CENTILLION ENVIRONMENT & RECYCLING LIMITED
(Company Registration No. 199206445M)

UNAUDITED RESULTS FOR THE QUARTER ENDED 31 DECEMBER 2009

1(a)(i) *STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED 31 DECEMBER 2009*

	GROUP			GROUP		
	2Q2010 $'000	**2Q2009** $'000	**+ / (-)** %	**1H2010** $'000	**1H2009** $'000	**+ / (-)** %
Revenue	**5,827**	**19,569**	**(70.2)**	**15,697**	**47,312**	**(66.8)**
Cost of sales	(6,476)	(20,315)	(68.1)	(14,998)	(46,390)	(67.7)
Gross profit	**(649)**	**(746)**	**(13.1)**	**699**	**921**	**(24.1)**
Gross Margin %	**-11.1%**	**-3.8%**		**4.5%**	**1.9%**	**128.7**
Other income	504	220	129.0	666	362	84.0
Distribution expenses	(671)	(733)	(8.5)	(1,073)	(1,183)	(9.3)
Administrative expenses	(2,327)	(4,296)	(45.8)	(5,100)	(7,940)	(35.8)
Other expenses	(127)	(12,499)	(99.0)	(496)	(12,585)	(96.1)
Results from operating activities	(3,270)	(18,055)	(81.9)	(5,304)	(20,425)	(74.0)
Finance expense	(215)	(207)	4.0	(271)	(474)	(42.8)
Loss before income tax	**(3,485)**	**(18,262)**	**(80.9)**	**(5,575)**	**(20,899)**	**(73.3)**
Tax benefit/(expense)	(17)	1,137	(101.5)	(17)	1,190	(101.4)
Loss for the period	**(3,502)**	**(17,125)**	**(79.5)**	**(5,592)**	**(19,709)**	**(71.6)**

Revised FRS 1 Presentation of Financial Statements requires an entity to present all non-owner changes in equity in a Statement of Comprehensive Income. The revised FRS is effective from financial years beginning on or after 1 January 2009. This is a change in disclosure with no impact on the financial position or financial performance of the Group.

STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2009

	GROUP		GROUP		
	2Q2010	**2Q2009**	**1H2010**	**1H2009**	**+ / (-)**
Loss for the period	**(3,502)**	**(17,125)**	**(5,592)**	**(19,709)**	
Other comprehensive income					
Currency translation differences	**(52)**	**1,388**	**(429)**	**2,814**	
Total comprehensive income for the period	**(3,554)**	**(15,737)**	**(6,021)**	**(16,895)**	
Attributable to					
Equity holders of the company	**(3,554)**	**(15,737)**	**(6,021)**	**(16,895)**	
Minority interest	**-**	**-**	**-**	**-**	
	(3,554)	**(15,737)**	**(6,021)**	**(16,895)**	

1(a)(ii) ***BREAKDOWN AND EXPLANATORY NOTES TO STATEMENT OF PROFIT AND LOSS***

		GROUP			GROUP		
		2Q2010	**2Q2009**	**+ / (-)**	**1H2010**	**1H2009**	**+ / (-)**
		$'000	$'000	%	$'000	$'000	%
1.1	**Loss before income tax** is arrived at after charging the following:						
	Depreciation and amortisation	228	451	(49.4)	466	869	(46.4)
	Operating lease expense	842	502	67.7	1,666	1,086	53.4
	Exchange loss	188	1,247	(84.9)	458	1,251	(63.4)
	Impairment loss on goodwill	-	8,634	(100.0)	-	8,634	(100.0)
	Impairment loss on property, plant and equipment	-	1,516	(100.0)	-	1,516	(100.0)
	Allowance for doubtful debts	-	1,172	(100.0)	-	1,064	(100.0)
	Impairment loss/(reversal) on inventory	-	83	(100.0)	-	33	(100.0)
	Plant & machinery written off	-	26	(100.0)	-	26	(100.0)
	Employee Share Option Cost	-	-	N.M.	315	-	N.M.
	Interest expenses on borrowing	161	219	(26.5)	271	477	(43.2)
	Finance charges payable under finance lease	-	8	(100.0)	-	17	(100.0)
	Reversal of allowance for inventories	-	-	N.M.	(122)	-	N.M.
1.2	**Other income** comprises principally the following:						
	Gain on disposal of non-current assets	(4)	-	N.M.	(4)	1	(500.0)
	Bad debt recovered	349	-	N.M.	349	-	N.M.
	Rental income	84	127	(33.9)	168	255	(34.1)
	Interest income	-	2	(100.0)	-	5	(100.0)

1.3 The Group's revenue for current quarter ended 31 Dec 2009 was lower than that of the comparative period. The significant drop in revenue from precious metal recovery was mainly due phasing out of precious metal recovery in US.

