

Full Year Financial Statement And Dividend Announcement for The Year Ended 31 December 2007

PART 1 – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1 The following statements in the form presented in the issuer’s most recently audited annual financial statement:-

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

S\$'000	2007	Group 2006	Change %
Revenue	404,696	334,472	21%
Cost of sales	(257,088)	(224,759)	14%
Gross profit	147,608	109,713	35%
Other operating income (Note 1)	814	534	52%
Administrative costs (Note2)	(75,022)	(59,100)	27%
Selling and distribution costs	(6,762)	(7,323)	-8%
Other operating costs (Note 3)	(3,530)	167	N.M.
Finance costs (Note 4)	(5,936)	(4,310)	38%
Share of profit of associated companies, net of tax	567	185	N.M.
Total expenses	(90,683)	(70,381)	29%
Profit before taxation	57,739	39,866	45%
Taxation (Note 5)	(15,679)	(10,743)	48%
Profit for the year	42,060	29,123	44%
Attributable to :			
Shareholders of the Company	42,059	29,123	44%
Minority interest, net of tax	1	-	N.M.
	42,060	29,123	44%
Earnings per shares (in cents)			
- Basic*	8.33	5.83	
- Diluted*	8.25	5.77	

N.M. – Not meaningful

**On 14 May 2007, there was an issue of 167,931,445 bonus shares in the capital of the Company on the basis of one (1) bonus share for every two (2) existing ordinary shares in the capital of the Company held by the shareholders of the Company, fractional entitlements have been disregarded.*

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:-

S\$'000	2007	Group 2006	Change %
<u>Profit before tax is arrived at after charging/(crediting) the following:</u>			
(A) Interest on borrowings (note 4)	5,510	4,005	38%
(B) Depreciation and amortisation	3,450	2,818	22%
(C) Allowance for doubtful debts and bad debts	265	2	N.M.
(D) Foreign exchange loss	898	1,252	-28%
(E) Changes in fair value of financial instruments	34	(275)	N.M.
(F) Gain on sale of property, plant and equipment	(128)	(434)	-70%
(G) Impairment of investments, net	2,507	-	N.M.

N.M. – Not meaningful

Note 1

S\$'000	2007	Group 2006	Change %
Rental income	206	83	N.M.
Commission income	29	47	-38%
Miscellaneous income	209	555	-62%
Fair value (loss) /gain in financial instrument	(34)	275	N.M.
Net exchange loss	(898)	(1,252)	-28%
Miscellaneous income	(488)	(292)	67%
Finance income	1,302	826	58%
Other income including interest income	814	534	53%

N.M. – Not meaningful

Note 2

The increase in the administrative costs for FY2007 was mainly due to the Group's inclusion of the operating results of the newly acquired subsidiaries, CSE-Scomag Ltd, United Kingdom and Techno Trade SA, Belgium in December 2006 and Bosco, USA in September 2007.

Note 3

S\$'000	2007	Group 2006	Change %
Allowance for doubtful debts and bad debts	265	2	N.M.
Miscellaneous expenses	131	12	N.M.
Amortisation of intangible assets	755	253	5%
Impairment of investments	5,834	-	N.M.
Negative goodwill	(3,327)	-	N.M.
Gain on sale of property, plant and equipment	(128)	(434)	N.M.
	3,530	(167)	N.M.

N.M. – Not meaningful

Note 4

The increase in finance costs for FY2007 was due to higher interest rates and the drawdown of additional bank loans to fund the acquisitions of CSE-Scomag Ltd, United Kingdom and Techno Trade SA, Belgium.

Note 5

The Group operates in several tax jurisdictions with different tax rates. Thus, the effective tax rate will vary from time to time depending on where the sales and profits are recorded.

