



**Fourth Quarter and Full-Year Financial Statement And Dividend Announcement for the Period/ Year Ended 31/12/2008 (Unaudited)**

**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.

	Quarter ended 31 Dec			Year ended 31 Dec		
	2008	2007	%	2008	2007	%
	US\$'000	US\$'000	Change	US\$'000	US\$'000	Change
<b>Turnover (Note 1)</b>	<b>37,148</b>	<b>35,661</b>	<b>4.2%</b>	<b>140,824</b>	<b>111,440</b>	<b>26.4%</b>
Other income (Note 2)	376	953	-60.5%	1,905	7,278	-73.8%
Direct service fees incurred (Note 1)	(19,490)	(18,184)	7.2%	(71,589)	(55,468)	29.1%
Commissions and other selling expenses (Note 1)	(8,709)	(8,409)	3.6%	(34,127)	(30,021)	13.7%
Personnel costs (Note 1)	(3,947)	(3,411)	15.7%	(16,536)	(12,357)	33.8%
Infrastructure costs (Note 1)	(1,175)	(1,153)	1.9%	(4,854)	(4,496)	8.0%
Depreciation of property, plant and equipment (Note 1)	(935)	(1,048)	-10.8%	(4,300)	(2,942)	46.2%
Amortization of intangible assets (Note 1)	(427)	(375)	13.9%	(1,423)	(1,053)	35.1%
Marketing expenses (Note 5)	(422)	(958)	-55.9%	(1,879)	(1,510)	24.4%
Foreign exchange loss (Note 6)	(15)	(389)	-96.1%	(817)	(714)	14.4%
Other expenses (Note 7)	(2,247)	(3,881)	-42.1%	(6,661)	(9,331)	-28.6%
Share of results of associates (Note 13)	9	4	125.0%	13	595	-97.8%
<b>Profit/(loss) before taxation</b>	<b>166</b>	<b>(1,190)</b>	<b>N.M.</b>	<b>556</b>	<b>1,421</b>	<b>-60.9%</b>
Taxation (Note 14)	44	635	-93.1%	121	766	-84.2%
<b>Profit/(loss) for the period</b>	<b>210</b>	<b>(555)</b>	<b>N.M.</b>	<b>677</b>	<b>2,187</b>	<b>-69.0%</b>

N.M. - Not Meaningful

Note 1

The acquisitions of Cavu Corp Pte Ltd ("Cavu") and Delteq Pte Ltd ("Delteq") in October 2007 and November 2008 respectively, have a significant impact on the increases in turnover for the quarter and year ended 31 December 2008 ("Q4 2008" and "FY 2008") when compared to the corresponding periods last year. In tandem with the increased turnover, direct service fees incurred, commissions and other selling expenses, personnel costs, infrastructure costs, depreciation of property, plant and equipment and amortization of intangible assets increased accordingly when compared to the corresponding periods last year.

Note 2

Other income

	Quarter ended 31 Dec			Year ended 31 Dec		
	2008	2007	%	2008	2007	%
	US\$'000	US\$'000	Change	US\$'000	US\$'000	Change
Interest income from bonds, deposits and loan (Note 3)	364	741	-50.9%	1,773	2,425	-26.9%
Net gain from disposal of an associate (Note 4)	-	-	-	-	4,572	-100.0%
Others	12	212	-94.3%	132	281	-53.0%
<b>Total other income</b>	<b>376</b>	<b>953</b>	<b>-60.5%</b>	<b>1,905</b>	<b>7,278</b>	<b>-73.8%</b>

Note 3

The decreases in interest income from bonds and deposits for Q4 2008 and FY 2008 were primarily due to the lower interest rate environment prevailing in FY 2008 compared to FY 2007.

Note 4

The net gain from disposal of an associate in FY 2007 relates to the disposal of our investment in Pacnet in June 2007.

Note 5

The increase in marketing expenses for FY 2008 by 24.4% was due to marketing programmes which were launched in Q4 2007 and continued into the whole of FY2008 and tailed off towards the end of Q4 2008.

