TIME DOTCOM BERHAD
(413292-P)
Incorporated in Malaysia

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

THE FIGURES HAVE NOT BEEN AUDITED

I. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Nine months to	Nine months to
	30/9/2011	30/9/2010	30/9/2011	30/9/2010
	RM'000	RM'000	RM'000	RM'000
Operating revenue	**76,979**	**87,346**	**230,688**	**235,563**
Operating expenses				
- depreciation, impairment and amortisation of property, plant and equipment and telecommunications network	(13,874)	(11,788)	(40,290)	(37,610)
- other operating expenses	(31,523)	(65,943)	(134,531)	(173,904)
Other operating income (net)	419	349	698	1,138
Profit from operations	**32,001**	**9,964**	**56,565**	**25,187**
Investment income	9,943	11,023	36,859	37,550
Finance expenses	-	(38)	-	(38)
Profit before income tax	**41,944**	**20,949**	**93,424**	**62,699**
Income tax	(1,240)	-	(1,240)	-
Profit for the period attributable to owners of the Company	**40,704**	**20,949**	**92,184**	**62,699**
Other comprehensive income:				
Fair value gain on available-for-sale financial assets	37,950	35,750	160,050	64,350
Other comprehensive income for the period	37,950	35,750	160,050	64,350
Total comprehensive income for the period attributable to owners of the Company	**78,654**	**56,699**	**252,234**	**127,049**
Earnings per share				
Basic and diluted (based on 2011: 2,530,775,000 [2010: 2,530,775,000] ordinary shares)	1.61 sen	0.83 sen	3.64 sen	2.48 sen

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

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II. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at end of current quarter 30/9/2011 RM'000	Audited As at preceding financial year ended 31/12/2010 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	36,005	28,160
Telecommunications network	402,537	349,548
Deferred tax assets	18,504	18,504
Available-for-sale financial assets	836,590	676,500
Trade receivables*	15,967	19,706
	1,309,603	1,092,418
Current assets		
Trade and other receivables	139,770	142,821
Tax recoverable	621	833
Restricted cash	16,324	-
Deposit, cash and bank balances	207,286	199,661
	364,001	343,315
Total assets	1,673,604	1,435,733
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	2,530,775	2,530,775
Share premium	1,570,758	1,570,758
Available-for-sale reserve	237,050	77,000
Accumulated losses	(2,836,546)	(2,928,730)
Total equity	1,502,037	1,249,803
Non-current liabilities		
Trade payables**	1,558	4,259
	1,558	4,259
Current liabilities		
Trade and other payables	168,936	181,671
Provision for tax	1,073	-
	170,009	181,671
Total liabilities	171,567	185,930
Total equity and liabilities	1,673,604	1,435,733
Net assets per share attributable to ordinary owners of the Company	RM0.59	RM0.49

* Non-current trade receivables relate to accrued income for certain long term global bandwidth contracts entered into by the Group whereby the payment terms have been mutually agreed to be made by the customer over a period of up to 3 years.

** Non-current trade payables relate to accrued expenses for certain long term global bandwidth contracts entered into by the Group whereby the payment terms have been mutually agreed to be made over a period of up to 3 years.

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

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III. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

		Unaudited Nine months to 30/9/2011 RM'000	Unaudited Nine months to 30/9/2010 RM'000
Operating Activities			
Cash receipts from customers		242,427	215,269
Transfer to restricted cash and bank balances		(16,324)	-
Cash payments to suppliers		(114,066)	(106,803)
Cash payments to employees and for administrative expenses		(51,293)	(43,625)
Net cash generated from operating activities		**60,744**	**64,841**
Investing Activities			
Purchase of property, plant and equipment and telecommunications network		(90,403)	(68,580)
Proceeds from disposal of property, plant and equipment		125	-
Investment income received		37,159	27,397
Net cash used in investing activities		**(53,119)**	**(41,183)**
Financing Activities			
Interest paid		-	(38)
Net cash used in financing activities		**-**	**(38)**
Net change in Cash and Cash Equivalents		**7,625**	**23,620**
Cash and Cash Equivalents as at beginning of financial period		199,661	173,553
Cash and Cash Equivalents as at end of financial period	**Note (a)**	**207,286**	**197,173**

Note:
(a) Cash and Cash Equivalents comprise the following amounts:

