

**For immediate release:**

**24 June 2011**

**Top Level Domain Holdings Limited  
("TLDH" or the "Company")**

**Unaudited Interim Results for the period ended 30 April 2011**

The Directors of Top Level Domain Holdings Limited (AIM: TLDH.L), the only publicly traded company focused exclusively on acquiring and operating new generic top-level domains ("**gTLD**"), today announce the unaudited interim results for the 6 months ended 30 April 2011 (the "**Period**").

**Period Highlights:**

- Substantial progress made by the Internet Corporation for Assigned Names and Numbers ("**ICANN**") towards the roll out of gTLDs;
- Completion of placing raising £4.8 million before expenses to provide additional working capital and enable the Company to further develop its TLD portfolio and business; and
- Cash and cash equivalents at the Period end at approximately £7.7 million.

**Post-Period Highlights:**

- Minds + Machines appointed by India TL Domain Pvt Ltd ("**ITLD**"), with the approval of the city of Mumbai, to provide registry and consulting services for ITLD's proposed application for the generic top-level domain .MUMBAI;
- Agreement signed with Neustar (NYSE:NSR) to work exclusively on new geographical gTLDs, with some exceptions, to prepare applications for gTLDs on behalf of other cities and regions; and
- New gTLD program approved by ICANN at its extraordinary meeting in Singapore on 20 June 2011.

Frederick Krueger, Executive Chairman of TLDH, commented:

"We are excited about the prospects for the development of the Company following ICANN's decision to approve the new gTLD program. The Company's strategy continues to be one of building a portfolio of gTLD applicants and infrastructure technologies. With our substantial cash resources and our significant interests in prospective applicants including .eco, .nyc, .berlin, .bayern, .mumbai, .radio and .gay amongst others, we believe that TLDH is very well positioned to participate successfully in the forthcoming gTLD application and award process. We will be using the period before the application window opens to market widely the registry services of Minds + Machines."

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**About Top Level Domain Holdings Limited, <http://tldh.org>**

Top Level Domain Holding is a publicly traded holding company listed on the London AIM market. The company is focused on the new top-level domain space. Top-level domains, such as .com, run by VeriSign (NASDAQ: VRSN), and .biz, run by NeuStar (NYSE: NSR), are regulated by ICANN. ICANN has announced plans to expand the number of top-level domains. TLDH intends to make targeted investments in this space, focusing on both infrastructure technologies and specific top-level domains.

**About Minds + Machines, <http://mindsandmachines.com>**

Minds + Machines is a registry services provider that works internationally with commercial organisations, cities, not-for-profits and entrepreneurs to secure and operate new web domains, known as top-level domains (TLDs). Minds + Machines is a wholly owned subsidiary of Top Level Domains Holdings, Ltd.

**ENDS**

**CHAIRMAN'S STATEMENT**

I am pleased to present the interim report for Top Level Domain Holdings, Ltd. (the "Company") for the six-month period ended 30 April 2011.

The Period was one of substantial further progress by the Internet Corporation for Assigned Names and Numbers ("ICANN") towards the eventual roll out of gTLDs, which culminated after the Period in the approval by ICANN of the new gTLD program at its extraordinary meeting in Singapore on 20 June 2011. As well as overall approval of the new gTLD program, the ICANN Board also approved the following timeline:

- The window for submitting applications for new gTLDs will open on 12 January 2012 and will close on 12 April 2012.
- Those gTLDs for which applications are made together with the identity of their applicants will be published approximately two weeks after the close of the application period on April 12, 2012.
- Initial evaluations of applications by ICANN are estimated to be completed in November 2012.

During the Period the Company continued to prepare for the launch of gTLDs. After the Period, Minds + Machines, a wholly owned subsidiary of TLDH, was appointed by India TL Domain Pvt Ltd ("ITLD"), with the approval of the city of Mumbai, to provide registry and consulting services for ITLD's proposed application for the generic top-level domain .MUMBAI. In addition, Neustar (NYSE:NSR) signed an agreement to work exclusively with the company on new geographical gTLDs, with some exceptions, and over the next six months we will be working hard with our partner Neustar to prepare applications for gTLDs on behalf of other cities and regions. We will also be using the extended period prior to the commencement of the application window to begin aggressively marketing our suite of registry solutions to potential applicants so that we can maximise our applications in Q1 2012.

**Minds + Machines LLC ([www.mindsandmachines.com](http://www.mindsandmachines.com)) (100% Group ownership)**

Minds + Machines LLC, which was founded in 2008 by Antony Van Couvering, is a full-service consulting and registry services company that provides a complete suite of registry solutions for new gTLD applicants. In addition to its relationship with Neustar, Minds and Machines LLC already has an agreement in place to extend the CoCCA registry platform, currently deployed in 30 countries, to new gTLDs, through its proprietary registry platform, Espresso, which Minds + Machines LLC wholly owns.