Note 6

The decrease in foreign exchange loss for Q4 2008 was mainly due to the higher depreciation of US\$ in Q4 2007 when compared to Q4 2008. Overall, the higher foreign exchange losses for FY 2008 was due to the depreciation of US\$ against major trading currencies of the Group during the first 3 quarters of FY 2008.

Note 7

Other expenses include the following:

	Quarter ended 31 Dec			Year ended 31 Dec		
	2008	2007	%	2008	2007	%
	US\$'000	US\$'000	Change	US\$'000	US\$'000	Change
Equipment rental (Note 8)	(98)	(7)	N.M.	(972)	(19)	N.M.
Travelling & entertainment (Note 9)	(207)	(344)	-39.8%	(891)	(1,147)	-22.3%
Professional fees (Note 10)	(338)	(341)	-0.9%	(981)	(1,089)	-9.9%
Equipment maintenance (Note 8)	(112)	(125)	-10.4%	(508)	(424)	19.8%
Allowance for doubtful trade debts	(108)	(133)	-18.8%	(362)	(313)	15.7%
Interest expense on borrowings (Note 8)	(44)	(47)	-6.4%	(157)	(47)	N.M.
Write back/(written off) bad debts - trade	51	-	N.M.	(2)	-	N.M.
Loss on disposal of a subsidiary	-	-	N.M.	(198)	-	N.M.
(Allowance)/write back of allowance for stock obsolescence	(139)	77	N.M.	(145)	77	N.M.
Fair value loss on structure securities (Note 11)	(726)	-	N.M.	(726)	-	N.M.
Impairment loss on quoted equity investment (Note 11)	(74)	-	N.M.	(74)	-	N.M.
Impairment loss on goodwill (Note 12)	-	(133)	-100.0%	-	(2,130)	-100.0%
Gain on disposal of property, plant and equipment	4	68	-94.1%	6	66	-90.9%
Write-back of allowance for doubtful debts - trade	(22)	127	N.M.	59	196	-69.9%
Property, plant and equipment written off	(23)	-	N.M.	(23)	(1)	N.M.
Impairment loss on intangible assets	-	(2,374)	-100.0%	-	(2,374)	-100.0%
Others	(411)	(649)	-36.7%	(1,687)	(2,126)	-20.6%
<b>Total other expenses</b>	<b>(2,247)</b>	<b>(3,881)</b>	<b>-42.1%</b>	<b>(6,661)</b>	<b>(9,331)</b>	<b>-28.6%</b>

Note 8

The increases in equipment rental, equipment maintenance and interest expense on borrowings, compared to the corresponding periods last year, were mainly due to the consolidation of Cavu and Delteq's results.

Note 9

The decreases in travelling and entertainment for Q4 2008 and FY 2008 by 39.8% and 22.3% respectively, were caused by the reduction in the frequency of business trips in FY 2008.

Note 10

Professional fees FY 2008 decreased by 9.9% as there were fewer projects that require professional services.

Note 11

The fair value loss and impairment loss on investment securities are non-cash charges to the profit and loss arising from the change in fair valuation of investment securities.

Note 12

The impairment loss on goodwill in FY 2007 was a non-cash charge to the profit and loss following the assessment of impairment of a subsidiary.

Note 13

Compared to FY 2007, share of results of associates in FY 2008 was lower as the Group disposed of its shares in Pacnet in June 2007.

Note 14

Tax credits arose mainly as a result of the reversal of deferred tax liabilities due to the amortization of its related intangible asset.

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.

