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

UNAUDITED FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

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

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

	Note	Group		
		2008 S$'000	2007 S$'000	Increase/ (Decrease) %
Turnover		**160,317**	**166,369**	**(3.6)**
Cost of sales		(125,028)	(132,294)	(5.5)
Gross profit		**35,289**	**34,075**	**3.6**
Other operating income		1,443	2,072	(30.4)
Distribution and selling expenses		(15,411)	(14,980)	2.9
Administrative expenses		(7,306)	(6,785)	7.7
Other operating expenses		(2,174)	(1,065)	104.1
Profit from operations		**11,841**	**13,317**	**(11.1)**
Financial expenses		(252)	(227)	11.0
Financial income		806	998	(19.2)
Profit after financial items		**12,395**	**14,088**	(12.0)
Share of results of an associate		9	18	(50.0)
Profit before taxation		**12,404**	**14,106**	**(12.1)**
Taxation		(2,236)	(2,653)	(15.7)
Profit after taxation		**10,168**	**11,453**	**(11.2)**

		Group		
		2008	2007	Increase / (Decrease)
		S$'000	S$'000	%
Profit for the period is arrived at after crediting / (charging) the following :				
Adjustments for over provision of tax in respect of prior years		542	142	281.7
Depreciation	(1)	(2,532)	(2,048)	23.6
Interest income	(2)	806	998	(19.2)
Interest expense		(5)	-	100.0
Fixed assets written off		(49)	(4)	1,125.0
Foreign exchange loss		(1,131)	(213)	431.0
Gain / (loss) on disposal of fixed assets		67	(1)	N.M.
Writeback / (Provision) for doubtful debts		444	(8)	N.M.
Bad debts recovered		6	-	100.0
Provision for stock obsolescence		(674)	(528)	27.7
Provision for warranty		(614)	(2,952)	(79.2)
Gross profit as a percentage of turnover		22.0%	20.5%	7.3
Profit for the year as a percentage of turnover		6.3%	6.9%	(8.7)
<u>Other information</u>				
Profit for the period attributable to equity shareholders of the Company as a percentage of issued capital and reserves at end of year		16.3%	17.0%	(4.1)

N.M. Not meaningful

Notes :

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

(2) The decrease in interest income was mainly due to the lower interest rates from deposits.

1(b)(i) A balance sheet (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	
		31/12/2008 S$'000	31/12/2007 S$'000	31/12/2008 S$'000	31/12/2007 S$'000
Equity					
Share capital		29,909	29,909	29,909	29,909
Revenue reserve		34,933	39,241	29,341	34,090
Translation reserve		(2,596)	(1,960)	-	-
		62,246	67,190	59,250	63,999
Non current assets					
Fixed assets		8,845	8,168	5,365	4,308
Investment in subsidiaries		-	-	4,316	4,316
Investment in an associate		1,077	1,111	199	199
Deferred tax assets		583	1,327	-	180
		10,505	10,606	9,880	9,003
Current assets					
Stocks		4,793	7,188	4,050	6,185
Contract work-in-progress	(1)	30,989	20,687	27,097	15,725
Trade debtors	(2)	30,812	48,733	20,215	38,563
Other debtors, deposits and prepayments		3,372	1,769	1,030	128
Due from an associate (trade)		12,901	8,145	10,310	7,076
Due from an associate (non-trade)		950	1,000	950	1,000
Due from related companies (trade)		279	95	15	83
Due from subsidiaries (trade)		-	-	9,829	8,033
Due from subsidiaries (non-trade)		-	-	215	359
Fixed deposits		2,018	-	2,018	-
Cash and bank balances		18,831	21,151	16,466	18,934
Total current assets		104,945	108,768	92,195	96,086
Current liabilities					
Trade creditors	(3)	33,569	22,498	28,441	16,945
Other creditors and accruals		13,141	17,448	8,618	13,875
Provision for warranty		2,965	3,821	1,820	1,706
Due to subsidiaries (trade)		-	-	316	400
Due to an associate (trade)		-	-	-	-
Due to related companies (trade)		1,474	5,591	1,427	5,548
Provision for taxation		1,780	2,826	2,035	2,616
Hire purchase obligations (current portion)		23	-	-	-
Total current liabilities		52,952	52,184	42,657	41,090
Net current assets		51,993	56,584	49,538	54,996
Non current liabilities					
Hire purchase obligations		84	-	-	-
Deferred tax liability		168	-	168	-
		252	-	168	-
Net Assets		62,246	67,190	59,250	63,999

