

**YTL E-SOLUTIONS BERHAD**  
Company No. 236137-K  
Incorporated in Malaysia

**Interim Financial Report**  
**30 June 2014**

**YTL E-SOLUTIONS BERHAD**

Company No. 236137-K  
Incorporated in Malaysia

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**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**

Interim financial report on consolidated results for the financial year ended 30 June 2014.

The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current Year Quarter 30.06.2014 RM'000</b>	<b>Preceding Year Corresponding Quarter 30.06.2013 RM'000</b>	<b>Year Ended</b>	
			<b>30.06.2014 RM'000</b>	<b>30.06.2013 RM'000</b>
<b>REVENUE</b>	21,686	22,584	86,834	87,884
<b>COST OF SALES</b>	(2,824)	(15,444)	(10,377)	(19,133)
<b>GROSS PROFIT</b>	18,862	7,140	76,457	68,751
<b>OTHER OPERATING INCOME</b>	1,464	1,390	5,643	5,895
<b>ADMINISTRATION EXPENSES</b>	(2,621)	(2,330)	(8,371)	(7,803)
<b>FINANCE COSTS</b>	(3)	(3)	(12)	(8)
<b>SHARE OF RESULTS OF ASSOCIATED COMPANY</b>	197	93	798	93
<b>PROFIT BEFORE TAX</b>	17,899	6,290	74,515	66,928
<b>INCOME TAX EXPENSE</b>	(4,364)	(1,786)	(18,525)	(17,067)
<b>PROFIT FOR THE YEAR</b>	13,535	4,504	55,990	49,861
<b>PROFIT ATTRIBUTABLE TO:</b>				
Owners of the parent	8,248	2,813	34,792	30,969
Non-controlling interests	5,287	1,691	21,198	18,892
	13,535	4,504	55,990	49,861
<b>EARNINGS PER 10 SEN SHARE</b>				
Basic (sen)	0.61	0.21	2.59	2.30

The Condensed Consolidated Income Statement should be read in conjunction with the audited annual financial statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.

**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current Year Quarter 30.06.2014 RM'000</b>	<b>Preceding Year Corresponding Quarter 30.06.2013 RM'000</b>	<b>Year Ended</b>	
			<b>30.06.2014 RM'000</b>	<b>30.06.2013 RM'000</b>
<b>PROFIT FOR THE YEAR</b>	13,535	4,504	55,990	49,861
<b>OTHER COMPREHENSIVE INCOME/(LOSS):</b>				
CURRENCY TRANSLATION DIFFERENCES	84	431	1,670	(348)
	-----	-----	-----	-----
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX</b>	84	431	1,670	(348)
	-----	-----	-----	-----
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	13,619	4,935	57,660	49,513
	=====	=====	=====	=====
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
Owners of the parent	8,332	3,242	36,462	30,621
Non-controlling interests	5,287	1,693	21,198	18,892
	-----	-----	-----	-----
	13,619	4,935	57,660	49,513
	=====	=====	=====	=====

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited annual financial statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.

**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
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**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited As at 30.06.2014 RM'000</b>	<b>Audited As at 30.06.2013 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,285	2,795
Goodwill on consolidation	2,490	2,490
Other intangible assets	59	105
Investment in associate	8,141	7,343
Deferred tax assets	136	-
	-----	-----
	13,111	12,733
	-----	-----
<b>Current assets</b>		
Inventories	21	56
Trade and other receivables	1,181	1,998
Income tax assets	1,596	1,216
Amount due from related parties	14,607	14,740
Cash and cash equivalents	211,517	206,954
	-----	-----
	228,922	224,964
	-----	-----
<b>TOTAL ASSETS</b>	<b>242,033</b>	<b>237,697</b>
	=====	=====
<b>EQUITY</b>		
Share capital	135,000	135,000
Share premium	1,475	1,475
Other reserves	(4,437)	(6,096)
Retained earnings	85,914	78,023
Treasury shares, at cost	(2,141)	(2,141)
	-----	-----
<b>Equity attributable to owners of the parent</b>	<b>215,811</b>	<b>206,261</b>
<b>Non-controlling interests</b>	<b>13,400</b>	<b>11,701</b>
	-----	-----
<b>TOTAL EQUITY</b>	<b>229,211</b>	<b>217,962</b>
	-----	-----

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.