	Group		Company	
	31 Dec 08	31 Dec 07	31 Dec 08	31 Dec 07
	US\$'000	US\$'000	US\$'000	US\$'000
Share capital	161,723	160,758	161,723	160,758
Accumulated losses	(72,009)	(72,686)	(78,317)	(75,743)
Other reserves	564	743	564	743
Translation reserve (Note 15)	2,152	1,676	18	43
<b>Total Shareholders' Equity</b>	<b>92,430</b>	<b>90,491</b>	<b>83,988</b>	<b>85,801</b>
<b>Property, plant and equipment</b>	<b>5,220</b>	<b>7,337</b>	<b>1,964</b>	<b>2,532</b>
<b>Intangible assets</b>	<b>13,602</b>	<b>12,547</b>	<b>709</b>	<b>380</b>
<b>Investment in subsidiaries</b>	-	-	<b>23,125</b>	<b>23,557</b>
<b>Investment in associates</b>	<b>445</b>	<b>432</b>	<b>679</b>	<b>679</b>
<b>Investment in long-term bonds and deposits (Note 16)</b>	<b>7,906</b>	<b>1,834</b>	<b>7,906</b>	<b>1,834</b>
<b>Investment securities (Note 17)</b>	<b>7,918</b>	<b>247</b>	<b>7,808</b>	<b>247</b>
<b>Long-term loans and advances to subsidiaries</b>	-	-	<b>1,726</b>	<b>3,163</b>
<b>Trade debtors, non-current</b>	<b>1,038</b>	<b>1,796</b>	-	-
<b>Current assets</b>	<b>89,440</b>	<b>98,349</b>	<b>55,945</b>	<b>73,144</b>
Stocks	4,284	3,922	428	405
Trade debtors, current	15,261	10,824	1,696	2,444
Other debtors and deposits	759	1,154	558	646
Prepayments	3,839	5,144	2,459	3,363
Due from subsidiaries	-	-	826	4,044
Due from associates	1,180	1,450	1,180	1,450
Investment in short-term bonds and deposits (Note 16)	1,009	-	1,009	-
Fixed deposits (Note 16)	52,037	63,798	42,529	56,329
Cash and bank balances (Note 16)	11,071	12,057	5,260	4,463
<b>Current liabilities</b>	<b>31,261</b>	<b>30,255</b>	<b>15,874</b>	<b>19,735</b>
Trade creditors	8,594	6,076	1,978	2,129
Other creditors and accruals	11,489	11,420	4,665	7,849
Deferred revenue	8,609	8,656	4,726	5,747
Lease obligations, current	935	426	-	-
Bank borrowings	1,380	2,979	-	-
Due to subsidiaries	-	-	4,505	4,010
Tax payable	254	698	-	-
<b>Net current assets</b>	<b>58,179</b>	<b>68,094</b>	<b>40,071</b>	<b>53,409</b>
<b>Long-term liabilities</b>	<b>1,878</b>	<b>1,796</b>	-	-
Deferred tax liabilities	536	714	-	-
Lease obligations, non-current	1,342	1,003	-	-
Accrued employee entitlement	-	79	-	-
<b>Net Assets</b>	<b>92,430</b>	<b>90,491</b>	<b>83,988</b>	<b>85,801</b>

Note 15

The increase in translation reserve for the Group was mainly due to the appreciation of Renminbi and Singapore Dollar against US\$ during FY 2008 which resulted in an increase in exchange gain when the goodwill and the subsidiaries' net assets that were denominated in foreign currencies were translated to US\$ at the closing rate.

Note 16

The decrease in cash and cash equivalents was mainly due to the purchases of bonds and investment securities.

Note 17

Included in investment securities are a hybrid instrument, quoted and unquoted equity investment and structure securities.

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 (US\$'000)	Unsecured (US\$'000)	Secured (US\$'000)	Unsecured (US\$'000)
<b>1,380</b>	<b>Nil</b>	2,979	Nil

**Amount repayable after one year**

As at 31/12/2008		As at 31/12/2007	
Secured (US\$'000)	Unsecured (US\$'000)	Secured (US\$'000)	Unsecured (US\$'000)
<b>Nil</b>	<b>Nil</b>	Nil	Nil

**Details of any collateral**

a) Fixed deposits of US\$0.95 million (31/12/2007 : US\$1.45 million) are pledged as security for bank guarantees, standby letters of credit and other bank services.

b) Corporate guarantees were given by the Company to enable subsidiaries to obtain banking facilities of up to US\$16.84 million.

c) A corporate guarantee was given by the Company to enable a subsidiary to obtain credit facility from a supplier for US\$3.47 million.

