

CSE GLOBAL LTD

1H 2008 RESULTS BRIEFING

15 AUGUST 2008



Customer Satisfaction, **Everytime.**

2Q 2008 Highlights

- Revenue of S\$106.6M; 11.9% growth over 2Q2007
- GM was 37.7% (2Q07 : 33.4%; 1Q08 : 36.2%)
- PATMI of S\$14.0M; 33.4% above that of 2Q07
- New order totaling S\$103.0M (2Q07 : S\$100.6M; 1Q08 : S\$122.5M)
- Cash generation of S\$7.2M; versus S\$(12.0M) in 1Q08

2Q 2008 Results

S\$M

	<u>2Q2008</u>	<u>2Q2007</u>	<u>Variance (%)</u>
Revenue	106.6	95.3	11.9
GM (%)	37.7	35.7	2.0
G & A	21.6	19.8	9.1
PATMI	14.0	10.5	33.3
Net Margin (%)	13.1	11.0	2.1

1H 2008 Highlights

- Revenue increased 17.9% to S\$211.7M, over 1H2007
- GM was 37.0%, versus 36.3% in 1H2007
- PATMI was S\$26.1M, up by 36.6% over 1H2007
- EPS of 5.14 cents; 35.3% growth, over 1H2007
- ROE at 40.6%, up from 37.4% in 1H2007
- Net gearing at 45.4%; 8% increase versus end 1Q08 due to a dividends payout of S\$17.8M
- Net debt was S\$63.3M (1Q08 : S\$53.8M)
- Outstanding order of S\$319.3M (consisting of S\$61.3M of healthcare business)

1H 2008 Highlights

- The result could have been better, if not due to the strengthening in S\$;

<u>Exchange Rate</u>	<u>1H2008</u>	<u>1H2007</u>	<u>Revenue (%)</u>	<u>Profit (%)</u>
US\$	1.3851	1.5275	56.0	44.0
£	2.7275	3.0197	19.0	20.0
AU\$	1.2832	1.2405	12.0	8.0
€	2.1211	2.0329	3.0	2.0

Proforma Performance

<u>S\$M</u>	<u>1H2007</u>	<u>1H2008</u>	<u>Variance(%)</u>
Revenue	179.6	226.4	26.1 (17.9)
PATMI	19.1	27.6	44.5 (36.6)

1H 2008 Results

S\$M

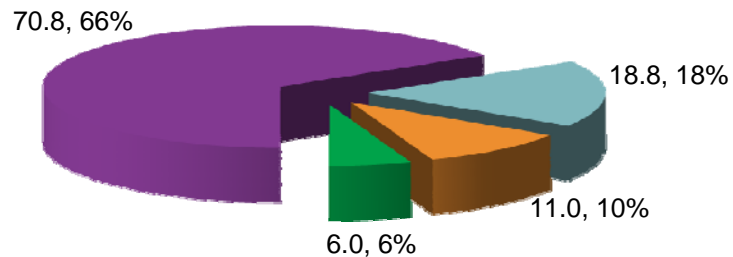
	<u>1H2008</u>	<u>1H2007</u>	<u>Variance (%)</u>
Revenue	211.7	179.6	17.9
GM(%)	37.0	36.3	0.7
G&A	43.4	38.9	11.6
PATMI	26.1	19.1	36.6
Net Margin(%)	12.3	10.6	1.7

