

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30.4.13 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.4.12 RM'000	CURRENT YEAR TO DATE 30.4.13 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.4.12 RM'000
Revenue	71,045	85,746	71,045	85,746
Cost of sales	(44,506)	(65,737)	(44,506)	(65,737)
Gross profit	26,539	20,009	26,539	20,009
Other income	2,966	2,345	2,966	2,345
Administration expenses	(4,135)	(3,702)	(4,135)	(3,702)
Other operating expenses	(79)	(162)	(79)	(162)
Finance costs	(161)	(188)	(161)	(188)
Profit before tax	25,130	18,302	25,130	18,302
Tax expenses	(6,384)	(4,675)	(6,384)	(4,675)
Profit for the period	18,746	13,627	18,746	13,627
Other comprehensive income, net of tax				
Cash flow hedge	(33)	298	(33)	298
Total other comprehensive income for the period, net of tax	(33)	298	(33)	298
Total comprehensive income for the period	18,713	13,925	18,713	13,925
Profit attributable to:				
Owners of the Company	17,986	12,219	17,986	12,219
Non-controlling interest	760	1,408	760	1,408
	18,746	13,627	18,746	13,627
Total comprehensive income attributable to:				
Owners of the Company	17,953	12,517	17,953	12,517
Non-controlling interest	760	1,408	760	1,408
	18,713	13,925	18,713	13,925
Earnings per share attributable to owners of the Company:				
Basic (sen)	9.23	6.59	9.23	6.59
Diluted (sen)	6.95	4.95	6.95	4.95

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 2013 and the accompanying explanatory notes attached to the interim financial statements.

CRESCENDO CORPORATION BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 30.4.13 RM'000	AS AT 31.1.13 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	55,549	55,206
Biological assets	767	595
Investment properties	33,912	29,114
Available-for-sale financial assets	-	60
Land held for property development	451,746	450,988
Deferred tax assets	8,288	8,643
	<u>550,262</u>	<u>544,606</u>
Current assets		
Property development costs	45,955	50,070
Inventories	82,174	86,292
Trade and other receivables	77,031	69,119
Other current assets	13,251	12,410
Tax recoverable	709	601
Cash and bank balances	26,734	23,228
	<u>245,854</u>	<u>241,720</u>
TOTAL ASSETS	<u>796,116</u>	<u>786,326</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	196,003	195,491
Share premium	17,978	17,166
Treasury shares	-	(1,851)
Other reserves	35,364	35,127
Equity component of ICULS	43,926	44,230
Retained earnings	323,049	305,368
	<u>616,320</u>	<u>595,531</u>
Non-controlling interest	<u>19,864</u>	<u>19,104</u>
Total equity	<u>636,184</u>	<u>614,635</u>
Non-current liabilities		
Loans and borrowings	73,540	77,201
Liability component of ICULS	4,735	5,172
Deferred tax liabilities	2,731	2,691
Derivative financial liability	766	734
	<u>81,772</u>	<u>85,798</u>
Current liabilities		
Trade and other payables	51,637	54,840
Due to customers on contracts	699	803
Loans and borrowings	17,769	24,878
Tax payable	8,055	5,372
	<u>78,160</u>	<u>85,893</u>
Total liabilities	<u>159,932</u>	<u>171,691</u>
TOTAL EQUITY AND LIABILITIES	<u>796,116</u>	<u>786,326</u>
Net assets per share (RM)	<u>3.17</u>	<u>3.07</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 2013 and the accompanying explanatory notes attached to the interim financial statements.