**DotNYC LLC ([www.dotnyc.net](http://www.dotnyc.net)) (65% Group ownership)**

The team of DotNYC LLC has launched five successful top level domains, advised a number of other top level domain companies and created the model for public-private partnerships for geographic-based web addresses. dotNYC LLC has applied to New York City for the contract to operate the New York City gTLD, dot.nyc.

**DotEco LLC ([www.supportdoteco.com](http://www.supportdoteco.com)) (25% Group ownership)**

DotEco LLC, which is based in California, intends to build an environmentally-focused gTLD. DotEco LLC has agreements with and strong support from several major environmental organizations, and expects to apply for the .eco gTLD.

### **Financial Results**

Revenue for the Period was £26,000 with finance revenue totalling £2,000. Administrative expenses totalled £509,000. Share options expensed totalled £92,000. Retained loss for the period attributable to members of the parent Company totalled £573,000 for a loss of 0.16 pence per Ordinary share. The Company still has significant cash resources. During the Period in November 2010, we completed a placing of new ordinary shares in the Company, which raised £4.8 million before expenses (equivalent to approximately US\$7.5 million at that time) to provide additional working capital and enable the Company to further develop its TLD portfolio and business. Cash and cash equivalents at the Period end amounted to approximately £7.7 million.

### **Outlook**

The Board is excited about the prospects for the development of the Company now that the gTLD program has finally been approved by ICANN. The Company's strategy continues to be one of building a portfolio of gTLD applicants and infrastructure technologies. With our substantial cash resources and our significant interests in prospective applicants (including .eco, .nyc, .berlin, .bayern, .mumbai, .radio and .gay amongst others) together with the capabilities of our wholly-owned subsidiary Minds and Machines LLC and our recently announced partnership with Neustar Inc., we believe that TLDH is very well positioned to participate successfully in the forthcoming gTLD application and award process.

**Frederick Krueger**  
**Executive Chairman**

**TOP LEVEL DOMAIN HOLDINGS LTD**  
**GROUP STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30 APRIL 2011**

	Note	Period ended 30 April 2011 (unaudited) £'000	Period ended 30 April 2010 (unaudited) £'000	Year ended 31 October 2010 (audited) £'000
Revenue		26	32	62
Administrative expenses		(509)	(480)	(976)
Share options expensed		(92)	(17)	(33)
<b>Operating loss</b>		<b>(575)</b>	<b>(465)</b>	<b>(947)</b>
Interest receivable		2	3	6
<b>Loss before taxation</b>		<b>(573)</b>	<b>(462)</b>	<b>(941)</b>
Income tax expense		-	-	-
<b>Loss for the financial period</b>		<b>(573)</b>	<b>(462)</b>	<b>(941)</b>
<b>Other comprehensive income</b>				
Currency translation differences		1	11	51
<b>Other comprehensive income for the period net of taxation</b>		<b>1</b>	<b>11</b>	<b>51</b>
<b>Total comprehensive income for the period attributable to equity holders of the parent</b>		<b>(572)</b>	<b>(451)</b>	<b>(890)</b>
<b>Loss per share (pence)</b>				
Basic	<b>3</b>	<b>(0.16)</b>	(0.16)	(0.33)
Diluted	<b>3</b>	<b>(0.16)</b>	(0.16)	(0.33)

**TOP LEVEL DOMAIN HOLDINGS LTD**  
**GROUP BALANCE SHEET**  
**AS AT 30 APRIL 2011**

	30 April 2011 (unaudited)	30 April 2010 (unaudited)	31 October 2010 (audited)
Note	£'000	£'000	£'000
<b>Non-current assets</b>			
Intangible assets	1,605	1,605	1,605
Property, plant and equipment	31	13	31
Available for sale investments	387	385	385
<b>Total non-current assets</b>	<b>2,023</b>	<b>2,003</b>	<b>2,021</b>
<b>Current assets</b>			
Trade and other receivables	78	120	94
Cash and cash equivalents	7,735	3,921	3,600
<b>Total current assets</b>	<b>7,813</b>	<b>4,041</b>	<b>3,694</b>
<b>Total Assets</b>	<b>9,836</b>	<b>6,044</b>	<b>5,715</b>
<b>Current Liabilities</b>			
Trade and other payables	(1,111)	(1,098)	(1,192)
<b>Total Liabilities</b>	<b>(1,111)</b>	<b>(1,098)</b>	<b>(1,192)</b>
<b>Net Assets</b>	<b>8,725</b>	<b>4,946</b>	<b>4,523</b>
<b>Shareholders' equity</b>			
Share capital	-	-	-
Share premium account	12,340	7,653	7,653
Share based payment reserve	635	532	548
Foreign exchange reserve	86	45	85
Retained earnings	(4,336)	(3,284)	(3,763)
<b>Total Equity</b>	<b>8,725</b>	<b>4,946</b>	<b>4,523</b>