Note :

(1) The increase in contract work-in-progress was due to project delays.

(2) The decrease in trade debtors resulted from good collections during the year.

(3) The increase in trade creditors is in line with the increase in contract work-in-progress.

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

Amount repayable in one year or less, or on demand

As at 31/12/2008		As at 31/12/2007	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
23	-	-	-

Amount repayable after one year

As at 31/12/2008		As at 31/12/2007	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
84	-	-	-

Details of any collateral

Hire purchase obligations of S$107,000 are secured on three motor vehicles.

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

	Group Year ended 31 Dec	
	2008 S$'000	**2007 S$'000**
Profit before taxation	12,404	14,106
Adjustments for :		
Depreciation of fixed assets	2,532	2,048
Fixed assets written off	49	4
(Gain) / loss from disposal of fixed assets	(67)	1
Interest expense	5	-
Interest income	(806)	(998)
Provision for stock obsolescence	674	528
(Write-back) / provision for doubtful debts	(444)	8
Provision for warranty	614	2,952
Share option expenses	-	(1)
Share of results of associated company	(9)	(18)
Operating profit before working capital changes	14,952	18,630
Decrease / (increase) in :		
Trade debtors	18,376	(18,786)
Other debtors, deposits and prepayments	(1,603)	94
Stocks	1,721	(2,074)
Contract work-in-progress	(10,302)	(2,060)
Changes in related parties / associate balances	(9,007)	4,609
(Decrease) / increase in :		
Trade creditors	11,071	6,105
Other creditors and accruals	(4,307)	7,742
Provision for warranty	(1,327)	(1,820)
Cash generated from operations	19,574	12,440
Income taxes paid	(2,454)	(2,906)
Interest paid	(5)	-
Net cash flows generated from operating activities	17,115	9,534
Cash flows from Investing activities		
Proceeds from disposal of fixed assets	84	-
Purchase of fixed assets	(3,570)	(3,831)
Interest received	806	998
Net cash flows used in investing activities	(2,680)	(2,833)
Cash flows from financing activities		
Dividend paid to shareholders	(14,476)	(10,857)
Repayment of hire purchase obligations	(16)	-
Proceeds from issue of shares	-	3
Net cash flows used in financing activities	(14,492)	(10,854)
Net decrease in cash and bank balances	(57)	(4,153)
Effect of exchange rate changes	(245)	(527)
Cash and bank balances at beginning of the year	21,151	25,831
Cash and bank balances at end of the year	20,849	21,151

