MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis ("MD&A") is dated August 10, 2011 and should be read in conjunction with the unaudited consolidated financial statements for the period ended June 30, 2011 and the audited consolidated financial statements for the year ended December 31, 2010 for a full understanding of the financial position and results of operations of Crescent Point Energy Corp. (the "Company" or "Crescent Point").

The unaudited consolidated financial statements and comparative information for the period ended June 30, 2011 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), specifically IFRS 1, "First-time Adoption of International Financial Reporting Standards", and with International Accounting Standard 34, "Interim Financial Reporting". Previously, the Company prepared its consolidated financial statements in accordance with Canadian generally accepted accounting principles ("previous GAAP"). In accordance with IFRS 1, Crescent Point's transition date to IFRS was January 1, 2010 (the "Transition Date") and, therefore, the comparative information for 2010 has been prepared in accordance with the Company's IFRS accounting policies. The 2009 financial information contained within this MD&A has been prepared following previous GAAP and, as allowed by IFRS 1, has not been re-presented on an IFRS basis. Certain amounts in prior years have been reclassified to conform to the current year's IFRS presentation format.

STRUCTURE OF THE BUSINESS

The principal undertakings of Crescent Point are to carry on the business of acquiring, developing and holding interests in petroleum and natural gas properties and assets related thereto through a general partnership and wholly owned subsidiaries. Amounts reported in this report are in Canadian dollars unless noted otherwise; United States ("US") dollars are denoted as "US$".

Non-GAAP Financial Measures

Throughout this MD&A, the Company uses the terms "funds flow from operations", "funds flow from operations per share", "funds flow from operations per share – diluted", "net debt", "netback", "market capitalization" and "total capitalization". These terms do not have any standardized meaning as prescribed by IFRS and, therefore, may not be comparable with the calculation of similar measures presented by other issuers.

Funds flow from operations is calculated based on cash flow from operating activities before changes in non-cash working capital, transaction costs and decommissioning expenditures. Funds flow from operations per share and funds flow from operations per share – diluted are calculated based on cash flow from operating activities before changes in non-cash working capital, transaction costs and decommissioning expenditures. Management utilizes funds flow from operations as a key measure to assess the ability of the Company to finance dividends, operating activities, capital expenditures and debt repayments. Funds flow from operations as presented is not intended to represent cash flow from operating activities, net earnings or other measures of financial performance calculated in accordance with IFRS.

The following table reconciles the cash flow from operating activities to funds flow from operations:

	Three months ended June 30			Six months ended June 30		
(Cdn$000s)	**2011**	2010	% Change	**2011**	2010	% Change
Cash flow from operating activities	**323,532**	207,070	56	**627,073**	376,407	67
Changes in non-cash working capital	**(13,818)**	(24,394)	(43)	**(22,569)**	4,595	(591)
Transaction costs	**1,360**	2,036	(33)	**1,767**	7,111	(75)
Decommissioning expenditures	**418**	423	(1)	**1,749**	1,104	58
Funds flow from operations	**311,492**	185,135	68	**608,020**	389,217	56

Net debt is calculated as current liabilities plus long-term debt less current assets, long-term investments and investment in associate, but excludes derivative asset, derivative liability and unrealized foreign exchange on translation of US dollar senior guaranteed notes. Management utilizes net debt as a key measure to assess the liquidity of the Company.

The following table reconciles long-term debt to net debt:

(Cdn$000s)	**June 30, 2011**	June 30, 2010	% Change
Long-term debt	**1,128,183**	852,835	32
Current liabilities	**372,342**	253,909	47
Current assets	**(204,096)**	(180,070)	13
Long-term investments	**(101,914)**	(20,242)	403
Investment in associate	**-**	(206,987)	(100)
Excludes:			
Derivative asset	**7,247**	19,008	(62)
Derivative liability	**(77,133)**	(16,255)	375
Unrealized foreign exchange on translation of US dollar senior guaranteed notes	**14,459**	(10,693)	(235)
Net debt	**1,139,088**	691,505	65

Netback is calculated on a per boe basis as oil and gas sales, less royalties, operating and transportation expenses and realized derivative gains and losses. Netback is used by management to measure operating results on a per boe basis to better analyze performance against prior periods on a comparable basis.

Market capitalization is calculated by applying the period end closing share trading price to the number of shares outstanding. Market capitalization is an indication of enterprise value.

Total capitalization is calculated as market capitalization plus current liabilities and long-term debt, less current assets and long-term investments, but excludes derivative asset, derivative liability and unrealized foreign exchange on translation of US dollar senior guaranteed notes. Total capitalization is used by management to assess the amount of debt leverage used in the Company's capital structure. Refer to the Liquidity and Capital Resources section in this MD&A.

Results of Operations

Production

	Three months ended June 30			Six months ended June 30		
	2011	2010	% Change	**2011**	2010	% Change
Crude oil and NGL (bbls/d)	**59,390**	48,928	21	**63,701**	49,537	29
Natural gas (mcf/d)	**40,329**	35,919	12	**42,694**	35,689	20
Total (boe/d)	**66,112**	54,915	20	**70,817**	55,485	28
Crude oil and NGL (%)	**90**	89	1	**90**	89	1
Natural gas (%)	**10**	11	(1)	**10**	11	(1)
Total (%)	**100**	100	-	**100**	100	-

Production increased by 20 percent and 28 percent in the three and six months ended June 30, 2011, respectively, compared to the same 2010 periods, primarily due to 2010 acquisitions and the Company's successful drilling and fracture stimulation programs, partially offset by natural declines and flooding in southern Saskatchewan. Crescent Point budgeted for a more prolonged break-up period than usual, as extremely wet weather conditions were expected. Weather during the second quarter was severe and caused the shut-in of more than 8,000 boe/d of production for much of the quarter. The majority of the shut-in production is now back on stream. The Company's current production is more than 70,500 boe/d and remains on track to achieve annual guidance of 72,500 boe/d.

Crescent Point's successful drilling program contributed to the increase in production in both the three and six month periods ended June 30, 2011. In the three and six months ended June 30, 2011, the Company drilled 25 (9.7 net) wells and 171 (121.2 net) wells, respectively, focused primarily in the Viewfield Bakken resource play in southeast Saskatchewan and the Shaunavon resource play in southwest Saskatchewan.

The Company's weighting to oil in the three and six month periods ending June 30, 2011 at 90 percent remained consistent with the comparative 2010 periods.

Marketing and Prices

Average Selling Prices [1]	Three months ended June 30			Six months ended June 30		
	2011	2010	% Change	**2011**	2010	% Change
Crude oil and NGL ($/bbl)	**94.87**	71.14	33	**87.78**	73.57	19
Natural gas ($/mcf)	**4.11**	4.13	-	**4.09**	4.53	(10)
Total ($/boe)	**87.73**	66.08	33	**81.42**	68.60	19

(1) The average selling prices reported are before realized derivatives and transportation charges.

Benchmark Pricing	Three months ended June 30			Six months ended June 30		
	2011	2010	% Change	**2011**	2010	% Change
WTI crude oil (US$/bbl)	**102.55**	77.99	31	**98.42**	78.39	26
WTI crude oil (Cdn$/bbl)	**99.56**	80.40	24	**96.49**	80.81	19
AECO natural gas [1] (Cdn$/mcf)	**3.87**	3.89	(1)	**3.83**	4.42	(13)
Exchange rate (US$/Cdn$)	**1.03**	0.97	6	**1.02**	0.97	5

(1) The AECO natural gas price reported is the average daily spot price.

The Company's average selling price for oil increased from $71.14 per bbl in the second quarter of 2010 to $94.87 per bbl in the second quarter of 2011, primarily due to the 31 percent increase in the US$ WTI benchmark price and improved market differentials for its Canadian light and medium crude partially offset by a stronger Canadian dollar. Crescent Point's oil differential for the three months ended June 30, 2011 was $4.69 per bbl, or 5 percent, compared to $9.26 per bbl, or 12 percent, for the same period in 2010. Narrower differentials in the second quarter of 2011 are due in part to an over-supply of crude at Cushing, Oklahoma, that has depressed WTI prices relative to other crude streams. The wide differentials in 2010 resulted from temporary supply/demand imbalances for Canadian crude types. Demand for Canadian crude was weak in 2010 due to North American refinery turnarounds while crude supply was strong due to later than normal spring break-up conditions.

In the six months ending June 30, 2011, the Company's average selling price for oil increased by 19 percent from the comparable 2010 period primarily as a result of the 26 percent increase in the US$ WTI benchmark price, partially offset by a stronger Canadian dollar. The Company's oil differential for the six month period ending June 30, 2011 was $8.71 per bbl, or 9 percent, consistent with the comparable 2010 period which was $7.24 per bbl, or 9 percent.

The Company's average selling price for gas of $4.11 per mcf for the second quarter of 2011 was consistent with the second quarter of 2010. The Company's average selling price for gas of $4.09 per mcf for the six month period ending June 30, 2011 decreased 10 percent from the same 2010 period, corresponding to the decrease in AECO benchmark prices.

Derivatives

The following is a summary of the realized derivative gain (loss) on oil and gas derivative contracts:

	Three months ended June 30			Six months ended June 30		
($000, except volume amounts)	**2011**	2010	% Change	**2011**	2010	% Change
Average crude oil volumes hedged (bbls/d)	**31,000**	22,250	39	**30,914**	22,164	39
Crude oil realized derivative gain (loss)	**(30,181)**	1,534	(2,067)	**(49,510)**	699	(7,183)
per bbl	**(5.58)**	0.34	(1,741)	**(4.29)**	0.08	(5,463)
Average natural gas volumes hedged (GJ/d) [1]	**9,000**	10,000	(10)	**9,000**	8,011	12
Natural gas realized derivative gain	**1,972**	1,930	2	**3,900**	2,369	65
per mcf	**0.54**	0.59	(8)	**0.50**	0.37	35
Average barrels of oil equivalent hedged (boe/d)	**32,422**	23,830	36	**32,336**	23,430	38
Total realized derivative gain (loss)	**(28,209)**	3,464	(914)	**(45,610)**	3,068	(1,587)
per boe	**(4.69)**	0.69	(780)	**(3.56)**	0.31	(1,248)

(1) GJ/d is defined as gigajoules per day.

Management of cash flow variability is an integral component of Crescent Point's business strategy. Changing business conditions are monitored regularly and reviewed with the Board of Directors to establish risk management guidelines used by management in carrying out the Company's strategic risk management program. The risk exposure inherent in movements in the price of crude oil, natural gas and power, fluctuations in the US/Cdn dollar exchange rate and interest rate movements on long-term debt are all proactively managed by Crescent Point through the use of derivatives with investment-grade counterparties. The Company considers these derivative contracts to be an effective means to manage cash flow.

The Company's crude oil and natural gas derivatives are referenced to WTI and AECO, unless otherwise noted. Crescent Point utilizes a variety of derivatives including swaps, collars and put options to protect against downward commodity price movements while providing the opportunity for some upside participation during periods of rising prices. For commodities, Crescent Point's risk management policy allows for hedging a forward profile of 3½ years, and up to 65 percent net of royalty interest production.

The Company recorded a total realized derivative loss of $28.2 million and $45.6 million for the three and six months ended June 30, 2011, respectively, as compared to gains of $3.5 million and $3.1 million, respectively, for the same periods in 2010.

The Company's realized derivative loss for oil was $30.2 million and $49.5 million for the three and six months ended June 30, 2011, respectively, compared to gains of $1.5 million and $0.7 million, respectively, for the same periods in 2010. The realized losses in 2011 are largely attributable to the increase in the Cdn$ WTI benchmark price over 2010, partially offset by an increase in the Company's average derivative price. During the three months ended June 30, 2011, the Cdn$ WTI benchmark price increased by 24 percent, while the Company's average derivative oil price increased by 9 percent or $7.70 per barrel, from $81.16 per barrel in 2010 to $88.86 per barrel in 2011. In the six months ended June 30, 2011, the Cdn$ WTI benchmark price increased by 19 percent, while the Company's average derivative oil price increased by 8 percent or $6.66 per barrel, from $80.98 per barrel in 2010 to $87.64 per barrel in 2011.

Crescent's Point's realized derivative gain for gas was $2.0 million and $3.9 million for the three and six months ended June 30, 2011, respectively, compared to $1.9 million and $2.4 million, respectively, for the same periods in 2010. The increased realized gain in the three months ended June 30, 2011 is largely attributable to the increase in the Company's average derivative gas price and decrease in the AECO benchmark price, partially offset by the decrease in gas volumes hedged. During the three months ended June 30, 2011, the Company's average derivative gas price increased from $5.81 per GJ in 2010 to $6.08 per GJ in 2011 and the AECO benchmark price decreased by 1 percent. The increased realized gain in the six month ended June 30, 2011 is largely attributable to the decrease in the AECO benchmark price, an increase in the Company's average derivative gas price and the Company hedging additional gas volumes as a result of increased production volumes. During the six months ended June 30, 2011, the AECO benchmark price decreased by 13 percent and the Company's average derivative gas price increased from $5.82 per GJ in 2010 to $6.03 per GJ in 2011.

The Company has not designated any of its risk management activities as accounting hedges under International Accounting Standard 39, *Financial Instruments: Recognition and Measurement* and, accordingly, has fair valued its derivatives.

The Company's unrealized derivative gain for the second quarter of 2011 was $157.5 million compared to a gain of $76.8 million in the same period in 2010. The unrealized derivative gain in the second quarter of 2011 is primarily attributable to the decrease in the Cdn$ WTI forward benchmark price at June 30, 2011 compared to March 31, 2011. This gain was partially offset by a $7.1 million loss relating to the Company's Cross Currency Interest Rate Swaps ("CCIRS") entered into in conjunction with the issuance of the US senior guaranteed notes on March 24, 2010 and April 14, 2011. The CCIRS related loss is attributable to the strengthening of the Cdn$ forward exchange rate relative to the US$. The unrealized gain in 2010 includes a $35.8 million gain relating to the CCIRS entered into in March 2010; this gain is primarily attributable to the weakening of the Cdn$ forward exchange rate relative to the US$ during that time period. The remaining unrealized derivative gain in the second quarter of 2010 is primarily attributable to the decrease in the Cdn$ WTI forward benchmark price at June 30, 2010 compared to March 31, 2010.

The unrealized derivative loss for the six months ended June 30, 2011 was $37.4 million compared to a gain of $89.1 million for the same period in 2010. The unrealized derivative loss in the six month period ended June 30, 2011 is largely attributable to the increase in the Cdn$ WTI forward benchmark price at June 30, 2011 as compared to December 31, 2010. The remaining unrealized loss in 2011 includes a $12.5 million loss relating to the Company's CCIRS; this is primarily attributable to a strengthening in Cdn$ forward exchange rate relative to the US$. The unrealized gain in 2010 includes a $23.2 million gain relating to the Company's CCIRS; this is primarily attributable to a weakening in Cdn$ forward exchange rate relative to the US$. The remaining unrealized derivative gain in the six month period ended June 30, 2010 is largely attributable to the decrease in the Cdn$ WTI forward benchmark price at June 30, 2010 as compared to December 31, 2009.

Revenues

	Three months ended June 30			Six months ended June 30		
($000s) [1]	**2011**	2010	% Change	**2011**	2010	% Change
Crude oil and NGL sales	**512,734**	316,725	62	**1,012,070**	659,661	53
Natural gas sales	**15,090**	13,499	12	**31,590**	29,293	8
Total oil and gas sales	**527,824**	330,224	60	**1,043,660**	688,954	51

(1) Revenue is reported before transportation charges and realized derivatives.

Crude oil and NGL sales increased 62 percent in the three months ending June 30, 2011, from $316.7 million in the second quarter of 2010 to $512.7 million in the second quarter of 2011 primarily due to the 21 percent increase in production and 33 percent increase in realized prices. The increased production in the second quarter of 2011 is due to the Company's successful drilling program and the acquisitions completed in 2010. The increase in realized prices is largely a result of the increase in US$ WTI benchmark price as compared to 2010 and narrowing differentials, partially offset by a stronger Canadian dollar.

Crude oil and NGL sales increased 53 percent in the six months ended June 30, 2011, from $659.7 million in 2010 to $1.0 billion in 2011, primarily due to the 29 percent increase in production and 19 percent increase in realized prices. The increased production in 2011 is due to the Company's successful drilling program and the acquisitions completed in 2010. The increase in realized prices is largely a result of the increase in US$ WTI benchmark price as compared to 2010, partially offset by a stronger Canadian dollar.

Natural gas sales increased 12 percent in the three month period ending June 30, 2011 compared to the same period in 2010. The increase in the second quarter of 2011 is due to the 12 percent increase in production, resulting from the successful drilling in Viewfield, the Viewfield gas plant expansion and gas production acquired through capital acquisitions completed in 2010.

Natural gas sales increased 8 percent in the six month period ending June 30, 2011 compared to the same period in 2010. The increase is primarily due to the 20 percent increase in production, partially offset by the 10 percent decrease in realized prices. The increased production in 2011 is primarily due to successful drilling in Viewfield, the Viewfield gas plant expansion and gas production acquired through capital acquisitions completed in 2010. The decrease in realized prices is largely a result of the decrease in the AECO benchmark price.

Royalty Expenses

	Three months ended June 30			Six months ended June 30		
($000, except % and per boe amounts)	**2011**	2010	% Change	**2011**	2010	% Change
Royalties	**90,367**	64,628	40	**173,105**	135,199	28
As a % of oil and gas sales	**17**	20	(3)	**17**	20	(3)
Per boe	**15.02**	12.93	16	**13.50**	13.46	-

Royalties increased by 40 percent and 28 percent in the three and six months ended June 30, 2011, respectively, compared to the same periods in 2010. This increase is largely due to the 60 percent and 51 percent increase in oil and gas sales and higher realized prices in the three and six month periods ending June 30, 2011, respectively, partially offset by the decrease in royalties as a percentage of sales. Royalties as a percentage of sales decreased 3 percent for the three and six month periods ending June 30, 2011 primarily due to royalty holidays associated with new wells drilled in Saskatchewan. In the six month period ending June 30, 2011, 114.5 net wells were drilled in Saskatchewan.

Operating Expenses

	Three months ended June 30			Six months ended June 30		
($000, except per boe amounts)	**2011**	2010	% Change	**2011**	2010	% Change
Operating expenses	**61,706**	53,999	14	**146,594**	107,071	37
Per boe	**10.26**	10.81	(5)	**11.44**	10.66	7

Operating expenses per boe decreased 5 percent in the three month period ending June 30, 2011 compared to the same period in 2010. This decrease is due to the poor weather conditions in southern Saskatchewan, which resulted in the deferral of well servicing and equipment maintenance activities to the remainder of the year. In addition, favorable prior period adjustments were recorded in the second quarter of 2011.

Operating expenses per boe increased 7 percent in the six month period ending June 30, 2011 compared to the same period in 2010. This overall increase is due to poor weather conditions in southern Saskatchewan, which, in first quarter 2011, resulted in increased road maintenance, well servicing and emulsion trucking costs, partially offset by the impacts in the second quarter of 2011 discussed above.

