

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.7.14 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31.7.13 RM'000	CURRENT YEAR TO DATE 31.7.14 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31.7.13 RM'000
Revenue	69,536	86,657	120,695	157,702
Cost of sales	(40,384)	(48,198)	(78,747)	(92,704)
Gross profit	29,152	38,459	41,948	64,998
Other income	52,640	2,853	55,918	5,819
Administration expenses	(9,286)	(4,887)	(14,676)	(9,022)
Other operating expenses	(152)	(153)	(255)	(232)
Finance costs	(673)	(110)	(1,233)	(271)
Profit before tax	71,681	36,162	81,702	61,292
Tax expenses	(9,392)	(9,049)	(12,080)	(15,433)
Profit for the period	62,289	27,113	69,622	45,859
Other comprehensive income, net of tax				
Net movement on cash flow hedges	(1,306)	284	(2,573)	251
Tax relating to cash flow hedges	326	-	643	-
Total other comprehensive income for the period, net of tax	(980)	284	(1,930)	251
Total comprehensive income for the period	61,309	27,397	67,692	46,110
Profit attributable to:				
Owners of the Company	61,679	25,892	67,222	43,878
Non-controlling interest	610	1,221	2,400	1,981
	62,289	27,113	69,622	45,859
Total comprehensive income attributable to:				
Owners of the Company	60,699	26,176	65,292	44,129
Non-controlling interest	610	1,221	2,400	1,981
	61,309	27,397	67,692	46,110
Earnings per share attributable to owners of the Company:				
Basic (sen)	27.09	12.74	29.52	22.03
Diluted (sen)	22.19	9.86	24.29	17.08

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 2014 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 31.7.14 RM'000	AS AT 31.1.14 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	77,402	77,052
Biological assets	1,052	953
Investment properties	181,116	109,375
Land held for property development	506,766	466,665
Deferred tax assets	9,263	8,243
Derivative financial assets	3,124	5,881
	<u>778,723</u>	<u>668,169</u>
Current assets		
Property development costs	22,668	25,625
Inventories	75,607	81,665
Trade and other receivables	78,184	80,521
Other current assets	29,987	20,988
Tax recoverable	275	431
Cash and bank balances	90,919	120,321
	<u>297,640</u>	<u>329,551</u>
TOTAL ASSETS	<u>1,076,363</u>	<u>997,720</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	228,486	228,483
Share premium	19,110	19,110
Treasury shares	(2,554)	(2,370)
Other reserves	36,484	38,414
Equity component of ICULS	43,789	43,792
Retained earnings	439,732	393,322
	<u>765,047</u>	<u>720,751</u>
Non-controlling interests	<u>36,638</u>	<u>29,263</u>
Total equity	<u>801,685</u>	<u>750,014</u>
Non-current liabilities		
Loans and borrowings	124,510	121,985
Liability component of ICULS	2,615	3,479
Deferred tax liabilities	8,780	6,698
Derivative financial liabilities	107	290
	<u>136,012</u>	<u>132,452</u>
Current liabilities		
Trade and other payables	72,695	74,258
Due to customers on contracts	336	584
Loans and borrowings	36,681	33,385
Tax payable	8,465	7,027
Dividend payable	20,489	-
	<u>138,666</u>	<u>115,254</u>
Total liabilities	<u>274,678</u>	<u>247,706</u>
TOTAL EQUITY AND LIABILITIES	<u>1,076,363</u>	<u>997,720</u>
Net assets per share (RM)	<u>3.36</u>	<u>3.17</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 2014 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-distributable →					← Distributable →			
	Total Equity RM'000	Total RM'000	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	ICULS (Equity Component) RM'000	Retained Earnings RM'000	Treasury Shares RM'000	Non- Controlling Interests RM'000
6 months ended 31 July 2014									
Balance as at 1 February 2014	750,014	720,751	228,483	19,110	38,414	43,792	393,322	(2,370)	29,263
Total comprehensive income	67,692	65,292	-	-	(1,930)	-	67,222	-	2,400
Transactions with owners									
Dividends	(20,489)	(20,489)	-	-	-	-	(20,489)	-	-
Purchase of treasury shares	(184)	(184)	-	-	-	-	-	(184)	-
Issue of shares to non-controlling interest	4,900	-	-	-	-	-	-	-	4,900
Acquisition of interests in subsidiaries	(248)	(323)	-	-	-	-	(323)	-	75
Conversion of ICULS	-	-	3	-	-	(3)	-	-	-
Total transactions with owners	(16,021)	(20,996)	3	-	-	(3)	(20,812)	(184)	4,975
Balance as at 31 July 2014	801,685	765,047	228,486	19,110	36,484	43,789	439,732	(2,554)	36,638
6 months ended 31 July 2013									
Balance as at 1 February 2013	614,635	595,531	195,491	17,166	35,127	44,230	305,368	(1,851)	19,104
Total comprehensive income	46,110	44,129	-	-	251	-	43,878	-	1,981
Transactions with owners									
Dividends	(16,968)	(16,968)	-	-	-	-	(16,968)	-	-
Purchase of treasury shares	(842)	(842)	-	-	-	-	-	(842)	-
Sale of treasury shares	2,658	2,658	-	807	-	-	-	1,851	-
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-
Transfer to other capital reserve	-	-	-	-	275	-	(275)	-	-
Issue of shares to non-controlling interest	4,900	-	-	-	-	-	-	-	4,900
Dilution of interest in subsidiary	-	-	-	-	-	-	-	-	-
Exercise of Warrants	16,460	16,460	16,460	-	-	-	-	-	-
Conversion of ICULS	32	32	429	-	-	(361)	(36)	-	-
Transfer of reserve arising from exercise of Warrants	-	-	-	576	(576)	-	-	-	-
Total transactions with owners	6,240	1,340	16,889	1,383	(301)	(361)	(17,279)	1,009	4,900
Balance as at 31 July 2013	666,985	641,000	212,380	18,549	35,077	43,869	331,967	(842)	25,985