	2Q2010	**2Q2009**	**+ / (-)**	**1H2010**	**1H2009**	**+ / (-)**
Revenue						
- End of Life ("EOL")	4,877	5,084	(4.1)	9,796	9,807	(0.1)
- Precious Metal Recovery	950	14,485	(93.4)	5,901	37,505	(84.3)
	5,827	**19,569**		**15,697**	**47,312**	

1(a)(ii) ***BREAKDOWN AND EXPLANATORY NOTES TO STATEMENT OF PROFIT AND LOSS (Cont'd***

1.4 The gross margin of this quarter reduced to -11.1% as compared to that of -3.8% in comparative quarter. Contributions to the negative margin were mainly from China and US operations. However, the group's gross margin for the half year ended December 2009 was better than that of the previous half year (2009: 4.5%, 2008:1.9%). See further details under paragraph 8 "Review of Group Performance".

1.5 Reductions in total distribution & administrative expenses for the quarter and half year ended 31 December 2009 of S$2.0 million (40.8%) and S$2.9 million (32.3%) were mainly due to restructuring of Singapore operations, discontinuance of UK CRT recycling and US precious metal recovery business. However, this is offset by employees share option expense of S$0.3 million (1H 2010: 5.1%) (1H 2009 : nil).

The employee share option expense arose from the grant of share options in May 2009 and this charge of option expense would continue over the estimated life of the options until April 2012. Due to the forfeiture of share options resulting from resignation, the fair value of the options has been remeasured. As a cumulative expense to last quarter, was considered sufficient after remeasurement, no additional share option expenses is considered necessary for the quarter.

1.6 Significant changes in items included in 1.1 and 1.2 above are explained as follows:

- Lower depreciations was a result of restructuring following the termination of JV in Singapore.
- Operating lease expense increased by S$0.34 million and S$0.58 million for the quarter and half year ended 31 December 2009 respectively was mainly due to additional rental paid on new facilities opened in US.
- Due to weakening GBP and USD against SGD during quarter the and half year ended 2009, UK and US Operations recorded exchange loss of S$0.08million and S$0.42 million arising from SGD and USD based loans and liabilities respectively. This accounted for the bulk of Other Operating Expense.
- Impairment losses (goodwill of S$8.6 million, plant & machinery of S$1.5 million and doubtful debt of S$1.2 million) for the comparative period were provided for the US operation and a Singapore joint venture entity as the Group revised its returns of its investments and recoverability.
- The employee share option expense was the proportionate fair value of share options granted to executives in May 2009 attributing to this half year. There was no corresponding cost in comparative period.
- Lower interest expense was due to repayments of short term borrowings by US operation for PM recovery business subsequent to October 2009.
- Bad debt of S$0.35 million was recovered during this quarter.
- Reduction in rental income was due to loss of rental collection from Singapore JV subsequent to March 2009.

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1(b)(i) *STATEMENT OF FINANCIAL POSITION*

	GROUP		COMPANY	
	31-Dec-09	30-Jun-09	31-Dec-09	30-Jun-09
	$'000	$'000	$'000	$'000
Current assets				
Inventories	2,330	7,629	-	-
Trade receivables	2,571	2,810	126	154
Other receivables	2,370	3,267	7,432	5,393
Restricted cash held in trust	619	636	-	-
Short term tax receivable	2,277	-	-	-
Cash and cash equivalents	1,552	1,236	263	597
	11,719	15,578	7,821	6,144
Non-current assets				
Property, plant and equipment	29,579	30,166	70	82
Subsidiaries	-	-	42,050	41,735
Land use right	2,527	2,629	-	-
Goodwill	10,655	10,655	-	-
Deferred tax assets	1,982	3,296	-	-
Restricted cash held in trust	-	4,590	-	4,590
	44,743	51,336	42,120	46,407
Total assets	**56,462**	**66,914**	**49,941**	**52,551**
Current liabilities				
Borrowings	5,345	9,639	-	-
Trade payables	2,642	5,568	5	5
Other payables	6,772	13,580	2,767	9,153
Loan from shareholder	-	500	-	500
Income tax payable	306	306	-	-
	15,065	29,593	2,772	9,658
Non-current liabilities				
Borrowings	4,670	70	-	-
Fund held in trust of Scheme of Arrangement	-	4,590	-	4,590
	4,670	4,660	-	4,590
Equity attributable to equity holders of the Company				
Share capital	151,529	141,756	151,529	141,756
Reserves	3,593	3,707	1,852	1,537
Accumulated losses	(118,395)	(112,802)	(106,212)	(104,990)
Total equity	36,727	32,661	47,169	38,303
Total liabilities and equity	**56,462**	**66,914**	**49,941**	**52,551**

