depreciation of property, plant and equipment	4,448	4,090
Impairment loss on trade and other receivables	-	12
Inventories written off	-	400
Property, plant and equipment written off	434	355
Reversal of impairment loss on trade and other receivables	-	(110)
Gain on disposal of property, plant and equipment	(316)	(51)
Unrealised loss/(gain) on gold price fluctuation and foreign exchange	154	(447)
Finance costs	8,496	5,950
Interest income	(1)	(97)
Profit before working capital changes	32,570	45,108
Increase in inventories	(33,533)	(60,556)
Increase in receivables	(449)	(5,069)
(Decrease)/Increase in payables	(6,600)	3,939
Cash used in operations	(8,012)	(16,578)
Interest paid	(5,646)	(3,960)
Tax paid	(10,471)	(6,437)
Tax refunded	520	6
Net cash used in operating activities	(23,609)	(26,969)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	1	97
Ordinary share capital contributed by a minority shareholder of a subsidiary	-	2,250
Payments of prepaid lease	-	(1,310)
Purchase of property, plant and equipment	(1,921)	(3,705)
Proceeds from disposal of property, plant and equipment	333	63
(Increase)/Decrease in pledged deposits with licensed banks	(1,700)	5,189
Net cash (used in)/from investing activities	(3,287)	2,584

TOMEI CONSOLIDATED BERHAD (692959-W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD
QUARTER ENDED 30 SEPTEMBER 2012**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER
ENDED 30 SEPTEMBER 2012 (Cont'd)**

	9 months ended 30/9/2012 RM'000	9 months ended 30/9/2011 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(4,851)	(4,574)
Net finance costs paid	(2,850)	(1,990)
Net drawdown of term loans	26,486	7,747
Net (repayments)/drawdown of short term borrowings	(13,876)	34,790
Repayments of hire-purchase liabilities	(1,786)	(1,166)
Net cash from financing activities	<u>3,123</u>	<u>34,807</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(23,773)	10,422
CASH & CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	(1,891)	(22,814)
EFFECT OF EXCHANGE RATES CHANGES	(5)	(2)
CASH & CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>(25,669)</u>	<u>(12,394)</u>
Represented by:-		
CASH AND CASH EQUIVALENTS		
Cash and bank balances	7,537	11,315
Fixed deposits with a licensed bank	1,700	251
Bank overdrafts	<u>(33,206)</u>	<u>(23,960)</u>
	<u>(23,969)</u>	<u>(12,394)</u>
Less: Fixed deposits pledged to a licenced bank	<u>(1,700)</u>	<u>-</u>
	<u>(25,669)</u>	<u>(12,394)</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 THIRD
QUARTER ENDED 30 SEPTEMBER 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 THIRD QUARTER ENDED 30 SEPTEMBER 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 1	First-Time Adoption of Malaysian Financial Reporting Standards	1 January 2013
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 116	Property, Plant and Equipment	1 January 2013
Amendments to MFRS 134	Interim Financial Reporting	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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2012

(The figures have not been audited)

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

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.

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 30 September 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 30 September 2012 and 30 September 2011, which are within the Group’s objectives for capital management, are as follows:-

	30/9/2012	30/9/2011
	RM’000	RM’000
Total debt net of cash and cash equivalents	189,694	145,075
Total equity	192,141	176,461
Net gearing ratio	0.99	0.82

The Group reported net gearing ratio of 0.99 in the current financial period ended 30 September 2012, increased by 0.17 compared to 30 September 2011. The increase in gearing is due to higher requirement for working capital arising from business expansion.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD
QUARTER ENDED 30 SEPTEMBER 2012**

(The figures have not been audited)

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

8. DIVIDEND PAID

On 31 May 2012, the Company paid a first and final single tier dividend of 3.5 sen per ordinary share amounting RM 4.851 million in respect of financial year ended 31 December 2011.

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 financial period is as follows:-

Results for financial period ended 30 September 2012	Manufacturing & Wholesales RM'000	Retail RM'000	Total RM'000
Revenue			
Total sales	109,790	337,111	446,901
Inter-segment sales	(5,133)	(67)	(5,200)
External sales	104,657	337,044	441,701
Results			
Profit before tax	3,727	15,616	19,343
Tax expense	(849)	(3,899)	(4,748)
Profit for the period	2,878	11,717	14,595
Non-controlling interest			(387)
Profit attributable to owners of the parent			14,208
Assets and liabilities as at 30 September 2012			
Assets			
Segment assets	68,015	345,994	414,009
Unallocated assets	-	-	4,676
Total assets	-	-	418,685
Liabilities			
Segment liabilities	28,661	196,129	224,790
Unallocated liabilities	-	-	1,754
Total liabilities	-	-	226,544

TOMEI CONSOLIDATED BERHAD (692959-W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD
QUARTER ENDED 30 SEPTEMBER 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 30 September 2011	Manufacturing & Wholesales RM'000	Retail RM'000	Total RM'000
Revenue			
Total sales	84,574	290,162	374,736
Inter-segment sales	(6,019)	(447)	(6,466)
External sales	78,555	289,715	368,270
Results			
Profit before tax	8,187	26,801	34,988
Tax expense	(1,449)	(7,426)	(8,875)
Profit for the period	6,738	19,375	26,113
Non-controlling interest			(1,116)
Profit attributable to owners of the parent			24,997
Assets and Liabilities as at 30 September 2011			
Assets			
Segment assets	67,253	303,443	370,696
Unallocated assets	-	-	2,894
Total assets	-	-	373,590
Liabilities			
Segment liabilities	27,286	164,024	191,310
Unallocated liabilities	-	-	5,819
Total liabilities	-	-	197,129

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.

