



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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2013**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE
QUARTER ENDED 30 SEPTEMBER 2013**

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30/9/2013	30/9/2012	30/9/2013	30/9/2012
	RM'000	RM'000	RM'000	RM'000
Revenue	150,886	136,150	558,971	441,701
Cost of sales	(116,769)	(102,017)	(464,261)	(334,747)
Gross profit	34,117	34,133	94,710	106,954
Other income	271	463	2,082	2,105
Selling and distribution expenses	(23,201)	(21,933)	(73,109)	(64,395)
Administrative expenses	(6,100)	(5,232)	(17,155)	(15,704)
Other expenses	(436)	(671)	(1,860)	(1,121)
Profit from operations	4,651	6,760	4,668	27,839
Finance costs	(2,909)	(3,368)	(8,558)	(8,496)
Profit/(Loss) before tax	1,742	3,392	(3,890)	19,343
Tax expense	(1,203)	(431)	(301)	(4,748)
Profit/(Loss) for the period	539	2,961	(4,191)	14,595
Profit/(Loss) attributable to:-				
Owners of the parent	637	2,818	(4,153)	14,208
Non-controlling interest	(98)	143	(38)	387
	539	2,961	(4,191)	14,595
Earnings per ordinary share attributable to equity holders of the parent (sen):-				
Basic earnings/(loss) per share	0.46	2.03	(3.0)	10.25
Diluted earnings per share *	N/A	N/A	N/A	N/A

* Not applicable

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE
QUARTER ENDED 30 SEPTEMBER 2013 (Cont'd)**

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30/9/2013	30/9/2012	30/9/2013	30/9/2012
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) for the period	539	2,961	(4,191)	14,595
Foreign currency translations	662	(699)	1,449	(734)
Total comprehensive income/(loss) for the period	1,201	2,262	(2,742)	13,861
Total comprehensive income/(loss) attributable to:-				
Owners of the parent	1,299	2,119	(2,704)	13,474
Non-controlling interest	(98)	143	(38)	387
	1,201	2,262	(2,742)	13,861

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012. 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 2013****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2013**

	As At 30/9/2013 RM'000	As At 31/12/2012 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	18,242	19,840
Prepaid lease payments for land	563	579
Deferred tax assets	1,951	212
	<u>20,756</u>	<u>20,631</u>
Current assets		
Inventories	339,984	351,105
Derivative asset	93	-
Trade and other receivables	31,308	27,574
Current tax assets	3,075	2,419
Cash and cash equivalents	11,970	6,434
	<u>386,430</u>	<u>387,532</u>
Non-current assets classified as held for sale	<u>550</u>	<u>550</u>
TOTAL ASSETS	<u>407,736</u>	<u>408,713</u>
EQUITY AND LIABILITIES		
Share capital	69,300	69,300
Share premium	4,036	4,036
Reserves	107,162	112,638
Equity attributable to owners of the parent	<u>180,498</u>	<u>185,974</u>
Non-controlling interest	6,385	6,423
TOTAL EQUITY	<u>186,883</u>	<u>192,397</u>
LIABILITIES		
Non-current liabilities		
Borrowings	26,974	43,145
Deferred income	397	397
Deferred tax liabilities	502	502
	<u>27,873</u>	<u>44,044</u>
Current Liabilities		
Trade and other payables	24,602	30,635
Borrowings	168,008	140,522
Current tax liabilities	370	1,115
	<u>192,980</u>	<u>172,272</u>
TOTAL LIABILITIES	<u>220,853</u>	<u>216,316</u>
TOTAL EQUITY AND LIABILITIES	<u>407,736</u>	<u>408,713</u>
Net assets per share (RM)	1.35	1.39

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012. 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 2013**

(The figures have not been audited)

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

	-----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 2013	69,300	4,036	138	112,500	185,974	6,423	192,397
Total comprehensive income for the financial period	-	-	1,449	(4,153)	(2,704)	(38)	(2,742)
Transaction with owners:-							
- Dividends paid	-	-	-	(2,772)	(2,772)	-	(2,772)
Balance as at 30 September 2013	69,300	4,036	1,587	105,575	180,498	6,385	186,883

	-----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

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012. 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 2013****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER
ENDED 30 SEPTEMBER 2013**

