

Third Quarter Financial Statement And Dividend Announcement For The Period Ended 30 September 2009

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					
	2009 3Q	2008 3Q	Change (%)	2009 9M	2008 9M	Change (%)
Revenue	101,729	116,032	-12%	292,300	327,697	-11%
Cost of sales	(66,920)	(73,028)	-8%	(181,649)	(206,398)	-12%
Gross profit	34,809	43,004	-19%	110,651	121,299	-9%
Other operating income (Note 1)	2,465	(1,955)	N.M.	1,605	(759)	N.M.
Other operating expenses						
Administrative costs	(18,170)	(18,461)	-2%	(56,770)	(56,831)	1%
Selling and distribution costs	(1,534)	(1,585)	-3%	(4,217)	(4,844)	-13%
Other operating costs (Note 2)	(353)	(267)	32%	(1,055)	(949)	11%
Finance costs (Note 3)	(1,502)	(1,340)	12%	(4,969)	(3,768)	32%
Share of results of associated companies, net of tax	4	62	-94%	55	242	-77%
Total Expenses	(21,555)	(21,591)	-0%	(66,956)	(66,150)	1%
Profit from continuing operations before taxation	15,719	19,458	-19%	45,300	54,390	-17%
Taxation (Note 4)	(3,742)	(5,228)	-28%	(13,193)	(14,095)	-6%
Profit from continuing operations after taxation	11,977	14,230	-16%	32,107	40,295	-20%
Attributable to :-						
Equity holders of the Company	12,013	14,221	-16%	32,188	40,301	-20%
Minority interest	(36)	9	N.M.	(81)	(6)	N.M.
	11,977	14,230	-16%	32,107	40,295	-20%

Consolidated statement of comprehensive income for the third quarter ended 30 September 2009

S\$'000	Group					
	2009 3Q	2008 3Q	Change (%)	2009 9M	2008 9M	Change (%)
Profit, net of tax	11,977	14,230	-16%	32,107	40,295	-20%
Other comprehensive income :						
Foreign currency translation	(1,833)	770	N.M	2,200	(6,112)	N.M
Cashflow hedges	-	(6,068)	N.M	-	(5,856)	N.M
Other comprehensive income for the period, net of tax	(1,833)	(5,298)		2,200	(11,968)	
Total comprehensive income for the period	10,144	8,932	14%.	34,307	28,327	21%.
Total comprehensive income attributable to :-						
Equity holders of the Company	10,180	8,923	14%	34,388	28,333	21%
Minority interest	(36)	9	N.M	(81)	(6)	N.M
	10,144	8,932	14%	34,307	28,327	21%

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					
	2009 3Q	2008 3Q	Change (%)	2009 9M	2008 9M	Change %
Profit before taxation is arrived <u>at after charging/(crediting) the following:</u>						
(A) Interest on borrowings (Note 3)	1,216	1,251	-3%	4,319	3,551	22%
(B) Depreciation and amortization	1,008	973	4%	2,987	2,910	3%
(C) (Write back) / allowance for doubtful debts and bad debts	1	(27)	N.M.	41	(4)	N.M.
(D) Foreign exchange (gain)/loss	(1,985)	2,506	N.M.	(267)	2,198	N.M.
(E) Changes in fair value of financial instruments	-	-	N.M.	-	-	N.M.
(F) Impairment of investment, net	-	(39)	N.M.	-	(39)	N.M.
(G) Gain on sales of plant and equipment	-	-	N.M.	4	3	N.M.

N.M. – Not meaningful

Note 1

S\$'000	Group					
	2009 3Q	2008 3Q	Change (%)	2009 9M	2008 9M	Change (%)
Rental income	108	105	3%	308	312	-1%
Commission income	14	10	40%	37	54	-31%
Miscellaneous income	294	165	N.M.	763	256	N.M.
Net exchange gain / (loss)	1,985	(2,506)	N.M.	267	(2,198)	N.M.
Miscellaneous income	2,401	(2,226)	N.M.	1,375	(1,576)	N.M.
Finance income	64	271	-76%	230	817	-72%
Other operating income	2,465	(1,955)	N.M.	1,605	(759)	N.M.