e) As at 31/12/2007, trust receipts of US\$0.97 million was secured by a second legal mortgage over a property co-owned by a Director of a subsidiary and a person related to that Director, as well as personal guarantees by all the ex-Directors of that subsidiary.

f) As at 31/12/2007, trust receipts of US\$2.01 million was secured by way of a fixed charge over a subsidiary's fixed deposits of US\$2.82 million, as well as personal guarantees by all the ex-Directors of that subsidiary.

g) Trust receipts of US\$1.13 million (31/12/2007 : US\$Nil million) is secured by a fixed charge over a subsidiary's fixed deposits of US\$0.81 million (31/12/2007 : US\$Nil million), as well as corporate guarantees given by the Company and two subsidiaries.

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

	Quarter ended		Year ended	
	31 Dec 08	31 Dec 07	31 Dec 08	31 Dec 07
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Cash flows from operating activities</b>				
Profit/(loss) before taxation	166	(1,190)	556	1,421
<b>Adjustment for:</b>				
Allowance for doubtful trade debts	108	133	362	313
Allowance/(write back) of allowance for stock obsolescence	139	(77)	145	(77)
Amortization of intangible assets	427	375	1,423	1,053
(Write back)/write off of bad debts	(51)	-	2	-
Depreciation of property, plant and equipment	935	1,048	4,300	2,942
Fair value adjustment on sale of stocks acquired through business combination	-	257	-	257
Fair value loss on structure securities	726	-	726	-
Gain on disposal of property, plant and equipment	(4)	(68)	(6)	(66)
Impairment loss on other investment securities	74	-	74	-
Impairment loss on goodwill	-	133	-	2,130
Impairment loss on intangible asset	-	2,374	-	2,374
Interest expense on borrowings	44	47	157	47
Interest income from bonds, deposits and loan	(364)	(741)	(1,773)	(2,425)
Gain on disposal of an associate	-	-	-	(4,572)
Net loss on disposal of a subsidiary	-	-	198	-
Property, plant and equipment written-off	23	-	23	1
Share of results of associates	(9)	(4)	(13)	(595)
Share-based payments	17	33	163	279
Allowance/(write-back) of allowance for doubtful trade debts	22	(127)	(59)	(196)
Translation differences	176	617	674	851
<b>Operating profit before working capital changes</b>	<b>2,429</b>	<b>2,810</b>	<b>6,952</b>	<b>3,737</b>
(Increase)/decrease in stocks	(1,176)	1,141	39	661
Increase in trade debtors	(1,094)	(2,254)	(1,156)	(698)
Decrease/(increase) in other debtors and deposits	1,188	(222)	871	(275)
Decrease/(increase) in prepayments	1,749	(698)	1,543	240
Decrease/(increase) in amount due from associates	43	(283)	269	(582)
Increase in trade creditors	2,238	1,389	841	403
Increase/(decrease) in other creditors and accruals	2,832	4,051	(519)	1,310
(Decrease)/increase in deferred revenue	(700)	862	(489)	(1,336)
<b>Cash generated from operating activities</b>	<b>7,509</b>	<b>6,796</b>	<b>8,351</b>	<b>3,460</b>
Interest paid	(44)	(47)	(157)	(47)
Tax refund/(paid)	25	(84)	(677)	(236)
<b>Net cash generated from operating activities</b>	<b>7,490</b>	<b>6,665</b>	<b>7,517</b>	<b>3,177</b>
<b>Cash flows from investing activities</b>				
Interest income received from bonds, deposits and loan	313	781	1,719	2,380
Investment in subsidiaries, net of cash acquired	(389)	(9,547)	(389)	(9,547)
Purchase of a hybrid instrument	-	-	(4,099)	-
Net payment on disposal of a subsidiary	-	-	(116)	-
Net proceeds from disposal of an associate	-	-	-	44,138
Proceeds from disposal of property, plant and equipment	4	95	15	96
Proceeds from redemption of short-term bonds	-	-	-	1,651
Purchase of long-term bonds	-	-	(7,145)	-
Purchase of structure securities	-	-	(4,500)	-
Purchase of property, plant and equipment	(419)	(1,983)	(2,256)	(3,629)
Purchase of intangible assets	(38)	(108)	(718)	(331)
<b>Net cash (used in)/generated from investing activities</b>	<b>(529)</b>	<b>(10,762)</b>	<b>(17,489)</b>	<b>34,758</b>
<b>Cash flows from financing activities</b>				
Decrease/(increase) in fixed deposits pledged	7	(14)	3,314	26
Proceeds from bank borrowings	-	600	-	600
Repayment of bank borrowings	(1,434)	-	(4,281)	-
Proceeds from exercise of employee share options	-	62	665	1,136
(Repayment of obligations)/obligations obtained under finance leases	(251)	812	841	812
<b>Net cash (used in)/generated from financing activities</b>	<b>(1,678)</b>	<b>1,460</b>	<b>539</b>	<b>2,574</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>5,283</b>	<b>(2,637)</b>	<b>(9,433)</b>	<b>40,509</b>
Cash and cash equivalents at beginning of the period	56,871	74,224	71,587	31,078
<b>Cash and cash equivalents at end of the period</b>	<b>62,154</b>	<b>71,587</b>	<b>62,154</b>	<b>71,587</b>