Bank and cash balances	10,387	4,836
Deposits with licensed banks	213,223	192,337
As per Condensed Consolidated Statement of Financial Position	**223,610**	**197,173**
Restricted cash	(16,324)	-
As per Condensed Consolidated Statement of Cash Flows	**207,286**	**197,173**

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

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IV. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	←---- Attributable to owners of the Company ----→				
	←----Non-distributable----→				
Nine months to 30 September 2011 (unaudited)	**Share Capital RM'000**	**Share Premium RM'000**	**Available- for-Sale reserve RM'000**	**Accumulated Losses RM'000**	**Total Equity RM'000**
Balance as at 1 January 2011	2,530,775	1,570,758	77,000	(2,928,730)	1,249,803
Profit for the period	-	-	-	92,184	92,184
Fair value gain on available-for-sale financial assets	-	-	160,050	-	160,050
Total comprehensive income for the period	-	-	160,050	92,184	252,234
Balance as at 30 September 2011	**2,530,775**	**1,570,758**	**237,050**	**(2,836,546)**	**1,502,037**

	←---- Attributable to owners of the Company ----→				
	←----Non-distributable----→				
Nine months to 30 September 2010 (unaudited)	**Share Capital RM'000**	**Share Premium RM'000**	**Available- for-Sale reserve RM'000**	**Accumulated Losses RM'000**	**Total Equity RM'000**
Balance as at 1 January 2010	2,530,775	1,570,758	4,400	(3,035,801)	1,070,132
Profit for the period	-	-	-	62,699	62,699
Fair value gain on available-for-sale financial assets	-	-	64,350	-	64,350
Total comprehensive income for the period	-	-	64,350	62,699	127,049
Balance as at 30 September 2010	**2,530,775**	**1,570,758**	**68,750**	**(2,973,102)**	**1,197,181**

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

V. NOTES TO THE CONDENSED FINANCIAL STATEMENTS

1. Basis of preparation

The unaudited interim financial statements have been prepared under the historical cost convention except for available-for-sale financial assets which are stated at fair value and other financial assets and financial liabilities which are stated at fair value on initial recognition. The quarterly consolidated financial statements have been prepared by applying accounting policies and methods of computation consistent with those used in the preparation of the most recent audited financial statements of the Group, other than as disclosed in Note 2 below, and are in accordance with FRS 134, Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the annual audited financial statements for the year ended 31 December 2010. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of changes in the financial position and performance of the Group since the year ended 31 December 2010.

2. Significant accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statement for the year ended 31 December 2010, except for the adoption of new Financial Reporting Standards (FRSs), Amendments to FRSs and IC Interpretations, with effect from 1 January 2011.

On 1 January 2011, the Group adopted the following FRSs, Amendments to FRSs, Improvements to FRSs (2010) and IC Interpretations which are applicable to its financial statements and are relevant to its operations:

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 1 - First-time Adoption of Financial Reporting Standards:
(a) Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
(b) Additional Exemptions for First-time Adopters
Amendments to FRS 2 - Share-based Payment:
(a) Group Cash-settled Share Based Payment Transactions
Amendments to FRS 5 - Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7 - Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments
Amendments to FRS 132 - Financial Instruments: Presentation
Amendments to FRS 138 - Intangible Assets
Amendments to IC Interpretation 9 - Reassessment of Embedded Derivatives
Improvements to FRSs (2010)
IC Interpretation 4 - Determining whether an Arrangement contains a Lease
IC Interpretation 12 - Service Concession Agreements
IC Interpretation 16 - Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17 - Distribution of Non-cash Assets to Owners
IC Interpretation 18 - Transfers of Assets from Customers

Other than for the application of FRS 3 (revised), the application of the above FRSs, Amendments to FRSs, Improvements to FRSs (2010) and IC Interpretations did not and/or are not expected to result in any significant changes in the accounting policies and presentation of the financial results of the Group.

FRS 3 (revised) – Business Combinations

FRS 3 (revised) incorporates the following changes that are likely to be relevant to the Group's operations:

- The definition of a business has been broadened, which is likely to result in more acquisitions being treated as business combinations.
- Contingent consideration will be measured at fair value, with subsequent changes therein recognised in profit or loss.
- Transaction costs, other than share and debt issue costs, will be expensed as incurred.
- Any pre-existing interest in the acquiree will be measured at fair value with the gain or loss recognised in profit or loss.
- Any minority (will be known as non-controlling) interest will be measured at either fair value, or at its proportionate interest in the identifiable assets and liabilities of the acquiree, on a transaction-by-transaction basis.