N.M. – Not meaningful

Note 2

S\$'000	Group					
	2009 3Q	2008 3Q	Change (%)	2009 9M	2008 9M	Change (%)
Allowance for doubtful debts and bad debts/(written back)	1	(27)	N.M.	41	(4)	N.M.
Miscellaneous expenses	19	(3)	N.M.	19	(3)	N.M.
Stock obsolescence	3	-	N.M.	3	-	N.M.
Amortisation of intangible assets #	330	336	-1%	988	992	0%
Impairment of investment, net	-	(39)	N.M.	-	(39)	N.M.
(Gain)/loss on disposal of plant and equipment	-	-	N.M.	4	3	N.M.
	353	267	N.M.	1,055	949	N.M.

N.M. – Not meaningful

Note 3

The increase in finance costs for 3Q 2009 was mainly due to increase in bank charges compared with 3Q 2008. The increase in finance costs for 9M 2009 was mainly due to additional loan drawdown compared with 9M 2008 and increase in interest rate.

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-Sept-09 S\$'000	31-Dec-08 S\$'000	30-Sept-09 S\$'000	31-Dec-08 S\$'000
NON-CURRENT ASSETS				
Property, plant and equipment	13,299	12,669	72	136
Investment in subsidiaries	-	-	194,659	192,702
Associated companies	7,338	7,283	-	-
Other investment	190	190	190	190
Intangible assets	69,755	67,775	51	73
Deferred tax assets	4,859	4,225	189	26
CURRENT ASSETS				
Projects in progress (Note 5)	68,883	88,720	-	-
Stocks (Note 5)	14,273	11,922	-	-
Trade & other debtors (Note 5)	74,030	96,857	4,570	6,612
Prepayments	4,911	3,927	1,520	7
Amount due from subsidiary companies	-	-	42,808	45,482
Amount due from an associated company	638	717	-	-
Short-term deposits	2,055	3,696	-	-
Cash & bank balances	61,011	38,943	1,260	999
	225,801	244,782	50,158	53,100
CURRENT LIABILITIES				
Projects in progress (Note 5)	15,128	18,956	-	-
Trade creditors & accruals	51,639	66,767	3,992	10,682
Finance leases	207	177	-	-
Amount due to bankers	51,219	117,431	51,219	102,965
Amount due to subsidiary companies	-	-	31,133	53,946
Amount due to an associated company	80	77	-	-
Provision for warranties	1,604	1,582	-	-
Provision for taxation	2,330	8,825	-	301
	122,207	213,815	86,344	167,894
Net current assets/(liabilities)	103,594	30,967	(36,186)	(114,794)
NON-CURRENT LIABILITIES				
Deferred tax liabilities	(3,529)	(3,672)	-	-
Finance leases	(497)	(398)	-	-
Amounts due to bankers	(66,642)	(10,777)	(66,642)	(10,777)
	<u>128,367</u>	<u>108,262</u>	<u>92,333</u>	<u>67,556</u>
Equity attributable to equity holders of company				
Share capital	92,498	92,498	92,498	92,498
Treasury Share	(28,043)	(28,043)	(28,043)	(28,043)
Accumulated profits	97,892	79,985	27,878	3,093
Other reserves	(33,992)	(36,192)	-	8
Total Shareholders' Fund	128,355	108,248	92,333	67,556
Minority interest	12	14	-	-
	<u>128,367</u>	<u>108,262</u>	<u>92,333</u>	<u>67,556</u>

Note 5

The billing cycle turnover period comprising Stocks, Net Project-in-progress and Trade Debtors was reduced from 154 days as at 30 June 2009 and from 140 days as at 30 September 2008 to 128 days as at 30 September 2009. The reduction in Net Project-in progress was due to the meeting of billing milestones. The reduction in Trade Debtors was due to the receipt of payments from customers in accordance with their credit terms.

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 Sept 2009		As at 31 Dec 2008	
Secured	Unsecured	Secured	Unsecured
NIL	\$51,219,000	NIL	\$117,431,000

Amount repayable after one year

As at 30 Sept 2009		As at 31 Dec 2008	
Secured	Unsecured	Secured	Unsecured
NIL	\$66,642,000	NIL	\$10,777,000

In July 2009, CSE refinanced its short-term borrowing with a US\$50 million 3 years facility from DBS Bank Ltd, Oversea-Chinese Banking Corporation Limited, The Hongkong and Shanghai Banking Corporation Limited and United Overseas Bank Limited.

