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First Quarter Results * Financial Statement And Related Announcement

* Asterisks denote mandatory information

Name of Announcer *	NERATELECOMMUNICATIONS LTD
Company Registration No.	197802690R
Announcement submitted on behalf of	NERATELECOMMUNICATIONS LTD
Announcement is submitted with respect to *	NERATELECOMMUNICATIONS LTD
Announcement is submitted by *	Tan Cher Liang
Designation *	Company Secretary
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>> Announcement Details

The details of the announcement start here ...

For the Financial Period Ended *	31-03-2012

Description	Please refer to the following announcements attached: (1) Announcement on First Quarter Ended 31 March 2012 Results (2) Review Report by Auditors (3) Letter by IFA

Attachments

- Q12012_Results.pdf
- EY_1Q2012_ReviewReport.pdf
- 1Q2012_IFA_Report.pdf

Total size = **228K**
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NERA TELECOMMUNICATIONS LTD
(Co. Reg. No. 197802690R)

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 31 MARCH 2012

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.**

		Group		
	Note	Qtr 1 2012 S$'000	Qtr 1 2011 S$'000	Increase/ (Decrease) %
Turnover		43,544	35,949	21.1
Cost of sales		(28,090)	(26,229)	7.1
Gross profit		15,454	9,720	59.0
Other operating income		1,143	2,401	(52.4)
Distribution and selling expenses		(5,927)	(6,606)	(10.3)
Administrative expenses		(2,413)	(2,048)	17.8
Other operating expenses		(384)	(471)	(18.5)
Profit from operations		7,873	2,996	162.8
Financial expenses		(33)	(61)	(45.9)
Financial income		40	66	(39.4)
Profit after financial items		7,880	3,001	162.6
Share of results of an associate		203	19	968.4
Profit before taxation		8,083	3,020	167.6
Taxation		(1,591)	(735)	116.5
Profit after taxation		6,492	2,285	184.1
Other comprehensive income :				
Foreign currency translation of financial statements of foreign operations		112	24	366.7
Total comprehensive income for the period		6,604	2,309	186.0

		Group		
		Qtr 1 2012 S$'000	Qtr 1 2011 S$'000	Increase/ (Decrease) %
Profit for the period is arrived at after crediting / (charging) the following :				
Adjustments for under provision of tax in respect of prior years		-	(24)	(100.0)
Amortisation of intangible asset		(16)	(16)	0.0
Depreciation	(1)	(998)	(720)	38.6
Foreign exchange loss		(363)	(117)	210.3
Interest expense		-	(1)	(100.0)
Interest income	(2)	40	66	(39.4)
Net loss on disposal / write-off of property, plant and equipment		(6)	-	100.0
Writeback of allowance for doubtful debts		12	44	(72.7)
(Allowance) / writeback of allowance for stock obsolescence		(47)	23	N.M.
Writeback / (provision) for warranty		362	(380)	N.M.
Gross profit as a percentage of turnover		35.5%	27.0%	8.5%
Profit for the period as a percentage of turnover		14.9%	6.4%	8.5%
Other information				
Profit for the period attributable to equity shareholders of the Company as a percentage of issued capital and reserves at end of the period		9.6%	3.5%	6.1%

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 because there was no interest income from an associate in Q1 2012.

Related party transactions :

	Group	
	Qtr 1 2012 S$'000	Qtr 1 2011 S$'000
Related party transactions		
Sales to an associate	716	347
Compensation of key management personnel		
Directors of the Company :-		
Directors' remuneration	344	217
Defined contribution benefits	3	2
Directors of the subsidiaries :-		
Directors' fees	5	-
Directors' remuneration	117	126
Defined contribution benefits	2	2
Key management :-		
Key management remuneration	318	304
Defined contribution benefits	16	16

The remuneration of directors and key management personnel will be determined having regard to the performance of the individuals and market trends at year end.