TOMEI CONSOLIDATED BERHAD (692959-W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD
QUARTER ENDED 30 SEPTEMBER 2012**

(The figures have not been audited)

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

12. CHANGES IN COMPOSITION OF THE GROUP

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

Subsequent to the current quarter, the Company on 5 October 2012 has announced that the following indirect subsidiary companies would be wound-up by way of member's voluntary winding-up pursuant to Section 254(1)(b) of the Companies Act, 1965 :-

1. Tomei Gold & Jewellery (SK) Sdn Bhd
2. Tomei Gold & Jewellery (B.U.) Sdn Bhd
3. Tomei Gold & Jewellery (MK) Sdn Bhd
4. Tomei Gold & Jewellery (TS) Sdn Bhd
5. Tomei Gold & Jewellery Corp. (KLCC) Sdn Bhd
6. Tomei Gold & Jewellery Corp. (Sunway) Sdn Bhd

On 9 October 2012, the Company as part of its internal restructuring plan has acquired 500,000 ordinary shares of RM 1.00 each in its indirect subsidiary company, Emas Assayer Sdn Bhd (f.k.a. Tomei Gold & Jewellery (IOI) Sdn Bhd) for a total cash consideration of RM 500,000.00 from its subsidiary company, Tomei Gold & Jewellery (MJ) Sdn Bhd.

On 7 November 2012, an application was made to strike off Tomei Gold & Jewellery (PT) Sdn Bhd and Tomei Gold & Jewellery (JB) Sdn Bhd, both being indirect subsidiary companies of the Company.

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 THIRD
QUARTER ENDED 30 SEPTEMBER 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 30 September 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>24,032</u>

ii) Capital commitments

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

	RM'000
Approved but not contracted for	<u>506</u>

15. PERFORMANCE REVIEW

	Individual quarter		Year to-date	
	3 months ended		9 months ended	
	30/9/2012	30/9/2011	30/9/2012	30/9/2011
	RM'000	RM'000	RM'000	RM'000
Sales				
Retail	104,653	107,479	337,044	289,715
Manufacturing & wholesales	31,497	27,800	104,657	78,555
Total	<u>136,150</u>	<u>135,279</u>	<u>441,701</u>	<u>368,270</u>
Profit before tax				
Retail	1,746	10,616	15,616	26,801
Manufacturing & wholesales	1,646	4,125	3,727	8,187
Total	<u>3,392</u>	<u>14,741</u>	<u>19,343</u>	<u>34,988</u>

The retail segment which made up of 76.87% of total revenue and 51.47% of total profit before tax remained the larger contributor to the Group's performance during the quarter.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 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 previous year corresponding quarter

The Group's revenue for the current quarter ended 30 September 2012 was RM 136.150 million as compared to RM 135.279 million achieved in the preceding year's corresponding quarter.

However, the Group's profit before tax ("PBT") has decreased to RM 3.392 million from RM 14.741 million recorded in the preceding year's corresponding quarter mainly due to higher composition of gold sales which relatively have lower margin compared to jewellery and fluctuation in gold prices.

The retail segment revenue decreased slightly by 2.63% to RM 104.653 million compared to the corresponding quarter last year mainly due to the lower sales volume. Due to the fluctuation in gold prices and high operating cost, PBT during the quarter decreased to RM 1.746 million from RM 10.616 million reported in the preceding year corresponding quarter.

The manufacturing and wholesales segment reported increase in revenue of 13.30% compared to the corresponding quarter last year. The improvement was mainly due to better sales volume to third party jewellery retailers. However, due to fluctuation in gold prices, PBT during the quarter decreased to RM 1.646 million from RM 4.125 million reported in the preceding year corresponding quarter.

Comparison with previous year corresponding financial year to date

The Group's revenue for the current financial year to date increased by 19.94% to RM 441.701 million as compared to RM 368.270 million in the preceding year's corresponding period. The increase was mainly due to higher sales volume and higher gold price during the current year.

However, the Group's PBT decreased by 44.72% to RM 19.343 million mainly due to higher composition of gold sales which relatively have lower margin compared to jewellery and fluctuation in gold prices.

The retail segment recorded a growth of 16.34% in revenue to RM 337.044 million during the period under review, largely due to the increase in number of retail outlets and higher sales volume. However, due to the fluctuation in gold prices and higher operating cost, PBT decreased 41.73% to RM 15.616 million.

