

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2011**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30.4.2011 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.4.2010 RM'000	CURRENT YEAR TO DATE 30.4.2011 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.4.2010 RM'000
Revenue	52,082	44,690	52,082	44,690
Cost of sales	(39,046)	(34,950)	(39,046)	(34,950)
<b>Gross profit</b>	<b>13,036</b>	<b>9,740</b>	<b>13,036</b>	<b>9,740</b>
Other income	4,519	1,220	4,519	1,220
Administration expenses	(3,380)	(2,908)	(3,380)	(2,908)
Finance costs	(132)	(663)	(132)	(663)
<b>Profit before tax</b>	<b>14,043</b>	<b>7,389</b>	<b>14,043</b>	<b>7,389</b>
Tax expenses	(2,982)	(1,963)	(2,982)	(1,963)
<b>Profit for the period</b>	<b>11,061</b>	<b>5,426</b>	<b>11,061</b>	<b>5,426</b>
<b>Other comprehensive income, net of tax</b>				
Cash flow hedge	(240)	(348)	(240)	(348)
<b>Total other comprehensive income for the period, net of tax</b>	<b>(240)</b>	<b>(348)</b>	<b>(240)</b>	<b>(348)</b>
<b>Total comprehensive income for the period</b>	<b>10,821</b>	<b>5,078</b>	<b>10,821</b>	<b>5,078</b>
<b>Profit attributable to:</b>				
Owners of the Company	10,429	4,812	10,429	4,812
Non-controlling interest	632	614	632	614
	<b>11,061</b>	<b>5,426</b>	<b>11,061</b>	<b>5,426</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	10,189	4,464	10,189	4,464
Non-controlling interest	632	614	632	614
	<b>10,821</b>	<b>5,078</b>	<b>10,821</b>	<b>5,078</b>
<b>Earnings per share attributable to owners of the Company:</b>				
Basic (sen)	6.03	3.12	6.03	3.12
Diluted (sen)	4.40	2.25	4.40	2.25

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the financial year ended 31 January 2011 and the accompanying explanatory notes attached to the interim financial statements.

**CRESCENDO CORPORATION BERHAD**

(Company No. : 359750-D)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 APRIL 2011**

	<b>AS AT 30.4.2011 RM'000</b>	<b>AS AT 31.1.2011 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	42,358	42,218
Available-for-sale financial assets	60	60
Land held for property development	444,455	445,783
Deferred tax assets	7,396	7,218
Derivative financial asset	-	33
	<u>494,269</u>	<u>495,312</u>
<b>Current assets</b>		
Property development costs	63,543	48,647
Inventories	56,298	58,074
Trade and other receivables	70,560	58,657
Cash and bank balances	44,507	49,792
	<u>234,908</u>	<u>215,170</u>
<b>TOTAL ASSETS</b>	<u><b>729,177</b></u>	<u><b>710,482</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	173,737	172,566
Share premium	16,012	15,838
Treasury shares	(14)	(14)
Other reserves	36,102	36,305
Equity component of ICULS	50,281	50,281
Retained earnings	230,370	219,958
	<u>506,488</u>	<u>494,934</u>
<b>Non-controlling interest</b>	13,306	12,916
<b>Total equity</b>	<u><b>519,794</b></u>	<u><b>507,850</b></u>
<b>Non-current liabilities</b>		
Loans and borrowings	131,748	132,253
Liability component of ICULS	8,927	9,336
Deferred tax liabilities	2,329	2,335
Trade payable	8,201	8,064
Derivative financial liability	207	-
	<u>151,412</u>	<u>151,988</u>
<b>Current liabilities</b>		
Trade and other payables	45,899	39,206
Loans and borrowings	8,680	6,948
Tax payable	3,392	1,907
Dividend payable	-	2,583
	<u>57,971</u>	<u>50,644</u>
<b>Total liabilities</b>	<u><b>209,383</b></u>	<u><b>202,632</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>729,177</b></u>	<u><b>710,482</b></u>
Net assets per share (RM)	<u>2.92</u>	<u>2.87</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the financial year ended 31 January 2011 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 30 APRIL 2011**

