

## First Quarter Financial Statement and Dividend Announcement for the period ended 31 March 2012

### Key Financial Performance

SS'000	1Q 2012	1Q 2011	Change
Revenue	134,727	102,624	31.3%
Profits attributable to owners of the Company	12,604	12,548	0.4%
Basic earnings per ordinary share (in cents)	2.44	2.43	0.4%
Net asset value per ordinary share (in cents)	41.43	40.55	2.2%
Net cash generated from operating activities	8,180	4,567	N.M.
Net gearing (%)	30.2	14.3	15.9%
New orders received	85,882	104,838	-18.1%
Outstanding orders	398,324	391,662	1.7%

### Review of Performance

The Group recorded an increase in profit after tax of S\$12.6 million in 1Q12, compared to S\$12.5 million for 1Q11 and S\$9.5 million for 4Q 2011. CSE achieved breakeven at EBIT in 1Q12 for its telecommunication division. The Group's revenue is 31.3% higher in 1Q12 when compared to 1Q11.

The gross margin for 1Q12 of 31.4% had declined from 1Q11 of 40.9% and 36.4% for the full year of 2011 due to the recognition of S\$9.0 million of zero margin revenue arising from telecommunications projects in the Middle East (announced previously) and a higher proportion of greenfield revenue recognition (new installations), in particular, from the high level of activity for the on-shore projects in the USA and the reduction in recognition of license contribution for Healthcare projects in UK as compared to 1Q11.

Basic earnings per ordinary share of 2.44 cents were 0.4% higher compared with 2.43 cents in 1Q11. New orders received for the quarter of S\$85.9 million were a combination of small greenfield projects and brownfield orders. Outstanding orders at the end of 1Q12 were a healthy S\$398.3 million, 1.7% increase over that of 1Q11. The Group generated operating cash inflow of S\$8.2 million in 1Q12 and improved Group net gearing to 30.2% at the end of 1Q12 from 34.3% at the end of 4Q11.

### Performance of Geographical Segments

SS'000	1Q 2012	1Q 2011	Change
<b>Revenue</b>			
Asia-Pacific	32,695	35,440	-7.7%
The Americas	57,264	31,524	81.7%
Europe/Middle East/Africa	44,768	35,660	25.5%
<b>Group</b>	<b>134,727</b>	<b>102,624</b>	<b>31.3%</b>
<b>Profit after tax, amortization and non-controlling interests</b>			
Asia-Pacific	5,623	6,331	-11.2%
The Americas	3,433	2,493	37.7%
Europe/Middle East/Africa	3,548	3,724	-4.7%
<b>Group</b>	<b>12,604</b>	<b>12,548</b>	<b>0.4%</b>

In 1Q12, the geographical regions of Asia-Pacific, The Americas and Europe/Middle East/Africa contributed 24.3%, 42.5% and 33.2% to revenue and 44.6%, 27.2% and 28.2% to profit after tax, amortization and non-controlling interests respectively.

The decrease in revenue and profits for 1Q12 compared with 1Q11 in the Asia-Pacific region was due to lower revenue and profit recognition in Asia.

The Americas region showed an increase in revenue and profit for 1Q12 compared with 1Q11. This was due to higher level of activity and revenue recognition in 1Q12 from greenfield on-shore projects in the USA.

Europe/Middle East/Africa region recorded lower profit despite an increase in revenue for 1Q12 compared with 1Q11 as the Group recognized S\$9.0 million of zero margin revenue arising from telecommunications projects in the Middle East as announced previously.

### **Liquidity and Capital Resources**

CSE generated operational cash inflow of S\$8.2 million in 1Q12 after accounting for S\$1.9 million foreign currency translation difference of the non-monetary assets and liabilities of its subsidiaries whose functional currencies are in USD, EUR, GBP and AUD. At the end of 1Q12, CSE reduced its net gearing to 30.2% from 34.3% as at end of 4Q11. Gearing at the end of 1Q11 was 14.3%.

