NERA TELECOMMUNICATIONS LTD
(Co. Reg. No. 197802690R)

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2011

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement and statement of comprehensive income or a statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Note	Group 4th Quarter			Group Year ended 31 December		
		2011 S$'000	2010 S$'000	Increase/ (Decrease) %	2011 S$'000	2010 S$'000	Increase/ (Decrease) %
Turnover		**47,929**	**48,529**	**(1.2)**	**156,238**	**155,811**	**0.3**
Cost of sales		(33,468)	(36,892)	(9.3)	(111,607)	(118,908)	(6.1)
Gross profit		**14,461**	**11,637**	**24.3**	**44,631**	**36,903**	**20.9**
Other operating income		1,008	661	52.5	5,495	3,113	76.5
Distribution and selling expenses		(6,632)	(4,409)	50.4	(25,216)	(16,799)	50.1
Administrative expenses		(2,320)	(2,035)	14.0	(8,309)	(8,332)	(0.3)
Other operating expenses		(26)	(271)	(90.4)	(819)	(1,043)	(21.5)
Profit from operations		**6,491**	**5,583**	**16.3**	**15,782**	**13,842**	**14.0**
Financial expenses		(53)	(89)	(40.4)	(289)	(352)	(17.9)
Financial income		44	75	(41.3)	223	607	(63.3)
Profit after financial items		**6,482**	**5,569**	16.4	**15,716**	**14,097**	11.5
Share of results of an associate		220	28	685.7	510	543	(6.1)
Profit before taxation		**6,702**	**5,597**	**19.7**	**16,226**	**14,640**	**10.8**
Taxation		(650)	(1,356)	(52.1)	(2,721)	(3,728)	(27.0)
Profit after taxation		**6,052**	**4,241**	**42.7**	**13,505**	**10,912**	**23.8**
Other comprehensive income / (expense) :							
Foreign currency translation of financial statements of foreign operations		**52**	**(312)**	N.M	**(46)**	**(50)**	(8.0)
Total comprehensive income for the period		**6,104**	**3,929**	**55.4**	**13,459**	**10,862**	**23.9**

		Group 4th Quarter			Group Year ended 31 December		
		2011	2010	Increase / (Decrease)	2011	2010	Increase / (Decrease)
		S$'000	S$'000	%	S$'000	S$'000	%
Profit for the period is arrived at after crediting / (charging) the following :							
Adjustments for (under) / over provision of tax in respect of prior years		(66)	52	N.M.	(90)	(502)	(82.1)
Amortisation of intangible asset	(1)	(16)	-	100.0	(64)	-	100.0
Depreciation	(2)	(715)	(795)	(10.1)	(3,156)	(2,987)	5.7
Fixed assets written off		(9)	(5)	80.0	(17)	(9)	88.9
Foreign exchange (loss) / gain		(6)	170	N.M.	(165)	1,153	N.M.
Gain / (loss) on disposal of fixed assets		16	(8)	N.M.	26	(4)	N.M.
Interest expense		(6)	(4)	50.0	(9)	(7)	28.6
Interest income	(3)	44	75	(41.3)	223	607	(63.3)
Writeback / (allowance) for doubtful debts		28	(162)	N.M.	(31)	(105)	(70.5)
Bad debts recovered		-	-	0.0	-	128	(100.0)
Writeback / (allowance) for stock obsolesence		137	(133)	N.M.	117	(355)	N.M.
Provision for warranty		(846)	(179)	372.6	(1,887)	(1,122)	68.2
Gross profit as a percentage of turnover		30.2%	24.0%	6.2	28.6%	23.7%	4.9
Profit for the period as a percentage of turnover		12.6%	8.7%	3.9	8.6%	7.0%	1.6
Other information							
Profit for the period attributable to equity shareholders of the Company as a percentage of issued capital and reserves at end of period		9.9%	6.8%	3.1	22.1%	17.5%	4.6

N.M. Not meaningful

Notes :

(1) The amortisation relates to the Nera Trademark purchased in January 2011.