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	1.7.2009 to 30.9.2009	1.7.2008 to 30.9.2008	1.1.2009 to 30.9.2009	1.1.2008 to 30.9.2008
<u>CASH FLOWS FROM OPERATING ACTIVITIES :-</u>				
Operating profit before taxation	15,720	19,458	45,301	54,390
Adjustments for :-				
Depreciation for fixed assets	679	638	1,999	1,918
Amortisation of intangible assets	330	335	988	992
Share of Minority Interest in newly incorporated company	-	-	79	-
Loss on disposal of plant and equipment	-	-	4	3
Share of results of associated companies	(4)	(62)	(55)	(242)
Changes in fair value of financial instruments	(1,650)	-	(3,208)	-
Interest expense	1,215	1,251	4,319	3,551
Interest income	(64)	(271)	(230)	(817)
Currency realignment	(1,634)	1,274	534	(744)
Operating profit before reinvestment in working capital	14,592	22,623	49,731	59,051
Decrease/(increase) in debtors	31,946	(1,428)	21,842	(4,760)
Increase in projects-in-progress, net and stocks	(7,287)	(6,091)	13,658	(22,643)
(Decrease)/increase in creditors	(9,481)	10,401	(14,415)	1,622
Cash generated from operations	29,770	25,505	70,816	33,270
Interest paid	(1,215)	(1,251)	(4,319)	(3,551)
Interest received	64	271	230	817
Income tax paid	(7,468)	(4,736)	(20,466)	(13,277)
Net cash generated from operating activities	21,151	19,789	46,261	17,259
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
(Advance to)/repayment from associated companies	(150)	(120)	83	(370)
Acquisition of subsidiaries, net of cash	-	(2,210)	-	(2,210)
Purchase of property, plant and equipment	(932)	(460)	(2,448)	(1,789)
Proceeds from sale of property, plant and equipment	70	-	105	36
Purchase of intangible assets	70	(16)	70	(16)
Net cash used in investing activities	(942)	(2,806)	(2,190)	(4,349)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>				
Proceeds from issuance of shares	-	-	-	1,474
Proceeds used for share buy-back	-	(14,326)	-	(14,326)
Dividends paid to shareholders	-	(5,049)	(14,281)	(22,813)
Proceeds from/(repayment) of short term loans from bankers	(65,017)	(1,197)	(66,212)	10,799
Proceeds from long term loans from bankers	55,864	-	55,864	-
Proceeds from/(repayment) of finance leasing obligations	40	(17)	130	(9)
Net cash used in financing activities	(9,113)	(20,589)	(24,499)	(24,875)
Net effect of exchange rate changes on cash and cash equivalents	(500)	80	855	(2,210)
Net increase/(decrease) in cash and cash equivalents	11,096	(3,606)	19,572	(11,965)
Cash and cash equivalents at beginning of period	52,470	48,259	42,639	58,908
Cash and cash equivalents at end of period	63,066	44,733	63,066	44,733

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	—Attributable to equity holders of the Company —					Minority Interest	Total Equity
	Share Capital	Treasury shares	Accumulated profits	Other reserves	Total		
S\$'000							
At 1 January 2008	90,343	—	54,545	(8,523)	136,365	14	136,379
Total comprehensive income for 1half 2008	—	—	26,080	(6,670)	19,410	(14)	19,396
Dividend for 2007 declared and paid	—	—	(17,764)	—	(17,764)	—	(17,764)
Transfer from Other Reserves-on exercise of share options	616	—	—	(616)	—	—	—
Issuance of ordinary share for cash	1,474	—	—	—	1,474	—	1,474
At 30 June 2008	92,433	—	62,861	(15,809)	139,485	—	139,485
Total comprehensive income for 3 rd quarter	—	—	14,221	(5,298)	8,923	7	8,930
Dividend for 2008 declared and paid	—	—	(5,049)	—	(5,049)	—	(5,049)
Buy-back of ordinary share at cash	—	(14,326)	—	—	(14,326)	—	(14,326)
At 30 September 2008	92,433	(14,326)	72,033	(21,107)	129,033	7	129,040
At 1 January 2009	92,498	(28,043)	79,985	(36,192)	108,248	14	108,262
Total comprehensive income for 1half 2009	—	—	20,175	4,033	24,208	(45)	24,163
Minority interest in newly incorporated company	—	—	—	—	—	79	79
Dividend for 2008 declared and paid	—	—	(14,281)	—	(14,281)	—	(14,281)
At 30 June 2009	92,498	(28,043)	85,879	(32,159)	118,175	48	118,223
Total comprehensive income for 3 rd quarter	—	—	12,013	(1,833)	10,180	(36)	10,144
At 30 September 2009	92,498	(28,043)	97,892	(33,992)	128,355	12	128,367