#### **Outstanding Orders**

<b>S\$'000</b>	<b>1Q2012</b>	<b>1Q2011</b>	<b>4Q2011</b>
Oil & gas, mining & minerals & infrastructure	323.8	280.2	372.9
Healthcare	74.5	111.5	81.7
<b>Total</b>	<b>398.3</b>	<b>391.7</b>	<b>454.6</b>

CSE received S\$85.9 million new orders in 1Q12. Outstanding orders increased by 1.7% to S\$398.3 million as at end of 1Q12 from S\$391.7 million as at end of 1Q11. Outstanding orders as at end of 1Q12 comprises S\$323.8 million of outstanding orders for Oil & Gas, Infrastructure and Mineral & Mining and S\$74.5 million of outstanding orders for Healthcare.

### **Outlook**

CSE has a healthy outstanding order book of S\$398.3 million at the end of 1Q12. CSE remains confident that its overall performance for 2012 will be better than 2011.

CSE will record a one-time gain of S\$10.3 million from the sales of eBworx shares in 2Q12, please refer to the announcements made on the subject matter on 2 March 2012, 5 April 2012 and 8 May 2012. The net consideration of S\$21.4 million will be used to repay bank loan thereby strengthening its balance sheet and improving its net gearing.

**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		Change%
	1Q 2012	1Q 2011	
<b>Revenue</b>	134,727	102,624	31%
<b>Cost of sales</b>	(92,433)	(60,647)	52%
<b>Gross profit</b>	42,294	41,977	1%
<b>Other operating income</b> (Note 1)	1,598	1,777	N.M.
<b>Other operating expenses</b>			
Administrative costs	(24,830)	(24,681)	1%
Selling and distribution costs (Note 3)	(1,479)	(1,308)	13%
Other operating costs (Note 2)	(111)	(160)	-31%
Finance costs (Note 4)	(1,103)	(960)	15%
Share of results of associated companies, net of tax	399	294	36%
<b>Total expenses</b>	(27,124)	(26,815)	1%
<b>Profit before taxation</b>	16,768	16,939	-1%
Taxation (Note 5)	(4,169)	(4,358)	-4%
<b>Profit from continuing operations after taxation</b>	12,599	12,581	0%
<b>Attributable to :</b>			
Equity owners of the Company	12,604	12,548	0%
Non-controlling interests	(5)	33	N.M.
	12,599	12,581	0%
<b>Earnings per ordinary share (cents)</b>			
- basic	2.44	2.43	0%
- diluted	2.44	2.43	0%

**Consolidated statement of comprehensive income for the first quarter ended 31 March 2012**

<b>S\$'000</b>	<b>1Q 2012</b>	<b>Group 1Q 2011</b>	<b>Change %</b>
<b>Profit, net of tax</b>	12,599	12,581	0%
<b>Other comprehensive income :</b>			
Cashflow hedge	199	-	N.M
Foreign currency translation	(3,093)	(4,476)	N.M.
<b>Other comprehensive loss for the period, net of tax</b>	(2,894)	(4,476)	
<b>Total comprehensive income for the period</b>	<u>9,705</u>	<u>8,105</u>	20%
<b>Total comprehensive income attributable to :</b>			
Owners of the Company	9,710	8,072	20%
Non-controlling interests	(5)	33	N.M.
	<u>9,705</u>	<u>8,105</u>	20%

*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:-**

<b>SS'000</b>	<b>1Q 2012</b>	<b>Group 1Q 2011</b>	<b>Change %</b>
Profit before taxation is arrived <u>at after charging the following:</u>			
(A) Interest on borrowings (Note 4)	989	737	34%
(B) Depreciation and amortization	994	1,164	N.M
(C) (Write back)/allowance for doubtful debts and bad debts	(33)	4	N.M

