



**TELECHOICE INTERNATIONAL LIMITED**  
(REG. NO. 199802072R)

**PART I - UNAUDITED RESULTS FOR THE 3<sup>RD</sup> QUARTER AND 9 MONTHS ENDED 30 SEPTEMBER 2011**

**1(a)(i) INCOME STATEMENT FOR THE 3<sup>RD</sup> QUARTER AND 9 MONTHS ENDED 30 SEPTEMBER 2011**

In S\$'000	3Q2011	3Q2010	+/- %	9M2011	9M2010	+/- %
Revenue	84,490	75,085	12.5%	263,162	247,708	6.2%
Cost of sales	(76,142)	(67,035)	13.6%	(235,484)	(224,451)	4.9%
<b>Gross profit</b>	<b>8,348</b>	<b>8,050</b>	3.7%	<b>27,678</b>	<b>23,257</b>	19.0%
Gross Margin %	9.9%	10.7%	-0.8 ppt	10.5%	9.4%	1.1 ppt
Other income	220	112	96.4%	713	418	70.6%
Selling and marketing expenses (Note 1)	(3,166)	(1,227)	158.0%	(8,181)	(3,795)	115.6%
Administrative expenses (Note 1)	(3,154)	(2,929)	7.7%	(10,794)	(8,592)	25.6%
Other expenses (Note 2)	(402)	(74)	443.2%	(1,565)	(271)	477.5%
Finance costs (Note 3)	(39)	-	nm	(138)	(18)	666.7%
Share of profit/(losses) of jointly-controlled entity (net of tax)	(47)	86	-154.7%	(50)	162	-130.9%
<b>Profit before income tax</b>	<b>1,760</b>	<b>4,018</b>	-56.2%	<b>7,663</b>	<b>11,161</b>	-31.3%
% of revenue	2.1%	5.4%	-3.3 ppt	2.9%	4.5%	-1.6 ppt
Income tax expense (Note 4)	(536)	(815)	-34.2%	(1,589)	(1,923)	-17.4%
<b>Profit for the period</b>	<b>1,224</b>	<b>3,203</b>	-61.8%	<b>6,074</b>	<b>9,238</b>	-34.2%
Attributable to:						
<b>Equity holders of the Company</b>	<b>1,306</b>	<b>3,207</b>	-59.3%	<b>5,992</b>	<b>9,214</b>	-35.0%
% of revenue	1.5%	4.3%	-2.8 ppt	2.3%	3.7%	-1.4 ppt
Non-controlling interests	(82)	(4)	nm	82	24	241.7%
	1,224	3,203	-61.8%	6,074	9,238	-34.2%
No. of shares (in '000)	453,828	453,563		453,294	453,433	
<b>Earnings per share (in cents)</b>						
Basic	0.29	0.71		1.32	2.03	
Diluted	0.29	0.71		1.32	2.03	

nm – not meaningful

**STATEMENT OF COMPREHENSIVE INCOME FOR THE 3<sup>RD</sup> QUARTER AND 9 MONTHS ENDED 30 SEPTEMBER 2011**

In S\$'000	3Q2011	3Q2010	+/- %	9M2011	9M2010	+/- %
<b>Profit for the period</b>	<b>1,224</b>	<b>3,203</b>	-61.8%	<b>6,074</b>	<b>9,238</b>	-34.2%
Translation difference relating to financial statements of foreign subsidiaries	(170)	(95)	-78.9%	(93)	287	-132.4%
Exchange differences on monetary items forming part of net investment in a foreign operation	300	(308)	197.4%	129	(162)	179.6%
<b>Total comprehensive income for the period</b>	<b>1,354</b>	<b>2,800</b>	-51.6%	<b>6,110</b>	<b>9,363</b>	-34.7%
Attributable to:						
Equity holders of the Company	1,434	2,804	-48.9%	6,035	9,339	-35.4%
Non-controlling interests	(80)	(4)	nm	75	24	212.5%
<b>Total comprehensive income for the period</b>	<b>1,354</b>	<b>2,800</b>	-51.6%	<b>6,110</b>	<b>9,363</b>	-34.7%