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 Year ended 31 December	Share Capital S$'000	Revenue Reserve S$'000	Share Option Reserve S$'000	Translation Reserve S$'000	Total S$'000
Group					
Balance as at 1.1.2008	29,909	39,241	-	(1,960)	**67,190**
Foreign currency translation difference	-	-	-	(636)	(636)
Net profit for the year	-	10,168	-	-	10,168
Dividends paid	-	(14,476)	-	-	(14,476)
Balance as at 31.12.2008	29,909	34,933	-	(2,596)	**62,246**
Balance as at 1.1.2007	29,906	38,645	1	(1,664)	**66,888**
Foreign currency translation difference	-	-	-	(296)	(296)
Employee share options exercised / (cancelled)	3	-	(1)	-	2
Net profit for the year	-	11,453	-	-	11,453
Dividends paid	-	(10,857)	-	-	(10,857)
Balance as at 31.12.2007	29,909	39,241	-	(1,960)	**67,190**
Company					
Balance as at 1.1.2008	29,909	34,090	-	-	**63,999**
Net profit for the year	-	9,727	-	-	9,727
Dividends paid	-	(14,476)	-	-	(14,476)
Balance as at 31.12.2008	29,909	29,341	-	-	**59,250**
Balance as at 1.1.2007	29,906	33,494	1	-	**63,401**
Employee share options exercised / (cancelled)	3	-	(1)	-	2
Net profit for the year	-	11,453	-	-	11,453
Dividends paid	-	(10,857)	-	-	(10,857)
Balance as at 31.12.2007	29,909	34,090	-	-	**63,999**

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 2008. As at 31 December 2008, there were 1,014,000 (@ S$0.625) unexercised share options granted (31 December 2007 : 1,032,000 @ $0.625). There was no treasury share in issue as at the end of the current financial period (31 December 2007 : 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 period was 361,897,000 shares (31 December 2007 : 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.

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

Not applicable.

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 Year ended 31 December	
	2008	2007
Earnings per Ordinary Share for the year based on net profit attributable to shareholders:	(cents)	(cents)
(i) basic earnings per share	2.81	3.16
(ii) fully diluted earnings per share	2.81	3.16

Basic earnings per ordinary share for the financial year ended 31 December 2008 was calculated based on the weighted average number of shares in issue of 361,897,000 {2007 : 361,892,551} ordinary shares. Fully diluted earnings per ordinary share for the financial year ended 31 December 2008 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 {2007 : based on weighted average number of shares in issue (adjusted for the effects of dilutive options) of 361,892,551 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	
	31/12/2008 (cents)	31/12/2007 (cents)	31/12/2008 (cents)	31/12/2007 (cents)
Net Asset Value per ordinary share based on issued share capital	17.20	18.57	16.37	17.68

Net asset value per ordinary share as at 31 December 2008 and 31 December 2007 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) <u>Turnover</u>

Compared to FY2007, the Group's turnover decreased slightly by 3.6%, from S$166.4 million to S$160.3 million, with lower turnover from the Telecom business segment partially offset by an increase in turnover from the Infocomm business segment.

Telecommunications (Telecom)

Turnover decreased 16.9% from S$100.2 million to S$83.3 million, mainly due to lower sales of microwave radio equipment resulting form project delays. Turnover for the satellite business area also decreased due to lower sales of satellite terminals.

Infocomm

Turnover increased by 16.5% from $66.1 million to $77.0 million. The increase in turnover was mainly due to higher sales of network equipment to the Service Provider market sector.

(b) <u>Gross Profit</u>

Compared to FY2007**,** gross profit increased by 3.6% from S$34.1 million to S$35.3, despite the decrease in turnover, and the gross margin percentage increased from 20.5% to 22.0%. This can be attributed to lower warranty provision and the product / services sales mix.

(c) <u>Operating Expenses</u>

Compared to FY2007, total operating expenses increased by 9.2% from S$22.8 million to S$24.9 million. Total operating expenses as a percentage of turnover was 15.5% compared to 13.7% for FY2007.

Distribution and selling expenses increased by 2.9% mainly due to higher payroll and related costs, partially offset by higher write-back of doubtful debts provision. Administrative expenses increased by 7.7% mainly due to higher payroll and related costs, and general costs increase. Higher other operating expenses of S$1.1 million was due to higher foreign exchange loss of S$0.9 million and higher research and development cost. The higher foreign exchange loss resulted mainly in Q4 2008 due to the steep appreciation of US$ whilst certain expected cash inflows were hedged at lower exchange rates contracted in Q3 2008. Some of the expected cash inflows were delayed due to project delays and the hedging contracts had to be rolled-over.