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-07 S\$'000	31-Dec-06 S\$'000	31-Dec-07 S\$'000	31-Dec-06 S\$'000
NON-CURRENT ASSETS				
Property, plant and equipment #	12,902	12,637	222	304
Investment in subsidiaries	-	-	174,125	158,766
Associated companies (Note 6)	7,009	15,473	-	10,299
Other investment	190	-	190	-
Intangible assets #	70,457	62,948	103	132
Deferred tax assets	3,593	1,630	17	763
CURRENT ASSETS				
Projects in progress (Note 7)	74,279	71,810	-	-
Stocks (Note 7)	9,025	8,373	-	-
Trade debtors (Note 7)	79,741	71,983	4,360	3,406
Other debtors and deposits	3,296	4,072	83	464
Prepayments	3,203	3,418	10	19
Amount due from subsidiary companies	-	-	48,233	30,150
Amount due from an associated company	6	61	-	-
Short-term deposits	9,147	4,306	-	-
Cash & bank balances	49,761	62,595	2,261	14,975
	228,458	226,618	54,947	49,014
CURRENT LIABILITIES				
Projects in progress (Note 7)	13,370	8,652	-	-
Trade creditors & accruals (Note 8)#	63,513	95,059	5,230	4,453
Finance leases	199	220	-	-
Amount due to bankers	80,460	90,045	78,919	74,647
Amount due to subsidiary companies	-	-	25,157	33,140
Amount due from an associated company	2	-	-	-
Provision for warranties	1,570	1,540	-	-
Provision for taxation	3,437	4,887	325	-
	162,551	200,403	109,631	112,240
Net current assets/(liabilities)	65,907	26,215	(54,684)	(63,226)
NON-CURRENT LIABILITIES				
Deferred tax liabilities #	(4,123)	(2,378)	-	-
Finance leases	(380)	(424)	-	-
Amounts due to bankers	(19,172)	(7,701)	(19,172)	(7,701)
	136,383	108,400	100,801	99,337
Equity attributable to equity holders of company				
Share capital	90,343	88,412	90,343	88,412
Revenue reserve	54,545	24,241	9,774	9,702
Other reserves	653	1,189	653	1,189
Foreign currency translation reserve	(9,172)	(5,455)	31	34
Total Shareholders' Fund	136,369	108,387	100,801	99,337
Minority interest	14	13	-	-
	136,383	108,400	100,801	99,337

The property, plant and equipment, intangible assets, trade creditors & accruals and deferred tax liabilities of 31 December 2006 have been adjusted for the additional cost attributable to the acquisition of CSE-Scomag Ltd and the finalization of the valuation of Techno Trade SA 's IPR.

Note 6

The decrease in investment in associated companies was mainly due to the application of the purchase method of accounting for business combination of one of the Group's associated companies, Energy Storage and Power Corporation, USA which became a wholly owned subsidiary of CSE Global Ltd in December 2007.

Note 7

The billing cycle turnover period comprising Stocks, Net Project-in-progress, and Trade Debtors as of 31 December 2007 was 118 days and as of 30 September 2007 was 137 days, a reduction from 156 days as of 31 December 2006.

Note 8

The reduction in trade creditors & accruals of the Group was mainly due to the payment to the vendors for the purchase consideration of S\$30.7m for CSE-Scomag Ltd, United Kingdom.

1(b)(ii) In relation to the aggregate amount of group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

Amount repayable in one year or less, or on demand

As at 31 Dec 2007		As at 31 Dec 2006	
Secured	Unsecured	Secured	Unsecured
NIL	S\$80,659,000	NIL	S\$90,265,000

Amount repayable after one year

As at 31 Dec 2007		As at 31 Dec 2006	
Secured	Unsecured	Secured	Unsecured
NIL	S\$19,552,000	NIL	S\$8,125,000

Details of any collateral

Not Applicable.

