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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2011

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.10.11 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31.10.10 RM'000	CURRENT YEAR TO DATE 31.10.11 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31.10.10 RM'000
Revenue	93,076	59,114	219,814	158,519
Cost of sales	(61,189)	(45,350)	(151,596)	(118,381)
Gross profit	31,887	13,764	68,218	40,138
Other income	2,255	3,114	7,809	5,434
Administration expenses	(3,593)	(3,204)	(10,640)	(9,652)
Finance costs	(153)	(290)	(443)	(1,276)
Profit before tax	30,396	13,384	64,944	34,644
Tax expenses	(7,935)	(3,343)	(15,935)	(9,020)
Profit for the period	22,461	10,041	49,009	25,624
Other comprehensive income, net of tax				
Cash flow hedge	(705)	100	(1,058)	(532)
Total other comprehensive income for the period, net of tax	(705)	100	(1,058)	(532)
Total comprehensive income for the period	21,756	10,141	47,951	25,092
Profit attributable to:				
Owners of the Company	21,745	8,451	46,809	22,384
Non-controlling interest	716	1,590	2,200	3,240
	22,461	10,041	49,009	25,624
Total comprehensive income attributable to:				
Owners of the Company	21,040	8,551	45,751	21,852
Non-controlling interest	716	1,590	2,200	3,240
	21,756	10,141	47,951	25,092
Earnings per share attributable to owners of the Company:				
Basic (sen)	12.48	5.45	26.92	14.43
Diluted (sen)	8.95	3.80	19.33	10.22

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 31 OCTOBER 2011

	AS AT 31.10.11 RM'000	AS AT 31.1.11 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	44,106	42,218
Available-for-sale financial assets	60	60
Land held for property development	438,060	445,783
Deferred tax assets	7,528	7,218
Derivative financial asset	-	33
	489,754	495,312
Current assets		
Property development costs	79,308	48,647
Inventories	47,874	58,074
Trade and other receivables	92,506	58,657
Cash and bank balances	67,514	49,792
	287,202	215,170
TOTAL ASSETS	776,956	710,482
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	175,114	172,566
Share premium	16,262	15,838
Treasury shares	(1,473)	(14)
Other reserves	35,216	36,305
Equity component of ICULS	50,281	50,281
Retained earnings	253,672	219,958
	529,072	494,934
Non-controlling interest	14,874	12,916
Total equity	543,946	507,850
Non-current liabilities		
Loans and borrowings	130,737	132,253
Liability component of ICULS	8,081	9,336
Deferred tax liabilities	2,394	2,335
Trade payable	6,470	8,064
Derivative financial liability	1,025	-
	148,707	151,988
Current liabilities		
Trade and other payables	58,595	39,206
Loans and borrowings	7,968	6,948
Tax payable	11,211	1,907
Dividend payable	6,529	2,583
	84,303	50,644
Total liabilities	233,010	202,632
TOTAL EQUITY AND LIABILITIES	776,956	710,482
Net assets per share (RM)	3.02	2.87

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 31 OCTOBER 2011

		← Attributable to owners of the Company →							
			← Non-distributable →					Distributable	
	Total Equity RM'000	Equity attributable to the owners of the Company RM'000	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	Non-Controlling Interest RM'000
9 months ended 31 October 2011									
Balance as at 1 February 2011	507,850	494,934	172,566	15,838	(14)	36,305	50,281	219,958	12,916
Total comprehensive income	47,951	45,751	-	-	-	(1,058)	-	46,809	2,200
Transactions with owners									
Dividends	(13,078)	(13,078)	-	-	-	-	-	(13,078)	-
Purchase of treasury shares	(1,459)	(1,459)	-	-	(1,459)	-	-	-	-
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	2,716	2,716	2,420	296	-	-	-	-	-
Issue of shares pursuant to exercise of Warrants	128	128	128	-	-	-	-	-	-
Transfer of reserve arising from exercise of ESOS	-	-	-	124	-	(124)	-	-	-
Transfer of reserve arising from exercise of Warrants	-	-	-	4	-	(4)	-	-	-
Share-based payment expenses under ESOS	97	97	-	-	-	97	-	-	-
Total transactions with owners	(11,855)	(11,613)	2,548	424	(1,459)	(31)	-	(13,095)	(242)
Balance as at 31 October 2011	543,946	529,072	175,114	16,262	(1,473)	35,216	50,281	253,672	14,874
9 months ended 31 October 2010									
Balance as at 1 February 2010 - as previously reported	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
Balance as at 1 February 2010 - as restated	462,493	452,232	155,071	14,890	(798)	36,881	50,281	195,907	10,261
Total comprehensive income	25,092	21,852	-	-	-	(532)	-	22,384	3,240
Transactions with owners									
Dividends	(4,628)	(4,628)	-	-	-	-	-	(4,628)	-
Purchase of treasury shares	(22)	(22)	-	-	(22)	-	-	-	-
Sale of treasury shares	1,024	1,024	-	204	820	-	-	-	-
Issue of shares pursuant to exercise of ESOS	227	227	227	-	-	-	-	-	-
Issue of shares pursuant to exercise of Warrants	341	341	341	-	-	-	-	-	-
Transfer of reserve arising from exercise of ESOS	-	-	-	16	-	(16)	-	-	-
Transfer of reserve arising from exercise of Warrants	-	-	-	12	-	(12)	-	-	-
Share-based payment expenses under ESOS	60	60	-	-	-	60	-	-	-
Total transactions with owners	(2,998)	(2,998)	568	232	798	32	-	(4,628)	-
Balance as at 31 October 2010	484,587	471,086	155,639	15,122	-	36,381	50,281	213,663	13,501