Transportation Expenses

	Three months ended June 30			Six months ended June 30		
($000, except per boe amounts)	**2011**	2010	% Change	**2011**	2010	% Change
Transportation expenses	**10,998**	8,347	32	24,640	17,376	42
Per boe	**1.83**	1.67	10	1.92	1.73	11

Transportation expenses per boe increased 10 percent and 11 percent in the three and six month periods ending June 30, 2011, respectively, compared to the same periods in 2010. The increase is primarily due to increased tolls on the Enbridge Saskatchewan pipeline gathering system, partially offset by reduced clean oil trucking in second quarter 2011 due to the wet weather conditions experienced in southern Saskatchewan. The increased tolls are a result of several projects recently completed by Enbridge Saskatchewan to increase system capacity to accommodate growing production in the area. The National Energy Board has ruled that the toll increase is temporary until industry participants, including Crescent Point, review the validity of the increase.

Netbacks

	Three months ended June 30				
	2011			2010	
	Crude Oil and NGL ($/bbl)	**Natural Gas ($/mcf)**	**Total ($/boe)**	Total ($/boe)	% Change
Average selling price	**94.87**	**4.11**	**87.73**	66.08	33
Royalties	**(16.46)**	**(0.39)**	**(15.02)**	(12.93)	16
Operating expenses	**(10.76)**	**(0.96)**	**(10.26)**	(10.81)	(5)
Transportation	**(1.93)**	**(0.16)**	**(1.83)**	(1.67)	10
Netback prior to realized derivatives	**65.72**	**2.60**	**60.62**	40.67	49
Realized gain (loss) on derivatives	**(5.58)**	**0.54**	**(4.69)**	0.69	(780)
Netback	**60.14**	**3.14**	**55.93**	41.36	35

	Six months ended June 30				
	2011			2010	
	Crude Oil and NGL ($/bbl)	**Natural Gas ($/mcf)**	**Total ($/boe)**	Total ($/boe)	% Change
Average selling price	**87.78**	**4.09**	**81.42**	68.60	19
Royalties	**(14.73)**	**(0.42)**	**(13.50)**	(13.46)	-
Operating expenses	**(11.92)**	**(1.18)**	**(11.44)**	(10.66)	7
Transportation	**(1.99)**	**(0.23)**	**(1.92)**	(1.73)	11
Netback prior to realized derivatives	**59.14**	**2.26**	**54.56**	42.75	28
Realized gain (loss) on derivatives	**(4.29)**	**0.50**	**(3.56)**	0.31	(1,248)
Netback	**54.85**	**2.76**	**51.00**	43.06	18

The Company's netback for the three months ended June 30, 2011 increased 35 percent to $55.93 per boe from $41.36 per boe in the same period in 2010. The increase in the Company's netback is primarily the result of the increase in the average selling price related to the increase in the Cdn$ WTI benchmark price, narrow differentials and the decrease in operating expenses, partially offset by the realized derivative loss and increases in royalties and transportation expenses.

The netback for the six months ended June 30, 2011 increased 18 percent to $51.00 per boe from $43.06 per boe in the same period in 2010. The increase in the Company's netback is primarily the result of the increase in the average selling price related to the increase in the Cdn$ WTI benchmark price, partially offset by the realized derivative loss and increases in operating and transportation expenses.

General and Administrative Expenses

	Three months ended June 30			Six months ended June 30		
($000, except per boe amounts)	**2011**	2010	% Change	**2011**	2010	% Change
General and administrative costs	**15,350**	10,516	46	**25,819**	26,301	(2)
Capitalized	**(2,570)**	(2,792)	(8)	**(5,897)**	(5,445)	8
Total general and administrative expenses	**12,780**	7,724	65	**19,922**	20,856	(4)
Transaction costs	**(1,360)**	(2,036)	(33)	**(1,767)**	(7,111)	(75)
Recovery of uncollectible amounts from SemCanada Crude Company	**-**	1,424	(100)	**-**	1,424	(100)
General and administrative expenses	**11,420**	7,112	61	**18,155**	15,169	20
Per boe	**1.90**	1.42	34	**1.42**	1.51	(6)

General and administrative expenses increased 61 percent and 20 percent in the three and six month periods ended June 30, 2011, respectively, compared to the same periods in 2010. These increases are primarily due to increased employee-related costs as a result of the growth of the Company. In the six month period, the increase was partially offset by a $3.8 million correction of an estimate recorded in the first quarter of 2011.

Interest Expense

	Three months ended June 30			Six months ended June 30		
($000, except per boe amounts)	**2011**	2010	% Change	**2011**	2010	% Change
Interest expense	**15,183**	15,720	(3)	**29,784**	29,458	1
Per boe	**2.52**	3.15	(20)	**2.32**	2.93	(21)

Interest expense decreased 3 percent and increased 1 percent in the three and six month periods ending June 30, 2011, respectively, compared to the same periods in 2010. The second quarter decrease is largely attributable to a decrease in the Company's effective interest rate. The lower effective interest rate is primarily due to lower realized hedging losses and reduced fees relating to the renegotiation of the Company's credit facility, partially offset by higher interest expense from the issuance of fixed rate senior guaranteed notes on April 14, 2011. Interest expense for the six month period ending June 30, 2011 remained consistent with the same period in 2010.

Crescent Point actively manages exposure to fluctuations in interest rates through interest rate swaps, short term banker's acceptances and the issuance of fixed rate senior guaranteed notes; refer to Derivatives section above.

Foreign Exchange

	Three months ended June 30			Six months ended June 30		
($000s)	**2011**	2010	% Change	**2011**	2010	% Change
Realized						
Foreign exchange gain (loss)	**(242)**	(184)	32	**(274)**	44	(723)
Unrealized						
Foreign exchange gain (loss) on translation of US dollar senior guaranteed notes	**1,926**	(11,849)	(116)	**7,734**	(10,693)	(172)
Other foreign exchange gain (loss)	**(2)**	13	(115)	**255**	1	25,400
Foreign exchange gain (loss)	**1,682**	(12,020)	(114)	**7,715**	(10,648)	(172)

In 2010 and 2011, the Company closed two private offerings of senior guaranteed notes raising gross proceeds of US$425.0 million and Cdn$100.0 million. The Company records unrealized foreign exchange gains or losses on the revaluation of the US denominated senior guaranteed notes and related accrued interest. During the three and six month periods ended June 30, 2011, the Company recorded an unrealized foreign exchange gain on translation of US dollar senior guaranteed notes of $1.9 million and $7.7 million, respectively, compared to a loss of $11.8 million and $10.7 million in the same 2010 periods. The unrealized foreign exchange gain in 2011 is due to the strengthened Canadian dollar relative to the US dollar at June 30, 2011. The unrealized foreign exchange loss in 2010 was primarily the result of the weakened Canadian dollar relative to the US dollar at June 30, 2010.

Restricted Share Bonus Plan

Share-based Compensation Expense	Three months ended June 30			Six months ended June 30		
($000, except per boe amounts)	**2011**	2010	% Change	**2011**	2010	% Change
Share-based compensation costs	**19,037**	20,536	(7)	**42,689**	41,422	3
Capitalized	**(4,629)**	(4,987)	(7)	**(9,143)**	(9,443)	(3)
Share-based compensation expense	**14,408**	15,549	(7)	**33,546**	31,979	5
Per boe	**2.39**	3.11	(23)	**2.62**	3.18	(18)

The Company has a Restricted Share Bonus Plan. Under the terms of this plan, the Company may grant restricted shares to directors, officers, employees and consultants. Restricted shares vest at 33⅓ percent on each of the first, second and third anniversaries of the grant date or at a date approved by the Board of Directors.

Restricted shares have also been granted pursuant to the Company's Annual Performance Awards ("APA"). The amounts and vesting profile of these awards are at the discretion of the Board of Directors.

Restricted shareholders are eligible for monthly dividends on their restricted shares, immediately upon grant.

Under the Restricted Share Bonus Plan, the Company is authorized to issue up to 11,000,000 shares. The Company had 4,183,816 restricted shares outstanding at June 30, 2011 compared with 4,100,654 restricted shares outstanding at June 30, 2010.

The Company recorded share-based compensation costs of $19.0 million in the second quarter of 2011, based on the fair value of the shares on the date of the grant. Share-based compensation costs decreased 7 percent for the three month period ended June 30, 2011 compared to the same period in 2010 primarily due to a decrease related to APA awards, partially offset by the increase in the number of employees and the increase in the Company's share price in 2011.

During the six month period ending June 30, 2011, the Company recorded share-based compensation costs of $42.7 million, an increase of 3 percent compared to the same period in 2010. Share-based compensation costs increased primarily due to the variances between the actual and estimated forfeiture rates, the increase in the number of employees and the increase in the Company's share price during 2011, partially offset by the decrease related to APA awards.

The Company capitalized $4.6 million and $9.1 million of share-based compensation in the three and six month periods ended June 30, 2011, respectively, compared to $5.0 million and $9.4 million for the same periods in 2010 due to the relative decrease in the APA awards capitalized.

Depletion, Depreciation and Amortization

	Three months ended June 30			Six months ended June 30		
($000, except per boe amounts)	**2011**	2010	% Change	**2011**	2010	% Change
Depletion and depreciation	**154,433**	112,168	38	**327,624**	223,368	47
Amortization of E&E undeveloped land	**61,086**	32,703	87	**121,066**	60,390	100
Depletion, depreciation and amortization	**215,519**	144,871	49	**448,690**	283,758	58
Per boe	**35.82**	28.99	24	**35.01**	28.25	24

The depletion, depreciation and amortization ("DD&A") rate increased by 24 percent to $35.82 per boe for the three months ended June 30, 2011 from $28.99 in the same period of 2010. In the six months ending June 30, 2011, the DD&A rate increased 24 percent to $35.01 from $28.25 in the comparable 2010 period. These increases were primarily the result of the Company's business combinations completed in 2010. The Company's selected IFRS accounting policies are to deplete over proved plus probable reserves and to amortize exploration and evaluation ("E&E") undeveloped land by major area over the average primary lease term.

Taxes

	Three months ended June 30			Six months ended June 30		
($000s)	**2011**	2010	% Change	**2011**	2010	% Change
Current tax expense (recovery)	**(79)**	-	-	**(551)**	1	(55,200)
Deferred tax expense	**58,243**	11,983	386	**13,477**	25,376	(47)

Current Tax Expense

The Company reported a current tax recovery of $0.1 million and $0.6 million for the three and six month periods ending June 30, 2011, respectively, as compared to a current tax expense of less than $0.1 million for the same periods in 2010. Current tax amounts relate to adjustments for business combinations completed in prior periods.

Deferred Tax Expense

In the second quarter of 2011, the Company reported deferred tax expense of $58.2 million as compared to $12.0 million for the same period in 2010. The deferred tax expense in the second quarter of 2011 relates primarily to the $157.5 million unrealized derivative gain. The deferred tax expense in the second quarter of 2010 also relates to the unrealized derivative gain recognized during the quarter. For the six month period ended June 30, 2011, the Company reported a deferred tax expense of $13.5 million compared to $25.4 million for the same period in 2010 primarily due to an increase in taxable temporary differences, partially offset by the $37.4 million unrealized derivative loss recognized in 2011 compared to a $89.1 million unrealized derivative gain recognized in 2010.

Funds Flow, Cash Flow and Net Income

	Three months ended June 30			Six months ended June 30		
($000, except per share amounts)	**2011**	2010	% Change	**2011**	2010	% Change
Funds flow from operations	**311,492**	185,135	68	**608,020**	389,217	56
Funds flow from operations per share – diluted	**1.14**	0.84	36	**2.23**	1.80	24
Cash flow from operating activities	**323,532**	207,070	56	**627,073**	376,407	67
Cash flow from operating activities per share – diluted	**1.18**	0.94	26	**2.30**	1.74	32
Net income	**184,924**	71,626	158	**82,707**	109,630	(25)
Net income per share – diluted	**0.68**	0.33	106	**0.30**	0.51	(41)

Funds flow from operations increased to $311.5 million in the second quarter of 2011 from $185.1 million in 2010 and increased to $1.14 per share – diluted from $0.84 per share – diluted. The increase in funds flow from operations is primarily the result of increases in production volumes and the netback. Production volumes increased due to 2010 acquisitions and the Company's successful drilling and fracture stimulation programs. The netback increased as a result of the higher average selling price related to the increase in the Cdn$ WTI benchmark price, narrowing differentials and a decrease in operating expenses, partially offset by the realized derivative loss and increases in royalties and transportation expenses. Funds flow from operations per share – diluted increased for the second quarter of 2011 for the same reasons discussed above, partially offset by the impact of the October 2010 equity offering.

In the six month period ending June 30, 2011, funds flow from operations increased to $608.0 million from $389.2 million in the same period in 2010 and increased to $2.23 per share – diluted from $1.80 per share – diluted. The increase in funds flow from operations is primarily the result of increases in production volumes and the operating netback. The operating netback increased as a result of the higher average selling price related to the increase in the Cdn$ WTI benchmark price, partially offset by the realized derivative loss and increases in operating and transportation expenses. Funds flow from operations per share – diluted increased for the six months ending June 30, 2011 for the same reasons discussed above, partially offset by the impact of the October 2010 equity offering.

Cash flow from operating activities increased 56 percent to $323.5 million in the second quarter of 2011, compared to $207.1 million in 2010, for the same reasons as discussed above, as well as fluctuations in working capital. Cash flow from operating activities per share – diluted increased 26 percent to $1.18 per share – diluted in the second quarter of 2011 for the same reasons discussed above. In the six month period ending June 30, 2011, cash flow from operating activities increased 67 percent to $627.1 million for the same reasons discussed above.

The Company recorded net income of $184.9 million for the second quarter of 2011, compared to net income of $71.6 million in 2010, primarily as a result of the increase in funds flow from operations and the unrealized derivative gain recorded in 2011 compared to 2010, partially offset by the increase in DD&A and deferred income tax expense.

In the six month period ending June 30, 2011, net income decreased to $82.7 million, compared to net income of $109.6 million in the same period in 2010. The decrease in net income is largely a result of the increase in DD&A and the unrealized loss on derivatives of $37.4 million in 2011 as compared to an unrealized gain on derivatives of $89.1 million in 2010, partially offset by increased funds flow from operations.

As noted in the Derivatives section, the Company has not designated any of its risk management activities as accounting hedges under International Accounting Standard 39, Financial Instruments: Recognition *and Measurement*, and, accordingly, has fair valued its derivatives.

Crescent Point uses financial commodity derivatives, including swaps, costless collars and put options, to reduce the volatility of the selling price of its crude oil and natural gas production. This provides a measure of stability to the Company's cash flows and dividends over time. The Company's commodity derivatives portfolio extends out 3½ years from the current quarter.

IFRS 9*, Financial Instruments*, gives guidelines for accounting for financial derivatives not designated as accounting hedges. Financial derivatives that have not settled during the current quarter are fair valued. The change in fair value from the previous quarter represents a gain or loss that is recorded in net income. As such, if benchmark oil and natural gas prices rise during the quarter, the Company records a loss based on the change in price multiplied by the volume of oil and natural gas hedged. If prices fall during the quarter, the Company records a gain. The prices used to record the actual gain or loss are subject to an adjustment for volatility, then the resulting gain (asset) or loss (liability) is discounted to a present value using a risk free rate adjusted for counterparty risk.

Crescent Point's underlying physical reserves are not fair valued each quarter, hence no gain or loss associated with price changes is recorded; the Company realizes the benefit/detriment of any price increase/decrease in the period which the physical sales occur.

The Company's financial results should be viewed with the understanding that the future gain or loss on financial derivatives is recorded in the current period's results, while the future value of the underlying physical sales is not.

Dividends

The following table provides a reconciliation of dividends:

	Three months ended June 30			Six months ended June 30		
($000, except per share amounts)	**2011**	2010	% Change	**2011**	2010	% Change
Accumulated dividends, beginning of period	**2,158,800**	1,460,613	48	**1,971,209**	1,313,689	50
Dividends declared to shareholders	**188,881**	150,155	26	**376,472**	297,079	27
Accumulated dividends, end of period	**2,347,681**	1,610,768	46	**2,347,681**	1,610,768	46
Accumulated dividends per share, beginning of period	**18.48**	15.72	18	**17.79**	15.03	18
Dividends to shareholders per share	**0.69**	0.69	-	**1.38**	1.38	-
Accumulated dividends per share, end of period	**19.17**	16.41	17	**19.17**	16.41	17

The Company maintained monthly dividends of $0.23 per share during the first half of 2011.

Dividends increased 26 percent in the second quarter of 2011 and 27 percent in the six month period ended June 30, 2011, compared to the same periods in 2010. The increase in dividends relates to an increase in the number of shares outstanding resulting from the 2010 acquisitions, the bought deal financings which closed in June and October 2010 and the Dividend Reinvestment Plan ("DRIP") program, whereby the Company issues shares to shareholders in lieu of cash dividends.

Crescent Point believes it is well positioned to maintain monthly dividends as the Company continues to exploit and develop its resource plays. Crescent Point's risk management strategy minimizes exposure to commodity price volatility and provides a measure of sustainability to dividends through periods of fluctuating market prices.

Investments in Marketable Securities

In the fourth quarter of 2007, Crescent Point received 1.5 million shares of a publicly traded exploration and production company for $1.00 per share or $1.5 million in connection with a disposition of properties. The investment is classified as a financial asset at fair value through profit and loss and is fair valued with the resulting gain or loss recorded in net income. The investment is recorded at fair value which is $0.7 million less than the original cost of the investment.

Long-Term Investments

The Company holds common shares in publicly traded and private oil and gas companies. The investments are classified as financial assets at fair value through profit and loss and are fair valued with the resulting gain or loss recorded in net income. The investments are recorded at fair value which is $9.3 million more than the original cost of the investments.

Reclamation Fund

Crescent Point established a reclamation fund for future decommissioning costs and environmental emissions reduction costs. The Company currently contributes $0.45 per produced boe to the fund, of which $0.15 per boe is for future decommissioning costs and $0.30 per boe is for environmental emissions reduction costs.

The reclamation fund increased by $2.0 million during the second quarter of 2011 due to contributions of $2.7 million, partially offset by expenditures of $0.7 million. The expenditures of $0.7 million pertained primarily to environmental work completed in southeast Saskatchewan.

Related Party Transactions

All related party transactions are recorded at the exchange amount.

During the three and six months ended June 30, 2011, Crescent Point recorded $0.3 million and $0.6 million, respectively, (June 30, 2010 - $0.4 million and $0.8 million, respectively) of legal fees in the normal course of business to a law firm of which a partner is also a director of the Company and a second partner was the Company's Corporate Secretary.

Capital Expenditures

($000s)	Three months ended June 30 2011	2010	% Change	Six months ended June 30 2011	2010	% Change
Capital acquisitions (net) [1]	**35,790**	(3,952)	1,006	**35,250**	550,113	(94)
Development capital expenditures	**108,899**	189,446	(43)	**430,261**	363,545	18
Capitalized administration [2]	**2,570**	2,792	(8)	**5,897**	5,445	8
Office equipment	**386**	1,339	(71)	**563**	3,076	(82)
Total	**147,645**	189,625	(22)	**471,971**	922,179	(49)

(1) Capital acquisitions represent total consideration for the transactions including net debt and excluding transaction costs.