(d) <u>Profit Before Taxation ('PBT')</u>

Compared to FY2007, PBT decreased by 12.1% from S$14.1 million to S$12.4 million as a result of lower other operating income and higher operating expenses, partially offset by a better gross margin. The higher other operating income in FY2007 was mainly due a one-off marketing support fee which the Company received from a principal. Accordingly, PBT as a percentage of turnover ("PBT %") was lower at 7.7% compared to 8.5% in FY2007.

(e) <u>Cash flow</u>

The Group was able to generate positive cashflow from operating activities. The decrease in cash and bank balances for the year was mainly due to dividend payment to shareholders and purchase of fixed assets.

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

N.A.

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

Telecommunications (Telecom)

The Group's business comprises two main business segments, namely Telecommunications and Info-communications.

The Telecommunications business segment comprises two main business areas; Transmission and Satellite Communications.

In the Transmission business area, the demand for radio transmission products and services is driven by Mobile Operators introducing voice, data, video, broadband and bundled services to meet various customer needs as well as in countries with low mobile phone penetration. Mobile Operators need to expand their network coverage, capacity, bandwidth and network capabilities to increase their market share and stay ahead of competition.

The Group offers a complete range of Evolution series PDH, SDH access and SDH trunk point-to-point radios system from 5Ghz to 38Ghz and scalable between 6Mb/s and 1500Mb/s based on a software-defined platform. These radios are also ready for current and future Ethernet / IP networks which will be suitable for Mobile Operators introducing mobile IP broadband services. Orders received for Transmission in 2008 were more than S$60 million and the closing order backlog is maintained at a satisfactory level. In addition, the Group intends to further increase its radio transmission revenues from the Defence, Broadcast and Utilities market sectors so that we are not overly dependent on the Mobile market sector.

In the Satellite business area, the Group will focus on the sales of Inmarsat and Thuraya satellite communication products, solutions and services to the land and marine markets. Orders for Satellite received in 2008 was about S$14 million. The Group is currently exploring the business opportunities in providing maritime VSAT products and services to the marine, oil and gas market sector and will continue to promote broadband satellite networks to satellite operators, ISP, broadcasters and government organisations as well as expanding its satellite product portfolio.

The telecommunication market remains very competitive with Mobile Operators and Service Providers having to compete aggressively on their market share. Customers are constantly looking for suppliers to help them lower their operating and capital expenditure. The current global economic slowdown may result in some of our customers re-aligning their capital expenditiure, delay or defer projects in line with potentially lower revenues.

Infocomm (IF)

The Group's Infocomm business focuses on the business opportunities of its four core product portfolios namely Network Infrastructure, Broadcast Infrastructure, Payment Solutions and Wireless Solutions to five key market sectors namely the Service Providers, Enterprise, Financial Services and Retail, Media and Broadcasting, and Government, Transport and Utilities.

The Infocomm industry continues to present many opportunities even in this uncertain economic climate as infocomm services remain the fundamantal services to both consumers and businesses. Revenues for infocomm services remain intact as most users are reluctant to turn off their broadband connections, internet access, mobile phones or payTV / entertainment appliances. In 2008, the Group received about S$92 million in orders and had a satisfactory closing order backlog.

In the Service Provider market sector, the demand for networking products and services are driven by the growth in the Broadband and Internet services. Service Providers will continue to seek opportunities for growth but on a more cautious approach. We believe Service Providers will need to develop a stronger competitive advantage, one that will enable them to leverage on the network to match traffic growth with scalability, match service growth with service platform agility and match margin pressure with lower cost of ownership.

The Group will continue to focus on providing cost effective, high performance infocomm network infrastructure products and solutions to enable our customers to scale and secure their global network and service infrastructure, and rapid deployment of new services.

In the Enterprise market sector, corporate spending is mixed with some enterprises experiencing decline in business activities resulting in reduced demand for bandwidth, IT products and services while others are taking the opportunity to upgrade or outsource their IT networks to save costs and improve productivity as well as to increase their overall competitveness.

