

TIME DOTCOM BERHAD
(413292-P)
Incorporated in Malaysia

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013

THE FIGURES HAVE BEEN AUDITED

I. CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Audited Twelve months to	Audited Twelve months to
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
	RM'000	RM'000	RM'000	RM'000
Operating revenue	149,237	121,831	548,258	419,088
Operating expenses				
- depreciation and amortisation of property, plant and equipment and telecommunications network	(21,216)	(17,436)	(75,214)	(64,361)
- other operating expenses*	(101,086)	(87,336)	(357,816)	(286,267)
Other operating income (net)	1,755	2,365	2,804	5,052
Profit from operations	28,690	19,424	118,032	73,512
Investment income	9,466	34,284	37,877	88,841
Realisation of fair value gain reclassified from available-for-sale reserve equity account to profit or loss	-	-	349,354	-
Finance expense*	(2,001)	(2,195)	(7,957)	(5,337)
Profit before income tax	36,155	51,513	497,306	157,016
Income tax expense	150,505	39,752	144,028	36,713
Profit for the period/year attributable to owners of the Company	186,660	91,265	641,334	193,729
Other comprehensive income:				
Foreign currency translation	2,988	(107)	4,758	(1,005)
Realisation of fair value gain from available-for-sale financial assets to profit or loss	-	-	(349,354)	-
Fair value gain/(loss) on available-for-sale financial assets	13,746	2,750	(123,760)	387,750
Other comprehensive income/(expense) for the period/year	16,734	2,643	(468,356)	386,745
Total comprehensive income for the period/year attributable to owners of the Company	203,394	93,908	172,978	580,474

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Twelve months to	Twelve months to
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
	RM'000	RM'000	RM'000	RM'000
Earnings per share				
Basic and diluted (based on weighted average number of ordinary share)	32.57 sen	15.94 sen	111.91 sen	35.39 sen

* Included in finance expense in the current year quarter and twelve month period are amortisation of borrowings costs of RM85,000 (2012: RM211,000) and RM333,000 (2012: RM211,000) respectively which had been previously classified under "other operating expenses". Comparative figures for the same have been reclassified to conform with the current period's and year's presentation.

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2012.

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II. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Audited As at 31/12/2013 RM'000	Audited As at 31/12/2012 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	811,923	717,215
Deferred tax assets	212,764	61,140
Available-for-sale financial assets	681,897	1,454,850
Intangible assets	213,959	213,959
Trade and other receivables	10,862	11,315
	1,931,405	2,458,479
Current assets		
Trade and other receivables	157,220	154,278
Tax recoverable	366	885
Restricted cash	34,917	22,660
Deposits, cash and bank balances	227,917	223,845
	420,420	401,668
Total assets	2,351,825	2,860,147
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	286,547	286,547
Reserves	1,717,082	2,193,297
Total equity	2,003,629	2,479,844
Non-current liabilities		
Deferred tax liabilities	5,469	3,668
Loans and borrowings	130,477	143,000
Trade payables	-	377
	135,946	147,045
Current liabilities		
Trade and other payables	176,364	221,104
Loans and borrowings	35,260	11,532
Provision for tax	626	622
	212,250	233,258
Total liabilities	348,196	380,303
Total equity and liabilities	2,351,825	2,860,147
Net assets per share attributable to ordinary owners of the Company	RM3.50	RM4.33

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

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III. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Audited Twelve months to 31/12/2013 RM'000	Audited Twelve months to 31/12/2012 RM'000
Operating Activities		
Cash receipts from customers	540,941	450,017
Transfer to restricted cash and bank balances	(12,257)	(2,012)
Cash payments to suppliers	(232,095)	(199,111)
Cash payments to employees and for administrative expenses	(147,476)	(100,900)
Cash generated from operations	149,113	147,994
Tax paid	(6,523)	(6,812)
Tax refund	1,250	788
Net cash generated from operating activities	143,840	141,970
Investing Activities		
Purchase of property, plant and equipment and telecommunications network	(177,411)	(149,527)
Proceeds from disposal of property, plant and equipment and telecommunications network	157	148
Acquisition of GTC, GTL, GT entities and AIMS Group, net of cash	-	(81,994)
Investment income received	37,802	88,334
Net cash used in investing activities	(139,452)	(143,039)
Financing Activities		
Proceeds from term loans and other borrowings	64,755	110,389
Repayment of term loans and other borrowings	(51,547)	(44,890)
Repayment of finance lease liabilities	(3,782)	(1,835)
Finance charges paid	(7,530)	(4,824)
Transactions costs paid	(2,479)	(708)
Capital repayment	-	(50,616)
Net cash (used in)/generated from financing activities	(583)	7,516
Net change in Cash and Cash Equivalents	3,805	6,447
Effect of exchange rate fluctuations on cash held	267	(44)
Cash and Cash Equivalents as at beginning of financial year	223,845	217,442
Cash and Cash Equivalents as at end of financial year	Note (a) 227,917	223,845
Note:		
(a) Cash and Cash Equivalents comprise the following amounts:		
Cash and bank balances	74,086	64,218
Deposits with licensed banks	188,748	182,287
	262,834	246,505
Restricted cash	(34,917)	(22,660)
	227,917	223,845