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**1(a)(ii) PROFIT BEFORE TAXATION HAS BEEN ARRIVED AT AFTER CHARGING/(CREDITING):**

In S\$'000	3Q2011	3Q2010	+/- %	9M2011	9M2010	+/- %
Staff costs (Note 5)	7,688	4,658	65.0%	23,678	14,472	63.6%
Directors' remuneration	99	102	-2.9%	301	283	6.4%
Depreciation of property, plant and equipment (Note 6)	328	310	5.8%	1,042	795	31.1%
Amortisation of intangible assets (Note 2)	367	30	nm	1,098	89	nm
(Reversal)/Provision for bad debts (Note 7)	12	(15)	180.0%	(3)	61	-104.9%
Exchange (gain)/loss (Note 8)	(49)	88	-155.7%	158	216	-26.9%
<b>Other income comprises:</b>						
Interest income	34	24	41.7%	144	67	114.9%
Others (Note 9)	186	88	111.4%	569	351	62.1%
	220	112	96.4%	713	418	70.6%

nm - not meaningful

Notes:

- (1) Compared to the same periods last year, significant increase in the operating expenses in 3Q2011 and 9M2011 was due to the consolidation of S & I Systems Pte Ltd ("**S&I**"). (Note: S&I was acquired on 1 November 2010). For the organic business, while operating expenses in 3Q2011 increased by 5% due to higher marketing expenses, it decreased marginally by 1.6% for 9M2011.
- (2) Other expenses include the amortization of intangible assets of \$0.3M and \$1.0M in 3Q2011 and 9M2011 respectively arising from the acquisition of S&I in 4Q2010. There was also withholding tax of \$0.1M for 9M2011 on dividend received from a subsidiary in Indonesia.
- (3) Higher finance costs were from S&I's borrowings.
- (4) Higher effective tax rate in 9M2011 was mainly due to a tax write-back in 1Q2010 and higher 9M2011 profit contribution from a subsidiary in Indonesia.
- (5) Higher staff costs in the current review periods mainly attributable to S&I.
- (6) Increase in depreciation for 9M2011 compared to same period last year due to S&I and new retail outlets.
- (7) Bad debts provision in 3Q2011 & 9M2010 were mainly from ICT and Engineering respectively. Write-back in 3Q2010 and 9M2011 was attributed to Engineering's Indonesia operations, partially offset by provision from ICT.
- (8) Exchange gain/loss arose mainly from cash balances, trade receivables, trade payables and work-in-progress denominated in USD.
- (9) Included in 9M2010 was jobs credit granted by the Singapore Government of \$132K. In 3Q2011 & 9M2011, the amounts include rental income received by S&I.



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**1(b)(i) STATEMENT OF FINANCIAL POSITION AS AT**