	9 months ended 30/9/2013 RM'000	9 months ended 30/9/2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(3,890)	19,343
Adjustments for:-		
Amortisation of deferred income	-	(2)
Amortisation of prepaid lease payments for land	14	14
Depreciation of property, plant and equipment	4,460	4,448
Inventories written down to net realisable value	816	-
Property, plant and equipment written off	152	434
Reversal of impairment loss on trade and other receivables	(3)	-
Gain on disposal of property, plant and equipment	(8)	(316)
Unrealised loss on gold price fluctuation and foreign exchange	1,471	154
Finance costs	8,558	8,496
Interest income	(11)	(1)
	<hr/>	<hr/>
Profit before working capital changes	11,559	32,570
Decrease/(Increase) in inventories	10,305	(33,533)
Increase in receivables	(2,351)	(449)
Decrease in payables	(7,621)	(6,600)
	<hr/>	<hr/>
Cash from/(used in) operations	11,892	(8,012)
Interest paid	(6,303)	(5,646)
Tax paid	(4,484)	(10,471)
Tax refunded	1,043	520
	<hr/>	<hr/>
Net cash from/(used in) operating activities	2,148	(23,609)
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	11	1
Purchase of property, plant and equipment	(1,883)	(1,921)
Proceeds from disposal of property, plant and equipment	14	333
Increase in pledged deposits with licensed banks	(42)	(1,700)
	<hr/>	<hr/>
Net cash used in investing activities	(1,900)	(3,287)
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(2,772)	(4,851)
Net finance costs paid	(2,255)	(2,850)
Net (repayments)/drawdown of term loans	(14,270)	26,486
Drawdown/(Repayments) of short term borrowings	4,696	(13,876)
Repayments of hire-purchase liabilities	(2,818)	(1,786)
	<hr/>	<hr/>
Net cash (used in)/from financing activities	(17,419)	3,123
	<hr/>	<hr/>

TOMEI CONSOLIDATED BERHAD (692959–W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2013**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED
30 SEPTEMBER 2013 (Cont'd)**

	6 months ended 30/6/2013 RM'000	6 months ended 30/9/2012 RM'000
NET DECREASE IN CASH AND CASH EQUIVALENTS	(17,171)	(23,773)
CASH & CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	(17,880)	(1,891)
EFFECT OF EXCHANGE RATES CHANGES	3	(5)
CASH & CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>(35,048)</u>	<u>(25,669)</u>

Represented by:-

CASH AND CASH EQUIVALENTS

Cash and bank balances	10,228	7,537
Fixed deposits with a licensed bank	1,742	1,700
Bank overdrafts	<u>(45,276)</u>	<u>(33,206)</u>
	(33,306)	(23,969)
Less: Fixed deposits pledged to a licenced bank	<u>(1,742)</u>	<u>(1,700)</u>
	<u>(35,048)</u>	<u>(25,669)</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012. 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 2013

(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 2012.

2. SIGNIFICANT ACCOUNTING POLICIES

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
Mandatory Effective Date of MFRS 9 and Transition Disclosures		1 January 2015
MFRS 9	Financial Instruments	1 January 2015
MFRS 127	Investment Entities (Amendments to MFRS 10, MFRS 12 and MFRS 127)	1 January 2014
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
MFRS 136	Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21	Levies	1 January 2014

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report for the preceding financial year ended 31 December 2012 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 2013.

6. CHANGES IN ESTIMATES

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

(The figures have not been audited)

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

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 2013 and 30 September 2012, which are within the Group’s objectives for capital management, are as follows:-

	30/9/2013	30/9/2012
	RM’000	RM’000
Total debt net of cash and cash equivalents	183,012	189,694
Total equity	186,883	192,141
Net gearing ratio	0.98	0.99

The Group reported net gearing ratio of 0.98 as at 30 September 2013, decreased by 0.01 compared to 30 September 2012.

8. DIVIDEND PAID

On 30 May 2013, the Company paid a first and final single tier dividend of 2.0 sen per ordinary share amounting to RM2.772 million in respect of financial year ended 31 December 2012.

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

TOMEI CONSOLIDATED BERHAD (692959-W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2013****(The figures have not been audited)****PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)****9. OPERATING SEGMENTAL INFORMATION (Cont'd)**

The segment information for the current financial period is as follows:-

Results for financial period ended 30 September 2013	Manufacturing & Wholesales RM'000	Retail RM'000	Total RM'000
Revenue			
Total sales	149,277	414,324	563,601
Inter-segment sales	(4,624)	(6)	(4,630)
External sales	144,653	414,318	558,971
Results			
Loss before tax	(3,081)	(809)	(3,890)
Tax expense	803	(1,104)	(301)
Loss for the period	(2,278)	(1,913)	(4,191)
Non-controlling interest			38
Loss attributable to owners of the parent			(4,153)
Assets and liabilities as at 30 September 2013			
Assets			
Segment assets	64,524	338,186	402,710
Unallocated assets	-	-	5,026
Total assets	-	-	407,736
Liabilities			
Segment liabilities	29,363	190,618	219,981
Unallocated liabilities	-	-	872
Total liabilities	-	-	220,853
Results for financial period ended 30 September 2012			
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

TOMEI CONSOLIDATED BERHAD (692959–W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2013**

(The figures have not been audited)

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

Assets and Liabilities as at 30 September 2012	Manufacturing & Wholesales RM'000	Retail RM'000	Total RM'000
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

10. CARRYING AMOUNT OF REVALUED ASSETS

The valuation of property, plant and equipment has 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

On 28 March 2013, the Company has announced that its indirect subsidiary company, Tomei Gold & Jewellery (Klang) Sdn. Bhd. was placed under member's voluntary winding-up pursuant to Section 254(1)(b) of the Companies Act, 1965.