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 31 OCTOBER 2011

	9 MONTHS ENDED	
	31.10.11	31.10.10
	RM' 000	RM' 000
Net cash from operating activities	27,314	16,748
Net cash used in investing activities	(1,071)	(2,578)
Net cash (used in) / from financing activities	(9,213)	11,120
Net increase in cash and cash equivalents	17,030	25,290
Cash and cash equivalents at the beginning of the financial period	49,266	39,068
Cash and cash equivalents at the end of the financial period	66,296	64,358
Cash and cash equivalents at the end of the financial period		
Deposits with licensed banks	54,263	54,317
Cash and bank balances	13,251	11,005
Bank overdrafts	(994)	(747)
	66,520	64,575
Fixed deposit pledged	(224)	(217)
	66,296	64,358

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.

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
FRS 124	Related Party Disclosures	1 Jan 2012
Amendments to FRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 Jan 2012
Amendments to FRS 7	Disclosures - Transfers of Financial Assets	1 Jan 2012
Amendments to FRS 112	Deferred Tax : Recovery of Underlying Assets	1 Jan 2012
Amendments to FRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
FRS 9	Financial Instruments	1 Jan 2013
FRS 10	Consolidated Financial Statements	1 Jan 2013
FRS 12	Disclosures of Interests in Other Entities	1 Jan 2013

FRS 13	Fair Value Measurement	1 Jan 2013
FRS 119	Employee Benefits	1 Jan 2013
FRS 127	Separate Financial Statements	1 Jan 2013
FRS 128	Investment in Associates and Joint Ventures	1 Jan 2013

The Malaysian Accounting Standards Board, in furtherance of its objective of converging the accounting framework for entities other than private entities in Malaysia with International Financial Reporting Standards, announced on 19 November 2011 the issuance of Malaysian Financial Reporting Standards ("MFRS"). Entities other than private entities shall apply the MFRS framework for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141, Agriculture and/or IC Interpretation 15, Agreement for the Construction of Real Estate.

An entity subject to the application of MFRS 141 and/or IC Interpretation 15 may continue to apply Financial Reporting Standards ("FRS") as its financial reporting framework for annual reporting periods beginning on or after 1 January 2012. This has further extended to their parent company that either consolidates or equity accounts or proportionately consolidates the entity that has chosen to apply FRSs as its financial reporting framework may itself choose to apply FRSs as its financial reporting framework for annual periods beginning on or after 1 January 2012. All of these entities shall comply with the MFRS framework for annual periods beginning on or after 1 January 2013.

The Group is currently assessing the impact of MFRSs, in particular MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards, on the financial statements of the Group and of its subsidiaries. With the exemption given to the entity subject to the application of IC Interpretation 15, the Group will adopt MFRSs to prepare consolidated financial statements from the financial year ending 31 January 2014.

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 nine months ended 31 October 2011 except for the following:

(a) issuance of 2,420,500 new ordinary shares of RM1 each by virtue of the exercise of the Company's Employees' Share Option Scheme ("ESOS").

(b) issuance of 127,550 new ordinary shares of RM1 each pursuant to the exercise of 127,550 Warrants.

(c) repurchase of 990,000 ordinary shares of RM1 each of its issued share capital from the open market for a total consideration of RM1,458,846 at an average price of RM1.47 per share.

A7 **Dividends paid**

The dividends paid during the nine months ended 31 October 2011 are as follows:-

(i) A second interim dividend of 2 sen less tax per ordinary share in respect of financial year 2011 was paid on 17 February 2011.

(ii) A final dividend of 5 sen less tax per ordinary share in respect of financial year 2011 was paid on 26 August 2011.