**Note 1**

<b>SS'000</b>	<b>1Q 2012</b>	<b>Group 1Q 2011</b>	<b>Change %</b>
Rental income	61	92	-34%
Commission income	7	26	-73%
Miscellaneous income	22	121	N.M
Net exchange gain	1,421	1,411	1%
<b>Miscellaneous income</b>	<b>1,511</b>	<b>1,650</b>	<b>-8%</b>
Finance income	87	127	-31%
<b>Other operating income</b>	<b>1,598</b>	<b>1,777</b>	<b>-10%</b>

**Note 2**

<b>SS'000</b>	<b>1Q 2012</b>	<b>Group 1Q 2011</b>	<b>Change %</b>
(Write back)/allowance for doubtful debts and bad debts	(33)	4	N.M
Miscellaneous expenses	-	6	N.M
Amortization of intangible assets	194	182	7%
Stock obsolescence	-	25	N.M
Gain on disposal of plant and equipment	(50)	(57)	N.M
	<b>111</b>	<b>160</b>	<b>-31%</b>

**Note 3**

The increase in selling and distribution costs was mainly due to an increase in marketing activities.

**Note 4**

The increase in finance costs was mainly due to higher loan drawdown when compared with 1Q11.

**Note 5**

The Group operates in several tax jurisdictions with different tax rates. Thus, depending on where the revenue and profits are earned, the effective tax rate will differ.

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

S\$'000	Group		Company	
	31-03-12	31-12-11	31-03-12	31-12-11
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment	26,003	24,985	135	138
Investment in subsidiaries	-	-	200,726	200,726
Associated companies	9,646	9,246	-	-
Other investment	190	190	190	190
Intangible assets	102,630	103,430	-	-
Deferred tax assets	14,955	14,997	-	-
<b>CURRENT ASSETS</b>				
Projects in progress (Note 7)	94,078	100,925	-	-
Inventories (Note 7)	14,044	15,254	-	-
Trade & other receivables (Note 7)	136,856	106,460	3,378	2,459
Prepaid operating expenses (Note 6)	5,470	2,837	123	13
Amount due from subsidiary companies	-	-	83,514	82,645
Short-term deposits	2,898	6,433	-	-
Cash & bank balances	50,029	47,091	2,910	8,546
	303,375	279,000	89,925	93,663
<b>CURRENT LIABILITIES</b>				
Projects in progress (Note 7)	37,073	27,373	-	-
Trade payables & accruals (Note 7)	71,302	62,926	1,906	1,714
Finance leases	160	232	-	-
Loans and borrowings	117,435	123,540	117,435	123,540
Amount due to subsidiary companies	-	-	26,718	27,190
Provision for warranties	2,179	2,220	-	-
Provision for taxation	9,579	6,044	819	750
	237,728	222,335	146,878	153,194
<b>Net current assets/(liabilities)</b>	<b>65,647</b>	<b>56,665</b>	<b>(56,953)</b>	<b>(59,531)</b>
<b>NON-CURRENT LIABILITIES</b>				
Deferred tax liabilities	(4,946)	(5,104)	(714)	(720)
Finance leases	(313)	(302)	-	-
	<b>213,812</b>	<b>204,107</b>	<b>143,384</b>	<b>140,803</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	98,542	98,542	98,542	98,542
Revenue reserve	163,574	150,970	34,767	32,385
Other reserve	9,805	9,805	9,876	9,876
Foreign currency translation reserve	(58,131)	(55,237)	199	-
<b>Total Shareholders' Fund</b>	<b>213,790</b>	<b>204,080</b>	<b>143,384</b>	<b>140,803</b>
Non-controlling interests	22	27	-	-
<b>Total Equity</b>	<b>213,812</b>	<b>204,107</b>	<b>143,384</b>	<b>140,803</b>
<b>Group net borrowing</b>	<b>64,508</b>	<b>70,016</b>		
<b>Group net gearing (%)</b>	<b>30.2</b>	<b>34.3</b>		

**Note 6**

The increase in prepaid operating expenses was due to the prepayment of insurance premium for the full year.