	← Attributable to owners of the Company →								Non-Controlling Interest RM'000
	Total Equity RM'000	Equity attributable to the owners of the Company RM'000	← Non-distributable →				Distributable		
Share Capital RM'000			Share Premium RM'000	Treasury Shares RM'000	Other Reserves RM'000	ICULS (Equity Component) RM'000	Retained Earnings RM'000		
<b>3 months ended 30 April 2011</b>									
<b>Balance as at 1 February 2011</b>	507,850	494,934	172,566	15,838	(14)	36,305	50,281	219,958	12,916
<b>Total comprehensive income</b>	10,821	10,189	-	-	-	(240)	-	10,429	632
<b>Transactions with owners</b>									
Dividend paid to non-controlling interest	(284)	-	-	-	-	-	-	-	(284)
Dilution of interest in subsidiary	25	(17)	-	-	-	-	-	(17)	42
Issue of shares pursuant to:									
- exercise of ESOS	1,305	1,305	1,171	134	-	-	-	-	-
Transfer of reserve arising from exercise of ESOS	-	-	-	40	-	(40)	-	-	-
Share-based payment expenses under ESOS	77	77	-	-	-	77	-	-	-
<b>Total transactions with owners</b>	<b>1,123</b>	<b>1,365</b>	<b>1,171</b>	<b>174</b>	<b>-</b>	<b>37</b>	<b>-</b>	<b>(17)</b>	<b>(242)</b>
<b>Balance as at 30 April 2011</b>	<b>519,794</b>	<b>506,488</b>	<b>173,737</b>	<b>16,012</b>	<b>(14)</b>	<b>36,102</b>	<b>50,281</b>	<b>230,370</b>	<b>13,306</b>
<b>3 months ended 30 April 2010</b>									
<b>Balance as at 1 February 2010 - as previously reported</b>	460,647	450,940	155,071	14,890	(798)	34,792	50,281	196,704	9,707
Effects of adopting FRS 139	1,846	1,292	-	-	-	2,089	-	(797)	554
<b>Balance as at 1 February 2010 - as restated</b>	<b>462,493</b>	<b>452,232</b>	<b>155,071</b>	<b>14,890</b>	<b>(798)</b>	<b>36,881</b>	<b>50,281</b>	<b>195,907</b>	<b>10,261</b>
<b>Total comprehensive income</b>	<b>5,078</b>	<b>4,464</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(348)</b>	<b>-</b>	<b>4,812</b>	<b>614</b>
<b>Transactions with owners</b>									
Purchase of treasury shares	(14)	(14)	-	-	(14)	-	-	-	-
Issue of shares pursuant to:									
- exercise of ESOS	19	19	19	-	-	-	-	-	-
Transfer of reserve arising from exercise of ESOS	-	-	-	1	-	(1)	-	-	-
Share-based payment expenses under ESOS	60	60	-	-	-	60	-	-	-
<b>Total transactions with owners</b>	<b>65</b>	<b>65</b>	<b>19</b>	<b>1</b>	<b>(14)</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 30 April 2010</b>	<b>467,636</b>	<b>456,761</b>	<b>155,090</b>	<b>14,891</b>	<b>(812)</b>	<b>36,592</b>	<b>50,281</b>	<b>200,719</b>	<b>10,875</b>

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 2011 and the accompanying explanatory notes attached to the interim financial statements.

**CRESCENDO CORPORATION BERHAD**

(Company No. : 359750-D)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2011**

	<b>3 MONTHS ENDED</b>	
	<b>30.4.2011</b>	<b>30.4.2010</b>
	<b>RM' 000</b>	<b>RM' 000</b>
<b>Net cash used in operating activities</b>	(6,710)	(8,452)
<b>Net cash from / (used in) investing activities</b>	1,757	(608)
<b>Net cash (used in) / from financing activities</b>	<u>(1,436)</u>	<u>23,523</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>	(6,389)	14,463
<b>Cash and cash equivalents at the beginning of the financial period</b>	49,266	39,068
<b>Cash and cash equivalents at the end of the financial period</b>	<u>42,877</u>	<u>53,531</u>
<b>Cash and cash equivalents at the end of the financial period</b>		
Deposits with licensed banks	23,303	42,014
Cash and bank balances	21,204	11,771
Bank overdrafts	<u>(1,410)</u>	<u>(41)</u>
	43,097	53,744
Fixed deposit pledged	<u>(220)</u>	<u>(213)</u>
	<u>42,877</u>	<u>53,531</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 2011 and the accompanying explanatory notes attached to the interim financial statements.

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

**PART A - EXPLANATORY NOTES PURSUANT TO FRS 134**

**A1 Basis of preparation**

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 2011. 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 2011.

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 2011 except for the adoption of the following new and amended FRSs and Issues Committee ("IC") Interpretations relevant to the current operations of the Group with effect from 1 February 2011.

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (Revised)
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
Amendments to FRS 132	Classification of Right Issues
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-Time Adopters
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Improvements of FRSs (2010)	

The adoption of the above did not have any significant effects on the interim financial report upon their initial application other than:

FRS 3 : Business Combinations (Revised)  
Amendments to FRS 127 : Consolidated and Separate Financial Statements

The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 127 requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes from revised FRS 3 and Amendments to FRS 127 will affect future acquisitions or loss of control and transactions with non-controlling interest.