(2) The increase in depreciation resulted from more point-of-sale terminals purchased for leasing to customers.

(3) The lower interest income for the quarter and year ended 31 December 2011 as compared to the corresponding periods were due to lower interest income from the associate.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Balance Sheet as at		Group		Company	
		31/12/2011 S$'000	31/12/2010 S$'000	31/12/2011 S$'000	31/12/2010 S$'000
Equity					
Share capital		29,909	29,909	29,909	29,909
Revenue reserve		33,828	34,799	28,118	28,281
Translation reserve		(2,491)	(2,445)	-	-
		61,246	62,263	58,027	58,190
Non current assets					
Intangible asset	(1)	1,225	-	1,225	-
Fixed assets		7,788	6,793	3,966	3,357
Investment in subsidiaries		-	-	4,602	4,316
Investment in an associate		2,042	1,730	199	199
Finance lease receivable		321	-	-	-
Deferred tax assets		2,375	1,285	427	264
		13,751	9,808	10,419	8,136
Current assets					
Stocks		3,245	3,100	1,799	1,745
Contract work-in-progress		20,541	21,750	12,295	14,511
Trade receivables	(2)	56,046	39,199	27,182	25,817
Finance lease receivable		288	-	-	-
Other receivables, deposits and prepayments		2,289	5,100	1,099	3,403
Due from an associate (trade)	(3)	503	4,467	503	3,243
Due from related companies (trade)		-	14	-	3
Due from subsidiaries (trade)		-	-	11,616	14,959
Due from subsidiaries (non-trade)		-	-	325	754
Cash and cash equivalents		46,535	39,991	39,821	35,369
Total current assets		129,447	113,621	94,640	99,804
Current liabilities					
Trade payables	(2)	53,821	37,302	30,158	31,960
Other payables and accruals		19,111	15,946	11,868	11,601
Provision for warranty		5,934	4,985	2,448	2,882
Due to subsidiaries (trade)		-	-	402	413
Due to an associate (trade)		24	-	-	-
Due to related companies (trade)		-	688	-	377
Provision for taxation		3,027	2,182	2,156	2,517
Obligations under finance leases		28	27	-	-
Total current liabilities		81,945	61,130	47,032	49,750
Net current assets		47,502	52,491	47,608	50,054
Non current liabilities					
Obligations under finance leases		(7)	(36)	-	-
Net Assets		61,246	62,263	58,027	58,190

Notes :

(1) Intangible asset relates to the Nera Trademark purchased in January 2011.

(2) The increase in trade receivables were mainly due to invoicing made towards the end of Q4 2011. Trade payables also increased accordingly.

(3) The reduction in amount due from associate (trade) was mainly due to repayments made during the period.

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31/12/2011		As at 31/12/2010	
Secured	Unsecured	Secured	Unsecured
S$'000 28	S$'000 -	S$'000 27	S$'000 -

Amount repayable after one year

As at 31/12/2011		As at 31/12/2010	
Secured	Unsecured	Secured	Unsecured
S$'000 7	S$'000 -	S$'000 36	S$'000 -