1H 2008 Business Segments

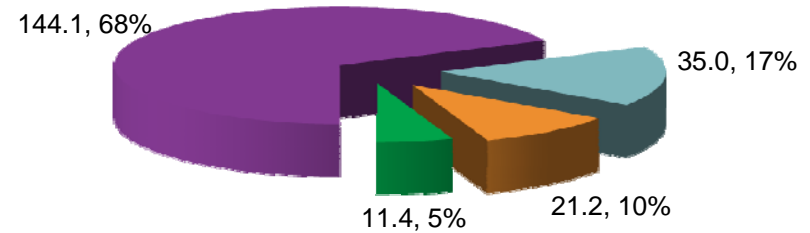
S\$M

- Business Segments : Control, Telecommunication, Electrical and Healthcare

2Q2008



1H2008

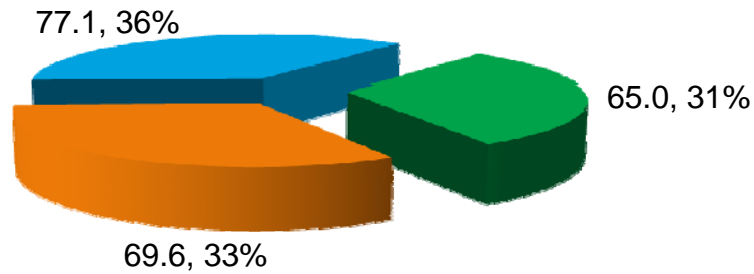


■ Control ■ Telecom ■ Electrical ■ Health

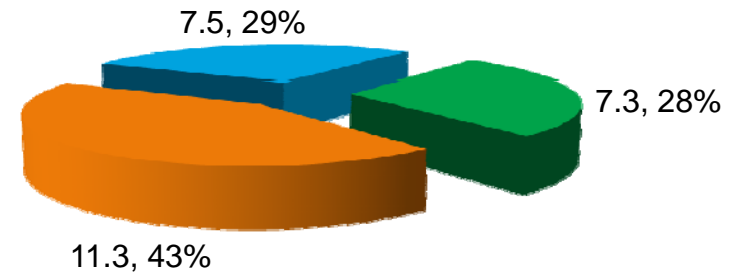
1H 2008 Geographical Segments

S\$M

REVENUE



PAT

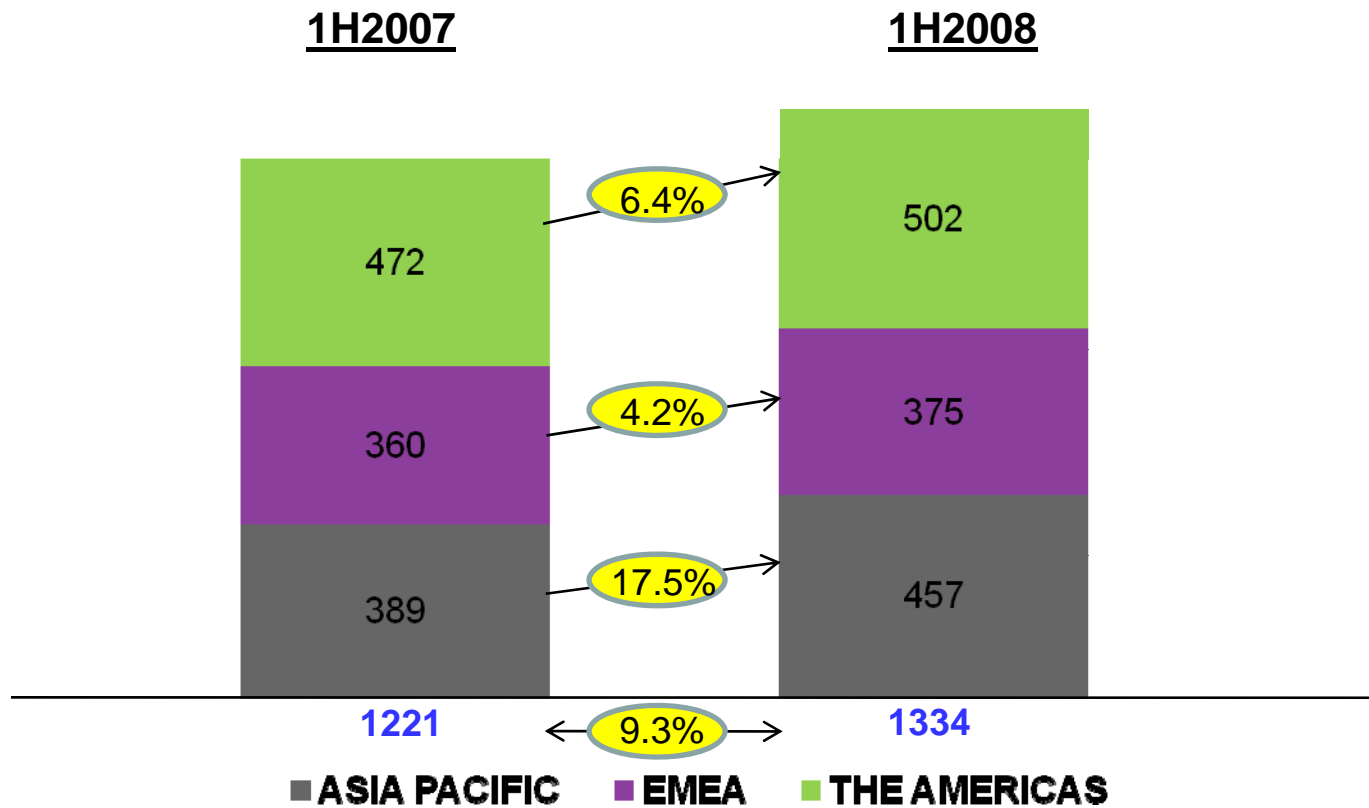


■ The Americas

■ EMEA

■ Asia Pacific

Human Resource Growth



1H 2008 Group Balance Sheet

S\$M

	<u>1H2008</u>	<u>1Q2008</u>