FRS 3 (revised), which is mandatory for the Group's 2011 consolidated financial statements, will be applied prospectively and therefore there will be no impact on prior periods consolidated financial statements.

The Group has not applied the following new/revised accounting standards (including the consequential amendments) and interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the Group:

FRS/Interpretations	***Effective for annual periods beginning on or after***
Amendments to IC Interpretation 14, Prepayments of a Minimum Funding Requirement	1 July 2011
IC Interpretation 19, *Extinguishing Financial Liabilities with Equity Instruments*	1 July 2011
FRS 124, *Related Party Disclosures* (revised)	1 January 2012
IC Interpretation 15, *Agreements for the Construction of Real Estate*	1 January 2012

The Group plans to apply the abovementioned FRSs (and its consequential amendments) and Interpretations in the respective annual periods based on their effective dates and applicability.

The initial application of the above applicable standards (and its consequential amendments) and interpretations, is not expected to have any material impact on the financial statements of the Group.

3. Audit report in respect of the 2010 financial statements

The audit report on the Group's financial statements for the financial year ended 31 December 2010 was not qualified.

4. Seasonal or cyclical factors

The Group's operations are not subject to any significant seasonal or cyclical factors.

5. Unusual items due to their nature, size or incidence

There were no items affecting assets, liabilities, equity, net income, or cash flows that were unusual because of their nature, size or incidence in the current period and in the corresponding period in 2010 other than:

(a) the reduction of scheduled wayleave payments. The Group had negotiated a revision of the wayleave fee payments resulting in a reduction of RM3.5 million of 2010's wayleave fee, which was adjusted in the first quarter of 2011. The revised payment schedule agreed also lowers the 2011's wayleave fee by RM8.4 million. The revised payment schedule was agreed upon after taking into consideration the Group's future cash flows and commitments.

(b) adjustments made amounting to RM19.7 million for expenses recognised previously for certain projects and service contracts. The adjustments made resulted in a one-time reduction of operating expenses in the current quarter. The adjustments arose as part of the Group's regular review of its current obligations at each Statement of Financial Position date. The adjustments reflect the Group's current assessment and best estimate of its current obligations.

6. Material changes in estimates used

There were no changes in estimates of amounts reported in prior financial years that have material effect in the current period.

7. Debt and equity securities

The Group did not undertake any other issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the nine months period ended 30 September 2011.

8. Dividend

The Group has not declared or paid any dividend during the nine months period ended 30 September 2011 (2010: Nil).

9. Segmental Reporting

	Individual Quarter		Cumulative Quarter	
	Current year quarter	**Preceding year corresponding quarter**	**Nine months to**	**Nine months to**
Group	**30/9/2011**	**30/9/2010**	**30/9/2011**	**30/9/2010**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Operating Revenue				
Voice	19,479	19,090	57,707	58,757
Data	56,647	67,366	170,841	174,325
Others	853	890	2,140	2,481
	76,979	**87,346**	**230,688**	**235,563**
Operating Expenses				
- depreciation, impairment and amortization of property, plant and equipment and telecommunications network	(13,874)	(11,788)	(40,290)	(37,610)
- other operating expenses	(31,523)	(65,943)	(134,531)	(173,904)
Other operating income (net)	419	349	698	1,138
Profit from operations	**32,001**	**9,964**	**56,565**	**25,187**
Investment income	9,943	11,023	36,859	37,550
Finance expenses	-	(38)	-	(38)
Profit before income tax	**41,944**	**20,949**	**93,424**	**62,699**

10. Valuation of Property, Plant and Equipment

There were no material changes to the valuation of property, plant and equipment since the financial year ended 31 December 2010.

11. Material events subsequent to the end of the current financial quarter/year

In the opinion of the Directors, there are no items, transactions or events of a material and unusual nature which have arisen since 30 September 2011 to the date of this announcement, which would substantially affect the financial results of the Group for the nine months ended 30 September 2011 that have not been reflected in the condensed financial statements.

