

Second Quarter Financial Statement And Dividend Announcement For The Period Ended 30 June 2007

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					
	2007 2Q	2006 2Q	Change (%)	2007 1H	2006 1H	Change (%)
Revenue	95,312	85,791	11%	179,604	154,375	16%
Cost of sales	(61,308)	(59,770)	3%	(114,398)	(105,378)	9%
Gross profit	34,004	26,021	31%	65,206	48,997	33%
Other operating income (Note 1)	348	(321)	N.M.	404	(164)	N.M.
Other operating expenses						
Administrative costs (Note 2)	(16,951)	(14,047)	21%	(33,312)	(26,724)	25%
Selling and distribution costs (Note 2)	(1,617)	(1,177)	37%	(2,946)	(2,129)	38%
Other operating costs (Note 3)	(406)	75	N.M.	(627)	(37)	N.M.
Finance costs (Note 4)	(1,440)	(1,039)	39%	(2,885)	(1,915)	51%
Share of results of associated companies, net of tax	244	238	3%	430	223	93%
Total Expenses	(20,170)	(15,950)	27%	(39,340)	(30,582)	29%
Profit from continuing operations before taxation	14,182	9,750	45%	26,270	18,251	44%
Taxation (Note 5)	(3,689)	(2,655)	39%	(7,172)	(5,157)	39%
Profit from continuing operations after taxation	10,493	7,095	48%	19,098	13,094	46%
Attributable to :-						
Equity holders of the Company	10,490	7,098	48%	19,109	13,107	46%
Minority interest	3	(3)	N.M.	(11)	(13)	-15%
	10,493	7,095	48%	19,098	13,094	46%
Earnings per ordinary shares (in cents)						
- Basic *	2.08	1.42		3.80	2.63	
- Diluted *	2.06	1.41		3.75	2.60	

N.M. – Not meaningful

*On 4 May 2007, there was an issue of 167,931,445 bonus shares in the capital of the Company on the basis of one (1) bonus share for every two (2) existing ordinary shares in the capital of the Company held by the shareholders of the Company, fractional entitlements have been disregarded.

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					
	2007 2Q	2006 2Q	Change (%)	2007 1H	2006 1H	Change %
Profit from continuing operations is arrived at after charging/(crediting) the following:						
(A) Interest on borrowings(Note 4)	1,357	975	39%	2,751	1,794	53%
(B) Depreciation and amortization	867	672	29%	1,636	1,320	24%
(C) Allowance for doubtful debts and bad debts / (written back)	114	(207)	N.M.	214	(167)	N.M.
(D) Foreign exchange (gain)/loss	(333)	745	N.M.	303	893	-66%
(E) (Gain)/Loss on sales of plant and equipment	-	26	N.M.	(10)	26	N.M.
(F) Changes in fair value of financial instruments	462	(170)	N.M.	362	(224)	N.M.

N.M. – Not meaningful

Note 1

S\$'000	Group					
	2007 2Q	2006 2Q	Change (%)	2007 1H	2006 1H	Change (%)
Rental income	110	14	N.M.	156	28	N.M.
Commission income	1	5	-80%	17	58	-71%
Miscellaneous income	117	221	-47%	217	258	-16%
Net exchange loss	(129)	(745)	N.M.	(665)	(893)	-26%
Miscellaneous income	99	(505)	N.M.	(275)	(549)	-50%
Finance income	249	184	35%	679	385	76%
Other operating income	348	(321)	N.M.	404	(164)	N.M.

N.M. – Not meaningful

Note 2

The increase in the administrative and selling and distribution costs for 2007 was mainly due to the Group's inclusion of the operating results of the newly acquired subsidiaries, CSE-Scomag Ltd, United Kingdom and Techno Trade SA, Belgium in December 2006.