Cash at Hand & Bank	48.3	42.2
Project Net WIP	78.0	70.1
Receivable	81.4	87.9
Payable	54.2	57.5
Loan	111.6	96.0
Net Loan	63.3	53.8
Shareholder Fund	139.5	143.9

1H 2008 Group Cash Flow

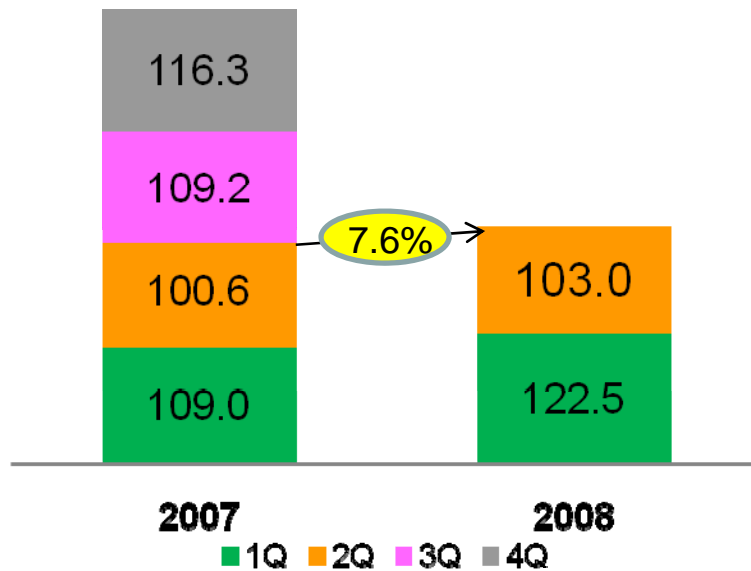
S\$M

	<u>2Q2008</u>	<u>1H2008</u>
As at beginning of the quarter/year	42.2	58.9
New Share Issue	1.4	1.5
Net additional investment in subsidiaries & associates	--	(0.2)
Net Operations	7.2	(4.8)
Capital Expenditure	(0.5)	(1.3)
Bank Loans	15.7	12.0
Dividends	(17.8)	(17.8)
As at end of the quarter	48.3	48.3