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 31/3/2012 S$'000	Group 31/12/2011 S$'000	Company 31/3/2012 S$'000	Company 31/12/2011 S$'000
Equity				
Share capital	29,909	29,909	29,909	29,909
Revenue reserve	40,320	33,828	31,015	28,118
Translation reserve	(2,379)	(2,491)	-	-
	67,850	61,246	60,924	58,027
Non current assets				
Property, plant and equipment	7,164	7,788	3,577	3,966
Intangible asset	1,209	1,225	1,209	1,225
Investment in subsidiaries	-	-	4,602	4,602
Investment in an associate	2,366	2,042	199	199
Finance lease receivable	266	321	-	-
Deferred tax assets	2,372	2,375	408	427
	13,377	13,751	9,995	10,419
Current assets				
Stocks	2,313	3,245	655	1,799
Contract work-in-progress	12,536	20,541	6,567	12,295
Trade receivables	58,487	56,272	27,414	27,408
Finance lease receivable	250	288	-	-
Other receivables, deposits and prepayments	2,297	2,289	1,029	1,099
Due from subsidiaries (trade)	-	-	17,151	11,616
Due from subsidiaries (non-trade)	-	-	2,316	325
Due from an associate (trade)	678	503	678	503
Cash and cash equivalents	54,014	46,535	40,001	39,821
Total current assets	130,575	129,673	95,811	94,866
Current liabilities				
Trade payables	47,206	54,047	29,494	30,384
Other payables and accruals	19,330	19,111	10,400	11,868
Due to subsidiaries (non-trade)	-	-	400	402
Due to an associate (non-trade)	21	24	-	-
Provision for taxation	4,246	3,027	2,417	2,156
Provision for warranty	5,271	5,934	2,171	2,448
Obligations under finance leases	27	28	-	-
Total current liabilities	76,101	82,171	44,882	47,258
Net current assets	54,474	47,502	50,929	47,608
Non current liabilities				
Obligations under finance leases	(1)	(7)	-	-
Net Assets	67,850	61,246	60,924	58,027

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

Amount repayable in one year or less, or on demand

As at 31/3/2012		As at 31/12/2011	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
27	-	28	-

Amount repayable after one year

As at 31/3/2012		As at 31/12/2011	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
1	-	7	-

Details of any collateral

Obligations under finance leases of $28,000 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 Period ended 31 March	
	2012 S$'000	2011 S$'000
Cash flows from operating activities		
Profit before taxation	8,083	3,020
Adjustments for :		
Amortisation of intangible asset	16	16
Depreciation of property, plant and equipment	998	720
Interest expense	-	1
Interest income	(40)	(66)
Net loss on disposal / write-off of property, plant and equipment	6	-
Allowance / (writeback of allowance) for stock obsolescence	47	(23)
Writeback of allowance for doubtful debts	(12)	(44)
(Writeback) / provision for warranty	(362)	380
Share of results of an associate	(203)	(19)
Operating profit before working capital changes	8,533	3,985
Decrease / (increase) in :		
Stocks	887	980
Contract work-in-progress	8,005	5,063
Trade receivables	(2,202)	(4,065)
Finance lease receivables	93	-
Other receivables, deposits and prepayments	(8)	195
Changes in related companies and associate balances	(178)	2,160
(Decrease) / increase in :		
Trade payables	(6,841)	2,876
Other payables and accruals	121	600
Provision for warranty	(299)	(136)
Cash generated from operations	8,111	11,658
Income taxes paid	(370)	(15)
Interest paid	-	(1)
Net cash flows from operating activities	7,741	11,642
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	9	7
Purchase of property, plant and equipment	(323)	(387)
Purchase of intangible asset	-	(1,289)
Interest received	40	66
Net cash flows used in investing activities	(274)	(1,603)
Cash flows from financing activities		
Repayment of obligations under finance leases	(7)	(8)
Net cash flows used in financing activities	(7)	(8)
Net increase in cash and cash equivalents	7,460	10,031
Effect of exchange rate changes	19	58
Cash and cash equivalents at beginning of the period	46,535	39,991
Cash and cash equivalents at end of the period	54,014	50,080

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 Period ended 31 March	Share Capital S$'000	Revenue Reserve S$'000	Translation Reserve S$'000	Total S$'000
Group				
Balance as at 1.1.2012	29,909	33,828	(2,491)	**61,246**
Total comprehensive income for the period	-	6,492	112	6,604
Balance as at 31.3.2012	29,909	40,320	(2,379)	**67,850**
Balance as at 1.1.2011	29,909	34,799	(2,445)	**62,263**
Total comprehensive income for the period	-	2,285	24	2,309
Balance as at 31.3.2011	29,909	37,084	(2,421)	**64,572**
Company				
Balance as at 1.1.2012	29,909	28,118	-	**58,027**
Total comprehensive income for the period	-	2,897	-	2,897
Balance as at 31.3.2012	29,909	31,015	-	**60,924**
Balance as at 1.1.2011	29,909	28,281	-	**58,190**
Total comprehensive income for the period	-	1,648	-	1,648
Balance as at 31.3.2011	29,909	29,929	-	**59,838**