In S\$'000	Group		Company	
	30/9/2011	31/12/2010	30/9/2011	31/12/2010
<b><u>Non-current assets</u></b>				
Subsidiaries	-	-	26,586	27,494
Jointly-controlled entity	1,312	1,371	955	955
Property, plant and equipment	2,287	2,788	111	106
Intangible assets	9,375	10,508	-	-
Deferred tax assets	368	430	134	95
Unbilled receivables	812	2,907	-	-
	<b>14,154</b>	<b>18,004</b>	<b>27,786</b>	<b>28,650</b>
<b><u>Current Assets</u></b>				
Inventories	19,705	29,999	15,337	23,026
Work-in-progress	13,172	7,709	-	-
Trade and other receivables	48,027	44,708	15,606	15,421
Cash and cash equivalents	42,755	34,687	23,208	19,213
	<b>123,659</b>	<b>117,103</b>	<b>54,151</b>	<b>57,660</b>
<b>Total Assets</b>	<b>137,813</b>	<b>135,107</b>	<b>81,937</b>	<b>86,310</b>
<b><u>Equity</u></b>				
Share Capital	21,840	21,782	21,840	21,782
Other Reserves	14,125	14,327	13,444	13,689
Accumulated profits	35,959	38,113	22,032	26,112
<b>Equity attributable to equity holders of the Company</b>	<b>71,924</b>	<b>74,222</b>	<b>57,316</b>	<b>61,583</b>
Non-controlling interests	1,467	1,324	-	-
<b>Total equity</b>	<b>73,391</b>	<b>75,546</b>	<b>57,316</b>	<b>61,583</b>
<b><u>Non-current liabilities</u></b>				
Deferred tax liabilities	774	1,068	-	-
Financial liabilities	42	830	-	-
<b><u>Current Liabilities</u></b>				
Bank overdraft	404	193	-	-
Trade and other payables	53,407	42,298	23,649	17,783
Provision for warranties	309	297	45	40
Current tax payable	2,039	2,598	927	1,904
Financial liabilities	2,689	8,264	-	5,000
Deferred income	4,758	4,013	-	-
	<b>63,606</b>	<b>57,663</b>	<b>24,621</b>	<b>24,727</b>
<b>Total liabilities</b>	<b>64,422</b>	<b>59,561</b>	<b>24,621</b>	<b>24,727</b>
<b>Total equity and liabilities</b>	<b>137,813</b>	<b>135,107</b>	<b>81,937</b>	<b>86,310</b>

Group non-current assets decreased by \$3.9M due to transfer of unbilled receivables to current assets and amortization of intangible assets.

Current assets increased by \$6.6M due to higher trade & other receivables and also higher work-in-progress. These were offset by lower inventories due to decrease in handset purchases in 9M2011. Group total liabilities increased by \$4.9M with higher trade payables offset by lower bank loans.



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**1(b)(ii) GROUP BORROWING**

<b>In S\$'000</b>	<b>As at 30/09/2011</b>	<b>As at 31/12/2010</b>
<b>Amount repayable in one year or less</b>		
Bank loan – unsecured	2,689	7,464
Bank loan – secured	-	800
Total	<hr/> 2,689	<hr/> 8,264
Bank overdraft	404	193
<b>Amount repayable after one year</b>		
Bank loan – unsecured	42	230
Bank loan – secured	-	600
Total	<hr/> 42	<hr/> 830

**Details of any collateral**

The secured bank loan as at 31 December 2010 relates to an arrangement between one of the subsidiaries and a financial institution to assign all the subsidiary's rights, title and interest in, to and under a sales and maintenance contract entered between a customer and the subsidiary. The subsidiary had made an early final repayment of the loan in March 2011.



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**1(c) CONSOLIDATED CASH FLOW STATEMENT FOR THE 3<sup>RD</sup> QUARTER AND 9 MONTHS ENDED 30 SEPTEMBER 2011**