CRESCENDO CORPORATION BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← 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		
3 months ended 30 April 2013									
Balance as at 1 February 2013	614,635	595,531	195,491	17,166	(1,851)	35,127	44,230	305,368	19,104
Total comprehensive income	18,713	17,953	-	-	-	(33)	-	17,986	760
Transactions with owners									
Sale of treasury shares	2,658	2,658	-	807	1,851	-	-	-	-
Transfer to other capital reserve	-	-	-	-	-	275	-	(275)	-
Exercise of Warrants	152	152	152	-	-	-	-	-	-
Conversion of ICULS	26	26	360	-	-	-	(304)	(30)	-
Transfer of reserve arising from exercise of Warrants	-	-	-	5	-	(5)	-	-	-
Total transactions with owners	2,836	2,836	512	812	1,851	270	(304)	(305)	-
Balance as at 30 April 2013	636,184	616,320	196,003	17,978	-	35,364	43,926	323,049	19,864
3 months ended 30 April 2012									
Balance as at 1 February 2012	564,176	548,963	183,478	16,634	(1,583)	34,743	49,446	266,245	15,213
Total comprehensive income	13,925	12,517	-	-	-	298	-	12,219	1,408
Transactions with owners									
Exercise of ESOS	993	993	837	156	-	-	-	-	-
Exercise of Warrants	188	188	188	-	-	-	-	-	-
Conversion of ICULS	586	586	6,084	-	-	-	(5,125)	(373)	-
Transfer of reserve arising from exercise of ESOS	-	-	-	74	-	(74)	-	-	-
Transfer of reserve arising from exercise of Warrants	-	-	-	7	-	(7)	-	-	-
Share-based payment expenses under ESOS	4	4	-	-	-	4	-	-	-
Total transactions with owners	1,771	1,771	7,109	237	-	(77)	(5,125)	(373)	-
Balance as at 30 April 2012	579,872	563,251	190,587	16,871	(1,583)	34,964	44,321	278,091	16,621

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 2013 and the accompanying explanatory notes attached to the interim financial statements.

CRESCENDO CORPORATION BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	3 MONTHS ENDED	
	30.4.13	30.4.12
	RM' 000	RM' 000
Cash flows from operating activities		
Cash receipts from customers	67,748	76,271
Cash paid to suppliers and employees	(49,040)	(58,692)
Cash generated from operations	<u>18,708</u>	<u>17,579</u>
Deposit interest received	148	617
Interest paid	(1,292)	(1,739)
Tax paid	(3,423)	(3,459)
Net cash from operating activities	<u>14,141</u>	<u>12,998</u>
Cash flows from investing activities		
Acquisition of biological assets and property, plant and equipment	(1,004)	(3,775)
Acquisition of investment properties	(1,719)	-
Pledge of time deposits	(1)	(1)
Proceeds from disposal of plant and equipment	48	105
Net cash used in investing activities	<u>(2,676)</u>	<u>(3,671)</u>
Cash flows from financing activities		
Proceeds from issuance of shares		
- ESOS exercised	-	994
- Warrants	152	188
Resale of treasury shares	2,658	-
Proceeds from loans and borrowings	2,665	365
Repayment of hire purchase payables	-	(14)
Repayment of loans and borrowings	(12,742)	(492)
Dividend paid	-	(4,073)
Net cash used in financing activities	<u>(7,267)</u>	<u>(3,032)</u>
Net increase in cash and cash equivalents	4,198	6,295
Cash and cash equivalents at the beginning of the financial year	22,325	75,806
Cash and cash equivalents at the end of the financial year	<u>26,523</u>	<u>82,101</u>
Cash and cash equivalents at the end of the financial year		
Deposits with licensed banks and other financial institution	7,771	73,458
Cash and bank balances	18,963	9,684
Bank overdrafts	-	(814)
	<u>26,734</u>	<u>82,328</u>
Time deposits pledged	(211)	(227)
	<u>26,523</u>	<u>82,101</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 2013 and the accompanying explanatory notes attached to the interim financial statements.

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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 2013. 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 2013.

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 2013 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 2013.

Amendments to FRS 101	Presentation of Items of Other Comprehensive Income
FRS 10	Consolidated Financial Statements
FRS 12	Disclosures of Interests in Other Entities
FRS 13	Fair Value Measurement
FRS 119	Employee Benefits
FRS 127	Separate Financial Statements
FRS 128	Investment in Associates and Joint Ventures
Amendments to FRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities
Improvements to FRSs issued in 2012	

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

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 ending 31 January 2014:

		Effective for financial periods beginning on or after
Amendments to FRS 10, FRS 12 and FRS 127	Investment Entities	1 Jan 2014
Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities	1 Jan 2014
FRS 9	Financial Instruments	1 Jan 2015

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

FRS 9 : Financial Instruments

FRS 9 reflects the first phase of work on the replacement of FRS 139 and applies to classification and measurement of financial assets and financial liabilities as defined in FRS 139. The adoption of this first phase of FRS 9 will have an effect on the classification and measurement of the Group's financial assets but will potentially have no impact on classification and measurement of financial liabilities. The Group is in the process of making an assessment of the impact of adoption of FRS 9.