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

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IV. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	←----- Attributable to owners of the Company -----→						
	←----- Non-distributable -----→			←----- Distributable -----→			
	Share Capital	Share Premium	Available - for-Sale Reserve	Foreign Currency Translation Reserve	Capital Reserve	Retained Earnings	Total Equity
Twelve months to 31 December 2013 (audited)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2013	286,547	844,686	855,250	(1,005)	8,760	485,606	2,479,844
Dividend-in-specie paid	-	-	-	-	-	(649,193)	(649,193)
Exchange differences recognised directly in equity	-	-	-	4,758	-	-	4,758
Profit for the year	-	-	-	-	-	641,334	641,334
Realisation of fair value gain from available-for-sale financial assets to profit or loss	-	-	(349,354)	-	-	-	(349,354)
Fair value loss on available-for-sale financial assets	-	-	(123,760)	-	-	-	(123,760)
Total comprehensive income/(expense) for the year	-	-	(473,114)	4,758	-	641,334	172,978
Balance as at 31 December 2013	286,547	844,686	382,136	3,753	8,760	477,747	2,003,629

	←----- Attributable to owners of the Company -----→						
	←----- Non-distributable -----→			←----- Distributable -----→			
	Share Capital	Share Premium	Available- for-Sale Reserve	Foreign Currency Translation Reserve	Capital Reserve	(Accumulated Losses)/ Retained Earnings	Total Equity
Twelve months to 31 December 2012 (audited)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2012	2,530,775	1,570,758	467,500	-	-	(2,811,376)	1,757,657
Capital repayment	-	(50,616)	-	-	-	-	(50,616)
Capital reduction	(2,277,698)	-	-	-	-	2,277,698	-
Set-off share premium	-	(834,315)	-	-	8,760	825,555	-
Acquisition of GTC, GTL and the AIMS Group	32,958	156,220	-	-	-	-	189,178
Issuance of ordinary shares pursuant to Share Grant Plan ("SGP")	512	2,639	-	-	-	-	3,151
Exchange differences recognised directly in equity	-	-	-	(1,005)	-	-	(1,005)
Profit for the year	-	-	-	-	-	193,729	193,729
Fair value gain on available-for-sale financial assets	-	-	387,750	-	-	-	387,750
Total comprehensive income/(expense) for the year	-	-	387,750	(1,005)	-	193,729	580,474
Balance as at 31 December 2012	286,547	844,686	855,250	(1,005)	8,760	485,606	2,479,844

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 2012.

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V. NOTES TO THE CONDENSED FINANCIAL STATEMENTS

1. Basis of Preparation

The interim financial statements have been prepared in accordance with *MFRS 134: Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). This interim financial statements also complies with *IAS 34: Interim Financial Reporting* issued by the International Accounting Standards Board (IASB).

The interim financial statements should be read in conjunction with the annual audited financial statements for the year ended 31 December 2012. 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 2012.