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital US\$'000	Accumulated losses US\$'000	Other reserves US\$'000	Translation reserve US\$'000	Total US\$'000
<b>The Group</b>					
<b>Balance as at 1 January 2008</b>	160,758	(72,686)	743	1,676	<b>90,491</b>
Changes in equity for the period:					
-Net change in fair value adjustment reserve	-	-	(136)	-	<b>(136)</b>
-Net effect of exchange differences	-	-	-	535	<b>535</b>
-Net income recognized directly in equity	-	-	(136)	535	<b>399</b>
-Profit for the period	-	467	-	-	<b>467</b>
-Total recognized income and expenses for the period	-	467	(136)	535	<b>866</b>
-Exercise of employee share options	954	-	(288)	-	<b>666</b>
-Value of employee services received	-	-	146	-	<b>146</b>
<b>Balance as at 30 September 2008</b>	<b>161,712</b>	<b>(72,219)</b>	<b>465</b>	<b>2,211</b>	<b>92,169</b>
Changes in equity for the period:					
-Net change in fair value adjustment reserve	-	-	94	-	<b>94</b>
-Net effect of exchange differences	-	-	-	(59)	<b>(59)</b>
-Net income recognized directly in equity	-	-	94	(59)	<b>35</b>
-Profit for the period	-	210	-	-	<b>210</b>
-Total recognized income and expenses for the period	-	210	94	(59)	<b>245</b>
-Exercise of employee share options	11	-	(11)	-	<b>-</b>
-Value of employee services received	-	-	16	-	<b>16</b>
<b>Balance as at 31 December 2008</b>	<b>161,723</b>	<b>(72,009)</b>	<b>564</b>	<b>2,152</b>	<b>92,430</b>
<b>Balance as at 1 January 2007</b>	154,208	(74,873)	713	44	<b>80,092</b>
Changes in equity for the period:					
-Net change in fair value adjustment reserve	-	-	170	-	<b>170</b>
-Net effect of exchange differences	-	-	-	394	<b>394</b>
-Net income recognized directly in equity	-	-	170	394	<b>564</b>
-Profit for the period	-	2,742	-	-	<b>2,742</b>
-Total recognized income and expenses for the period	-	2,742	170	394	<b>3,306</b>
-Exercise of employee share options	1,420	-	(346)	-	<b>1,074</b>
-Value of employee services received	-	-	246	-	<b>246</b>
<b>Balance as at 30 September 2007</b>	<b>155,628</b>	<b>(72,131)</b>	<b>783</b>	<b>438</b>	<b>84,718</b>
Changes in equity for the period:					
-Net change in fair value adjustment reserve	-	-	(68)	-	<b>(68)</b>
-Net effect of exchange differences	-	-	-	1,238	<b>1,238</b>
-Net income recognized directly in equity	-	-	(68)	1,238	<b>1,170</b>
-Profit for the period	-	(555)	-	-	<b>(555)</b>
-Total recognized income and expenses for the period	-	(555)	(68)	1,238	<b>615</b>
-Shares issued for acquisition of a subsidiary	5,063	-	-	-	<b>5,063</b>
-Exercise of employee share options	67	-	(5)	-	<b>62</b>
-Value of employee services received	-	-	33	-	<b>33</b>
<b>Balance as at 31 December 2007</b>	<b>160,758</b>	<b>(72,686)</b>	<b>743</b>	<b>1,676</b>	<b>90,491</b>

