



CME GROUP BERHAD

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the financial period ended 30 September 2011

(The figures have not been audited)

	Unaudited At 30/09/2011 RM '000	Audited At 31/12/2010 RM '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	7,823	7,563
Investment properties	42,130	42,130
Other investments	659	175
Deferred tax assets	36	36
TOTAL NON-CURRENT ASSETS	50,648	49,904
CURRENT ASSETS		
Inventories	413	1,200
Amount due from contract customers	3,302	8,219
Trade receivables and other receivables	6,898	3,866
Fixed deposits with licensed institutions	843	3,774
Cash and bank balances	142	377
TOTAL CURRENT ASSETS	11,598	17,436
TOTAL ASSETS	62,246	67,340
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
Issued capital	40,110	40,110
Accumulated losses	(99)	(460)
Equity attributable to equity holders of the Company	40,011	39,650
Minority interest	184	-
TOTAL EQUITY	40,195	39,650
NON-CURRENT LIABILITIES		
Finance lease payables	528	165
Bank borrowings	1,863	1,911
TOTAL NON-CURRENT LIABILITIES	2,391	2,076
CURRENT LIABILITIES		
Amount due to contract customers	439	412
Trade payables and other payables	10,954	9,586
Finance lease payables	298	97
Bank borrowings	7,849	15,331
Tax liabilities	120	188
TOTAL CURRENT LIABILITIES	19,660	25,614
TOTAL LIABILITIES	22,051	27,690
TOTAL EQUITY AND LIABILITIES	62,246	67,340
Net Tangible Assets Per RM0.10 Share	0.100	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 2010 and the explanatory notes attached to the interim financial report.)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the financial period ended 30 September 2011
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 30/09/2011 (RM '000)	Corresponding Quarter Ended 30/09/2010 (RM '000)	Current Year-To-Date 30/09/2011 (RM '000)	Corresponding Year-To-Date 30/09/2010 (RM '000)
Revenue	6,068	9,077	17,295	18,600
Cost of sales	(4,719)	(7,049)	(13,216)	(14,794)
Gross profit	1,349	2,028	4,079	3,806
Investment revenue	-	-	-	-
Other gains and losses	169	27	392	616
Administrative expenses	(911)	(1,020)	(2,837)	(2,850)
Other expenses	(185)	(154)	(632)	(567)
Finance costs	(128)	(70)	(354)	(271)
Profit/(Loss) before tax	294	811	648	734
Income tax credit/(expense)	(75)	(186)	(142)	(186)
Profit/(Loss) for the year	219	625	506	548
Attributable to :-				
Equity holders of the parent	173	625	433	548
Minority interest	46	-	73	-
	219	625	506	548
Earnings/(Loss) per share (sen)				
- Basic	0.054	0.156	0.126	0.137
- 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 2010 and the explanatory notes attached to the interim financial report.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial period ended 30 September 2011

(The figures have not been audited)

	Issued capital	Accumulated losses	Total attributable to equity holders of the Company	Minority interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2010	40,110	(534)	39,576	-	39,576
Profit for the year	-	74	74	-	74
Balance as at 31 December 2010	40,110	(460)	39,650	-	39,650
Balance as at 1 January 2011	40,110	(460)	39,650	-	39,650
Profit for the period	-	433	433	73	506
Additional interest in subsidiary	-	(72)	(72)	111	39
Balance as at 30 September 2011	40,110	(99)	40,011	184	40,195

(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 2010 and the explanatory notes attached to the interim financial report.)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the financial period ended 30 September 2011

(The figures have not been audited)

	Current Year-To-Date 30/09/2011 RM'000	Corresponding Year-To-Date 31/12/2010 RM'000
CASH FLOWS USED IN OPERATING ACTIVITIES		
Profit for the year	506	74
Adjustments for:		
Allowance for doubtful receivables:-		
- trade	-	105
Depreciation of property, plant and equipment	307	357
Gain on disposal of plant and equipment	(81)	-
Income tax expense recognised in income statements	142	324
Interest income	(28)	(80)
Interest expense	354	570
Operating profit before working capital changes	1,200	1,350
Changes in working capital:		
Net changes in current assets	2,672	(4,809)
Net changes in current liabilities	1,514	(2,308)
Cash from/(used in) operations	5,386	(5,767)