Details of any collateral

Hire purchase obligations of S$35,000 are secured on three motor vehicles.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group 4th Quarter		Group Year ended 31 December	
	2011 S$'000	2010 S$'000	2011 S$'000	2010 S$'000
Cash flows from operating activities				
Profit before taxation	6,702	5,597	16,226	14,640
Adjustments for :				
Amortisation of intangible asset	16	-	64	-
Depreciation of fixed assets	715	795	3,156	2,987
Fixed assets written off	9	5	17	9
Gain from disposal of fixed assets	(16)	8	(26)	4
Interest expense	6	4	9	7
Interest income	(44)	(75)	(223)	(607)
(Writeback) / Allowance for stock obsolescence	(137)	133	(117)	355
(Writeback) / Allowance for doubtful debts	(28)	162	31	105
Provision for warranty	846	179	1,887	1,122
Share of results of an associate	(220)	(28)	(510)	(543)
Operating profit before working capital changes	7,849	6,780	20,514	18,079
Decrease / (increase) in :				
Trade receivables	(20,268)	(6,167)	(16,874)	(14,026)
Finance lease receivable	(609)	-	(609)	-
Other receivables, deposits and prepayments	609	1,098	2,811	(1,724)
Stocks	(391)	(105)	(25)	321
Contract work-in-progress	3,183	2,571	1,209	(1,073)
Changes in related parties/associate balances	(79)	4,533	3,314	16,377
(Decrease) / increase in :				
Trade payables	10,290	(1,414)	16,519	6,794
Other payables and accruals	170	1,242	3,165	2,707
Provision for warranty	(474)	(92)	(922)	(447)
Cash flows from operations	280	8,446	29,102	27,008
Interest paid	(6)	(4)	(9)	(7)
Income taxes paid	(486)	(1,066)	(2,963)	(4,023)
Net cash flows (used in) / from operating activities	(212)	7,376	26,130	22,978
Cash flows from investing activities				
Proceeds from disposal of fixed assets	26	5	59	194
Purchase of fixed assets	(1,462)	(428)	(4,273)	(2,190)
Purchase of intangible asset	-	-	(1,289)	-
Interest received	44	75	223	607
Net cash flows used in investing activities	(1,392)	(348)	(5,280)	(1,389)
Cash flows from financing activities				
Dividend paid to shareholders	-	-	(14,476)	(10,857)
Repayment of obligations under finance leases	(7)	(7)	(28)	(24)
Net cash flows used in financing activities	(7)	(7)	(14,504)	(10,881)
Net (decrease) / increase in cash and cash equivalents	(1,611)	7,021	6,346	10,708
Effect of exchange rate changes	254	(310)	198	(118)
Cash and cash equivalents at beginning of the period	47,892	33,280	39,991	29,401
Cash and cash equivalents at end of the period	46,535	39,991	46,535	39,991

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

For 4th Quarter ended 31 December	Share Capital S$'000	Revenue Reserve S$'000	Translation Reserve S$'000	Total S$'000
Group				
Balance as at 1.10.2011	29,909	27,776	(2,543)	**55,142**
Total comprehensive income for the period	-	6,052	52	6,104
Balance as at 31.12.2011	29,909	33,828	(2,491)	**61,246**
Balance as at 1.10.2010	29,909	30,558	(2,133)	**58,334**
Total comprehensive income for the period	-	4,241	(312)	3,929
Balance as at 31.12.2010	29,909	34,799	(2,445)	**62,263**
Company				
Balance as at 1.10.2011	29,909	22,695	-	**52,604**
Total comprehensive income for the period	-	5,423	-	5,423
Balance as at 31.12.2011	29,909	28,118	-	**58,027**
Balance as at 1.10.2010	29,909	24,720	-	**54,629**
Total comprehensive income for the period	-	3,561	-	3,561
Balance as at 31.12.2010	29,909	28,281	-	**58,190**

For Year ended 31 December	Share Capital S$'000	Revenue Reserve S$'000	Translation Reserve S$'000	Total S$'000
Group				
Balance as at 1.1.2011	29,909	34,799	(2,445)	**62,263**
Total comprehensive income for the year	-	13,505	(46)	13,459
Dividend paid	-	(14,476)	-	(14,476)
Balance as at 31.12.2011	29,909	33,828	(2,491)	**61,246**
Balance as at 1.1.2010	29,909	34,744	(2,395)	**62,258**
Total comprehensive income for the year	-	10,912	(50)	10,862
Dividend paid	-	(10,857)	-	(10,857)
Balance as at 31.12.2010	29,909	34,799	(2,445)	**62,263**
Company				
Balance as at 1.1.2011	29,909	28,281	-	**58,190**
Total comprehensive income for the year	-	14,313	-	14,313
Dividend paid	-	(14,476)	-	(14,476)
Balance as at 31.12.2011	29,909	28,118	-	**58,027**
Balance as at 1.1.2010	29,909	29,047	-	**58,956**
Total comprehensive income for the year	-	10,091	-	10,091
Dividend paid	-	(10,857)	-	(10,857)
Balance as at 31.12.2010	29,909	28,281	-	**58,190**

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

There has been no change in the Company's share capital since 30 September 2011. As at 31 December 2011, there were 942,000 (@ S$0.625) unexercised share options (31 December 2010 : 1,000,000 @ S$0.625). There was no treasury share in issue as at the end of the current financial year (31 December 2010 : nil).