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

	FY2007	FY2006
S\$'000		
CASH FLOWS FROM OPERATING ACTIVITIES :-		
Profit before taxation	57,739	39,866
Adjustments for :-		
Depreciation for property, plant and equipment	2,695	2,565
Amortisation of intangible assets	755	253
Gain on disposal of property, plant and equipment	(128)	(434)
Impairment of investment in associated companies, net	2,507	-
Share of results of associated companies	(567)	(185)
Changes in fair value of financial instruments	34	(275)
Writeback of share-based payment expense on cancellation of share options	(5)	-
Interest expense	5,510	4,005
Interest income	(1,302)	(826)
Currency realignment	(2,577)	(1,542)
Operating profit before reinvestment in working capital	64,661	43,427
Increase in debtors	(5,925)	(26,253)
Decrease in projects-in-progress	1,596	2,697
(Decrease)/increase in creditors	(1,348)	11,193
Cash generated from operations	58,984	31,064
Interest paid	(5,510)	(4,005)
Interest received	1,302	826
Income tax paid	(15,434)	(11,097)
Net cash generated from operating activities	39,342	16,788
CASH FLOWS FROM INVESTING ACTIVITIES		
Repayment from /(advance to) associated companies	57	(18)
Acquisition of subsidiary companies, net	(3,411)	94
Repayment of balance purchase consideration of subsidiary acquired	(30,918)	-
Refund of fund remitted on acquisition of associated company	-	33
Purchase of other investments	(190)	-
Purchase of property, plant and equipment	(3,253)	(3,095)
Proceeds from sale of property, plant and equipment	291	7,547
Additions of intangible assets	(1,377)	(746)
Net cash (used in)/ generated from investing activities	(38,801)	3,815
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	1,400	2,559
Dividends paid to shareholders	(11,755)	(8,321)
Proceeds of short term loans from bankers	1,886	22,959
Repayment of finance leasing obligations	(65)	(261)
Net cash (used in)/generated from financing activities	(8,534)	16,936
Net (decrease)/increase in cash and cash equivalents	(7,993)	37,539
Cash and cash equivalents at beginning of year	66,901	29,362
Cash and cash equivalents at end of year	58,908	66,901

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.

Group	Share capital	Share premium	Revenue reserve	Other reserves	Translation reserve	Minority Interest	Total Equity
S\$'000							
At 1 January 2006	16,491	68,548	3,439	817	(1,923)	13	87,385
Transfer to share capital	68,548	(68,548)	–	–	–	–	–
Foreign currency translation differences	–	–	–	–	(3,325)	–	(3,325)
Hedging of net investment	–	–	–	–	(207)	–	(207)
Net fair value changes of cashflow hedges	–	–	–	1,186	–	–	1,186
Net profit for the year	–	–	29,123	–	–	–	29,123
Dividend for 2005 declared and paid	–	–	(8,321)	–	–	–	(8,321)
Transfer from Other Reserves-on exercise of share options	814	–	–	(814)	–	–	–
Issuance of ordinary share for cash	2,559	–	–	–	–	–	2,559
At 31 December 2006	88,412	-	24,241	1,189	(5,455)	13	108,400
At 1 January 2007	88,412	–	24,241	1,189	(5,455)	13	108,400
Foreign currency translation differences	–	–	–	–	(3,717)	–	(3,717)
Net profit for the year	–	–	42,059	–	–	1	42,060
Dividend for 2006 declared and paid	–	–	(11,755)	–	–	–	(11,755)
Transfer from Other Reserves-on exercise of share options	531	–	–	(531)	–	–	–
Cancellation of employee share options	–	–	–	(5)	–	–	(5)
Issuance of ordinary share for cash	1,400	–	–	–	–	–	1,400
At 31 December 2007	90,343	-	54,545	653	(9,172)	14	136,383

