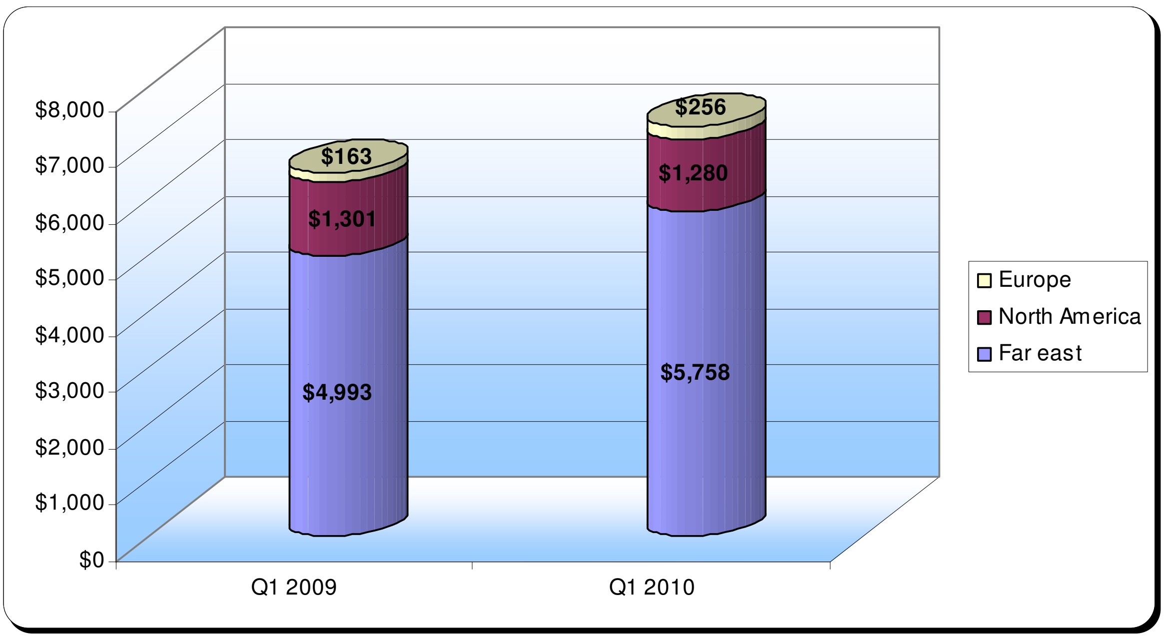
Management Report
On The First Fiscal Quarter Ended March 31, 2010

The Company's revenues for the fiscal quarter ended March 31, 2010 reached a record of approximately $ 7.3 million compared to approximately $ 6.5 million for the same period last year. The first fiscal quarter of the year has historically been the strongest quarter in terms of revenues.

The following table illustrates the geographical breakdown of the Company's revenues from sales of products during the fiscal quarters ended March 31, 2009 and 2010, respectively.

Geographical breakdown
Revenues from sales of products
(in thousands, USD)

$6,457 $7,294



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The product mix continued to have a positive effect on the gross margin.
Gross margin for the fiscal quarter ended March 31, 2010 reached 56% compared to 46% for the same period in 2009. The mix of products sold is a key factor in the improvement of the gross margin.

The Company's cash position, consisting of cash, cash equivalents and short-term and long-term deposits, as of March 31, 2010 was approximately $ 16.9 million compared to $ 14.8 million as of December 31, 2009.

Main events

To the best of the Company's knowledge, no notable main events occurred during the fiscal quarter ended March 31, 2010.

Main risk sources

Key customer risk:

The Company currently derives the vast majority of its product sales revenues from sales of products to one key OEM customer that sells the Company's products in various geographical areas. The Company expects this customer to continue to account for a substantially high percentage of the Company's revenues in the coming years. Should this customer cease doing business with the Company, its results of operations would be materially adversely affected.

Key supplier risk:

The Company obtains certain key components from two suppliers, which are located in Europe. The Company has strategic agreements with these suppliers, which treat CMT as a preferred customer.

Concentration of credit risks:

Financial instruments that potentially subject the Company to concentration of credit risks consist principally of cash, cash equivalents and short-term and long-term deposits and trade receivables.

Cash and cash equivalents and short-term and long-term deposits are invested in major banks in Israel and the United States. Such deposits in the United States may be in excess of insured limits and are not insured in other jurisdictions. Management believes that the financial institutions that hold Company funds and investments are financially sound and accordingly, minimal credit risk exists with respect to these investments. In addition, management believes that should a counter party to an investment made by the Company default on its obligations to the Company, the Company's maximum loss would be equal to the carrying amount of such investment plus any related fees and expenses incurred by the Company with respect to such default.