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 2014 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 MONTHS ENDED	
	31.7.14	31.7.13
	RM' 000	RM' 000
Cash flows from operating activities		
Cash receipts from customers	127,687	143,337
Cash paid to suppliers and employees	(141,359)	(86,555)
Cash (used in) / generated from operations	<u>(13,672)</u>	<u>56,782</u>
Deposit interest received	1,554	396
Interest paid	(2,998)	(2,509)
Tax paid	(8,781)	(6,544)
Net cash (used in) / from operating activities	<u>(23,897)</u>	<u>48,125</u>
Cash flows from investing activities		
Acquisition of biological assets and property, plant and equipment	(3,008)	(21,861)
Acquisition of investment properties	(12,788)	(12,738)
Acquisition of additional shares in a subsidiary	(253)	-
Pledge of time deposits	(4,003)	(3)
Proceeds from disposal of plant and equipment	7	49
Net cash used in investing activities	<u>(20,045)</u>	<u>(34,553)</u>
Cash flows from financing activities		
Proceeds from issuance of shares	-	16,460
(Acquisition)/Resale of treasury shares	(184)	1,816
Proceeds from loans and borrowings	16,560	1,845
Repayment of loans and borrowings	(9,576)	(14,483)
Proceeds from issuance of shares to non-controlling interest	4,900	4,900
Net cash from financing activities	<u>11,700</u>	<u>10,538</u>
Net (decrease) / increase in cash and cash equivalents	(32,242)	24,110
Cash and cash equivalents at the beginning of the financial period	110,909	22,325
Cash and cash equivalents at the end of the financial period	<u>78,667</u>	<u>46,435</u>
Cash and cash equivalents at the end of the financial period		
Deposits with licensed banks and other financial institution	66,806	13,861
Cash and bank balances	24,113	34,973
Bank overdrafts	(7,032)	(2,187)
	<u>83,887</u>	<u>46,647</u>
Time deposits pledged	(5,220)	(212)
	<u>78,667</u>	<u>46,435</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 2014 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 2014. 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 2014.

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 2014 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 2014.