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 31 December 2011. The share options granted under the Employees' Share Option Scheme 2002 expired on 28 February 2012. As at 31 March 2012, there was no share options granted (31 March 2011 : 1,000,000 share options @ S$0.625). There was no treasury share in issue as at the end of the current financial period (31 March 2011 : 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 2011 : 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

1(e) Negative assurance confirmation on interim financial results under Rule 705(4) of the SGX-ST.

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the first quarter financial statements for the period ended 31 March 2012, to be false or misleading in any material respect.

On behalf of the Board

S Chandra Das
Chairman

Ang Seong Kang, Samuel
President and Chief Executive Officer

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 but have been reviewed by Ernst & Young LLP in accordance with Singapore Standard on Review Engagements 2410.

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

The independent auditors' review report is attached.

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 2011 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 2012, 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 2012.

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 Period ended 31 March	
	2012	2011
Earnings per Ordinary Share for the year based on net profit attributable to shareholders:	(cents)	(cents)
(i) basic earnings per share	1.79	0.63
(iii) fully diluted earings per share	1.79	0.63

Basic earnings per ordinary share for the financial period ended 31 March 2012 was calculated based on the weighted average number of shares in issue of 361,897,000 (2011 : 361,897,000) ordinary shares. Fully diluted earnings per ordinary share for the financial period ended 31 March 2012 was calculated based on the adjusted weighted average number of shares in issue of 361,897,000 ordinary shares {2011 : 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	
	31/3/2012 (cents)	31/12/2011 (cents)	31/3/2012 (cents)	31/12/2011 (cents)
Net Asset Value per ordinary share based on issued share capital	18.75	16.92	16.83	16.03

Net asset value per ordinary share as at 31 March 2012 and 31 December 2011 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

Compared to Q1 2011, the Group's turnover increased 21.1%, from $35.9 million to $43.5 million, with higher turnover from both the Telecom and Infocomm business segments

Telecommunications (Telecom)

Turnover for Q1 2012 increased significantly by 46.2% from $13.2 million to $19.3 million, mainly due to higher sales of microwave radio equipment in the Transmission business area. The new markets in Middle East and North Africa ('MENA') contributed revenue of $12.4 million, where there was no revenue in the corresponding period.

Infocomm

Turnover for Q1 2012 increased by 6.1% from $22.8 million to $24.2 million. The increase in turnover was mainly due to higher sales of network equipment to the Service Provider market sector, partially offset by lower sales in Payment Solutions business segment.

(b) Gross Profit

Compared to Q1 2011, gross profit increased by 59.0%, from $9.7 million to $15.5 million with the increase in turnover. The gross margin percentage ("GM%") improved from 27.0% to 35.5%, with higher GM% in both the Telecom and Infocomm business segments. This can be attributable to more competitive products and the sales mix in product, project and services.

(c) Operating Expenses

Compared to Q1 2011, total operating expenses decreased by 4.4% from $9.1 million to $8.7 million. Accordingly, total operating expenses as a percentage of turnover was lower at 20.0% compared to 25.4% for Q1 2011.

Distribution and selling expenses decreased by 10.3% ($0.7 million) mainly due to lower payroll and operational costs of new territories taken over in relation to an OEM agreement signed on 19 January 2011, resulting from lower headcount.

Administrative expenses increased by 17.8% ($0.4 million) mainly due to the increase in payroll and related cost and higher depreciation.

(d) Profit Before Taxation ('PBT')

Compared to Q1 2011, PBT registered a significant increase of 167.6% from $3.0 million to $8.1 million as a result of better gross margin partially offset by other operating income. Other operating income was lower by $1.3 million mainly due to the lower accounts receivable collection fee in relation to an OEM agreement signed on 19 January 2011. PBT as a percentage of turnover ("PBT %") was significantly higher at 18.6% compared to 8.4% in Q1 2011.