**Note 7**

The Group recognised revenue using the percentage completion method and bills its customers based on contractually agreed milestones. There was no material change in the payment pattern of its customers or its payment pattern to its suppliers. The increase in accounts receivables was due to higher project billing as several large projects reached major billing milestones at the end of March.

**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**

<b>As at 31 Mar 2012</b>		<b>As at 31 Dec 2011</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
NIL	S\$117,435,000	NIL	S\$123,540,000

**Amount repayable after one year**

<b>As at 31 Mar 2012</b>		<b>As at 31 Dec 2011</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
NIL	NIL	NIL	NIL

**Details of any collateral**

Not applicable.

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

S\$'000	GROUP	
	1.1.2012 to 31.3.2012	1.1.2011 to 31.3.2011
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES :-</u></b>		
Operating profit before taxation	16,768	16,939
Adjustments for :-		
Depreciation for property, plant and equipment	800	982
Amortisation of intangible assets	194	182
Gain on disposal of property, plant and equipment	(50)	(57)
Share of results of associated companies, net of tax	(399)	(294)
Changes in fair value of derivative financial instruments	264	-
Interest expense	989	737
Interest income	(87)	(127)
Currency realignment (Note 8)	(1,910)	(2,208)
<b>Operating profit before reinvestment in working capital</b>	<b>16,569</b>	<b>16,154</b>
Increase in receivable and prepaid operating expenses	(32,830)	(11,666)
Decrease in projects-in-progress, net and inventories	17,758	13,514
Decrease/(increase) in payables and accruals and provision for warranties	8,335	(9,730)
<b>Cash generated from operations</b>	<b>9,832</b>	<b>8,272</b>
Interest paid	(989)	(737)
Interest received	87	127
Income tax paid	(750)	(3,095)
<b>Net cash generated from operating activities</b>	<b>8,180</b>	<b>4,567</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Acquisitions of subsidiary companies, net of cash acquired	-	(33,036)
Purchase of property, plant and equipment	(2,499)	(521)
Proceeds from sale of property, plant and equipment	535	83
<b>Net cash used in investing activities</b>	<b>(1,964)</b>	<b>(33,474)</b>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
(Repayment)/proceeds from short term loans from bankers	(6,105)	49,019
Repayment of long term loans from bankers	-	(4,030)
<b>Net cash (used)/generated from financing activities</b>	<b>(6,105)</b>	<b>44,989</b>
Net effect of exchange rate changes on cash and cash equivalents	(708)	(1,111)
Net increase in cash and cash equivalents	111	16,082
Cash and cash equivalents at beginning of year	53,524	58,373
<b>Cash and cash equivalents at end of year</b>	<b>52,927</b>	<b>73,344</b>

**Note 8**

The currency realignment of S\$1.9 million resulted from CSE translating the non-monetary assets and liabilities of its subsidiaries whose functional currencies are USD, EUR, GBP and AUD.

**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.**

**Attributable to equity holders of the Company**

<b>Group S\$'000</b>	<b>Share capital</b>	<b>Revenue reserve</b>	<b>Other reserve</b>	<b>Foreign currency translation reserve</b>	<b>Total</b>	<b>Non- controlling interests</b>	<b>Total Equity</b>
At 1 January 2011	92,498	143,953	9,805	(51,104)	195,152	–	195,152
Issuance of ordinary shares for consideration of acquisition	6,044	–	–	–	6,044	–	6,044
Total comprehensive income for the period	–	12,548	–	(4,476)	8,072	33	8,105
<b>At 31 March 2011</b>	<b>98,542</b>	<b>156,501</b>	<b>9,805</b>	<b>(55,580)</b>	<b>209,268</b>	<b>33</b>	<b>209,301</b>
At 1 January 2012	98,542	150,970	9,805	(55,237)	204,080	27	204,107
Total comprehensive income for the period	–	12,604	–	(2,894)	9,710	(5)	9,705
<b>At 31 March 2012</b>	<b>98,542</b>	<b>163,574</b>	<b>9,805</b>	<b>(58,131)</b>	<b>213,790</b>	<b>22</b>	<b>213,812</b>