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding financial year.

The total number of issued shares excluding treasury shares as at the end of the current financial year was 361,897,000 shares (31 December 2010 : 361,897,000).

(1)(d)(iv) A statement showing all sales, transfers, disposal, cancellation and / or use of treasury shares as at the end of the current financial period reported on.

Not applicable

2. Whether the figures have been audited, or reviewed and in accordance with which standard or practice [e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard].

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as in the latest audited annual financial statements for the financial year ended 31 December 2010 except as described in Section 5 below.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted the new and revised Singapore Financial Reporting Standard ("FRSs") that are mandatory for the financial year beginning on or after 1 January 2011, where applicable. The adoption of these standards did not result in substantial changes to the Group's accounting policies, and there is no material impact on the revenue reserve of the Group as at 1 January 2011.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group 4th Quarter		Group Year ended 31 Dec	
	2011	2010	2011	2010
Earnings per Ordinary Share for the period based on net profit attributable to shareholders:	(cents)	(cents)	(cents)	(cents)
(i) basic earnings per share	1.67	1.17	3.73	3.02
(ii) fully diluted earnings per share	1.67	1.17	3.73	3.02

Basic earnings per ordinary share for the financial year ended 31 December 2011 was calculated based on the weighted average number of shares in issue of 361,897,000 {2010 : 361,897,000} ordinary shares. Fully diluted earnings per ordinary share for the financial year ended 31 December 2011 was calculated based on the adjusted weighted average number of shares in issue (adjusted for the effects of dilutive options) of 361,897,000 ordinary shares {2010 : based on weighted average number of shares in issue (adjusted for the effects of dilutive options) of 361,897,000 ordinary shares}.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	Group		Company	
	31/12/2011 (cents)	31/12/2010 (cents)	31/12/2011 (cents)	31/12/2010 (cents)
Net Asset Value per ordinary share based on issued share capital	16.92	17.20	16.03	16.08

Net asset value per ordinary share as at 31 December 2011 and 31 December 2010 was calculated based on the number of shares in issue of 361,897,000 ordinary shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

(a) Turnover

On a Q on Q comparison, turnover in Q4 2011 decreased slightly by 1.2% ($0.6 million) from $48.5 million to $47.9 million. The decease in turnover resulted from lower turnover from the Infocomm business segment, partially offset by higher turnover from the Telecoms business segment.

Compared to FY 2010, the Group's turnover increased slightly by 0.3% ($0.4 million) from $155.8 million to $156.2 million. The increase in turnover resulted from higher turnover from the Telecoms business segment, partially offset by lower turnover from the Infocomm business segment.

Telecommunications (Telecom)

On a Q on Q comparison, turnover in Q4 2011 increased by 89.8% ($10.6 million) from $11.8 million to $22.4 million. Compared to FY 2010, turnover also increased by 16.0% ($7.7 million) from $48.0 million to $55.7 million.

The increase resulted from higher sales in microwave radio equipment in the Transmission business area, with sales to the new markets of Middle East and North Africa amounting to $10.6m for the quarter and $14.2m for FY 2011.

Infocomm

On a Q on Q comparison, turnover in Q4 2011 decreased by 30.5% ($11.2 million) from $36.7 million to $25.5 million. Compared to FY 2010, turnover also decreased by 6.8% ($7.3 million) from $107.8 million to $100.5 million.

