30 April 2013

BATM Advanced Communications Limited
("BATM" or "the Company")

ANNUAL FINANCIAL REPORT - DTR 6.3.5 Disclosure

Following the release on 18 February 2013 of the Company's Preliminary Results Announcement for the financial year ended 31 December 2012 (the 'Preliminary Announcement'), the Company announces on 30 April 2013 that the 2012 Annual Report and Accounts have been published. These documents have been made publicly available on the BATM website (www.batm.com). The annual report can be found in the Investor Relations section under Annual reports. The direct link is http://www.batm.com/index.php?page=Financial%20Reports

In compliance with 9.6.1 of the Listing Rules, a copy of the 2012 Annual Report and Accounts will shortly be available for inspection at the UK Listing Authority's National Storage Mechanism website: http://www.hemscott.com/nsm.do.

The primary purpose of this announcement is to inform the market about the publication of the Company's Annual Report and Accounts for the year ended 31 December 2012 (the "2012 Annual Report and Accounts").

The information below, which is extracted from the 2012 Annual Report and Accounts, is included solely for the purpose of complying with DTR 6.3.5 and the requirements it imposes on issuers as to how to make public annual financial reports. It should be read in conjunction with the Company's Preliminary Announcement. Together these constitute the material required by DTR 6.3.4 to be communicated to the media in unedited full text through a Regulatory Information Service. This material is not a substitute for reading the full 2012 Annual Report and Accounts. References to page numbers and notes to the accounts set out in the Appendices below refer to page numbers and notes to the accounts in the Company's 2012 Annual Report and Accounts.

The Preliminary Announcement includes an indication of the important events that occurred during the year and a condensed set of the financial statements.

The Company's auditor has reported on the accounts and its reports are unqualified. The Independent Auditor's Report on the Group financial statements is set out in full on page 28 of the 2012 Annual Report and Accounts.

APPENDIX A - DIRECTORS' RESPONSIBILITY STATEMENT

The 2012 Annual Report and Accounts contain a responsibility statement in compliance with paragraph 4.1.12 of the DTR. The directors' responsibility statement is set out on page 21 of the 2012 Annual Report and Accounts for the Group. This statement is set out below in full and unedited text.

The directors are responsible for preparing the Annual Report, the Remuneration Report and the financial statements in accordance with applicable laws and regulations. The directors are required to prepare financial statements for the Group in accordance with International Financial Reporting Standards (IFRS). Company law requires the directors to prepare such financial statements.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the Preparation and Presentation of Financial Statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable International Financial Reporting Standards.

Directors are also required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company, for safeguarding the assets, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of a directors' report and directors' remuneration report which comply with the Listing Rules and the Disclosure and Transparency rules.

Legislation in Israel governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

We confirm to the best of our knowledge:

1. the financial statements, prepared in accordance with International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position and profit of the company and the undertakings included in the consolidation taken as a whole; and

2. the management report, which is incorporated into the directors' report, includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

APPENDIX B - RISKS AND UNCERTAINTIES

The principal risks and uncertainties are set out on page 18 of the 2012 Annual Report and Accounts. The full and unedited text relating to these disclosures are set out below:

The Group has recently entered the Medical and Surveillance sectors. These are new markets in which the Group has relatively little experience. The success of the Group's investments in these sectors is thus uncertain with consequent risk to the amounts invested.

The Group has made acquisitions which do not attain one hundred per cent ownership of the target Companies. As a result certain companies in the group have non-controlling interests, which are usually the local management of the subsidiaries. Relationships with these non-controlling interests are important and carry certain risks.

Due to current global economic conditions the Group's diversified business activities are aimed at emerging markets which have huge upward potential, yet at the same time carry certain risks, such as political, financial and regulatory.

The Company has an ongoing process for identifying, evaluating and managing the significant risks faced by the Company that has been in place from 2011 and up to the date of approval of the annual report and financial statements. Principal controls are managed by the executive directors and key employees, including regular review by management and the Board of the operations and the financial statements of the Company.

- Ends -

Enquiries

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