Note 3

S\$'000	Group					
	2007 2Q	2006 2Q	Change (%)	2007 1H	2006 1H	Change (%)
Allowance for doubtful debts and bad debts/(written back)	114	(207)	N.M.	214	(167)	N.M.
Miscellaneous expenses	56	51	10%	57	68	-16%
Amortisation of intangible assets	236	55	N.M.	366	110	N.M.
(Gain)/loss on disposal of plant and equipment	-	26	N.M.	(10)	26	N.M.
	406	(75)	N.M.	627	37	N.M.

N.M. – Not meaningful

Note 4

The increase in finance costs for 2007 was due to the drawdown of additional bank loans to fund the acquisitions of CSE-Scomag Ltd, United Kingdom and Techno Trade SA, Belgium.

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.



(Reg No198703851D)

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-07 S\$'000	31-Dec-06 S\$'000	30-June-07 S\$'000	31-Dec-06 S\$'000
NON-CURRENT ASSETS				
Property, plant and equipment #	12,924	12,637	229	304
Investment in subsidiaries	-	-	157,102	158,766
Associated companies	15,903	15,473	10,299	10,299
Intangible assets #	64,187	62,736	117	132
Deferred tax assets	2,013	1,630	503	763
CURRENT ASSETS				
Projects in progress (Note 6)	20,233	12,216	-	-
Stocks (Note 6)	6,721	8,373	-	-
Unbilled receivables (Note 6)	52,929	56,718	-	-
Trade debtors (Note 6)	72,731	71,983	2,677	3,406
Other debtors and deposits	1,727	4,072	470	464
Prepayments	6,414	3,418	62	19
Amount due from subsidiary companies	-	-	47,285	30,150
Amount due from an associated company	42	61	-	-
Short-term deposits	2,043	4,306	-	-
Cash & bank balances	46,778	62,595	4,015	14,975
	<u>209,618</u>	<u>223,742</u>	<u>54,509</u>	<u>49,014</u>
CURRENT LIABILITIES				
Projects in progress (Note 6)	9,805	5,776	-	-
Trade creditors & accruals (Note 7)#	53,017	94,847	2,254	4,453
Finance leases	194	220	-	-
Amount due to bankers	106,871	90,045	92,723	74,647
Amount due to subsidiary companies	--	-	30,034	33,140
Provision for warranties	2,614	1,540	-	-
Provision for taxation	3,267	4,887	16	-
	<u>175,768</u>	<u>197,315</u>	<u>125,027</u>	<u>112,240</u>
Net current assets/(liabilities)	33,850	26,427	(70,518)	(63,226)
NON-CURRENT LIABILITIES				
Deferred tax liabilities #	(3,147)	(2,378)	(58)	-
Finance leases	(456)	(424)	-	-
Amounts due to bankers	(6,727)	(7,701)	(6,727)	(7,701)
	<u>118,547</u>	<u>108,400</u>	<u>90,947</u>	<u>99,337</u>
Equity attributable to equity holders of company				
Share capital	90,276	88,412	90,276	88,412
Revenue reserve	31,595	24,241	3	9,702
Other reserves	666	1,189	666	1,189
Foreign currency translation reserve	(3,993)	(5,455)	2	34
Total Shareholders' Fund	118,544	108,387	90,947	99,337
Minority interest	3	13	-	-
	<u>118,547</u>	<u>108,400</u>	<u>90,947</u>	<u>99,337</u>

#The property, plant and equipment, intangible assets, trade creditors & accruals and deferred tax liabilities of 31 December 2006 have been adjusted for the additional cost attributable to the acquisition of CSE-Scomag Ltd and the increase in valuation of Techno Trade SA 's IPR cost.

Note 6

The billing cycle turnover period comprising Stocks, Net Project-in-progress, Unbilled Receivables and Trade Debtors was reduced to 137 days from 157 days as at 31 December 2006.

Note 7

The reduction in trade creditors & accruals of the Group was mainly due to the payment to the vendors for the purchase consideration of S\$30.7m for CSE-Scomag Ltd, United Kingdom.