12. Changes in the composition of the Group

There were no changes in the composition of the Group during the nine months period ended 30 September 2011. Please refer to Note 18 for status of corporate proposals announced but not completed as at the date of this announcement.

13. Contingent liabilities/assets

There are no changes in the contingent liabilities or contingent assets as at the date of this announcement since the last annual balance sheet date.

14. Capital commitments

	As at 30/9/2011
	RM'000
a) Approved and contracted but not provided for in the interim financial statements	111,703
b) Approved but not contracted for	18,099

15. Income tax

The taxation charge for the Group for current quarter and financial period ended 30 September 2011 was made up as follows:

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Nine months to	Nine months to
Group	30/9/2011	30/9/2010	30/9/2011	30/9/2010
	RM'000	RM'000	RM'000	RM'000
Malaysian taxation - Current taxation	(1,240)	-	(1,240)	-

The effective tax rate of the Group for the current and previous corresponding quarter and financial year-to-date was lower than the statutory tax rate of 25% principally due to certain non-taxable income and utilisation of unabsorbed capital allowances.

16. Disposal of unquoted investments and/or properties

There were no disposals of unquoted investments and/or properties in the current quarter.

17. Investments in quoted securities

(a) There were no acquisitions and disposals of any quoted securities in the current quarter.

(b) Particulars of investments in quoted securities are as follows:-

	As at 30/9/2011
	RM'000
Quoted Securities in Malaysia:	
- Cost	684,750
- At book value	836,550
- At market value (fair value)	836,550

18. Status of corporate proposals announced but not completed as at the date of this announcement

The Company had, on 15 November 2010, announced that it had entered into two memoranda of agreement for the following proposals:

(i) Proposed acquisition of 100% equity stake in Global Transit Communications Sdn Bhd ("GTC") for a purchase consideration of RM106 million to be fully settled through issuance of approximately 29.86 million new TIME dotCom Berhad ("TdC") shares ("Proposed Acquisition of GTC");

(ii) Proposed acquisition of 100% equity stake in Global Transit Limited ("GTL"), for a purchase consideration of RM105 million to be settled through issuance of approximately 14.79 million new TdC shares and a cash consideration of RM52.50 million ("Proposed Acquisition of GTL");

(iii) Proposed acquisition of 100% equity stake in Global Transit (Hong Kong) Limited and Global Transit Singapore Pte Ltd (collectively defined as "Global Transit Entities"), for a cash consideration of RM1 each ("Proposed Acquisitions of Global Transit Entities"); and

(iv) Proposed acquisition of AIMS Group which comprises 100% equity stakes in AIMS Data Centre 2 Sdn Bhd, The AIMS Asia Group Sdn Bhd and its subsidiaries and AIMS Cyberjaya Sdn Bhd (collectively defined as "AIMS Group"), for a total purchase consideration of RM128 million to be settled through issuance of approximately 25.24 million new TdC shares and a cash consideration of RM38.40 million ("Proposed Acquisition of AIMS Group").

GTC, GTL, Global Transit Entities and AIMS Group are collectively referred to as "Acquiree Companies" while the Proposed Acquisition of GTC, Proposed Acquisition of GTL, Proposed Acquisitions of Global Transit Entities and Proposed Acquisition of AIMS Group are collectively referred to as the "Proposed Acquisitions".

The Company also announced on the same day that it had resolved to undertake the following proposals:

(i) Proposed capital repayment of RM50,615,500 representing RM0.02 per TdC share to the entitled shareholders of TdC ("Proposed Capital Repayment");

(ii) Proposed capital restructuring comprising:

- Proposed capital reduction of TdC's existing issued and paid-up share capital of RM2,530,775,000 comprising 2,530,775,000 ordinary shares of RM1.00 each in TdC via cancellation of RM0.90 of the par value of each TdC ordinary share pursuant to Section 64 of the Companies Act, 1965 ("Proposed Capital Reduction");

- Proposed set-off of TdC's share premium account against the accumulated losses of TdC ("Proposed Share Premium Reduction"); and

- Proposed share consolidation of 2,530,775,000 ordinary shares of RM0.10 each in TdC after the Proposed Capital Reduction into 506,155,000 TdC shares, on the basis of five (5) ordinary shares of RM0.10 each in TdC into one (1) ordinary share of RM0.50 each in TdC ("Proposed Share Consolidation").