Income tax paid	(170)	(99)
Net cash from/(used in) operating activities	5,216	(5,866)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Interest income received	28	80
Placement of fixed deposit	2,932	(1,592)
Purchase of property, plant and equipment	(567)	(108)
Additional interest in subsidiary ^(a)	(120)	-
Purchase of other investment	(484)	-
Proceed from disposal of plant and equipment	81	-
Net cash from/(used in) from investing activities	1,870	(1,620)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from/ (repayment of) net bank borrowings	(7,500)	6,932
Interest paid	(354)	(570)
Proceeds from/ (repayment of) net finance lease obligations	564	(121)
Net cash (used in)/ from financing activities	(7,290)	6,241
NET CHANGE IN CASH AND CASH EQUIVALENTS		
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	(204)	(1,245)
CASH AND CASH EQUIVALENTS AT END OF PERIOD/ YEAR	(4,202)	(2,957)
Cash and Cash Equivalents are as follows:-		
Fixed deposits with licensed institutions	843	3,774
Cash and bank balances	142	377
Bank overdrafts	(4,548)	(4,579)
	(3,563)	(428)
Less : - Fixed deposits pledged	(843)	(3,774)
	(4,406)	(4,202)

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statement for the year ended 31 December 2010 and the explanatory notes attached to the interim financial report.)

Notes to consolidated cash flow statement

(a) Additional interest in subsidiary – CME Pyroshield Sdn Bhd (“CMEPY”)

Through an ordinary resolution passed on 10th June 2011, the Company subscribed for additional 119,998 ordinary shares of RM1.00 each at par for cash in the share capital of CMEPY, through an allotment of issued and paid up capital from RM2/- to RM157,184/-. As such the Company’s shareholding in CMEPY was reduced from 100% as at 31 December 2010 to 76% as at 30 September 2011.

(b) Notes to the Quarterly Financial Report for the period ended 30 September 2011

**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 2010. 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 2010.

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 2010. In addition, the Group also adopted various new and revised FRSS, which became effective beginning 1 January 2011.

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2010 was not subjected to any qualification.

A4 Seasonal or cyclical factors

The Group's operations were not subject to any seasonal or cyclical factors.

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 30 September 2011 (2010 : Nil).

**CME GROUP BERHAD***(Company No. 52235-K)
(Incorporated in Malaysia)***A9 Segmental reporting**

30.09.2011	Invest. Holding RM '000	Contract Engineering RM '000	Trading RM '000	Others RM '000	Elimination RM '000	Consolidated RM '000
Revenue						
External sales	1,468	9,413	6,414	-	-	17,295
Inter-segment sales	-	3,472	-	-	(3,472)	-
Total revenue	1,468	12,885	6,414	-	(3,472)	17,295
Results						
Segment results	127	560	315	-	-	1,002
Finance costs						(354)
Profit before tax						648
Income tax expense						(142)
Profit for the year						506
Other information						
Capital additions	-	6	561	-	-	567
Depreciation	3	141	153	10	-	307
Consolidated Balance Sheet						
Assets						
Segment assets	74,085	49,959	17,215	4,330	(84,002)	61,587
Other investment	659	-	-	-	-	659
Consolidated total assets						62,246
Liabilities						
Segment Liabilities	37,083	30,635	27,505	3,053	(76,225)	22,051
Consolidated total liabilities						22,051
30.09.2010						
	Invest. Holding RM '000	Contract Engineering RM '000	Trading RM '000	Others RM '000	Elimination RM '000	Consolidated RM '000
Revenue						
External sales	1,496	13,592	3,512	-	-	18,600
Inter-segment sales	-	11,701	-	-	(11,701)	-
Total revenue	1,496	25,293	3,512	-	(11,701)	18,600
Results						
Segment results	95	832	78	-	-	1,005
Investment revenue						-
Finance costs						(271)
Profit before tax						734
Income tax expenses						(186)
Profit for the year						548