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 2007		As at 31 Dec 2006	
Secured	Unsecured	Secured	Unsecured
NIL	\$107,065,000	NIL	\$90,265,000

Amount repayable after one year

As at 30 June 2007		As at 31 Dec 2006	
Secured	Unsecured	Secured	Unsecured
NIL	\$7,183,000	NIL	\$8,125,000

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	1.4.2007 to 30.6.2007	1.4.2006 to 30.6.2006	1.1.2007 to 30.6.2007	1.1.2006 to 30.6.2006
<u>CASH FLOWS FROM OPERATING ACTIVITIES :-</u>				
Operating profit before taxation	14,182	9,750	26,270	18,251
Adjustments for :-				
Depreciation for fixed assets	631	617	1,270	1,210
Amortisation of intangible assets	236	55	366	110
(Gain)/Loss on disposal of plant and equipment	-	26	(10)	26
Share of results of associated companies	(244)	(238)	(430)	(223)
Changes in fair value of financial instruments	462	(170)	362	(224)
Share based payment expenses	(5)	-	(5)	-
Interest expense	1,357	975	2,751	1,794
Interest income	(249)	(184)	(679)	(385)
Currency realignment	513	(184)	122	(1,520)
Operating profit before reinvestment in working capital	16,883	10,647	30,017	19,039
(Increase)/decrease in debtors	(5,928)	(4,047)	2,105	(8,453)
(Increase)/decrease in projects-in-progress, net and stocks	(4,174)	(2,243)	(2,337)	735
Increase/(decrease) in creditors	1,766	1,671	(10,364)	(624)
Cash generated from operations	8,547	6,028	19,421	10,697
Interest paid	(1,357)	(975)	(2,751)	(1,794)
Interest received	249	184	679	385
Income tax paid	(3,812)	(4,469)	(8,092)	(6,004)
Net cash generated from operating activities	3,627	768	9,257	3,284
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Repayment from associated companies	-	3	19	1
(Additional)/disposal of investment in associated company	-	(1)	-	33
Repayment of balance purchase consideration of subsidiary	-	-	(30,706)	-
Purchase of plant and equipment	(886)	(911)	(1,517)	(1,463)
Proceeds from sale of plant and equipment	53	11	108	54
Purchase of intangible assets	(505)	-	(690)	-
Net cash used in investing activities	(1,338)	(898)	(32,786)	(1,375)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>				
Proceeds from issuance of shares	1,179	1,096	1,346	2,086
Dividends paid to shareholders	(11,755)	(8,321)	(11,755)	(8,321)
Proceeds of short term loans from bankers	12,689	8,912	15,852	6,142
Proceeds/(repayment) of finance leasing obligations	37	(21)	6	(4)
Net cash generated/(used in) from financing activities	2,150	1,666	5,449	(97)
Net increase/(decrease) in cash and cash equivalents	4,439	1,536	(18,080)	1,812
Cash and cash equivalents at beginning of period	44,382	29,638	66,901	29,362
Cash and cash equivalents at end of period	48,821	31,174	48,821	31,174

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 S\$'000	Share capital	Share premium	Revenue Reserve	Other reserves	Translation reserve	Minority Interest	Total Equity
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	-	-	-	-	(2,685)	-	(2,685)
Net fair value changes of cashflow hedges	-	-	-	515	-	-	515
Net profit for the period	-	-	6,009	-	-	(10)	5,999
Transfer from Other Reserves-on exercise of share options	212	-	-	(212)	-	-	-
Issuance of ordinary share for cash	990	-	-	-	-	-	990
At 31 March 2006	86,241	-	9,448	1,120	(4,608)	3	92,204
Foreign currency translation differences	-	-	-	-	(375)	-	(375)
Net fair value changes of cashflow hedges	-	-	-	566	-	-	566
Net profit for the period	-	-	7,098	-	-	(3)	7,095
Dividend for 2005 declared and paid	-	-	(8,321)	-	-	-	(8,321)
Transfer from Other Reserves-on exercise of share options	261	-	-	(261)	-	-	-
Issuance of ordinary share for cash	1,096	-	-	-	-	-	1,096
At 30 June 2006	87,598	-	8,225	1,425	(4,983)	-	92,265
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