2. Significant accounting policies

As at the date of authorization of these interim financial statements, the following new MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

MFRSs, Amendments to MFRSs and IC Interpretation		Effective for annual periods beginning on or after
Amendments to MFRS 10	<i>Consolidated Financial Statements: Investment Entities</i>	1 January 2014
Amendments to MFRS 12	<i>Disclosure of Interest in Other Entities: Investment Entities</i>	1 January 2014
Amendments to MFRS 127	<i>Separate Financial Statements (2011): Investment Entities</i>	1 January 2014
Amendments to MFRS 132	<i>Financial Instrument: Presentation - Offsetting Financial Assets and Financial Liabilities</i>	1 January 2014
Amendments to MFRS 136	<i>Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets</i>	1 January 2014
Amendments to MFRS 139	<i>Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting</i>	1 January 2014
IC Interpretation 21	<i>Levies</i>	1 January 2014
Amendments to MFRS 1	<i>First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2011-2013 Cycle)</i>	1 July 2014
Amendments to MFRS 2	<i>Share-based Payment (Annual Improvements 2010-2012 Cycle)</i>	1 July 2014
Amendments to MFRS 3	<i>Business Combinations (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)</i>	1 July 2014
Amendments to MFRS 8	<i>Operating Segments (Annual Improvements 2010-2012 Cycle)</i>	1 July 2014
Amendments to MFRS 13	<i>Fair Value Measurement (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)</i>	1 July 2014
Amendments to MFRS 116	<i>Property, Plant and Equipment (Annual Improvements 2010-2012 Cycle)</i>	1 July 2014
Amendments to MFRS 119	<i>Employee Benefits – Defined Benefit Plans: Employee Contributions</i>	1 July 2014
Amendments to MFRS 124	<i>Related Party Disclosures (Annual Improvements 2010-2012 Cycle)</i>	1 July 2014
Amendments to MFRS 138	<i>Intangible Assets (Annual Improvements 2010-2012 Cycle)</i>	1 July 2014
Amendments to MFRS 140	<i>Investment Property (Annual Improvements 2011-2013 Cycle)</i>	1 July 2014
MFRS 9	<i>Financial Instruments (2009)</i>	*
MFRS 9	<i>Financial Instruments (2010)</i>	*
MFRS 9	<i>Financial Instruments (Hedge Accounting and amendments to MFRS 9, MFRS 7 and MFRS 139)</i>	*
Amendments to MFRS 7	<i>Disclosures – Mandatory Effective Date of MFRS 9 and Transition Disclosures</i>	*

* To be announced by MASB

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

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2. Significant accounting policies (continued)

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 except as mentioned below:

MFRS 9, Financial Instruments

MFRS 9 will replace the guidance in MFRS 139, *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets. Upon adoption of MFRS 9, financial assets will be measured at either fair value or amortised cost.

The adoption of MFRS 9 will result in a change in accounting policy. The Company is currently assessing the financial impact of adopting MFRS 9.

3. Audit report in respect of the 2012 financial statements

The audit report on the Group's financial statements for the financial year ended 31 December 2012 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 year and in the corresponding year in 2012, other than the realisation of available-for-sale reserve amounting to RM349,354,000 arising from the partial distribution of quoted equity investments held by the Company in the form of a dividend-in-specie to its shareholders in June 2013.

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 year.

7. Debt and equity securities

The Group did not undertake any 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 current financial year ended 31 December 2013.

8. Dividend

The Group has not declared or paid any dividend during the current quarter under review.

During the second quarter ended 30 June 2013, the Company distributed 137,540,955 ordinary shares of RM0.01 each in DiGi.Com Berhad ("DiGi Shares") to the entitled shareholders, pursuant to a dividend-in-specie on the basis of twenty four (24) DiGi Shares for every one hundred (100) of the Company's shares held by the entitled shareholders. The distribution of DiGi Shares had been approved at the Company's Annual General Meeting held on 20 May 2013.

The distribution of DiGi Shares was deemed completed following the crediting of the said DiGi Shares to the CDS accounts of the entitled shareholders of the Company and the odd lot agent on 19 June 2013.

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9. Segmental Reporting

Group	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Twelve months to	Twelve months to
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
	RM'000	RM'000	RM'000	RM'000
Operating Revenue*				
Voice	16,963	19,377	74,836	77,621
Data	114,659	88,309	411,602	306,345
Data Centre	16,549	13,639	58,713	33,602
Others	1,066	506	3,107	1,520
	149,237	121,831	548,258	419,088
Operating Expenses:				
Depreciation and amortisation of property, plant and equipment and telecommunications network	(21,216)	(17,436)	(75,214)	(64,361)
Other operating expenses	(101,086)	(87,336)	(357,816)	(286,267)
Other operating income (net)	1,755	2,365	2,804	5,052
Profit from operations	28,690	19,424	118,032	73,512
Investment income	9,466	34,284	37,877	88,841
Realisation of fair value gain reclassified from available-for-sale reserve equity account to profit or loss	-	-	349,354	-
Finance expense	(2,001)	(2,195)	(7,957)	(5,337)
Profit before income tax	36,155	51,513	497,306	157,016
Geographical locations				
Operating Revenue				
Within Malaysia	136,970	119,457	526,150	408,484
Outside Malaysia	12,267	2,374	22,108	10,604
	149,237	121,831	548,258	419,088