Amendments to FRS 10, FRS 12 and FRS 127	Investment Entities
Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 136	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to FRS 139	Novation of Derivatives and Continuation of Hedge Accounting

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 2015:

		Effective for financial periods beginning on or after
Amendments to FRS119	Defined Benefit Plans: Employee Contributions	1 July 2014
Annual Improvements to FRSs 2010-2012 Cycle		1 July 2014
Annual Improvements to FRSs 2011-2013 Cycle		1 July 2014
Amendments to FRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 Jan 2016
FRS 14	Regulatory Deferral Accounts	1 Jan 2016
Amendments to FRS 116 and FRS138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 Jan 2016
FRS 9	Financial Instruments	To be announced by MASB

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.

Migration to MFRS framework

The Malaysian Accounting Standards Board ("MASB") has announced on 2 September 2014 that Transitioning Entities ("TEs") shall be required to apply the Malaysian Financial Reporting Standards ("MFRS") Framework for annual periods beginning on or after 1 January 2017. TEs comprise entities that are within the scope of MFRS 141 Agriculture and/or IC Interpretation 15 Agreements for the Construction of Real Estate, including the parent, significant investor and joint venturer. Generally, TEs are entities involved in the real estate and agriculture industries that had been given the option to continue applying the FRS Framework.

On 2 September 2014, MASB has also issued MFRS 15 Revenue from Contracts with Customers. The core principle of MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. For the real estate industry, MFRS 15 is expected to enable property developers to recognise revenue progressively. MFRS 15 includes new disclosures (quantitative and/or qualitative information) to help investors better understand the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers. The new comprehensive disclosures are in response to investors' comments that companies present revenue in isolation which made it difficult for them to relate to the company's financial position.

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MFRS 15 is effective for annual periods beginning on or after 1 January 2017, with earlier application being permitted. An entity may choose to adopt MFRS 15 retrospectively or through a cumulative effect adjustment as of the start of the first period for which it first applies the Standard. The retrospective application would provide investors and analysts trend information about an entity's revenue.

In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework.

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 six months ended 31 July 2014 except for the following:

- (a) issuance of 3,300 new ordinary shares of RM1 each pursuant to the conversion of 3,300 ICULS.
- (b) repurchase of 67,000 ordinary shares of RM1 each of its issued share capital from the open market for a total consideration of RM184,346 at an average price of RM2.75 per share.

A7 Dividends paid

There was no dividend paid during the six months ended 31 July 2014.

A8 Segmental information

Major segments by activity:-	<u>Revenue</u>		<u>Results</u>	
	6 months ended		6 months ended	
	31.7.14	31.7.13	31.7.14	31.7.13
	RM' 000	RM' 000	RM' 000	RM' 000
Property development and construction	93,438	112,723	26,734	54,433
Manufacturing and trading	39,037	47,438	3,270	3,438
Property investment	-	-	49,582	(1)
Management services and others	9,757	9,772	9,037	7,767
	<u>142,232</u>	<u>169,933</u>	<u>88,623</u>	<u>65,637</u>
Inter-segment eliminations	<u>(21,537)</u>	<u>(12,231)</u>	<u>(4,454)</u>	<u>(2,724)</u>
	<u>120,695</u>	<u>157,702</u>	<u>84,169</u>	<u>62,913</u>
Unallocated expenses			(1,234)	(1,350)
Finance costs			<u>(1,233)</u>	<u>(271)</u>
			<u>81,702</u>	<u>61,292</u>

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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 23 September 2014, 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 year-to-date including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring or discontinuing of operations except for:

