

TIME DOTCOM BERHAD
(413292-P)
Incorporated in Malaysia

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2008.

THE FIGURES HAVE NOT BEEN AUDITED.

I. CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 30/9/2008 RM'000	Preceding year corresponding quarter 30/9/2007 RM'000	Nine months to 30/9/2008 RM'000	Nine months to 30/9/2007 RM'000
1. (a) Revenue	76,235	74,651	213,524	230,272
(b) Cost of sales*	<u>(72,396)</u>	<u>(76,775)</u>	<u>(218,034)</u>	<u>(239,702)</u>
(c) Gross profit/(loss)	3,839	(2,124)	(4,510)	(9,430)
(d) Other income**	46,548	571	714,480	2,338
(e) Expenses	(40,183)	(37,630)	(116,385)	(106,902)
(f) Interest income	1,481	1,239	3,646	3,632
(g) Finance costs	<u>(15,552)</u>	<u>-</u>	<u>(55,012)</u>	<u>(4)</u>
(h) (Loss) / Profit before income tax	(3,867)	(37,944)	542,219	(110,366)
(i) Income tax	<u>409</u>	<u>(97)</u>	<u>214</u>	<u>(364)</u>
(j) (Loss) / Profit for the period	<u>(3,458)</u>	<u>(38,041)</u>	<u>542,433</u>	<u>(110,730)</u>
Attributable to:				
(k) Equity holders of the Company	<u>(3,458)</u>	<u>(38,041)</u>	<u>542,433</u>	<u>(110,730)</u>
2. (Loss) / Earnings per share based on 1(k) above (note 25)				
(a) Basic (based on 2008: 2,530,775,000 [2007: 2,530,775,000] ordinary shares)	<u>(0.14 sen)</u>	<u>(1.50 sen)</u>	<u>21.43 sen</u>	<u>(4.38 sen)</u>
* Include depreciation of telecommunications network	39,538	42,727	116,551	131,216
**1. Include gain on transfer of 3G spectrum	-	-	616,985	-
**2. Include dividends received from DiGi shares pledged to bank	44,317	-	90,384	-

The condensed Consolidated Income Statement should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2007



TIME DOTCOM BERHAD
(413292-P)
Incorporated in Malaysia

II. CONDENSED CONSOLIDATED BALANCE SHEET

	Unaudited	Audited
	As at end of current quarter 30/9/2008	As at preceding financial year end 31/12/2007
	RM'000	RM'000
ASSETS		
1. Non-current assets		
Property, plant & equipment	34,942	35,742
Prepaid land lease payments	4,695	5,019
Telecommunications network	1,131,965	1,274,654
Goodwill on consolidation	591,401	591,401
Other Investment	1,766,207	1,081,457
	3,529,210	2,988,273
2. Current assets		
Inventories	5,679	6,153
Receivables, deposits and prepayments	101,936	92,038
Cash and cash equivalents	186,593	142,172
	294,208	240,363
Total assets	3,823,418	3,228,636
EQUITY AND LIABILITIES		
3. Equity attributable to equity holders of the Company		
Share capital	2,530,775	2,530,775
Share premium	1,570,758	1,570,758
Accumulated losses	(1,576,824)	(2,119,257)
Total equity	2,524,709	1,982,276
4. Non-current liabilities		
Loans and borrowings	1,143,080	1,087,809
	1,143,080	1,087,809
5. Current liabilities		
Payables and accruals	133,673	130,669
Deferred income	18,286	21,947
Amount owing to related parties	3,670	5,935
	155,629	158,551
Total liabilities	1,298,709	1,246,360
Total equity and liabilities	3,823,418	3,228,636
6. Net assets per share attributable to ordinary equity holders of the Company	RM 1.00	RM 0.78

The condensed Consolidated Balance Sheet should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2007.