* During the current quarter, the Group reviewed the presentation and classification of its revenue presentation by product segment in order to be better reflective of each product's performance. Accordingly, the comparative revenue segment by product category has been reclassified to be consistent with the current period/year presentation.

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 2012.

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

On 29 January 2014, the Group acquired the entire issued and paid-up share capital of a shelf company known as Fantastic Fiesta Sdn Bhd ("FFSB"). The present authorised share capital of FFSB is RM400,000.00 comprising 400,000 ordinary shares of RM1.00 each and its paid-up share capital is RM2.00 comprising 2 ordinary shares of RM1.00 each.

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11. Material events subsequent to the end of the current financial quarter (continued)

In the opinion of the Directors, other than the above, there are no items, transactions or events of a material and unusual nature which have arisen since 31 December 2013 to 18 February 2014, being the latest practicable date, which would substantially affect the financial results of the Group for the financial year ended 31 December 2013 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 financial year ended 31 December 2013.

13. Contingent liabilities/assets

There were no changes in the contingent liabilities or contingent assets since 31 December 2012.

14. Capital commitments

As at
31/12/2013
RM'000

a) Approved and contracted but not provided for in the financial statements	227,300
b) Approved but not contracted for	24,431

15. Income tax

The income tax expense/(benefit) for the Group for current quarter and financial year ended 31 December 2013 was made up as follows:

Group	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Twelve months to	Twelve months to
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
	RM'000	RM'000	RM'000	RM'000
Income tax:				
- Current year	1,482	226	5,510	4,172
- Under provision in prior years	-	-	285	-
	1,482	226	5,795	4,172
Deferred tax:				
- Arising from current year	19,223	14,502	21,387	13,595
- Recognition of prior year unrecognised deferred tax assets	(171,210)	(54,480)	(171,210)	(54,480)
	(151,987)	(39,978)	(149,823)	(40,885)
Total	(150,505)	(39,752)	(144,028)	(36,713)

During the year, TT dotCom Sdn Bhd ("TTdC"), a wholly-owned subsidiary of the Group, was granted a tax incentive for Last Mile Network Facilities Provider under Section 127(3A) of the Income Tax Act, 1967. The tax incentive is equivalent to 100% of capital expenditure incurred for broadband infrastructure for a period of five years of which qualifying expenditure shall be limited to 70% of its statutory income for each of year assessment.

The effective tax rate of the Group for the current and previous corresponding quarter and financial year-to-date is lower than the statutory tax rate of 25% principally due to certain non-taxable income, recognition of prior year unrecognised deferred tax and utilisation of unabsorbed capital allowances and tax losses available to the Group. The lower effective tax rate is also due to the lower tax rates prevailing in some of the jurisdictions/countries in which the Group operates.

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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 during the current quarter.

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

	As at 31/12/2013 RM'000
Quoted Securities in Malaysia:	
- Cost	342,273
- At book value	681,797
- At market value (fair value)	681,797

18. Status of corporate proposals announced but not completed as at the latest practicable date

There are no corporate proposals which have been announced but not completed during the interval between the date of the last report to 18 February 2014, being the latest practicable date.

19. Loans and Borrowings

The loans and borrowings as at 31 December 2013 are as follows:

	Amount repayable in one year or on demand RM'000	Amount repayable after one year RM'000	Total RM'000
<u>Secured:</u>			
Finance lease liabilities in RM	2,818	1,726	4,544
Loans and borrowings			
- Denominated in RM	23,043	104,061	127,104
- Denominated in USD	9,399	24,690	34,089
	35,260	130,477	165,737

20. Off Balance Sheet financial instruments

The cash and cash equivalents of the Group, as at 31 December 2013, do not include a bank balance amounting to RM8,476,000 (31.12.2012: RM2,500,000) held by the Group in trust for consortium members of the Asia Pacific Gateway submarine cable project to pay the supplier under the terms of supply contract.