Company SS'000	Share capital	Share premium	Revenue Reserve	Other reserves	Translation reserve	Total Equity
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	–	–	–	–	22	22
Net fair value changes of cashflow hedges	–	–	–	515	–	515
Net profit for the period	–	–	235	–	–	235
Transfer from Other Reserves-on exercise of share options	212	–	–	(212)	–	–
Issuance of ordinary share for cash	990	–	–	–	–	990
At 31 March 2006	86,241	–	6,447	1,120	12	93,820
Foreign currency translation differences	–	–	–	–	12	12
Net fair value changes of cashflow hedges	–	–	–	566	–	566
Net profit for the period	–	–	2,990	–	–	2,990
Dividend for 2005 declared and paid	–	–	(8,321)	–	–	(8,321)
Transfer from Other Reserves-on exercise of share options	261	–	–	(261)	–	–
Issuance of ordinary share for cash	1,096	–	–	–	–	1,096
At 30 June 2006	87,598	–	1,116	1,425	24	90,163
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

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 2Q 2007, there was an issue of 3,222,750 ordinary shares in the capital of the Company arising from the exercise of options to subscribe for 2,977,500 and 245,250 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.

On 4 May 2007, there was an issue of 167,931,445 bonus shares in the capital of the Company on the basis of one (1) bonus share for every two (2) existing ordinary shares in the capital of the Company held by the shareholders of the Company, fractional entitlements have been disregarded.

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 2007, there were unexercised options for 4,569,000 (31 December 2006 : 8,281,500) and 68,250 (31 December 2006: 313,500) 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.

**(The total number of unexercised share options for the period ended 30 June 2007 and 31 December 2006 mentioned above have been adjusted for the bonus issue impact of one (1) bonus shares for every two (2) unexercised shares option)*

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 2006.

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 2007	2Q 2006	1H 2007	1H 2006
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	2.08	*1.42	3.80	*2.63
(b) On a fully diluted basis (detailing any adjustments made to the earnings).	2.06	*1.41	3.75	*2.60

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	502,652,861	494,719,361	502,652,861	494,719,361
Weighted average number of shares issued during the period	1,484,757	5,017,351	856,586	3,278,701
Adjusted weighted average number of shares	504,137,618	499,736,712	503,509,447	497,998,062

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	504,137,618	499,736,712	503,509,447	497,998,062
Weighted average number of unissued shares under share options adjusted for bonus issue	6,778,734	8,178,148	7,726,905	9,916,798
Number of shares that would have been issued at fair value under share options	(1,785,011)	(4,070,035)	(1,898,359)	(4,556,330)
Adjusted weighted average number of shares	509,131,341	503,844,825	509,337,993	503,358,530

**Weighted average number of shares issued during the period and weighted average number of share outstanding during the period have been adjusted for the bonus issue as described in Note 1(d) (ii), the earnings per ordinary share of the Group has been computed based on adjusted issued share capital in accordance with FRS33.*

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:-

	30 June 2007		31 December 2006	
	Group	Company	Group	Company
Net asset value per ordinary share based on existing issued share capital (in cents)	23.40	17.95	*21.56	*19.76

**For comparative purpose, the net asset value per ordinary share as at 31 December 2006 have been computed based on issued share capital of 502,652,861 ordinary shares which have been adjusted for bonus issue as described in Note 1(d)(ii) above.*

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's 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

The Group recorded an increase in revenue of \$9.5 million (11.1%) to \$95.3 million in 2Q 2007 from \$85.8 million in 2Q 2006 and an increase in profit after tax by \$3.4 million (47.8%) to \$10.5 million in 2Q 2007 from \$7.1 million in 2Q 2006.