	Share capital US\$'000	Accumulated losses US\$'000	Other reserves US\$'000	Translation reserve US\$'000	Total US\$'000
<b>The Company</b>					
<b>Balance as at 1 January 2008</b>	160,758	(75,743)	743	43	<b>85,801</b>
Changes in equity for the period:					
-Net change in fair value adjustment reserve	-	-	(136)	-	(136)
-Net effect of exchange differences	-	-	-	(28)	(28)
-Net income recognized directly in equity	-	-	(136)	(28)	(164)
-Loss for the period	-	(768)	-	-	(768)
-Total recognized income and expenses for the period	-	(768)	(136)	(28)	(932)
-Exercise of employee share options	954	-	(288)	-	<b>666</b>
-Value of employee services received	-	-	146	-	<b>146</b>
<b>Balance as at 30 September 2008</b>	<b>161,712</b>	<b>(76,511)</b>	<b>465</b>	<b>15</b>	<b>85,681</b>
Changes in equity for the period:					
-Net change in fair value adjustment reserve	-	-	94	-	<b>94</b>
-Net effect of exchange differences	-	-	-	3	<b>3</b>
-Net income recognized directly in equity	-	-	94	3	<b>97</b>
-Loss for the period	-	(1,806)	-	-	(1,806)
-Total recognized income and expenses for the period	-	(1,806)	94	3	(1,709)
-Exercise of employee share options	11	-	(11)	-	-
-Value of employee services received	-	-	16	-	<b>16</b>
<b>Balance as at 31 December 2008</b>	<b>161,723</b>	<b>(78,317)</b>	<b>564</b>	<b>18</b>	<b>83,988</b>
<b>Balance as at 1 January 2007</b>					
<b>Balance as at 1 January 2007</b>	154,208	(71,592)	713	14	<b>83,343</b>
Changes in equity for the period:					
-Net change in fair value adjustment reserve	-	-	170	-	<b>170</b>
-Net effect of exchange differences	-	-	-	32	<b>32</b>
-Net income recognized directly in equity	-	-	170	32	<b>202</b>
-Profit for the period	-	3,771	-	-	<b>3,771</b>
-Total recognized income and expenses for the period	-	3,771	170	32	<b>3,973</b>
-Exercise of employee share options	1,420	-	(346)	-	<b>1,074</b>
-Value of employee services received	-	-	246	-	<b>246</b>
<b>Balance as at 30 September 2007</b>	<b>155,628</b>	<b>(67,821)</b>	<b>783</b>	<b>46</b>	<b>88,636</b>
Changes in equity for the period:					
-Net change in fair value adjustment reserve	-	-	(68)	-	(68)
-Net effect of exchange differences	-	-	-	(3)	(3)
-Net income recognized directly in equity	-	-	(68)	(3)	(71)
-Profit for the period	-	(7,922)	-	-	(7,922)
-Total recognized income and expenses for the period	-	(7,922)	(68)	(3)	(7,993)
-Shares issued for acquisition of a subsidiary	5,063	-	-	-	<b>5,063</b>
-Exercise of employee share options	67	-	(5)	-	<b>62</b>
-Value of employee services received	-	-	33	-	<b>33</b>
<b>Balance as at 31 December 2007</b>	<b>160,758</b>	<b>(75,743)</b>	<b>743</b>	<b>43</b>	<b>85,801</b>

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-back, 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 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.