**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
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**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued**

	<b>Unaudited As at 30.06.2014 RM'000</b>	<b>Audited As at 30.06.2013 RM'000</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred tax liabilities	215	293
Loan and borrowings	61	190
	-----	-----
	276	483
	-----	-----
<b>Current liabilities</b>		
Trade and other payables	12,231	18,868
Provisions	37	119
Amount due to related parties	2	6
Loan and borrowings	129	123
Income tax liabilities	147	136
	-----	-----
	12,546	19,252
	-----	-----
<b>TOTAL LIABILITIES</b>	12,822	19,735
	-----	-----
<b>TOTAL EQUITY AND LIABILITIES</b>	242,033	237,697
	=====	=====
<b>Net assets per 10 sen share (RM)</b>	0.16	0.15
	=====	=====

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.

**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
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**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

	← Attributable to owners of the parent →						Total RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Currency translation reserve RM'000	Retained earnings RM'000	Treasury shares RM'000			
At 1 July 2013	135,000	1,475	10	(6,106)	78,023	(2,141)	206,261	11,701	217,962
Profit for the financial year	-	-	-	-	34,792	-	34,792	21,198	55,990
Other comprehensive income for the financial year	-	-	-	1,670	-	-	1,670	-	1,670
Total comprehensive income for the financial year	-	-	-	1,670	34,792	-	36,462	21,198	57,660
Transaction with owners:									
Additional investment in an existing subsidiary	-	-	-	(11)	6	-	(5)	(59)	(64)
Treasury shares acquired	-	-	-	-	-	(*)	(*)	-	(*)
Dividend paid	-	-	-	-	(26,907)	-	(26,907)	-	(26,907)
Dividend paid to non-controlling interest by subsidiary	-	-	-	-	-	-	-	(19,440)	(19,440)
At 30 June 2014	135,000	1,475	10	(4,447)	85,914	(2,141)	215,811	13,400	229,211

\* Less than RM1,000

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited annual financial statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013**

	← Attributable to owners of the parent →					Treasury shares RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Currency translation reserve RM'000	Retained earnings RM'000				
At 1 July 2012	135,000	1,475	10	(5,758)	73,967	(2,141)	202,553	25,203	227,756
Profit for the financial year	-	-	-	-	30,969	-	30,969	18,892	49,861
Other comprehensive loss for the financial year	-	-	-	(348)	-	-	(348)	-	(348)
Total comprehensive income for the financial year	-	-	-	(348)	30,969	-	30,621	18,892	49,513
Transaction with owners:									
Effect of change in stake	-	-	-	-	(6)	-	(6)	6	-
Treasury shares acquired	-	-	-	-	-	(*)	(*)	-	(*)
Dividend paid	-	-	-	-	(26,907)	-	(26,907)	-	(26,907)
Dividend paid to non-controlling interest by subsidiary	-	-	-	-	-	-	-	(32,400)	(32,400)
At 30 June 2013	135,000	1,475	10	(6,106)	78,023	(2,141)	206,261	11,701	217,962

\* Less than RM1,000

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited annual financial statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.



**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

	<b>YEAR ENDED</b>	
	<b>30.06.2014</b>	<b>30.06.2013</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	74,515	66,928
Adjustments for:-		
Allowance for obsolete inventories	14	22
Allowance for obsolete inventories no longer required	(7)	-
Amortisation of other intangible assets	48	43
Depreciation of property, plant and equipment	587	395
Impairment loss on trade receivables	110	-
Interest expenses	12	8
Interest income	(5,639)	(5,880)
Loss on disposal of property, plant and equipment	-	36
Property, plant and equipment written off	1	1
Provisions	-	119
Reversal of impairment loss on trade receivables	-	(10)
Share of results of associated company	(798)	(93)
Write-back of provisions	(82)	-
	-----	-----
Operating profit before working capital changes	68,761	61,569
Changes in working capital:-		
Inventories	28	(73)
Receivables	756	(572)
Payables	(6,649)	14,683
Related parties	129	(107)
	-----	-----
Cash generated from operations	63,025	75,500
Interest paid	(12)	(8)
Interest received	5,590	5,855
Tax paid	(19,147)	(20,858)
Tax refund	39	596
	-----	-----
<b>Net cash generated from operating activities</b>	<b>49,495</b>	<b>61,085</b>
	-----	-----

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.