The Group has not elected for early adoption of the following new and amended FRSs and IC Interpretations relevant to the current operations of the Group, which were issued but not yet effective for the financial year ended 31 January 2012:

		Effective for financial periods beginning on or after
FRS124	Related Party Disclosures	1 Jan 2012
IC Interpretation 15	Agreements for the Construction of Real Estate	1 Jan 2012

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

The above new and amended FRSs and IC Interpretations are not expected to have any significant impact on the financial statements of the Group upon their initial application other than:

IC Interpretation 15 : Agreements for the Construction of Real Estate

This Interpretation clarifies when and how revenue and related expenses from the sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. Furthermore, the Interpretation provides guidance on how to determine whether an agreement is within the scope of FRS 111 Construction Contracts or FRS 118 Revenue.

The Group currently recognises revenue arising from property development projects using the stage of completion method. Upon the adoption of IC Interpretation 15, the Group may be required to change its accounting policy to recognise such revenues at completion, or upon or after delivery. The Group is in the process of making an assessment of the impact of this Interpretation.

**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 results.

**A6 Debt and equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the three months ended 30 April 2011 except for the following:

- (a) issuance of 1,171,200 new ordinary shares of RM1 each by virtue of the exercise of the Company's Employees' Share Option Scheme ("ESOS").
- (b) issuance of 100 new ordinary shares of RM1 each pursuant to the exercise of 100 Warrants.

**A7 Dividends paid**

The dividend paid during the three months ended 30 April 2011 was a second interim dividend of 2 sen less tax per ordinary share in respect of financial year 2011, paid on 17 February 2011.

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

**A8 Segmental information**

Major segments by activity:-	Revenue		Results	
	3 months ended		3 months ended	
	30.4.2011	30.4.2010	30.4.2011	30.4.2010
	RM' 000	RM' 000	RM' 000	RM' 000
Property development and construction	34,093	29,649	11,932	7,185
Manufacturing and trading	20,303	18,083	1,232	647
Management services and others	3,300	2,157	2,715	1,386
	<u>57,696</u>	<u>49,889</u>	<u>15,879</u>	<u>9,218</u>
Inter-segment eliminations	<u>(5,614)</u>	<u>(5,199)</u>	<u>(1,144)</u>	<u>(742)</u>
	<u>52,082</u>	<u>44,690</u>	<u>14,735</u>	<u>8,476</u>
Other investment income / (loss)			-	-
Unallocated expenses			(560)	(424)
Finance costs			<u>(132)</u>	<u>(663)</u>
			<u>14,043</u>	<u>7,389</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.

**A10 Material subsequent events**

As at 21 June 2011, there were no subsequent material events that have not been reflected in the financial statements for the current financial period.

**A11 Changes in the composition of the Group**

There were no changes in the composition of the Group for the current financial year-to-date including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring or discontinuing of operations except for Crescendo Education Sdn Bhd ("CESB"), a wholly owned subsidiary of the Company, previously held 300,000 ordinary shares of RM1 each representing 60% of the issued and paid up capital of Crescendo International College Sdn Bhd ("CICSB"), had on 1st April 2011 disposed of 25,000 of those shares for a cash consideration of RM24,298. As a result of the disposal, CICSB is now a 55% owned subsidiary of CESB.

**A12 Contingent liabilities**

The contingent liabilities of the Group as at 21 June 2011 which comprise Bankers' guarantees issued by a financial institution in favour of third parties are as follows:-

	RM' 000
Secured	1,753
Unsecured	<u>2</u>
	<u>1,755</u>

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

**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 recorded a significant increase in revenue and profit before tax ("PBT") to RM52.1 million and RM14.0 million respectively for the financial period ended 30 April 2011 as compared to RM44.7 million and RM7.4 million respectively recorded for the previous corresponding financial period ended 30 April 2010.

The higher revenue is mainly contributed from higher sales in industrial properties. The increase in PBT is mainly contributed by higher sales and improved margin from industrial properties.

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

The PBT for the current financial quarter is RM2.1 million or 13% lower as compared to the preceding financial quarter ended 31 January 2011 mainly due the compensation on compulsory land acquisition of RM6.5 million recorded in the preceding financial quarter.

**B3 Prospects**

For the financial year 2012, the property market is expected to remain buoyant with moderately higher prices, in line with economic growth and growing interest among foreigners. The market conditions are expected to be volatile in view of the recent nuclear crisis in Japan and political unrest in several countries in the Middle East. The Group will continue to focus, with the encouraging locked-in sales, on the development of industrial properties at Nusa Cemerlang Industrial Park ("NCIP") located in Nusajaya in the financial year 2012.

