

CRESCENDO CORPORATION BERHAD

(Company No. : 359750-D)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2008**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.10.2008 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31.10.2007 RM'000	CURRENT YEAR TO DATE 31.10.2008 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31.10.2007 RM'000
Revenue	57,484	26,679	150,035	80,665
Cost of sales	(41,011)	(18,736)	(107,504)	(53,423)
Gross profit	16,473	7,943	42,531	27,242
Other income	1,527	602	3,799	2,357
Administrative expenses	(3,063)	(2,928)	(8,922)	(8,121)
Finance cost	(184)	(539)	(711)	(1,897)
Profit before tax	14,753	5,078	36,697	19,581
Income tax expenses	(3,945)	(1,470)	(9,491)	(5,725)
Profit for the period	10,808	3,608	27,206	13,856
Attributable to:				
Equity holders of the parent	10,200	3,195	24,793	13,104
Minority interests	608	413	2,413	752
	10,808	3,608	27,206	13,856
Earnings per share attributable to equity holders of parent:				
Basic, for profit for the period (sen)	6.60	2.06	16.04	8.77
Diluted, for profit for the period (sen)	6.60	2.05	16.04	8.73

The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the financial year ended 31 January 2008 and the accompanying explanatory notes attached to the interim financial statements.

CRESCENDO CORPORATION BERHAD
(Company No. : 359750-D)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 OCTOBER 2008

	AS AT 31.10.2008 RM'000	AS AT 31.1.2008 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	57,829	55,480
Investments	1,634	2,624
Land held for property development	310,947	294,686
Deferred tax assets	5,414	4,906
	<u>375,824</u>	<u>357,696</u>
Current assets		
Property development costs	45,015	55,274
Inventories	69,311	43,592
Receivables	49,590	48,000
Cash and cash equivalents	14,934	8,875
	<u>178,850</u>	<u>155,741</u>
TOTAL ASSETS	<u>554,674</u>	<u>513,437</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	155,071	155,068
Share premium	15,517	15,517
Treasury shares	(476)	-
Other reserves	15,127	15,003
Retained profits	185,294	165,144
	<u>370,533</u>	<u>350,732</u>
Minority interests	7,991	5,578
Total equity	<u>378,524</u>	<u>356,310</u>
Non-current liabilities		
Long term borrowings	94,746	84,749
Deferred tax liabilities	2,553	2,655
Other payable	9,000	11,000
	<u>106,299</u>	<u>98,404</u>
Current liabilities		
Payables	43,054	31,741
Short term borrowings	22,859	24,091
Provision for tax	3,938	2,891
Dividend payable	-	-
	<u>69,851</u>	<u>58,723</u>
Total liabilities	<u>176,150</u>	<u>157,127</u>
TOTAL EQUITY AND LIABILITIES	<u>554,674</u>	<u>513,437</u>
Net assets per share attributable to equity holders of the parent (RM)	<u>2.39</u>	<u>2.26</u>

The Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Statements for the financial year ended 31 January 2008 and the accompanying explanatory notes attached to the interim financial statements.

CRESCENDO CORPORATION BERHAD
(Company No. : 359750-D)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2008**

	← Attributable to Equity Holders of the Parent →					Total RM'000	Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	← Non-distributable →		Other Reserves RM'000	Distributable Retained Profits RM'000			
		Share Premium RM'000	Treasury Shares RM'000					
9 months ended 31 October 2007								
Balance as at 1 February 2007	143,793	14,533	(2,553)	13,608	150,059	319,440	4,196	323,636
Realisation of revaluation surplus, net of tax	-	-	-	(234)	234	-	-	-
Reduction in deferred tax arising from changes in tax rate	-	-	-	1,789	-	1,789	-	1,789
Net income/(expenses) recognised directly in equity	-	-	-	1,555	234	1,789	-	1,789
Profit for the period	-	-	-	-	13,104	13,104	752	13,856
Total recognised income and expense for the period	-	-	-	-	13,104	13,104	752	13,856
Dividends	-	-	-	-	(7,943)	(7,943)	-	(7,943)
Issue of shares								
- Conversion from ICULS	8,774	-	-	-	-	8,774	-	8,774
- Exercise of ESOS	2,489	230	-	-	-	2,719	-	2,719
Sales of treasury shares	-	718	2,553	-	-	3,271	-	3,271
Share-based payment expenses under ESOS	-	-	-	82	-	82	-	82
Transfer of reserve arising from exercise of ESOS	-	35	-	(35)	-	-	-	-
Minority interest's share of loss set off against their advances	-	-	-	-	-	-	(188)	(188)
Balance as at 31 October 2007	155,056	15,516	-	15,210	155,454	341,236	4,760	345,996

