

Second Quarter Financial Statement And Dividend Announcement For The Period Ended 30 June 2008

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	Group					
	2008 2Q	2007 2Q	Change (%)	2008 1H	2007 1H	Change (%)
Revenue	106,550	95,312	12%	211,665	179,604	18%
Cost of sales	(66,349)	(61,308)	8%	(133,370)	(114,398)	17%
Gross profit	40,201	34,004	18%	78,295	65,206	20%
Other operating income (Note 1)	1,152	348	N.M.	1,196	404	N.M.
Other operating expenses						
Administrative costs	(19,671)	(16,951)	16%	(38,370)	(33,312)	15%
Selling and distribution costs	(1,769)	(1,617)	9%	(3,259)	(2,946)	11%
Other operating costs (Note 2)	(144)	(406)	-65%	(682)	(627)	9%
Finance costs	(1,230)	(1,440)	-15%	(2,428)	(2,885)	-16%
Share of results of associated companies, net of tax (Note 3)	70	244	-71%	180	430	-58%
Total Expenses	(22,744)	(20,170)	13%	(44,559)	(39,340)	13%
Profit before taxation	18,609	14,182	31%	34,932	26,270	33%
Taxation (Note 4)	(4,607)	(3,689)	25%	(8,867)	(7,172)	24%
Profit after taxation	14,002	10,493	33%	26,065	19,098	36%
Attributable to :-						
Equity holders of the Company	14,006	10,490	34%	26,080	19,109	36%
Minority interest	(4)	3	N.M.	(15)	(11)	36%
	14,002	10,493	33%	26,065	19,098	36%
Earnings per ordinary shares (in cents)						
- Basic	2.76	2.08		5.14	3.80	
- Diluted	2.75	2.06		5.11	3.75	

N.M. – Not meaningful

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	Group					
	2008 2Q	2007 2Q	Change (%)	2008 1H	2007 1H	Change %
Profit before taxation is arrived <u>at after charging/(crediting) the following:</u>						
(A) Interest on borrowings	1,176	1,357	-13%	2,300	2,751	-16%
(B) Depreciation and amortisation	998	867	15%	1,937	1,636	18%
(C) (Writeback of)/allowance for doubtful debts and bad debts	(188)	114	N.M.	23	214	-89%
(D) Foreign exchange (gain)/loss	(802)	(333)	N.M.	(308)	303	N.M.
(E) Changes in fair value of financial instruments	-	462	N.M.	-	362	N.M.
(F) Loss/(gain) on disposal of plant and equipment	3	-	N.M.	3	(10)	N.M.

N.M. – Not meaningful

Note 1

S\$'000	Group					
	2008 2Q	2007 2Q	Change (%)	2008 1H	2007 1H	Change (%)
Rental income	100	110	-9%	207	156	33%
Commission income	12	1	N.M.	44	17	N.M.
Miscellaneous income	(80)	117	N.M.	91	217	-58%
Net exchange gain/(loss)	802	(129)	N.M.	308	(665)	N.M.
Miscellaneous income	834	99	N.M.	650	(275)	N.M.
Finance income	318	249	28%	546	679	-20%
Other operating income	1,152	348	N.M.	1,196	404	N.M.

N.M. – Not meaningful

Note 2

S\$'000	Group					
	2008 2Q	2007 2Q	Change (%)	2008 1H	2007 1H	Change (%)
(Writeback of)/allowance for doubtful debts and bad debts	(188)	114	N.M.	23	214	-89%
Miscellaneous expenses	-	56	N.M.	-	57	N.M.
Amortisation of intangible assets #	329	236	39%	656	366	80%
Loss/(gain) on disposal of plant and equipment	3	-	N.M.	3	(10)	N.M.
	144	406	N.M.	682	627	9%

N.M. – Not meaningful

The increase in amortisation of intangible assets was mainly due to the consolidation of ESPC inc, previously an associated company.

Note 3

The decrease in share of results of associated companies, net of tax was due to weak performance of eBworx Berhad, which provide credit and cash management software solutions to financial institutions.