The decrease for the quarter and for FY 2011 was mainly due to lower sales from both the Network Infrastructure business area and Payment Solution business area.

(b) Gross Profit

On a Q on Q comparison, gross profit for Q4 2011 increased by 24.3% from $11.6 million to $14.5 million. Gross margin % ("GM%") improved from 24.0% to 30.2%.

Compared to FY 2010**,** gross profit increased by 20.9% from $36.9 million to $44.6 million. GM% improved from 23.7% to 28.6%.

The improvement in gross profit and GM% for Q4 2011 and FY 2011 can be attributed to the sales mix in product, project and services.

(c) Operating Expenses

On a Q on Q comparison, total operating expenses increased by 34.4% from $6.7 million to $9.0 million. Compared to FY 2010, total operating expenses increased by 30.9% from $26.2 million to $34.3 million. The increase was mainly from distribution and sellling expenses.

Distribution and selling expenses increased by 50.4% ($2.2 million) for the quarter and 50.1% ($8.4 million) for FY 2011 mainly due to the payroll and operational costs of new territories taken over in relation to an OEM agreement signed on 19 January 2011. The payroll related costs of existing operations also increased.

Administrative expenses increased by 14.0% ($0.3 million) for the quarter and decreased slightly by 0.3% for FY 2011. The increase for the quarter was mainly due to higher payroll related costs.

(d) Profit Before Taxation ('PBT')

On a Q to Q basis, PBT for Q4 2011 increased by 19.7% mainly due to the improvement in gross margin and higher contribution from the associate. PBT as a percentage of turnover ("PBT %") improved from 11.5% to 14.0% for the quarter.

Compared to FY 2010, PBT increased by 10.8% mainly due to the improvement in gross margin and higher other operating income, partially offset by higher operating cost. Other operating income was higher by $2.4 million mainly due to an accounts receivable collection fee in relation to an OEM agreement signed on 19 January 2011. PBT% as a percentage of turnover ("PBT %") improved from 9.4% to 10.4% for FY 2011.

(e) Cash flow

The negative cashflow from operating activities for Q4 2011 was mainly due to high level of operating activities in the quarter. For FY 2011, the Group was able to generate positive cashflows from operating activities.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

There is no forecast previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group's business comprises two main business segments, namely Telecommunications and Infocommunications.

Telecommunications (Telecom)

The Telecommunications business segment comprises two main business areas : Transmission and Satellite Communications. In FY 2011, the Group's Telecom business segment secured about $62 million in order intake.

Transmission

The global microwave radio transmission market remains highly competitive. In 2011, we witnessed price erosion and consolidation in the industry from both mobile operators and equipment manufacturers. Mobile operators continued to demand for lower operating and capital expenditures for network rollout, expansion and additional capabilities so as to offer new services to support the huge consumer demand for mobile data services. The current uncertainties in Europe and USA as well as unclear spectrum, licencing and regulatory framework in some countries are causing some mobile operators to be more cautious in their network investments.

Mobile operators cannot afford to delay their network expansion and migration to next generation networks such as 3G/LTE (Long Term Evolution) and introduce new services at lower costs to gain market shares and stay ahead of competitors. The Group believes, in the long term, the market opportunities remain positive and demand for radio transmission networks will be driven by the demand for internet data traffic, mobile broadband services, social networking and applications by users of different types of mobile devices.

The Group took over the Middle East and North Africa ("MENA") markets from Nera Networks Norway in January 2011 and have managed to secure a number of multi-million dollar orders for microwave radios from various mobile operators. The Group will continue to focus on sales and marketing of Nera brand point-to-point radio products and intends to gradually introduce a range of wireless infrastructure networks, products and services such as wifi, 3G offload, in-building coverage and network performances to mobile operators in AsiaPac and MENA that will help operators reduce their operating and capital expenditures. In addition, the Group will also promote our wireless infrastructure network products and solutions to the Defence, Broadcasting and Utilities market sectors.