The Group will focus on providing enterprise-class network infrastructure products and solutions such as routers, switches, security equipment or threat management, optimization, aggregation appliances to help enterprises and managed services organisations in cloud computing and service centralisation to save costs and improve productivity and competitiveness.

In the Financial Services & Retail market sector, the demand for point-of-sale (“POS”) terminals, software and services is driven by banks, financial institutions and retailers gradually migrating POS terminals to those with PCI PED compliant. However, due to the current poor economic climate, consumer spending is expected to slow down and customers may adopt a careful approach to expand their POS infrastructure. The Group will continue to focus on developing its POS terminal sales, terminal applications, rental, leasing and maintenance business to the banks, financial institutions and retailers in South East Asia and also introduce network infrastructure products and solutions to this market sector.

In the Media & Broadcasting market sector, the Group believes that Broadcasters will gradually migrate their analogue TV systems to digital systems. Although the current poor economic situation may slow down the migration to digital system, the long term development remains positive as most consumers will not cut off their TV services but instead likely to demand for higher quality video content. The Group will continue to focus on promoting its turnkey Digital Terrestrial TV (DvB T/H/M) infrastructure networks deployment capabilities to potential Broadcasters. In addition, the Group is introducing more stand-alone broadcast infrastructure products and networking solutions to customers in this market sector.

In the Government, Transport and Utilities market sector, the Group intends to offer integrated infocomm infrastructure products and solutions to the defence, education, healthcare, utilities and transportation industries. The Group is working with various Principals and gradually adding new infocomm products such as IP survelliance, train communications, offshore communication systems and optical networks to its current product portfolio. Governments are also increasing their IT spending to help improve the economies and the Group intends to address these potential business opportunities.

Competition in the Infocomm industry is keen and the market is dominated by local and large global industry players.

The current global economic downturn has created many uncertainties. Although the Budget 2009 announced by the Singapore Government recently does provide some assistance to companies in terms of cost reductions and lower corporate tax, the Group will however need to adopt a more cautious approach in cost-related activities and balance its short term investment risks and opportunities against its long term business position.

11. Dividend

(a) Current Financial Period Reported On

The Directors are pleased to recommend a final dividend as follow :

Name of Dividend	Final (one-tier)
Dividend Type	Cash
Dividend Amount per Share (in cents)	3 cents
Tax Rate	Tax exempt

(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

15 May 2009

(d) Books closure date

The Register of Members and Share Transfer Books of the Company will be closed on 5 May 2009 for the purpose of determining shareholders' entitlement to the dividend.

Registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 3 Church Street #08-01, Samsung Hub, Singapore 049483 up to 5.00 p.m. on 4 May 2009 will be registered before entitlements to the dividend is determined.

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

Not applicable

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

13. 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 2008	Telecom S$'000	Infocomm S$'000	Elimination S$'000	Total S$'000
Revenue	83,275	77,042	-	160,317
Inter-company sales	6,349	2,835	(9,184)	-
Total revenue	**89,624**	**79,877**	**(9,184)**	**160,317**
Cost of sales	(75,632)	(58,580)	9,184	(125,028)
Gross Profit	**13,992**	**21,297**	**-**	**35,289**
Other operating income	1,218	225	-	1,443
Distribution and selling expenses	(4,453)	(10,958)	-	(15,411)
Administrative expenses	(3,671)	(3,635)	-	(7,306)
Other operating expenses	(2,044)	(130)	-	(2,174)
Profits from operations	5,042	6,799	-	**11,841**
Interest income				806
Financial expenses				(252)
Profit after financial items				**12,395**
Share of result of an associate				9
Profit before taxation				**12,404**
Taxation				(2,236)
Profit after taxation				**10,168**
Other Information				
Segment assets	53,813	35,756		89,569
Investment in an associate				1,077
Unallocated assets				24,804
Total assets				**115,450**
Segment liabilities	17,323	20,685		38,008
Tax Liabilities				1,948
Unallocated liabilities				13,248
Total liabilities				**53,204**
Capital expenditure	511	3,182		3,693
Depreciation	369	2,163		2,532
Other non-cash expenses	144	700		844