(2) Capitalized administration excludes capitalized share-based compensation.

Capital Acquisitions

Shelter Bay

On July 2, 2010, Crescent Point completed the acquisition, by way of plan of arrangement, of all remaining issued and outstanding common shares of Shelter Bay, a private oil and gas company with properties contiguous with Crescent Point's existing core areas in southern Saskatchewan. Total consideration of approximately $1.2 billion included the issuance of approximately 24.4 million shares, assumed long-term debt, working capital, long-term investment and the historical cost of Crescent Point's previously held equity investment of $200.4 million (a combined $1.2 billion was allocated to property, plant and equipment ("PP&E") and E&E assets). The goodwill recognized on acquisition is attributed to the expected future cash flows derived from unbooked possible reserves.

Private Company

On July 5, 2010, Crescent Point completed the acquisition, by way of plan of arrangement, of all issued and outstanding common shares of a private oil and gas company with exploratory land in southern Alberta prospective for multi-zone light oil opportunities. Total consideration of approximately $95.6 million included the issuance of approximately 0.7 million shares, assumed long-term debt and working capital (a combined $107.6 million was allocated to PP&E and E&E assets).

Ryland Oil Corp.

On August 20, 2010, Crescent Point completed the acquisition, by way of plan of arrangement, of all remaining issued and outstanding common shares of Ryland Oil Corp., a public oil and gas company with properties primarily located in Crescent Point's Flat Lake area in southeastern Saskatchewan and North Dakota. Total consideration of approximately $116.3 million included the issuance of approximately 2.2 million shares, assumed long-term debt, working capital and the historical cost of Crescent Point's previously held equity investment of $7.6 million (a combined $122.4 million was allocated to PP&E and E&E assets).

Minor Property Acquisitions and Dispositions

Minor property acquisitions, dispositions and purchase price adjustments during the six months ended June 30, 2011 amounted to additions to PP&E and E&E assets of $35.3 million ($36.0 million was allocated to PP&E and E&E assets).

Development Capital Expenditures

The Company's development capital expenditures for the second quarter of 2011 were $108.9 million, compared to $189.4 million for the same period in 2010. In the second quarter of 2011, 25 (9.7 net) wells were drilled with a success rate of 100 percent. The development capital for the second quarter of 2011 included $63.0 million on facilities, land and seismic.

The Company's development capital expenditures for the six months ended June 30, 2011 were $430.3 million compared to $363.5 million for the same period in 2010. In the first half of 2011, 171 (121.2 net) wells were drilled with a success rate of 100 percent. The development capital for the first half of 2011 included $136.8 million on facilities, land and seismic.

Crescent Point's budgeted capital program for 2011 is approximately $1.0 billion, not including acquisitions. The Company searches for acquisition opportunities that align with strategic parameters and evaluates each prospect on a case-by-case basis.

Goodwill

The Company's goodwill balance as at June 30, 2011 of $207.7 million is attributable to the corporate acquisitions of Shelter Bay, TriAxon Resources Ltd., Tappit Resources Ltd., Capio Petroleum Corporation and Bulldog Energy Inc. during the period 2003 through 2010.

Decommissioning Liability

The decommissioning liability increased by $3.9 million during the second quarter of 2011 from $330.8 million as at March 31, 2011 to $334.7 million as at June 30, 2011. This increase relates to accretion expense of $2.5 million, liabilities of $0.8 million as a result of capital acquisitions, $0.6 million recorded relating to changes in estimates pertaining to discount rates and $0.4 million recorded in respect of drilling, partially offset by $0.4 million for liabilities settled.

Liquidity and Capital Resources

Capitalization Table ($000, except share, per share and percent amounts)	**June 30, 2011**	December 31, 2010
Net debt	**1,139,088**	1,116,463
Shares outstanding [(1)]	**273,278,763**	266,911,154
Market price at end of period (per share)	**44.57**	44.19
Market capitalization	**12,180,034**	11,794,804
Total capitalization	**13,319,122**	12,911,267
Net debt as a percentage of total capitalization	**9%**	9%
Annual funds flow from operations	**1,101,665**	882,862
Net debt to funds flow from operations [(2)]	**1.0**	1.3

(1) Common shares outstanding balance at June 30, 2011 includes 932,222 common shares issued on July 15, 2011 pursuant to the DRIP program.

(2) The net debt reflects the financing of acquisitions, however, the funds flow from operations only reflects funds flow from operations generated from the acquired properties since the closing date of the acquisitions.

The Company's net debt is calculated as current liabilities plus long-term debt less current assets and long-term investments, but excludes derivative assets, derivative liabilities and unrealized foreign exchange on translation of US dollar senior guaranteed notes.

The Company has a syndicated credit facility with twelve banks and an operating credit facility with one Canadian chartered bank totaling $1.6 billion. As at June 30, 2011, the Company had approximately $635 million drawn on bank credit facilities, including $10.4 million outstanding pursuant to letters of credit, leaving unutilized borrowing capacity of approximately $965 million.

In 2010 and 2011, the Company closed private offerings of senior guaranteed notes raising gross proceeds of US$425.0 million and Cdn$100.0 million. These notes rank *pari passu* with the Company's bank credit facilities and are unsecured with original terms of maturity from 5 to 10 years. Concurrent with the issuance of the US$425 million senior guaranteed notes, the Company entered into CCIRS with a syndicate of financial institutions. Under the terms of the CCIRS, the amount of the US notes was fixed for purposes of interest and principal repayments at a notional amount of Cdn$424.6 million.

At June 30, 2011, Crescent Point was capitalized with 91 percent equity, consistent with December 31, 2010. The Company's net debt to funds flow from operations ratio at June 30, 2011 was 1.0 times (December 31, 2010 – 1.3 times). This decrease is largely due to the increase in annual funds flow from operations. Crescent Point's target average net debt to 12 month cash flow is approximately 1.0 times.

The Company has a successful DRIP program which raised $221.4 million in the first half of 2011 (year ended December 31, 2010 - $377.0 million).

Crescent Point's development capital budget for 2011 was set at $1.0 billion, with average 2011 production forecast at 72,500 boe/d.

Crescent Point's management believes that with the high quality reserve base and development inventory, excellent balance sheet and solid hedging program, the Company is well positioned to continue generating strong operating and financial results through 2011 and beyond.

Shareholders' Equity

At June 30, 2011, Crescent Point had 273.3 million common shares issued and outstanding compared to 266.9 million shares at December 31, 2010. The increase of 6.4 million shares relates primarily to shares issued pursuant to the DRIP program during the first half of 2011 for proceeds of $221.4 million.

Crescent Point's total capitalization increased to $13.3 billion at June 30, 2011 compared to $12.9 billion at December 31, 2010, with the market value of the shares representing 91 percent of the total capitalization.

Critical Accounting Estimates

The preparation of the Company's consolidated financial statements requires management to adopt accounting policies that involve the use of significant estimates and assumptions. These estimates and assumptions are developed based on the best available information and are believed by management to be reasonable under the existing circumstances. New events or additional information may result in the revision of these estimates over time. A summary of the significant accounting policies used by Crescent Point can be found in Note 3 of the June 30, 2011 unaudited consolidated financial statements. The following discussion highlights the significant changes in the Company's critical accounting estimates from those disclosed in the MD&A for the year ended December 31, 2010, as a result of the adoption of IFRS.

Opening Balance Sheet – Full Cost Pool

On transition to IFRS, the Company's PP&E assets accumulated in country cost centres were allocated pro-rata based on proved reserve values to major areas, which consolidate into Cash Generating Units ("CGUs"). The estimation of reserves is an inherently complex process requiring significant judgment. Estimates of economically recoverable oil and gas reserves are

based upon a number of variables and assumptions such as geoscientific interpretation, production forecasts, commodity prices, costs and related future cash flows, all of which may vary considerably from actual results. The resulting fair value estimates may not necessarily be indicative of the amounts that may be realized or settled in a current market transaction, nor do they represent costs historically spent.

Exploration and Evaluation

Determination of technical feasibility and commercial viability, based on the presence of reserves, results in the transfer of assets from E&E assets to PP&E. This decision involves a number of assumptions including geoscientific interpretation, production forecasts, commodity prices, costs and related future cash flows, all of which may vary considerably from actual results.

Asset Impairments

For purposes of impairment testing, PP&E is aggregated into CGUs based on separately identifiable and largely independent cash inflows. The determination of the Company's CGUs is subject to judgment. In addition, the testing of CGUs for impairment, as well as the assessment of potential impairment reversals, requires an estimate of the recoverable amount. The estimate of the recoverable amount requires a number of assumptions and estimates including geoscientific interpretation, production forecasts, commodity prices, costs and related future cash flows, all of which may vary considerably from actual results. These estimates are expected to be revised upward or downward over time, as additional information such as reservoir performance becomes available, or as economic conditions change.

Decommissioning Liabilities

Upon retirement of its oil and gas assets, the Company anticipates incurring substantial costs associated with decommissioning. The total decommissioning liability was estimated by management based on the Company's net ownership in wells and facilities. This includes all estimated costs to abandon, reclaim or decommission wells and facilities and the estimated timing of the costs to be incurred in future periods. Estimates of these costs are subject to uncertainty associated with the method, timing and extent of future decommissioning activities. The liability, the related asset and the expense are impacted by estimates with respect to the cost and timing of decommissioning.

The discount rate used to estimate decommissioning liabilities is updated each reporting period under IFRS, changes in the risk free rate can change the amount of the liability, and these changes could potentially be material in the future.

Share-based Compensation

Compensation costs recorded pursuant to share-based compensation plans are subject to estimated fair values, forfeiture rates and the future attainment of performance criteria.

Financial Instruments

The estimated fair value of derivative instruments resulting in derivative assets and liabilities, by their very nature, are subject to measurement uncertainty.

Business Combinations

Business combinations are accounted for using the acquisition method of accounting. The determination of fair value often requires management to make assumptions and estimates about future events. The assumptions and estimates with respect to determining the fair value of PP&E and E&E assets acquired generally require the most judgment and include estimates of reserves acquired, forecast benchmark commodity prices, and discount rates. Changes in any of the assumptions or estimates used in determining the fair value of acquired assets and liabilities could impact the amounts assigned to assets, liabilities and goodwill in the purchase price allocation. Future net earnings can be affected as a result of changes in future DD&A, asset impairment or goodwill impairment.

Future Taxes

Tax regulations and legislation and the interpretations thereof are subject to change. In addition, deferred income tax liabilities recognize to the extent that temporary differences will be payable in future periods. The calculation of the liability involves a significant amount of estimation including an evaluation of when the temporary differences will reverse, an analysis of the amount of future taxable earnings, the availability of cash flows and the application of tax laws. Significant changes in tax regulations and legislation and the other assumptions listed are subject to measurement uncertainty.

Adoption of International Financial Reporting Standards

The Company has applied IFRS in 2011. In accordance with IFRS 1, the Company's transition date to IFRS was January 1, 2010 and, therefore, the comparative information for 2010 has been prepared in accordance with IFRS. The 2009 financial information contained within this MD&A has been prepared following previous GAAP and has not been re-presented.

The Company concluded that the adoption of IFRS did not have a significant impact on any of our internal control processes. In terms of financial literacy, the Company has plans to continue to hold IFRS information sessions throughout 2011 to ensure that there is a strong level of knowledge of IFRS throughout our organization.

The information below summarizes the significant accounting policies that the Company has adopted under IFRS as well as the actual impact of adopting the policies.

Accounting Policies

The Company's consolidated financial statements for the year ending December 31, 2011 must use the IFRS standards in effect on December 31, 2011 and, therefore, the unaudited consolidated financial statements for the three and six month periods ending June 30, 2011 have been prepared using the standards that are expected to be effective at the end of 2011. However, the Company's IFRS accounting policies will only be finalized when the first annual IFRS consolidated financial statements are prepared for the year ending December 31, 2011. Therefore, certain accounting policies that the Company currently expects to follow under IFRS may not be adopted and the application of such policies to certain transactions or circumstances may be modified. As a result, the unaudited consolidated financial statements for the three and six month periods ended June 30, 2011 are subject to change.

The Company's unaudited consolidated financial statements for the three and six month periods ended June 30, 2011 provide the following reconciliations from previous GAAP to IFRS:

- Consolidated balance sheets as at January 1, 2010 and December 31, 2010;
- Consolidated shareholders' equity as at June 30, 2010; and
- Consolidated statements of income and comprehensive income for the three and six months ended June 30, 2010 and year ended December 31, 2010, respectively.

A summary of the significant accounting policies that the Company has adopted in the transition from previous GAAP to IFRS, including the significant elections and exemptions that are allowed upon first time adoption of IFRS, as well as the significant impacts on these consolidated financial statements, have been provided below. Note that the IFRS balances provided below are not audited.

Property, Plant and Equipment

Under previous GAAP, Crescent Point accounted for its oil and gas properties in country cost centres using full-cost accounting. IFRS 1 provides the option for entities using full-cost accounting for oil and gas activities under previous GAAP to elect to measure oil and gas assets at the Transition Date at the historical net book value or at fair value, rather than applying IFRS rules retrospectively. The Company elected to measure its oil and gas assets at the net book value determined under previous GAAP, resulting in undeveloped land of $586.5 million being reclassified to exploration and evaluation assets on Transition Date. The remaining development and production assets that were accumulated in country cost centres under previous GAAP could be allocated to the cost centre's underlying assets pro-rata using reserve volumes or values. The Company elected to allocate these assets using reserve values.

Under IFRS, development and production assets are depleted at the major area level using the unit-of-production method based on the estimated proved plus probable reserves before royalties, whereas, under previous GAAP these assets were accumulated in country cost centres and depleted using the unit-of-production method based on the estimated proved reserves before royalties. As a result of depleting at the major area level based on proved plus probable reserves before royalties, DD&A decreased $42.5 million, $82.9 million and $186.8 million for the three and six month periods ended June 30, 2010 and year ended December 31, 2010, respectively, with a corresponding increase to PP&E.

The carrying amounts of PP&E are grouped into CGUs and reviewed quarterly for indicators of impairment. Indicators are events or changes in circumstances that indicate the carrying amount may not be recoverable. If indicators of impairment exist, the recoverable amount of the CGU is estimated. If the carrying amount exceeds the recoverable amount, the CGU is written down with an impairment recognized in net income.

Assets are grouped into CGUs based on separately identifiable and largely independent cash inflows. Estimates of future cash flows used in the calculation of the recoverable amount are based on reserve evaluation reports prepared by independent petroleum reservoir engineers. The recoverable amount is the higher of fair value less cost to sell and the value-in-use. Fair value less cost to sell is derived by estimating the discounted after-tax future net cash flows. Discounted future net cash flows are based on forecasted commodity prices and costs over the expected economic life of reserves and discounted using market-based rates. Value-in-use is assessed using the present value of the expected future cash flows.

Impairments of PP&E are reversed when there has been a subsequent increase in the recoverable amount, but only to the extent of what the carrying amount would have been had no impairment been recognized.

The impairment test of PP&E was performed at January 1, 2010 in accordance with IFRS and no impairments existed. At December 31, 2010 and June 30, 2011, there were no indicators of impairment, therefore an impairment test of PP&E was not required.

Exploration and Evaluation

Exploration and evaluation assets are comprised of the accumulated expenditures incurred in an area where technical feasibility and commercial viability has not yet been determined. Exploration and evaluation assets include undeveloped land and any drilling costs thereon. At December 31, 2010 and January 1, 2010, E&E assets of $1.1 billion and $586.5 million, respectively, were recognized, whereas these amounts were included in PP&E under previous GAAP.

Technical feasibility and commercial viability are considered to be determinable when reserves are discovered. Upon determination of reserves, E&E assets attributable to those reserves are first tested for impairment and then reclassified from E&E assets to PP&E.

The Company's policy under IFRS is to amortize E&E undeveloped land by major area over the average primary lease term; under previous GAAP, undeveloped land was not amortized. Accordingly, DD&A increased $32.7 million, $60.4 million and $155.2 million for the three and six month periods ended June 30, 2010 and year ended December 31, 2010, respectively, with a corresponding decrease to E&E assets.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) indicators suggest that the carrying amount exceeds the recoverable amount. Exploration and evaluation assets are tested for impairment at the operating segment level by combining E&E assets with PP&E. The recoverable amount includes discounted after tax future net cash flows as described in the PP&E impairment test, plus the fair market values of undeveloped land and seismic. Impairments of E&E assets are reversed when there has been a subsequent increase in the recoverable amount, but only to the extent of what the carrying amount would have been had no impairment been recognized.

The impairment test of E&E was performed at January 1, 2010 in accordance with IFRS and no impairments existed. At December 31, 2010 and June 30, 2011, there were no indicators of impairment, therefore, an impairment test of E&E was not required.

Decommissioning liability

The Company recognizes the present value of a decommissioning liability in the period in which it is incurred. The obligation is recorded as a liability on a discounted basis using the relevant risk free rate, with a corresponding increase to the carrying amount of the related asset. Under previous GAAP, a credit-adjusted risk free discount rate was used to estimate the Company's decommissioning liability. For entities taking the full-cost oil and gas accounting exemption discussed above, IFRS 1 requires that any difference in the decommissioning liability calculated between IFRS and previous GAAP be recognized directly in retained earnings; accordingly, on transition, the Company's decommissioning liability increased $77.1 million, deferred income tax liability decreased by $20.1 million and accumulated deficit increased $57.0 million. At December 31, 2010, the Company's decommissioning liability was $129.5 million higher under IFRS than under previous GAAP.

Business Combinations

The Company elected to apply the IFRS 1 exemption on business combinations and did not restate any business combinations that closed prior to the Transition Date. Effective January 1, 2010 under previous GAAP, the Company adopted the business combination standard that was converged with the IFRS business combination standard, resulting in no material differences recorded during 2010.

Share-based compensation

In accordance with IFRS 2 *Share-based Payment*, as at the Transition Date, the Company revalued its contributed surplus arising from share-based compensation to recognize an estimated forfeiture rate on restricted shares of 4 percent and a 4 year service period commencing January 1, 2009 for the restricted shares granted in January 2010 pursuant to the Company's APA. Under previous GAAP, forfeitures are recorded as they occur and the APA granted in January 2010 was amortized over the vesting period of 3 years.

Under previous GAAP, expense recognition generally cannot occur before the grant date. Under IFRS the grant date cannot be earlier than the date the awards are approved, however IFRS requires the entity to record an expense for employee's service as received, which may be earlier than the grant date.

Under IFRS, deferred income tax does not arise from capitalized share-based compensation. Therefore, amounts recorded under previous GAAP during 2010 were adjusted accordingly.

Royalties

Under IFRS, royalties include the Saskatchewan Corporation Capital Tax Resource Surcharge, which was classified as capital and other taxes under previous GAAP. Accordingly, $12.3 million and $27.4 million was reclassified to royalties for the six months and year ended June 30, 2010 and December 31, 2010, respectively, with a corresponding decrease to current tax expense.