1(b)(i) ***STATEMENT OF FINANCIAL POSITION (cont'd)***

Significant changes are discussed below:

a. Increase in cash balances of the Group for this quarter were mainly due to short term bank borrowings from a bank in China.

b. Decrease in inventories and trade payables were due to Metech phasing out of the precious metal recovery business.

Short term tax receivable of S$2.3 million was refund of prior years tax paid resulting from carry-backward of FY2009 tax losses. S$2 million had been received and would be substantially used to fully pay down a secured loan of S$1.4 milion.

Decrease in other payables were mainly due to repayment to vendors(S$3.3 million) for the acquisition of subsidiary (Metech & GRX) and settlement of NTan professional fees (S$1.7 million)

c. During this quarter, the Group received an additional S$2 million in borrowings from a bank in China.

Metech's breach of covenant with the debt service coverage ratio has been waived by the lender as announced on 22 December 2009. Thus the S$4.5 million previously classified under current liability is now classified under non current liabilities.

d. Prior to the Company's commencement of judicial management in November 2005, the Company had paid some S$4.59 million of tax assessed in advance by the Comptroller of Income Tax of Singapore ("CIT") for the year of assessment of 2005 ("YA2005 Tax"). As part of the restructuring of the Company in 2006, under CERL Scheme of Arrangement and Compromise ("the Scheme"), claim in respect of YA2005 Tax had been assigned to the Scheme. During last financial year, CIT refunded S$4.59 million of the YA2005 Tax. The amount refunded was held in trust by the Scheme in interest bearing fixed deposit and was reclassified as current liability as at 30 September 2009 as CIT finalised the YA2005 subsequent to balance sheet date. This amount was transferred to the Scheme administrators in Oct 2009.

e. The Group's working capital deficit of S$3.3 million at 31 December 2009 as compared to S$14.0 million at 30 June 2009 has substantially improved due to the net cash raised of S$8.9 million from the rights issue completed on 18 November 2009.

1(b)(ii) ***GROUP BORROWINGS***

	As at 31-Dec-09	As at 30-Jun-09
Amount repayable in one year	$'000	$'000
Secured	5,345	9,639
	5,345	**9,639**
Amount repayable after one year		
Secured	4,670	70
	4,670	**70**

Bank loans amounting to S$5.3 million as at 31 December 2009 is secured on property, plant and equipment of Metech.
Bank loans amounting to S$4.7 million as at 31 December 2009 is secured on land use right of its Chinese subsidiary.

