



CME GROUP BERHAD

(Company No. 52235-K)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the financial period ended 31 December 2010

(The figures have not been audited)

	Unaudited At 31/12/2010 RM '000	Audited At 31/12/2009 RM '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	7,562	7,812
Investment properties	42,130	42,130
Other investments	175	175
Deferred tax assets	36	165
TOTAL NON-CURRENT ASSETS	49,903	50,282
CURRENT ASSETS		
Inventories	1,192	1,640
Amount due from contract customers	7,775	1,333
Trade receivables and other receivables	3,948	5,608
Fixed deposits with licensed institutions	3,774	2,182
Cash and bank balances	376	1,867
TOTAL CURRENT ASSETS	17,065	12,630
TOTAL ASSETS	66,968	62,912
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
Issued capital	40,110	40,110
Accumulated losses	(462)	(534)
Equity attributable to equity holders of the Company	39,648	39,576
Minority interest	-	-
TOTAL EQUITY	39,648	39,576
NON-CURRENT LIABILITIES		
Trade payables	-	308
Finance lease payables	-	261
Bank borrowings	1,700	2,175
TOTAL NON-CURRENT LIABILITIES	1,700	2,744
CURRENT LIABILITIES		
Amount due to contract customers	-	4,488
Trade payables and other payables	9,645	7,510
Finance lease payables	301	122
Bank borrowings	15,491	8,380
Tax liabilities	183	92
TOTAL CURRENT LIABILITIES	25,620	20,592
TOTAL LIABILITIES	27,320	23,336
TOTAL EQUITY AND LIABILITIES	66,968	62,912
Net Tangible Assets Per RM0.10 Share	0.099	0.099

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statement for the year ended 31 December 2009 and the explanatory notes attached to the interim financial report.)

**CME GROUP BERHAD**

(Company No. 52235-K)
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**For the financial period ended 31 December 2010***(The figures have not been audited)*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended	Corresponding Quarter Ended	Current Year-To-Date	Corresponding Year-To-Date
	31/12/2010 (RM '000)	31/12/2009 (RM '000)	31/12/2010 (RM '000)	31/12/2009 (RM '000)
Revenue	5,562	2,508	24,162	10,808
Cost of sales	(4,997)	(2,100)	(19,791)	(7,307)
Gross profit	565	408	4,371	3,501
Investment revenue	-	67	-	67
Other gains and losses	308	385	924	769
Administrative expenses	(600)	(323)	(3,450)	(3,350)
Other expenses	(321)	(114)	(888)	(752)
Finance costs	(299)	(88)	(570)	(433)
Profit/(Loss) before tax	(347)	335	387	(198)
Income tax credit/(expense)	(129)	184	(315)	184
Profit/(Loss) for the year	(476)	519	72	(14)
Attributable to :-				
Equity holders of the parent	(476)	519	72	(14)
Minority interest	-	-	-	-
	(476)	519	72	(14)
Earnings/(Loss) per share (sen)				
- Basic	(0.119)	0.129	0.018	(0.003)
- Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statement for the year ended 31 December 2009 and the explanatory notes attached to the interim financial report.)

**CME GROUP BERHAD***(Company No. 52235-K)
(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the financial period ended 31 December 2010

(The figures have not been audited)

	Issued capital RM'000	Accumulated losses RM'000	Minority interest RM'000	Total equity RM'000
Balance as at 1 January 2009	40,110	(520)	1	39,591
Loss for the year	-	(14)	-	(14)
Disposal of subsidiary company	-	-	(1)	(1)
Balance as at 31 December 2009	40,110	(534)	-	39,576
Balance as at 1 January 2010	40,110	(534)	-	39,576
Profit for the year	-	72	-	72
Balance as at 31 December 2010	40,110	(462)	-	39,648

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statement for the year ended 31 December 2009 and the explanatory notes attached to the interim financial report.)***CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

For the financial period ended 31 December 2010

(The figures have not been audited)

	Current Year-To-Date 31/12/2010 RM'000	Corresponding Year-To-Date 31/12/2009 RM'000
CASH FLOWS FROM/(USED IN)		
OPERATING ACTIVITIES		
Profit / (Loss) for the year	72	(14)
Adjustments for:		
Allowance for doubtful debts no longer required:-		
- non-trade	-	(10)
Allowance for doubtful receivables:-		
- trade	101	25
Allowance for further costs no longer required	-	(478)
Depreciation of property, plant and equipment	357	384
Gain on disposal of subsidiary company	-	(1)
Income tax expense/(credit) recognised in income statements	315	(184)
Interest income	(80)	(67)
Interest expense	570	433
Net foreign exchange gain	-	(21)
Operating profit before working capital changes	1,335	67
Changes in working capital:		
Net changes in current assets	(4,436)	(728)
Net changes in current liabilities	(2,659)	1,188
Cash (used in) / from operations	(5,760)	527