The Proposed Capital Reduction, Proposed Share Premium Reduction and the Proposed Share Consolidation are collectively referred to as the "Proposed Capital Restructuring" while the Proposed Acquisitions, Proposed Capital Repayment and Proposed Capital Restructuring are collectively referred to as the "Proposals".

Subsequently, the Company announced, on 6 December 2010, that it had entered into four (4) conditional sale and purchase agreements (referred to as "SPAs") with the following parties:

(i) PKV, for the Proposed Acquisition of GTC;

(ii) Megawisra Sdn Bhd ("Megawisra"), Halfmoon Bay Capital Limited, Accurate Gain Profits Limited, Continuum Capital Sdn. Bhd. and Nicholas Lim Ping (collectively referred as "GTL Vendors"), for the Proposed Acquisition of GTL;

(iii) Global Transit International Sdn Bhd ("GTI"), a wholly owned subsidiary of Megawisra, for the Proposed Acquisitions of the Global Transit Entities; and

(iv) Megawisra, for the Proposed Acquisition of AIMS Group

for their respective equity interests in the Acquiree Companies.

On 15 March 2011, the Company announced that pursuant to the completion of the due diligence exercise undertaken on the Acquiree Companies, an independent valuation undertaken by PricewaterhouseCoopers Capital Sdn. Bhd. for and only for the non-interested directors of TdC and by letters of agreement executed on 15 March 2011 which are supplemental to the respective SPAs between TdC and PKV, the GTL Vendors and Megawisra, the transacting parties have mutually agreed to revise the purchase consideration as follows:

(i) the Proposed Acquisition of GTC will be for a purchase consideration of RM102 million, to be fully settled through the issuance of 28,732,394 new TdC shares;

(ii) the Proposed Acquisition of GTL will be for a purchase consideration of RM101 million, to be fully settled via the issuance of 17,070,421 new TdC shares and a cash payment of approximately RM40.4 million;

18. Status of corporate proposals announced but not completed as at the date of this announcement (continued)

(iii) the Proposed Acquisition of the AIMS Group will be for a purchase consideration of RM119 million to be fully settled via the issuance of 20,112,676 new TdC shares and a cash payment of approximately RM47.6 million.

The Proposals are conditional upon obtaining the following approvals and other condition precedents for the Proposed Acquisitions:

(i) the shareholders of TdC at an extraordinary general meeting ("EGM") to be convened;

(ii) the High Court of Malaya, for the Proposed Capital Repayment and Proposed Capital Restructuring pursuant to Section 64 of the Companies Act 1965;

(iii) Bursa Securities for the listing and quotation of the securities to be issued pursuant to the Proposed Acquisitions;

(iv) the Securities Commission of Malaysia ("SC"), for the Proposed Dispensation (detailed below);

(v) the SC, for the Proposed Exemptions (detailed below);

(vi) the creditors of TdC, if necessary; and

(vii) any other relevant parties / authorities, if required.

The SC had on 30 September 2008, inter alia, ruled that GTI will not trigger a mandatory offer obligation in TdC in connection with PKV's acquisition of thirty point zero four percent (30.04%) voting shares in TdC from KNB and the grant of the call options or put options provided that GTI's effective equity stake in TdC through their shareholding in PKV remains below twenty percent (20%) ("20% Condition"). The grant of the approval of the SC for a dispensation or waiver of the 20% Condition by GTI ("Proposed Dispensation) was granted by the SC on 19 September 2011 subject to certain disclosure requirements. The Proposed Dispensation is not subject to shareholders' approval but is a condition precedent to the Proposals.

Further, pursuant to the Proposed Acquisitions:

(i) in addition to Megawisra's indirect stake of thirty one point six percent (31.60%) in TdC held by PKV through GTI, Megawisra will obtain a direct shareholding of four point three four percent (4.34%) in TdC. Therefore, the TdC shares that Megawisra controls will increase from thirty point zero four percent (30.04%) to thirty five point nine four percent (35.94%), i.e. an increase by a single entity to more than thirty three percent (33%) and accordingly, Megawisra will trigger a mandatory general offer obligation under the Malaysian Code of Take-Overs and Mergers, 2010 ("Code"); and

(ii) Megawisra and the persons acting in concert with Megawisra ("PAC Group") shareholding in TdC will increase from forty two point three nine percent (42.39%) to forty seven point three five percent (47.35%), i.e. an increase in TdC's shareholding by more than two percent (2%) within a period of six (6) months and, accordingly, the PAC Group will trigger a mandatory general offer obligation under the Code.