The Group continued to enjoy high levels of activities in the Gulf of Mexico, United Kingdom, Europe/Middle East/Africa and Australia in 1H2007. The delivery of higher labour content projects in the Americas has improved the operating margin in the region to 9.1% in 1H2007 from 7.5% in 1H 2006. In the Europe/Middle East/Africa regions, the Group had built on its previous success and achieved a year-on-year growth of 39.3% and 46.3% in 1H2007 revenue and profit after tax respectively. The newly acquired subsidiaries, CSE-Scomag Ltd, United Kingdom and Techno Trade SA, Belgium also contributed to the growth in the Europe /Middle East/Africa regions and the increase in interest expenses. The strong demand from the mining industry in Australia resulted in the increase in both revenue and profit after tax for the Asia-Pacific region.

Performance of Geographical Segments

SS'000	2Q 2007	2Q 2006	Variance %	1H 2007	1H 2006	Variance %
Revenue						
Asia-Pacific	28,987	20,991	38.1%	49,532	39,050	26.8%
The Americas	39,126	41,610	-6.0%	75,588	76,215	-0.8%
Europe/Middle East/Africa	27,199	23,190	17.3%	54,484	39,110	39.3%
Group	95,312	85,791	11.1%	179,604	154,375	16.3%
Profit after tax, amortisation and minority interest						
Asia-Pacific	3,231	1,159	178.8%	4,815	2,306	108.8%
The Americas	3,546	3,426	3.5%	6,840	5,706	19.9%
Europe/Middle East/Africa	3,713	2,513	47.8%	7,454	5,095	46.3%
Group	10,490	7,098	47.8%	19,109	13,107	45.8%

For 2Q 2007, the geographical regions of Asia-Pacific, The Americas and Europe/Middle East/Africa contributed 30.4%, 41.1% and 28.5% to revenue and 30.8%, 33.8% and 35.4% to profit after tax and minority interest respectively.

Performance of Business Segments

SS'000	2Q 2007	2Q 2006	Variance %	1H 2007	1H 2006	Variance %
Revenue						
Industrial	95,312	85,791	11.1%	179,604	154,375	16.3%
IT Consulting	-	-	-	-	-	-
Group	95,312	85,791	11.1%	179,604	154,375	16.3%
Profit after tax, amortisation and minority interest						
Industrial	10,132	6,743	50.3%	18,419	12,531	47.0%
IT Consulting	358	355	1%	690	576	19.8%
Group	10,490	7,098	47.8%	19,109	13,107	45.8%

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 an operational cash inflow of \$3.6 million and \$9.3 million in 2Q 2007 and 1H 2007 respectively. At the end of the period, CSE's net gearing was 0.54 times.

Orders

S'000	Industrial Business
Outstanding orders b/f from 2Q 2007	330,172
Q2 2007 order book in	100,647
Q2 2007 sales	(95,312)
Outstanding orders c/f to 3Q 2007	335,507

In 2Q 2007, CSE received \$100.6 million new orders, bringing the total new orders received for 1H 2007 to \$209.6 million and the outstanding orders as at end of 2Q 2007 was \$335.5 million. (\$330.2 million at end of 1 Q 2007.)

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.



(Reg No198703851D)

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. However, taking into account the full year operating results from the newly acquired subsidiaries, prospects remain strong in its existing markets, CSE is optimistic of an improved performance in the next quarter and for the rest of the financial year.

11. If a decision regarding dividend has been made:-

(a) Whether an interim ordinary dividend has been declared (recommended); and

No interim 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.

(d) 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”) 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 business or geographical segments.

Not applicable.

15. A breakdown of sales as follows:-

S\$'000	Group			
	2007	2006	Variance	Variance (%)
Turnover report for first half of the year	179,604	154,375	25,229	16.3%
Profit/(Loss) before tax reported for the first half of the year	26,270	18,251	8,019	43.9%
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, 2007 financial results to be false or misleading.

By order of the Board

Tan San-Ju
Company Secretary

13 Aug 2007