On 26 September 2013, the Company has announced that its indirect subsidiary companies, Tomei Gold & Jewellery (S.A.) Sdn. Bhd. and Tomei Gold & Jewellery (K.P.) Sdn. Bhd. were placed under member's voluntary winding-up pursuant to Section 254(1)(b) of the Companies Act, 1965.

Subsequent to the current quarter, the Company has on 28 October 2013 announced that its indirect subsidiary companies, Tomei Gold & Jewellery (JB) Sdn. Bhd. and Tomei Gold & Jewellery (PT) Sdn. Bhd. has been struck off from the Registrar of Company Malaysia pursuant to Section 308(4) of the Companies Act, 1965.

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 2012.

TOMEI CONSOLIDATED BERHAD (692959-W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2013****(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 2013:-

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>34,234</u>

ii) Capital commitments

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

	RM'000
Approved but not contracted for	<u>1,662</u>

15. PERFORMANCE REVIEW

	Individual Quarter		Year to-date	
	3 months ended		9 months ended	
	30/9/2013	30/9/2012	30/9/2013	30/9/2012
	RM'000	RM'000	RM'000	RM'000
Sales				
Retail	107,471	104,653	414,318	337,044
Manufacturing & wholesales	43,415	31,497	144,653	104,657
Total	<u>150,886</u>	<u>136,150</u>	<u>558,971</u>	<u>441,701</u>
Profit/(Loss) before tax				
Retail	(3,030)	1,746	(809)	15,616
Manufacturing & wholesales	4,772	1,646	(3,081)	3,727
Total	<u>1,742</u>	<u>3,392</u>	<u>(3,890)</u>	<u>19,343</u>

The retail segment which made up of 71.23% of total revenue remained the larger contributor to the Group's performance during the quarter.

TOMEI CONSOLIDATED BERHAD (692959–W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2013

(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 2013 was RM150.886 million, an increase of 10.82% compared to RM136.150 million reported in the preceding year's corresponding quarter.

The Group reported a profit before tax ("PBT") of RM1.742 million during the current quarter in comparison to RM3.392 million recorded in the preceding year's corresponding quarter. The lower PBT was mainly due to lower gross profit margin and higher operating cost.

The retail segment reported marginal increase in its revenue for the current quarter. However, due to the lower gold selling price together with higher operating overhead, the retail segment reported loss before tax of RM3.030 million compared to PBT of RM1.746 million reported in previous year corresponding quarter.

During the current quarter, the manufacturing and wholesales ("M&W") segment reported an increase of 37.84% in its revenue to RM43.415 million compared to the preceding year's corresponding quarter mainly due to higher demand from customer in view of the low gold price. Despite the low gold price, the M&W segment has reported higher PBT of RM4.772 million compared to RM1.646 million recorded in the preceding year's corresponding quarter due to the reversal of stocks written down in the preceding quarter amounting to RM3.974 million arising from higher gold price in this quarter compared to the preceding quarter.

Comparison with previous year corresponding financial year to date

The significant drop in world gold price during the year has negatively impacted the Group's results for the nine months financial year to date. For the financial year to date, the Group reported revenue of RM558.971 million compared to RM441.701 million in the preceding year's corresponding period. However, due to the lower gold market price and higher operating overhead, the Group reported loss before tax of RM3.890 million compared to PBT of RM19.343 million in the preceding year's corresponding period.

The retail segment reported a growth of 22.93% in its revenue to RM414.318 million compared to the preceding year's corresponding period due to higher demand from customers as a result of lower gold price. However with the lower selling price of gold jewellery together with higher variable cost, the retail segment reported loss before tax of RM0.809 million compared to a PBT of RM15.616 million recorded in the preceding year's corresponding period.

TOMEI CONSOLIDATED BERHAD (692959–W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2013****(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 financial year to date (Cont'd)*

The M&W segment reported an increase of 38.22% in its revenue to RM144.653 million compared to the preceding year's corresponding period. However due to lower selling price and write down of stocks to its net realizable value, it reported loss before tax of RM3.081 million as compared to PBT of RM3.727 million in the preceding year's corresponding period.