In view of the above:

(i) Megawisra will be seeking an exemption under paragraph 16 of Practice Note 9 of the Code from having to undertake a mandatory general offer on TdC Shares not already held by it upon completion of the Proposed Acquisitions (Proposed Megawisra Exemption"); and

(ii) The PAC Group will be seeking an exemption under paragraph 16 of Practice Note 9 of the Code from having to undertake a mandatory general offer on TdC Shares not already held by them upon completion of the Proposed Acquisitions ("Proposed PAC Group Exemptions").

Collectively referred as "Proposed Exemptions"

The Proposed Exemptions are sought as it is not Megawisra's and the PAC Group's intentions to undertake a take-over offer as a result of the Proposals. The grant of the Proposed Exemptions constitutes one of the conditions precedent for the Proposals (save for the Proposed Capital Restructuring and proposed amendment to TdC's Memorandum of Association ("Proposed Amendment"). The Proposed Amendment is made to facilitate the Proposed Acquisitions, Proposed Capital Repayment and Proposed Capital Restructuring).

The Proposed Capital Repayment, the Proposed Exemptions and the Proposed Acquisitions are inter-conditional upon one another. The Proposed Capital Repayment, the Proposed Exemptions and the Proposed Acquisitions are conditional upon the Proposed Capital Restructuring and Proposed Amendment. The Proposed Capital Restructuring and the Proposed Amendment are inter-conditional upon one another. The Proposed PAC Group Exemption and the Proposed Megawisra Exemption are not inter-conditional upon one another.

On 10 June 2011, the Company announced that Bursa Securities has, via its letter dated 9 June 2011, approved the following:

(a) Proposed Share Consolidation;

(b) the listing and quotation of 65,915,491 new ordinary shares of RM0.50 each in TdC to be issued pursuant to the Proposed Acquisition on the Main Market of Bursa Securities;

18. Status of corporate proposals announced but not completed as at the date of this announcement (continued)

subject to the following conditions:

(a) TdC and its advisor must fully comply with the relevant provisions under the Main Listing Requirements of Bursa Securities pertaining to the implementation of the Proposals;

(b) TdC and its advisor to inform Bursa Securities upon completion of the Proposals;

(c) TdC to incorporate Bursa Securities' comments on the circular to shareholders;

(d) TdC to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposals are completed;

(e) TdC to furnish Bursa Securities with a certified true copy of the resolutions passed by the shareholders in general meeting approving the Proposals; and

(f) TdC or its advisor is also required to make the relevant announcements pursuant to paragraph 13.10(2) of the Main Market Listing Requirements of Bursa Securities.

On 22 November 2011, the Company held an extraordinary general meeting ("EGM") for the purpose of considering and, if thought fit, passing (with or without modifications), the Proposals. The shareholders approved the Proposals during the EGM.

At the date of this report, save for the approval from Bursa Securities for the Proposed Share Consolidation and the listing and quotation of the securities to be issued pursuant to the Proposed Acquisition and approvals from the shareholders of the EGM, all other approvals are still pending from the respective parties.

19. Loans and Borrowings

The Group has no loans and/or borrowings as at 30 September 2011.

20. Off Balance Sheet financial instruments

The Group does not have any financial instruments with off balance sheet risk as at the date of this quarterly report.

21. Material litigation

The Company and its subsidiaries have no outstanding material litigation as at the date of this announcement.

22. Comparison between the current quarter and the immediate preceding quarter

A decrease in consolidated revenue of RM6.6 million or 8% from RM83.6 million in the immediate preceding quarter to RM77.0 million was recorded in current quarter. The decline is due to one-off global bandwidth sales entered into in the immediate preceding quarter. Should the revenue from the one-off global bandwidth sales be excluded from the immediate preceding quarter's consolidated revenue, there would have been a 3% growth in revenue in the current quarter.