<b>Company S\$'000</b>	<b>Share capital</b>	<b>Revenue reserve</b>	<b>Other reserve</b>	<b>Total Equity</b>
At 1 January 2011	92,498	28,987	9,876	131,361
Issuance of ordinary shares for consideration of acquisition	6,044	–	–	6,044
Total comprehensive income for the period	–	2,128	–	2,128
<b>At 31 March 2011</b>	<b>98,542</b>	<b>31,115</b>	<b>9,876</b>	<b>139,533</b>
At 1 January 2012	98,542	32,385	9,876	140,803
Total comprehensive income for the period	–	2,382	199	2,581
<b>At 31 March 2012</b>	<b>98,542</b>	<b>34,767</b>	<b>10,075</b>	<b>143,384</b>

**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 corresponding period of the immediately preceding financial year.**

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, save for the issue of 5 million ordinary shares in February 2011 as part of the consideration for the acquisition of Astib in January 2011.

The Company does not have any outstanding convertibles and does not have any treasury shares.

**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 March 2012	: 516,067,852
Number of shares as at 31 December 2011	: 516,067,852

**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.**

There was no sale, transfer, disposal, cancellation and/or use of treasury shares as at end of the current financial period reported on.

**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 2011.

**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**

The Group adopted the following revised Financial Reporting Standards (“FRS”) that are relevant and effective for annual periods beginning on or after 1 January 2012:

Amendments to FRS 107 *Disclosures – Transfer of Financial Assets*  
Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets*

The adoption of the above FRSs did not result in any substantial change to the Group’s accounting policies nor any significant impact on the financial statements of the Group.

**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:-**

	1Q 2012	1Q 2011
<b>Earnings per ordinary share of the group after deducting any provision for preference dividends:-</b>		
(a) Based on weighted average number of ordinary shares in issue; and	2.44	2.43
(b) On a fully diluted basis (detailing any adjustments made to the earnings).	2.44	2.43
<b>For the computation of basic earnings per share, the basis of arriving at the weighted average number of shares is determined as follows :-</b>		
Weighted average number of shares outstanding during the period	516,067,852	516,067,852
<b>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 :-</b>		
Adjusted weighted average number of shares	516,067,852	516,067,852

**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 :-**

	31 March 2011		31 December 2011	
	Group	Company	Group	Company
Net asset value per ordinary share based on existing issued share capital (in cents)	41.43	27.78	39.55	27.28

**8. 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.

**9. 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

**10. Date dividend is payable**

Not applicable.

**11. 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.**

**CSE Offers**

- a. a wide and diverse range of solutions involving the implementation of Process Control Systems, Safety Shutdown Systems, Fire and Gas Detection Systems, Supervisory Control and Data Acquisition (SCADA) Systems, Pipeline Control Systems, Wellhead Control Systems, Subsea Control Systems, Chemical Injection Systems, Instrumentation & Electrical Construction, Plant Information Systems, Data Reconciliation & Yield Accounting Systems, Laboratory Information Management Systems and Terminal Automation Systems;
- 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. Oceano a new Healthcare product developed for Acute Healthcare market sector, the first module being Emergency Care ; and
- g. PICS a clinical decision support system developed by the University Hospital Birmingham and marketed under an exclusive arrangement by CSE Healthcare Systems Limited; and
- h. 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.
- i. Designs and installs high temperature thermal process and incineration systems. It supplies multiple hearth, fluidised 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.
- j. 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 Alan Stubbs, 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 First Quarter ended 31 March 2012 financial statements to be false or misleading in any material aspect.

On behalf of the Board of Directors

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Name: Lim Ming Seong  
Designation : Chairman

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Name: Alan Stubbs  
Designation : Group Chief Executive Officer

By order of the Board

Tan San-Ju  
Company Secretary  
10 May 2012