- (a) Crescendo Development Sdn. Bhd. ("CDSB"), a wholly-owned subsidiary of the Company, which previously held 108 ordinary shares of RM1.00 each representing 90% of the issued and paid up capital of Crescendo Land Sdn. Bhd. ("CLSB") had on 15 April 2014 acquired another 6 ordinary shares of RM1.00 each fully paid in CLSB for a cash consideration of RM250,000. As a result of the acquisition, CLSB is now a 95% owned subsidiary of CDSB.
- (b) Unibase Construction Sdn. Bhd. ("UCSB"), a wholly-owned subsidiary of the Company, has on 22 July 2014 procured the incorporation of a wholly-owned subsidiary company called Unibase Resources Sdn. Bhd.
- (c) URSB had on 22 July 2014 acquired a total of 2 ordinary shares of RM1.00 each fully paid representing 100% equity interest in Repute Corporation Sdn. Bhd. ("RCSB") from Repute Ventures Sdn. Bhd. ("RVSB"), a 70%-owned subsidiary of Unibase Corporation Sdn. Bhd. ("UCORP"), which in turn is a wholly-owned subsidiary of UCSB, at the price of RM5,500 per share for a total cash consideration of RM11,000. As a result, RCSB is now a wholly-owned subsidiary of URSB.
- (d) URSB has on 23 July 2014 procured the incorporation of a wholly-owned subsidiary company called Unibase Sand Industries Sdn. Bhd. ("USISB").

A12 Contingent liabilities

The contingent liabilities of the Group as at 23 September 2014 which comprise Bankers' guarantees issued by financial institutions in favour of third parties are as follows:-

	RM' 000
Secured	4,435
Unsecured	-
	<u>4,435</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 31 July 2014 and the first half of financial year ending 31 January 2015 decreased 20% to RM69.5 million and 23% to RM120.7 million respectively as compared to RM86.7 million and RM157.7 million respectively for the corresponding period in last year. The decreases were mainly due to lower sales in industrial properties.

The Group's profit before tax ("PBT") for the current quarter ended 31 July 2014 and the first half of financial year ending 31 January 2015 increased 98% to RM71.7 million and 33% to RM81.7 million respectively as compared to RM36.2 million and RM61.3 million respectively for the corresponding period in last year. The significant increases were mainly due to fair value changes of investment properties amounting to RM49.7 million.

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

	Revenue			
	Quarter ended		Year-to-date ended	
	31.7.14 RM' 000	31.7.13 RM' 000	31.7.14 RM' 000	31.7.13 RM' 000
Property development and construction	62,826	63,288	93,438	112,723
Manufacturing and trading	17,054	22,959	39,037	47,438
Property investment	-	-	-	-
Management services and others	5,543	5,428	9,757	9,772
	85,423	91,675	142,232	169,933

	Operating profit			
	Quarter ended		Year-to-date ended	
	31.7.14 RM' 000	31.7.13 RM' 000	31.7.14 RM' 000	31.7.13 RM' 000
Property development and construction	19,046	32,274	26,734	54,433
Manufacturing and trading	1,180	1,722	3,270	3,438
Property investment	49,669	(1)	49,582	(1)
Management services and others	5,436	4,486	9,037	7,767
	75,331	38,481	88,623	65,637

Property development and construction operation

Property development and construction operation remains as the main profit contributor. The decrease in profit margin was mainly due to change in sales mix resulting from lower sales in industrial properties which contribute higher margin as compared to commercial and residential properties.

Manufacturing and trading operation

The revenue for the current quarter and the first half of financial year 2015 decreased 26% and 18% respectively mainly due to lower sales caused by fierce market competition for concrete products.

Property investment operation

The operating profits for the current quarter and the first half of financial year 2015 were mainly contributed by fair value changes of investment properties amounting to RM49.7 million.

Management services and others

For the current quarter and the first half of financial year 2015, there is no material fluctuations in revenue and operating profit as compared to the corresponding period 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 increased significantly by RM61.7 million to RM71.7 million as compared to RM10 million for the first quarter ended 30 April 2014 mainly due to fair value changes of investment properties amounting to RM49.7 million. The PBT before fair value changes for the current quarter amounting to RM22 million, which represents an increase of 120% as compared to the last quarter, was mainly contributed by higher sales of industrial properties.

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B3 Prospects

The market condition is expected to remain challenging in the near term in view of the various cooling measures implemented by the government. Nevertheless, property in Iskandar Malaysia, especially landed property, is expected to be less affected in view of the government's effort in promoting Iskandar Malaysia and the expected growth in demand arising from the enhanced bilateral collaborations between Malaysia and Singapore.