	Invest. Holding RM '000	Contract Engineering RM '000	Trading RM '000	Others RM '000	Elimination RM '000	Consolidated RM '000
Other information						
Capital additions	7	67	21	-	-	95
Depreciation	11	125	130	-	-	357
31.12.2010						
Consolidated						
Balance Sheet						
Assets						
Segment assets	75,137	57,872	16,456	2,809	(85,109)	67,165
Other investments	175	-	-	-	-	175
Consolidated total assets						67,340
Liabilities						
Segment liabilities	36,580	38,637	27,194	2,731	(77,452)	27,690
Consolidated total liabilities						27,690

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 30 September 2011 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.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

B1 Review of Group performance

The Group's revenue decreased marginally by RM1.3 million or 7.0% from RM18.6 million to RM17.3 million, as compared to the corresponding period ended 30 September 2010 mainly due to the completion and the recognition of income and profit for some major projects during the last two quarters, coupled with the short supplied of gas cylinders from our major supplier in our gas division.

Meanwhile, the Group's profit before taxation for the current period ended 30 September 2011 was RM648,000 as compared to profit before taxation of RM734,000 for the same period last year, a slight drop of RM86,000 or 11.7%.

Cost of sales decreased in tandem with lower revenue, by RM1.6 million or 10.7%, albeit at a higher rate of decrease compared to revenue. This resulted in a marginal improvement on gross profit margin from 20.5% to 23.6%.

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

The comparison of the Group's revenue and profit before taxation for the current quarter and preceding quarter is as follows:

	30.09.11	30.06.11	← Variance →	
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>
Revenue	6,068	6,297	(229)	(3.6)
Profit before taxation	294	166	128	77.1

For the third quarter of the financial period, the Group's recorded revenue and profit before taxation of RM6.1 million and RM294,000 as compared to revenue and profit before taxation of RM6.3 million and RM166,000 reported in the preceding quarter ended 30 June 2011.

B3 Prospect for the Current Financial Year

2011 has been a difficult year for specialize and fire fighting vehicles manufacturing companies. Amid rising global economic uncertainties, particularly in the important European market, and fears of a looming recession, has induced the government and private entities to tighten their belt in terms of budget allocation. Fewer tenders were being called by relevant authorities during the year.

However, the Board remains cautiously optimistic that with the increase in demand for our environmental friendly total flooding and fire suppression systems, the Group would end the year with favourable results.

Meanwhile, the Board and the management will continue to explore other viable, synergistic and profitable business ventures to improve the Group's performance.

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	Current Year to Date
	<i>RM '000</i>	<i>RM '000</i>
Current year provision	75	142
Deferred taxation	-	-
Total	75	142

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.

B7 Quoted/ Other Investments

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

	Investments in Quoted Securities / Other Investment	Current Quarter <i>RM '000</i>	Preceding Quarter <i>RM '000</i>
I	Total investment at cost	659	659
ii	Total investment at carrying value	659	659
iii	Total investment at market value as at 30 September 2011	659	659

B8 Corporate Proposals

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

B9 Group borrowings and debt securities

	As at 30/09/2011 Secured <i>RM'000</i>
Amount payable within one year	
Bank borrowings	7,849
Finance leases	298
	<u>8,147</u>
Amount payable after one year	
Bank borrowings	1,863
Finance leases	528
	<u>2,391</u>
Total borrowings	<u>10,538</u>

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 period ended 30 September 2011.

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 RM506,000 (30.09.2010 : RM548,000) by the weighted average number of ordinary shares outstanding as at 30 September 2011 of 401,100,000. [Refer to page 2]

(b) Diluted Earnings Per Share

Not Applicable.



CME GROUP BERHAD

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

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 prescribed format of disclosure.

The breakdown of retained profits/(accumulated losses) of the Group as of 30 September 2011 into realized and unrealised profits or losses, pursuant to the directive, is as follows:

	Group As at 30/09/2011 <i>RM'000</i>	Group As at 31/12/2010 <i>RM'000</i>
Total accumulated losses of the Group:-		
- Realised (loss)/profit	315	(275)
- Unrealised loss	(414)	(185)
Total group accumulated losses as per consolidated accounts	<u>(99)</u>	<u>(460)</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” as issued by Malaysian Institute of Accountants on 20 December 2010.

The above 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

MR LEONG KWOK FAI
MISS TAN RUEY SHYAN
COMPANY SECRETARIES

Shah Alam, Selangor Darul Ehsan
23 November 2011