During the financial year under review, a total of 9,488,580 ordinary shares were issued upon the exercise of options granted under the Employees' Share Option Schemes and Employees' Performance Share Schemes.

The breakdown of the outstanding share options granted under the Employees' Share Option Schemes:

	No. of Shares	
	31/12/2008	31/12/2007
Options granted under 1999 MediaRing Employees' Share Option Scheme	1,518,251	1,518,957
Options granted under 1999 MediaRing Employees' Share Option Scheme II	69,794,031	79,062,062

A total of 513,000 (31/12/2007 : 1,234,500) outstanding performance shares were granted under the Employees' Performance Share Schemes.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

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

- 3.

Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of a 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 adopted the same accounting policies and methods of computation as the audited financial statements for the year ended 31 December 2007.

5. If there are any changes in the accounting policies and method 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. Earning 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			
	Fourth Quarter		Year	
	2008	2007	2008	2007
Earning per ordinary share for the period after deducting any provision for preference dividends:-				
i) Based on weighted average number of ordinary share in issue (US cent)	0.02 cent	(0.05 cent)	0.06 cent	0.21 cent
ii) On a fully diluted basis (US cent)	0.02 cent	(0.05 cent)	0.06 cent	0.20 cent

Basic earning per share is calculated based on the weighted average number of 1,202,410,319 (31/12/2007 : 1,061,904,481) ordinary shares in issue.

Diluted earning per share is calculated based on the adjusted weighted average number of 1,204,671,575 (31/12/2007 : 1,110,431,209) ordinary shares.

7. **Net assets 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	31/12/2007	31/12/2008	31/12/2007
Net asset backing per ordinary share is calculated based on 1,202,990,947 (31/12/2007 : 1,193,502,367) ordinary shares in issue at the end of the period under review and of the immediate preceding financial year (US cent).	7.68 cent	7.58 cent	6.98 cent	7.19 cent

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.**

For the quarter and year ended 31 December 2008, revenue grew by 4% and 26% respectively over the corresponding periods last year. We registered growth in all business segments, with Data and Computing segment now accounts for 36% of the Group's revenue in Q4 2008 and 31% in FY 2008, compared to 31% and 15% in the corresponding periods last year.

While expenses increased in tandem with the revenue growth, the net profit after tax for 2008 was affected by foreign exchange losses of US\$0.8 million, which arose as a result of the weakening US\$ against the major trading currencies of the Group during 2008.

Overall, the Group's net profit after tax in FY 2008 would have been \$1.4m if not for the non cash fair value adjustment of \$0.7m to the net profit after tax.

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

There was no forecast or prospect statement disclosed to shareholders previously.

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.**

Given the current global conditions, the Group will act with caution in all aspects of our business. At the same time, the Group will be diligent of the changing regulations in the countries that use our services.

MediaRing remains committed to being a one-stop premier IP communications provider of Voice, Data and Computing services in the Asia Pacific region with the aim of building a sustainable business which will enhance long-term shareholder value.

**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.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)****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.****Business Segments**

The main business segments of the Group comprise:

- a) Voice Services comprising mainly:
- i) "PC-Phone" service that allows users to make calls from their PC to any phone in the world;
  - ii) "GCC" service that offers users the means to make low cost calls via IP infrastructure;
  - iii) IDD and VoIP telephony services to corporate users and consumers;
  - iv) "Enterprise" service that allows corporate users to make calls via their existing corporate PABX and internet access;
  - v) wholesale traffic terminating services to carriers and service providers; and
  - vi) "Technology Licensing" service that offers connectivity and interoperability solutions to telecommunication carriers and wholesale clearing houses.
- b) Data & Computing comprising mainly:
- i) "ISP" service that offers an extensive portfolio of data services include Broadband, Leaseline Access, Private Network, Network Security, Hosted Services and IT Solutions to corporate users and consumers;
  - ii) supply, rental, maintenance and servicing of computer hardware and peripheral equipment; and
  - iii) systems integration service related to computer equipment and peripherals, storage systems and networking products.
- c) Others  
This segment is miscellaneous income and expenses that are not considered part of the main business segments.