In S\$'000	3Q2011	3Q2010	9M2011	9M2010
<b>Operating Activities</b>				
Profit before income tax	1,760	4,018	7,663	11,161
Adjustments for:				
Accretion of deferred income	758	(93)	617	(239)
Amortisation of intangible assets	367	30	1,098	89
Depreciation of property, plant and equipment	328	310	1,042	795
Interest expense	39	-	138	18
Interest income	(34)	(24)	(144)	(67)
(Gain)/loss on disposal of property, plant and equipment	63	(26)	63	(26)
Loss on disposal of a subsidiary	-	-	135	-
Provision for warranties	15	(12)	12	49
Share of profits of jointly-controlled entity	47	(86)	50	(162)
Share-based payments expenses	79	79	238	237
Cash from operating profit before working capital changes	3,422	4,196	10,912	11,855
Changes in working capital	7,539	4,667	14,922	802
Cash generated from operations	10,961	8,863	25,834	12,657
Income tax paid	(860)	(601)	(2,353)	(1,492)
<b>Net cash inflow from operating activities</b>	<b>10,101</b>	<b>8,262</b>	<b>23,481</b>	<b>11,165</b>
<b>Investing Activities</b>				
Proceeds from disposal of property, plant and equipment	-	60	-	60
Purchase of intangible assets	(11)	(21)	(23)	(169)
Purchase of property, plant and equipment	(367)	(345)	(591)	(764)
Capital contribution from non-controlling interests	-	-	68	-
Interest received	34	24	144	67
<b>Net cash outflow from investing activities</b>	<b>(344)</b>	<b>(282)</b>	<b>(402)</b>	<b>(806)</b>
<b>Cash Flows From Financing Activities</b>				
Balances with related corporations (non-trade)	(114)	(48)	(79)	(118)
Dividend paid	-	-	(8,146)	(7,936)
Interest paid	(39)	-	(138)	(18)
Proceeds from issue of shares under Pre-IPO Share Option Scheme	19	-	48	62
Purchase of treasury shares	-	-	(473)	(136)
Proceed from bank loans	777	-	7,234	-
Repayment of short term bank loans	(4,960)	-	(13,597)	(3,000)
<b>Net cash outflow from financing activities</b>	<b>(4,317)</b>	<b>(48)</b>	<b>(15,151)</b>	<b>(11,146)</b>
Net increase/(decrease) in cash and cash equivalents	5,440	7,932	7,928	(787)
Cash and cash equivalents at beginning of period	36,911	38,010	34,494	46,642
Effect of exchange rate differences on balances held in foreign currency	-	(108)	(71)	(21)
<b>Cash and cash equivalents at end of period<sup>(1)</sup></b>	<b>42,351</b>	<b>45,834</b>	<b>42,351</b>	<b>45,834</b>

(1) Net of bank overdraft of \$404,000 as at 30 September 2011 from a subsidiary in Malaysia.

Cash flows from operating activities

Higher net cash inflow in 3Q2011 & 9M2011 mainly due to higher positive changes in working capital. There were lower inventories and higher payables, offset by higher receivables and work-in-progress.

Cash flows from investing activities

Capital expenditure in 9M2011 was lower but interest income was higher than the same periods last year.



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Cash flow from financing activities

The higher cash outflow in 3Q2011 and 9M2011 was mainly due repayment of bank loans. There were also higher dividend and interest payments, and higher treasury shares purchased in 9M2011 compared to last year.

**1(d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE 3<sup>RD</sup> QUARTER AND 9 MONTHS ENDED 30 SEPTEMBER 2011**