Other than above, the Group does not have any off balance sheet financial instruments as at the date of this quarterly report.

21. Material litigation

The Company and its subsidiaries have no outstanding material litigations as at 18 February 2014, being the latest practicable date.

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22. Comparison between the current quarter (“Q4 2013”) and the immediate preceding quarter (“Q3 2013”)

The Group recorded a consolidated revenue for the current quarter of RM149.2 million which was up by RM17.3 million or 13.1% compared against the consolidated revenue of RM131.9 million recognised in Q3 2013. The higher revenue in Q4 2013 was due to higher global bandwidth sales of RM11.6 million, recognition of a RM3.3 million income from non-recurring contracts as well as higher contribution from data centre revenue. The increase in revenue in Q4 2013 was, however, offset by lower voice revenue, which was affected by lower usage during the year end festive period.

The Group's profit before tax in the current quarter of RM36.2 million was higher than the profit before tax recorded in the immediate preceding quarter of RM30.9 million due to the following:

- a) Increase in revenue recognised and higher corresponding profit margins in the current quarter;
- b) Higher dividend income from the Group's quoted equity investment in Q4 2013; and
- c) Net gain on foreign exchange of RM696,000 in Q4 2013 compared to a net loss on foreign exchange of RM477,000 in Q3 2013; offset by
- d) Higher depreciation charges incurred in Q4 2013 arising from new capital expenditure.

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

(a) Current quarter (“Q4 2013”) versus preceding year corresponding quarter (“Q4 2012”)

Revenue increased by RM27.4 million or 22.5% from RM121.8 million in the preceding year corresponding quarter to RM149.2 million in Q4 2013. The increase in revenue in Q4 2013 can be attributed mainly to higher data revenue which have increased RM26.4 million in the current quarter principally due to higher global bandwidth sales, higher overall sales and non-recurring contract revenue of RM3.3 million. Voice revenue, however, declined during the quarter compared to Q4 2012 due to lower usage.

The Group's profit from operations in the current quarter increased by RM9.3 million or 47.9% against the profit from operations recorded in Q4 2012 of RM19.4 million. The improvement in profit from operations was due to higher revenues recorded despite the increase in depreciation charges and operating expenses in the current quarter. Dividend income from the Group's quoted equity investment was, however, RM25.2 million lower resulting in a lower profit before tax of RM36.2 million for Q4 2013 when compared to the RM51.5 million profit before tax recorded in Q4 2012. The lower dividend income was due to lower number of shares held by the Company following the partial distribution of quoted equity investment held to shareholders in June 2013.

(b) Financial year ended 31 December 2013 (“FY 2013”) versus preceding year corresponding financial year ended 31 December 2012 (“FY 2012”)

The Group's consolidated revenue for FY 2013 increased to RM548.3 million from RM419.1 million in FY 2012, registering an increase in revenue of RM129.2 million or 30.8%. The increase in revenue arises on the back of higher data revenue (including increased revenues from global bandwidth sales and revenue from one-time non-recurring contracts valued at approximately RM26.7 million out of which a portion amounting to RM16.1 million was recognised in FY 2013) and a full year revenue contribution from the Group's data centre and global transit/bandwidth businesses against post-acquisition revenue of the same in FY 2012.

The Group's full year profit from operations was RM118.0 million, an increase of RM44.5 million or 60.5% against FY2012's profit from operations of RM73.5 million. The improved results can be largely attributed to higher revenue from higher margin products sold in the year and the full year effect from the acquisitions.

The Group's profit before tax was RM497.3 million in FY 2013. Included in the said profit before tax amount is RM349.4 million arising from the realisation of a fair value gain from available-for-sale reserve (see Note 5 for further details). Should the realisation of fair value gain from available-for-sale reserve be excluded, profit before tax would have been marginally lower by RM9.1 million or 5.8% due to lower dividend income from the Group's quoted equity investment.