Note 4

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	
	30-June-08 S\$'000	31-Dec-07 S\$'000	30-June-08 S\$'000	31-Dec-07 S\$'000
NON-CURRENT ASSETS				
Property, plant and equipment	12,350	12,902	180	222
Investment in subsidiaries	-	-	174,125	174,125
Associated companies	7,178	7,009	-	-
Other investment	190	190	190	190
Intangible assets	67,972	70,457	88	103
Deferred tax assets	3,967	3,993	17	17
CURRENT ASSETS				
Projects in progress (Note 5)	86,154	74,128	-	-
Stocks (Note 5)	8,707	9,412	-	-
Trade debtors (Note 5)	81,395	79,505	7,942	4,360
Other debtors and deposits	2,711	2,606	452	83
Prepayments	4,737	3,399	107	10
Amount due from subsidiary companies	-	-	53,959	48,233
Amount due from an associated company	254	6	-	-
Short-term deposits	2,603	8,771	-	-
Cash & bank balances	45,655	50,137	5,866	2,261
	232,216	227,964	68,326	54,947
CURRENT LIABILITIES				
Projects in progress (Note 5)	8,139	13,370	-	-
Trade creditors & accruals	54,166	63,514	1,754	5,230
Finance leases	176	199	-	-
Amount due to bankers	98,250	80,460	82,411	78,919
Amount due to subsidiary companies	-	-	45,724	25,157
Amount due to an associated company	-	2	-	-
Provision for warranties	2,099	1,570	-	-
Provision for taxation	3,881	3,354	233	325
	166,711	162,469	130,122	109,631
Net current assets/(liabilities)	65,505	65,495	(61,796)	(54,684)
NON-CURRENT LIABILITIES				
Deferred tax liabilities	(3,888)	(4,115)	-	-
Finance leases	(412)	(380)	-	-
Amounts due to bankers	(13,377)	(19,172)	(13,377)	(19,172)
	139,485	136,379	99,427	100,801
Equity attributable to equity holders of company				
Share capital	92,433	90,343	92,433	90,343
Revenue reserve	62,861	54,545	6,717	9,774
Other reserves	249	653	249	653
Foreign currency translation reserve	(16,058)	(9,176)	28	31
Total Shareholders' Fund	139,485	136,365	99,427	100,801
Minority interest	-	14	-	-
	139,485	136,379	99,427	100,801

Note 5

The billing cycle turnover period comprising Stocks, Net Project-in-progress, Unbilled Receivables and Trade Debtors as of 30 June 2008 reduced to 144 days from 146 days as of 31 March 2008 but increased from 137 days as at 30 June 2007.

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 30 June 2008		As at 31 Dec 2007	
Secured	Unsecured	Secured	Unsecured
NIL	\$98,426,000	NIL	\$80,659,000

Amount repayable after one year

As at 30 June 2008		As at 31 Dec 2007	
Secured	Unsecured	Secured	Unsecured
NIL	\$13,789,000	NIL	\$19,552,000

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.