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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 was 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 2014.

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. 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 2015.

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 development and construction sector.

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 2013 except for the following:

- (a) issuance of 152,000 new ordinary shares of RM1 each pursuant to the exercise of 152,000 Warrants.
- (b) issuance of 360,500 new ordinary shares of RM1 each pursuant to the conversion of 360,500 ICULS.
- (c) resale of 1,210,000 treasury shares in the open market for a total consideration of RM2,658,193 at an average price of RM2.20 per share.

A7 Dividends paid

There was no dividend paid during the three months ended 30 April 2013.

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A8 Segmental information

Major segments by activity:-	Revenue		Results	
	Year ended		Year ended	
	30.4.13	30.4.12	30.4.13	30.4.12
	RM' 000	RM' 000	RM' 000	RM' 000
Property development and construction	49,435	67,084	22,159	16,311
Manufacturing and trading	24,479	21,014	1,716	488
Management services and others	4,454	4,135	3,281	3,577
	<u>78,368</u>	<u>92,233</u>	<u>27,156</u>	<u>20,376</u>
Inter-segment eliminations	(7,323)	(6,487)	(1,280)	(1,333)
	<u>71,045</u>	<u>85,746</u>	<u>25,876</u>	<u>19,043</u>
Unallocated expenses			(585)	(553)
Finance costs			(161)	(188)
			<u>25,130</u>	<u>18,302</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 20 Jun 2013, there were no subsequent material events that have not been reflected in the financial statements for the current financial period except for the Company has on 17 June 2013 procured the incorporation of a wholly-owned subsidiary company called Medini Capital Sdn. Bhd. (Company No.1050184-X) ("MCSB"). MCSB intends to carry on the business of property development.

A11 Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter 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 20 Jun 2013 which comprise Bankers' guarantees issued by financial institutions in favour of third parties are as follows:-

	RM' 000
Secured	3,911
Unsecured	-
	<u>3,911</u>

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

B1 Performance review

The Group's revenue for the current quarter ended 30 April 2013 decreased 17% to RM71.0 million as compared to RM85.7 million for the corresponding quarter in last year. The decrease in revenue was mainly due to lower sales in construction services.

Despite decrease in revenue, the PBT increased 37% to RM25.1 million as compared to RM18.3 million for the corresponding quarter in last year. The increase in PBT was mainly attributed by higher properties sales compounded by higher sales of high margin property during the quarter.

Performance analysis of the Group's operating segments are as follows:

	Revenue			
	Quarter ended		Year-to-date ended	
	30.4.13	30.4.12	30.4.13	30.4.12
	RM' 000	RM' 000	RM' 000	RM' 000
Property development and construction	49,435	67,084	49,435	67,084
Manufacturing and trading	24,479	21,014	24,479	21,014
Management services and others	4,454	4,135	4,454	4,135
	78,368	92,233	78,368	92,233

	Results			
	Quarter ended		Year-to-date ended	
	30.4.13	30.4.12	30.4.13	30.4.12
	RM' 000	RM' 000	RM' 000	RM' 000
Property development and construction	22,159	16,311	22,159	16,311
Manufacturing and trading	1,716	488	1,716	488
Management services and others	3,281	3,577	3,281	3,577
	27,156	20,376	27,156	20,376

Property development and construction operation

For the current quarter, the revenue decreased 26% as compared to the corresponding quarter in last year mainly caused by lower revenue of construction services due to the completion of external construction contracts which were actively carried out in last year. Nevertheless, the decrease of revenue in construction services had been partially compensated by the increase of properties sales.

The PBT for the current quarter increased 36% as compared to the corresponding quarter in last year mainly attributed by higher properties sales especially industrial properties which have contributed higher margin.

Manufacturing and trading operation

For the current quarter, the revenue and PBT increased RM3.5 million and RM1.2 million respectively as compared to the corresponding quarter in last year mainly contributed by higher sales of concrete products for local and export sales to Singapore.

Management services and others

For the current quarter, there is no material fluctuations in revenue and PBT as compared to the corresponding quarter in last year.