(e) Cash flow

The Group was able to generate positive cashflow 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.**

Not applicable

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 of two main business segments, namely Telecommunications and Infocommunications.

Telecommunications (Telecom)

The Telecommunications business segment comprises of two main business areas : Wireless Infrastructure Networks ('WIN') and Satellite Communications. The Group has renamed its Transmission business to WIN as a result of the product portfolio expansion strategy from a point-to-point player to an end-to-end wireless solutions provider.

In Q1 2012, the Group's Telecom business segment secured approximately $20.2 million in order in-take, an increase of 173% compared $7.4 million in Q1 2011 as a result of significant orders received from the MENA markets.

Wireless Infrastructure Networks
In the WIN business area, mobile operators will continue to expand their networks to increase their capacity, coverage and capacities as a result of the huge demand for data and bandwidth from mobile broadband services. Mobile operators, in addition to demand for lower operating and capital expenditures for their 3G/LTE (Long Term Evolution) network rollout, expect their vendors to provide business-driven high performance, flexible and cost effective end-to-end solutions to meet their customers' requirements.

With the product portfolio expansion and focus on wirelsss business solutions, the Group intends to deliver end-to-end wireless infrastructure networks from traditional point-to-point trunk and access radios, point-to-multi-point radios, coverage solutions, wifi 3G data offload and performance networks to its mobile customers in Asia Pacific and MENA markets.

The Group will promote its suite of WIN products and solutions to the Defence, Broadcasting and Utilities market sectors.

Competition in the Telecom business segment is expected to remain intense with many equipment vendors using bundling and special pricing to try and win projects. In addition, the debt crisis in Europe and unclear spectrum, licencing and regulatory framework in some countries are causing some mobile operators to be more cautious in their network investments.

Satellite Communications
The Group will continue to offer a wide range of land, marine and handheld Inmarsat, Thuraya and other satellite communication products, solutions and services to Satellite Operators, ISP, Broadcasters, Government, Oil / Gas / Maritime and Enterprises market sectors.

The Group will continue to seek new products and business opportunities in the satellite market.

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.

In Q1 2012, the Group's Infocomm business segment managed to secure approximately $39.6 million in order intake, an increase of 88% compared to S$21.1 million in Q1 2011.

In the Service Providers market sector, telecom operators continue to expand their networks and deploy new services such as cloud computing, to meet the huge bandwidth demand by consumers, driven by the substantial increase in data hungry smart devices. The Group will continue to focus on providing high performance, secured and scalable IP, Optical and Broadcast network infrastructure products and solutions to meet our customers' business objectives.

In the Enterprise market sector, the Group believes that corporate IT spending will grow as customers need to invest in new network infrastructure or network upgrades to address the security changes as a result of greater workforce mobility, different devices and to improve their competitiveness. The Group will continue to provide enterprise-class network infrastructure products and services to help enterprises address their security concerns, network efficiencies and improve their competitiveness.

In the Enterprise's Banking, Finance and Retail market sector, customers in the region continue to deploy new point-of-sale ("POS") terminals and payment infrastructure by direct purchase as well as outsourcing. The Group will continue to offer direct sales of POS terminals as well as outsourcing alternatives to its customers. The Group will focus on offering end-to-end payment systems, security and network infrastructure products and solutions to financial institutions and retailers.

In the Government, Transport and Utilities market sector, IT spending for network infrastructure products and solutions remains positive. There are numerous opportunities in the education, healthcare, defence, transportation and utilities market sectors, mainly driven by government initiatives to lower costs and improve public services. The Group will continue to focus on providing various network infrastructure, integrated communication solutions, dedicated communication networks and payment solutions to customers in these sectors.

The Infocomm industry remains highly competitive with many local resellers, distributors and system integrators partnering large equipment vendors, offering various product and technology alternatives to telecom operators.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on ? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

No dividend has been declared or recommended for the financial period.

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.

Not applicable.

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 period.