**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
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**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014 - continued**

	<b>YEAR ENDED</b>	
	<b>30.06.2014</b>	<b>30.06.2013</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from investing activities</b>		
Acquisition of associated company	-	(7,250)
Additional investment in an existing subsidiary	(64)	-
Proceeds from disposal of property, plant and equipment	-	138
Purchase of property, plant and equipment	(78)	(1,404)
Purchase of other intangible assets	(2)	(51)
	-----	-----
<b>Net cash used in investing activities</b>	<b>(144)</b>	<b>(8,567)</b>
	-----	-----
<b>Cash flows from financing activities</b>		
Dividend paid	(26,907)	(26,907)
Dividend paid to non-controlling interest by subsidiary	(19,440)	(32,400)
Repayment of loans and borrowings	(123)	(64)
Purchase of own shares (net)	(*)	(*)
	-----	-----
<b>Net cash used in financing activities</b>	<b>(46,470)</b>	<b>(59,371)</b>
	-----	-----
Net increase/(decrease) in cash and cash equivalents	2,881	(6,853)
Effects of exchange rate changes	1,682	(350)
Cash and cash equivalents at beginning of the financial year	206,954	214,157
	-----	-----
<b>Cash and cash equivalents at end of the financial year</b>	<b>211,517</b>	<b>206,954</b>
	=====	=====
Cash and cash equivalents comprise:-		
Deposits with licensed banks	210,403	206,140
Cash on hand and at banks	1,114	814
	-----	-----
	<b>211,517</b>	<b>206,954</b>
	=====	=====

\* Less than RM 1,000

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.

## **INTERIM FINANCIAL REPORT**

### **Notes:-**

#### **Disclosure requirements pursuant to Malaysian Financial Reporting Standard 134**

The interim financial reports should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 30 June 2013.

#### **A1. Accounting Policies and Methods of Computation**

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting”, IAS 34: “Interim Financial Reporting” and Chapter 9, Part K Rule 9.22 of the ACE Market Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”).

The accounting policies and methods of computations adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial year ended 30 June 2013.

The adoption of MFRSs and amendments to MFRSs which were effective for financial year beginning on or after 1 July 2013 do not have significant financial impact on the Group.

#### **A2. Seasonality or Cyclicity of Interim Operations**

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

#### **A3. Unusual Items**

During the current financial quarter, there was no item of an unusual nature that affects the assets, liabilities, equity, net income or cash flows of the Group.

#### **A4. Changes in Estimates of Amounts Reported**

There was no significant change in estimates of amounts reported in prior interim periods or prior financial years.

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**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
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**INTERIM FINANCIAL REPORT**

**Notes:- continued**

**A5. Changes in Debt and Equity Securities**

For the financial year-to-date, the Company repurchased 200 ordinary shares of RM0.10 each of its issued share capital from the open market, at an average cost of RM0.62 per share. The total consideration paid for the share buy-back, including transaction costs during the financial year-to-date amounted to RM206.04 and were financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965. As at 30 June 2014, the total number of treasury shares held was 4,672,900 ordinary shares of RM0.10 each.

Apart from the above, there was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial year-to-date.

**A6. Dividends paid**

An interim single tier dividend of 2 sen per ordinary share of 10 sen each amounting to RM26,906,544 in respect of financial year ended 30 June 2013 was paid on 14 November 2013.