Early adoption of IFRS 9

The Company has early adopted IFRS 9*, Financial Instruments,* as issued in November 2009 and revised in October 2010 (with a date of initial application of January 1, 2010). This new standard replaces the current multiple classification and measurement model for financial assets and liabilities with a single model that has only two classification categories: amortized cost and fair value. Classification depends on the entity's business model for managing financial instruments and the contractual cash flow characteristics of the financial instrument. In addition, the fair value option for financial liabilities was amended. The changes in fair value attributable to a liability's credit risk will be recorded in other comprehensive income rather than through net income, unless this presentation creates an accounting mismatch. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to net income.

These changes in accounting policy are applied on a prospective basis from January 1, 2010.

Future Changes in Accounting Policies

Crescent Point will adopt all IFRS accounting standards in effect on December 31, 2011.

The following standards and amendments have not been adopted as they apply to future periods. They may result in future changes to our existing accounting policies and disclosures. The Company is currently evaluating the impact that these standards will have on our results of operations and financial position:

- IFRS 10 *Consolidated Financial Statements* – in May 2011, the IASB issued IFRS 10 which provides additional guidance to determine whether an investee should be consolidated. The guidance applies to all investees, including special purpose entities. The standard is required to be adopted for periods beginning January 1, 2013.

- IFRS 11 *Joint Arrangements* – in May 2011, the IASB issued IFRS 11 which presents a new model for determining whether an entity should account for joint arrangements using proportionate consolidation or the equity method. An entity will have to follow the substance rather than legal form of a joint arrangement and will no longer have a choice of accounting method. The standard is required to be adopted for periods beginning January 1, 2013.

- IFRS 12 *Disclosure of Interests in Other Entities* – in May 2011, the IASB issued IFRS 12 which aggregates and amends disclosure requirements included within other standards. The standard requires an entity to provide disclosures about subsidiaries, joint arrangements, associates and unconsolidated structured entities. The standard is required to be adopted for periods beginning January 1, 2013.

- IFRS 13 *Fair Value Measurement* – in May 2011, the IASB issued IFRS 13 to provide comprehensive guidance for instances where IFRS requires fair value to be used. The standard provides guidance on determining fair value and requires disclosures about those measurements. The standard is required to be adopted for periods beginning January 1, 2013.

- IAS 1 *Presentation of Items of Other Comprehensive Income* – in June 2011, the IASB issued amendments to IAS 1 Presentation of Financial Statements to separate items of other comprehensive income that may be subsequently reclassed to income. The standard is required to be adopted for periods beginning on or after July 1, 2012.

- IAS 27 *Separate Financial Statements* has been amended to conform to the changes made in IFRS 10 but retains the current guidance for separate financial statements.

- IAS 28 *Investments in Associates and Joint Ventures* has been amended to conform to the changes made in IFRS 10 and IFRS 11.

Summary of Quarterly Results

($000, except per share amounts)	2011 Q2	2011 Q1	2010 Q4	2010 Q3	2010 Q2	2010 Q1	2009 – Previous GAAP[1] Q4	2009 – Previous GAAP[1] Q3
Oil and gas sales	**527,824**	515,836	453,311	393,499	330,224	358,730	327,500	264,936
Average daily production								
Crude oil and NGLs (bbls/d)	**59,390**	68,060	62,640	58,390	48,928	50,152	46,022	40,854
Natural gas (mcf/d)	**40,329**	45,085	42,831	42,947	35,919	35,456	36,134	32,806
Total (boe/d)	**66,112**	75,574	69,779	65,548	54,915	56,061	52,044	46,322
Net income (loss)	**184,924**	(102,217)	(50,905)	(7,804)	71,626	38,004	(4,024)	45,357
Net income (loss) per share	**0.68**	(0.38)	(0.19)	(0.03)	0.33	0.18	(0.02)	0.28
Net income (loss) per share – diluted	**0.68**	(0.38)	(0.19)	(0.03)	0.33	0.18	(0.02)	0.28
Cash flow from operating activities	**323,532**	303,541	235,464	204,583	207,070	169,337	199,141	150,067
Cash flow from operating activities per share	**1.19**	1.13	0.89	0.82	0.96	0.81	1.03	0.94
Cash flow from operating activities per share – diluted	**1.18**	1.12	0.88	0.81	0.94	0.79	1.02	0.92
Funds flow from operations	**311,492**	296,528	263,221	230,424	185,135	204,082	191,292	155,415
Funds flow from operations per share	**1.15**	1.11	1.00	0.92	0.86	0.97	0.99	0.97
Funds flow from operations per share – diluted	**1.14**	1.10	0.98	0.91	0.84	0.96	0.98	0.96
Working capital (deficit) [2]	**3,554**	(124,350)	(103,477)	(128,225)	150,637	144,113	148,190	166,274
Total assets	**8,013,479**	8,062,974	7,943,884	7,718,016	6,176,571	6,087,271	5,439,430	4,102,058
Total liabilities	**2,556,096**	2,732,582	2,451,796	2,479,976	1,871,987	2,174,420	1,460,952	1,511,578
Net debt	**1,139,088**	1,228,508	1,116,463	1,340,196	691,505	976,018	370,937	741,287
Total long-term derivative liabilities	**111,589**	182,292	74,630	41,381	17,151	33,590	42,243	-
Weighted average shares – diluted (thousands)	**273,743**	270,789	267,405	253,991	219,299	213,502	194,943	162,615
Capital expenditures [3]	**147,645**	324,326	330,972	1,796,250	189,625	732,554	1,207,950	638,551
Dividends declared	**188,881**	187,591	184,688	175,753	150,155	146,924	138,156	113,158
Dividends declared per share	**0.69**	0.69	0.69	0.69	0.69	0.69	0.69	0.69

(1) The Company's IFRS transition date was January 1, 2010, therefore, 2009 comparative information has not been restated.

(2) Working capital (deficit) is calculated as current assets less current liabilities, excluding derivative assets and liabilities, plus long-term investments and investment in associate.

(3) Capital expenditures exclude capitalized share-based compensation and include capital acquisitions. Capital acquisitions represent total consideration for the transactions including long-term debt and working capital assumed, and commencing January 1, 2010, excluding transaction costs.

Over the past eight quarters, the Company's oil and gas sales have generally increased due to several business combinations and our successful drilling program. Significant fluctuations in the Cdn$ WTI benchmark price and corporate oil differentials have also contributed to the fluctuations in oil and gas sales.

Net income has fluctuated primarily due to changes in funds flow from operations, unrealized derivative gains and losses on oil and gas derivative contracts, which fluctuate with the changes in forward market prices, along with fluctuations in the deferred tax expense (recovery).

Capital expenditures fluctuated through this period as a result of timing of acquisitions and our development drilling program. Funds flow from operations and cash flow from operating activities throughout the last eight quarters has allowed the Company to maintain stable monthly dividends.

Internal Control update

Crescent Point is required to comply with Multilateral Instrument 52-109 "Certification of Disclosure in Issuers' Annual and Interim Filings". The certificate requires that Crescent Point disclose in the interim MD&A any changes in Crescent Point's internal control over financial reporting that occurred during the period that has materially affected, or is reasonably likely to materially affect Crescent Point's internal control over financial reporting. Crescent Point confirms that no such changes were made to internal controls over financial reporting during the second quarter of 2011.

Outlook

Crescent Point's upwardly revised 2011 exit guidance is as follows:

Production	**Prior**	**Revised**
Oil and NGL (bbls/d)	65,375	65,375
Natural gas (mcf/d)	42,750	42,750
Total (boe/d)	72,500	72,500
Exit (boe/d)	75,000	76,500
Funds flow from operations ($000)	1,190,000	1,180,000
Funds flow per share – diluted ($)	4.30	4.26
Cash dividends per share ($)	2.76	2.76
Capital expenditures ($000) (1)	800,000	1,000,000
Wells drilled, net	311	312
Pricing		
Crude oil – WTI (US$/bbl)	96.00	95.00
Crude oil – WTI (Cdn$/bbl)	95.05	93.14
Natural gas – Corporate (Cdn$/mcf)	3.60	3.85
Exchange rate (US$/Cdn$)	1.01	1.02

(1) The projection of capital expenditures excludes acquisitions, which are separately considered and evaluated.

Additional information relating to Crescent Point is available on SEDAR at www.sedar.com.

Forward-Looking Information

Certain statements contained in this management's discussion and analysis constitute forward-looking statements and are based on Crescent Point's beliefs and assumptions based on information available at the time the assumption was made. By its nature, such forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. These statements are effective only as of the date of this report.

Certain statements contained in this report, including statements related to Crescent Point's capital expenditures, projected asset growth, view and outlook toward future commodity prices, drilling activity and statements that contain words such as "could", "should", "can", "anticipate", "expect", "believe", "will", "may", "projected", "sustain", "continues", "strategy", "potential", "projects", "grow", "take advantage", "estimate", "well positioned" and similar expressions and statements relating to matters that are not historical facts constitute "forward-looking information" within the meaning of applicable Canadian securities legislation. The material assumptions in making these forward-looking statements are disclosed in this analysis under the headings "Dividends", "Capital Expenditures", "Decommissioning Liability", "Liquidity and Capital Resources", "Critical Accounting Estimates", "New Accounting Pronouncements" and "Outlook".

In particular, forward-looking statements include, but are not limited to:

- Crescent Point's 2011 guidance as outlined in the Outlook section;
- Maintaining monthly dividends; and
- Target average net debt to 12 month funds flow of approximately 1.0 times.

All of the material assumptions underlying these statements are noted in the "Dividends", "Capital Expenditures", Decommissioning Liability", "Liquidity and Capital Resources", "Critical Accounting Estimates" and "Outlook" sections of this report.

The following are examples of references to forward-looking information:

- Volume and product mix of Crescent Point's oil and gas production;
- Future oil and gas prices and interest rates in respect of Crescent Point's commodity risk management programs;
- The amount and timing of future decommissioning liabilities;
- Future liquidity and financial capacity;
- Future interest rates and exchange rates;
- Future results from operations and operating metrics;
- Future development, exploration and other expenditures;
- Future costs, expenses and royalty rates;
- Future tax rates; and
- The Company's tax pools.

This information contains certain forward-looking estimates that involve substantial known and unknown risks and uncertainties, certain of which are beyond Crescent Point's control. Such risks and uncertainties include, but are not limited to: financial risk of marketing reserves at an acceptable price given market conditions; volatility in market prices for oil and natural gas; delays in business operations, pipeline restrictions, blowouts; the risk of carrying out operations with minimal environmental impact; industry conditions including changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; uncertainties associated with estimating oil and natural gas reserves and Discovered Petroleum Initially in Place; economic risk of finding and producing reserves at a reasonable cost; uncertainties associated with partner plans and approvals; operational matters related to non-operated properties; increased competition for, among other things, capital, acquisitions of reserves and undeveloped lands; competition for and availability of qualified personnel or management; incorrect assessments of the value of acquisitions and exploration and development programs; unexpected geological, technical, drilling, construction and processing problems; availability of insurance; fluctuations in foreign exchange and interest rates; stock market volatility; failure to realize the anticipated benefits of acquisitions; general economic, market and business conditions; uncertainties associated with regulatory approvals; uncertainty of government policy changes; uncertainties associated with credit facilities and counterparty credit risk; and changes in income tax laws, tax laws, crown royalty rates and incentive programs relating to the oil and gas industry; and other factors, many of which are outside the control of the Company. Therefore, Crescent Point's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking estimates and if such actual results, performance or achievements transpire or occur, or if any of them do so, there can be no certainty as to what benefits Crescent Point will derive therefrom.

A barrel of oil equivalent ("boe") is based on a conversion rate of six thousand cubic feet of natural gas to one barrel of oil.

Directors

Peter Bannister, Chairman [1] [3]

Paul Colborne [2] [4]

Ken Cugnet [3] [4] [5]

Hugh Gillard [1] [2] [5]

Gerald Romanzin [1] [3]

Scott Saxberg [4]

Greg Turnbull [2] [5]

(1) Member of the Audit Committee of the Board of Directors

(2) Member of the Compensation Committee of the Board of Directors

(3) Member of the Reserves Committee of the Board of Directors

(4) Member of the Health, Safety and Environment Committee of the Board of Directors

(5) Member of the Corporate Governance and Nominating Committee

Officers

Scott Saxberg
President and Chief Executive Officer

Greg Tisdale
Chief Financial Officer

C. Neil Smith
Vice President, Engineering and
Business Development

Dave Balutis
Vice President, Exploration

Brad Borggard
Vice President, Corporate Planning

Derek Christie
Vice President, Geosciences

Ryan Gritzfeldt
Vice President, Engineering East

Ken Lamont
Vice President, Finance and Treasurer

Tamara MacDonald
Vice President, Land

Trent Stangl
Vice President, Marketing and Investor Relations

Steve Toews
Vice President, Engineering West

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Banker

The Bank of Nova Scotia
Calgary, Alberta

Auditor

PricewaterhouseCoopers LLP
Calgary, Alberta

Legal Counsel

Macleod Dixon LLP
Calgary, Alberta

Evaluation Engineers

GLJ Petroleum Consultants Ltd.
Calgary, Alberta

Sproule Associates Ltd.
Calgary, Alberta

Registrar and Transfer Agent

Investors are encouraged to contact
Crescent Point's Registrar and Transfer
Agent for information regarding their security holdings:

Olympia Trust Company
2300, 125 – 9th Avenue S.E.
Calgary, Alberta T2G 0P6
Tel: (403) 261-0900

Stock Exchange

Toronto Stock Exchange – TSX

Stock Symbol

CPG

Investor Contacts

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President and Chief Executive Officer
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Greg Tisdale
Chief Financial Officer
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Trent Stangl
Vice President, Marketing and Investor Relations
(403) 693-0020

CONSOLIDATED BALANCE SHEETS

(UNAUDITED) (Cdn$000s)	Notes	**June 30, 2011**	As at December 31, 2010	January 1, 2010
ASSETS				
Accounts receivable		**191,904**	199,977	141,887
Investment in marketable securities		**769**	908	1,092
Prepaids and deposits		**4,176**	4,698	8,861
Derivative asset	20	**7,247**	7,087	1,675
Total current assets		**204,096**	212,670	153,515
Long-term investments	4	**101,914**	62,164	23,440
Investment in associate	5	**-**	-	206,315
Reclamation fund		**6,074**	3,001	3,422
Derivative asset	20	**2,901**	5,106	3,845
Other receivable	6	**9,210**	9,210	9,320
Exploration and evaluation	7, 8	**1,045,665**	1,115,371	586,467
Property, plant and equipment	8, 9	**6,435,947**	6,328,690	4,352,812
Goodwill	10	**207,672**	207,672	100,294
Total assets		**8,013,479**	7,943,884	5,439,430
LIABILITIES				
Accounts payable and accrued liabilities		**270,272**	343,691	210,515
Cash dividends payable		**24,937**	27,533	22,890
Derivative liability	20	**77,133**	78,707	20,080
Total current liabilities		**372,342**	449,931	253,485
Long-term debt	11	**1,128,183**	1,006,451	519,127
Derivative liability	20	**111,589**	74,630	42,243
Decommissioning liability	12	**334,677**	324,727	216,470
Deferred income tax		**609,305**	596,057	486,680
Total liabilities		**2,556,096**	2,451,796	1,518,005
SHAREHOLDERS' EQUITY				
Shareholders' capital	13	**7,100,969**	6,839,358	4,710,290
Contributed surplus		**107,862**	108,890	58,282
Deficit		**(1,747,288)**	(1,453,523)	(846,924)
Accumulated other comprehensive loss		**(4,160)**	(2,637)	(223)
Total shareholders' equity		**5,457,383**	5,492,088	3,921,425
Total liabilities and shareholders' equity		**8,013,479**	7,943,884	5,439,430

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

		Three months ended June 30		Six months ended June 30	
(UNAUDITED) (Cdn$000s, except per share amounts)	Notes	**2011**	2010	**2011**	2010
REVENUE AND OTHER INCOME					
Oil and gas sales		**527,824**	330,224	**1,043,660**	688,954
Royalties		**(90,367)**	(64,628)	**(173,105)**	(135,199)
Oil and gas revenue		**437,457**	265,596	**870,555**	553,755
Derivative gains (losses)	15, 20	**129,246**	80,285	**(83,040)**	92,154
Other income (loss)	16	**7,778**	(747)	**8,495**	(5,925)
		574,481	345,134	**796,010**	639,984
EXPENSES					
Operating		**61,706**	53,999	**146,594**	107,071
Transportation		**10,998**	8,347	**24,640**	17,376
General and administrative		**12,780**	7,724	**19,922**	20,856
Interest on long-term debt		**15,183**	15,720	**29,784**	29,458
Foreign exchange (gain) loss	17	**(1,682)**	12,020	**(7,715)**	10,648
Share-based compensation	18	**14,408**	15,549	**33,546**	31,979
Depletion, depreciation and amortization		**215,519**	144,871	**448,690**	283,758
Accretion on decommissioning liability		**2,481**	2,340	**4,916**	4,504
		331,393	260,570	**700,377**	505,650
Operating income		**243,088**	84,564	**95,633**	134,334
Share of profit (loss) of associate		**-**	(955)	**-**	673
Income before tax		**243,088**	83,609	**95,633**	135,007
Tax expense (recovery)					
Current		**(79)**	-	**(551)**	1
Deferred		**58,243**	11,983	**13,477**	25,376
Net income		**184,924**	71,626	**82,707**	109,630
Other comprehensive income (loss)					
Foreign currency translation on foreign operations		**(422)**	1,210	**(1,523)**	543
Comprehensive income		**184,502**	72,836	**81,184**	110,173
Net income per share	19				
Basic		**0.68**	0.33	**0.31**	0.52
Diluted		**0.68**	0.33	**0.30**	0.51

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(UNAUDITED) (Cdn$000s)	Notes	Shareholders' capital	Contributed surplus	Deficit	Accumulated other comprehensive income (loss)	Total shareholders' equity
December 31, 2010		**6,839,358**	**108,890**	**(1,453,523)**	**(2,637)**	**5,492,088**
Issued pursuant to the DRIP [1]	13	**183,684**				**183,684**
To be issued pursuant to the DRIP [1]	13	**37,703**				**37,703**
Exercise of restricted shares	13	**40,396**	**(43,717)**			**(3,321)**
Share issue costs		**(172)**				**(172)**
Share-based compensation	18		**41,848**			**41,848**
Forfeit of restricted shares	18		**841**			**841**
Net income (loss)				**82,707**		**82,707**
Dividends ($1.38 per share)				**(376,472)**		**(376,472)**
Foreign currency translation adjustment					**(1,523)**	**(1,523)**
June 30, 2011		**7,100,969**	**107,862**	**(1,747,288)**	**(4,160)**	**5,457,383**
January 1, 2010		4,710,290	58,282	(846,924)	(223)	3,921,425
Issued for cash		375,150				375,150
Issued pursuant to the DRIP [1]		139,517				139,517
To be issued pursuant to the DRIP [1]		30,014				30,014
Exercise of restricted shares		3,997	(8,491)			(4,494)
Share issue costs		(11,544)				(11,544)
Share-based compensation			41,859			41,859
Forfeit of restricted shares			(436)			(436)
Net income (loss)				109,630		109,630
Dividends ($1.38 per share)				(297,079)		(297,079)
Foreign currency translation adjustment					543	543
June 30, 2010		5,247,424	91,214	(1,034,373)	320	4,304,585

(1) Dividend reinvestment plan

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(UNAUDITED) (Cdn$000s)	Notes	Three months ended June 30 2011	Three months ended June 30 2010	Six months ended June 30 2011	Six months ended June 30 2010
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Net income		**184,924**	71,626	**82,707**	109,630
Items not affecting cash					
Other (income) loss	16	**(6,062)**	747	**(6,779)**	5,925
Deferred tax expense (recovery)		**58,243**	11,983	**13,477**	25,376
Share-based compensation	18	**14,408**	15,549	**33,546**	31,979
Depletion, depreciation and amortization		**215,519**	144,871	**448,690**	283,758
Accretion on decommissioning liability		**2,481**	2,340	**4,916**	4,504
Unrealized (gains) losses on derivatives	15, 20	**(157,455)**	(76,821)	**37,430**	(89,086)
Unrealized (gain) loss on foreign exchange	17	**(1,926)**	11,849	**(7,734)**	10,693
Share of (profit) loss of associate		**-**	955	**-**	(673)
Decommissioning expenditures		**(418)**	(423)	**(1,749)**	(1,104)
Change in non-cash working capital	22	**13,818**	24,394	**22,569**	(4,595)
		323,532	207,070	**627,073**	376,407
INVESTING ACTIVITIES					
Development capital and other expenditures		**(111,855)**	(193,577)	**(436,722)**	(372,066)
Capital acquisitions, net	8	**(39,828)**	3,835	**(39,288)**	(550,230)
Reclamation fund net contributions		**(1,983)**	(1,102)	**(3,073)**	(1,414)
Long-term investments		**(42,003)**	(2,557)	**(33,153)**	(2,557)
Change in non-cash working capital	22	**(88,776)**	(31,584)	**(83,169)**	1,136
		(284,445)	(224,985)	**(595,405)**	(925,131)
FINANCING ACTIVITIES					
Issue of shares, net of issue costs		**2**	359,162	**(3,555)**	354,842
Increase (decrease) in long-term debt		**38,269**	(277,840)	**129,568**	323,152
Cash dividends		**(76,549)**	(64,876)	**(155,085)**	(127,548)
Change in non-cash working capital	22	**(809)**	1,469	**(2,596)**	(1,722)
		(39,087)	17,915	**(31,668)**	548,724
INCREASE IN CASH		**-**	-	**-**	-
CASH AT BEGINNING OF PERIOD		**-**	-	**-**	-
CASH AT END OF PERIOD		**-**	-	**-**	-

See accompanying notes to the consolidated financial statements.