CRESCENDO CORPORATION BERHAD
(Company No. : 359750-D)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2008**

	← Attributable to Equity Holders of the Parent →					Minority Interest RM'000	Total Equity RM'000	
	Share Capital RM'000	← Non-distributable →		Other Reserves RM'000	Distributable Retained Profits RM'000			
		Share Premium RM'000	Treasury Shares RM'000					Total RM'000
Balance as at 1 February 2008	155,068	15,517	-	15,003	165,144	350,732	5,578	356,310
Profit for the period, representing total recognised income and expense for the period	-	-	-	-	24,793	24,793	2,413	27,206
Dividends	-	-	-	-	(4,643)	(4,643)	-	(4,643)
Issue of shares pursuant to exercise of ESOS	3	-	-	-	-	3	-	3
Purchase of treasury shares	-	-	(476)	-	-	(476)	-	(476)
Share-based payment expenses under ESOS	-	-	-	124	-	124	-	124
Balance as at 31 October 2008	155,071	15,517	(476)	15,127	185,294	370,533	7,991	378,524

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the financial year ended 31 January 2008 and the accompanying explanatory notes attached to the interim financial statements.

CRESCENDO CORPORATION BERHAD
(Company No. : 359750-D)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2008**

	9 MONTHS ENDED	
	31.10.2008	31.10.2007
	RM' 000	RM' 000
Net cash from/(used in) operating activities	5,612	(15,188)
Net cash used in investing activities	(3,200)	(3,005)
Net cash from financing activities	6,991	32,331
Net increase in cash and cash equivalents	9,403	14,138
Cash and cash equivalents at the beginning of the financial period	4,202	(12,453)
Cash and cash equivalents at the end of the financial period	<u>13,605</u>	<u>1,685</u>
Cash and cash equivalents at the end of the financial period		
Deposits with licensed banks	605	180
Cash and bank balances	14,329	3,322
Bank overdraft	(1,124)	(1,637)
	<u>13,810</u>	<u>1,865</u>
Fixed deposit pledged	(205)	(180)
As above	<u>13,605</u>	<u>1,685</u>

The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the financial year ended 31 January 2008 and the accompanying explanatory notes attached to the interim financial statements.

PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

A1 Basis of preparation

The interim financial statements which are unaudited, have been prepared under the historical cost convention except for the revaluation of freehold land included within property, plant and equipment.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard ("FRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 January 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 January 2008.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those of the annual financial statements for the year ended 31 January 2008 except for the adoption of the following revised FRSs effective for the annual periods beginning on or after 1 July 2007 which are relevant to its operations:

FRS 107 Cash Flow Statements

FRS 111 Construction Contracts

FRS 112 Income Taxes

FRS 118 Revenue

FRS 119 Employee Benefits

FRS 137 Provisions, Contingent Liabilities and Contingent Assets

The adoption of the above revised FRSs do not have significant impact on the Group.

A2 Audit qualification

The auditor's report of the preceding annual financial statements of the Group did not contain any qualification.

A3 Seasonal or cyclical factors

There were no significant seasonal factors affecting the operations of the Group. However, the economic cyclical factors will have an impact on property/construction sectors.

A4 Unusual items

There were no unusual items that have material effects on the assets, liabilities, equity, net income or cash flows for the current financial year-to-date.

A5 Material changes in estimates

There were no changes in estimates that have had a material effect in the current quarter.

