



CME GROUP BERHAD

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the financial period ended 30 June 2011

(The figures have not been audited)

	Unaudited At 30/06/2011 RM '000	Audited At 31/12/2010 RM '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	7,934	7,563
Investment properties	42,130	42,130
Other investments	659	175
Deferred tax assets	36	36
TOTAL NON-CURRENT ASSETS	50,759	49,904
CURRENT ASSETS		
Inventories	491	1,200
Amount due from contract customers	3,441	8,219
Trade receivables and other receivables	5,595	3,866
Fixed deposits with licensed institutions	3,835	3,774
Cash and bank balances	525	377
TOTAL CURRENT ASSETS	13,887	17,436
TOTAL ASSETS	64,646	67,340
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
Issued capital	40,110	40,110
Accumulated losses	(271)	(460)
Equity attributable to equity holders of the Company	39,839	39,650
Minority interest	138	-
TOTAL EQUITY	39,977	39,650
NON-CURRENT LIABILITIES		
Trade payables	-	-
Finance lease payables	535	165
Bank borrowings	2,036	1,911
TOTAL NON-CURRENT LIABILITIES	2,571	2,076
CURRENT LIABILITIES		
Amount due to contract customers	1,377	412
Trade payables and other payables	10,251	9,586
Finance lease payables	324	97
Bank borrowings	10,006	15,331
Tax liabilities	140	188
TOTAL CURRENT LIABILITIES	22,098	25,614
TOTAL LIABILITIES	24,669	27,690
TOTAL EQUITY AND LIABILITIES	64,646	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.)

**CME GROUP BERHAD**

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

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended	Corresponding Quarter Ended	Current Year-To-Date	Corresponding Year-To-Date
	30/06/2011 (RM '000)	30/06/2010 (RM '000)	30/06/2011 (RM '000)	30/06/2010 (RM '000)
Revenue	6,297	6,029	11,227	9,523
Cost of sales	(5,000)	(5,084)	(8,496)	(7,745)
Gross profit	1,297	945	2,731	1,778
Investment revenue	-	-	-	-
Other gains and losses	122	156	223	589
Administrative expenses	(929)	(739)	(1,926)	(1,830)
Other expenses	(210)	(147)	(447)	(413)
Finance costs	(114)	(126)	(226)	(201)
Profit/(Loss) before tax	166	89	355	(77)
Income tax credit/(expense)	-	-	(67)	-
Profit/(Loss) for the year	166	89	288	(77)
Attributable to :-				
Equity holders of the parent	139	89	261	(77)
Minority interest	27	-	27	-
	166	89	288	(77)
Earnings/(Loss) per share (sen)				
- Basic	0.041	0.022	0.072	(0.019)
- 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.)

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

For the financial period ended 30 June 2011

(The figures have not been audited)

	Issued capital	Accumulated losses	Total attributable to equity holders of the Company	Minority interest	Total equity
	<i>RM'000</i>	<i>RM'000</i>	<i>RM'000</i>	<i>RM'000</i>	<i>RM'000</i>
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	-	261	261	27	288
Additional interest in subsidiary	-	(72)	(72)	111	39
Balance as at 30 June 2011	40,110	(271)	39,839	138	39,997

*(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 June 2011

(The figures have not been audited)

	Current Year-To-Date 30/06/2011	Corresponding Year-To-Date 31/12/2010
	<i>RM'000</i>	<i>RM'000</i>
CASH FLOWS USED IN OPERATING ACTIVITIES		
Profit for the year	288	74
Adjustments for:		
Allowance for doubtful receivables:-		
- trade	-	105
Depreciation of property, plant and equipment	191	357
Gain on disposal of plant and equipment	(81)	-
Income tax expense recognised in income statements	67	324
Interest income	-	(80)
Interest expense	228	570
Operating profit before working capital changes	693	1,350
Changes in working capital:		
Net changes in current assets	3,839	(4,809)
Net changes in current liabilities	1,750	(2,308)
Cash used in operations	6,282	(5,767)