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**INTERIM FINANCIAL REPORT**

**Notes:- continued**

**A7. Segment Information**

The Group's segmental results for the financial year ended 30 June 2014 are as follows:-

	<b>Information technology and e-commerce RM'000</b>	<b>Communications technology RM'000</b>	<b>Content and digital media RM'000</b>	<b>Adjustments/ eliminations RM'000</b>	<b>Total RM'000</b>
External revenue	5,138	75,112	6,584	-	86,834
Inter-segment revenue	6	-	21	(27)	-
<b>Total revenue</b>	----- 5,144 =====	----- 75,112 =====	----- 6,605 =====	----- (27) =====	----- 86,834 =====
Segment profit before tax	----- 1,684 =====	----- 72,220 =====	----- 611 =====	----- - =====	----- 74,515 =====

**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
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**INTERIM FINANCIAL REPORT**

**Notes:- continued**

**A7. Segment Information - continued**

The Group's segmental results for the financial year ended 30 June 2013 are as follows:-

	<b>Information technology and e-commerce RM'000</b>	<b>Communications technology RM'000</b>	<b>Content and digital media RM'000</b>	<b>Adjustments/ eliminations RM'000</b>	<b>Total RM'000</b>
External revenue	6,116	75,155	6,613	-	87,884
Inter-segment revenue	69	-	-	(69)	-
<b>Total revenue</b>	----- 6,185 =====	----- 75,155 =====	----- 6,613 =====	----- (69) =====	----- 87,884 =====
Segment profit before tax	1,561 =====	63,979 =====	1,388 =====	- =====	66,928 =====

**INTERIM FINANCIAL REPORT**

**Notes:- continued**

**A8. Events after the Interim Period**

There was no item, transaction or event of a material or unusual in nature during the period from the end of the quarter under review to the date of this report.

**A9. Changes in the Composition of the Group**

There were no changes in the composition of the Group for the financial year ended 30 June 2014 including business combinations, obtaining or losing control of subsidiaries and long term investments, restructurings and discontinued of operations except for the following:-

- (i) On 16 July 2013, the Company approved a proposal to undertake a final cash offer to acquire the entire issued share capital of Infoscreen Networks Plc (“Infoscreen”) not already owned by the Company (“Final Cash Offer”), comprising 666,766 ordinary shares of 1 pence each (“Offeree Shares”) at an offer price of 2 pence per share in cash.
- (ii) On the closing date of 30 August 2013, Infoscreen received 97.35% acceptance to the Final Cash Offer comprising 649,091 ordinary shares, out of the Offeree Shares. As a result, the Company, pursuant to the United Kingdom Companies Act 2006, instigated the compulsory acquisition to acquire the remaining 17,675 Offeree Shares from the non-assenting shareholders of Infoscreen which was completed on 19 November 2013 where Infoscreen became a wholly-owned subsidiary of the Company.

**A10. Changes in Contingent Liabilities**

There were no changes in the contingent liabilities of the Group since the last financial year ended 30 June 2013.

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**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
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**INTERIM FINANCIAL REPORT**

Notes:- continued

**Disclosure requirements per Appendix 9B, Part K of Chapter 9 of the ACE Market Listing Requirements of Bursa Securities**

**B1. Review of Performance**

	Individual Quarter		Cumulative Quarter	
	30.06.2014 RM'000	30.06.2013 RM'000	30.06.2014 RM'000	30.06.2013 RM'000
<b>Revenue</b>				
Information technology and e-commerce	1,236	1,914	5,138	6,116
Communications technology	18,766	18,789	75,112	75,155
Content and digital media	1,684	1,881	6,584	6,613
	-----	-----	-----	-----
	21,686	22,584	86,834	87,884
	=====	=====	=====	=====
<b>Profit/(Loss) before tax</b>				
Information technology and e-commerce	27	429	1,684	1,561
Communications technology	18,000	5,931	72,220	63,979
Content and digital media	(128)	(70)	611	1,388
	-----	-----	-----	-----
	17,899	6,290	74,515	66,928
	=====	=====	=====	=====

Part A – Financial year-to-date review

For the financial year under review, the Group recorded revenue and profit before tax of RM86.834 million and RM74.515 million respectively, representing a decrease of 1.2% and an increase 11.3% respectively, compared to the preceding financial year ended 30 June 2013. The increase in profit before tax was mainly due to the lower accrual of contribution to MCMC's Universal Service Provision fund ("USP Fund") established under the Communications and Multimedia Act 1988.