In S\$'000	Share capital	Accumulated profits	Other reserves	Total attributable to equity holders of the Company	Non controlling interests	Total equity
<b>GROUP</b>						
<b>At 1 July 2010</b>	<b>21,782</b>	<b>31,696</b>	<b>14,797</b>	<b>68,275</b>	<b>67</b>	<b>68,342</b>
Total comprehensive income for the period	-	3,207	(403)	2,804	(4)	2,800
Share-based payments expenses	-	-	79	79	-	79
<b>At 30 September 2010</b>	<b>21,782</b>	<b>34,903</b>	<b>14,473</b>	<b>71,158</b>	<b>63</b>	<b>71,221</b>
<b>At 1 July 2011</b>	<b>21,817</b>	<b>34,653</b>	<b>13,922</b>	<b>70,392</b>	<b>1,547</b>	<b>71,939</b>
Total comprehensive income for the period	-	1,306	128	1,434	(80)	1,354
Issue of 90,000 ordinary shares under share option scheme at \$0.2079 per share	23	-	(4)	19	-	19
Share-based payments expenses	-	-	79	79	-	79
<b>At 30 September 2011</b>	<b>21,840</b>	<b>35,959</b>	<b>14,125</b>	<b>71,924</b>	<b>1,467</b>	<b>73,391</b>
<b>At 1 January 2010</b>	<b>21,707</b>	<b>33,625</b>	<b>14,260</b>	<b>69,592</b>	<b>39</b>	<b>69,631</b>
Total comprehensive income for the period	-	9,214	125	9,339	24	9,363
Issue of 300,000 ordinary shares under share option scheme at \$0.2079 per share	75	-	(13)	62	-	62
Share-based payments expenses	-	-	237	237	-	237
Purchase of treasury shares	-	-	(136)	(136)	-	(136)
FY2009 final dividend of 1.75 cents per share (one-tier tax exempt)	-	(7,936)	-	(7,936)	-	(7,936)
<b>At 30 September 2010</b>	<b>21,782</b>	<b>34,903</b>	<b>14,473</b>	<b>71,158</b>	<b>63</b>	<b>71,221</b>
<b>At 1 January 2011</b>	<b>21,782</b>	<b>38,113</b>	<b>14,327</b>	<b>74,222</b>	<b>1,324</b>	<b>75,546</b>
Total comprehensive income for the period	-	5,992	43	6,035	75	6,110
Issue of 227,500 ordinary shares under share option scheme at \$0.2079 per share	58	-	(10)	48	-	48
Purchase of treasury shares	-	-	(473)	(473)	-	(473)
Share-based payments expenses	-	-	238	238	-	238
FY2010 final dividend of 1.8 cents per share (one-tier tax exempt)	-	(8,146)	-	(8,146)	-	(8,146)
Capital contribution by non-controlling interests	-	-	-	-	68	68
<b>At 30 September 2011</b>	<b>21,840</b>	<b>35,959</b>	<b>14,125</b>	<b>71,924</b>	<b>1,467</b>	<b>73,391</b>



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**1(d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE 3<sup>RD</sup> QUARTER AND 9 MONTHS ENDED 30 SEPTEMBER 2011**

In S\$'000	Share capital	Accumulated profits	Other reserves	Total attributable to equity holders of the Company
<b>COMPANY</b>				
<b>At 1 July 2010</b>	<b>21,782</b>	<b>21,265</b>	<b>13,531</b>	<b>56,578</b>
Total comprehensive income for the period	-	2,832	-	2,832
Share-based payments to employees of Company's subsidiaries	-	-	31	31
Share-based payments expenses	-	-	48	48
<b>At 30 September 2010</b>	<b>21,782</b>	<b>24,097</b>	<b>13,610</b>	<b>59,489</b>
<b>At 1 July 2011</b>	<b>21,817</b>	<b>21,024</b>	<b>13,369</b>	<b>56,210</b>
Total comprehensive income for the period	-	1,008	-	1,008
Issue of 90,000 ordinary shares under share option scheme at \$0.2079 per share	23	-	(4)	19
Share-based payments to employees of Company's subsidiaries	-	-	31	31
Share-based payments expenses	-	-	48	48
<b>At 30 September 2011</b>	<b>21,840</b>	<b>22,032</b>	<b>13,444</b>	<b>57,316</b>
<b>At 1 January 2010</b>	<b>21,707</b>	<b>24,413</b>	<b>13,522</b>	<b>59,642</b>
Total comprehensive income for the period	-	7,620	-	7,620
Issue of 300,000 ordinary shares under share option scheme at \$0.2079 per share	75	-	(13)	62
Share-based payments to employees of Company's subsidiaries	-	-	92	92
Share-based payments expenses	-	-	145	145
Purchase of treasury shares	-	-	(136)	(136)
FY2009 final dividend of 1.75 cents per share (one-tier tax exempt)	-	(7,936)	-	(7,936)
<b>At 30 September 2010</b>	<b>21,782</b>	<b>24,097</b>	<b>13,610</b>	<b>59,489</b>
<b>At 1 January 2011</b>	<b>21,782</b>	<b>26,112</b>	<b>13,689</b>	<b>61,583</b>
Total comprehensive income for the period	-	4,066	-	4,066
Issue of 227,500 ordinary shares under share option scheme at \$0.2079 per share	58	-	(10)	48
Purchase of treasury shares	-	-	(473)	(473)
Share-based payments to employees of Company's subsidiaries	-	-	93	93
Share-based payments expenses	-	-	145	145
FY2010 final dividend of 1.8 cents per share (one-tier tax exempt)	-	(8,146)	-	(8,146)
<b>At 30 September 2011</b>	<b>21,840</b>	<b>22,032</b>	<b>13,444</b>	<b>57,316</b>