Company	Share capital	Share premium	Revenue reserve	Other reserves	Translation reserve	Total Equity
S\$'000						
At 1 January 2006 as previously stated	16,491	68,548	6,212	817	(10)	92,058
Prior year adjustment	–	–	1,664	–	–	1,664
At 1 January 2006 as restated	16,491	68,548	7,876	817	(10)	93,722
Transfer to share capital	68,548	(68,548)	–	–	–	–
Foreign currency translation differences	–	–	–	–	44	44
Net fair value changes of cashflow hedges	–	–	–	1,186	–	1,186
Net profit for the year	–	–	10,147	–	–	10,147
Dividend for 2005 declared and paid	–	–	(8,321)	–	–	(8,321)
Transfer from Other Reserves-on exercise of share options	814	–	–	(814)	–	–
Issuance of ordinary share for cash	2,559	–	–	–	–	2,559
At 31 December 2006	88,412	–	9,702	1,189	34	99,337
At 1 January 2007	88,412	–	9,702	1,189	34	99,337
Foreign currency translation differences	–	–	–	–	(3)	(3)
Net profit for the year	–	–	11,827	–	–	11,822
Dividend for 2006 declared and paid	–	–	(11,755)	–	–	(11,755)
Transfer from Other Reserves-on exercise of share options	531	–	–	(531)	–	–
Cancellation of employee share options	–	–	–	(5)	–	(5)
Issuance of ordinary share for cash	1,400	–	–	–	–	1,400
At 31 December 2007	90,343	–	9,774	653	31	100,801

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 issue 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 immediately preceding financial year.

As of 31 December 2007, there was an issue of 3,739,250 shares in the capital of the Company arising from the exercise of options to subscribe for 3,483,500 and 255,750 ordinary shares in the capital of the Company under the CSE Global Limited Executives' Share Option Plan and the CSE (U.S. Subsidiaries) Incentive Stock Option Plan respectively.

On 14 May 2007, there was an issue of 167,931,445 bonus shares in the capital of the Company on the basis of one (1) bonus share for every two (2) existing ordinary shares in the capital of the Company held by the shareholders of the Company, fractional entitlements have been disregarded.

Other than the above mentioned, there were no other 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.

Share Options

As at 31 December 2007, there were unexercised options for 4,375,500 (31 December 2006 : 8,281,500) and 57,750 (31 December 2006: 313,500) of unissued ordinary shares in the capital of the Company under the CSE Global Limited Executives' Share Option Scheme and the CSE (U.S. Subsidiaries) Incentive Stock Option Plan respectively.

*** The total number of unexercised share options for the year ended 31 December 2007 and 31 December 2006 mentioned above have been adjusted for the bonus issue impact of one (1) bonus shares for every two (2) unexercised shares option)*

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 year.

Number of shares as at 31 st December 2007	:	506,772,602
Number of shares as at 31 st December 2006	:	502,652,861

1(d)(iv) A statement showing all sales, transfers, disposals, cancellations 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 (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited nor reviewed by our 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 preparation of the financial statements for the current reporting period as compared with the audited financial statements as at 31 December 2006.

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 period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-

	Current Year FY2007	Previous Year FY2006
Earning per ordinary share of the Group after deducting any provision for preference dividends:-		
(a) Based on weighted average number of ordinary shares in issue; and	8.33	*5.83
(b) On a fully diluted basis (detailing any adjustments made to the earnings).	8.25	*5.77
For the computation of basic earnings per share, the basis of arriving at the weighted average number of shares is determined as follows :-		
Weighted average number of shares outstanding during the period	502,652,861	494,719,361
Weighted average number of shares issued during the period	2,448,712	5,151,936
Weighted average number of shares	505,101,573	499,871,297
For the computation of diluted earnings per share, the weighted average number of shares adjusted for the effect of all dilutive potential ordinary shares is determined as follows :-		
Weighted average number of shares outstanding during the period, used in computation of basic earnings per share	505,101,573	499,871,297
Weighted average number of unissued shares under share options	6,123,184	8,511,555
Number of shares that would have been issued at fair value under share options	(1,604,893)	(3,701,391)
Adjusted weighted average number of shares	509,619,864	504,681,460