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Income tax paid	(95)	(223)
Net cash (used in)/ from operating activities	(5,855)	304
CASH FLOWS USED IN INVESTING ACTIVITIES		
Interest income received	80	67
Placement of fixed deposit	(1,592)	(2,097)
Purchase of property, plant and equipment	(108)	(125)
Amount deposited into sinking funds	-	-
Net cash used in from investing activities	(1,620)	(2,155)
CASH FLOWS FROM/ (USED IN) FINANCING ACTIVITIES		
Proceeds from/ (repayment of) bank borrowings	6,863	(467)
Interest paid	(570)	(433)
Repayment of finance lease obligations	(82)	(177)
Net cash from/(used in) financing activities	6,211	(1,077)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,264)	(2,928)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	(2,957)	(29)
CASH AND CASH EQUIVALENTS AT END OF YEAR	(4,221)	(2,957)
Cash and Cash Equivalents as at 31 December 2010 comprise the followings:-		
Fixed deposits with licensed institutions	3,774	2,182
Cash and bank balances	376	1,867
Bank overdrafts	(4,597)	(4,824)
	(447)	(775)
Less : - Fixed deposits pledged	(3,774)	(2,182)
	(4,221)	(2,957)

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statement for the year ended 31 December 2009 and the explanatory notes attached to the interim financial report.)



Notes to the Quarterly Financial Report for the year ended 31 December 2010

A NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (FRS 134) :
INTERIM FINANCIAL REPORTING

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards (FRS 134) : Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The unaudited interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2009. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2009.

A2 Changes in Accounting Policies

The accounting policies, methods of computation and basis of consolidation applied and adopted in these unaudited condensed interim financial statements are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2009. In addition, the Group also adopted various new and revised FRSS, which became effective beginning 1 January 2010.

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2009 was not subjected to any qualification.

A4 Seasonal or cyclical factors

The design and manufacturing of fire, rescue and specialist vehicles have over the years shown a cyclical character whereby the major part of the invoicing and deliveries typically take place towards the very end of the financial year.

A5 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no exceptional items and unusual events affecting the assets, liabilities, equity, net income and cash flow of the Group for the current quarter and financial year-to-date.

A6 Changes in estimates

There were no changes in the estimates of amounts, which give a material effect in the current quarter or financial year-to-date.

A7 Debt and equity securities

There was no issuance or repayment of debts and equity securities, share buy back, shares cancellation, shares held as treasury shares and resale of treasury shares for the current quarter and financial year-to-date.

A8 Dividends paid

There was no dividend paid/declared by the Company for the current quarter ended 31 December 2010 (2009 : Nil.).



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A9 Segmental reporting

2010	Invest. Holding RM '000	Contract Engineering RM '000	Trading RM '000	Others RM '000	Elimination RM '000	Consolidated RM '000
Revenue						
External sales	1,833	17,752	4,577	-	-	24,162
Inter-segment sales	-	15,096	-	-	(15,096)	-
Total revenue	1,833	32,848	4,577	-	(15,096)	24,162
Results						
Segment results	178	981	(197)	(5)	-	957
Finance costs						(570)
Profit before tax						387
Income tax expense						(315)
Profit for the year						72
Other information						
Capital additions	15	72	21	-	-	108
Depreciation	2	172	169	14	-	357
Consolidated Balance Sheet						
Assets						
Segment assets	75,069	57,555	16,455	2,809	(85,095)	66,793
Other investment	175	-	-	-	-	175
Consolidated total assets						66,968
Liabilities						
Segment Liabilities	36,572	38,272	27,184	2,731	(77,438)	27,321
Consolidated total liabilities						27,321
2009						
	Invest. Holding RM '000	Contract Engineering RM '000	Trading RM '000	Others RM '000	Elimination RM '000	Consolidated RM '000
Revenue						
External sales	1,291	7,918	1,599	-	-	10,808
Inter-segment sales	-	2,080	2,417	-	(4,497)	-
Total revenue	1,291	9,998	4,016	-	(4,497)	10,808
Results						
Segment results	(94)	107	168	(13)	-	168
Investment revenue						67
Finance costs						(433)
Loss before tax						(198)
Income tax credit						184
Loss for the year						(14)



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2009	Invest. Holding RM '000	Contract Engineering RM '000	Trading RM '000	Others RM '000	Elimination RM '000	Consolidated RM '000
Other information						
Capital additions	-	256	30	44	-	330
Depreciation	-	138	239	7	-	384
Consolidated Balance Sheet						
Assets						
Segment assets	78,812	47,647	16,509	2,121	(82,352)	62,737
Other investments	175	-	-	-	-	175
Consolidated total assets						62,912
Liabilities						
Segment liabilities	40,305	28,694	26,995	2,037	(74,695)	23,336
Consolidated total liabilities						23,336

As the Group is principally operating within Malaysia, geographical segment has not been presented.

A10 Valuation of property, plant and equipment

The Group did not carry out any valuations on its property, plant and equipment for the interim financial period under review. The valuations of the property, plant and equipment have been brought forward from the preceding annual financial statements.

A11 Material Subsequent Events

There were no material events subsequent to 31 December 2010 that have not been reflected in the interim financial report.

A12 Changes in Composition of the Group

There were no major changes in the composition of the Group including business combination, acquisition or disposal of subsidiaries and restructuring or discontinuing of operations during the quarter under review.

