

Third Quarter Financial Statement And Dividend Announcement for The Period Ended 30 September 2006

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.

SS'000	3Q 2006	Group 3Q 2005	Change (%)	9M 2006	Group 9M 2005	Change (%)
Revenue	96,141	67,954	41%	250,516	177,343	41%
Cost of sales	(68,874)	(46,646)	48%	(174,252)	(120,347)	45%
Gross profit	27,267	21,308	28%	76,264	56,995	34%
Other operating income (Note 1)	118	692	-83%	(46)	1,648	-103%
Other operating expenses						
Administrative costs (Note 2)	(13,716)	(12,704)	8%	(40,440)	(36,230)	12%
Selling and distribution costs	(1,127)	(1,088)	3.6%	(3,256)	(3,464)	-6%
Other operating costs (Note 3)	334	(33)	N.M.	297	(481)	N.M.
Finance costs (Note 4)	(1,142)	(720)	59%	(3,057)	(1,929)	58%
Share of results of associated companies, net of tax	(42)	337	N.M.	181	379	-52%
Total expenses	(15,693)	(14,208)	11%	(46,275)	(41,725)	11%
Profit from continuing operations before taxation	11,692	7,792	50%	29,943	16,918	77%
Taxation (Note 5)	(3,679)	(1,759)	109%	(8,836)	(3,885)	127%
Profit from continuing operations after taxation	8,013	6,033	33%	21,107	13,033	62%
Attributable to:						
Shareholders of the Company	8,013	6,033	33%	21,120	13,045	62%
Minority interest, net of tax	-	-	-	(13)	(12)	8%
	8,013	6,033	33%	21,107	13,033	62%
Earnings per ordinary shares (in cents)						
- Basic	2.40	1.85		6.35	4.01	
- Diluted	2.37	1.82		6.27	3.96	

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			Group		
	2006 3Q	2005 3Q	Change %	2006 9M	2005 9M	Change %
<u>Profit from continuing operations is arrived at after charging/(crediting) the following:</u>						
(A) Interest on borrowings	1,064	680	56%	2,858	1,792	59%
(B) Depreciation and amortisation	677	648	4%	1,997	1,821	10%
(C) (Writeback) / allowance of doubtful debts and bad debts written off	17	(17)	N.M.	(149)	61	N.M.
(D) Foreign exchange (gain) /loss	277	(489)	N.M.	1,170	(966)	N.M.
(E) Fair value (gain)/loss of financial instruments	(16)	(27)	-41%	(240)	(781)	-69%
(F)(Profit)/ loss on sale of investment, properties, and/or plant and equipment	(438)	(6)	N.M.	(413)	21	N.M.

N.M. – Not meaningful

Note 1

S\$'000	Group			Group		
	2006 3Q	2005 3Q	Change %	2006 9M	2005 9M	Change %
Rental income	25	26	-4%	54	168	-68%
Commission income	1	8	-89%	58	22	N.M.
Miscellaneous income	183	57	N.M.	441	215	105%
Net exchange gain / (loss)	(277)	489	N.M.	(1,170)	966	N.M.
Miscellaneous income	(68)	580	-112%	(617)	1,371	N.M.
Finance income	186	112	67%	571	277	106%
Other operating income	118	692	-83%	(46)	1,648	-103%

N.M. – Not meaningful

Note 2

The increase in the administrative costs for 3Q 2006 was mainly due to the increase in manpower expenses.

Note 3

S\$'000	Group			Group		
	2006 3Q	2005 3Q	Change %	2006 9M	2005 9M	Change %
Provision / (writeback of provision) for doubtful debts and bad debts written off	17	(17)	N.M.	(149)	61	N.M.
Miscellaneous expenses	25	(2)	N.M.	93	213	-56%
Amortisation of intangible assets	62	58	7%	172	186	-8%
Disposal of fixed assets #	(438)	(6)	N.M.	(413)	21	N.M.
	(334)	33	N.M.	(297)	481	N.M.

The higher gain in disposal of fixed assets mainly came from the disposal of CSE's building. However the actual net gain before tax from the disposal of CSE's building was S\$0.3m after netting of sales related cost and professional fee of S\$0.1m.

Note 4

The increase in finance costs for 3Q 2006 was due to higher interest rates.