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

The PBT for the current quarter decreased 19% to RM25 million as compared to RM31 million for the quarter ended 31 January 2013. The decrease was mainly due to lower properties sales in the current quarter .

B3 Prospects

Johor property is expected to remain stable especially Iskandar Malaysia in view of the enhanced bilateral collaborations between Malaysia and Singapore. In financial year 2014, the Group will continue to focus on the development of industrial, residential and commercial properties. The unrecognised revenue from the total committed property sales as at 30 April 2013 is RM133 million.

The Board expects the Group's performance to remain satisfactory for the financial year ending 31 January 2014.

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B4 Variance of actual profit from forecast profit and shortfall in profit guarantee
Not applicable.

B5 Tax

	CURRENT QUARTER 30.4.13 RM' 000	CURRENT YEAR TO DATE 30.4.13 RM' 000
Current tax:		
Current year	5,998	5,998
Deferred tax:		
Current year	386	386
	<u>6,384</u>	<u>6,384</u>

B6 Status of corporate proposals

There were no corporate proposals announced but not completed as at 20 Jun 2013.

B7 Group borrowings and debt securities

Group loans and borrowings as at 30 April 2013 were as follows:

	RM' 000
(a) Secured loans and borrowings	91,309
Unsecured loans and borrowings	4,735
	<u>96,044</u>
(b) Current	
- Revolving credit	2,500
- Banker acceptance	2,056
- Term Loans	13,213
	<u>17,769</u>
Non-current	
- Term loans	73,540
- Liability component of ICULS	4,735
	<u>78,275</u>
	<u>96,044</u>

(c) All borrowings are denominated in Ringgit Malaysia.

Total interest capitalised in the land held for property development and property development costs for the current financial period ended 30 April 2013 is RM1,181,400.

B8 Material litigation

As at 20 Jun 2013, there is no material litigation against the Group.

B9 Dividend

No dividend has been declared or proposed for the current financial period ended 30 April 2013.

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B10 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 30.4.13	CURRENT YEAR TO DATE 30.4.13
Profit net of tax attributable to owners of the Company (RM'000)	17,986	17,986
Weighted average number of ordinary shares in issue ('000)	194,814	194,814
Basic earnings per share (Sen)	9.23	9.23

(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 and warrants.

	CURRENT QUARTER 30.4.13	CURRENT YEAR TO DATE 30.4.13
Profit net of tax attributable to owners of the Company (RM'000)	17,986	17,986
After tax effect of interest on ICULS (RM'000)	358	358
Profit net of tax attributable to owners of the Company including assumed conversion (RM'000)	18,344	18,344
Weighted average number of ordinary shares in issue ('000)	194,814	194,814
Effect of dilution:		
ICULS ('000)	52,139	52,139
Warrants ('000)	16,953	16,953
Adjusted weighted average number of shares in issue and issuable ('000)	263,906	263,906
Diluted earnings per share (Sen)	6.95	6.95

B11 Notes to the statement of comprehensive income

	CURRENT QUARTER 30.4.13	CURRENT YEAR TO DATE 30.4.13
(a) Interest income	383	383
(b) Other income including investment income	2,579	2,579
(c) Interest expenses	(161)	(161)
(d) Depreciation and amortisation	(689)	(689)
(e) Provision for and (write off) / write back of receivables	41	41
(f) Provision for and write off of inventories	-	-
(g) Gain or loss on disposal of quoted or unquoted investments or properties	-	-
(h) Impairment of assets	(60)	(60)
(i) Foreign exchange gain or loss	(16)	(16)
(j) Gain or loss on derivatives	(33)	(33)
(k) Exceptional items	-	-

B12 Gains / Losses arising from fair value changes of financial liabilities

The Group has no financial liabilities measured at fair value through profit or loss for the current quarter and current year-to-date.

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B13 Realised and unrealised retained earnings

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 30.4.13 RM' 000	AS AT 31.1.13 RM' 000
Total retained earnings of the Company and its subsidiaries		
Realised	457,216	416,158
Unrealised	<u>(1,623)</u>	<u>(1,363)</u>
	455,593	414,795
Less: Consolidated adjustments	<u>(132,544)</u>	<u>(109,427)</u>
Total Group retained earnings	<u>323,049</u>	<u>305,368</u>