FY 2007	Telecom S$'000	Infocomm S$'000	Elimination S$'000	Total S$'000
Revenue	100,239	66,130	-	166,369
Inter-company sales	2,150	7,646	(9,796)	-
Total revenue	**102,389**	**73,776**	**(9,796)**	**166,369**
Cost of sales	(86,031)	(56,059)	9,796	(132,294)
Gross Profit	**16,358**	**17,717**	**-**	**34,075**
Other operating income	1,992	80	-	2,072
Distribution and selling expenses	(5,367)	(9,613)	-	(14,980)
Administrative expenses	(3,407)	(3,378)	-	(6,785)
Other operating expenses	(1,464)	399	-	(1,065)
Profits from operations	8,112	5,205	-	**13,317**
Interest income				998
Financial expenses				(227)
Profit after financial items				**14,088**
Share of result of an associate				18
Profit before taxation				**14,106**
Taxation				(2,653)
Profit after taxation				**11,453**
Other Information				
Segment assets	70,437	23,579		94,016
Investment in an associate				1,111
Unallocated assets				24,247
Total assets				**119,374**
Segment liabilities	20,877	11,033		31,910
Tax Liabilities				2,826
Unallocated liabilities				17,448
Total liabilities				**52,184**
Capital expenditure	209	3,622		3,831
Depreciation	428	1,620		2,048
Other non-cash expenses	2,575	913		3,488

Geographical Segment

Turnover is based on the location of customers regardless of where the goods are produced. Assets and additions to property, plant and equipment are based on the location of those assets.

	Singapore		Other Asian		Others		Eliminations		Total	
	2008 S$'000	2007 S$'000	2008 S$'000	2007 S$'000	2008 S$'000	2007 S$'000	2008 S$'000	2007 S$'000	2008 S$'000	2007 S$'000
Revenue	55,297	46,771	103,238	109,349	1,782	10,249	-	-	160,317	166,369
Inter-company sales	729	587	8,455	9,208	-	-	(9,184)	(9,795)	-	-
	56,026	47,358	111,693	118,557	1,782	10,249	(9,184)	(9,795)	160,317	166,369
Assets	86,949	92,182	28,501	27,192	-	-	-	-	115,450	119,374
Captial expenditure	2,520	1,132	1,173	2,699	-	-	-	-	3,693	3,831

14. 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

15. A breakdown of sales

	2008 S$'000	2007 S$'000	Increase / (Decrease)
(a) Sales reported for the first half year	72,252	77,864	(7.2%)
(b) Profit after tax before deducting minority interest for first half year	5,783	5,691	1.6%
(c) Sales reported for the second half year	88,065	88,505	(0.5%)
(d) Profit after tax before deducting minority interest for second half year	4,385	5,762	(23.9%)

16. 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	10,857	14,476
Preference	-	-
Total	10,857	14,476

17. Aggregate value of interested persons transactions conducted pursuant to a shareholders' general mandate for the year ended 31 December 2008.

Pursuant to Rule 920(1)(a)(ii) of the Listing Manual, the details of the aggregate value of interested person transactions conducted pursuant to a shareholders' general mandate are as follows:

Name of Interested Person	Aggregate value of all interested person transactions conducted under a shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
	S$'000
Sales	
Nera Networks AS	483
Nera Networks, Inc.	369
Nera Networks, s.r.o.	169
Purchases	
Nera Networks AS	33,817
Other Operating Revenues	
Nera Networks AS	1,100

BY ORDER OF THE BOARD

Tan Cher Liang
Company Secretary

12/2/2009