**Weighted average number of shares issued during the year and weighted average number of share outstanding during the year have been adjusted for the bonus issue as described in Note 1(d) (ii), the earnings per ordinary share of the Group has been computed based on adjusted issued share capital in accordance with FRS33 Earnings Per Share.*

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

	31 December 2007		31 December 2006	
	Group	Company	Group	Company
Net asset value per ordinary share based on existing issued share capital (in cents)	26.91	19.89	*21.56	*19.76

**For comparative purpose, the net asset value per ordinary share as at 31 December 2006 have been computed based on issued share capital of 502,652,861 ordinary shares which have been adjusted for bonus issue as described in Note 1(d)(ii) above.*

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group' business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Performance

The Group recorded a record profit of \$42.1 million for FY2007. The profit after tax increased by \$12.9 million (44.4%) from \$29.1 million in FY2006. Revenue for the quarter was \$116.0 million, an increase of \$32.0 million (38.1%) from \$84.0 million in 4Q 2006.

The Group continued to enjoy high levels of activities in the Gulf of Mexico, United Kingdom, Europe/Middle East/Africa and Australia for FY2007. In Asia-Pacific and the Americas, the Group had improved its segmental net margin to 9.0%(FY2007) from 6.0% (FY2006) and 8.1% (FY2007) from 7.8% (FY2006) respectively, through the delivery of higher labour contents projects. In the Europe/Middle East/Africa regions, the Group had built on its previous success and achieved a year-on-year growth of 82.0% and 80.8% in FY2007 revenue and profit after tax respectively. The newly acquired subsidiaries, CSE-Scomag Ltd, United Kingdom and Techno Trade SA, Belgium also contributed to the growth in the Europe /Middle East/Africa regions and the increase in interest expenses.

Performance of Geographical Segments

S\$'000	FY2007	FY2006	Variance %
Revenue			
Asia-Pacific	106,321	104,519	1.7%
The Americas	156,476	151,995	2.9%
Europe/Middle East/Africa	141,899	77,958	82.0%
Group	404,696	334,472	21.0%
Profit after tax &			
Asia-Pacific	9,499	6,307	50.6%
The Americas	12,741	11,862	7.4%
Europe/Middle East/Africa	19,819	10,954	80.9%
Group	42,059	29,123	44.4%

For FY2007, the geographical regions of Asia-Pacific, The Americas and Europe/Middle East/Africa contributed 26.3%, 38.7% and 35.0% to revenue and 22.6%, 30.3% and 47.1% to profit after tax and minority interest respectively.

Performance of Business Segments

S\$'000	FY2007	FY2006	Variance %
Revenue			
Industrial	404,696	334,472	21.0%
IT Consulting	-	-	-
Group	404,696	334,472	21.0%
Profit after tax & minority interest			
Industrial	40,946	28,147	45.5%
IT Consulting	1,113	976	14.0%
Group	42,059	29,123	44.4%

N.B.: For details on business under Industrial business unit (“IBU”) and IT Consulting business unit (“ITCBU”), please refer to Part II Item 13.

Liquidity and Capital Resources

CSE generated an operational cash inflow of \$39.3 million in FY2007. For FY2007, CSE’s net gearing was 0.30 times. CSE improved its billing cycle turnover period comprising Stocks, Net Project-in-progress, and Trade Debtors to 118 days as of 31 December 2007 from 156 days as of 31 December 2006.

Orders

S\$'000	2007	2006
Outstanding orders	322,069	305,508

The outstanding orders as at end of FY2007 compared with end of FY2006 increased by 5.4% from \$305.5 million to \$322.1 million.

CSE received \$435.1 million of non-healthcare orders for FY2007. The non-healthcare outstanding orders increased by 22.1% to \$241.1 million (FY2007) from \$197.5 million (FY2006).

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

There is no variance between the previous prospect statement and the actual results.