1(c) *STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 31 DECEMBER 2009*

	GROUP		GROUP	
	2Q2010	2Q2009	1H2010	1H2009
	$'000	$'000	$'000	$'000
Operating activities				
Loss before income tax	(3,485)	(18,262)	(5,575)	(20,899)
Adjustments:				
Depreciation and amortisation	228	451	466	869
(Reversal of) impairment loss on plant and equipment	-	1,516	-	1,516
(Gain)/ Loss on disposal of property, plant and equipment	4		4	(1)
Plant and equipment written off	-	26	-	26
(Reversal of) impairment loss on doubtful receivables	(349)	1,171	(349)	1,064
Impairment loss on goodwill	-	8,634	-	8,634
(Reversal of) allowance for inventories	-	34	(122)	(16)
Inventories written off	-	-	-	-
Unrealised exchange (gain)/loss	27	1,215	453	1,461
Employee Share Option Cost	-	-	315	-
Provision for restructuring cost	-	-	-	-
Interest income	-	(2)	-	(5)
Interest expense	215	212	271	474
	(3,360)	(5,005)	(4,537)	(6,877)
Changes in working capital				
Trade and other receivables	2,426	4,525	366	5,802
Inventories	1,293	5,234	5,252	12,453
Cash encumbered	(487)	-	(487)	-
Trade and other payables	(3,966)	(1,701)	(4,293)	(3,757)
Cash from / (used in) operations	(4,094)	3,053	(3,699)	7,621
Interest received	-	2	-	5
Interest paid	(161)	(230)	(271)	(457)
Income tax (paid)/refund	(17)	(15)	(17)	(15)
Cash flows from / (used in) operating activities	**(4,272)**	**2,810**	**(3,987)**	**7,154**
Investing activities				
Acquisition of a subsidiary, net of cash acquired (Note 1(c)(i))	-	-	-	(4,147)
Payments for accrued acquisition cost	(3,251)	-	(3,807)	-
Purchase of plant and equipment	(1,465)	(2,326)	(1,473)	(5,957)
Proceeds from sale of property, plant and equipment	1	-	1	5
Cash flows used in investing activities	**(4,715)**	**(2,326)**	**(5,279)**	**(10,099)**
Financing activities				
Repayment of borrowings	(1,340)	(3,687)	(3,071)	-
Proceeds from borrowings	2,184	-	3,684	(4,217)
Payment of finance lease liabilities	-	(120)	-	(194)
Expenses for Issuance of ordinary shares for settlement of assertion	-	(63)	-	(63)
Proceeds from issuance of shares, net of share issue expenses	8,982	-	8,982	-
Cash flows from / (used in) financing activities	**9,826**	**(3,870)**	**9,595**	**(4,474)**

1(c) *STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 31 DECEMBER 2009 (cont'd)*

	GROUP		GROUP	
	2Q2010	2Q2009	1H2010	1H2009
Net increase / (decrease) in cash and cash equivalents	839	(3,386)	329	(7,419)
Cash and cash equivalents at beginning of period	711	7,172	1,236	11,120
Effect of exchange rate fluctuation on cash held	2	10	(13)	95
Cash and cash equivalents at end of period	1,552	3,796	1,552	3,796

1(c)(i) The effect of acquisition of the subsidiaries on the individual assets and liabilities is set

	2Q2010	2Q2009	1H2010	1H2009
Property, plant & equipment	-	-	-	260
Inventories	-	-	-	1317
Trade and other receivables	-	-	-	492
Cash and cash equivalents	-	-	-	83
Trade and other payables	-	-	-	(441)
Amount due to bankers	-	-	-	(150)
Long-term liabilities	-	-	-	(194)
Net asset acquired	-	-	-	1,367
(Negative Goodwill)/ Goodwill on acquisition	-	-		4273
Purchase consideration	-	-	-	5,640

The acquisition of a subsidiary company, net of cash is represented by:

	2Q2010	2Q2009	1H2010	1H2009
Purchase consideration	-	-	-	5,640
Less: Accrual for purchase consideration	-	-		(1410)
Cash paid	-	-	-	4,230
Less: Bank and cash balances acquired	-	-	-	(83)
Net cash (Inflow)/outflow	-	-	-	4,147

Analysis of Cash Flow

The Group generated a negative cash flow from operation of S$4.3 million and S$4.0 million for the quarter and half year ended 31 December 2009 respectively. The negative cash flow were mainly due to the operation loss for the first 6 months.

During 1Q2010, the Group paid S$0.556 million out of approximately S$4.647million owed to the vendors pursuant to Metech and GRX Sale and Purchase Agreements and applicable supplementary agreements. In 2 July 2009, the Company entered into Settlement Agreement with certain Metech and GRX vendors on the balance of amount owed. Pursuant to the Settlement Agreement, the Company issued 44.253 million shares at issue price of S$0.018 per shares in settlement of 20% of the balance sum owed (being approximately S$0.797 million) . The remaining balance of 80% (being S$3.186 million) was paid in December 2009 after the completion of the Rights Issues as announced by the Company on 30 June 2009.

Repayment of bank borrowings were funded by proceeds from the rights issue.