**TOP LEVEL DOMAIN HOLDINGS LTD  
GROUP CASH FLOW STATEMENT  
FOR THE PERIOD ENDED 30 APRIL 2011**

	<b>Period ended 30 April 2011 (unaudited) £'000</b>	Period ended 30 April 2010 (unaudited) £'000	Year to 31 October 2010 (audited) £'000
<b>Cash outflow from operating activities</b>			
Operating loss	(575)	(465)	(947)
Decrease/(increase) in trade and other receivables	16	(17)	9
(Decrease)/increase in trade and other payables	(81)	(89)	5
Depreciation charge	6	-	7
Share options expensed	92	17	33
<b>Net cash outflow from operating activities</b>	<b>(542)</b>	<b>(554)</b>	<b>(893)</b>
<b>Cash flows from investing activities</b>			
Interest received	2	3	6
Receipts from sale of intangible assets	-	141	150
Payments to acquire property, plant & equipment	(6)	-	(27)
Payments to acquire available for sale investments	(2)	-	-
<b>Net cash (out)/inflow from investing activities</b>	<b>(6)</b>	<b>144</b>	<b>129</b>
<b>Cash flows from financing activities</b>			
Issue of ordinary share capital	4,939	48	48
Share issue costs	(257)	-	-
<b>Net cash inflow from financing activities</b>	<b>4,682</b>	<b>48</b>	<b>48</b>
<b>Net increase in cash and cash equivalents</b>	<b>4,134</b>	<b>(362)</b>	<b>(716)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>3,600</b>	<b>4,265</b>	<b>4,265</b>
<b>Exchange gain on cash and cash equivalents</b>	<b>1</b>	<b>18</b>	<b>51</b>
<b>Cash and cash equivalents at end of period</b>	<b>7,735</b>	<b>3,921</b>	<b>3,600</b>

**TOP LEVEL DOMAIN HOLDINGS LTD**  
**GROUP STATEMENT OF CHANGES IN EQUITY (Unaudited)**  
**FOR THE PERIOD ENDED 30 APRIL 2011**

Group	Attributable to equity holders of the company					Total £ 000's
	Called up share capital £ 000's	Share premium reserve £ 000's	Share based payment reserve £ 000's	Foreign currency translation reserve £ 000's	Retained earnings £ 000's	
<b>As at 1 November 2009</b>	-	7,601	519	34	(2,822)	5,332
Loss for the period	-	-	-	-	(941)	(941)
Currency translation differences	-	-	-	51	-	51
<b>Total comprehensive income</b>	-	-	-	51	(941)	(890)
Share capital issued	-	48	-	-	-	48
Cost of share issue	-	-	-	-	-	-
Share based payments	-	4	29	-	-	33
<b>As at 31 October 2010</b>	-	7,653	548	85	(3,763)	4,523
Loss for the period	-	-	-	-	(573)	(573)
Currency translation differences	-	-	-	1	-	1
<b>Total comprehensive income</b>	-	-	-	1	(573)	(572)
Share capital issued	-	4,939	-	-	-	4,939
Cost of share issue	-	(257)	-	-	-	(257)
Share based payments	-	5	87	-	-	92
<b>As at 30 April 2011</b>	-	12,340	635	86	(4,336)	8,725

**TOP LEVEL DOMAIN HOLDINGS LTD**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 APRIL 2011**

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**1. Basis of preparation**

The consolidated financial statements has been prepared under the historical cost convention and on a going concern basis and in accordance with International Financial Reporting Standards and IFRIC interpretations adopted for use in the European Union (“IFRS”) and those parts of the BVI Business Companies Act applicable to companies reporting under IFRS.

The financial information for the period ended 30 April 2011 has not been audited or reviewed in accordance with the International Standard on Review Engagements 2410 issued by the Auditing Practices Board. The figures were prepared using applicable accounting policies and practices consistent with those adopted in the statutory accounts for the period ended 31 October 2010. The figures for the period ended 31 October 2010 have been extracted from these accounts, which have been delivered to the AIM Market operated by the London Stock Exchange, and contained an unqualified audit report.

The financial information contained in this document does not constitute statutory financial statements. In the opinion of the directors the financial information for this period fairly presents the financial position, result of operations and cash flows for this period.

This Interim Financial Report was approved by the Board of Directors on 22 June 2011.

**Statement of compliance**

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union with the exception of International Accounting Standard (‘IAS’) 34 – Interim Financial Reporting. Accordingly the interim financial statements do not include all of the information or disclosures required in the annual financial statements.