Period ended 31 March 2012	Telecom S$'000	Infocomm S$'000	Elimination S$'000	Total S$'000
Revenue	19,322	24,222	-	43,544
Inter-company sales	915	3,311	(4,226)	-
Total revenue	**20,237**	**27,533**	**(4,226)**	**43,544**
Cost of sales	(13,948)	(18,368)	4,226	(28,090)
Gross Profit	**6,289**	**9,165**	**-**	**15,454**
Other operating income	1,136	7	-	1,143
Distribution and selling expenses	(2,196)	(3,731)	-	(5,927)
Administrative expenses	(623)	(1,790)	-	(2,413)
Other operating expenses	(290)	(94)	-	(384)
Profits from operations	4,316	3,557	-	**7,873**
Financial income				40
Financial expenses				(33)
Profit after financial items				**7,880**
Share of result of an associate				203
Profit before taxation				**8,083**
Taxation				(1,591)
Profit after taxation				**6,492**
Other information				
Capital expenditure	85	238		323
Depreciation and amortisation	112	902		1,014
Other non-cash expenses	(141)	(186)		(327)

Period ended 31 March 2011	Telecom S$'000	Infocomm S$'000	Elimination S$'000	Total S$'000
Revenue	13,190	22,759	-	35,949
Inter-company sales	828	3,088	(3,916)	-
Total revenue	**14,018**	**25,847**	**(3,916)**	**35,949**
Cost of sales	(10,328)	(19,817)	3,916	(26,229)
Gross Profit	**3,690**	**6,030**	-	**9,720**
Other operating income	2,395	6	-	2,401
Distribution and selling expenses	(3,037)	(3,569)	-	(6,606)
Administrative expenses	(609)	(1,439)	-	(2,048)
Other operating expenses	(340)	(131)	-	(471)
Profits from operations	2,099	897	-	**2,996**
Financial income				66
Financial expenses				(61)
Profit after financial items				**3,001**
Share of result of an associate				19
Profit before taxation				**3,020**
Taxation				(735)
Profit after taxation				**2,285**
Other information				
Capital expenditure	39	348		387
Depreciation and amortisation	79	657		736
Other non-cash expenses	459	(146)		313

31 March 2012	Telecom S$'000	Infocomm S$'000	Elimination S$'000	Total S$'000
Other Information				
Segment assets	41,005	41,898		82,903
Investment in an associate				2,366
Unallocated assets				58,683
Total assets				**143,952**
Segment liabilities	36,523	17,027		53,550
Tax Liabilities				4,246
Unallocated liabilities				18,306
Total liabilities				**76,102**

31 December 2011	Telecom S$'000	Infocomm S$'000	Elimination S$'000	Total S$'000
Other Information				
Segment assets	43,050	47,133		90,183
Investment in an associate				2,042
Unallocated assets				51,199
Total assets				**143,424**
Segment liabilities	42,984	18,140		61,124
Tax Liabilities				3,027
Unallocated liabilities				18,027
Total liabilities				**82,178**

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	
	31/03/2012 S$000	31/03/2011 S$000	31/03/2012 S$000	31/12/2011 S$000
Singapore	19,360	12,337	4,786	5,192
Afghanistan	8,641	8	-	-
Indonesia	4,913	11,041	240	283
Thailand	3,461	4,622	1,435	1,604
Philippines	860	4,405	1,459	1,581
Malaysia	1,549	2,414	466	509
Morocco	2,157	-	107	113
Other Asian	1,419	1,050	45	47
Others	1,184	72	101	5
	43,544	35,949	8,639	9,334

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

Information about a major customer

Revenue from one major customer amounted to $10,628,000 (2011 : $8,871,000), arising from sales by the Telecommunications and Infocomm segments (31 March 2011 : Telecommunication segment).

BY ORDER OF THE BOARD

Tan Cher Liang
Company Secretary
19/4/2012

The Singapore Code on Take-overs and Mergers

The unaudited consolidated interim financial information of the Group for the three months ended 31 March 2012, have been reported on in accordance with The Singapore Code on Take-overs and Mergers.

Directors' Responsibility

The Directors (including any Director who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted from published or otherwise publicly available sources, the sole responsibility of the directors of the Company has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

Auditors' consent

Ernst & Young LLP has given and has not withdrawn its consent to the reproduction in its entirety of their report on the review of interim condensed financial information as of and for the three month period ended 31 March 2012.