A13 Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets for the financial quarter under review.

A14 Capital Commitments

There were no capital commitments for the financial quarter under review.



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B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

B1 Review of Group performance

The Group's revenue grew by RM13.4 million or 123.6% from RM10.8 million to RM24.2 million while profit before tax rose by RM585,000, or 295.4% from a loss before tax of RM198,000 to profit before tax of RM387,000 for the financial year ended 31 December 2010.

The increase of RM13.4 million in revenue was mainly attributable to the completion of some major projects carried forward from 2009 and revenue generated from the private sector during the year. Fire fighting and specialist vehicles business segment continues to be the main core business for the group in terms of revenue and profit generated, which accounted for 73.5% of the total revenue with the balance derived from the trading and property rental segment.

Cost of sales increased in tandem with the growth in revenue by RM12.5 million or 170.9%, albeit at a higher rate of increase compared to revenue.

B2 Material change in quarterly results compared with the immediate preceding quarter

The Group recorded higher revenue for the fourth quarter of RM5.6 million, an increased of RM3.1 million or 121.8% over the corresponding preceding quarter of 2009.

Profit before tax however decreased from RM335,000 to a loss before tax of RM347,000 due to higher operating and administrative expenses compared to preceding quarter.

B3 Prospect for the Current Financial Year

The year of 2010 has been a challenging year for the fire fighting and specialist vehicle business segment, mainly due to the global economic uncertainty and the ending of the Ninth Malaysia Plan. There were no major tenders being called by the relevant authorities. However, CME has managed to secure a total book order of approximately RM29.0 million for delivery between 2010 and 2011.

In anticipation of the implementation of Tenth Malaysia Plan (2011-2015), the Board remains cautiously confident that the fire fighting and specialist vehicle business segment will continue to contribute significantly to the Group's financial performance in the next 12 months. In addition, with the increase in demand for our environmental friendly fire protection systems, the Board foresees growth in this business segment, which will further contribute positively to our financial result in the coming years.

Moving forward, the Board and the management will continue to invest in research and development to explore new ways to bring about new product innovation, cost cutting measure, technology and competitiveness to our markets and to our customers.

B4 Profit forecast

No profit forecast was made or issued during the current financial quarter under review.

B5 Income tax expense

The Tax figures consist of the following :-	Current Quarter RM '000	Current Year to Date RM '000
Current year provision	-	186
Deferred taxation	129	129
Total	129	315

B6 Profit/Loss on Sale of Unquoted Investments and/or Properties

There were no sales of unquoted investments and/or properties for the current financial quarter under review.



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B7 Quoted Investments

Other than what had been reported in the previous quarter, the Company did not purchase nor dispose any quoted investment for the current reporting quarter. The current investment as stated in its balance sheet is as follows:-

	As at 31/12/2010
	<i>RM '000</i>
i Total investment at cost	175
ii Total investment at carrying value	175
iii Total investment at market value as at 31 December 2010	175

B8 Corporate Proposals

There was no corporate exercise/proposal announce at the date of this announcement.

B9 Group borrowings and debt securities

	As at 31/12/2010
	Secured
	<i>RM'000</i>
Amount payable within one year	
Bank borrowings	15,491
Finance leases	301
	<hr/> 15,792 <hr/>
Amount payable after one year	
Bank borrowings	1,700
Finance leases	-
	<hr/> 1,700 <hr/>
Total borrowings	<hr/> 17,492 <hr/>

B10 Financial Instrument

The Group did not have any financial instrument as at the date of issuance of this Interim Financial Report.

B11 Material litigation

There were no material litigations against the Group or taken by the Group at the date of issuance of this Interim Financial Report.

B12 Dividend

No dividend had been declared for the financial year ended 31 December 2010.

B13 Earnings Per Share ("EPS")

(a) Basic Earnings Per Share

Basic earnings per share for the period under review is calculated by dividing the net profit attributable to the shareholders of RM72,000 (2009 : net loss of RM14,000) by the weighted average number of ordinary shares outstanding as at 31 December 2010 of 401,100,000. [Refer to page 2]

(b) Diluted Earnings Per Share

Not Applicable.



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B14 Realised And Unrealized Profits/Losses Disclosure

On 25 March 2010, Bursa Malaysia Securities Bhd (“Bursa Malaysia”) issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realized and unrealized profits and losses.

On 20 December 2010, Bursa Malaysia further issued guidance on the disclosure and the format required.

The breakdown of retained profits/(accumulated losses) of the Group as at the reporting date, into realized and unrealised profits, pursuant to the directive, is as follows:

	Group As at 31/12/2010 <i>RM'000</i>	Group As at 30/09/2010 <i>RM'000</i>
Total retained profits/ (accumulated losses) of the Group:-		
- Realised (loss)/profit	(251)	266
- Unrealised loss	(211)	(252)
	<u>(462)</u>	<u>14</u>

The determination of realised and unrealised profits is based on the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Bhd Listing Requirements, issued by Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

BY ORDER OF THE BOARD
CME GROUP BERHAD

28 February 2011