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**1(d)(ii) CHANGES IN COMPANY'S SHARE CAPITAL**

**A) Share Capital**

As at 30 September 2011, the share capital of the Company amounted to \$21.840 million comprising 453,835,087 issued ordinary shares excluding treasury shares. (30 September 2010: 453,563,000 ordinary shares excluding treasury shares).

During the third quarter ended 30 September 2011, the Company issued 90,000 ordinary shares pursuant to share options exercised under the Pre-IPO Share Option Scheme at the exercise price of \$0.2079 per share.

**B) Employee Share Options**

As at 30 September 2011, there were unexercised options of 580,500 (30 September 2010: 808,000) unissued ordinary shares of \$0.2079 each under The TeleChoice Pre-IPO Share Option Scheme.

**C) Restricted Share Plan ("RSP") and Performance Share Plan ("PSP")**

As at 30 September 2011, the number of outstanding shares granted under the Company's RSP and PSP were 3,493,833 (30 September 2010: 1,878,000) and 2,458,000 (30 September 2010: 2,850,000) respectively.

**D) Treasury Shares**

As at 30 September 2011, there were 6,913 (30 September 2010: 51,500) treasury shares represented approximately 0.002% of the total issued share capital of the Company.

**2. AUDIT**

The results have not been audited nor reviewed by auditor.

**3. AUDITORS' REPORT**

Not applicable.

**4. ACCOUNTING POLICIES**

The Group has applied the same accounting policies and method of computation in the preparation of the current period financial statements compared to those used in the annual report for the financial year ended 31 December 2010.

In the current financial period, the Group and the Company have adopted all the new and revised Financial Reporting Standards (FRSs) and Interpretations of FRSs (INT FRSs) that are relevant to its operations and effective for annual periods beginning on 1 January 2011. The adoption of these new/revised FRSs and INT FRSs does not result in substantial changes to the Group's and the Company's accounting policies and had no material effect on the amounts reported for the current or prior periods.

**5. CHANGES IN ACCOUNTING POLICIES**

Not Applicable





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**6. EARNINGS PER ORDINARY SHARE (EPS)**

Based on weighted average number of ordinary shares on issue (in cents)

Group	3Q2011	3Q2010	9M2011	9M2010	FY2010
Basic	0.29	0.71	1.32	2.03	2.74
Diluted	0.29	0.71	1.32	2.03	2.74

**7. NET ASSET VALUE**

	GROUP		COMPANY	
	30/9/2011	31/12/2010	30/9/2011	31/12/2010
Net assets value per ordinary share based on issued share capital at the end of the financial period/year (in cents):	15.85	16.36	12.63	13.58

**8. REVIEW OF GROUP PERFORMANCE**

**A) Revenue**

S\$M	3Q2011	3Q2010	Growth		9M2011	9M2010	Growth	
			\$	%			\$	%
Personal Communications Solutions Services ("PCS")	58.4	60.7	(2.3)	-4%	169.7	204.4	(34.7)	-17%
Info-Comm Technology Services ("ICT")	16.2	3.4	12.8	376%	64.7	10.7	54.0	505%
Network Engineering Services ("Engineering")	9.9	11.0	(1.1)	-10%	28.8	32.6	(3.8)	-12%
Total	84.5	75.1	9.4	13%	263.2	247.7	15.5	6%