Barring unforeseen circumstances, the Board expects the Group performance to remain good for the financial year ending 31 January 2012.

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

Not applicable.

**B5 Tax**

	CURRENT QUARTER 30.4.2011 RM' 000	CURRENT YEAR TO DATE 30.4.2011 RM' 000
Current tax:		
Current year	3,159	3,159
Prior years under provision	7	7
Deferred tax:		
Current year	(184)	(184)
	<u>2,982</u>	<u>2,982</u>

The effective tax rates for the current quarter and financial year-to-date are lower than the statutory rate principally due to certain income which is not taxable.

**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.

**B7 Quoted securities**

There is no investments in quoted securities as at 30 April 2011.



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

**B8 Status of corporate proposals**

There were no corporate proposals announced but not completed as at 21 June 2011.

**B9 Group borrowings and debt securities**

Group loans and borrowings as at 30 April 2011 were as follows:

	RM' 000
(a) Secured loans and borrowings	140,428
Unsecured loans and borrowings	8,927
	149,355
(b) Current	
- Overdrafts	1,410
- Revolving credit	2,400
- Banker acceptance	2,254
- Term Loans	2,553
- Hire purchase liabilities	63
	8,680
Non-current	
- Term loans	131,720
- Hire purchase liabilities	28
- Liability component of ICULS	8,927
	140,675
	149,355

(c) All borrowings are denominated in Ringgit Malaysia.

Total interest capitalised in the land held for property development for the current financial period ended 30 April 2011 is RM1,693,688.

**B10 Financial instruments**

Interest rate swap contracts

The Group has entered into interest rate swap contract to convert floating rate liabilities to fixed rate liabilities to reduce the Group's exposure from adverse fluctuations in interest rate on underlying debts instruments. The differences between the rates calculated by reference to the agreed notional principal amounts were exchanged at periodic intervals. The interest rate swap contract as at 30 April 2011 is as follows:

	Notional Amount (RM'000)	Effective Period	Interest Rate	Fair Value Liability (RM'000)
Interest Rate Swap	50,000	29 March 2010 to 28 December 2016	The Group will pay the Bank based on fixed rate 3.97% per annum while the Bank will pay the Group based on MYR KLIBOR 1M rate, every month based upon amortised notional amount.	(207)

**Credit risk**

There is minimal credit risk as the swap was entered into with a reputable bank.

**Cash requirements**

The Group is exposed to minimal cash flow risk in view of its healthy cash positions.

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

**B11 Breakdown of retained earnings into realised and unrealised**

The breakdown of the retained earnings of the Group into realised and unrealised earnings is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profit or Losses in the Context of Disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysia Institute of Accountants.

	AS AT 30.4.2011 RM' 000	AS AT 31.1.2011 RM' 000
Total retained earnings of the Company and its subsidiaries		
Realised	322,368	307,588
Unrealised	217	381
	<u>322,585</u>	<u>307,969</u>
Less: Consolidated adjustments	(92,215)	(88,011)
Total Group retained earnings	<u>230,370</u>	<u>219,958</u>

**B12 Material litigation**

As at 21 June 2011, there is no material litigation against the Group.

**B13 Dividend**

No dividend has been declared or proposed for the current financial period ended 30 April 2011.

**B14 Earnings per share ("EPS")**

(a) Basic earnings per share

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

	CURRENT QUARTER 30.4.2011	CURRENT YEAR TO DATE 30.4.2011
Profit net of tax attributable to owners of the Company (RM'000)	10,429	10,429
Weighted average number of ordinary shares in issue ('000)	173,064	173,064
Basic earnings per share (Sen)	<u>6.03</u>	<u>6.03</u>

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the profit for the period, net of tax, attributable to owners of the Company 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 ICULS, warrants and share options granted to employees.

	CURRENT QUARTER 30.4.2011	CURRENT YEAR TO DATE 30.4.2011
Profit net of tax attributable to owners of the Company (RM'000)	10,429	10,429
After tax effect of interest on ICULS (RM)	409	409
Profit net of tax attributable to owners of the Company including assumed conversion (RM)	<u>10,838</u>	<u>10,838</u>
Weighted average number of ordinary shares in issue ('000)	173,064	173,064
Effect of dilution:		
Share options ('000)	625	625
ICULS ('000)	59,683	59,683
Warrants ('000)	12,940	12,940
Adjusted weighted average number of shares in issue and issuable ('000)	<u>246,312</u>	<u>246,312</u>
Diluted earnings per share (Sen)	<u>4.40</u>	<u>4.40</u>