1(d)(i) continued

Company	Share capital	Treasury shares	Accumulated profits	Other reserves	Total Equity
S\$'000					
As at 1 January 2008	90,343	–	9,774	684	100,801
Total comprehensive income for 1 st half 2008	–	–	14,707	209	14,916
Dividend for 2007 declared and paid	–	–	(17,764)	–	(17,764)
Transfer from Other Reserves-on exercise of share options	616	–	–	(616)	–
Issuance of ordinary share for cash	1,474	–	–	–	1,474
At 30 June 2008	92,433	–	6,717	277	99,427
Total comprehensive income for 3rd quarter	–	–	3,812	(6,083)	(2,271)
Dividend for 2008 declared and paid	–	–	(5,049)	–	(5,049)
Buy-back of ordinary share at cash	–	(14,326)	–	–	(14,326)
At 30 September 2008	92,433	(14,326)	5,480	(5,806)	77,781
At 1 January 2009	92,498	(28,043)	3,093	8	67,556
Total comprehensive income for 1 st half 2009	–	–	11,522	(8)	11,514
Dividend for 2008 declared and paid	–	–	(14,281)	–	(14,281)
At 30 June 2009	92,498	(28,043)	334	–	64,789
Total comprehensive income for 3 rd quarter	–	–	27,544	–	27,544
At 30 September 2009	92,498	(28,043)	27,878	–	92,333

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.

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

The Company currently does not have a share option plan. There were no unexercised options on 31 December 2008 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.

Treasury Shares

There were 35,022,000 shares held as treasury shares as at 30 September 2009.

1(d)(iii) To show the total number of issued shares, excluding treasury shares at the end of the current financial period and as at the end of the immediately preceding year

Number of shares as at 30 September 2009	: 476,045,852
Number of shares as at 31 December 2008	: 476,045,852

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation 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 auditing standard or practice

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 2008.

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

	3Q 2009	3Q 2008	9M 2009	9M 2008
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	2.51	2.83	6.74	7.95
(b) On a fully diluted basis (detailing any adjustments made to the earnings).	2.51	2.76	6.74	7.72
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	476,045,852	506,847,602	476,045,852	506,772,602
Weighted average number of shares issued during the period	–	1,201,391	–	1,836,564
Weighted average number of shares buy-back during the period	–	(5,522,609)	–	(1,861,099)
Adjusted weighted average number of shares	476,045,852	502,526,384	476,045,852	506,748,067
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	476,045,852	502,526,384	476,045,852	506,748,067
Weighted average number of unissued shares under share options	–	3,156,859	–	2,596,686
Weighted average number of treasury shares	–	9,797,391	–	13,458,901
Number of shares that would have been issued at fair value under share options	–	(102,492)	–	(933,078)
Adjusted weighted average number of shares	476,045,852	515,378,142	476,045,852	521,870,576

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 (a) current financial period reported on; and (b) immediately preceding financial year :-

	30 September 2009		31 December 2008	
	Group	Company	Group	Company
Net asset value per ordinary share based on existing issued share capital (in cents)	26.96	19.40	22.74	14.29

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 a decrease in revenue of 12.3% (\$14.3 million) to \$101.7 million in 3Q 2009 from \$116.0 million in 3Q 2008 and a decrease in profit after tax of 15.5% (\$2.2 million) to \$12.0 million in 3Q 2009 from \$14.2 million in 3Q 2008.

The decline in revenue and profits for 3Q 2009 and 9M 2009 compared with 3Q 2008 and 9M 2008 in Asia-Pacific region was due to a weaker South East Asia market. The Group has recorded an increase in finance cost of \$0.2 million and \$1.2 million for 3Q 2009 and 9M 2009 compared with 3Q 2008 and 9M2008 respectively.

The Americas region showed a decline in revenue and profits for 3Q 2009 and 9M 2009 compared with 3Q 2008 and 9M 2008 as the upstream oil & gas market in the Gulf of Mexico remained weak and the Group recorded an operating expense of \$0.2 million and \$0.5 million for 3Q 2009 and 9M 2009 respectively for the new marketing office in USA for its RTU products under the Americas. Prior to the set-up of this office, it had accounted in the previous quarters marketing expenses related to USA as part of the global marketing costs for its RTU products under Europe/Middle East/Africa.

Europe/Middle East/Africa region recorded an increase in revenue but a decrease in profits for 3Q 2009 compared with 3Q 2008 due to lower engineering content in the projects for the Middle East/Africa in 3Q 2009 compared with 3Q 2008.