- **PCS** – Revenue decreased by \$34.7M for 9M2011 due to lower regional sales and sales to a major customer in Singapore, mitigated by the increase in prepaid cards and retail sales. In 3Q2011, sales to this major customer were higher.
- **ICT** – Revenue increased by \$12.8M & \$54M in 3Q2011 and 9M2011 respectively with the consolidation of S&I's accounts. In 9M2011, 11 months of revenue from S&I was included. There was higher revenue from enterprise solutions services which was offset by lower iDD usage attributable to the intense competitive environment.
- **Engineering** – Overall revenue decreased by \$1.1M and \$3.8M in 3Q2011 and 9M2011 respectively from lower power supply projects in Indonesia, lower products sales in the region and lower transmission revenue in Singapore. These were mitigated by higher in-building coverage revenue from Malaysia and Radio Network Planning revenue in Indonesia.



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**B) PBT**

S\$M	3Q2011	3Q2010	Growth		9M2011	9M2010	Growth	
			\$	%			\$	%
PCS	1.5	3.4	(1.9)	-56%	4.9	9.4	(4.5)	-48%
ICT	(0.3)	0.1	(0.4)	-400%	1.0	0.3	0.7	233%
Engineering	0.6	0.5	0.1	20%	1.8	1.5	0.3	20%
Total	1.8	4.0	(2.2)	-55%	7.7	11.2	(3.5)	-31%

- **PCS** - PBT decreased by \$1.9M and \$4.5M in 3Q2011 and 9M2011 respectively as a result of lower revenue and lower margin. The lower margin was attributed to a higher sales mix of lower margin prepaid cards sales and lower rebates received from manufacturers. This was partly mitigated by income from new services in Malaysia.
- **ICT** – PBT in 9M2011 was \$0.7M higher with contribution from S&I partly offset by amortization expenses of \$1.0M. The losses in 3Q2011 were mainly due to amortization expenses of \$0.3M and due diligence costs of \$0.2M. There were also share of losses from a jointly control entity and lower IDD revenue.
- **Engineering** – PBT increased by \$0.1M and \$0.3M in 3Q2011 and 9M2011 respectively mainly from higher margin and lower exchange loss arising from the USD denominated net current assets.

**9. VARIANCE FROM PROSPECT STATEMENT**

Not applicable.

**10. PROSPECTS**

Based on the current outlook and barring any unforeseen circumstances, the Group can expect 4Q2011 operating performance to be better than the previous three quarters. However, with the lower 9M2011 results, the Group expects the operating performance for FY2011 to be lower than FY2010.

*This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.*



**TELECHOICE INTERNATIONAL LIMITED**  
(REG. NO. 199802072R)

**11. DIVIDEND**

(a) Any dividend declared for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

N/A

(d) Books closure date

N/A

**12. If no dividend has been declared/recommended, a statement to that effect.**

N/A

**13. Interested Person Transactions - DISCLOSURE PURSUANT TO RULE 920(1)(a)(ii)**

In S\$M	Aggregate value of all transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual			
	3Q2011	3Q2010	9M2011	9M2010
<b><u>Transactions for the sales of goods and services</u></b>				
Temasek Holdings (Private) Limited and its Associates	29.3	23.5	72.1	81.2
<b><u>Transactions for the purchases of goods and services</u></b>				
Temasek Holdings (Private) Limited and its Associates	21.5	11.7	40.7	40.5
<b>Total Interested Person Transactions</b>	<b>50.8</b>	<b>35.2</b>	<b>112.8</b>	<b>121.7</b>

Note: All transactions are conducted under the shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual.

**14. Statement pursuant to Rule 705(5) of the SGX Listing Manual**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the above unaudited financial statements for the third quarter and 9 months ended 30 September 2011 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

**Andrew Loh Sur Jin**  
President

Date: 11 November 2011