



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2011

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30/9/2011 RM'000	30/9/2010 RM'000	30/9/2011 RM'000	30/9/2010 RM'000
Revenue	135,279	95,865	368,270	262,576
Cost of sales	(91,244)	(68,759)	(255,958)	(180,434)
Gross profit	44,035	27,106	112,312	82,142
Other income	27	1,505	3,010	4,764
Selling and distribution expenses	(19,799)	(15,210)	(55,972)	(44,912)
Administrative expenses	(5,531)	(4,361)	(15,752)	(12,547)
Other expenses	(1,751)	(445)	(2,660)	(2,176)
Profit from operations	16,981	8,595	40,938	27,271
Finance costs	(2,240)	(1,791)	(5,950)	(4,846)
Profit before tax	14,741	6,804	34,988	22,425
Tax expense	(3,708)	(1,500)	(8,875)	(5,611)
Profit for the period	11,033	5,304	26,113	16,814
Profit attributable to:				
Owners of the parent	10,445	5,155	24,997	16,424
Non-controlling interest	588	149	1,116	390
	11,033	5,304	26,113	16,814
Earnings per ordinary share attributable to equity holders of the parent (sen):				
Basic earnings per share	7.54	3.72	18.04	12.06
Diluted earnings per share *	N/A	N/A	N/A	N/A

* Not applicable

TOMEI CONSOLIDATED BERHAD (692959–W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2011 (Cont'd)

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30/9/2011	30/9/2010	30/9/2011	30/9/2010
	RM'000	RM'000	RM'000	RM'000
Profit for the period	11,033	5,304	26,113	16,814
Foreign currency translations	519	(140)	360	(396)
Total comprehensive income for the period	11,552	5,164	26,473	16,418
Total comprehensive income attributable to:				
Owners of the parent	10,964	5,015	25,357	16,028
Non-controlling interest	588	149	1,116	390
	11,552	5,164	26,473	16,418

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010. 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 2011****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2011**

	As At 30/9/2011 RM'000	(Audited) As At 31/12/2010 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	15,330	15,035
Investment properties	324	324
Prepaid lease payments for land	1,290	-
Deferred tax assets	408	408
	<u>17,352</u>	<u>15,767</u>
Current assets		
Inventories	314,223	253,713
Derivative asset	-	11
Trade and other receivables	27,963	22,267
Current tax assets	2,486	2,179
Cash and cash equivalents	11,566	9,009
	<u>356,238</u>	<u>287,179</u>
TOTAL ASSETS	<u>373,590</u>	<u>302,946</u>
EQUITY AND LIABILITIES		
Share capital	69,300	69,300
Share premium	4,036	4,036
Reserves	97,268	76,485
Equity attributable to owners of the parent	<u>170,604</u>	<u>149,821</u>
Non-controlling interest	5,857	2,491
TOTAL EQUITY	<u>176,461</u>	<u>152,312</u>
LIABILITIES		
Non-current liabilities		
Borrowings	25,045	22,428
Deferred income	4	6
Deferred tax liabilities	615	615
	<u>25,664</u>	<u>23,049</u>
Current Liabilities		
Trade and other payables	34,665	30,658
Borrowings	131,596	94,474
Current tax payables	5,204	2,453
	<u>171,465</u>	<u>127,585</u>
TOTAL LIABILITIES	<u>197,129</u>	<u>150,634</u>
TOTAL EQUITY AND LIABILITIES	<u>373,590</u>	<u>302,946</u>
Net assets per share attributable to owners of the Company (RM)	1.23	1.08

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010. 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 2011

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPTEMBER 2011

	-----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
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	(369)	97,637	170,604	5,857	176,461

	-----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 2010	63,000	4,078	(212)	59,991	126,857	1,855	128,712
Total comprehensive income for the financial period	-	-	(396)	16,424	16,028	390	16,418
Transaction with owners:							
-Issuance of ordinary shares pursuant to placement to selected investors	6,300	-	-	-	6,300	-	6,300
-Share issue expenses	-	(42)	-	-	(42)	-	(42)
-Dividends paid	-	-	-	(4,158)	(4,158)	-	(4,158)
Balance as at 30 September 2010	69,300	4,036	(608)	72,257	144,985	2,245	147,230

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010. 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 2011****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2011**