Satellite Communications

In the Satellite business area, the Group will continue to sell Inmarsat, Thuraya and other satellite communication products, solutions and services to the land and marine markets. The land, marine and handheld mobile satellite terminals is however very price competitive as there are many distributors, resellers and agents selling similar OEM products.

The Group will continue to seek partnerships with new salellite products and solutions OEMs and develop business opportunities with satellite operators, broadcasters and government organisations.

Infocomm (IF)

In the Infocomm business segment, the Group will focus on offering products and solutions from the Network Infrastructure and Payment Solutions business areas to three key market sectors, namely Service Providers, Enterprises and the Government, Transportation and Utilities sectors. Orders received for the Infocomm business segment in 2011 were about $94 million.

In the Service Provider market sector, the rapid growth in the internet voice, data and video traffic is driving service providers to expand their current broadband networks capacities and gradually migrate to the next generation broadband networks, offering new and more competitive multi-media services to both the consumer and corporate customers. The Group will focus on providing cost effective, robust, high performance IP, optical and broadcast DTT T2 network infrastructure products and solutions to enable Service Providers, Broadcasters, ISPs and Operators the agility to scale and secure their network and service infrastructure and rapidly deploy new services.

In the Enterprise market sector, the Group believes that corporate IT expenditure will continue as enterprises need to expand and upgrade their networks infrastructure and some enterprises will move their IT resources to the Cloud to achieve greater flexibility and lower costs. The Group will continue to focus on providing cost effective enterprise-class network infrastructure product and services such as routers, switches, security devices and threat management, optimization, aggregation appliances to help enterprises improve productivity and deploy secured and cost effective networks.

In the Enterprise's Banking, Finance and Retail market sector, the Group believes that customers will continue to outsource point-of-sale infrastructure to lower their capital and operating expenses so that they can focus on their core business activities. The Group will focus on offering end-to-end payment systems, security and network infrastructure products and solutions to financial institutions and retailers, and strengthen its point-of-sale terminal sales, software, applications, rental, leasing and maintenance business.

In the Government, Transport and Utilities market sector, the Group believes that IT spending from the healthcare, education, defence, transport and utilities sectors will continue as government drives to lower costs, improves productivity and better serve the public. The Group will continue to develop these markets and focus on providing wired and wireless infrastructure networks, internet appliances, integrated communication solutions, dedicated networks and payment products and solutions to customers in these sectors.

The Infocomm industry in the region remains highly competitive with some global markets and technology leaders offering their products and services via local system integrators, resellers and distributors, while other OEMs will engage directly with the customers.

11. Dividend

(a) Current Financial Period Reported On

Please refer to the scheme of arrangement which is to be proposed by the Company to the Shareholders under Section 210 of the Companies Act, Chapter 50 of Singapore ("**Scheme**") as set out in the joint announcement made by the Company and Singapore Technologies Electronics Limited dated 10 February 2012.

(b) Corresponding Period of the Immediately Preceding Financial Year

Dividend declared for the corresponding period of the immediately preceding financial year were as follow :

Name of Dividend	Final (one-tier)
Dividend Type	Cash
Dividend Amount per Share (in cents)	4 cents
Tax Rate	Tax exempt

(c) Date payable

The dividend shall be payable in accordance with the terms of the Scheme. Please refer to the joint announcement made by the Company and Singapore Technologies Electronics Limited dated 10 February 2012 for further details in relation to the Scheme.

(d) Books closure date

The books closure date shall be such date and time to be announced by the Company on which the Register of Members and Share Transfer Books of the Company will be closed for purposes of determining shareholders' entitlement to dividends under the Scheme.