In financial year 2015, the Group will continue to focus on the development of industrial, residential and commercial properties with the expectation of challenging market conditions. The unrecognised revenue from the total committed property sales as at 31 July 2014 and new sales committed after 31 July 2014 is RM128 million.

The Board expects the Group's performance to be better in the second half as compared to first half of the financial year ending 31 January 2015.

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

Not applicable.

B5 Tax

	CURRENT QUARTER 31.7.14 RM' 000	CURRENT YEAR TO DATE 31.7.14 RM' 000
Current tax		
Current year	7,367	10,375
Deferred tax:		
Relating to origination and reversal of temporary difference	2,048	1,728
Prior years over provision	(23)	(23)
	<u>9,392</u>	<u>12,080</u>

The effective income tax rates for the current quarter and financial year-to-date were lower than the statutory tax rate mainly due to certain income which is subject to real property gains tax.

B6 Status of corporate proposals

There were no corporate proposals announced but not completed as at 23 September 2014.

B7 Group borrowings and debt securities

Group loans and borrowings as at 31 July 2014 were as follows:

	RM' 000
(a) Secured loans and borrowings	161,191
Unsecured loans and borrowings	2,615
	<u>163,806</u>
(b) Current	
- Overdrafts	7,032
- Revolving credit	6,400
- Banker acceptance	1,550
- Term Loans	21,699
	<u>36,681</u>
Non-current	
- Term loans	124,510
- Liability component of ICULS	2,615
	<u>127,125</u>
	<u>163,806</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 31 July 2014 is RM1.84 million.

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B8 Material litigation

As at 23 September 2014, there is no material litigation against the Group.

B9 Dividend

- (a) The Board is pleased to declare an interim dividend for the financial year ending 31 January 2015 as follows:-
- (i) amount per share : 7 sen single tier tax exempt;
 - (ii) previous corresponding period : 7 sen single tier tax exempt;
 - (iii) date of payment is 21 November 2014; and
 - (iv) in respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at 31 October 2014.
- (b) Total dividend for the current financial year : 7 sen single tier tax exempt per share.

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 31.7.14	CURRENT YEAR TO DATE 31.7.14
Profit net of tax attributable to owners of the Company (RM'000)	61,679	67,222
Weighted average number of ordinary shares in issue ('000)	227,683	227,700
Basic earnings per share (Sen)	27.09	29.52

(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 effect of dilutive potential ordinary shares from ICULS.

	CURRENT QUARTER 31.7.14	CURRENT YEAR TO DATE 31.7.14
Profit net of tax attributable to owners of the Company (RM'000)	61,679	67,222
After tax effect of interest on ICULS (RM'000)	368	725
Profit net of tax attributable to owners of the Company including assumed conversion (RM'000)	62,047	67,947
Weighted average number of ordinary shares in issue ('000)	227,683	227,700
Effect of dilution:		
ICULS ('000)	51,976	51,976
Adjusted weighted average number of shares in issue and issuable ('000)	279,659	279,676
Diluted earnings per share (Sen)	22.19	24.29

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B11 Notes to the statement of comprehensive income

	CURRENT QUARTER 31.7.14 RM' 000	CURRENT YEAR TO DATE 31.7.14 RM' 000
(a) Interest income	823	1,718
(b) Other income including investment income	51,776	54,024
(c) Interest expenses	(673)	(1,233)
(d) Depreciation and amortisation	(765)	(1,549)
(e) Provision for and (write off) / write back of receivables	-	-
(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	-	-
(i) Foreign exchange gain or loss	(112)	(79)
(j) Gain or loss on derivatives	(1,306)	(2,573)
(k) Exceptional items	-	-

Other income is inclusive of fair value changes of investment properties amounting to RM49.7 million for the current quarter and the current year-to-date.

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.

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 31.7.14 RM' 000	AS AT 31.1.14 RM' 000
Total retained earnings of the Company and its subsidiaries		
Realised	466,700	466,910
Unrealised	81,310	33,246
	<u>548,010</u>	<u>500,156</u>
Less: Consolidated adjustments	(108,278)	(106,834)
Total Group retained earnings	<u>439,732</u>	<u>393,322</u>