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.

SS'000	Group 30-Sep-06	Group 31-Dec-05	Company 30-Sep-06	Company 31-Dec-05
Fixed assets (Note 6)	12,094	19,254	339	7,606
Subsidiary companies	-	-	154,602	150,602
Associated companies	15,469	15,321	10,299	10,333
Intangible assets	32,114	32,967	139	-
Deferred tax assets	2,448	1,608	1,003	488
Current Assets				
Projects in progress	15,550	15,154	-	531
Stocks	5,234	5,746	-	-
Unbilled receivables (Note 7)	51,494	45,530	-	-
Trade debtors (Note 7)	70,400	54,962	4,602	4,427
Other debtors, deposits & prepayments	8,384	3,939	392	670
Amount due from subsidiary companies	-	-	4,168	8,119
Amount due from an associated company	42	43	-	-
Short-term deposits	1,420	1,333	-	-
Cash & bank balances	24,540	28,029	949	525
	177,064	154,736	9,571	14,272
Current Liabilities				
Projects in progress	5,203	4,773	-	-
Trade creditors & accruals	52,845	50,395	2,510	4,647
Finance leases	220	225	-	-
Amount due to bankers	72,152	72,004	57,370	72,004
Amount due to subsidiary companies	-	-	25,261	11,809
Provision for warranties	3,166	1,594	-	-
Provision for taxation	3,573	3,791	-	-
	137,159	132,782	85,141	88,460
Net current assets/(liabilities)	39,905	21,954	(75,570)	(74,188)
Long term liabilities				
Deferred tax liabilities	(698)	(570)	-	-
Finance leases	(378)	(366)	-	-
Amounts due to bankers	-	(2,783)	-	(2,783)
	100,954	87,385	90,812	92,058
Capital and reserves				
Share capital	87,677	16,491	87,677	16,491
Share premium (Note 8)	-	68,548	-	68,548
Revenue reserve	16,238	3,439	1,581	6,212
Other reserves	1,535	817	1,535	817
Foreign currency translation reserve	(4,496)	(1,923)	19	(10)
Total Shareholders' Fund	100,954	87,372	90,812	92,058
Minority interest	-	13	-	-
	100,954	87,385	90,812	92,058

Note 6

The decrease in fixed assets was mainly attributable to disposal of CSE's building in Jul06.

Note 7

Several large projects will meet their payment milestones in 4Q 2006, resulting in higher accrued sales in the trade debtors at the end of 3Q 2006.

Note 8

Under the Companies (Amendment) Act 2005 effective 30 January 2006, the concepts of par value and authorised share capital are abolished and the amount in the share premium account as of 30 January 2006 becomes part of the Company's share capital.

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 Sep 2006		As at 31 Dec 2005	
Secured	Unsecured	Secured	Unsecured
NIL	\$72,372,000	NIL	\$72,229,000

Amount repayable after one year

As at 30 Sep 2006		As at 31 Dec 2005	
Secured	Unsecured	Secured	Unsecured
NIL	\$378,000	NIL	\$3,149,000

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.