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

Not applicable

13. If the Group has obtained a general mandate form shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

There is no IPT mandate obtained.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

FY 2011	Telecom S$'000	Infocomm S$'000	Elimination S$'000	Total S$'000
Revenue	55,749	100,489	-	156,238
Inter-company sales	10,109	9,286	(19,395)	-
Total revenue	**65,858**	**109,775**	**(19,395)**	**156,238**
Cost of sales	(51,355)	(79,647)	19,395	(111,607)
Gross Profit	**14,503**	**30,128**	**-**	**44,631**
Other operating income	5,410	85	-	5,495
Distribution and selling expenses	(10,826)	(14,390)	-	(25,216)
Administrative expenses	(2,125)	(6,184)	-	(8,309)
Other operating expenses	(703)	(116)	-	(819)
Profits from operations	6,259	9,523	-	**15,782**
Financial income				223
Financial expenses				(289)
Profit after financial items				**15,716**
Share of result of an associate				510
Profit before taxation				**16,226**
Taxation				(2,721)
Profit after taxation				**13,505**
Other Information				
Segment assets	42,824	47,133		89,957
Investment in an associate				2,042
Unallocated assets				51,199
Total assets				**143,198**
Segment liabilities	42,758	18,140		60,898
Tax Liabilities				3,027
Unallocated liabilities				18,027
Total liabilities				**81,952**
Capital expenditure	1,642	3,920		5,562
Depreciation and amortisation	274	2,946		3,220
Other non-cash expenses	510	1,291		1,801

FY 2010	Telecom S$'000	Infocomm S$'000	Elimination S$'000	Total S$'000
Revenue	48,048	107,763	-	155,811
Inter-company sales	8,175	12,558	(20,733)	-
Total revenue	**56,223**	**120,321**	**(20,733)**	**155,811**
Cost of sales	(47,384)	(92,257)	20,733	(118,908)
Gross Profit	**8,839**	**28,064**	**-**	**36,903**
Other operating income	2,694	419	-	3,113
Distribution and selling expenses	(4,171)	(12,628)	-	(16,799)
Administrative expenses	(2,458)	(5,874)	-	(8,332)
Other operating expenses	(1,032)	(11)	-	(1,043)
Profits from operations	3,872	9,970	-	**13,842**
Financial income				607
Financial expenses				(352)
Profit after financial items				**14,097**
Share of result of an associate				543
Profit before taxation				**14,640**
Taxation				(3,728)
Profit after taxation				**10,912**
Other Information				
Segment assets	29,727	45,596		75,323
Investment in an associate				1,730
Unallocated assets				46,376
Total assets				**123,429**
Segment liabilities	25,777	19,237		45,014
Tax Liabilities				2,182
Unallocated liabilities				13,970
Total liabilities				**61,166**
Capital expenditure	99	2,091		2,190
Depreciation	251	2,736		2,987
Other non-cash expenses	783	799		1,582

Geographical Segment

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows :

	Revenues		Non-current assets	
	2011 S$'000	2010 S$'000	2011 S$'000	2010 S$'000
Singapore	62,802	57,310	5,192	3,357
Indonesia	25,975	30,794	283	513
Thailand	15,287	27,366	1,604	1,731
Philippines	14,739	14,331	1,581	624
Malaysia	9,993	7,937	509	510
Morocco	8,666	-	113	-
Vietnam	3,171	12,663	-	-
Middle East	5,547	37	-	-
Europe	5,615	510	5	-
Other Asian	4,125	4,677	47	58
Others	318	186	-	-
	156,238	155,811	9,334	6,793

Non-current assets information presented above consist of intangible asset, property, plant and equipment, and lease receivable.

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Refer to item 8

16. A breakdown of sales

	2011 S$'000	**2010** S$'000	Increase / (Decrease)
(a) Sales reported for the first half year	71,713	70,977	1.0%
(b) Profit after tax before deducting minority interest for first half year	4,796	5,166	(7.2%)
(c) Sales reported for the second half year	84,525	84,834	(0.4%)
(d) Profit after tax before deducting minority interest for second half year	8,709	5,746	51.6%

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	Latest Full Year (S$'000)	Previous Full Year (S$'000)
Ordinary	14,476	10,857
Preference	-	-
Total	14,476	10,857

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(11) in the format below. If there is no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(11) of the Listing Manual, we confirm that there is no person occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Tan Cher Liang
Company Secretary

10 February 2012