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1(d)(i) *STATEMENT OF CHANGES IN EQUITY FOR QUARTER ENDED 31 DECEMBER 2009*

Group	Share Capital $'000	Currency Translation Reserve $'000	Share Option Reserve $'000	Accumulated Losses $'000	Total Equity $'000
At 1 October 2008	131,650	1,546	1,327	(89,479)	45,044
Total comprehensive income for the period	-	1,388	-	(17,125)	(15,737)
Issuance of ordinary shares for settlement of assertion	10,106				10,106
At 31 December 2008	141,756	2,934	1,327	(106,604)	39,413
At 1 October 2009	142,547	1,793	1,852	(114,893)	31,299
Total comprehensive income for the period	-	(52)	-	(3,502)	(3,554)
Issuance of rights shares for cash	8,982	-	-	-	8,982
At 31 December 2009	151,529	1,741	1,852	(118,395)	36,727
Company					
At 1 October 2008	131,650	-	1,327	(90,484)	42,493
Total comprehensive income for the period	-	-	-	(12,387)	(12,387)
Issuance of ordinary shares for settlement of assertion	10,106	-	-	-	10,106
At 31 December 2008	141,756	-	1,327	(102,871)	40,212
At 1 October 2009	142,547	-	1,852	(105,818)	38,581
Total comprehensive income for the period	-	-	-	(394)	(394)
Issuance of rights shares for cash	8,982				8,982
At 31 December 2009	151,529	-	1,852	(106,212)	47,169

1(d)(ii) *CHANGES IN COMPANY'S SHARE CAPITAL*

During this quarter, the issued and paid up capital of the Company increased by $8.9 million to total of $151,529 million.due to issuance of 1,867,722,439 rights shares

The shares issued ranked pari passu in all respects with the existing issued ordinary shares in the capital of the Company.

As at 31 December 2009, there were unexercised options for 163,795,000 (31 December 2008: 13,830,000) unissued ordinary shares under the employee share option plan.

1(d)(iii) *TOTAL NUMBER OF ISSUED SHARES*

As at 31 December 2009, the number of ordinary shares issued were 8,093,463,905 (30 June 2009: 6,131,488,469).

1(d)(iv) *MOVEMENT IN TREASURY SHARES*

There are no treasury shares during the quarter and as at 31 December 2009.

2 ***AUDIT***

The figures have not been audited or reviewed by the Company's auditors.

3 ***AUDITORS' REPORT***

Not applicable.

4 ***ACCOUNTING POLICIES***

The same accounting policies and methods of computation as in the most recently audited financial statements have been applied except as disclosed in Section 5.

5 ***CHANGES IN ACCOUNTING POLICIES***

The Group and the Company have not applied the following accounting standards (including its consequential amendments) and interpretations that have been issued as of balance sheet date but are not yet effective:

• Amendments to FRS 39: Amendments relating to eligible hedged items
• Amendments to FRS 103 (revised Jul 2009) and FRS 27(revised Jul 2009): Business Combinations and Separate Consolidated Financial Statements
• Improvements to FRSs 2009

6 ***EARNING PER ORDINARY SHARE ("EPS")***

	GROUP		GROUP	
	2Q2010	**2Q2009**	**1H2010**	**1H2009**
Loss per share for results from continuing operations attributable to equity holders of the company	Cents	Cents	Cents	Cents
- Basic	(0.03)	(0.31)	(0.07)	(0.36)
- Diluted	(0.03)	(0.31)	(0.07)	(0.36)

The Group's basic and fully diluted earnings per ordinary share for the quarter ended 31 December 2009 are calculated based on the weighted average number of ordinary shares in issue during the quarter: 6,662,269,517shares (2008: 6,205,553,011).

Note: For the quarters ended 31 December 2009 and 2008, the diluted loss per share was shown as the same amount as the basic loss per share as the share options were anti-dilutive and disregarded in the computation of diluted loss per share.

7 ***NET ASSET VALUE***

	GROUP		COMPANY	
	31-Dec-09	**30-Jun-09**	**31-Dec-09**	**30-Jun-09**
	Cents	Cents	Cents	Cents
Net asset value per ordinary share based on issued share capital as at the end of the period	0.45	0.53	0.58	0.62