Income tax paid	(157)	(99)
Net cash used in operating activities	6,125	(5,866)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Interest income received	-	80
Placement of fixed deposit	(61)	(1,592)
Purchase of property, plant and equipment	(563)	(108)
Additional interest in subsidiary ^(a)	(120)	-
Purchase of other investment	(484)	-
Proceed from disposal of plant and equipment	81	-
Net cash used in from investing activities	(1,147)	(1,620)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from/ (repayment of) net bank borrowings	(3,894)	6,932
Interest paid	(228)	(570)
Proceeds from/ (repayment of) net finance lease obligations	597	(121)
Net cash from financing activities	(3,525)	6,241
NET CHANGE IN CASH AND CASH EQUIVALENTS		
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,453	(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	3,835	3,774
Cash and bank balances	525	377
Bank overdrafts	(3,274)	(4,579)
	1,086	(428)
Less : - Fixed deposits pledged	(3,835)	(3,774)
	(2,749)	(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 June 2011.

(b) **Notes to the Quarterly Financial Report for the period ended 30 June 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 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 30 June 2011 (2010 : Nil.).

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

30.06.2011	Invest. Holding RM '000	Contract Engineering RM '000	Trading RM '000	Others RM '000	Elimination RM '000	Consolidated RM '000
Revenue						
External sales	948	5,627	4,652	-	-	11,227
Inter-segment sales	-	1,698	-	-	(1,698)	-
Total revenue	948	7,325	4,652	-	(1,698)	11,227
Results						
Segment results	(1)	248	334	-	-	581
Finance costs						(226)
Profit before tax						355
Income tax expense						(67)
Profit for the year						288
Other information						
Capital additions	-	6	557	-	-	563
Depreciation	2	96	87	6	-	191
Consolidated Balance Sheet						
Assets						
Segment assets	74,226	52,494	17,314	4,020	(84,067)	63,987
Other investment	659	-	-	-	-	659
Consolidated total assets						64,646
Liabilities						
Segment Liabilities	36,927	33,288	27,575	3,169	(76,290)	24,669
Consolidated total liabilities						24,669
30.06.2010						
	Invest. Holding RM '000	Contract Engineering RM '000	Trading RM '000	Others RM '000	Elimination RM '000	Consolidated RM '000
Revenue						
External sales	984	6,650	1,889	-	-	9,523
Inter-segment sales	-	4,737	-	-	(4,737)	-
Total revenue	984	11,387	1,889	-	(4,737)	9,523
Results						
Segment results	258	33	(167)	-	-	124
Investment revenue						-
Finance costs						(201)
Loss before tax						(77)
Income tax expenses						-
Loss for the year						(77)

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

31.12.2010	Invest. Holding RM '000	Contract Engineering RM '000	Trading RM '000	Others RM '000	Elimination RM '000	Consolidated RM '000
Other information						
Capital additions	15	72	21	-	-	108
Depreciation	2	172	169	14	-	357
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 June 2011 that have not been reflected in the interim financial report.

A12 Changes in Composition of the Group

On 1 June 2011, CME Group Berhad ("CME") entered into a Shareholders Agreement ("SHA") with Parallel Progress Sdn Bhd ("PPSB") pursuant to which both parties agreed to increase the issued and paid up capital of CME Pyroshield Sdn Bhd ("CMEPY"), a wholly-owned subsidiary, from RM2/- to RM157,894/- by way of new allotment of 119,998 shares of RM1 each to CME and 37,894 shares of RM1 each to PPSP.

SHA was completed on 10 June 2011. As such the Company's shareholding in CMEPY was reduced from 100% as at 31 December 2010 to 76% as at 30 June 2011.