	2008			
	Voice Services (US\$'000)	Data & Computing (US\$'000)	Others (US\$'000)	Group (US\$'000)
<b>Turnover - external sales</b>	<b>96,984</b>	<b>43,840</b>	-	<b>140,824</b>
Segments results	(878)	319	(803)	(1,362)
Other income	162	151	1,592	1,905
Share of results of associated companies	13	-	-	13
<b>(Loss)/profit before taxation</b>	<b>(703)</b>	<b>470</b>	<b>789</b>	<b>556</b>
Taxation	3	118	-	121
<b>(Loss)/profit after taxation</b>	<b>(700)</b>	<b>588</b>	<b>789</b>	<b>677</b>
Allocated Assets	16,530	33,211	-	49,741
Associated companies	445	-	-	445
Unallocated corporate assets				75,383
<b>Total assets</b>				<b>125,569</b>
<b>Allocated liabilities</b>	<b>(13,303)</b>	<b>(19,836)</b>	-	<b>(33,139)</b>
<b>Capital expenditure</b>	<b>1,609</b>	<b>1,366</b>	-	<b>2,975</b>
<b>Depreciation and amortization</b>	<b>2,227</b>	<b>3,496</b>	-	<b>5,723</b>

	2007			
	Voice Services (US\$'000)	Data & Computing (US\$'000)	Others (US\$'000)	Group (US\$'000)
<b>Turnover - external sales</b>	<b>94,193</b>	<b>17,247</b>	-	<b>111,440</b>
Segments results	(6,736)	656	(372)	(6,452)
Other income	378	132	6,768	7,278
Share of results of associated companies	(25)	620	-	595
<b>Profit before taxation</b>	<b>(6,383)</b>	<b>1,408</b>	<b>6,396</b>	<b>1,421</b>
Taxation	799	(33)	-	766
<b>Profit after taxation</b>	<b>(5,584)</b>	<b>1,375</b>	<b>6,396</b>	<b>2,187</b>
Allocated Assets	20,277	37,415	-	57,692
Associated companies	432	-	-	432
Unallocated corporate assets				64,418
<b>Total assets</b>				<b>122,542</b>
<b>Allocated liabilities</b>	<b>(18,290)</b>	<b>(13,761)</b>	-	<b>(32,051)</b>
<b>Capital expenditure</b>	<b>2,614</b>	<b>1,346</b>	-	<b>3,960</b>
<b>Depreciation and amortization</b>	<b>2,804</b>	<b>1,191</b>	-	<b>3,995</b>

#### Geographical Segments

The Group has operating offices in two main geographical areas.

- i) Asia includes the operations in Singapore, China, Indochina, Hong Kong, Taiwan, Malaysia, Japan, Middle East and Indonesia; and
- ii) USA includes the operations in North, South and Central America.

	Turnover		Assets		Capital Expenditure	
	2008 US\$'000	2007 US\$'000	2008 US\$'000	2007 US\$'000	2008 US\$'000	2007 US\$'000
Asia	139,109	108,356	125,016	121,401	2,824	3,705
USA	1,715	3,084	553	1,141	151	255
<b>Total</b>	<b>140,824</b>	<b>111,440</b>	<b>125,569</b>	<b>122,542</b>	<b>2,975</b>	<b>3,960</b>

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.

Not Applicable.

15. A breakdown of sales.

	Group		
	2008 US\$'000	2007 US\$'000	% Change
Sales reported for first half-year	68,803	51,297	34.1%
Profit reported for first half-year	465	2,196	-78.8%
Sales reported for second half-year	72,021	60,143	19.7%
Profit/(loss) reported for second half-year	212	(9)	N.M.

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

Not Applicable.

17. Statement Pursuant to Rule 705(4) of The Listing Manual

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the above unaudited financial results for the fourth quarter and year ended 31 December 2008 to be false or misleading in any material respects.

On behalf of the Board of Directors,

Khaw Kheng Joo  
Director

Koh Boon Hwee  
Director

#### **BY ORDER OF THE BOARD**

Yeo Siew Chai  
Company Secretary

26 February 2009