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Welcome to REALtime



In this newsletter we discuss the significant capital expenditure programme the Company has implemented over the last four years.

These developments have materially assisted our business growth in 2012, and will ensure we have the capacity and technological capability to meet the expectations of our customers in the future.

Just as important has been the continued development of our staff; to utilise the new technologies, and to better equip them for operations in challenging environments.

We near the end of another year of profitable growth for Radiola Aerospace.

We take this opportunity to say to our customers how much we appreciate the business you have given us. And to our suppliers, thank you for your support during the year.

Our best wishes to you all for the festive season, and for the year ahead.

Brent Albiston
Managing Director

Growth in Flight Inspection Services

Growth continues this year with numerous flight inspection deployments for customers in Asia, the Middle East, North Africa and the Caribbean.

The first of many missions to India under the long term contract with Tata Power was successfully completed earlier in the year.

Term contracts have recently been signed with Iraq CAA, and ONDA the Moroccan airport operator.





New validations and revalidations of existing instrument procedures have been completed this year for CASA in Australia with visits to more than 100 aerodromes. Internationally, our flight validation business is steadily increasing.

Recent projects have been undertaken for aviation authorities, and designers such as Jeppesen, in the Middle East, Africa and the Caribbean.

Quality Systems

In addition to meeting the wide range of compliance obligations under certifications with ISO, and civil aviation authorities in Australia,

the United Kingdom and New Zealand, a major effort has been devoted to implementation of the corporate Safety Management System.





Four year investment in new technologies proves its worth

In 2009, the Company embarked on a four year programme of investment in new technologies and increased technical capability.

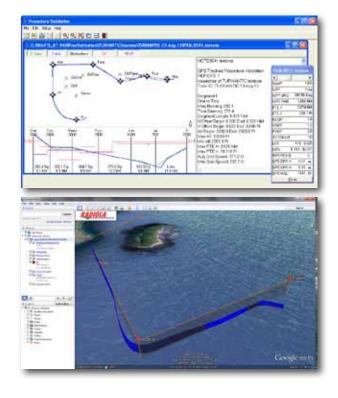
During 2012 we have completed:

- an upgrade of our AT920 flight inspection systems to enable operations with the same WINFIS software used with our AT940 systems. This allows more efficient operation and enhanced capability. The new systems are designated AT 920NG
- a flight validation system, developed to Radiola's specification, which can
 operate on any of the Company's flight inspection systems or as a compact
 stand-alone platform.

Capabilities Includes:

- · Pre-flight data loading and integrity checking
- · In-flight situational awareness, flight guidance and data recording
- · Post-flight data analyses, replay and 3D google earth overlay

The system has already proved its worth on a large Middle Eastern deployment.



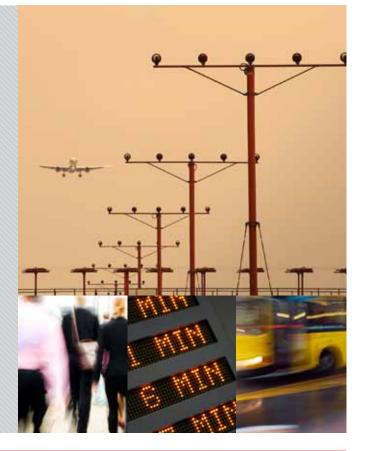
Engineering Support

Our engineering team continues to provide technical and logistics support for a wide range of systems for numerous customers, including:

- · RNZAF navaids and personal locator beacons
- · telecom microwave radios
- the Hamilton real-time bus tracking system, which has been upgraded during the year with Radiola designed bus stop solar panel/battery enclosures providing increased reliability and lower maintenance costs

Maintenance of the Company's five flight inspection systems to exacting CAA and ICAO standards has ensured the high quality and reliability of the Company's flight inspection service.









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www.radaero.com

and sign-up for **REALtime**, it will keep you informed of all our latest news and developments.



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