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 revenue grew by RM1.7 million or 17.9% from RM9.5 million to RM11.2 million while profit before tax rose by RM432,000, or 561.0% from a loss before tax of RM77,000 to RM355,000 during the financial period ended 30 June 2011. Profit attributable to equity holders of the Group stood at RM288,000, increased by 474.0% from a loss of RM77,000 in the preceding period ended 30 June 2010.

The increase of RM1.7 million in revenue was mainly attributable to the improvement in our trading business segment especially the gas division, which saw the revenue grew from RM1.9 million to RM4.7 million, an increased of RM2.8 million or 146.3% during the financial period ended 30 June 2011.

Cost of sales increased in tandem with the growth in revenue, by RM751,000 or 9.7%, albeit at a lower rate of increase compared to revenue. This resulted in a marginal improvement on gross profit margin from 18.7% to 24.3%.

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

For the second quarter of the financial period, the Group's recorded revenue and profit before taxation of RM6.3 million and RM166,000 as compared to revenue and profit before taxation of RM6.0 million and RM89,000 reported in previous corresponding period ended 30 June 2010.

B3 Prospect for the Current Financial Year

Against the backdrop of global economy uncertainty, the management anticipates that the going forward pace will be slower as the prospects of the Group's business is very much dependent on the budget allocations of the government and private sectors.

Despite recording a small profit for the second quarter, the Board remains cautiously optimistic hopeful that the Group would improve its performance for the current financial year.

And they will continue to explore other viable, synergistic and profitable business ventures to improve the profitability of the Group.

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 <i>RM '000</i>	Current Year to Date <i>RM '000</i>
Current year provision	67	67
Deferred taxation	-	-
Total	67	67

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

On 18 May 2011 and 30 May 2011, the Company entered into a Sale and Purchase Agreement to dispose off two (2) units of three storey shop office lots to Hin Cheng Fat and Mohd Nizam Bin Yaacob and Ruhiyaty Idayu Binti Burhanudin for a total consideration of RM1,285,000 ("the Disposal"). The Disposal is not subject to shareholders' approval and only a sum of 10% being the deposit sum has been collected. The Disposal is condition upon obtaining the consents of the State Authority approving the transfer of title of the said Property to the Purchaser(s).

B7 Quoted Investments

Total purchases and disposals of quoted securities for the current financial quarter under review were as follows :-

A	Summary of Dealings in Quoted Securities / Other Investment	Current Quarter RM '000	Current Year to Date RM '000
i	Total Purchases (Cost)	484	484
ii	Total Disposal (Cost)	-	-
iii	Total Gain / (Loss) on Disposal	-	-
iiii	Total Provision for Diminution in Value of Investment	-	-
iv	Total Unrealised Gain on appreciation in Value of Investment	-	-

B	Investments in Quoted Securities / Other Investment	Current Quarter RM '000	Preceding Quarter RM '000
i	Total Investment at Cost	659	175
ii	Total Carrying Value	659	175
iii	Current Market Value	659	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 30/06/2011 Secured RM'000
Amount payable within one year	
Bank borrowings	10,006
Finance leases	324
	<u>10,330</u>
Amount payable after one year	
Bank borrowings	2,036
Finance leases	535
	<u>2,571</u>
Total borrowings	<u>12,901</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 June 2011.



CME GROUP BERHAD

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

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 RM288,000 (30.06.2010 : net loss of RM77,000) by the weighted average number of ordinary shares outstanding as at 30 June 2011 of 401,100,000. [*Refer to page 2*]

(b) Diluted Earnings Per Share

Not Applicable.

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 June 2011 into realized and unrealised profits or losses, pursuant to the directive, is as follows:

	Group As at 30/06/2011 <i>RM'000</i>	Group As at 31/12/2010 <i>RM'000</i>
Total accumulated losses of the Group:-		
- Realised (loss)/profit	(76)	(275)
- Unrealised loss	(195)	(185)
Total group accumulated losses as per consolidated accounts	<u>(271)</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
COMPANY SECRETARY

Shah Alam, Selangor Darul Ehsan
18 August 2011