The performance of the respective operating segments is as follows:-

i) Information technology and e-commerce

Revenue decreased by 16.0% to RM5.138 million from RM6.116 million, mainly due to lower income recorded on hardware sales activities and maintenance services. However, despite the decrease in revenue, profit before tax increased by 7.9% from RM1.561 million to RM1.684 million, mainly due to the higher interest income on higher cash deposits in the current financial year.



**INTERIM FINANCIAL REPORT**

**Notes:- continued**

**B1. Review of Performance - continued**

ii) Communications technology

Revenue derived from the spectrum sharing agreement in relation to the Group's 2.3GHz Worldwide Interoperability for Microwave Access ("WIMAX") spectrum was largely unchanged compared to the preceding financial year. Profit before tax increased by 12.9% to RM72.22 million from RM63.979 million, mainly due to the lower accrual of contribution to the USP Fund.

iii) Content and digital media

Revenue and profit before tax of RM6.584 million and RM0.611 million respectively, represented a decrease of 0.4% and 56.0% respectively, compared to the preceding financial year's revenue of RM6.613 million and profit before tax of RM1.388 million. The decrease in profit before tax was mainly due to lower gross profit margin recorded as a result of the change in the revenue mix, a delay in the opening of KLIA 2 which impacted advertising revenue on the company's digital media network on the KLIA Express Rail Link and a higher depreciation charge due to network expansion.

Part B – Current quarter review

The Group recorded a revenue and profit before tax for the current financial quarter of RM21.686 million and RM17.899 million respectively, represented a decrease of 4.0% and an increase 184.6% respectively, compared to preceding financial year's corresponding quarter. The increase in profit before tax was mainly due to the lower accrual of contribution to the USP Fund.

The performance of the respective operating segments is as follows:-

i) Information technology and e-commerce

Revenue and profit before tax of RM1.236 million and RM0.027 million respectively, represented a decrease of 35.4% and 93.7% respectively, compared to the preceding year's corresponding quarter. The decrease in profit before tax was mainly due to the lower income recorded on hardware sales activities and maintenance services.

ii) Communications technology

Profit before tax increased by 203.5% to RM18.0 million from RM5.931 million, mainly due to the lower accrual of contribution to the USP Fund.

**INTERIM FINANCIAL REPORT**

**Notes:- continued**

**B1. Review of Performance - continued**

iii) Content and digital media

Revenue and loss before tax of RM1.684 million and RM0.128 million respectively, represented a decreased of 10.5% in revenue and an increase of 82.9% in loss before tax. The increase in loss before tax was mainly due to lower gross profit margin recorded as a result of a change in the revenue mix and a delay in the opening of KLIA 2 which impacted advertising revenue on the company's digital media network on the KLIA Express Rail Link.

**B2. Comparison with Preceding Quarter**

	<b>Current Quarter 30.06.2014 RM'000</b>	<b>Preceding Quarter 31.03.2014 RM'000</b>
Revenue	21,686	21,699
Profit before tax	17,899	18,426

Group revenue increased marginally, whilst the profit before tax decreased by 2.9% compared to that recorded in the preceding quarter. The decrease was mainly due to higher administrative expenses in current financial quarter.

**B3. Prospects**

Given a very significant portion of Group revenue is derived from spectrum sharing fee income from its Communications Technology segment, the outlook for the Group's overall performance in the financial year ending 30 June 2015 should be satisfactory. The Group will also focus on trying to improve the returns from its Content and Digital segment by seeking to spread its reach and improve its sales mix. Meanwhile, the Information Technology and e-commerce segment will see the introduction of new products.

**B4. Profit Forecast**

The Group did not issue any profit forecast or profit guarantee in a public document during the current financial quarter.