10. A commentary at the date of the announcement of the 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.

CSE expects its business environment to remain competitive in its existing markets. The high level of activities in its existing markets continue to provide CSE a base load of small Greenfield projects (new facilities with value of less than S\$5m per project) and Brownfield projects (services, maintenance, enhancement, technology refreshment of existing facilities) as well as the opportunity to target large projects (value of more than S\$5m per project).

Taking into account the outstanding orders as at end of FY2007 of \$322.1 million and the outlook for its existing markets, CSE is confident that its performance for FY2008 will be better than FY2007.

11. Dividend :-**(a) Current financial period reported on**

Name of Dividend	First & Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	3.5 cents per ordinary share
Tax rate	Tax exempt(1-Tier)

(b) Corresponding Period of the Immediately Preceding Financial Year.

Name of Dividend	First & Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	3.5 cents per ordinary share
Tax rate	Tax exempt(1-Tier)

(c) Date payable

The recommended first & final tax exempt (one-tier) dividend of 3.5 cents per ordinary share will be paid on 22 May 2008, if approved at the Annual General Meeting to be held on 28 April 2008.

(d) Books closure date

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 13 May 2008 for the purpose of determining shareholders' entitlements to the dividend. Registrable Transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte. Ltd at 3 Church Street #08-01, Samsung Hub, Singapore 049483, by 5.00 pm on 12 May 2008, will be registered to determine shareholders' entitlements to the proposed dividend.

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

Not applicable.

**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 Industrial Business unit (“IBU”) offers

- a. a wide and diverse range of solutions involving the implementation of Control and Safety Shutdown Systems, Plant Information Systems, Terminal Automation Systems, Pneumatic and Hydraulic Control Systems, Subsea Control Systems, Supervisory Control and Data Acquisition (SCADA) Systems, Instrumentation and Electrical Field Construction Services for applications to the Oil and Gas, Power, Water and Sewerage, Process and Utility industries on a turnkey basis;
- b. turnkey telecommunication network solutions for infrastructure projects to the Oil and Gas and Power industry including voice, data, radio, video, security access and LAN/WAN telecommunication systems;
- c. electrical engineering products/solution to the Mining, Process, Power generation, Power Transmission/Distribution, Oil and Gas, Water and Sewerage and Manufacturing industries, specializing in the supply and support of high quality electrical engineering products such as protection and control and motor starting control equipment;
- d. SEPROL, TBOX and Kingfisher Ranges of RTU products designed for SCADA applications in a broad range of industries;
- e. RIO, a fully integrated Clinical Information System, to automate and facilitate the recording and reporting of patients’ related information to the Healthcare industry in relation to Mental Health, Community, Maternity and Children; and
- f. Intelligent Transport Systems such as the toll collection system, congestion charging system, urban traffic control and surveillance system, motorway management system, transportation communication system and security system.

IT Consulting Business Unit (“ITCBU”) offers

- a. solutions for Credit Management, Cash Management, Online Internet Banking Services, Mobile / Wireless Banking, Provision of Digital Sales Force Automation with built-in Customer Relationship Management Systems and the Trade Finance to the banking and finance industry.

14. In review of performance, the factors leading to any material changes in contributions to turnover and earnings by business or geographical segments.

Not applicable.

15. A breakdown of sales as follows:-

S\$'000	Group			
	2007	2006	Variance	Variance %
Turnover report for first half of the year	179,604	154,375	25,229	16.3%
Profit before tax reported for the first half of the year	26,270	18,251	8,019	43.9%
Turnover report for second half of the year	225,092	180,097	44,995	25.0%
Profit before tax reported for the second half of the year	31,469	21,615	9,854	45.6%

N.B.: Restated – Please refer to paragraph 4

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	17,737	11,755
Preference	-	-
Total:	17,737	11,755

17. Interested person transactions

Not applicable.

18. Confirmation by Board

The Board of Directors hereby confirms to the best of its knowledge that nothing has come to its attention which may render the unaudited financial statements for the financial year ended 31st December 2007 to be false or misleading.

By order of the Board

Tan San-Ju
Company Secretary
27 February 2008