The manufacturing and wholesales segment recorded revenue of RM 104.657 million for the 9 months period compared to RM 78.555 million recorded in the corresponding period last year, an increase of 33.23%. The improvement was mainly due to better sales volume to third party jewellery retailers. The incorporation of O M Design Sdn. Bhd. which is involved in wholesales of jewellery in the year 2011 also contributed positively to the increase in this segment's revenue. However, due to fluctuation in gold prices, PBT decreased by 54.48% to RM 3.727 million.

TOMEI CONSOLIDATED BERHAD (692959-W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD
QUARTER ENDED 30 SEPTEMBER 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	
	30/9/2012	30/6/2012	30/9/2012	30/6/2012
	RM'000	RM'000	RM'000	RM'000
Retail	104,653	111,529	1,746	4,708
Manufacturing & wholesales	31,497	38,337	1,646	785
Total	136,150	149,866	3,392	5,493

The Group's revenue for the current quarter under review decreased by 9.15% to RM 136.150 million as compared to the immediate preceding quarter.

Following the decrease in sales together with higher operating cost, the Group's PBT decreased to RM 3.392 million from RM 5.493 million recorded in the immediate preceding quarter.

The retail segment's revenue for the current quarter decreased by 6.17% to RM 104.653 million as compared to the immediate preceding quarter mainly due to the weakening of consumer demand. Following the decrease in sales coupled with higher operating cost, PBT decreased from RM 4.708 million to RM 1.746 million.

The manufacturing and wholesales segment for the current quarter decreased by 17.84% to RM 31.497 million as compared to the immediate preceding quarter due to lower sales volume. However, its PBT doubled to RM 1.646 million from RM 0.785 million reported in the immediate preceding quarter. During last quarter, this segment reported exceptional low profit margin mainly due to fluctuation and unfavorable gold price.

16. COMMENTARY ON PROSPECTS

The outlook of the global economic growth remains uncertain. This has dampened consumer spending including Malaysia. Notwithstanding, the Board of Directors will continue to be vigilant for any adverse development and will adopt a more conservative approach in order to sustain the Group's profitability for the remaining part of the financial year 2012.

TOMEI CONSOLIDATED BERHAD (692959-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 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 to date.

18. TAX EXPENSE

	Individual Quarter		Year to-date	
	30/9/2012	30/9/2011	30/9/2012	30/9/2011
	RM'000	RM'000	RM'000	RM'000
Current taxation	104	3,709	4,421	8,650
Under/(Over) provision in prior years	327	(1)	327	225
	<u>431</u>	<u>3,708</u>	<u>4,748</u>	<u>8,875</u>

The effective tax rate of the Group for the financial year to date approximates the statutory tax rate of 25%.

19. CORPORATE PROPOSALS

There were no corporate proposals undertaken by the Group during the current financial year to date.

20. BORROWINGS AND DEBT SECURITIES

As at 30 September 2012, the Group has total borrowings of RM 198.931 million, all of which are denominated in Ringgit Malaysia.

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Current	3,291	147,730	151,021
Non-current	4,235	43,675	47,910
	<u>7,526</u>	<u>191,405</u>	<u>198,931</u>

21. CHANGES IN MATERIAL LITIGATIONS

No material litigation has arisen since 31 December 2011.

22. DIVIDEND PAYABLE

The Directors do not recommend any interim dividend payment for the current quarter.

TOMEI CONSOLIDATED BERHAD (692959-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 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		Year to-date	
	3 months ended		9 months ended	
	30/9/2012	30/9/2011	30/9/2012	30/9/2011
	RM'000	RM'000	RM'000	RM'000
Consolidated profit for the financial period attributable to equity holders of the parent	2,818	10,445	14,200	24,997
Weighted average number of ordinary shares in issue ('000)	138,600	138,600	138,600	138,600
Basic earnings per share (sen)	2.03	7.54	10.25	18.04
Diluted earnings per share	N/A	N/A	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		Year to-date	
	3 months ended		9 months ended	
	30/9/2012	30/9/2011	30/9/2012	30/9/2011
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging/(crediting):-				
Amortisation and depreciation	1,552	1,412	4,460	4,108
Impairment loss on trade and other receivables	-	-	-	12
Interest expense	3,368	2,240	8,496	5,950
Inventories written off	-	400	-	400
Property, plant and equipment written off	382	10	434	355
Reversal of impairment loss on trade and other receivables	-	(44)	-	(110)
Loss/(Gain) on gold price fluctuation and foreign exchange	137	1,370	(817)	(653)
Gain on disposal of property, plant and equipment	(49)	-	(316)	(51)
Interest income	-	(3)	(1)	(97)

TOMEI CONSOLIDATED BERHAD (692959–W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD
QUARTER ENDED 30 SEPTEMBER 2012**

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**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	
	30/9/2012	30/9/2011
	RM'000	RM'000
Total retained earnings:-		(Restated)
- realised	128,691	113,253
- unrealised	(154)	447
	<hr/>	<hr/>
	128,537	113,700
Less: Consolidation adjustments	(16,071)	(16,792)
	<hr/>	<hr/>
Total Group retained earnings	<u>112,466</u>	<u>96,908</u>

The retained earnings as at 30 September 2011 has been restated upon the adoption of MFRS.

By Order of the Board

Secretary

Teoh Kok Jong (LS 04719)

Dated : 14 November 2012