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**YTL E-SOLUTIONS BERHAD (Company No. 236137-K)**  
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Notes:- continued

**B5. Profit for the period/year**

	<b>Current Year Quarter 30.06.2014 RM'000</b>	<b>Financial Year- To-Date 30.06.2014 RM'000</b>
Profit for the period/year is derived after charging /(crediting):-		
Amortisation of other intangible assets	12	48
Depreciation of property, plant and equipment	147	587
Impairment loss on trade receivables	110	110
Interest expenses	3	12
Interest income	(1,464)	(5,639)
	=====	=====

Other than the above items, there was no investment income, write off of receivables, allowance for impairment and write off of inventories, gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets, foreign exchange gain or loss, gain or loss on derivatives and exceptional items for the current financial quarter and financial year-to-date.

**B6. Income Tax Expense**

	<b>Current Year Quarter 30.06.2014 RM'000</b>	<b>Financial Year- To-Date 30.06.2014 RM'000</b>
Taxation based on profit for the period/year	4,578	18,734
Under provision of taxation in prior year	-	5
Deferred taxation	(95)	(95)
Over provision of deferred taxation in prior year	(119)	(119)
	-----	-----
	4,364	18,525
	=====	=====

The provision for taxation for the current financial quarter and financial year-to-date reflects an effective tax rate which approximates to the statutory income tax rate.

**B7. Status of Corporate Proposals**

As at the date of this report, there are no corporate proposals announced and pending completion.

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**B8. Group Borrowings and Debt Securities**

The Group's borrowings from financial institutions as at 30 June 2014 are as follows:-

	<b>Short term RM'000</b>	<b>Long term RM'000</b>	<b>Total RM'000</b>
Secured	129 =====	61 =====	190 =====

**B9. Derivative Financial Instruments, Fair Value Changes of Financial Liabilities and Retained Earnings**

**i) Derivative Financial Instruments**

There is no outstanding derivative financial instrument as at 30 June 2014.

**ii) Fair Value Changes of Financial Liabilities**

As at 30 June 2014, the Group does not have any financial liabilities measured at fair value through profit or loss.

**iii) Retained Earnings**

	<b>Unaudited As at 30.06.2014 RM'000</b>	<b>Audited As at 30.06.2013 RM'000</b>
Retained earnings/(Accumulated losses) of the Company and its subsidiaries		
- Realised	77,597	68,769
- Unrealised	(79)	(293)
	----- 77,518	----- 68,476
Retained earnings of the associated companies		
- Realised	798	93
	-----	-----
Consolidated adjustments	7,598	9,454
	-----	-----
Total Group retained earnings as per consolidated interim financial report	85,914 =====	78,023 =====

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**B10. Material Litigation**

There was no material litigation pending as at the date of this report.

**B11. Dividend**

The Board of Directors (“Board”) is pleased to declare an interim single tier dividend of 40% or 4 sen per ordinary share of 10 sen each for the financial year ended 30 June 2014.

The book closure and payment dates in respect of the aforesaid dividend are 31 October 2014 and 14 November 2014, respectively.

The Board does not recommend a final dividend for the financial year ended 30 June 2014 (2013 : nil).

**B12. Earnings Per Share**

**i) Basic earnings per share**

The basic earnings per share of the Group has been computed by dividing the profit attributable to owners of the parent for the financial quarter by the weighted average number of ordinary shares in issue during the financial quarter as set out below:-

	<b>Current Year Quarter 30.06.2014</b>	<b>Preceding Year Corresponding Quarter 30.06.2013</b>
Profit attributable to owners of the parent (RM'000)	8,248	2,813
Weighted average number of ordinary shares in issue ('000)	1,345,327	1,345,327
Basic earnings per share (sen)	0.61	0.21

**ii) Diluted earnings per share**

The Group does not have any convertible securities and accordingly, the disclosure of diluted earnings per share is not applicable.

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**B13. Audit Report of the Preceding Financial Year Ended 30 June 2013**

The auditors' report on the financial statements of the financial year ended 30 June 2013 did not contain any qualification.

By Order of the Board  
HO SAY KENG  
Secretary

Kuala Lumpur  
Dated: 28 August 2014