Performance of Geographical Segments

S\$'000	3Q 2009	3Q 2008	Variance %	9M 2009	9M 2008	Variance %
Revenue						
Asia-Pacific	34,313	39,777	-13.7%	94,125	109,387	-14.0%
The Americas	29,720	39,024	-23.8%	103,603	116,092	-10.8%
Europe/Middle East/Africa	37,696	37,231	1.2%	94,572	102,218	-7.5%
Group	101,729	116,032	-12.3%	292,300	327,697	-10.8%
Profit after tax, amortization and minority interest						
Asia-Pacific	4,972	5,392	-7.8%	12,024	16,642	-27.7%
The Americas	1,855	3,190	-41.8%	8,278	10,701	-22.6%
Europe/Middle East/Africa	5,186	5,639	-8.0%	11,886	12,958	-8.3%
Group	12,013	14,221	-15.5%	32,188	40,301	-20.1%

For 3Q 2009, the geographical regions of Asia-Pacific, The Americas and Europe/Middle East/Africa contributed 33.7%, 29.2% and 37.1% to revenue and 41.4%, 15.4% and 43.2% to profit after tax and minority interest respectively.

For 9M 2009, the geographical regions of Asia-Pacific, The Americas and Europe/Middle East/Africa contributed 32.2%, 35.4% and 32.4% to revenue and 37.4%, 25.7% and 36.9% to profit after tax and minority interest respectively.

Performance of Business Segments

S\$'000	3Q 2009	3Q 2008	Variance %	9M 2009	9M 2008	Variance %
Revenue						
Industrial	101,729	116,032	-12.3%	292,300	327,697	-10.8%
IT Consulting	-	-	-	-	-	-
Group	101,729	116,032	-12.3%	292,300	327,697	-10.8%
Profit after tax, amortisation and minority interest						
Industrial	12,013	14,159	-15.2%	32,110	40,059	-19.8%
IT Consulting	-	62	-100.0%	78	242	-67.8%
Group	12,013	14,221	-15.5%	32,188	40,301	-20.1%

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

For 3Q 2009, CSE's IBU division contributed \$101.7 million to revenue and \$12.0 million to profit after tax and minority interest respectively.

For 9M 2009, CSE's IBU division contributed \$292.3 million to revenue and \$32.2 million to profit after tax and minority interest respectively.

Liquidity and Capital Resources

CSE generated operational cash inflow of \$21.2 million and cash inflow of \$46.3 million in 3Q 2009 and 9M 2009 respectively. At the end of the period, CSE's improved its net gearing to 0.43 times from 0.79 times at end of 2008.

Orders

\$'000	Industrial Business
3Q 2009 order book in	154,452
Outstanding orders at the end of 3Q 2009	376,007

In 3Q 2009, CSE received \$154.5 million new orders, bringing the total new orders received for 9M 2009 to \$398.8 million and the outstanding orders as at end of 3Q 2009 was \$376.0 million (comprising S\$261.8 million of outstanding orders for Oil & Gas, Infrastructure and Mineral & Mining and S\$114.2 million of outstanding orders for Healthcare).

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 significant trends and 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.

In 3Q 2009, CSE had received several orders from the upstream oil & gas market. However it expects the upstream oil & gas market to remain difficult and challenging. CSE anticipates that the business environment for the downstream oil & gas and infrastructure markets to remain positive. In light of the uncertain environment, CSE will continue to focus on streamlining and improving its business processes and operations, cost control and cash flow generation to position itself to meet any future challenges as well as to capitalize on opportunities to enhance its operations.

Taking into account the outstanding orders as at end of 3Q FY2009 of \$376.0 million, CSE remains confident that it will be profitable for 4Q FY2009 and FY2010.

11. Dividend:-

(a) Current financial period reported on

No interim ordinary dividend has been declared or recommended during the current financial period or the previous corresponding financial period.

(b) Corresponding Period of the Immediately Preceding Financial Year

Not applicable

(c) Date dividend is payable

Not applicable

(d) Book closure date

Not applicable.

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.
- g. Designs and installs high temperature thermal process and incineration systems
- h. Supplies multiple hearth, fluidized bed, shaft kiln and rotary kiln furnace systems usually on an installed basis, to municipal and industrial clients in the United States, Asia, Europe and South America.

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

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 Third Quarter ended 30 September, 2009 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

13 November 2009