Supplementary Information:

Cash taxes (recovered) paid	**94**	(2)	**(1,320)**	18
Cash interest paid	**9,308**	17,597	**21,232**	29,970

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 (UNAUDITED)

1. STRUCTURE OF THE BUSINESS

The principal undertakings of Crescent Point Energy Corp. (the "Company" or "Crescent Point") are to carry on the business of acquiring, developing and holding interests in petroleum and natural gas properties and assets related thereto through a general partnership and wholly owned subsidiaries.

Crescent Point is the ultimate parent company and is incorporated in Alberta, Canada. The address of the principal place of business is 2800, 111 – 5th Ave S.W., Calgary, Alberta, Canada, T2P 3Y6.

These interim consolidated financial statements were approved and authorized for issue by the Company's Board of Directors on August 10, 2011.

2. BASIS OF PREPARATION

a) Preparation

These financial statements represent the second interim consolidated financial statements of the Company prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). These interim consolidated financial statements have been prepared in accordance with IFRS applicable to the preparation of interim consolidated financial statements, including International Accounting Standard ("IAS") 34, *Interim Financial Reporting,* and IFRS 1, *First-time Adoption of International Financial Reporting Standards*. Prior to 2011, the Company prepared its interim and annual consolidated financial statements in accordance with Canadian generally accepted accounting principles ("previous GAAP").

The policies applied in these interim consolidated financial statements are based on IFRS issued and outstanding as of August 10, 2011, the date the Board of Directors approved the statements. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending December 31, 2011 could result in restatement of these interim consolidated financial statements, including the transition adjustments recognized on change-over to IFRS.

The preparation of these interim consolidated financial statements resulted in changes to Crescent Point's accounting policies as compared to those disclosed in the Company's annual audited consolidated financial statements for the year ended December 31, 2010 issued under previous GAAP. A summary of the significant changes to Crescent Point's accounting policies is disclosed in Note 24, including reconciliations presenting the impact of the transition to IFRS for the comparative periods as at January 1, 2010, as at and for the year ended December 31, 2010 and for the three and six months ended June 30, 2010.

b) Basis of measurement, functional and presentation currency

These consolidated financial statements are presented in Canadian dollars ("Cdn$"), unless otherwise indicated, which is the Company's functional currency, and are prepared on the historical cost basis, except for the revaluation to fair value of certain financial assets and financial liabilities, as required.

c) Use of estimates and judgments

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected. Significant estimates and judgments made by management in the preparation of consolidated financial statements are outlined below.

Reserves estimates, although not reported as part of the Company's consolidated financial statements, can have a significant effect on net income, assets and liabilities as a result of their impact on depletion, depreciation and amortization ("DD&A"), decommissioning liability, deferred taxes, asset impairments and business combinations. Independent petroleum reservoir engineers perform evaluations of the Company's oil and gas reserves on an annual basis. The estimation of reserves is an inherently complex process requiring significant judgment. Estimates of economically recoverable oil and gas reserves are based upon a number of variables and assumptions such as geoscientific interpretation, production forecasts, commodity prices, costs and related future cash flows, all of which may vary considerably from actual results. These estimates are expected to be revised upward or downward over time, as additional information such as reservoir performance becomes available, or as economic conditions change.

For purposes of impairment testing, property, plant and equipment ("PP&E") is aggregated into cash-generating units ("CGUs"), based on separately identifiable and largely independent cash inflows. The determination of the Company's CGUs is subject to judgment.

Upon retirement of its oil and gas assets, the Company anticipates incurring substantial costs associated with decommissioning. Estimates of these costs are subject to uncertainty associated with the method, timing and extent of future decommissioning activities. The liability, the related asset and the expense are impacted by estimates with respect to the cost and timing of decommissioning.

Business combinations are accounted for using the acquisition method of accounting. The determination of fair value often requires management to make assumptions and estimates about future events. The assumptions and estimates with respect to determining the fair value of PP&E and exploration and evaluation ("E&E") assets acquired generally require the most judgment and include estimates of reserves acquired, forecast benchmark commodity prices, and discount rates. Changes in any of the assumptions or estimates used in determining the fair value of acquired assets and liabilities could impact the amounts assigned to assets, liabilities and goodwill. Future net earnings can be affected as a result of changes in future DD&A, asset impairment or goodwill impairment.

The determination of technical feasibility and commercial viability, based on the presence of reserves, results in the transfer of assets from E&E assets to PP&E.

The estimated fair value of derivative instruments resulting in derivative assets and liabilities, by their very nature, are subject to measurement uncertainty.

Compensation costs recorded pursuant to share-based compensation plans are subject to estimated fair values, forfeiture rates and the future attainment of performance criteria.

Tax regulations and legislation and the interpretations thereof are subject to change. In addition, deferred income tax liabilities recognize the extent that temporary differences will be payable in future periods. The calculation of the liability involves a significant amount of estimation including an evaluation of when the temporary differences will reverse, an analysis of the amount of future taxable earnings, the availability of cash flows and the application of tax laws. Changes in tax regulations and legislation and the other assumptions listed are subject to measurement uncertainty.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently by the Company and its subsidiaries to all periods presented in these interim consolidated financial statements.

a) Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries and any reference to the "Company" throughout these consolidated financial statements refers to the Company and its subsidiaries. All transactions between the Company and its subsidiaries have been eliminated.

Investments in associates are accounted for using the equity method. The Company used the equity method to account for its investment in Shelter Bay Energy Inc. ("Shelter Bay"). Refer to Note 5 "Investment in Associate" for additional information.

Interests in jointly controlled assets are accounted for using the proportionate consolidation method, whereby these consolidated financial statements include the Company's proportionate share of these jointly controlled assets, liabilities, and revenue and expenses.

b) Property, Plant and Equipment

Items of PP&E, which primarily consist of oil and gas development and production assets, are measured at cost less accumulated depletion, depreciation and any impairment losses. Development and production assets are accumulated into major area cost centres and represent the cost of developing the commercial reserves and initiating production.

Costs incurred subsequent to the determination of technical feasibility and commercial viability and the costs of replacing parts of PP&E are recognized as development and production assets only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures are recognized in net income as incurred. Capitalized development and production assets generally represent costs incurred in developing reserves and initiating or enhancing production from such reserves. The carrying amount of any replaced or sold component is derecognized.

Depletion and Depreciation

Development and production costs accumulated within major areas are depleted using the unit-of-production method based on estimated proved plus probable reserves before royalties, as determined by independent petroleum reservoir engineers. Natural gas reserves and production are converted to equivalent barrels of oil based upon the relative energy content (6:1). The depletion base includes capitalized costs, plus future costs to be incurred in developing proved plus probable reserves.

Corporate assets are depreciated over 5 years on a straight-line basis.

Impairment

The carrying amounts of PP&E are grouped into CGUs and reviewed quarterly for indicators of impairment. Indicators are events or changes in circumstances that indicate the carrying amount may not be recoverable. If indicators of impairment exist, the recoverable amount of the CGU is estimated. If the carrying amount of the CGU exceeds the recoverable amount, the CGU is written down with an impairment recognized in net income.

Assets are grouped into CGUs based on separately identifiable and largely independent cash inflows considering geological characteristics, shared infrastructure and exposure to market risks. Estimates of future cash flows used in the calculation of the recoverable amount are based on reserve evaluation reports prepared by independent petroleum reservoir engineers. The recoverable amount is the higher of fair value less cost to sell and the value-in-use. Fair value less cost to sell is derived by estimating the discounted after-tax future net cash flows. Discounted future net cash flows are based on forecasted commodity prices and costs over the expected economic life of the reserves and discounted using market-based rates to reflect a market participant's view of the risks associated with the assets. Value-in-use is assessed using the expected future cash flows discounted at a pre-tax rate.

Impairments of PP&E are reversed when there has been a subsequent increase in the recoverable amount, but only to the extent of what the carrying amount would have been had no impairment been recognized.

c) Exploration and Evaluation

Exploration and evaluation assets are comprised of the accumulated expenditures incurred in an area where technical feasibility and commercial viability has not yet been determined. Exploration and evaluation assets include undeveloped land and any drilling costs thereon.

Technical feasibility and commercial viability are considered to be determinable when reserves are discovered. Upon determination of reserves, E&E assets attributable to those reserves are first tested for impairment and then reclassified from E&E assets to PP&E.

Costs incurred prior to acquiring the legal rights to explore an area are expensed as incurred.

Amortization

Undeveloped land classified as E&E is amortized by major area over the average primary lease term and recognized in net income. Drilling costs classified as E&E assets are not amortized but are subject to impairment.

Impairment

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) indicators suggest that the carrying amount exceeds the recoverable amount. Exploration and evaluation assets are tested for impairment at the operating segment level by combining E&E assets with PP&E. The recoverable amount is the greater of fair value less cost to sell or value-in-use. Fair value less cost to sell is derived by estimating the discounted after-tax future net cash flows as described in the PP&E impairment test, plus the fair market value of undeveloped land and seismic. Value-in-use is assessed using the present value of the expected future cash flows discounted at a pre-tax rate. Impairments of E&E assets are reversed when there has been a subsequent increase in the recoverable amount, but only to the extent of what the carrying amount would have been had no impairment been recognized.

d) Decommissioning Liability

The Company recognizes the present value of a decommissioning liability in the period in which it is incurred. The obligation is recorded as a liability on a discounted basis using the relevant risk free rate, with a corresponding increase to the carrying amount of the related asset. Over time, the liabilities are accreted for the change in their present value and the capitalized costs are depleted on a unit-of-production basis over the life of the underlying proved plus probable reserves. Accretion expense is recognized in net income. Revisions to the discount rate, estimated timing or amount of future cash flows would also result in an increase or decrease to the decommissioning liability and related asset.

e) Reclamation Fund

The Company established a reclamation fund to fund future decommissioning costs and environmental emissions reduction costs. Effective April 1, 2010, the Board of Directors approved contributions of $0.45 per barrel of oil equivalent ("boe") of production; prior to this, 2010 contributions were $0.30 per boe. Additional contributions are made at the discretion of management.

f) Goodwill

The Company records goodwill relating to a business combination when the purchase price exceeds the fair value of the net identifiable assets and liabilities of the acquired business. The goodwill balance is assessed for impairment annually or as events occur that could result in impairment. Goodwill is tested for impairment at an operating segment level by combining the carrying amounts of PP&E, E&E assets and goodwill and comparing this to the recoverable amount. The recoverable amount is the greater of fair value less cost to sell or value-in-use. Fair value less cost to sell is derived by estimating the discounted after-tax future net cash flows as described in the PP&E impairment test, plus the fair market value of undeveloped land and seismic. Value-in-use is assessed using the present value of the expected future cash flows discounted at a pre-tax rate. Any excess of the carrying amount over the recoverable amount is the impairment amount.

Impairment charges, which are not tax affected, are recognized in net income. Goodwill is reported at cost less any impairment; impairments are not reversed.

g) Share-based Compensation

Restricted shares granted under the Restricted Share Bonus Plan are accounted for at fair value. Share-based compensation expense is determined based on the estimated fair value of shares on the date of grant. Forfeitures are estimated at the grant date and are subsequently adjusted to reflect actual forfeitures. The expense is recognized over the service period, with a corresponding increase to contributed surplus. The Company capitalizes the portion of share-based compensation directly attributable to development activities, with a corresponding decrease to share-based compensation expense. At the time the restricted shares vest, the issuance of shares is recorded as an increase to shareholders' capital and a corresponding decrease to contributed surplus.

h) Income Taxes

The Company follows the liability method of accounting for income taxes. Under this method, deferred income taxes are recognized for the estimated effect of any differences between the accounting and tax basis of assets and liabilities, using enacted or substantively enacted income tax rates expected to apply when the deferred tax asset or liability is settled. The effect of a change in income tax rates on deferred income taxes is recognized in net income in the period in which the change occurs.

Deferred income tax assets and liabilities are presented as non-current.

Tax on income in interim periods is accrued using the tax rate that would be applicable to expected total annual earnings.

i) Financial Instruments

The Company has early adopted IFRS 9*, Financial Instruments,* as issued in November 2009 and revised in October 2010 ("IFRS 9"), with a date of initial application of January 1, 2010. This new standard replaces the current multiple classification and measurement model for non-equity financial assets and liabilities with a single model that has only two classification categories: amortized cost and fair value. Classification depends on the entity's business model for managing financial instruments and the contractual cash flow characteristics of the financial instrument.

In addition, the fair value option for financial liabilities was amended. The changes in fair value attributable to a liability's credit risk will be recorded in other comprehensive income rather than through net income, unless this presentation creates an accounting mismatch. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to net income.

For investments in equity instruments which are not subject to control, joint control, or significant influence, on initial recognition IFRS 9 allows an entity to irrevocably elect classification at "fair value through profit or loss" or "fair value through other comprehensive income".

The Company uses financial derivative instruments and physical delivery commodity contracts from time to time to reduce its exposure to fluctuations in commodity prices, foreign exchange rates and interest rates**.** The Company also makes investments in companies from time to time in connection with the Company's acquisition and divesture activities.

<u>Financial derivative instruments</u>

Financial derivative instruments are included in current assets/liabilities except for those with maturities greater than 12 months after the end of the reporting period, which are classified as non-current assets/liabilities.

The Company has not designated any of its financial derivative contracts as effective accounting hedges and, accordingly, fair values its financial derivative contracts with the resulting gains and losses recorded in net income.

The fair value of a financial derivative instrument on initial recognition is normally the transaction price. Subsequent to initial recognition, the fair values are based on quoted market prices where available from active markets, otherwise fair values are estimated based on market prices at the reporting date for similar assets or liabilities with similar terms and conditions, or by discounting future payments of interest and principal at estimated interest rates that would be available to the Company at the reporting date.

<u>Financial assets and liabilities</u>

Financial assets and liabilities are measured at fair value on initial recognition. For non-equity instruments, measurement in subsequent periods depends on the classification of the financial asset or liability as "fair value through profit or loss" or "amortized cost".

Financial assets and liabilities classified as fair value through profit or loss are subsequently carried at fair value, with changes recognized in net income.

Financial assets and liabilities classified as amortized cost are subsequently carried at amortized cost using the effective interest rate method.

Currently, the Company classifies all non-equity financial instruments which are not financial derivative instruments as amortized cost.

At each reporting date, the Company assesses whether there is objective evidence that a financial asset carried at amortized cost is impaired. If such evidence exists, the Company recognizes an impairment loss in net income. Impairment losses are reversed in subsequent periods if the impairment loss decrease can be related objectively to an event occurring after the impairment was recognized.

For investments in equity instruments, the subsequent measurement is dependent on the Company's election to classify such instruments as fair value through profit or loss or fair value through other comprehensive income. If the fair value through other comprehensive income classification is selected, the Company would recognize in net income dividends from the investment when the Company's right to receive payment is established and would recognize fair value re-measurements of the investment through other comprehensive income. If the fair value through profit or loss classification is elected, the Company would recognize period to period movements in the fair value of the investment (adjusted for dividends) within net income. Regardless of the classification, such investments are not subject to impairment testing.

Currently, the Company classifies all investments in equity instruments as fair value through profit or loss.

j) Business Combinations

Business combinations are accounted for using the acquisition method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the acquisition date. The excess of the cost of the acquisition over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recorded as goodwill. If the cost of the acquisition is less than the fair value of the net assets acquired, the difference is recognized immediately in net income. Transaction costs associated with business combinations are expensed as incurred.

k) Foreign Currency Translation

Foreign operations

The Company has operations in the United States ("U.S.") transacted via U.S. subsidiaries. Transactions by foreign operations are translated to Canadian dollars at exchange rates in effect at the transaction date. The assets and liabilities of foreign operations are restated to Canadian dollars at exchange rates in effect at the balance sheet date; the resulting unrealized gain or loss is included in other comprehensive income. The income and expenses of foreign operations are restated to Canadian dollars using the average exchange rate for the period, the resulting unrealized gain or loss is included in other comprehensive income. Realized gains and losses are included in net income.