Ernst & Young LLP
One Raffles Quay, North Tower, Level 18
Singapore 048583

Mailing address:
Robinson Road, PO Box 384, Singapore 900734

Tel: +65 6535 7777
Fax: +65 6532 7662
www.ey.com

Independent Auditors' Review Report on Unaudited Interim Condensed Financial Information of Nera Telecommunications Ltd and its Subsidiaries for the financial period from 1 January 2012 to 31 March 2012

The Board of Directors
Nera Telecommunications Ltd
109 Defu Lane 10
Singapore 539225

Introduction

We have reviewed the accompanying interim condensed financial information of Nera Telecommunications Ltd (the "Company") and its subsidiaries (collectively known as "the Group") which comprise the balance sheets of the Group and the Company as at 31 March 2012, the statements of changes in equity of the Group and the Company, and the statement of comprehensive income and cash flows statement of the Group for the three-month period then ended and selected explanatory notes.

Management's responsibility for the interim condensed financial information

Management is responsible for the preparation and fair presentation of the interim condensed financial information in accordance with Singapore Financial Reporting Standard FRS 34 Interim Financial Reporting ("FRS 34"). Such interim condensed financial information has been prepared by management of the Company for announcement on the Singapore Exchange. Our responsibility is to express a conclusion on the interim condensed financial information based on our review.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information are not presented fairly, in all material respects, in accordance with FRS 34.

Other matters

We have not carried out an audit or review in accordance with Singapore Standards on Auditing or Singapore Standard on Review Engagements on the financial information for the first quarter and three month period ended 31 March 2011 included as comparatives in the interim condensed financial information for the period ended 31 March 2012 and, accordingly, we do not express any assurance on the comparative financial information.

Ernst & Young LLP
Public Accountants and Certified Public Accountants
Singapore
19 April 2012

Deloitte.

Deloitte & Touche Corporate Finance Pte Ltd
Co. Reg. No. 200200144N
6 Shenton Way #32-00
DBS Building Tower Two
Singapore 068809

Tel: +65 6224 8288
Fax: +65 6223 8539
www.deloitte.com

19 April 2012

The Independent Directors
Nera Telecommunications Ltd
50 Raffles Place, #32-01
Singapore Land Tower
Singapore 048623

Dear Sirs,

This letter has been prepared in connection with the proposed acquisition of all the issued and paid-up ordinary shares in the capital of Nera Telecommunication Ltd (the "Company") by Singapore Technologies Electronics Limited by way of a scheme of arrangement under Section 210 of the Companies Act, Chapter 50 of Singapore (the "Scheme").

The letter is prepared for concurrent release with the announcement of the Company's unaudited results of the Company for the first quarter ended 31 March 2012 (the "Announcement") on 19 April 2012. On 19 April 2012, the directors of the Company (the "Directors") will be announcing the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the first quarter ended 31 March 2012. We have reviewed sections 1(a), 1(b), 1(c), 1(d), 6, 7, 8, and 14 of the Announcement (the "1Q Financial Information") which relates to information for the first quarter ended 31 March 2012 for the purposes of this letter. The 1Q Financial Information is solely the responsibility of the Directors.

We have reviewed and held discussions with the management of the Company on the 1Q Financial Information relating to information for the first quarter ended 31 March 2012. We have also considered the letter dated 19 April 2012 addressed to the Directors by Messrs Ernst & Young LLP ("E&Y") relating to their engagement with the Company to review the interim condensed financial information of the Group for the three-month period ended 31 March 2012. E&Y conducted their review in accordance with Singapore Standards on Review Engagements 2410, 'Review of interim financial information provided by the independent auditor of the entity'.

For the purposes of rendering this letter, we have relied upon and assumed the accuracy and completeness of all financial and other information provided to, or discussed with, us. Save as provided in this letter, we do not express any other opinion on the 1Q Financial Information.

On the bases of the procedures performed by the Directors and the management of the Company, we are of the opinion that the 1Q Financial Information (for which the Directors are solely responsible) have been made by the Directors after due care and careful enquiry.

This letter is provided only to the Directors solely for the purpose of the Directors complying with Rule 25.6 (c) of the Singapore Code on Take-overs and Mergers and not for any other purpose. We do not accept responsibility to any person (other than the Directors) in respect of, arising out of, or in connection with this letter. This letter may be included in the scheme document to be despatched to the shareholders of the Company in due course.

Yours faithfully

DELOITTE & TOUCHE CORPORATE FINANCE PTE LTD

Andrew Ooi
Executive Director

Singapore 2010
OFFICIAL PARTNER