CRESCENDO CORPORATION BERHAD
(Company No. : 359750-D)

A6 Debt and equity securities

The share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the nine months ended 31 October 2008 are as follows:-

	No. of shares (' 000)
At 1 February 2008	-
Share buy-back	464
Share cancellations	-
Shares held as treasury shares	<u>464</u>
Resale of treasury shares	-
At 31 October 2008	<u>464</u>

The issuance and repayment of debt and equity securities for the nine months ended 31 October 2008 are as follows:-

	No. of shares (' 000)
At 1 February 2008	155,068
Exercise of ESOS	3
At 31 October 2008	<u>155,071</u>

A7 Dividends paid

The gross dividends paid during the nine months ended 31 October 2008 is 4 sen less tax per ordinary share in respect of financial year 2008 was paid on 22 August 2008.

A8 Segmental information

Major segments by activity:-	<u>Revenue</u>		<u>Results</u>	
	9 months ended		9 months ended	
	31.10.2008	31.10.2007	31.10.2008	31.10.2007
	RM'000	RM'000	RM'000	RM'000
Property development				
- Industrial properties	68,791	30,638	17,762	10,388
- Residential / commercial properties	21,481	20,798	8,616	7,767
Construction activities	69,345	46,639	3,453	2,488
Manufacturing and trading	52,781	23,670	5,770	1,005
Management services and others	9,850	6,005	5,678	2,322
	<u>222,248</u>	<u>127,750</u>	<u>41,279</u>	<u>23,970</u>
Inter-segment elimination	<u>(72,213)</u>	<u>(47,085)</u>	<u>(2,514)</u>	<u>(1,334)</u>
	<u>150,035</u>	<u>80,665</u>	38,765	22,636
Unallocated income			68	348
Unallocated expenses			(1,425)	(1,506)
Finance cost			(711)	(1,897)
			<u>36,697</u>	<u>19,581</u>

A9 Valuation of property, plant and equipment

The valuations of property, plant and equipment stated in the previous annual financial statements have been brought forward without amendment.

CRESCENDO CORPORATION BERHAD
(Company No. : 359750-D)

A10 Material subsequent event

Subsequent material event that has not been reflected in the financial statements for the current financial period up to 24 December 2008 is as follows:-

(i) Treasury shares

	No. of shares (' 000)	Weighted average price (RM)	Total (RM' 000)
Shares buy-back	95	0.79	75

A11 Changes in the composition of the Group

There were no changes in the composition of the Group for the nine months ended 31 October 2008 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring or discontinuing of operations.

A12 Contingent liabilities

The contingent liabilities of the Group as at 24 December 2008 which comprise Bankers' guarantees issued by a financial institution in favour of third parties are as follows:-

	RM' 000
Secured	3,450
Unsecured	2
	<u>3,452</u>

PART B - ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1 Review of the performance of the company and its principal subsidiaries

The Group achieved a significant increase in revenue and profit before tax ("PBT") of 86% and 87% respectively for the first nine months of the financial year ending 31 January 2009. The revenue and PBT for the first nine months is RM150 million and RM36.7 million respectively representing an increase of RM69.3 million and RM17.1 million respectively as compared to the corresponding period in prior financial year.

The substantial increases in revenue and PBT are mainly contributed by the sales of industrial properties in Nusa Cemerlang Industrial Park ("NCIP") and concrete products manufacturing operation due to expansion of the plant operating at NCIP. The profit of industrial operation has not increased proportionately to its increase in revenue mainly because of lower profit margin as a result of the steep increase in raw material and construction costs in the first nine months of financial year 2009.

B2 Comparison of profit before tax for the quarter reported on with the immediate preceding quarter

The PBT of the Group of the third quarter increased by RM3.5 million as compared to the preceding quarter mainly due to higher sales in industrial properties.

B3 Prospects

For the financial year 2009, the Group will focus on industrial and commercial property developments and manufacturing of concrete products.

Barring unforeseen circumstances and in view of good demand for our industrial properties at Nusa Cemerlang Industrial Park in Iskandar Malaysia, the Board expects a significant increase in profit for the financial year ending 31 January 2009 as compared to the prior financial year 2008.

B4 Variance of actual profit from forecast profit and shortfall in profit guarantee

Not applicable.

B5 Tax

	CURRENT QUARTER 31.10.2008 RM' 000	CURRENT YEAR TO DATE 31.10.2008 RM' 000
Income tax:		
Current year	4,285	10,101
Deferred tax:		
Current year	(340)	(496)
Prior year under / (over) provision	-	(114)
	<u>3,945</u>	<u>9,491</u>

The effective tax rates for the current quarter and financial year-to-date are higher than the statutory rate principally due to the certain expenses which are not deductible for tax purposes.