Foreign transactions

Transactions in foreign currencies not incurred by the Company's U.S. subsidiaries are translated to Canadian dollars at exchange rates in effect at the transaction dates. Foreign currency assets and liabilities are restated to Canadian dollars at exchange rates in effect at the balance sheet date and income and expenses are restated to Canadian dollars using the average exchange rate for the period. Both realized and unrealized gains and losses resulting from the settlement or restatement of foreign currency transactions are included in net income.

l) Revenue Recognition

Oil and gas revenue includes the sale of crude oil, natural gas and natural gas liquids and is recognized when the risks and rewards of ownership have been substantially transferred.

m) Cash and Cash Equivalents

Cash and cash equivalents include short-term investments with original maturities of three months or less.

n) Leases

Agreements under which payments are made to owners in return for the right to use an asset for a period are accounted for as leases. All of the Company's leases are treated as operating leases and the costs are recognized in net income on a straight-line basis.

o) Earnings Per Share

Basic earnings per share ("EPS") is calculated by dividing the net income (loss) for the period attributable to equity owners of the Company by the weighted average number of common shares outstanding during the period.

Diluted EPS is calculated by adjusting the weighted average number of common shares outstanding for dilutive instruments. The number of shares included with respect to dilutive instruments, being restricted shares issued under the Company's Restricted Share Bonus Plan, is computed using the treasury stock method. The treasury stock method assumes that the deemed proceeds related to unrecognized share-based compensation expense are used to repurchase shares at the average market price during the period.

p) Future Changes in Accounting Policies

Crescent Point will adopt all IFRS accounting standards in effect on December 31, 2011.

The following standards and amendments have not been adopted as they apply to future periods. They may result in future changes to our existing accounting policies and disclosures. Crescent Point is currently evaluating the impact that these standards will have on the Company's results of operations and financial position:

- IFRS 10 *Consolidated Financial Statements* – in May 2011, the IASB issued IFRS 10 which provides additional guidance to determine whether an investee should be consolidated. The guidance applies to all investees, including special purpose entities. The standard is required to be adopted for periods beginning January 1, 2013.

- IFRS 11 *Joint Arrangements* – in May 2011, the IASB issued IFRS 11 which presents a new model for determining whether an entity should account for joint arrangements using proportionate consolidation or the equity method. An entity will have to follow the substance rather than legal form of a joint arrangement and will no longer have a choice of accounting method. The standard is required to be adopted for periods beginning January 1, 2013.

- IFRS 12 *Disclosure of Interests in Other Entities* – in May 2011, the IASB issued IFRS 12 which aggregates and amends disclosure requirements included within other standards. The standard requires an entity to provide disclosures about subsidiaries, joint arrangements, associates and unconsolidated structured entities. The standard is required to be adopted for periods beginning January 1, 2013.

- IFRS 13 *Fair Value Measurement* – in May 2011, the IASB issued IFRS 13 to provide comprehensive guidance for instances where IFRS requires fair value to be used. The standard provides guidance on determining fair value and requires disclosures about those measurements. The standard is required to be adopted for periods beginning January 1, 2013.

- IAS 1 *Presentation of Items of Other Comprehensive Income* – in June 2011, the IASB issued amendments to IAS 1 Presentation of Financial Statements to separate items of other comprehensive income that may be subsequently reclassed to income. The standard is required to be adopted for periods beginning on or after July 1, 2012.

- IAS 27 *Separate Financial Statements* has been amended to conform to the changes made in IFRS 10 but retains the current guidance for separate financial statements.

- IAS 28 *Investments in Associates and Joint Ventures* has been amended to conform to the changes made in IFRS 10 and IFRS 11.

4. LONG-TERM INVESTMENTS

a) Public Companies

The Company holds common shares in publicly traded oil and gas companies. The investments are classified as financial assets at fair value through profit or loss and are fair valued with the resulting gain or loss recorded in net income. The investments are recorded at fair value which is $9.3 million more than the original cost of the investments.

b) Private Companies

The Company holds common shares in a private oil and gas company. The investment is classified as a financial asset at fair value through profit or loss and is fair valued with the resulting gain or loss recorded in net income. The investment is recorded at fair value which is equal to the cost of the investment.

5. INVESTMENT IN ASSOCIATE

During the first quarter of 2008, the Company invested in Shelter Bay Energy Inc. ("Shelter Bay"), a private oil company. At January 1, 2010, the Company's investment of $200.4 million consisted of 173.9 million Class A Common Shares, representing an interest of 21 percent, plus the accumulated equity earnings of $5.9 million.

On July 2, 2010, the Company completed the acquisition, by plan of arrangement, of the remaining shares it did not already own in Shelter Bay. See Note 8 – "Capital Acquisitions and Dispositions".

6. OTHER RECEIVABLE

At June 30, 2011, the Company had investment tax credits of approximately $12.5 million. The investment tax credits resulted from the plan of arrangement with Wild River Resources Ltd. completed on July 2, 2009. The after tax benefit associated with investment tax credits is approximately $9.2 million.

7. EXPLORATION AND EVALUATION ASSETS

(Cdn$000s)	**June 30, 2011**	December 31, 2010
Exploration and evaluation assets at cost	**1,321,368**	1,270,380
Accumulated amortization	**(275,703)**	(155,009)
Net carrying amount	**1,045,665**	1,115,371
Reconciliation of movements during the period		
Cost, beginning of period	**1,270,380**	586,467
Accumulated amortization, beginning of period	**(155,009)**	-
Net carrying amount, beginning of period	**1,115,371**	586,467
Net carrying amount, beginning of period	**1,115,371**	586,467
Acquisitions through business combinations	**407**	469,253
Additions	**141,422**	351,878
Dispositions	-	(738)
Transfers to property, plant and equipment	**(88,982)**	(133,392)
Amortization	**(121,066)**	(155,221)
Foreign exchange	**(1,487)**	(2,876)
Net carrying amount, end of period	**1,045,665**	1,115,371

Exploration and evaluation assets consist of the Company's undeveloped land and exploration projects which are pending the determination of technical feasibility. Additions represent the Company's share of the cost of E&E assets during the period. At June 30, 2011, $1.0 billion remains in E&E assets after $89.0 million was transferred to PP&E following the determination of technical feasibility during the six months ended June 30, 2011 (year ended December 31, 2010 - $1.1 billion and $133.4 million, respectively).

Impairment test for exploration and evaluation assets

There were no indicators of impairment at June 30, 2011 or December 31, 2010 and as such, an impairment test of E&E assets was not required.

The impairment test of E&E assets at January 1, 2010 concluded that the recoverable amount exceeded the combined net carrying amount of PP&E and E&E assets. As such, no E&E asset impairment existed.

8. CAPITAL ACQUISITIONS AND DISPOSITIONS

a) Major Acquisitions

Shelter Bay Energy Inc.

On July 2, 2010, Crescent Point completed the acquisition, by way of plan of arrangement, of all remaining issued and outstanding common shares of Shelter Bay, a private oil and gas company with properties contiguous with Crescent Point's existing core areas in southern Saskatchewan. Total consideration of approximately $1.2 billion included the issuance of approximately 24.4 million shares, assumed long-term debt, working capital, long-term investment and the historical cost of Crescent Point's previously held equity investment of $200.4 million (a combined $1.2 billion was allocated to PP&E and E&E assets). The goodwill recognized on acquisition is attributed to the expected future cash flows derived from unbooked possible reserves.

The carrying amount of Crescent Point's investment in Shelter Bay on July 2, 2010 was $207.0 million, and the fair value was estimated at $237.3 million, resulting in a gain of $30.3 million.

	($000)
Fair value of net assets acquired	
Long-term investment	36,633
Accounts receivable	16,152
Derivative assets	11,987
Property, plant and equipment	1,052,769
Exploration and evaluation	196,753
Goodwill	107,378
Accounts payable and accrued liabilities	(45,771)
Long-term debt	(137,687)
Decommissioning liability	(11,091)
Deferred tax liability	(90,306)
Total net assets acquired	1,136,817
Consideration	
Crescent Point's previously held equity interest	206,987
Gain on Crescent Point's previously held equity interest	30,291
Shares issued (24,397,586 shares)	899,539
Total purchase price	1,136,817

Private Company

On July 5, 2010, Crescent Point completed the acquisition, by way of plan of arrangement, of all issued and outstanding common shares of a private oil and gas company with exploratory land in southern Alberta prospective for multi-zone light oil opportunities. Total consideration of approximately $95.6 million included the issuance of approximately 0.7 million shares, assumed long-term debt and working capital (a combined $107.6 million was allocated to PP&E and E&E assets).

	($000)
Fair value of net assets acquired	
Accounts receivable	2,337
Property, plant and equipment	43,430
Exploration and evaluation	64,195
Accounts payable and accrued liabilities	(22,159)
Long-term debt	(49,018)
Decommissioning liability	(7,418)
Deferred tax liability	(4,574)
Total net assets acquired	26,793
Consideration	
Shares issued (740,537 shares)	26,793
Total purchase price	26,793

Ryland Oil Corp.

On August 20, 2010, Crescent Point completed the acquisition, by way of plan of arrangement, of all remaining issued and outstanding common shares of Ryland Oil Corp. ("Ryland"), a public oil and gas company with properties primarily located in Crescent Point's Flat Lake area in southeastern Saskatchewan and North Dakota. Total consideration of approximately $116.3 million included the issuance of approximately 2.2 million shares, assumed long-term debt, working capital and the historical cost of Crescent Point's previously held equity investment of $7.6 million (a combined $122.4 million was allocated to PP&E and E&E assets).

The carrying amount of Crescent Point's investment in Ryland on August 20, 2010 was $7.8 million and the fair value was estimated at $7.6 million resulting in a loss of $0.2 million.

	($000)
Fair value of net assets acquired	
Accounts receivable	356
Property, plant and equipment	7,273
Exploration and evaluation	115,159
Accounts payable and accrued liabilities	(22,376)
Long-term debt	(8,145)
Decommissioning liability	(1,050)
Deferred tax liability	(5,088)
Total net assets acquired	86,129
Consideration	
Crescent Point's previously held investment	7,833
Loss on Crescent Point's previously held investment	(203)
Shares issued (2,178,719 shares)	78,499
Total purchase price	86,129

b) Minor Property Acquisitions, Dispositions and Purchase Price Adjustments

Minor property acquisitions, dispositions and purchase price adjustments during the six months ended June 30, 2011 amounted to additions to PP&E and E&E assets of $35.3 million ($36.0 million was allocated to PP&E and E&E assets).

9. PROPERTY, PLANT AND EQUIPMENT

(Cdn$000s)	June 30, 2011	December 31, 2010
Development and production assets	**7,282,264**	6,847,972
Corporate assets	**16,394**	15,831
Property, plant and equipment at cost	**7,298,658**	6,863,803
Accumulated depletion and depreciation	**(862,711)**	(535,113)
Net carrying amount	**6,435,947**	6,328,690
Reconciliation of movements during the period		
Development and production assets		
Cost, beginning of period	**6,847,972**	4,343,663
Accumulated depletion, beginning of period	**(527,828)**	-
Net carrying amount, beginning of period	**6,320,144**	4,343,663
Net carrying amount, beginning of period	**6,320,144**	4,343,663
Acquisitions through business combinations, net	**36,010**	1,675,354
Additions	**310,012**	699,382
Dispositions	**(442)**	(3,643)
Transfers from exploration and evaluation assets	**88,982**	133,392
Depletion	**(326,546)**	(527,839)
Foreign exchange	**(244)**	(165)
Net carrying amount, end of period	**6,427,916**	6,320,144
Cost, end of period	**7,282,264**	6,847,972
Accumulated depletion, end of period	**(854,348)**	(527,828)
Net carrying amount, end of period	**6,427,916**	6,320,144
Corporate assets		
Cost, beginning of period	**15,831**	14,284
Accumulated depreciation, beginning of period	**(7,285)**	(5,135)
Net carrying amount, beginning of period	**8,546**	9,149
Net carrying amount, beginning of period	**8,546**	9,149
Additions	**563**	1,547
Depreciation	**(1,078)**	(2,150)
Net carrying amount, end of period	**8,031**	8,546
Cost, end of period	**16,394**	15,831
Accumulated depreciation, end of period	**(8,363)**	(7,285)
Net carrying amount, end of period	**8,031**	8,546

At June 30, 2011, future development costs of $3.2 billion (December 31, 2010 – $3.1 billion) are included in costs subject to depletion.

Direct general and administrative expenses capitalized by the Company during the six months ended June 30, 2011 was $15.0 million (year ended December 31, 2010 – $42.0 million), including $9.1 million of share-based compensation costs (year ended December 31, 2010 – $22.5 million).

Impairment test for property, plant and equipment

There were no indicators of impairment at June 30, 2011 or December 31, 2010 and, as such, an impairment test of PP&E was not required.

The impairment test of PP&E at January 1, 2010 concluded that the recoverable amount exceeded the net carrying amount. As such, no PP&E impairment existed. The discount rate applied at January 1, 2010 was based on an estimated industry average weighted average cost of capital of 10%.

10. GOODWILL

(Cdn$000s)	**June 30, 2011**	December 31, 2010
Balance, beginning of period	**207,672**	100,294
Shelter Bay acquisition	**-**	107,378
Balance, end of period	**207,672**	207,672

Impairment test of goodwill

The impairment tests of goodwill at December 31, 2010 and January 1, 2010 concluded that the estimated recoverable amount exceeded the carrying amount. As such, no goodwill impairment existed.

11. LONG-TERM DEBT

The following table reconciles long-term debt:

(Cdn$000s)	**June 30, 2011**	December 31, 2010	January 1, 2010
Bank credit facilities	**618,355**	697,847	519,127
Senior guaranteed notes			
Cdn$50.0 million (Matures March 24, 2015)	**50,000**	50,000	-
US$37.5 million (Matures March 24, 2015)	**36,161**	37,299	-
US$52.0 million (Matures April 14, 2016)	**50,144**	-	-
US$67.5 million (Matures March 24, 2017)	**65,090**	67,137	-
US$31.0 million (Matures April 14, 2018)	**29,893**	-	-
US$155.0 million (Matures March 24, 2020)	**149,467**	154,168	-
Cdn$50.0 million (Matures April 14, 2021)	**50,000**	-	-
US$82.0 million (Matures April 14, 2021)	**79,073**	-	-
Total long-term debt	**1,128,183**	1,006,451	519,127

a) Bank Credit Facilities

The Company has a syndicated unsecured credit facility with twelve banks and an operating credit facility with one Canadian chartered bank, for a total amount available under the combined facilities of $1.6 billion.

The credit facilities bear interest at the prime rate plus a margin based on a sliding scale ratio of the Company's debt to EBITDA, adjusted for certain non-cash items. The syndicated unsecured credit facility matures on June 10, 2014 and can be extended upon agreement of Crescent Point and the lenders. The operating credit facility constitutes a revolving facility for a 364 day term which is extendible annually for a further 364 day revolving period. The current conversion date for the operating credit facility is June 8, 2012. The combined credit facilities have covenants based on the ratios of debt to EBITDA and debt to capital, adjusted for certain non-cash items; the Company is in compliance with all debt covenants at June 30, 2011.

The Company has letters of credit in the amount of $10.4 million outstanding at June 30, 2011.

The Company manages its credit facilities through a combination of bankers' acceptance loans and interest rate swaps.

b) Senior Guaranteed Notes

The Company has closed private offerings of senior guaranteed notes raising total gross proceeds of US$425.0 million and Cdn$100.0 million. The notes are unsecured and rank *pari passu* with the Company's bank credit facilities and carry a bullet repayment on maturity. The terms and rates of the Company's outstanding senior guaranteed notes are detailed below:

Principal	Coupon Rate	Interest Payment Dates	Maturity Date
Cdn$50.0 million	4.92%	September 24 and March 24	March 24, 2015
US$37.5 million	4.71%	September 24 and March 24	March 24, 2015
US$52.0 million	3.93%	October 14 and April 14	April 14, 2016
US$67.5 million	5.48%	September 24 and March 24	March 24, 2017
US$31.0 million	4.58%	October 14 and April 14	April 14, 2018
US$155.0 million	6.03%	September 24 and March 24	March 24, 2020
US$82.0 million	5.13%	October 14 and April 14	April 14, 2021
Cdn$50.0 million	5.53%	October 14 and April 14	April 14, 2021

Concurrent with the issuance of the US$425.0 million senior guaranteed notes on March 24, 2010 and April 14, 2011, the Company entered into cross currency interest rate swaps (''CCIRS'') with a syndicate of financial institutions. To manage the Company's foreign exchange risk, the CCIRS fixes the US dollar amount of the notes for purposes of interest and principal repayments at a notional amount of Cdn$424.6 million. See additional information in Note 20 – "Financial Instruments and Derivatives".

12. DECOMMISSIONING LIABILITY

Upon retirement of its oil and gas assets, the Company anticipates incurring substantial costs associated with decommissioning. The estimated future cash flows have been discounted using an average risk free rate of approximately 3 percent and an inflation rate of 2 percent (December 31, 2010 - approximately 3 percent and 2 percent, respectively).

The following table reconciles the decommissioning liability:

(Cdn$000s)	**June 30, 2011**	December 31, 2010
Decommissioning liability, beginning of period	**324,727**	216,470
Liabilities incurred	**5,419**	16,508
Liabilities acquired through capital acquisitions	**788**	42,979
Liabilities disposed through capital dispositions	**(62)**	(86)
Liabilities settled	**(1,749)**	(2,748)
Change in estimate [(1)]	**638**	42,052
Accretion expense	**4,916**	9,552
Decommissioning liability, end of period	**334,677**	324,727

(1) These amounts primarily relate to the change in discount rates used.

13. SHAREHOLDERS' CAPITAL

Crescent Point has an unlimited number of common shares authorized for issuance.

	June 30, 2011		December 31, 2010	
	Number of shares	**Amount (Cdn$000s)**	Number of shares	Amount (Cdn$000s)
Common shares, beginning of period	**266,911,154**	**6,956,216**	209,389,932	4,803,759
Issued for cash	-	-	19,400,000	750,300
Issued on capital acquisitions	-	-	27,316,842	1,004,831
Issued on exercised restricted shares [(1)]	**1,116,652**	**40,396**	774,497	20,354
Issued pursuant to the dividend reinvestment plan	**4,318,735**	**183,684**	9,204,120	343,306
Common shares, end of period	**272,346,541**	**7,180,296**	266,085,391	6,922,550
Cumulative share issue costs	-	**(117,030)**	-	(116,858)
To be issued pursuant to the dividend reinvestment plan	**932,222**	**37,703**	825,763	33,666
Total shareholders' capital, end of period	**273,278,763**	**7,100,969**	266,911,154	6,839,358

(1) The amount of shares issued on exercise of restricted shares is net of any employee withholding taxes.

14. CAPITAL MANAGEMENT

The Company's capital structure is comprised of shareholders' equity, long-term debt and working capital. The balance of each of these items is as follows:

(Cdn$000s)	**June 30, 2011**	December 31, 2010	January 1, 2010
Long-term debt	**1,128,183**	1,006,451	519,127
Working (capital) deficiency [(1)]	**(3,554)**	103,477	(148,190)
Unrealized foreign exchange gain on translation of US dollar senior guaranteed notes	**14,459**	6,535	-
Net debt	**1,139,088**	1,116,463	370,937
Shareholders' equity	**5,457,383**	5,492,088	3,921,425
Total capitalization	**6,596,471**	6,608,551	4,292,362

(1) Working (capital) deficiency is calculated as current liabilities less current assets, excluding derivative asset and liability, less long-term investments and investment in associate.