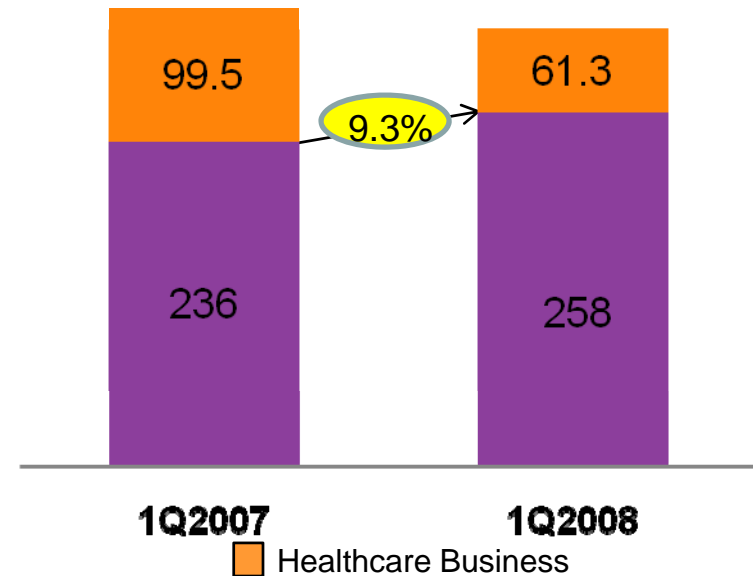
1H 2008 Orders

\$M

New Orders



Outstanding Orders



Business Environment

- Buoyant project activities in the hydrocarbon sector
 - Crude oil and natural gas price reached new heights before moderating
 - Major projects currently underway in the Middle East's hydrocarbon sector worth in excess of US\$300B, according to MEED (latest update – 7 May 2008)
 - There are at least 256 major new field or field expansion projects expected to begin production in the next few years in non-OPEC countries alone. Spare capacity is projected to rise from 2.5 million barrels a day in 2008, to more than 4 million a day in 2016 (*source : IEA*)
 - Demand squeezing LNG supply; global demand growth dominated by Atlantic Basin and strong competition from Asia. Supply/demand balance expects to remain tight to 2015 (*source : Poten & Partners*)

Business Environment

□ High activities in natural gas, LNG and FPSO projects

Arzew LNG Train (GL3Z)	- Algeria
Gassil Touil LNG plant	- Algeria
Hassi Messaoud gas oil separation plant	- Algeria
Rhourde Nouss gas plant	- Algeria
Angola LNG	- Angola
NLNG Seven Plus	- Nigeria (FID end 2008)
Brass LNG	- Nigeria (FID end 2008)
Donggi – Senoro LNG Plant	- Indonesia
Pazflor FPSO	- Angola
Plutao FPSO	- Angola
Usan FPSO	- Nigeria
Jubilee offshore FPSO	- Ghana
Chim Sao FPSO	- Vietnam

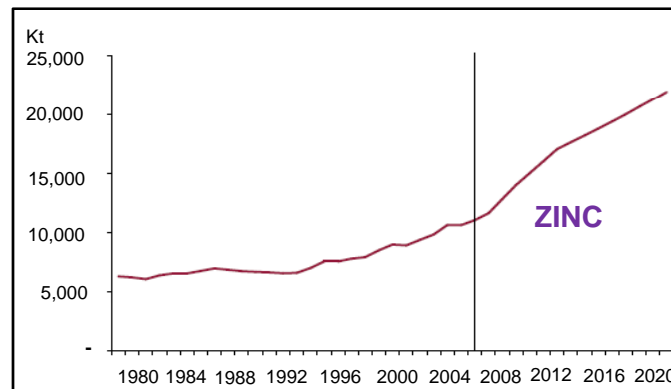
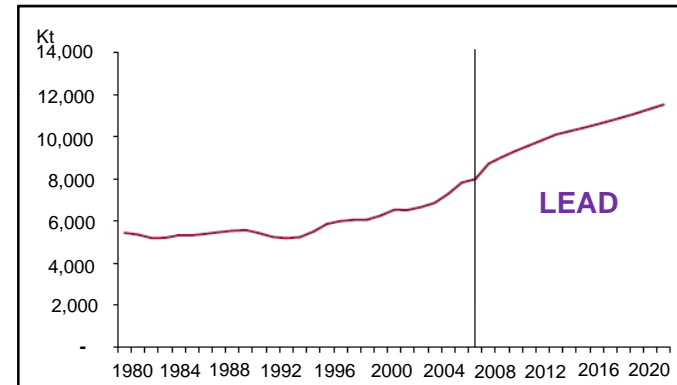
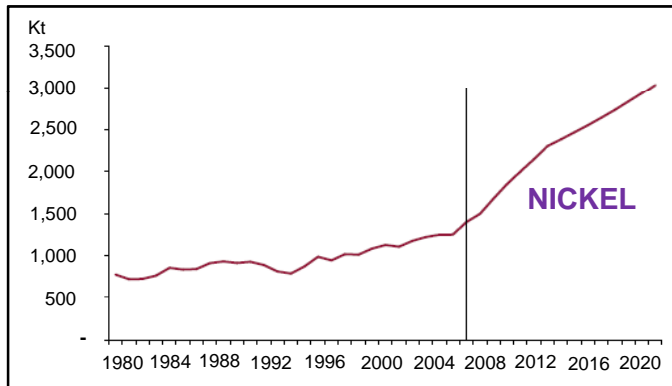
Business Environment