B6 Profits/(losses) on sale of unquoted investments and/or properties

There were no profit/(loss) on sale of unquoted investments and/or properties outside the ordinary course of the Group's business for the current quarter and financial year-to-date.

CRESCENDO CORPORATION BERHAD
(Company No. : 359750-D)

B7 Quoted securities

(a) Total purchase consideration, sale proceeds of quoted securities and profit/loss arising therefrom for the current quarter and financial year-to-date are as follows:-

	CURRENT QUARTER 31.10.2008 RM' 000	CURRENT YEAR TO DATE 31.10.2008 RM' 000
Total purchase consideration	-	-
Total sale proceeds	-	985
Total profit / (loss) on disposal	-	1

(b) Total investments in quoted securities as at 31 October 2008:-

	RM' 000
(i) At cost	1,759
(ii) At carrying value/book value	1,115
(iii) At market value	676

B8 Status of corporate proposals

The proposed renounceable rights issue of up to RM79,664,015 of 3.75% 7-year Irredeemable Convertible Unsecured Loan Stock ("ICULS") at 100% of its nominal value on the basis of RM1.00 nominal value of ICULS together with one (1) free detachable warrant for every two (2) existing ordinary shares of RM1.00 each held in the Company had been approved by the shareholders at the Extraordinary General Meeting convened on 30 July 2008.

The Securities Commission had vide its letter dated 13 November 2008 approved the following:-

- (i) revision to the proposed rights issue wherein the proposed rights issue will be undertaken on a minimum subscription level of RM54,643,735 ICULS together with 54,643,735 warrants.
- (ii) proposed extension of time for the implementation of the proposed rights issue for a further six months to 7 May 2009.

The listing and quotation of ICULS is expected to complete by January 2009.

B9 Group borrowings and debt securities

Group borrowings as at 31 October 2008 were as follows:

	RM' 000
(a) Secured borrowings	117,605
Unsecured borrowings	-
	<u>117,605</u>
(b) Short term borrowings	
- Overdraft	1,124
- Revolving credit	14,300
- Term Loan	7,357
- Hire purchase	78
	<u>22,859</u>
Long term borrowings	
- Term loan	94,692
- Hire purchase	54
	<u>94,746</u>
	<u>117,605</u>

CRESCENDO CORPORATION BERHAD
(Company No. : 359750-D)

(c) All borrowings are denominated in Ringgit Malaysia.

Total interest capitalised in the land held for property development for the current financial period ended 31 October 2008 is RM3,694,673.

B10 Financial instruments with off balance sheet risk

There were no financial instruments with off balance sheet risk as at 24 December 2008.

B11 Material litigation

As at 24 December 2008, there is no material litigation against the Group.

B12 Dividend

(a) No dividend has been declared or proposed for the current quarter ended 31 October 2008.

(b) Total dividend for the current financial year : 3.0 sen tax exempt.

B13 Earnings per share ("EPS")

(a) Basic earnings per share

Basic earnings per share amounts are calculated by dividing the profit for the current period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	CURRENT QUARTER 31.10.2008	CURRENT YEAR TO DATE 31.10.2008
Profit attributable to ordinary equity holders of the parent (RM'000)	10,200	24,793
Weighted average number of ordinary shares in issue ('000)	154,607	154,606
Basic earnings per share (Sen)	6.60	16.04

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the profit for the period attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the period have been adjusted for the effects of dilutive potential ordinary shares from share options granted to employees.

	CURRENT QUARTER 31.10.2008	CURRENT YEAR TO DATE 31.10.2008
Profit attributable to ordinary equity holders of the parent (RM'000)	10,200	24,793
Weighted average number of ordinary shares in issue ('000)	154,607	154,606
Effect of dilution:		
Share options ('000)	-	-
Adjusted weighted average number of shares in issue and issuable ('000)	154,607	154,606
Diluted earnings per share (Sen)	6.60	16.04

The share option are anti-dilutive and are ignored in the calculation of diluted earnings per share.