Crescent Point's objective for managing capital is to maintain a strong balance sheet and capital base to provide financial flexibility, stability to dividends and to position the Company for future development of the business. Ultimately, Crescent Point strives to maximize long-term stakeholder value by ensuring the Company has the financing capacity to fund projects that are expected to add value to stakeholders and distribute any excess cash that is not required for financing projects.

Crescent Point manages and monitors its capital structure and short-term financing requirements using a non-GAAP measure, the ratio of net debt to funds flow from operations. Net debt is calculated as current liabilities plus long-term debt less current assets, less long-term investments and investment in associate, excluding derivative asset, derivative liability, and unrealized foreign exchange on translation of US dollar senior guaranteed notes. Funds flow from operations is calculated as cash flow from operating activities before changes in non-cash working capital, transaction costs and decommissioning expenditures. Crescent Point's objective is to maintain a net debt to funds flow from operations ratio of approximately 1.0 times. This metric is used to measure the Company's overall debt position and measure the strength of the Company's balance sheet. Crescent Point monitors this ratio and uses this as a key measure in making decisions regarding financing, capital spending and dividend levels.

Crescent Point strives to provide stability to its dividends over time by managing risks associated with the oil and gas industry. To accomplish this, the Company maintains a conservative balance sheet with significant unutilized lines of credit, manages its exposure to fluctuating interest rates and foreign exchange rates on its long-term debt, and actively hedges commodity prices using a 3½ year risk management program by hedging up to 65 percent of after royalty volumes using a portfolio of swaps, collars and put option instruments.

Crescent Point is subject to certain financial covenants in its credit facility agreements and is in compliance with all financial covenants as of June 30, 2011.

15. DERIVATIVE GAINS (LOSSES)

The following table reconciles derivative gains (losses):

	Three months ended June 30		Six months ended June 30	
(Cdn$000s)	**2011**	2010	**2011**	2010
Realized gains (losses)	**(28,209)**	3,464	**(45,610)**	3,068
Unrealized gains (losses)	**157,455**	76,821	**(37,430)**	89,086
Derivative gains (losses)	**129,246**	80,285	**(83,040)**	92,154

16. OTHER INCOME (LOSS)

The following table reconciles other income (loss):

	Three months ended June 30		Six months ended June 30	
(Cdn$000s)	**2011**	2010	**2011**	2010
Unrealized loss on investment in marketable securities	**(138)**	(139)	**(138)**	(169)
Unrealized gain (loss) on long-term investments	**5,881**	(608)	**3,238**	(5,756)
Gains on sale of long-term investments	-	-	**3,360**	-
Other income	**2,035**	-	**2,035**	-
Other income (loss)	**7,778**	(747)	**8,495**	(5,925)

17. FOREIGN EXCHANGE GAIN (LOSS)

The following table reconciles foreign exchange gain (loss):

	Three months ended June 30		Six months ended June 30	
(Cdn$000s)	**2011**	2010	**2011**	2010
Realized				
Foreign exchange gain (loss)	**(242)**	(184)	**(274)**	44
Unrealized				
Foreign exchange gain (loss) on translation of US dollar senior guaranteed notes	**1,926**	(11,849)	**7,734**	(10,693)
Other foreign exchange gain (loss)	**(2)**	13	**255**	1
Foreign exchange gain (loss)	**1,682**	(12,020)	**7,715**	(10,648)

18. RESTRICTED SHARE BONUS PLAN

The Company has a Restricted Share Bonus Plan. Under the terms of the Restricted Share Bonus Plan, the Company may grant restricted shares to directors, officers, employees and consultants which vest at 33 1/3 percent on each of the first, second and third anniversaries of the grant date or on such other terms as the Board of Directors may determine.

Restricted shares have also been granted pursuant to the Company's Annual Performance Awards. The amounts and vesting profile of these awards are at the discretion of the Board of Directors.

Restricted shareholders are eligible for monthly dividends on their restricted shares, immediately upon grant.

A summary of the changes in the restricted shares outstanding under the plan is as follows:

	June 30, 2011	December 31, 2010
Restricted shares, beginning of period	**3,980,024**	2,308,844
Granted	**1,420,796**	2,830,675
Exercised	**(1,194,094)**	(1,084,350)
Forfeited	**(22,910)**	(75,145)
Restricted shares, end of period	**4,183,816**	3,980,024

For the six months ended June 30, 2011, the Company calculated total share-based compensation, net of estimated forfeitures and forfeiture true-ups, of $42.7 million (June 30, 2010 - $41.4 million), of which $9.1 million (year ended December 31, 2010 – $9.4 million) was capitalized.

19. PER SHARE AMOUNTS

The following table summarizes the weighted average shares used in calculating net income per share:

	Three months ended June 30		Six months ended June 30	
	2011	2010	**2011**	2010
Weighted average shares - basic	**271,045,611**	215,197,250	**269,704,779**	212,616,540
Dilutive impact of restricted shares	**2,697,045**	4,101,708	**2,643,019**	3,799,828
Weighted average shares - diluted	**273,742,656**	219,298,958	**272,347,798**	216,416,368

20. FINANCIAL INSTRUMENTS AND DERIVATIVES

The Company's financial assets and liabilities are comprised of accounts receivable, investment in marketable securities, long-term investments, the reclamation fund, derivative assets and liabilities, accounts payable and accrued liabilities, cash dividends payable and long-term debt.

Crescent Point's investment in marketable securities, the reclamation fund, and derivative assets and liabilities are transacted in active markets. Crescent Point's long-term investments are transacted in active markets and non-active markets. The Company classifies the fair value of these transactions according to the following fair value hierarchy based on the amount of observable inputs used to value the instrument:

- Level 1 – Values are based on unadjusted quoted prices available in active markets for identical assets or liabilities as of the reporting date.
- Level 2 – Values are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace. Prices in Level 2 are either directly or indirectly observable as of the reporting date.
- Level 3 – Values are based on prices or valuation techniques that are not based on observable market data.

Accordingly, Crescent Point's investment in marketable securities, and the reclamation fund are classified as Level 1, derivative assets and liabilities as Level 2 and long-term investments as Level 1 or Level 3 depending on whether the company is publicly traded or private. Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy.

Discussions of the fair values and risks associated with financial assets and liabilities, as well as summarized information related to derivative positions are detailed below:

a) Carrying Amount and Fair Value of Financial Instruments

Accounts Receivable and Reclamation Fund

Accounts receivable and the reclamation fund are classified as financial assets at amortized cost which are reported at amortized cost. At June 30, 2011, December 31, 2010 and January 1, 2010, the carrying amount of accounts receivable and the reclamation fund approximated their fair value.

Investment in marketable securities

Investment in marketable securities is classified as financial assets at fair value through profit or loss and are reported at fair value, with changes in fair value recorded in other income. At June 30, 2011, the Company reported investments in marketable securities at a fair value of $0.8 million (December 31, 2010 - $0.9 million, January 1, 2010 - $1.1 million). During the three and six months ended June 30, 2011, the Company recorded an unrealized loss on marketable securities of $0.1 million (June 30, 2010 – $0.1 million and $0.2 million, respectively).

Long-term investments

Long-term investments are classified as financial assets at fair value through profit and loss and are reported at fair value, with changes in fair value recorded in other income. At June 30, 2011, the Company reported long-term investments at a fair value of $101.9 million (December 31, 2010 - $62.2 million, January 1, 2010 - $23.4 million). During the three and six months ended June 30, 2011, the Company recorded unrealized gains on long-term investments of $5.9 million and $3.2 million, respectively, (June 30, 2010 – unrealized losses of $0.6 million and $5.8 million, respectively).

In January 2011, the Company disposed of its investment in a publically traded company, which was reported at fair value of $51.2 million at December 31, 2010, for proceeds of $54.5 million, resulting in a realized gain of $3.3 million recognized in other income.

Accounts Payable and Accrued Liabilities and Cash Dividends Payable

Accounts payable and accrued liabilities and cash dividends payable are classified as financial liabilities at amortized cost and are reported at amortized cost. At June 30, 2011, December 31, 2010 and January 1, 2010, the carrying amount of these accounts approximated their fair values.

Long-term debt

Bank Credit Facilities

The bank credit facilities are classified as financial liabilities at amortized cost and are reported at amortized cost. At June 30, 2011, December 31, 2010 and January 1, 2010, the carrying amount approximated their fair value.

Senior Guaranteed Notes

The senior guaranteed notes are classified as financial liabilities at amortized cost and are reported at amortized cost. The notes denominated in US dollars are translated to Canadian dollars at the period end exchange rate. The following table details the amortized cost of the notes and their fair values expressed in Canadian dollars:

(Cdn$000s)	Reported Amortized Cost	Fair Value
June 30, 2011	**509,828**	**547,832**
December 31, 2010	308,604	326,217
January 1, 2010	-	-

Derivative Assets and Liabilities

Derivative assets and liabilities arise from the use of derivative contracts. The Company's derivative financial instruments are classified as fair value through profit or loss and are reported at fair value with changes in fair value recorded in net income.

The following table summarizes the fair value as at June 30, 2011 and December 31, 2010 and the change in fair value for the period ended June 30, 2011 and year ended December 31, 2010.

(Cdn$000s)	**June 30, 2011**	December 31, 2010
Derivative asset, beginning of period	**12,193**	5,520
Acquired through capital acquisitions	-	11,987
Unrealized change in fair value	**(2,045)**	(5,314)
Derivative asset, end of period	**10,148**	12,193
Less: current derivative asset, end of period	**(7,247)**	(7,087)
Long-term derivative asset, end of period	**2,901**	5,106

Derivative liability, beginning of period	**153,337**	62,323
Unrealized change in fair value	**35,385**	91,014
Derivative liability, end of period	**188,722**	153,337
Less: current derivative liability, end of period	**(77,133)**	(78,707)
Long-term derivative liability, end of period	**111,589**	74,630

The Company's physical power contracts have not been recorded at fair value as the power acquired is for the Company's own use. The unrealized gain on the physical power contracts at June 30, 2011 is $0.8 million.

b) Risks Associated with Financial Assets and Liabilities

The Company is exposed to financial risks from its financial assets and liabilities. The financial risks include market risk relating to commodity prices, interest rates and foreign exchange rates as well as credit and liquidity risk.

Market Risk

Market risk is the risk that the fair value or future cash flows of a derivative will fluctuate because of changes in market prices. Market risk is comprised of commodity price risk, interest rate risk and foreign exchange risk as discussed below.

Commodity Price Risk

The Company is exposed to commodity price risk on crude oil and natural gas revenues as well as power on electricity consumption. As a means to mitigate the exposure to commodity price volatility, the Company has entered into various derivative agreements. The use of derivative instruments is governed under formal policies and is subject to limits established by the Board of Directors.

Crude oil – To partially mitigate exposure to crude oil commodity price risk, the Company enters into option contracts and swaps, which manage the Cdn$ WTI price fluctuations.

Natural gas – To partially mitigate exposure to natural gas commodity price risk, the Company enters into AECO natural gas swaps, which manage the AECO natural gas price fluctuations.

Power – To partially mitigate exposure to electricity price changes, the Company enters into swaps and fixed price physical delivery contracts which fix the power price.

The following table summarizes the sensitivity of the fair value of the Company's derivative positions as at June 30, 2011 and June 30, 2010 to fluctuations in commodity prices, with all other variables held constant. When assessing the potential impact of these commodity price changes, the Company believes 10 percent volatility is a reasonable measure. Fluctuations in commodity prices potentially could have resulted in unrealized gains (losses) impacting income before tax as follows:

	Impact on Income Before Tax		Impact on Income Before Tax	
(Cdn$000s)	Three and six months ended June 30, 2011		Three and six months ended June 30, 2010	
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Crude oil price	(212,530)	214,564	(131,045)	134,338
Natural gas price	(1,720)	1,720	(3,665)	3,664

Interest Rate Risk

The Company is exposed to interest rate risk on bank credit facilities to the extent of changes in the prime interest rate. For the three and six months ended June 30, 2011, a one percent increase or decrease in the interest rate on floating rate debt would have amounted to a $1.0 million and $2.1 million, respectively, impact on income before tax.

The Company partially mitigates its exposure to interest rate changes by entering into both interest rate swap and bankers' acceptance transactions. The following sensitivities show the resulting unrealized gains (losses) and the impact on income before tax of the respective changes in the applicable forward interest rates as at June 30, 2011 and June 30, 2010, with all other variables held constant:

(Cdn$000s)	Impact on Income Before Tax Three and six months ended June 30, 2011		Impact on Income Before Tax Three and six months ended June 30, 2010	
	Increase 10% in forward interest rates	Decrease 10% in forward interest rates	Increase 10% in forward interest rates	Decrease 10% in forward interest rates
Interest rate swaps	1,679	(1,679)	1,591	(1,591)

Foreign Exchange Risk

Fluctuations in the exchange rates between the US and Canadian dollar can affect the Company's reported results. The Company's functional and reporting currency is Canadian dollars. The Company is exposed to foreign exchange risk in relation to its US dollar denominated senior guaranteed notes, investment in U.S. subsidiaries and in relation to its crude oil sales.

Concurrent with the issuance of US$425.0 million senior guaranteed notes the Company entered into CCIRS with a syndicate of financial institutions. Under the terms of the CCIRS, the US dollar amount of the notes was fixed for purposes of interest and principal repayments at a notional amount of Cdn$424.6 million.

To partially mitigate the foreign exchange risk relating to crude oil sales the Company has fixed crude oil contracts to settle in Cdn$ WTI.

The following sensitivities show the resulting unrealized gains (losses) and the impact on income before tax of the respective changes in the period end and applicable forward foreign exchange rates at June 30, 2011 and June 30, 2010 with all other variables held constant:

(Cdn$000s)	Exchange Rate	Impact on Income Before Tax Three and six months ended June 30, 2011		Impact on Income Before Tax Three and six months ended June 30, 2010	
		Increase 10% in Cdn$ relative to US$	Decrease 10% in Cdn$ relative to US$	Increase 10% in Cdn$ relative to US$	Decrease 10% in Cdn$ relative to US$
US dollar senior guaranteed notes	Period End	40,983	(40,983)	27,576	(27,576)
Cross currency interest rate swaps	Forward	(49,241)	49,241	(35,923)	35,923

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. A substantial portion of the Company's accounts receivable are with customers in the oil and gas industry and are subject to normal industry credit risks. The Company monitors the creditworthiness and concentration of credit with customers of its physical oil and gas sales. The Company is authorized to transact derivative contracts with counterparties rated A (or equivalent) or better, based on the lowest rating of the three ratings providers. Should one of the Company's financial counterparties be downgraded below the A rating limit, the Chief Financial Officer will advise the Audit Committee and provide recommendations to minimize the Company's credit risk to that counterparty. The maximum credit exposure associated with accounts receivable is the total carrying amount and the maximum exposure associated with the derivative instruments approximates their fair value.

To further mitigate credit risk associated with its physical sales portfolio, Crescent Point has secured credit insurance from a global credit insurance provider. This policy provides credit coverage for approximately 30 percent of the Company's physical sales portfolio. Crescent Point believes this insurance policy is a prudent component of its formal Credit Policy and its detailed credit processes and controls.

Liquidity Risk

The timing of cash outflows relating to the financial liabilities is outlined in the table below:

(Cdn$000s)	1 year	2 years	3 years	> 3 years	Total
Accounts payable and accrued liabilities	270,272	-	-	-	270,272
Cash dividends payable	24,937	-	-	-	24,937
Derivative liabilities[(1)]	78,744	47,155	21,983	464	148,346
Senior guaranteed notes [(2)]	29,608	29,608	29,608	662,740	751,564
Bank credit facilities	-	-	625,403	-	625,403

(1) These amounts are the undiscounted intrinsic value.

(2) These amounts include the notional principal and interest payments pursuant to the CCIRS, which fix the amounts due in Canadian dollars.

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages its liquidity risk through cash and debt management. As disclosed in Note 14, Crescent Point targets a net average net debt to funds flow from operations ratio of approximately 1.0 times.

In managing liquidity risk, the Company has access to a wide range of funding at competitive rates through capital markets and banks. At June 30, 2011, the Company had available unused borrowing capacity on bank credit facilities of approximately $965 million including $10.4 million letters of credit drawn on the facility. Crescent Point believes it has sufficient funding to meet foreseeable spending requirements.

Included in the Company's bank credit facilities of $618.4 million at June 30, 2011 are obligations of $555.0 million of bankers' acceptances, obligations of $70.4 million for borrowings under the operating and syndicated prime loans, partially offset by prepaid credit facility renewal fees of $5.4 million and prepaid interest on banker's acceptances of $1.6 million. These amounts are fully supported and management expects that they will continue to be supported by revolving credit and loan facilities that have no repayment requirements other than interest.

c) Derivative Contracts

The Company entered into fixed price oil, gas, power, cross currency interest rate and interest rate contracts to manage its exposure to fluctuations in the price of crude oil, gas, power, and interest on debt.

The following is a summary of the derivative contracts in place as at June 30, 2011**:**

Financial WTI Crude Oil Derivative Contracts - Canadian Dollar[(1)]

Term	Volume (bbls/d)	Average Swap Price (Cdn$/bbl)	Average Collar Sold Call Price (Cdn$/bbl)	Average Collar Bought Put Price (Cdn$/bbl)	Average Bought Put Price (Cdn$/bbl)	Average Put Premium (Cdn$/bbl)
2011 July - December	31,000	81.55	100.76	82.14	89.85	8.57
2012	28,000	88.53	98.97	82.16	93.80	7.36
2013	21,250	91.76	101.16	84.37	-	-
2014 January – September	12,493	97.64	109.08	87.58	-	-

(1) The volumes and prices reported are the weighted average volumes and prices for the period.

Financial AECO Natural Gas Derivative Contracts – Canadian Dollar

Term	Average Volume (GJ/d)	Average Swap Price (Cdn$/GJ)
2011 July – December	9,000	5.98
2012	8,000	5.98
2013 January - March	3,000	5.27

Financial Interest Rate Derivative Contracts – Canadian Dollar

Term	Contract	Notional Principal (Cdn$)	Fixed Annual Rate (%)
July 2011 – May 2015	Swap	25,000,000	2.90
July 2011 – May 2015	Swap	25,000,000	3.50
July 2011 – May 2015	Swap	50,000,000	3.09
July 2011 – June 2015	Swap	50,000,000	3.78
July 2011 – July 2015	Swap	50,000,000	3.63

Financial Cross Currency Interest Rate Derivative Contracts – Canadian Dollar

Term	Contract	Receive Notional Principal ($US)	Fixed Annual Rate (US %)	Pay Notional Principal (Cdn$)	Fixed Annual Rate (Cdn %)
July 2011 – March 2015	Swap	37,500,000	4.71	38,287,500	5.24
July 2011 – April 2016	Swap	52,000,000	3.93	50,128,000	4.84
July 2011 – March 2017	Swap	67,500,000	5.48	68,917,500	5.89
July 2011 – April 2018	Swap	31,000,000	4.58	29,884,000	5.32
July 2011 – March 2020	Swap	155,000,000	6.03	158,255,000	6.45
July 2011 – April 2021	Swap	82,000,000	5.13	79,048,000	5.83

Concurrent with the issuance of the US$425.0 million senior guaranteed notes the Company entered into CCIRS with a syndicate of financial institutions. Under the terms of the CCIRS, the Company pays fixed interest and principal amounts in Canadian dollars in exchange to receive fixed interest and principal amounts in US dollars; these US dollar proceeds will be

used to settle the senior guaranteed note obligations. As a result, the amount of the notes was fixed for purposes of interest and principal repayments at a notional amount of Cdn$424.6 million.