TIME DOTCOM BERHAD
(413292-P)
Incorporated in Malaysia

III. CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Unaudited Nine months to 30/9/2008 RM'000	Unaudited Nine months to 30/9/2007 RM'000
Operating Activities		
Cash receipts from customers	220,124	247,753
Cash payments to suppliers	(142,983)	(146,772)
Cash payments to employees and for administrative expenses	(70,520)	(60,403)
	6,621	40,578
Cash generated from operations	6,621	40,578
Taxes paid	(649)	(838)
Net cash from operating activities	5,972	39,740
Investing Activities		
Purchase of property, plant and equipment	(5,541)	(7,461)
Additions to telecommunications network	(45,227)	(23,375)
Purchase of property, plant and equipment for USP Project	(1,873)	-
Dividend received	89,425	-
Interest received	1,665	2,185
Net cash used in investing activities	38,449	(28,651)
Net change in Cash and Cash Equivalents	44,421	11,089
Cash and Cash Equivalents as at beginning of financial period	142,172	147,376
Cash and Cash Equivalents as at end of financial period (a)	186,593	158,465
	Unaudited As at 30/9/2008 RM'000	Unaudited As at 30/9/2007 RM'000
(a) Cash and Cash Equivalents comprise the following amounts:		
Current cash and cash equivalents		
- Restricted	89,444	50,000
- Unrestricted	97,149	108,465
	186,593	158,465

The condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2007.



TIME DOTCOM BERHAD
(413292-P)
Incorporated in Malaysia

IV. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY

	← Attributable to equity holders of the Company →			
	Share Capital	Share Premium	Accumulated Losses	Total Equity
	RM'000	RM'000	RM'000	RM'000
Nine months to 30 September 2008 (unaudited)				
Balance as at 1 January 2008	2,530,775	1,570,758	(2,119,257)	1,982,276
Profit for the period	-	-	542,433	542,433
Balance as at 30 September 2008	<u>2,530,775</u>	<u>1,570,758</u>	<u>(1,576,824)</u>	<u>2,524,709</u>

	← Attributable to equity holders of the Company →			
	Share Capital	Share Premium	Accumulated Losses	Total Equity
	RM'000	RM'000	RM'000	RM'000
Nine months to 30 September 2007 (unaudited)				
Balance as at 1 January 2007	2,530,775	1,570,758	(1,958,584)	2,142,949
Loss for the period	-	-	(110,730)	(110,730)
Balance as at 30 September 2007	<u>2,530,775</u>	<u>1,570,758</u>	<u>(2,069,314)</u>	<u>2,032,219</u>

The condensed Consolidated Statement of Changes in Total Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2007.

TIME DOTCOM BERHAD
(413292-P)
Incorporated in Malaysia

V. NOTES TO THE CONDENSED FINANCIAL STATEMENTS

The notes to the condensed Financial Statements should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2007.

1. Accounting policies and methods of computation

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 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").

2. Audit report in respect of the 2007 financial statements

The audit report on the Group's financial statements for the financial year ended 31 December 2007 was not qualified.

3. Seasonal or cyclical factors

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

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

There were no items affecting assets, liabilities, equity, net income, or cashflows that were unusual because of their nature, size or incidence in the current period except as disclosed below:

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Nine months to	Nine months to
Income Statement	30/9/2008	30/9/2007	30/9/2008	30/9/2007
	RM'000	RM'000	RM'000	RM'000
Gain from transfer of 3G spectrum to DiGi Telecom	-	-	616,985	-
Dividend income from DiGi.Com Berhad shares ("DiGi Shares").	44,317	-	90,384	-
	<u>44,317</u>	<u>-</u>	<u>707,369</u>	<u>-</u>

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Nine months to	Nine months to
Balance Sheet	30/9/2008	30/9/2007	30/9/2008	30/9/2007
	RM'000	RM'000	RM'000	RM'000
Other investment*	-	-	684,750	-
	<u>-</u>	<u>-</u>	<u>684,750</u>	<u>-</u>

* The increase in other investment was due to 27,500,000 new ordinary shares of DiGi.Com Berhad valued at RM24.90 per share received in pursuant to the transfer of the 3G Spectrum.

5. Material changes in estimates used

TIME DOTCOM BERHAD
(413292-P)
Incorporated in Malaysia

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

6. 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 for the current financial period ended 30 September 2008.