	1.7.2006 to 30.9.2006	1.7.2005 to 30.9.2005	1.1.2006 to 30.9.2006	1.1.2005 to 30.9.2005
SS'000				
CASH FLOWS FROM OPERATING ACTIVITIES :-				
Operating profit before taxation	11,692	7,792	29,943	16,918
Adjustments for :-				
Depreciation for fixed assets	615	590	1,825	1,635
Amortisation of intangible assets	62	58	172	186
(Gain)/loss on disposal of fixed assets	(438)	(6)	(413)	21
Share of results of associated companies	42	(337)	(181)	(379)
Changes in fair value of financial instruments	(16)	(27)	(240)	(781)
Share based payment expenses	-	122	-	367
Interest expense	1,064	680	2,858	1,792
Interest income	(186)	(112)	(571)	(277)
Currency realignment	345	53	(1,175)	589
Operating profit before reinvestment in working capital	13,180	8,813	32,218	20,071
Increase in debtors	(15,946)	(15,287)	(24,399)	(29,152)
(Increase)/decrease in projects-in-progress	(188)	(1,539)	547	6,474
Increase in creditors	3,362	10,704	2,738	6,315
Cash generated from operations	408	2,691	11,104	3,708
Interest paid	(1,064)	(680)	(2,858)	(1,792)
Interest received	186	112	571	277
Income tax paid	(2,479)	(972)	(8,483)	(2,099)
Net cash (used)/generated from operating activities	(2,949)	1,151	334	94
CASH FLOWS FROM INVESTING ACTIVITIES				
Repayment from / (advance to) associated companies	-	-	1	(337)
Acquisition of an associated company	-	(10,294)	-	(10,294)
Additional/ (disposal of) investment of equity interest in associated company	-	-	33	(46)
Purchase of fixed assets	(843)	(1,235)	(2,306)	(3,358)
Proceeds from sale of fixed assets	7,535	99	7,589	202
Purchase of Intangible assets	(254)	-	(254)	(349)
Net cash generated/(used) in investing activities	6,438	(11,430)	5,063	(14,182)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of shares	62	598	2,149	2,555
Dividends paid to shareholders	-	-	(8,321)	(6,524)
(Repayment)/proceeds of short term loans from bankers	(8,776)	10,565	(2,634)	19,201
Proceeds/(repayment) of finance leasing obligations	11	(34)	7	109
Net cash (used)/generated from financing activities	(8,703)	11,129	(8,799)	15,341
Net increase/(decrease) in cash and cash equivalents	(5,214)	850	(3,402)	1,253
Cash and cash equivalents at beginning of period	31,174	21,941	29,362	21,538
Cash and cash equivalents at end of period	25,960	22,791	25,960	22,791

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
SS'000							
At 1 January 2005 as restated	16,028	65,450	(12,159)	1,857	(1,665)	12	69,523
Foreign currency translation differences	-	-	-	-	1,081	-	1,081
Net fair value changes of cashflow hedges	-	-	-	(729)	-	-	(729)
Net profit for the period	-	-	7,012	-	-	(12)	7,000
Dividend for 2004 declared and paid	-	-	(6,524)	-	-	-	(6,524)
Cost of share-based payments	-	-	-	245	-	-	245
Issuance of ordinary share for cash	295	1,661	-	-	-	-	1,956
At 30 June 2005	16,323	67,111	(11,671)	1,373	(584)	-	72,552
Foreign currency translation differences	-	-	-	-	184	-	184
Net profit for the period	-	-	6,033	-	-	-	6,033
Cost of share-based payments	-	-	-	122	-	-	122
Issuance of ordinary share for cash	67	531	-	-	-	-	598
At 30 Sep 05	16,390	67,642	(5,638)	1,495	(400)	-	79,489
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	-	-	-	-	(3,060)	-	(3,060)
Net fair value changes of cashflow hedges	-	-	-	1,081	-	-	1,081
Net profit for the period	-	-	13,107	-	-	(13)	13,094
Dividend for 2005 declared and paid	-	-	(8,321)	-	-	-	(8,321)
Transfer from Other Reserves-on exercise of share options	473	-	-	(473)	-	-	-
Issuance of ordinary share for cash	2,086	-	-	-	-	-	2,086
At 30 June 2006	87,598	-	8,225	1,425	(4,983)	-	92,265
Foreign currency translation differences	-	-	-	-	487	-	487
Net fair value changes of cashflow hedges	-	-	-	127	-	-	127
Net profit for the period	-	-	8,013	-	-	-	8,013
Transfer from Other Reserves-on exercise of share options	17	-	-	(17)	-	-	-
Issuance of ordinary share for cash	62	-	-	-	-	-	62
At 30 Sep 06	87,677	-	16,238	1,535	(4,496)	-	100,954