- Global industrial commodities demand is speeding up
 - The emerging economies lead to increasing demand for base metals such as aluminum, copper, nickel, zinc, lead and steel, which are key inputs into manufacturing goods and large scale infrastructure projects
 - Australia must address capacity constraints, or risk losing further share of the global mineral market

Source : The Mineral Council of Australia

Business Environment

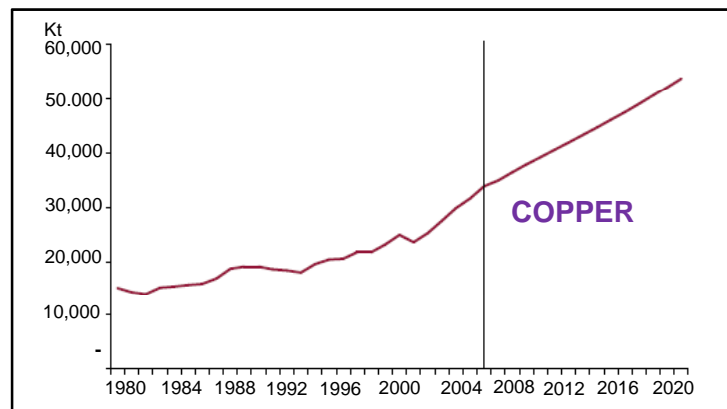
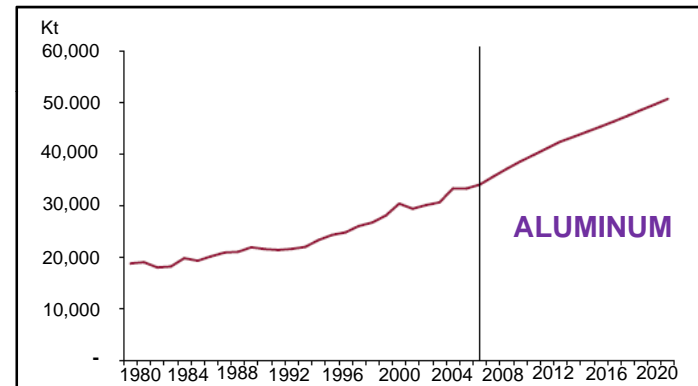
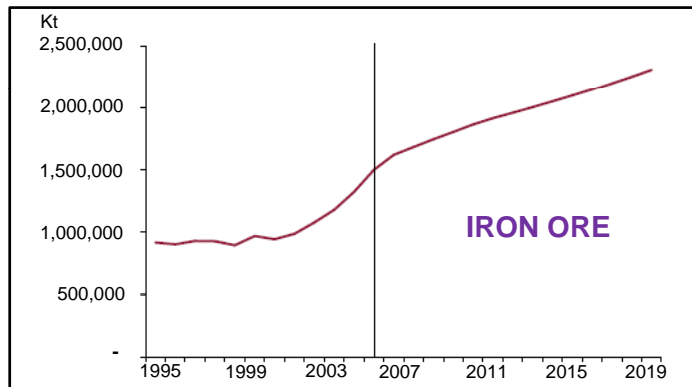
Global Industrial Commodity demand



Source : The Mineral Council of Australia

Business Environment

Global Industrial Commodity demand



Source : The Mineral Council of Australia

Business Environment

- UK healthcare opportunities
 - The UK government has terminated the Fujitsu contract. No single prime contractor may be appointed; instead the Southern Region may be split between BT and CSC
 - CSE-Servelec has been included in Lot 2 of the NHS Additional Supply Capability and Capacity (ASCC) Framework, which is as follows :

1. Patient Administration System (PAS)	8. Screening Surveillance
2. Community Service Services	9. Integrated Care Pathway and Care Planning
3. Mental Health	10. Decision Support
4. Child Health Services	11. Diabetes
5. Order Communications and Results Reporting	12. Health Care Professional Services
6. ePrescribing Systems	13. Elderly Care Services
7. Social Care	

Outlook

- Despite the more challenging business environment, we are on track to deliver another good performance in FY08
- We see many good projects to secure and M&A opportunities, all of which will strengthen our business and path for a good start in FY09

Interim Dividend

- Interim Dividend per share : 1.0 cents
- Date of Book Closure : 2 Sep 2008
- Date of payment : 10 Sep 2008