Currency exchange rate risk:

The bulk of the Company’s expenses are denominated in New Israeli Shekels ("ILS") and most of the Company’s revenues are denominated in US dollars. The strengthening of the ILS against the US dollar, as well as any other foreign currency in which the Company sells products, has the effect of increasing the U.S. dollar cost of the Company's operations and therefore adversely affecting the Company's results of operations which are denominated in US dollars.

As most of the Company's revenues are denominated in US dollars, the recent decline in the EURO is not expected to have a significant impact on the Company's financial results.

As currency exchange rate uncertainties continue, the Company, with the advice of currency experts, will continue to do its best to reduce the effects of currency exchange rate volatility. The Company's options to minimize currency exchange rate risks are limited. Although the Company uses hedging techniques to reduce the risk associated with fluctuations in currency exchange rates, the Company may not be able to eliminate the effects of currency fluctuations.

World economy risk:

The Company's results of operations are materially affected by conditions in the global capital markets and the economy generally, both in the U.S. and elsewhere around the world. Global economic instability and uncertainty, accompanied with the credit crisis and reduced demand for X-ray imaging system products, affect the willingness and ability of the manufacturers to make capital investments, and are causing a severe slow-down in the X-ray imaging system industry as a whole. These events have an adverse effect on the Company's revenues.

During cyclical downturns, such as those the Company has experienced in the past and is likely to experience in the future, material reductions in the demand for the type of capital equipment and process technology that the Company offers may cause the Company's sales and revenues to decline. In addition, the Company's ability to reduce expenses in response to any downturn or slowdown in the rate of capital investment by manufacturers in these industries may be limited.

The future success of the Company's business will depend on the Company's ability to increase product sales, successfully introduce new products, expand its sales force and distribution network and control costs, which the Company may be unable to do. As a result, the Company may not be able to continue its revenue growth and profitability.

Buy back

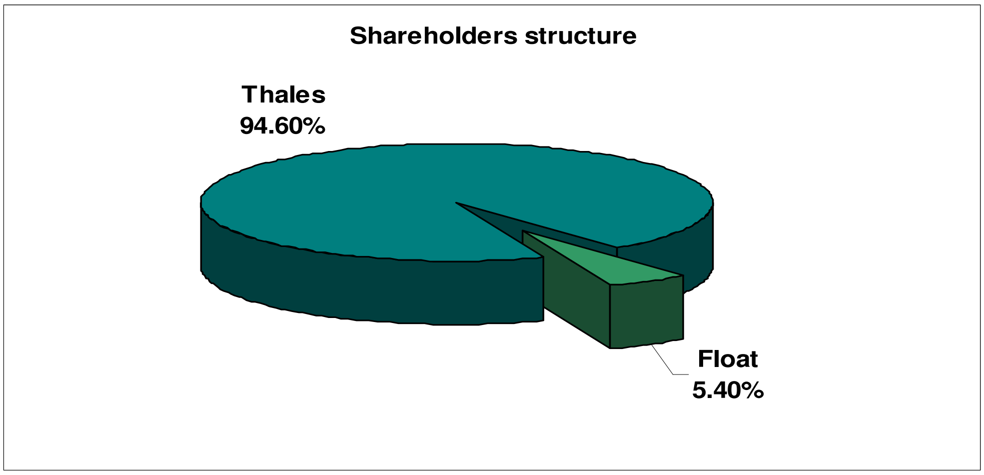
As of December 2008, the Company ceased buying back its shares. As of March 31, 2010, the number of the shares held by the Company represented approximately 5.2% of the Company's issued share capital. All of the Company's shares that are held by the Company are dormant shares.

Capital Structure

To our knowledge, the capital structure of the Company as of March 31, 2010 and as of the date of this report was as follows:

The total number of shares outstanding as of March 31, 2010 was 3,803,904, par value 1 ILS per share (excluding 208,782 shares held by the Company as dormant shares).

The following table illustrates the shareholders of the Company as of March 31, 2010:



Company shares held by Thales in excess of 90% of the outstanding share capital are considered dormant shares.

Low Trading Volume of Company Shares

The Company shares are traded on Euronext Paris under the symbol ENXTPA: CMD. However, the current float of the Company shares represents only 5.4% of the Company's issued and outstanding share capital, as Thales and its affiliates collectively hold 94.6% of the Company shares. In addition, no analyst currently covers the Company. As a result, the average daily trading volume of the Company shares in 2009 was approximately 8,700 shares, and the average daily trading volume in the first quarter of 2010 was approximately 680 shares, as shown in the table below.

	Ordinary Shares	As % of Total Outstanding Shares
Average Daily Volume:		
January – March 2010	680	0.02%
January – December 2009	8,681	0.2%
Total Volume:		
January – March 2010	19,713	0.5%
January – December 2009	1,059,109	27.8%

As a result, investing in the Company shares may involve liquidity risks due to the low public float and trading volume of the Company shares.

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