Company	Share capital	Share premium	Revenue Reserve	Other reserves	Translation reserve	Total Equity
SS'000						
At 1 January 2005 as restated	16,028	65,450	8,028	1,857	14	91,377
Foreign currency translation differences	-	-	-	-	513	513
Net fair value changes of cashflow hedges	-	-	-	(729)	-	(729)
Net profit for the period	-	-	655	-	-	655
Dividend for 2004 declared and paid	-	-	(6,524)	-	-	(6,524)
Cost of share-based payments	-	-	-	245	-	245
Issuance of ordinary share for cash	295	1,661	-	-	-	1,956
At 30 June 2005	16,323	67,111	2,159	1,373	527	87,493
Foreign currency translation differences	-	-	-	-	(17)	(17)
Net profit for the period	-	-	239	-	-	239
Cost of share-based payments	-	-	-	122	-	122
Issuance of ordinary share for cash	67	531	-	-	-	598
At 30 Sep 2005	16,390	67,642	2,398	1,495	510	88,435
At 1 January 2006	16,491	68,548	6,212	817	(10)	92,058
Transfer to share capital	68,548	(68,548)	-	-	-	-
Foreign currency translation differences	-	-	-	-	34	34
Net fair value changes of cashflow hedges	-	-	-	1,081	-	1,081
Net profit for the period	-	-	3,225	-	-	3,225
Dividend for 2005 declared and paid	-	-	(8,321)	-	-	(8,321)
Transfer from Other Reserves-on exercise of share options	473	-	-	(473)	-	-
Issuance of ordinary share for cash	2,086	-	-	-	-	2,086
At 30 June 2006	87,598	-	1,116	1,425	24	90,163
Foreign currency translation differences	-	-	-	-	(5)	(5)
Net fair value changes of cashflow hedges	-	-	-	127	-	127
Net profit for the period	-	-	465	-	-	465
Transfer from Other Reserves-on exercise of share options	17	-	-	(17)	-	-
Issuance of ordinary share for cash	62	-	-	-	-	62
At 30 Sep 2006	87,677	-	1,581	1,535	19	90,812

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 at the end of the current financial period reported on and as at the end of the immediately preceding financial year.

During 3Q 2006, there was an issue of 143,000 ordinary shares in the capital of the Company arising from the exercise of options to subscribe for 143,000 of ordinary shares in the capital of the Company under the CSE Global Limited Executives' Share Option Plan.

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 30 Sep 2006, there were unexercised options for 6,314,000 (31 December 2005 : 9,405,000) and 209,000 (31 December 2005: 1,614,000) 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.

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 2005.

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 period 3Q 2006	Previous period 3Q 2005	Current period 9M 2006	Previous period 9M 2005
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	2.40	1.85	6.35	4.01
(b) On a fully diluted basis (detailing any adjustments made to the earnings).	2.37	1.82	6.27	3.96

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	334,165,907	326,465,407	329,812,907	319,681,407
Weighted average number of shares issued during the period	46,793	363,587	2,931,908	5,746,802
Weighted average number of shares	334,212,700	326,828,994	332,744,815	325,428,209

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	334,212,700	326,828,994	332,744,815	325,428,209
Weighted average number of unissued shares under share options	6,619,207	14,654,413	8,087,092	16,156,260
Number of shares that would have been issued at fair value under share options	(2,892,791)	(9,410,691)	(4,155,548)	(11,839,029)
Adjusted weighted average number of shares	337,939,116	332,072,716	336,676,359	329,745,440

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-

	Group		Company	
	30 Sep 2006	31 December 2005	30 Sep 2006	31 December 2005
Net asset value per ordinary share based on existing issued share capital (in cents)	30.20	26.49	27.16	27.88

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

For 3Q of 2006, CSE recorded an increase in revenue of \$28.2 million (41.5%) to \$96.1 million from \$68.0 million in 3Q 2005. The Group's profit after tax increased by \$2.0 million (32.8%) to \$8.0 million in 3Q 2006 from \$6.0 million in 3Q 2005.

Performance of Geographical Segments

SS'000	3Q 2006	3Q 2005	Variance %	9M 2006	9M 2005	Variance %
Revenue						
Asia-Pacific	37,579	21,303	76.4%	76,629	54,816	39.8%
The Americas	41,200	31,427	31.1%	117,415	90,088	30.3%
Europe/Middle East/Africa	17,362	15,224	14.0%	56,472	32,439	74.1%
Group	96,141	67,954	41.5%	250,516	177,343	41.3%
Profit after tax & minority interest						
Asia-Pacific	2,472	2,709	-8.7%	4,778	4,994	-4.3%
The Americas	3,484	2,161	61.2%	9,190	6,674	37.7%
Europe/Middle East/Africa	2,057	1,163	76.9%	7,152	1,377	N.M.
Group	8,013	6,033	32.8%	21,120	13,045	61.9%

For 3Q 2006, the geographical regions of Asia-Pacific, The Americas and Europe/Middle East/Africa contributed 39.1%, 42.9% and 18.0% to revenue and 30.8%, 43.5% and 25.7% to profit before tax and minority interest respectively.

