

Crescendo expects to remain in the black

By Kamarul Yunus
ahmadk@nstp.com.my

PROPERTY developer Crescendo Corp Bhd expects to remain profitable this year, largely driven by sales of its industrial property development in Iskandar Malaysia, Johor.

The project, with a gross development value of RM7 million to RM8 million, is expected to generate a profit of RM20 million from the sale of 45 industrial units.

Its chairman and managing director Gooi Seong Lim said the company remains cautious about launching new property projects this year due to the current global economic uncertainties.

"We are now concentrating on selling down some of the stocks that are near completion such as the 45 units of industrial factories

Firm sees RM20m profit from sale of 45 industrial units in Iskandar Malaysia

in Nusa Cemerlang.

"We expect the project to generate a reasonably good cash flow for the company," he told reporters after its annual general meeting in Petaling Jaya yesterday.

The 45 units are part of the company's overall industrial property development of 383 units of factories in Nusa Cemerlang Industrial Park within Iskandar Malaysia.

"Of the 383 units, we have developed more than 100 units, including the proposed 45 units, and have sold more than 60 units. We

hope to be able to sell the 45 units this year or early next year," he said.

Despite the current slowdown, Gooi expects Crescendo Corp to remain in the black, buoyed by the anticipated sales of the factories and its 100 units of residential houses in Desa Cemerlang, also located within Iskandar Malaysia.

He said the company will remain profitable although its financial performance may not match last year's level.

His optimism stems from the fact that the company has been able to lock in sales of about RM65 million from its properties in the past five months since February 1.

"We still have seven months to generate more sales to include in our bottom line," he added.

Crescendo Corp also plans to develop a college and primary school

in Desa Cemerlang in the next 18 months, and invest some RM10 million to build an interchange, linking the current Ulu Tiram-Kota Tinggi highway which was built by the government.

"This is to provide accessibility to our flagship development project, Bandar Cemerlang, which spans across 560ha," said Gooi.

Crescendo Corp's total landbank stands at 1,200ha, of which 800ha is located within Iskandar Malaysia, and the remaining 400ha, equally located at the fringe of the southern economic corridor and Kota Tinggi.

Crescendo Corp posted a net profit of RM4.5 million in its fiscal first quarter ended April 30.

For the fiscal year ended January 31 2009, net profit was RM31.6 million on a revenue of RM203 million.