	9 months ended 30/9/2011 RM'000	9 months ended 30/9/2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	34,988	22,425
Adjustments for:-		
Amortisation of deferred income	(2)	(2)
Amortisation of prepaid lease payments for land	20	-
Depreciation of property, plant and equipment	4,090	3,856
Gain on disposal of investment properties	-	(306)
Gain on disposal of property, plant and equipment	(51)	-
Impairment loss on trade and other receivables	12	-
Inventories written down	400	-
Reversal of impairment loss on trade and other receivables	(110)	(108)
Property, plant and equipment written off	355	888
Unrealised gain on gold price fluctuation and foreign exchange	(447)	(985)
Finance costs	5,950	4,846
Interest income	(97)	(65)
Profit before working capital changes	45,108	30,549
Increase in inventories	(60,556)	(29,828)
(Increase)/Decrease in receivables	(5,069)	1,186
Increase/(Decrease) in payables	3,939	(478)
Cash (used in)/from operations	(16,578)	1,429
Interest paid	(3,960)	(3,690)
Tax paid	(6,437)	(7,718)
Tax refunded	6	764
Net cash used in operating activities	(26,969)	(9,215)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	97	65
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	(3,705)	(4,767)
Proceeds from disposal of property, plant and equipment	63	341
Proceed from disposal of subsidiaries, net of cash and cash equivalent disposed	-	(1)
Increase in pledged deposits with licensed banks	5,189	188
Net cash from/(used in) investing activities	2,584	(4,174)

TOMEI CONSOLIDATED BERHAD (692959-W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2011 (Cont'd)**

	9 months ended 30/9/2011 RM'000	9 months ended 30/9/2010 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(4,574)	(4,158)
Net finance costs paid	(1,990)	(1,099)
Net drawdown of term loans	7,747	5,275
Net drawdown/(repayments) of short term borrowings	34,790	(4,883)
Repayments of hire-purchase liabilities	(1,166)	(468)
Proceeds from issuance of share capital, net of share issue expenses	-	6,258
Net cash from financing activities	<u>34,807</u>	<u>925</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	10,422	(12,464)
CASH & CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	(22,814)	(12,094)
EFFECT OF EXCHANGE RATES CHANGES	(2)	(382)
CASH & CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>(12,394)</u>	<u>(24,940)</u>
Represented by:		
CASH AND CASH EQUIVALENTS		
Cash and bank balances	11,315	3,162
Fixed deposits with licensed banks	251	5,246
Bank overdrafts	(23,960)	(28,348)
	<u>(12,394)</u>	<u>(19,940)</u>
Fixed deposits pledged to licensed banks	-	(5,000)
	<u>(12,394)</u>	<u>(24,940)</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010. 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 2011**

(The figures have not been audited)

PART A – EXPLANATORY NOTES PURSUANT TO FRS 134

1. BASIS OF PREPARATION

This interim financial report is unaudited and is prepared in accordance with Financial Reporting Standards ("FRS") 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 2010.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted for the interim financial statements are consistent with those adopted for the Group's annual Audited Financial Statements for the year ended 31 December 2010, except for the adoption of the following new/revised Financial Reporting Standards (FRSs):-

Effective for financial periods beginning on or after 1 March 2010:-

Amendments to FRS 132 Classification of Rights Issues

Effective for financial periods beginning on or after 1 July 2010:-

FRS 1	First-time Adoption of Financial Reporting Standards (Revised)
FRS 3	Business Combinations (Revised)
FRS 127	Consolidated and Separate Financial Statements (Revised)
Amendments to FRS 2	Share-based Payments
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138	Intangible Assets
IC Interpretation 9	Reassessment of Embedded Derivatives (Amendments to IC Interpretation 9)
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners

Effective for financial periods beginning on or after 1 January 2011:-

Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Group Cash-settle Share based Payment Transactions
Amendments to FRS 3	Business Combination
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 101	Presentation of Financial Statements
Amendments to FRS 121	The Effect of Changes in Foreign Exchange Rates
Amendments to FRS 128	Investments in Associates
Amendments to FRS 131	Interests in Joint Ventures
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 139	Financial Instruments: Recognition and Measurement
IC Interpretation 4	Determining Whether an Arrangement contains a Lease
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 18	Transfer of Assets from Customers

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011

(The figures have not been audited)

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

3. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report for the preceding financial year ended 31 December 2010 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 period ended 30 September 2011.

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 2011 and 31 December 2010, which are within the Group’s objectives for capital management, are as follows:-

	30/9/2011	31/12/2010
	RM’000	RM’000
Total debt net of cash and cash equivalents	145,075	107,893
Total equity	176,461	152,312
Net gearing ratio	0.82	0.71

The Group reported net gearing ratio of 0.82 in the current quarter ended 30 September 2011, increased by 0.11 compared to 31 December 2010. The increase in the Group’s gearing is due to the higher requirement for working capital arising from business expansion.