7. Dividend

The Directors do not recommend the payment of an interim dividend for the current financial period ended 30 September 2008 (2007: Nil).

8. Segment information for the current financial period

No segment analysis is prepared as the Group is principally engaged in the telecommunications industry business in Malaysia.

9. Material events subsequent to the end of the current financial period

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 2008 to the date of this announcements which would substantially affect the financial results of the Group for the nine months ended 30 September 2008 that have not been reflected in the condensed financial statements.

10. Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter and financial period including business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring or discontinued operations.

11. Contingent liabilities

There are no changes in the contingent liabilities as at the date of this announcement since the preceding year ended 31 December 2007 except as disclosed below:

Description of contingent liabilities	RM'000
Cessation of contingent liabilities arising from irrevocable bank guarantee given to the Malaysian Communications and Multimedia Commissions ("MCMC")	50,000
On 7 May 2008, upon completion of the 3G spectrum transfer to DiGi Telecommunications Sdn Bhd ("DiGi Telecom") , the irrevocable bank guarantee pledged to the MCMC was returned to TTdC.	

12. Capital commitments

There are no other material capital commitments except as disclosed below:

	RM'000
a) Approved and contracted for:	
Purchase and construction of telecommunications infrastructure	80,740
b) Approved but not contracted for:	
Purchase and construction of telecommunications infrastructure and license	41,338

TIME DOTCOM BERHAD
(413292-P)
Incorporated in Malaysia

13. Income tax

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30/9/2008 RM'000	Preceding year corresponding quarter 30/9/2007 RM'000	Nine months to 30/9/2008 RM'000	Nine months to 30/9/2007 RM'000
Malaysian taxation				
- Current taxation	409	(97)	214	(364)

Tax expense was provided for interest income earned during the period.

14. Disposal of unquoted investments and/or properties

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

15(a). Acquisitions and disposals of quoted securities

There were no acquisitions and disposals of quoted securities in the current period except as disclosed in 15(b).

15(b). Investments in quoted securities

Total investments in quoted securities are as follows:-

	RM'000
Total investments at cost*	1,766,207
Total investments at market value	1,741,600

* The increase in other investment was due to 27,500,000 new ordinary shares of DiGi.Com Berhad valued at RM24.90 per share received in pursuant to the transfer of the 3G Spectrum.

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

There are no corporate proposals announced but not completed as at the date of this announcement.

17. Borrowings and debt securities

Details of Group borrowing and debt securities as at 30 September 2008 are as follows.

	Long term borrowings
	Secured
	RM'000
Secured bank loan	1,143,080

TIME DOTCOM BERHAD
(413292-P)
Incorporated in Malaysia

The bank loans are secured over all the DiGi Shares as per note 15 and an escrow account is created to capture dividends from the pledged securities.

18. Off Balance Sheet financial instruments

There are no financial instruments with off-balance sheet risks as at the date of this announcement.

19. Material litigation

On 30 May 2008, TTdC was served with a sealed copy of a winding-up petition dated 15 May 2008 by Esat Sdn Bhd ("Esat"). Esat is claiming the sum of RM791,156.34 against TTdC as outstanding sum on capital expenditure in the project known as Civil, Mechanical and Electrical portion of the USP Project. There is no interest claimed by Esat against TTdC. TTdC is challenging the said petition.

The winding-up proceedings however, would not have any material impact on the financial and operations of the Group and TTdC does not expect further losses from the winding-up proceedings save for legal costs and other related costs.

On 28 October 2008, Kuala Lumpur High Court (Commercial Division) Companies dismissed the winding-up petition against TTdC.

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

Revenue for the current quarter of RM76.2 million has increased by 7.0% as compared to the immediate preceding quarter of RM71.2 million. The increase in revenue was mainly due to higher sale on data and managed services businesses.

The loss before tax for the current quarter was RM3.9 million compared to profit of RM602.1 million for the immediate preceding quarter. The loss is due to higher depreciation and amortization of telecommunication networks while last quarter's profit was due to the gain on transfer of 3G spectrum to DiGi Telecom.