A8 **Segmental information**

Major segments by activity:-	Revenue 9 months ended 31.10.11 RM' 000	Revenue 9 months ended 31.10.10 RM' 000	Results 9 months ended 31.10.11 RM' 000	Results 9 months ended 31.10.10 RM' 000
Property development and construction	158,342	113,544	54,129	32,334
Manufacturing and trading	67,747	50,862	3,524	1,997
Management services and others	14,783	8,293	13,065	6,118
	240,872	172,699	70,718	40,449
Inter-segment eliminations	(21,058)	(14,180)	(3,661)	(3,113)
	219,814	158,519	67,057	37,336
Unallocated expenses			(1,670)	(1,416)
Finance costs			(443)	(1,276)
			64,944	34,644

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 16 December 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 16 December 2011 which comprise Bankers' guarantees issued by a financial institution in favour of third parties are as follows:-

	RM' 000
Secured	8,655
Unsecured	1
	8,656

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 RM219.8 million and RM64.9 million respectively for the nine months of the financial year ending 31 January 2012 as compared to RM158.5 million and RM34.6 million respectively recorded for the previous corresponding financial period in the last financial year.

The 39% increase in revenue is mainly contributed from higher sales in industrial properties. The 87% 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 RM30.4 million, which represent an increase of RM9.9 million or 48% as compared to the preceding financial quarter ended 31 July 2011. The significant increase in PBT is mainly contributed by higher sales in industrial properties.

B3 **Prospects**

For the financial year 2012, the market conditions are volatile in view of the European sovereign debt concern and a recurrence of the global recession. 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.

The Board expects the Group's 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 31.10.11 RM' 000	CURRENT YEAR TO DATE 31.10.11 RM' 000
Current tax:		
Current year	7,743	16,223
Prior years over provision	-	(37)
Deferred tax:		
Current year	180	(254)
Prior years over provision	12	3
	7,935	15,935

The effective tax rates for the current quarter is higher than the statutory rate principally due to 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.

B7 **Quoted securities**

There is no investments in quoted securities as at 31 October 2011.

B8 **Status of corporate proposals**

There were no corporate proposals announced but not completed as at 16 December 2011.

B9 Group borrowings and debt securities

Group loans and borrowings as at 31 October 2011 were as follows:

		RM' 000
(a)	Secured loans and borrowings	138,705
	Unsecured loans and borrowings	8,081
		146,786
(b)	Current	
	- Overdrafts	994
	- Revolving credit	3,170
	- Banker acceptance	1,635
	- Term Loans	2,113
	- Hire purchase liabilities	56
		7,968
	Non-current	
	- Term loans	130,737
	- Liability component of ICULS	8,081
		138,818
		146,786

(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 2011 is RM5,216,669.

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 31 October 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.	(1,025)

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.

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 Malaysian Institute of Accountants.

	AS AT 31.10.11 RM' 000	AS AT 31.1.11 RM' 000
Total retained earnings of the Company and its subsidiaries		
Realised	361,463	307,588
Unrealised	(308)	381
	361,155	307,969
Less: Consolidated adjustments	(107,483)	(88,011)
Total Group retained earnings	253,672	219,958

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

B12 **Material litigation**

As at 16 December 2011, there is no material litigation against the Group.

B13 **Dividend**

(a) The Board is pleased to declare a second interim dividend for the financial year ending 31 January 2012 as follows:-

(i) amount per share : 3 sen less tax of 25%;
(ii) previous corresponding period : 2 sen less tax of 25%;
(iii) date of payment is 17 February 2012; and
(iv) in respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at 20 January 2012.

(b) Total dividend for the current financial year : 8 sen less tax of 25% per share.

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 31.10.11	CURRENT YEAR TO DATE 31.10.11
Profit net of tax attributable to owners of the Company (RM'000)	21,745	46,809
Weighted average number of ordinary shares in issue ('000)	174,233	173,881
Basic earnings per share (Sen)	12.48	26.92

(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 31.10.11	CURRENT YEAR TO DATE 31.10.11
Profit net of tax attributable to owners of the Company (RM'000)	21,745	46,809
After tax effect of interest on ICULS (RM)	423	1,255
Profit net of tax attributable to owners of the Company including assumed conversion (RM)	22,168	48,064
Weighted average number of ordinary shares in issue ('000)	174,233	173,881
Effect of dilution:		
Share options ('000)	471	482
ICULS ('000)	59,683	59,683
Warrants ('000)	13,424	14,643
Adjusted weighted average number of shares in issue and issuable ('000)	247,811	248,689
Diluted earnings per share (Sen)	8.95	19.33