Comparison with preceding quarter

	Revenue		Profit/(Loss) before tax	
	3 months ended		3 months ended	
	30/9/2013	30/6/2013	30/9/2013	30/6/2013
	RM'000	RM'000	RM'000	RM'000
Retail	107,471	188,308	(3,030)	(1,234)
Manufacturing & wholesales	43,415	68,546	4,772	(7,981)
Total	<u>150,886</u>	<u>256,854</u>	<u>1,742</u>	<u>(9,215)</u>

In the preceding quarter, world gold price dropped substantially by more than 20%. This has resulted in a rush by consumer to buy gold. As the gold price has somewhat stabilized in the current quarter, sales have returned to its normal level.

Due to lower selling price and lower sales volume, the Group's loss has increased to RM3,030 million in this quarter as compared to the preceding quarter.

The M&W segment has written down its stocks to its net realizable value in the preceding quarter. As the gold price has somewhat stabilized and increased marginally, there was a reversal of the stocks written down amounting to RM3.974 million which resulted in the M&W segment recorded a PBT of RM4.772 million against a loss before tax of RM7.981 million reported in the preceding quarter.

TOMEI CONSOLIDATED BERHAD (692959–W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2013**

(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)**

16. COMMENTARY ON PROSPECTS

The performance of the Group in the last quarter of the financial year is very much dependent on the recovery of the world gold price and the ability of the customers to sustain their spending power. In view of prevailing market conditions, the last quarter will pose a challenge to the Group to improve its performance.

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		Year to-date	
	30/9/2013	30/9/2012	30/9/2013	30/9/2012
	RM'000	RM'000	RM'000	RM'000
Current taxation	828	104	(74)	4,421
Under provision in prior years	375	327	375	327
	<u>1,203</u>	<u>431</u>	<u>301</u>	<u>4,748</u>

The effective tax rate of the Group is higher than the statutory tax rate as some of its subsidiary companies are in loss making position.

19. CORPORATE PROPOSALS

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

TOMEI CONSOLIDATED BERHAD (692959–W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2013**

(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)**

20. BORROWINGS AND DEBT SECURITIES

As at 30 September 2013, the Group has total borrowings of RM 194.982 million, all of which are denominated in Ringgit Malaysia.

	Secured RM'000	Unsecured RM'000	Total RM'000
Current	3,190	164,818	168,008
Non-current	2,630	24,344	26,974
	<u>5,820</u>	<u>189,162</u>	<u>194,982</u>

21. DERIVATIVE FINANCIAL INSTRUMENTS

	Contract amount RM'000	Assets RM'000
Gold contract	<u>2,256</u>	<u>93</u>

The Group has entered into gold contract to hedge its exposure to price movement of gold and is not used for trading or speculative purposes.

Gold contract are commitments to either purchase or sell gold at a future date for a specified price and are generally settled in cash but may be settled through delivery of the underlying gold.

22. CHANGES IN MATERIAL LITIGATIONS

No material litigation has arisen since 31 December 2012.

23. 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 2013****(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)****24. 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 3 months ended		Year to-date 9 months ended	
	30/9/2013 RM'000	30/9/2012 RM'000	30/9/2013 RM'000	30/9/2012 RM'000
Consolidated profit/(loss) for the financial period attributable to equity holders of the parent	63	2,818	(4,15	14,208
Weighted average number of ordinary shares in issue ('000)	138,600	138,600	138,600	138,600
Basic earnings/(loss) per share (sen)	0.46	2.03	(3.0)	10.25
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.

25. PROFIT/(LOSS) BEFORE TAX

	Individual Quarter 3 months ended		Year to-date 9 months ended	
	30/9/2013 RM'000	30/9/2012 RM'000	30/9/2013 RM'000	30/9/2012 RM'000
Profit/(Loss) before tax is arrived at after charging/(crediting):-				
Amortisation and depreciation	1,502	1,552	4,474	4,460
Interest expense	2,909	3,368	8,558	8,496
(Reversal of)/Inventories written down to net realisable value	(3,974)	-	816	-
Property, plant and equipment written off	5	382	152	434
Reversal of impairment loss on trade and other receivables	-	-	(3)	-
Loss/(Gain) on gold price fluctuation and foreign exchange	508	137	96	(817)
Gain on disposal of property, plant and equipment	(8)	(49)	(8)	(316)
Interest income	(1)	-	(11)	(1)

TOMEI CONSOLIDATED BERHAD (692959-W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2013**

(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)**

26. REALISED AND UNREALISED RETAINED EARNINGS

	As at	
	30/9/2013	30/9/2012
	RM'000	RM'000
Total retained earnings:-		
- realised	127,843	128,691
- unrealised	(1,471)	(154)
	<hr/>	<hr/>
	126,372	128,537
Less: Consolidation adjustments	(20,797)	(16,071)
	<hr/>	<hr/>
Total Group retained earnings	<u>105,575</u>	<u>112,466</u>

By Order of the Board

Secretary

Teoh Kok Jong (LS 04719)

Dated : 21 November 2013