**Basis of consolidation**

The consolidated financial statements comprise the financial statements of Top Level Domain Holdings Ltd and its controlled entities. The financial statements of controlled entities are included in the consolidated financial statements from the date control commences until the date control ceases.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All inter-company balances and transactions have been eliminated in full.

**Foreign currencies**

The functional currency of each entity is determined after consideration of the primary economic environment of the entity. The group’s presentational currency is Sterling (£).

**2 Segmental analysis - Group**

For the purposes of segmental information, the operations of the group currently comprise one class of business: that of internet operations, with a view to enhancing Group shareholder values. Revenue is received on the basis of parking revenue and domain sales.

The parent company acts as a holding company.

The Group’s loss for the period arose from its internet operations, with all assets being held within British Virgin Island (BVI), European and USA subsidiaries.



### 3. Loss per share

The calculation of earnings per share is based on the loss after taxation divided by the weighted average number of shares in issue during the period:

	<b>Period ended 30 April 2011 (unaudited) £'000</b>	Period ended 30 April 2010 (unaudited) £'000	Year ended 31 October 2010 (unaudited) £'000
Net loss after taxation	(573)	(462)	(941)
Weighted average number of ordinary shares used in calculating basic earnings per share	348.19m	282.95m	283.55m
Basic loss per share (expressed in pence)	(0.16) pence	(0.16) pence	(0.33) pence

As the inclusion of the potential ordinary shares would result in a decrease in the loss per share they are considered to be anti-dilutive and, as such, a diluted loss per share is not included.

### 4. Share capital

The authorised share capital of the Company and the called up and fully paid amounts at 30 April 2011 were as follows:

		<b>£'000</b>
		<b>Authorised</b>
Unlimited ordinary shares of no par value each		-
		<b>Authorised</b>
	<b>Number of shares</b>	<b>Nominal value £'000</b>
<b>Called up, allotted, issued and fully paid</b>		
As at 1 November 2009	282,939,275	-
On 29 April 2010 for cash at 4p per share on exercise of options and warrants	1,200,000	-
<b>As at 31 October 2010</b>	<b>284,139,275</b>	-
On 17 November 2010 for cash at 4p per share on exercise of options	200,000	-
On 30 November 2010 for cash at 6.5p per share	73,996,902	-
On 18 January 2011 for cash at 4p per share on exercise of warrants	3,038,036	-
<b>As at 30 April 2011</b>	<b>361,374,213</b>	-

#### **Total share options in issue**

During the period ended 30 April 2011, the company granted 7 million options over ordinary shares.

As at 30 April 2011 the unexercised options in issue were;

<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Options in Issue 30 April 2011</b>
4p	13 November 2012	19,000,000
4p	1 January 2013	1,600,000
4p	26 May 2014	5,252,694
9p	22 December 2013	7,000,000
		<b>32,852,694</b>

### **Total warrants in issue**

<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Options in Issue 30 April 2011</b>
4p	13 November 2012	1,622,665
4p	31 July 2012 *	48,946,109
4.2p	7 August 2012	21,250,000
		<u>71,818,774</u>

No options or warrants lapsed or were cancelled during the period to 30 April 2011. 200,000 options and 3,038,036 warrants were exercised during the period to 30 April 2011 all for cash at 4p per share.

\* The terms of these warrants were amended such as the expiry date was extended 12 months to 31 July 2012.

### **5. Property, plant & equipment**

	<b>Group £ 000's</b>
<b>Cost</b>	
At 1 November 2010	38
Additions	6
<b>As at 30 April 2011</b>	<u><b>44</b></u>
<b>Depreciation and Impairment</b>	
At 1 November 2010	7
Charge for the period	6
<b>At 30 April 2011</b>	<u><b>13</b></u>
<b>Net book value</b>	
<b>At 30 April 2011</b>	<u><b>31</b></u>
At 31 October 2010	<u>31</u>

#### **Impairment Review**

At 30 April 2011, the Directors have carried out an impairment review and concluded no impairment provision is currently required.

### **6. Post balance sheet events**

On 7 June 2011, a total of 2,200,000 ordinary shares were issued on exercise of 200,000 share options at a price of 4p per share, and on a subscription for 2,000,000 ordinary shares at a price of 8p per share. In addition 1,000,000 warrants to subscribe for ordinary shares at an exercise price of 12p per share were issued to the subscriber on subscription.

7. The financial information set out above does not constitute the Group's statutory accounts for the period ended 31 October 2010, but is derived from those accounts. Statutory accounts for the period have been delivered to the shareholders, and the auditors made an unqualified report thereon.
8. A copy of this interim statement is available on the Company's website : [www.tldh.org](http://www.tldh.org)