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24. Profit before income tax

Group	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Twelve months to	Twelve months to
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
	RM'000	RM'000	RM'000	RM'000
Profit before income tax is arrived at after (charging)/crediting:				
Depreciation of property, plant and equipment	(21,216)	(17,436)	(75,214)	(64,361)
Write off of property, plant and equipment	(475)	(295)	(680)	(295)
Allowance for outstanding construction deposits	(1,542)	(358)	(1,542)	(358)
Allowance for outstanding rental deposits	(101)	(753)	(101)	(753)
Amortisation of borrowing costs	(85)	(211)	(333)	(211)
Special share grant plan expenses	-	(3,513)	-	(3,513)
Interest expense	(1,916)	(1,984)	(7,624)	(5,126)
Interest income from short term deposits	1,631	1,279	6,119	5,516
Dividend income from quoted equity investment	7,835	33,005	31,758	83,325
Realisation of fair value gain from available-for-sale reserve equity account to profit or loss	-	-	349,354	-
Rental income	49	55	218	208
Bad debt recovered	1	63	231	393
Net gain on foreign exchange	696	882	1,019	1,089
Net (allowance)/reversal of allowance for doubtful debts	(445)	1,067	(973)	1,453
Net gain on disposal of property, plant and equipment	62	27	135	148
Negative goodwill	-	-	-	173

Other than the realisation of the fair value gain from available-for-sale reserve equity account amounting to RM349,354,026 recognised following the distribution of quoted securities as dividend-in-specie to shareholders of the Company, there were no gains/losses on disposal or impairment of quoted and unquoted securities, investments, properties and/or derivatives included in the results for the current quarter and preceding year corresponding quarter.

25. Prospects

The Group will continue to focus its efforts to increase market share and to deliver its customers a good and uninterrupted network experience, improve its product and solution offerings, enhance operational and cost efficiencies throughout the Group, while further expanding and strengthening its underlying fibre network and coverage footprints. Demand for higher speed bandwidth services and fibre connectivity requirements by mobile operators for their network modernization and LTE network rollout is expected to continue into 2014 and is expected to provide avenues for additional data revenue to the Group. The Group will also look into unlocking the potential of its data centre, submarine cable and global bandwidth businesses by continuing to leverage on organic growth and opportunities for further expansion both within and outside Malaysia, particularly within the ASEAN region and to optimise customer acquisitions in its existing footprint in partnership with Astro, as well as its own product offerings via the Group's own Fibre-to-the-Office ("FTTO") and Fibre-to-the-Home ("FTTH") products.

These abovementioned initiatives may be capital intensive and may result in some margin compression for the Group in 2014. The said initiatives are, however, necessary to ensure continued revenue growth in the future and are expected to benefit the Group in the longer term. While the Group expects to show growth in 2014, it expects such growth to be moderate.

The results of the Group for 2014 is expected to remain positive.

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26. Profit Forecast and Profit Guarantee

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

27. Earnings per share (“EPS”)

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Twelve months to	Twelve months to
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
Weighted average number of shares in issue ('000)	<u>573,093</u>	<u>572,531</u>	<u>573,093</u>	<u>547,445</u>
Profit for the period/year attributable to owners of the Company (RM'000)	<u>186,660</u>	<u>91,265</u>	<u>641,334</u>	<u>193,729</u>
Basic and diluted earnings per share	<u>32.57 sen</u>	<u>15.94 sen</u>	<u>111.91 sen</u>	<u>35.39 sen</u>

28. Comparative figures

Certain comparative figures have been reclassified to conform with current year and period's presentation as disclosed below:

Statements of profit or loss and other comprehensive income

	As restated		As previously stated	
	Individual quarter	Twelve months to	Individual quarter	Twelve months to
	31/12/2012	31/12/2012	31/12/2012	31/12/2012
Other operating expenses	(87,336)	(286,267)	(87,547)	(286,478)
Finance expense	<u>(2,195)</u>	<u>(5,337)</u>	<u>(1,984)</u>	<u>(5,126)</u>

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

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits, as disclosed pursuant to the directive issued by Bursa Malaysia Securities Berhad ("Bursa Malaysia") on 25 March 2010, is as follows:

	As at 31/12/2013 RM'000	As at 31/12/2012 RM'000
Total retained earnings of the Group		
- Realised	270,164	428,030
- Unrealised	207,583	57,576
Total retained earnings	477,747	485,606

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

The unrealised retained profits of the Group as disclosed above excludes translation gains and losses on monetary items denominated in a currency other than the functional currency and foreign exchange contracts, as these translation gains and losses are incurred in the ordinary course of business of the Group and the Bank, and are hence deemed as realised.

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

By Order of the Board

MISNI ARYANI MUHAMAD
(LS 0009413)
Secretary

Selangor
25 February 2014