On 4 February 2011, the Company has redeemed RM 10.0 million of Islamic Medium Term Notes which was matured on the same date. On 18 March 2011, the Company also made a full redemption of all the outstanding Islamic Commercial Papers which was matured on the same date. The Islamic Commercial Papers & Islamic Medium Term Notes was subsequently cancelled on 23 March 2011.

TOMEI CONSOLIDATED BERHAD (692959-W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011****(The figures have not been audited)****PART A – EXPLANATORY NOTES PURSUANT TO FRS 134 (Cont’d)****8. DIVIDEND PAID**

On 6 June 2011, the Company paid a first and final single tier dividend of 3.3 sen per ordinary share amounting to RM 4.574 million in respect of financial year ended 31 December 2010.

9. OPERATING SEGMENTAL INFORMATION – FRS 8

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 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

TOMEI CONSOLIDATED BERHAD (692959–W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011****(The figures have not been audited)****PART A – EXPLANATORY NOTES PURSUANT TO FRS 134 (Cont'd)****9. OPERATING SEGMENTAL INFORMATION – FRS 8 (Cont'd)**

Results for financial period ended 30 September 2010	Manufacturing & Wholesales RM'000	Retail RM'000	Total RM'000
Revenue			
Total sales	59,112	206,596	265,708
Inter-segment sales	(2,923)	(209)	(3,132)
External sales	56,189	206,387	262,576
Results			
Profit before tax	3,826	18,599	22,425
Tax expense	(727)	(4,884)	(5,611)
Profit for the period	3,099	13,715	16,814
Non-controlling interest			(390)
Profit attributable to owners of the parent			16,424
Assets and Liabilities as at 30 September 2010			
Assets			
Segment assets	39,465	250,731	290,196
Unallocated assets	-	-	2,383
Total assets	-	-	292,579
Liabilities			
Segment liabilities	10,924	131,594	142,518
Unallocated liabilities	-	-	2,831
Total liabilities	-	-	145,349

10. CARRYING AMOUNT OF REVALUED ASSETS

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

TOMEI CONSOLIDATED BERHAD (692959-W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011

(The figures have not been audited)

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

11. SIGNIFICANT EVENTS DURING THE CURRENT QUARTER

The Company had on 6 September 2011 subscribed for an additional 3,998,974 ordinary shares of RM 1.00 each in its wholly owned subsidiary company, Yi Xing Goldsmith Sdn Bhd by way of cash of RM 3,998,974.00.

On 6 October 2011, the Company as part of its internal group restructuring plan acquired 500,000 ordinary shares of RM 1.00 each in its indirect subsidiary company, Tomei Gold & Jewellery (Subang) Sdn Bhd, for a total cash consideration of RM 3,585,259.96 from its subsidiary company, Tomei Gold & Jewellery (MJ) Sdn Bhd.

12. CHANGES IN COMPOSITION OF THE GROUP

Except for the following, there were no changes to the composition of the Group for the current financial period:

On 2 March 2011, the Company had acquired 1 ordinary share of RM 1.00 each representing 50% equity interest in O M Design Sdn. Bhd. (“OM Design”) for a total cash consideration RM 1.00. The principal activity of OM Design is wholesaling of jewellery.

On 7 March 2011, the Company subscribed for an additional 2,749,999 ordinary share of RM 1.00 each in OM Design at par for cash. Upon the completion of the share subscription, OM Design became a 55% owned subsidiary of the Company.

The Company had on 6 September 2011 subscribed for an additional 3,998,974 ordinary shares of RM 1.00 each in its wholly owned subsidiary company, Yi Xing Goldsmith Sdn Bhd by way of cash of RM 3,998,974.00.

On 6 October 2011, the Company as part of its internal group restructuring plan acquired 500,000 ordinary shares of RM 1.00 each in its indirect subsidiary company, Tomei Gold & Jewellery (Subang) Sdn Bhd, for a total cash consideration of RM 3,585,259.96 from its subsidiary company, Tomei Gold & Jewellery (MJ) Sdn Bhd.

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 2010.

TOMEI CONSOLIDATED BERHAD (692959–W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011

(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 2011.

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>27,861</u>

ii) Capital commitments

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

	RM'000
Approved but not contracted for	<u>2,012</u>

15. PERFORMANCE REVIEW

The Group's revenue for the current quarter ended 30 September 2011 was RM 135.279 million, an increase of 41.11% from RM 95.865 million achieved in the preceding year's corresponding quarter. The increase was mainly due to the improved consumers spending especially on gold investment products and higher retail gold price. The acquisition of the brand "Goldheart" with 4 additional retail outlets also contributed positively to the Group turnover.