S\$'000	1.4.2008 to 30.6.2008	1.4.2007 to 30.6.2007	1.1.2008 to 30.6.2008	1.1.2007 to 30.6.2007
<u>CASH FLOWS FROM OPERATING ACTIVITIES :-</u>				
Profit before taxation	18,609	14,182	34,932	26,270
Adjustments for :-				
Depreciation for fixed assets	670	631	1,280	1,270
Amortisation of intangible assets	328	236	657	366
Loss/(gain) on disposal of plant and equipment	3	-	3	(10)
Share of results of associated companies	(70)	(244)	(180)	(430)
Changes in fair value of financial instruments	-	462	-	362
Share based payment expenses	-	(5)	-	(5)
Interest expense	1,176	1,357	2,300	2,751
Interest income	(318)	(249)	(546)	(679)
Currency realignment	(1,617)	513	(4,309)	122
Operating profit before reinvestment in working capital	18,781	16,883	34,137	30,017
Decrease/(increase) in debtors	5,606	(5,928)	(3,332)	2,105
Increase in projects-in-progress, net and stocks	(7,034)	(4,174)	(16,552)	(2,337)
(Decrease)/increase in creditors	(2,223)	1,766	(8,779)	(10,364)
Cash generated from operations	15,130	8,547	5,474	19,421
Interest paid	(1,176)	(1,357)	(2,300)	(2,751)
Interest received	318	249	546	679
Income tax paid	(7,073)	(3,812)	(8,541)	(8,092)
Net cash generated from/(used in) operating activities	7,119	3,627	(4,821)	9,257
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
(Advance to)/repayment from associated companies	(55)	-	(250)	19
Repayment of balance purchase consideration of subsidiary	-	-	-	(30,706)
Purchase of property, plant and equipment	(494)	(886)	(1,329)	(1,517)
Proceeds from sale of property, plant and equipment	36	53	36	108
Purchase of intangible assets	-	(505)	-	(690)
Net cash used in investing activities	(513)	(1,338)	(1,543)	(32,786)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>				
Proceeds from issuance of shares	1,447	1,179	1,474	1,346
Dividends paid to shareholders	(17,764)	(11,755)	(17,764)	(11,755)
Proceeds of short term loans from bankers	15,660	12,689	11,996	15,852
Proceeds of finance leasing obligations	12	37	8	6
Net cash (used in)/generated from financing activities	(645)	2,150	(4,286)	5,449
Net increase/(decrease) in cash and cash equivalents	6,041	4,439	(10,650)	(18,080)
Cash and cash equivalents at beginning of period	42,217	44,382	58,908	66,901
Cash and cash equivalents at end of period	48,258	48,821	48,258	48,821

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	Revenue Reserve	Other reserves	Translation reserve	Minority Interest	Total Equity
S\$'000						
At 1 January 2007	88,412	24,241	1,189	(5,455)	13	108,400
Foreign currency translation differences	-	-	-	(928)	-	(928)
Hedging of net investment	-	-	-	111	-	(111)
Net profit for the period	-	8,619	-	-	(13)	8,606
Transfer from Other Reserves-on exercise of share options	69	-	(69)	-	-	-
Issuance of ordinary share for cash	167	-	-	-	-	167
At 31 March 2007	88,648	32,860	1,120	(6,272)	-	116,356
Foreign currency translation differences	-	-	-	2,312	-	2,312
Hedging of net investment	-	-	-	(33)	-	(33)
Net profit for the period	-	10,490	-	-	3	10,493
Dividend for 2006 declared and paid	-	(11,755)	-	-	-	(11,755)
Transfer from Other Reserves-on exercise of share options	449	-	(449)	-	-	-
Cancellation of employee share options	-	-	(5)	-	-	(5)
Issuance of ordinary share for cash	1,179	-	-	-	-	1,179
At 30 June 2007	90,276	31,595	666	(3,993)	3	118,547
At 1 January 2008	90,343	54,545	653	(9,176)	14	136,379
Foreign currency translation differences	-	-	-	(4,560)	-	(4,560)
Net fair value changes of cashflow hedges	-	-	(857)	-	-	(857)
Hedging of net investment	-	-	-	(32)	-	(32)
Net profit for the period	-	12,074	-	-	(11)	12,063
Transfer from Other Reserves-on exercise of share options	11	-	(11)	-	-	-
Issuance of ordinary share for cash	27	-	-	-	-	27
At 31 March 2008	90,381	66,619	(215)	(13,768)	3	143,020
Foreign currency translation differences	-	-	-	(2,150)	-	(2,150)
Net fair value changes of cashflow hedges	-	-	1,069	-	-	1,069
Hedging of net investment	-	-	-	(140)	-	(140)
Net profit for the period	-	14,006	-	-	(3)	14,003
Dividend for 2007 declared and paid	-	(17,764)	-	-	-	(17,764)
Transfer from Other Reserves-on exercise of share options	605	-	(605)	-	-	-
Issuance of ordinary share for cash	1,447	-	-	-	-	1,447
At 30 June 2008	92,433	62,861	249	(16,058)	-	139,485