8 ***REVIEW OF GROUP PERFORMANCE***

	GROUP			GROUP		
	2Q2010 $'000	**2Q2009** $'000	**+ / (-)** %	**1H2010** $'000	**1H2009** $'000	**+ / (-)** %
(a) **Revenue**						
US	4,314	18,462	(76.6)	12,987	44,923	(71.1)
Singapore	602	552	9.1	1,217	1,264	(3.7)
UK	834	548	52.2	1,414	1,107	27.7
China	77	7	>100	79	18	>100
Total	5,827	19,569	(70.2)	15,697	47,312	(66.8)
(b) **Loss Before Income Tax**						
US	(2,577)	(12,290)	(79.0)	(3,102)	(12,242)	(74.7)
Singapore	(267)	(4,248)	(93.7)	(1,092)	(5,885)	(81.4)
UK	(19)	(1,260)	(98.5)	(265)	(1,882)	(85.9)
China	(622)	(464)	34.1	(1,116)	(890)	25.4
Total	(3,485)	(18,262)	(80.9)	(5,575)	(20,899)	(73.3)

US Operation

Revenue for current quarter and half year ended was lower than that of the comparative periods due to the phasing out of precious metal recovery.

The higher operating loss was recorded for the quarter due to:

- *Seasonality of End of Life ("EOL") Business*. Due to seasonality, volume of EOL materials collected in the winter months were approximately 40% lower than that collected during the summer months, the processing revenue was accordingly lower during the quarter.

- *Underutilisation expanded plant capacity*. As part of its plan to expand EOL recycling business, US Operation now operated a total of 8 plants as compared to 5 in the comparative quarter. It had also completed its relocation of its Denver operation into a larger facility in December 2009. Consequently, it incurred higher operating expenses (S$0.5 million) from these additional facilities. These new facilities were at their initial stages of operation and accordingly had been processing materials at less than their optimal levels.

- *Lower volume of shipment*. During the quarter, lower volume of recovered circuit board were shipped as a major equipment was under extended repair in December 2009. Consequently, lower revenue from circuit boards than otherwise would be derived during the quarter.

Singapore Operation

Although Singapore operations were downsized and restructured subsequent to termination of JV, its revenue derived as a wholly owned business concern was not significantly lower than that of the comparison. Revenue in comparative quarter and half year included the Group's proportionate share of revenue from JV.

Following the downsizing, it had improved its gross profit to S$0.18 million and S$0.17 million as compared to S$0.2 million and S$0.5 million gross loss for the comparative quarter and half year ended December. Similarly, the downsizing also led to a huge reductions in distribution and administrative expenses.

In the comparative quarter and half year, Singapore operation results included impairment loses on receivables and fixed assets of S$2.7 million which did not recur in this current periods. Whereas, loss before tax of the current quarter included bad debt recovered of S$0.35 million as compared to the comparative periods.

UK Operation

UK revenue grew more than 52% and 28% for the comparative quarter and half year ended December principally due to shipping a higher volume of recovered materials. Since discontinuance of its CRT recycling business, it had improved its gross margin by 36.5% and 6.7% for the comparative quarter and half year ended December.

Additionally, it had also avoided higher CRT logistic costs and lower staff costs totaling S$0.05 million and S$0.1 million for the comparative quarter and half year ended December. If not for the unrealised exchange losses of S$0.06 million and S$0.34 million arising from the weaker GBP against SGD, UK operations would have recorded a profit of S$44,000 and S$80,000 for the quarter and half year ended December 2009.

8 ***REVIEW OF GROUP PERFORMANCE (cont'd)***

China Operation

The loss in the China operation was largely due to pre-operational costs relating to project administrative costs, payroll and depreciation of non-operating assets.

9 ***SEGMENTED REVENUE AND RESULTS FOR GEOGRAPHICAL SEGMENTS***

See item 8.

10 ***VARIANCE FROM PROSPECT STATEMENT***

No variance from previous prospect statement made.

11 ***PROSPECT***

The Group had recently restructured the senior management team in US with a strong drive to grow its operation nation-wide. Volatilities in precious and non-ferrous metal prices continue to impact the values of materials recovered by the Group, particularly circuit boards from end-of life materials. EOL volumes will continue at current level into the next quater and are expected to increae gradually and peak during the summer months.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a results of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale / distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

12 ***DIVIDENDS***

No dividend is recommended.

BY ORDER OF THE BOARD

Tan San-Ju
Company Secretary
Date : 11 February 2010

CONFIRMATION BY THE BOARD

We, Chng Weng Wah and Richard Basil Jacob, being two Directors of Centillion Environment & Recycling 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 financial results for the quarter ended 31 December 2009 to be false or misleading in any material aspect.

On behalf of the Board of Directors

CHNG WENG WAH
Chairman

RICHARD BASIL JACOB
Executive Director &
Chief Executive Officer

Date : 11 February 2010