As a result, the Group's profit before tax ("PBT") has increased to RM 14.741 million from RM 6.804 million recorded in the preceding year's corresponding quarter.

The Group's revenue for the current financial year to-date also increased by 40.25% to RM 368.27 million as compared to RM 262.576 million in the preceding year's corresponding period. As a result, the Group's PBT has increased by 56.02% to RM 34.988 million.

16. QUARTERLY RESULTS COMPARISON

The Group's revenue for the current quarter under review increased by 14.89% to RM 135.279 million as compared to the preceding quarter mainly due to better sales in line with the Hari Raya celebration which fell in August 2011.

Consequently, the Group's PBT increased by 60.82% to RM 14.741 million from RM 9.166 million recorded in the preceding quarter.

TOMEI CONSOLIDATED BERHAD (692959–W)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011

(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. COMMENTARY ON PROSPECTS

The recent downgrade of credit rating in the United States and the ongoing sovereign debt problem of certain EU countries remained a major concern to many countries including Malaysia. The anti-inflationary measures taken by various major high growth countries may also curb consumers spending. In the face of these uncertainties, the Group always looks for alternative new source of business and keeps a close watch on the latest development in executing its business strategy. Notwithstanding and barring any unforeseen circumstances, the Directors expect the Group to remain profitable for the last quarter of the financial year.

18. PROFIT FORECAST OR PROFIT GUARANTEE

The Group has not provided any profit forecast or profit guarantee in any public document during this quarter.

19. TAX EXPENSE

	Individual Quarter		Year to-date	
	3 months ended		9 months ended	
	30/9/2011	30/9/2010	30/9/2011	30/9/2010
	RM'000	RM'000	RM'000	RM'000
Current taxation	3,709	1,670	8,650	5,657
(Over)/Under provision in prior years	(1)	(70)	225	54
Deferred taxation				
- over provision in prior years	-	(100)	-	(100)
	<u>3,708</u>	<u>1,500</u>	<u>8,875</u>	<u>5,611</u>

The effective tax rates of the Group for the current quarter and financial year to date approximates its statutory tax rate of 25 %.

20. SALE OF UNQUOTED INVESTMENTS AND PROPERTIES

There were no disposals of unquoted investments and properties during the financial quarter under review.

21. MARKETABLE SECURITIES

The Group did not deal in any quoted investments and marketable securities during the current financial quarter.

22. CORPORATE PROPOSALS

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

TOMEI CONSOLIDATED BERHAD (692959-W)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011**

(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. BORROWINGS AND DEBT SECURITIES**

As at 30 September 2011, the Group has total borrowings of RM 156.641 million, all of which are denominated in Ringgit Malaysia.

	Secured RM'000	Unsecured RM'000	Total RM'000
Current	1,403	130,193	131,596
Non-current	2,155	22,890	25,045
	<u>3,558</u>	<u>153,083</u>	<u>156,641</u>

24. DERIVATIVE FINANCIAL INSTRUMENTS

As at the date of this report, the Group does not have any derivative financial instruments.

25. CHANGES IN MATERIAL LITIGATIONS

No material litigation has arisen since 31 December 2010.

26. DIVIDEND PAYABLE

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

27. 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	
	30/9/2011 RM'000	30/9/2010 RM'000	30/9/2011 RM'000	30/9/2010 RM'000
Consolidated profit for the financial period attributable to equity holders of the parent	10,445	5,155	24,997	16,424
Weighted average number of ordinary shares in issue ('000)	138,600	138,600	138,600	136,154
Basic earnings per share (sen)	7.54	3.72	18.04	12.06
Diluted earnings per share	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

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

TOMEI CONSOLIDATED BERHAD (692959-W)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2011**

(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)**

28. REALISED AND UNREALISED RETAINED EARNINGS

	Year to date ended	
	30/9/2011	30/9/2010
	RM'000	RM'000
Total retained earnings:		
- realised	113,982	86,192
- unrealised	447	1,085
	<hr/>	<hr/>
	114,429	87,277
Less: Consolidation adjustments	(16,792)	(15,020)
	<hr/>	<hr/>
Total Group retained earnings	97,637	72,257
	<hr/>	<hr/>

By Order of the Board

Secretary

Teoh Kok Jong (LS 04719)

Dated : 23 November 2011