Performance of Business Segments

SS'000	3Q 2006	3Q 2005	Variance %	9M 2006	9M 2005	Variance %
Revenue						
Industrial	96,141	67,954	41.5%	250,516	177,343	41.3%
IT Consulting	-	-	-	-	-	-
Group	96,141	67,954	41.5%	250,516	177,343	41.3%
Profit after tax & minority interest						
Industrial	7,800	5,696	36.9%	20,331	12,666	60.5%
IT Consulting	213	337	-36.8%	789	379	108.2%
Group	8,013	6,033	32.8%	21,120	13,045	61.9%

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

For 3Q 2006, CSE generated an operational cash outflow of \$2.9 million. For the nine month up to 30 September 2006, CSE generated an operational cash inflow of \$0.3 million. At the end of the period, CSE's net gearing was 0.46 times.

Orders

S\$'000	Industrial Business
Outstanding orders b/f from Q2 2006	184,334
Q3 2006 order book in	72,310
Q3 2006 sales	(96,141)
Outstanding orders c/f to Q4 2006	160,503

CSE received new orders of \$72.3 million and \$229.8 million in 3Q 2006 and for the first 9 months of 2006 respectively.

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. Prospects remain good and CSE is confident of a strong performance in the last quarter of this financial year.

CSE is waiting for the award of a contract of approximately S\$100m, the result of which will be known in Q4 2006.

11. If a decision regarding dividend has been made:-**(a) Whether an interim ordinary dividend has been declared (recommended); and**

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

(b)(i) Amount per share cents / (rate %).

Not applicable

(b)(ii) Previous corresponding period cents / (rate %).

Not applicable

(c) Whether the dividend is before, net of tax or tax-exempt. If before tax or net of tax, state the tax rate and country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

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") delivers a wide and diverse range of solutions involving the implementation of Control and Safety Systems, Information Systems, Terminal Automation Systems, Pneumatic and Hydraulic Control Systems, Programmable and Supervisory Control and Data Acquisition (SCADA) Systems, Instrumentation and Electrical Field Construction Services, SCOPE Telemetry, Programmable Control Systems (Simplex and Duplex), Triplicate Modular Redundant Systems and Solid State Relay and Instrumentation for applications to the Energy and Petrochemical / Chemical, Oil and Gas and Power, Process Utility industries on a turnkey basis, Electrical engineering Systems and Air Injection Technology for Power Augmentation.

In addition, IBU also offers complete turnkey SCADA / Telemetry Systems to the water, drainage, sewerage and environmental (pollution and hydrology) industries through the implementation of the client-server distributed database SCADA package, SCOPE-X (Servelec Configurable Online Process Executive) and the Seprol Ranges of Remote Terminal Unit (RTU). The Group also offers the implementation of 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, Maternity and Children Cares.

IBU also provides turnkey telecommunication network solutions for infrastructure projects in the Oil and Gas and Energy industry, both onshore and offshore. This includes Offshore Platforms, Onshore Processing Facilities (Refineries, LNG plants, Gas Plants and Petrochemical Plants) and Power Generation Plants. Moreover, the Group develops and markets a pipeline simulation, monitoring, management and leak detection system for oil and gas pipelines. In addition, IBU supplies and distributes electrical engineering products to the mining, process engineering, power generation, power transmission/distribution, and manufacturing industries. IBU also provides electrical engineering design and system solutions to energy (oil & gas and power), the heavy industrial (mining & minerals), water and sewerage sectors. Furthermore, IBU manufactures and distributes Kingfisher Ranges of RTU products designed for SCADA applications in a broad range of industrial fields.

In addition, IBU also provides Intelligent Transport Systems that include 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 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			
	2006	2005	Variance	Variance (%)
Turnover report for first half of the year	154,375	109,389	44,986	41.1%
Profit/(Loss) before tax reported for the first half of the year	18,251	9,126	9,125	100.0%
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 Third Quarter ended 30 September, 2006 financial results to be false or misleading.

By order of the Board

Tan San-Ju
Company Secretary
8 Nov 2006