

Press Release – 1Q 2014 Results

CSE records 1Q 2014 NET PROFIT OF \$7.5M

- **Receives new orders of \$73.4m in 1Q 2014**
- **Healthy outstanding order book of \$207.4m at end of 1Q 2014**
- **Generates operating cash inflow of \$5.9m in 1Q 2014**
- **Strong 1Q 2014 net cash position of \$44.2m v/s \$31.7m net debt in 1Q 2013**
- **Outlook: Directors optimistic of prospects in FY 2014**

Singapore, 12 May 2014 – CSE Global Limited (“CSE” or the “Group”) announced today that its financial results for the three months ended 31 March 2014 (“1Q 2014”).

The Group recorded profit after tax of S\$7.5 million in 1Q14, compared to S\$8.6 million of the continuing operations for 1Q13 (which exclude profit from the CSE-UK divested in December 2013) was 12.1% lower than in the prior year.

The Group’s revenue was 3.5% lower and the profit after tax and non-controlling interests was 12.1% lower in 1Q14 when compared to 1Q13 mainly due to the startup delay in projects that impacted operations in the Americas. The Group’s gross margins and profits after tax before non-controlling interests were 27.5% and 8.6% for 1Q14 compared to 28.0% and 9.2% for 1Q13 respectively.

The basic earnings per ordinary share was 12.1% lower compared to the basic earnings per ordinary share from continuing operations in 1Q13 of 1.66 cents.

The Group continues to generate an operating cash inflow of S\$5.9 million in 1Q14. The Group made a special dividend payment of 28.0 cents per share, totalling S\$144.5 million in January 2014. The Group ended the quarter with a net cash position of S\$44.2 million. Group net gearing was 12.9% as at 1Q13.

In 1Q14, the Group continues to receive new orders from small greenfield and brownfield projects, totaling S\$73.4 million. Outstanding orders decreased by 20.7% to S\$207.4 million as at end of 1Q14 from S\$261.5 million as at end of 1Q13.

Commenting on the Group’s 1Q14 performance, Mr. Lim Boon Kheng, Group CEO of CSE, said, “The startup delay in projects in America has impacted our Group performance. However, the Asia-Pacific region has performed well to cushion this impact. Our gross margins remain steady and our cashflow generation continues to be healthy. ”



On the outlook, Mr Lim added, “In 1Q14, we continue to receive a healthy order intake of \$73.4 million. We have already started implementing strategies to focus on small greenfield and brownfield projects to drive our growth going forward.”

Concurrently, CSE will continue to implement measures to improve ongoing financial and operational efficiencies and effectiveness which will enable it to carry on enhancing bottom-line.

CSE has a healthy outstanding order book of \$207.4 million and a net cash position of \$44.2 million at end of 1Q14.

Against this background, the Directors are optimistic of its prospects for FY2014.

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Media & Investor Contact Information:

Eddie Foo

Group Chief Financial Officer

CSE Global Limited

Tel: (65) 6512 0317, Fax: (65) 6742 9179

Email: eddie.foo@cse-global.com

About CSE Global Limited (“CSE”):

Listed on Singapore Exchange since 1999, CSE Global Limited is a global technologies company with an international presence spanning the Americas, Asia Pacific, Europe, Middle East and Africa. The Group has now more than 1,300 employees worldwide, and operates a network of 30 offices across the globe, generating more than 95 percent of its revenues outside its home market. In line with global ambitions, the Group has adopted the ISO 9001 Quality Management System as certified by Lloyd’s Register Quality Assurance (LRQA) and DNV. The CSE Group of companies has been very successful in offering cost-effective, totally integrated solutions to industries in the Automation, Telecommunications and Environmental sectors. CSE has a consistent profit track and a management that is focused on operational excellence to achieve sustainable profit growth and enhance shareholder returns.

For more information, please log onto: <http://www.cse-global.com>