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

The revenue for the current quarter and year-to-date under review was RM76.2 million and RM213.5 million respectively as compared to RM74.7 million and RM230.3 million respectively in the corresponding period in 2007. The increase in quarterly revenue was mainly due to higher sale on data and managed services businesses. Year to date revenue was lower mainly due to lower sale on voice revenue.

The Group posted current quarter loss before tax of RM3.9 million but year-to-date profit before tax of RM542.2 million, compared to losses of RM37.9 million and RM110.4 million in the corresponding period in 2007. The significant improvement in quarterly loss before tax was mainly due to the net return from the Group's strategic investment in DiGi shares. Notwithstanding the above, the Group still achieved an improvement of RM5.3 million in the current quarter compared to the last year quarter if excluding the net investment return from DiGi shares.

Significant improvement in year to date profit before tax is due to gain on transfer of 3G spectrum of RM617.0 million and net returns from the Group's strategic investment in DiGi shares. Excluding gain on transfer and strategic investment in DiGi shares, the Group recorded a year to date loss before tax of RM110.1 million, showing a marginal improvement of RM0.3 million.

TIME DOTCOM BERHAD
(413292-P)
Incorporated in Malaysia

22. Economic profit / (loss) statement

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30/9/2008 RM'000	Preceding year corresponding quarter 30/9/2007 RM'000	Nine months to 30/9/2008 RM'000	Nine months to 30/9/2007 RM'000
<u>Net operating profit / (loss) after tax</u> <u>("NOPLAT") computation:</u>				
Profit / (Loss) before interest and tax ("PBIT"/ "LBIT")	7,973	(39,754)	(28,730)	(116,332)
Adjusted tax	-	-	-	-
NOPLAT	7,973	(39,754)	(28,730)	(116,332)
<u>Economic charge computation:</u>				
Average invested capital (Note 1)	3,281,121	2,034,100	3,195,839	2,034,100
Weighted average cost of capital ("WACC") (%) (Note 2)	7.4%	10.4%	7.4%	10.4%
Economic charge	(60,701)	(52,887)	(177,369)	(158,660)
Economic loss	(52,728)	(92,641)	(206,099)	(274,992)

The Economic Profit statement is as prescribed under the GLC Transformation Program, and is disclosed on a voluntary basis.

Economic profit is a measure of value created by a business during a single period reflecting how much return a business makes over its cost of capital.

For the current quarter ended 30 September 2008, economic loss has reduced by RM39.9 million to RM52.7 million from RM92.6 million, whilst for the year-to-date 30 September 2008, the economic loss has reduced by RM68.9 million to RM206.1 million from RM275.0 million. This was due to PBIT recorded in the current quarter as well as lower weighted average cost of capital (WACC).

Note 1:

Average invested capital consists of average operating working capital, average net property, plant and equipment and average net other operating assets.

Note 2:

WACC is calculated as weighted average cost of debts and equity taking into account the market capitalisation as at end of the period.

23. Prospects for the current financial year

Following the financial and economic crisis, the group will focus heavily on operational efficiency for the remaining quarter, as it embarks on its turnaround.

TIME DOTCOM BERHAD
(413292-P)
Incorporated in Malaysia

24. Profit forecast

No commentary is made on any variance between actual profit from forecast profit, as it does not apply to the Group.

25. (Loss) / earnings per share

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30/9/2008	Preceding year corresponding quarter 30/9/2007	Nine months to 30/9/2008	Nine months to 30/9/2007
Net (loss) / profit attributable to equity holders of the Company (RM'000)	(3,458)	(38,041)	542,433	(110,730)
Weighted average number of shares in issue (RM'000)	2,530,775	2,530,775	2,530,775	2,530,775
Basic (loss) / earnings per share	(0.14 sen)	(1.30 sen)	21.43 sen	(4.38 sen)

The diluted earnings per share is not shown as it is not applicable to the Group.

By Order of the Board

Kuala Lumpur
 28 November 2008

MISNI ARYANI MUHAMAD
(LS 08983)
Secretary