The Group's profit before tax for the current quarter of RM41.9 million was RM13.3 million higher than the consolidated profit before tax recorded in the second quarter of 2011 of RM28.6 million. The increase was mainly due to increase in non-global bandwidth sales, adjustments to operating expenses recognized previously as explained in Note 5 above, offset by the one-off revenue recognised from the global bandwidth sales in the immediate preceding quarter and lower dividend income from available-for-sale financial asset in the current quarter.

23. Review of performance for the current quarter and year-to-date

(a) Quarter 3, 2011 versus Quarter 3, 2010

Consolidated revenue has decreased by RM10.3 million to RM77.0 million in the current quarter from RM87.3 million in the corresponding quarter of the preceding financial year, primarily due to higher one-off global bandwidth sales recognised by the Group in Quarter 3, 2010. Excluding the one-off global bandwidth sales, consolidated revenue would have improved by 17% in the current quarter when compared against Quarter 3, 2010.

Profit before tax and profit before tax margin at RM41.9 million and 54% respectively were well-above the RM20.9 million and 24% reported in the Quarter 3, 2010 respectively. The improvement was attained mainly due to higher non-global bandwidth sales, adjustments to operating expenses recognised previously and reduction in wayleave fees as mentioned in Note 5 above, despite higher depreciation, lower dividend income and higher one-off global bandwidth sales recorded in Quarter 3, 2010.

23. Review of performance for the current quarter and year-to-date (continued)

(b) Financial period ended 30 September 2011 versus financial period ended 30 September 2010

The Group's consolidated revenue for the nine months period ended 30 September 2011 of RM230.7 million was slightly lower when compared to the corresponding period in 2010 of RM235.6 million. Higher revenue in the prior year corresponding period was due to higher revenue from one-off global bandwidth sales. Excluding the one-off global bandwidth sales in both periods, revenue in the current nine months period would have shown an improvement of approximately 10% when compared against the same period in 2010.

The Group posted a consolidated profit before tax of RM93.4 million in financial period ended 30 September 2011, which is an increase of RM30.7 million or 49% compared to the consolidated profit before tax of RM62.7 million in corresponding period in 2010. The improved results would be attributed mainly to adjustments made to operating expenses (see Note 5), increase in non-global bandwidth sales, improved overall margins and lower wayleave fees, despite lower one-off global bandwidth sales and higher depreciation charges due to additional capital expenditure incurred on the Group's network expansion.

24. Prospects

The Group will continue to focus on expanding coverage in key market segments, strengthening and simplifying its network, offering more complete end-to-end communication solutions, managing its costs to improve operating margins, whilst at the same time aiming to increase its share in each of the Group's addressable market segments.

The Group is in the global bandwidth business which offers wholesale services to the industry. The nature of transactions in this business constitutes both one-time and recurring revenues. As such, on a periodic reporting basis, the Group does not expect linear or consistent contributions from this area of business.

Barring any unforeseen circumstances, the results of the Group for the financial year ending 31 December 2011 is expected to remain positive.

25. Profit Forecast and Profit Guarantee

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

26. Earnings per share

	Individual Quarter		**Cumulative Quarter**	
	Current year quarter	**Preceding year corresponding quarter**	**Nine months to**	**Nine months to**
	30/9/2011	**30/9/2010**	**30/9/2011**	**30/9/2010**
Weighted average number of shares in issue ('000)	2,530,775	2,530,775	2,530,775	2,530,775
Profit for the period attributable to owners of the Company (RM'000)	40,704	20,949	92,184	62,699
Basic and diluted earnings per share	**1.61 sen**	**0.83 sen**	**3.64 sen**	**2.48 sen**

27. **Supplementary information on the breakdown of realised and unrealised profits or losses**

On 25 March 2010, Bursa Securities issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of the Main Market Listing Requirements of Bursa Securities. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Securities further issued another directive on the disclosure and the prescribed format of presentation.

Pursuant to the directive, the amounts of realised and unrealised profits or losses included in the accumulated losses of the Group as at 30 September 2011 are as follows:

	Unaudited As at end of current quarter 30/9/2011 RM'000
Total accumulated losses of the Group	
- Realised	(2,852,362)
- Unrealised	15,816
Total accumulated losses	(2,836,546)

The determination of realised and unrealised profits is based on the Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, issued by Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purpose.

By Order of the Board

MISNI ARYANI MUHAMAD
(LS 0009413)
Secretary

Selangor
25 November 2011