1(d)(i) continued

Company	Share capital	Revenue Reserve	Other reserves	Translation reserve	Total Equity
S\$'000					
At 1 January 2007	88,412	9,702	1,189	34	99,337
Foreign currency translation differences	–	–	–	5	5
Net profit for the period	–	(398)	–	–	(398)
Transfer from Other Reserves-on exercise of share options	69	–	(69)	–	–
Issuance of ordinary share for cash	167	–	–	–	167
At 31 March 2007	88,648	9,304	1,120	39	99,111
Foreign currency translation differences	–	–	–	(37)	(37)
Net profit for the period	–	2,454	–	–	2,454
Dividend for 2006 declared and paid	–	(11,755)	–	–	(11,755)
Transfer from Other Reserves-on exercise of share options	449	–	(449)	–	–
Cancellation of employee share options	–	–	(5)	–	(5)
Issuance of ordinary share for cash	1,179	–	–	–	1,179
At 30 June 2007	90,276	3	666	2	90,947
At 1 January 2008	90,343	9,774	653	31	100,801
Foreign currency translation differences	–	–	–	–	–
Net fair value changes of cashflow hedges	–	–	(857)	–	(857)
Net profit for the period	–	1,273	–	–	1,273
Transfer from Other Reserves-on exercise of share options	11	–	(11)	–	–
Issuance of ordinary share for cash	27	–	–	–	27
At 31 March 2008	90,381	11,047	(215)	31	101,244
Foreign currency translation differences	–	–	–	(3)	(3)
Net fair value changes of cashflow hedges	–	–	1,069	–	1,069
Net profit for the period	–	13,434	–	–	13,434
Dividend for 2007 declared and paid	–	(17,764)	–	–	(17,764)
Transfer from Other Reserves-on exercise of share options	605	–	(605)	–	–
Issuance of ordinary share for cash	1,447	–	–	–	1,447
At 30 June 2008	92,433	6,717	249	28	99,427

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.

During 2Q 2008, there was an issue of 4,094,000 ordinary shares in the capital of the Company arising from the exercise of options to subscribe for 4,085,000 and 9,000 of 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.

Other than the above mentioned, there were no other changes in the Company's share capital arising from rights 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 30 June 2008, there were unexercised options for 215,500 (31 December 2007 : 4,375,500) and 48,750 (31 December 2007: 57,750) 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.

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 30 June 2008	: 510,941,602
Number of shares as at 31 December 2007	: 506,772,602

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 Review Engagements 2400 (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 2007.

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:-

	2Q 2008	2Q 2007	1H 2008	1H 2007
Earnings 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	2.76	2.08	5.14	3.80
(b) On a fully diluted basis (detailing any adjustments made to the earnings).	2.75	2.06	5.11	3.75

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	506,847,602	502,652,861	506,772,602	502,652,861
Weighted average number of shares issued during the period	1,169,604	1,484,757	651,017	856,586
Adjusted weighted average number of shares	508,017,206	504,137,618	507,423,619	503,509,447

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	508,017,206	504,137,618	507,423,619	503,509,447
Weighted average number of unissued shares under share options adjusted for bonus issue	3,188,646	6,778,734	3,782,233	7,726,905
Number of shares that would have been issued at fair value under share options	(1,087,339)	(1,785,011)	(1,330,764)	(1,898,359)
Adjusted weighted average number of shares	510,118,513	509,131,341	509,875,088	509,337,993

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:-

	30 June 2008		31 December 2007	
	Group	Company	Group	Company
Net asset value per ordinary share based on existing issued share capital (in cents)	27.30	19.46	26.91	19.89

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 cashflow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Performance

The Group recorded an increase in revenue of \$11.3 million (11.8%) to \$106.6 million in 2Q 2008 from \$95.3 million in 2Q 2007 and an increase in profit after tax by \$3.5 million (33.3%) to \$14.0 million in 2Q 2008 from \$10.5 million in 2Q 2007.

The delivery of higher labour content projects in the Americas had improved the operating margin in the region to 10.7% in 2Q 2008 from 9.1% in 2Q 2007. In the Europe/Middle East/Africa, the Group recorded a higher revenue but lower margin because it achieved more project milestones with lower labour content projects in 2Q 2008 as compared with 2Q 2007. The Asia-Pacific region recorded higher revenue, margin and profits as more project milestones are met in 2Q 2008 as compared with 2Q 2007.

Performance of Geographical Segments

S\$'000	2Q 2008	2Q 2007	Variance %	1H 2008	1H 2007	Variance %
Revenue						
Asia-Pacific	37,398	28,987	29.0%	69,610	49,532	40.5%
The Americas	36,594	39,126	-6.5%	77,068	75,588	2.0%
Europe/Middle East/Africa	32,558	27,199	19.7%	64,987	54,484	19.3%
Group	106,550	95,312	11.8%	211,665	179,604	17.9%
Profit after tax, amortisation and minority interest						
Asia-Pacific	6,159	3,231	90.6%	11,250	4,815	133.6%
The Americas	3,898	3,546	9.9%	7,511	6,840	9.8%
Europe/Middle East/Africa	3,949	3,713	6.4%	7,319	7,454	-1.8%
Group	14,006	10,490	33.5%	26,080	19,109	36.5%

For 2Q 2008, the geographical regions of Asia-Pacific, The Americas and Europe/Middle East/Africa contributed 35.1%, 34.3% and 30.6% to revenue and 44.0%, 27.8% and 28.2% to profit after tax and minority interest respectively.

Performance of Business Segments

S\$'000	2Q 2008	2Q 2007	Variance %	1H 2008	1H 2007	Variance %
Revenue						
Industrial	106,550	95,312	11.8%	211,665	179,604	17.9%
IT Consulting	-	-	-	-	-	-
Group	106,550	95,312	11.8%	211,665	179,604	17.9%
Profit after tax, amortisation and minority interest						
Industrial	13,936	10,132	37.5%	25,900	18,419	40.6%
IT Consulting	70	358	-80.4%	180	690	-73.9%
Group	14,006	10,490	33.5%	26,080	19,109	36.5%

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 operational cash inflow of \$7.2 million and cash outflow of \$4.8 million in 2Q 2008 and 1H 2008 respectively. CSE only expect to achieve billing milestones for two major projects in 2H 2008. At the end of the period, CSE's net gearing was 0.45 times.

Orders

\$'000	Industrial Business
Q2 2008 order book in	102,998
Outstanding orders at the end of 2Q 2008	319,348

In 2Q 2008, CSE received \$103.0 million new orders, bringing the total new orders received for 1H 2008 to \$225.5 million and the outstanding orders as at end of 2Q 2008 was \$319.3 million.

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 significant trends and 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. Taking into account the outstanding orders of \$319.3 million as at end of 2Q FY2008 and the high level of activities for its existing markets, CSE remains confident as expressed in our last quarterly announcement that its performance for FY2008 will be better than FY2007.

11. Dividend:-

(a) Current financial period reported on

Name of Dividend	Interim Dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	1 cent per ordinary share
Tax rate	Tax-exempt (one-tier)

(b)Corresponding Period of the Immediate Preceding Financial Year

Not applicable

(c) Date dividend is payable

The recommended interim tax-exempt (one-tier) dividend of 1 cent per ordinary share will be paid on 10 September 2008.

(d) Book closure date

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 2 September 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 p.m. on 1 September 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 the business or geographical segments.

Not applicable.

15. A breakdown of sales as follows:-

S\$'000	Group			
	2008	2007	Variance	Variance (%)
Turnover report for first half of the year	211,665	179,604	32,061	17.9
Profit before tax reported for the first half of the year	34,932	26,270	8,662	33.0
Turnover report for second half of the year	Not applicable	Not applicable	Not applicable.	Not applicable.
Profit/(Loss) before tax reported for the second half of the year	Not applicable	Not applicable	Not applicable.	Not applicable.

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. Interested person transactions

Not applicable.

18. Confirmation by the Board

We, Lim Ming Seong and Tan Mok Koon, being two directors of CSE Global Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the Second Quarter ended 30 June, 2008 financial statements to be false or misleading in any material aspect.

On behalf of the Board of Directors

Name: Lim Ming Seong
Designation : Chairman

Name: Tan Mok Koon
Designation : Managing Director

By order of the Board

Tan San-Ju
Company Secretary

14 Aug 2008