Physical Power Contracts – Canadian Dollar			
Term	Contract	Volume (MW/h)	Fixed Rate (Cdn$/MW/h)
July 2011 – December 2011	Swap	3.0	55.25
January 2012 – December 2012	Swap	3.0	58.00
January 2013 – December 2013	Swap	3.0	53.00

21. RELATED PARTY TRANSACTIONS

All related party transactions are recorded at the exchange amount.

During the three and six months ended June 30, 2011, Crescent Point recorded $0.3 million and $0.6 million, respectively (June 30, 2010 - $0.4 million and $0.8 million, respectively), of legal fees in the normal course of business to a law firm of which a partner is also a director of the Company and a second partner was the Company's Corporate Secretary.

22. SUPPLEMENTAL CASH FLOW INFORMATION

The following table reconciles the changes in non-cash working capital as disclosed in the consolidated statement of cash flows:

	Three months ended June 30		Six months ended June 30	
(Cdn$000s)	**2011**	2010	**2011**	2010
Operating activities				
Changes in non-cash working capital:				
Accounts receivable	**32,339**	14,557	**11,963**	(7,339)
Prepaids and deposits	**122**	(2,046)	**516**	913
Accounts payable and accrued liabilities	**(18,643)**	11,883	**10,090**	1,831
	13,818	24,394	**22,569**	(4,595)
Investing activities				
Changes in non-cash working capital:				
Accounts receivable	**3,455**	(354)	**(3,992)**	(8,092)
Accounts payable and accrued liabilities	**(92,231)**	(31,230)	**(79,177)**	9,228
	(88,776)	(31,584)	**(83,169)**	1,136
Financing activities				
Changes in non-cash working capital:				
Cash dividends payable	**(809)**	1,469	**(2,596)**	(1,722)

23. GEOGRAPHICAL DISCLOSURE

As at June 30, 2011, Crescent Point's non-current assets related to the US foreign operations is $76.6 million (June 30, 2010 – $29.6 million). For the three and six months ended June 30, 2011, Crescent Point's oil and gas revenue related to the US foreign operations is $1.3 million and $2.3 million, respectively (June 30, 2010 - $0.5 million and $1.0 million, respectively).

24. TRANSITION TO IFRS

The Company's consolidated financial statements for the year ending December 31, 2011 will be the first annual consolidated financial statements that comply with IFRS. These interim consolidated financial statements were prepared as described in Note 2, including the application of IFRS 1, *First-time Adoption of International Financial Reporting Standards*. Prior to the adoption of IFRS, the Company followed Canadian GAAP.

Comparative financial information is required on first time adoption of IFRS and therefore the Company has adopted IFRS as at January 1, 2010 (the "Transition Date"). IFRS generally requires full retrospective application of the standards in effect, however, IFRS 1 provides entities adopting IFRS for the first time with a number of optional exemptions and mandatory exceptions to this requirement.

The Company has applied the following optional exemptions:

1. **Business combinations** – IFRS 1 provides the option to apply IFRS 3, *Business Combinations*, retrospectively or prospectively from the Transition Date. The Company elected to value business combinations prior to January 1, 2010 at the amounts determined under previous GAAP, rather than applying IFRS rules retrospectively.
2. **Full cost oil and gas accounting** – IFRS 1 provides the option for entities using full cost accounting for oil and gas activities under previous GAAP to measure oil and gas assets at the Transition Date at the historical net book value or at fair value, rather than applying IFRS rules retrospectively. The Company elected to measure its oil and gas assets at the net book value determined under previous GAAP, resulting in undeveloped land costs being reclassified to exploration and evaluation assets. The remaining development and production assets that were accumulated in country cost centres under previous GAAP could be allocated to the cost centre's underlying assets pro-rata using reserve volumes or values. The Company elected to allocate these assets using reserve values.
3. **Decommissioning liabilities** – For entities taking the *Full cost oil and gas accounting* exemption above, IFRS 1 requires that entities measure decommissioning liabilities in accordance with IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, as at the Transition Date and that any difference between this amount and the carrying amount of those liabilities determined under the Company's previous GAAP, be recognized directly in retained earnings.
4. **Share-based payments** – IFRS 2, *Share-based Payments*, requires retrospective application of its provisions to equity instruments granted after November 7, 2002. The IFRS 1 exemption allows first-time adopters to not apply IFRS 2 to equity instruments that were granted prior to November 7, 2002. It also allows the first-time adopter to not apply IFRS 2 to equity instruments granted after November 7, 2002 that vested before the Transition Date. The Company elected to use these exemptions provided under IFRS 1.
5. **Borrowing costs** – IAS 23, *Borrowing Costs*, requires an entity to capitalize the borrowing costs related to all qualifying assets for which the commencement date for capitalization is on or after January 1, 2009. IFRS 1 provides the option to adopt IAS 23 prospectively or to designate any date prior to the Transition Date as the effective date for this standard and apply to all qualifying assets subsequent to that date. The Company elected to adopt IAS 23 prospectively from the Transition Date.

The only mandatory exception in IFRS 1 applicable to the Company relates to estimates. Hindsight is not used to create or revise estimates. The estimates previously made by the Company under previous GAAP were not revised for application of IFRS except where necessary to reflect any difference in accounting policies.

The following are reconciliations of the consolidated financial statements presented under previous GAAP to the amended consolidated financial statements prepared under IFRS.

Reconciliation of Consolidated Balance Sheet as of January 1, 2010

(Cdn$000s)		IFRS adjustments			
	Previous GAAP	Reclass	DL[2]	SBC[3]	IFRS
		(Note a,b)	*(Note d)*	*(Note e)*	
ASSETS					
Accounts receivable	141,887				141,887
Investment in marketable securities	1,092				1,092
Prepaids and deposits	8,861				8,861
Derivative asset[1]	1,675				1,675
Total current assets	153,515	-	-	-	153,515
Long-term investments	229,755	(206,315)			23,440
Investment in associate	-	206,315			206,315
Reclamation fund	3,422				3,422
Derivative asset[1]	3,845				3,845
Other receivable	9,320				9,320
Exploration and evaluation	-	586,467			586,467
Property, plant and equipment	4,939,279	(586,467)			4,352,812
Goodwill	100,294				100,294
Total assets	5,439,430	-	-	-	5,439,430
LIABILITIES					
Accounts payable and accrued liabilities	210,515				210,515
Cash dividends payable	22,890				22,890
Derivative liability[1]	20,080				20,080
Total current liabilities	253,485	-	-	-	253,485
Long-term debt	519,127				519,127
Derivative liability[1]	42,243				42,243
Decommissioning liability[1]	139,365		77,105		216,470
Deferred income tax[1]	506,732		(20,052)		486,680
Total liabilities	1,460,952	-	57,053	-	1,518,005
SHAREHOLDERS' EQUITY					
Shareholders' capital	4,710,290				4,710,290
Contributed surplus	38,029			20,253	58,282
Deficit	(769,618)		(57,053)	(20,253)	(846,924)
Accumulated other comprehensive loss	(223)				(223)
Total shareholders' equity	3,978,478	-	(57,053)	-	3,921,425
Total liabilities and shareholders' equity	5,439,430	-	-	-	5,439,430

(1) Caption has been renamed to comply with the financial statement presentation under IFRS.

(2) Decommissioning liability

(3) Share-based compensation

Reconciliation of Consolidated Statements of Income and Comprehensive Income for the three months ended June 30, 2010

(Cdn$000s, except per share amounts)		IFRS adjustments				
	Previous GAAP	Reclass	DD&A	DL[2]	SBC[3]	IFRS
		(Note a)	*(Note c)*	*(Note d)*	*(Note e)*	
REVENUE AND OTHER INCOME						
Oil and gas sales	330,224					330,224
Royalties	(58,921)	(5,707)				(64,628)
Oil and gas revenue	271,303	(5,707)	-	-	-	265,596
Derivative gains (losses)	-	80,285				80,285
Realized gains (losses)	3,464	(3,464)				-
Unrealized gains	76,821	(76,821)				-
Equity and other income	(1,702)	1,702				-
Other income	-	(747)				(747)
	349,886	(4,752)	-	-	-	345,134
EXPENSES						
Operating	53,999					53,999
Transportation	8,347					8,347
General and administrative	7,724					7,724
Interest on long-term debt	15,720					15,720
Foreign exchange loss	12,020					12,020
Share-based compensation[1]	14,811				738	15,549
Depletion, depreciation and amortization	154,686		(9,815)			144,871
Accretion on decommissioning liability[1]	2,992			(652)		2,340
	270,299	-	(9,815)	(652)	738	260,570
Operating income	79,587	(4,752)	9,815	652	(738)	84,564
Share of profit of associate	-	(955)				(955)
Income before tax	79,587	(5,707)	9,815	652	(738)	83,609
Tax expense						
Current[1]	5,707	(5,707)				-
Deferred	10,481		1,330	172		11,983
Net income	63,399	-	8,485	480	(738)	71,626
Other comprehensive income						
Foreign currency translation on foreign operations	1,287		(60)	(17)		1,210
Comprehensive income	64,686	-	8,425	463	(738)	72,836
Net income per share						
Basic	0.29					0.33
Diluted	0.29					0.33

(1) Caption has been renamed to comply with the financial statement presentation under IFRS.

(2) Decommissioning liability

(3) Share-based compensation

Reconciliation of Consolidated Statements of Income and Comprehensive Income for the six months ended June 30, 2010

(Cdn$000s, except per share amounts)		IFRS adjustments				
	Previous GAAP	Reclass	DD&A	DL[2]	SBC[3]	IFRS
		(Note a)	*(Note c)*	*(Note d)*	*(Note e)*	
REVENUE AND OTHER INCOME						
Oil and gas sales	688,954					688,954
Royalties	(122,879)	(12,320)				(135,199)
Oil and gas revenue	566,075	(12,320)	-	-	-	553,755
Derivative gains (losses)	-	92,154				92,154
Realized gains (losses)	3,068	(3,068)				-
Unrealized gains	89,086	(89,086)				-
Equity and other income	(5,252)	5,252				-
Other income	-	(5,925)				(5,925)
	652,977	(12,993)	-	-	-	639,984
EXPENSES						
Operating	107,071					107,071
Transportation	17,376					17,376
General and administrative	20,856					20,856
Interest on long-term debt	29,458					29,458
Foreign exchange loss	10,648					10,648
Share-based compensation[1]	30,279				1,700	31,979
Depletion, depreciation and amortization	306,235		(22,477)			283,758
Accretion on decommissioning liability[1]	5,779			(1,275)		4,504
	527,702	-	(22,477)	(1,275)	1,700	505,650
Operating income	125,275	(12,993)	22,477	1,275	(1,700)	134,334
Share of profit of associate	-	673				673
Income before tax	125,275	(12,320)	22,477	1,275	(1,700)	135,007
Tax expense						
Current[1]	12,321	(12,320)				1
Deferred	21,946		2,997	433		25,376
Net income	91,008	-	19,480	842	(1,700)	109,630
Other comprehensive income						
Foreign currency translation on foreign operations	605		(57)	(5)		543
Comprehensive income	91,613	-	19,423	837	(1,700)	110,173
Net income per share						
Basic	0.43					0.52
Diluted	0.42					0.51

(1) Caption has been renamed to comply with the financial statement presentation under IFRS.

(2) Decommissioning liability

(3) Share-based compensation

Reconciliation of Consolidated Shareholders' Equity as of June 30, 2010

(Cdn$000s)		IFRS adjustments				
	Previous GAAP	Reclass	DD&A	DL[1]	SBC[2]	IFRS
			(Note c)	*(Note d)*	*(Note e)*	
SHAREHOLDERS' EQUITY						
Shareholders' capital	5,247,424					5,247,424
Contributed surplus	69,260				21,954	91,214
Deficit	(975,689)		19,480	(56,210)	(21,954)	(1,034,373)
Accumulated other comprehensive income	382		(57)	(5)		320
Total shareholders' equity	4,341,377	-	19,423	(56,215)	-	4,304,585

(1) Decommissioning liability

(2) Share-based compensation

Reconciliation of Consolidated Statements of Income and Comprehensive Income for the year ended December 31, 2010

(Cdn$000s, except per share amounts)		IFRS adjustments				
	Previous GAAP	Reclass	DD&A	DL[2]	SBC[3]	IFRS
		(Note a)	*(Note c)*	*(Note d)*	*(Note e)*	
REVENUE AND OTHER INCOME						
Oil and gas sales	1,535,764					1,535,764
Royalties	(255,101)	(27,408)				(282,509)
Oil and gas revenue	1,280,663	(27,408)	-	-	-	1,253,255
Derivative gains (losses)	-	(90,810)				(90,810)
Realized gains	5,518	(5,518)				-
Unrealized losses	(96,328)	96,328				-
Equity and other income	38,886	(38,886)				-
Other income	-	38,213				38,213
	1,228,739	(28,081)	-	-	-	1,200,658
EXPENSES						
Operating	247,989					247,989
Transportation	37,120					37,120
General and administrative	40,851					40,851
Interest on long-term debt	59,244					59,244
Foreign exchange gain	(6,518)					(6,518)
Share-based compensation[1]	65,662				(5,323)	60,339
Depletion, depreciation and amortization	716,789		(31,579)			685,210
Accretion on decommissioning liability[1]	12,318			(2,766)		9,552
	1,173,455	-	(31,579)	(2,766)	(5,323)	1,133,787
Operating income	55,284	(28,081)	31,579	2,766	5,323	66,871
Share of profit of associate	-	673				673
Income (loss) before tax	55,284	(27,408)	31,579	2,766	5,323	67,544
Tax expense						
Current[1]	27,409	(27,408)				1
Deferred	7,854		8,211	557		16,622
Net income	20,021	-	23,368	2,209	5,323	50,921
Other comprehensive income (loss)						
Foreign currency translation on foreign operations	(2,513)	-	91	8	-	(2,414)
Comprehensive income	17,508	-	23,459	2,217	5,323	48,507
Net income per share						
Basic	0.09					0.22
Diluted	0.08					0.21

(1) Caption has been renamed to comply with the financial statement presentation under IFRS.

(2) Decommissioning liability

(3) Share-based compensation

Reconciliation of Consolidated Balance Sheet as of December 31, 2010

(Cdn$000s)		IFRS adjustments					
	Previous GAAP	Reclass	E&E	DD&A	DL[2]	SBC[3]	IFRS
		(Note b)	*(Note b)*	*(Note c)*	*(Note d)*	*(Note e)*	
ASSETS							
Accounts receivable	199,977						199,977
Investment in marketable securities	908						908
Prepaids and deposits	4,698						4,698
Derivative asset[1]	7,087						7,087
Total current assets	212,670	-	-	-	-	-	212,670
Long-term investments	62,164						62,164
Reclamation fund	3,001						3,001
Derivative asset[1]	5,106						5,106
Other receivable	9,210						9,210
Exploration and evaluation	-	1,403,772	(133,392)	(155,009)			1,115,371
Property, plant and equipment	7,369,201	(1,403,772)	133,392	186,763	51,177	(8,071)	6,328,690
Goodwill	204,750				2,922		207,672
Total assets	7,866,102	-	-	31,754	54,099	(8,071)	7,943,884
LIABILITIES							
Accounts payable and accrued liabilities	343,691						343,691
Cash dividends payable	27,533						27,533
Derivative liability[1]	78,707						78,707
Total current liabilities	449,931	-	-	-	-	-	449,931
Long-term debt	1,006,451						1,006,451
Derivative liability[1]	74,630						74,630
Decommissioning liability[1]	195,254				129,473		324,727
Deferred income tax[1]	616,371			8,295	(20,538)	(8,071)	596,057
Total liabilities	2,342,637	-	-	8,295	108,935	(8,071)	2,451,796
SHAREHOLDERS' EQUITY							
Shareholders' capital	6,839,358						6,839,358
Contributed surplus	93,960					14,930	108,890
Deficit	(1,407,117)			23,368	(54,844)	(14,930)	(1,453,523)
Accumulated other comprehensive loss	(2,736)			91	8		(2,637)
Total shareholders' equity	5,523,465	-	-	23,459	(54,836)	-	5,492,088
Total liabilities and shareholders' equity	7,866,102	-	-	31,754	54,099	(8,071)	7,943,884

(1) Caption has been renamed to comply with the financial statement presentation under IFRS.

(2) Decommissioning liability

(3) Share-based compensation

Reconciliation of Cash Flow Statement

The transition from previous GAAP to IFRS has had no effect on the cash flows generated by the Company. The reconciling items between the previous GAAP presentation and the IFRS presentation have no net impact on the reported operating, investing and financing cash flows.

Explanatory notes

a) Reclassifications

Investment in associate

The reclassification of $206.3 million from long-term investments to investment in associate at January 1, 2010 recognizes the Company's equity investment in Shelter Bay, including the Company's share of Shelter Bay's net income. Under IFRS, investments in associates are required to be separately disclosed on the balance sheet. There was no reclassification at December 31, 2010 because the Company acquired Shelter Bay through a plan of arrangement on July 2, 2010.

Royalties

Under IFRS, royalties include the Saskatchewan Corporation Capital Tax Resource Surcharge, which was classified as capital and other taxes under previous GAAP.

Derivative gains (losses)

To conform to the consolidated statement of income presentation under IFRS, the realized and unrealized derivatives gains (losses) are presented together on the consolidated statement of income and detailed in the notes to the consolidated financial statements.

Share of profit of associate

To conform to the consolidated statement of income presentation under IFRS, the Company's equity income earned from its investment in Shelter Bay was reclassified to share of profit of associate.

b) Exploration and evaluation

Exploration and evaluation assets consist of the Company's exploration projects which are pending the determination of reserves, and include undeveloped land and any drilling costs incurred thereon. The drilling costs are accumulated in cost centres by well pending determination of technical feasibility and commercial viability. Upon determination of reserves, E&E assets attributable to those reserves are first tested for impairment and then reclassified from E&E assets to PP&E.

At January 1, 2010, E&E assets were $586.5 million, representing the undeveloped land balance under previous GAAP. This resulted in a reclassification of $586.5 million from PP&E to E&E assets. At December 31, 2010, the Company's E&E assets before E&E asset transfers and DD&A was $1.4 billion.

During the year ended December 31, 2010, $133.4 million was transferred from E&E assets to PP&E.

c) Depletion, depreciation and amortization

Under IFRS, development and production assets are depleted at the major area level using the unit-of-production method based on the estimated proved plus probable reserves before royalties, whereas, under previous GAAP these assets were accumulated in country cost centres and depleted using the unit-of-production method based on the estimated proved reserves before royalties. As a result of depleting at the major area level based on proved plus probable reserves before royalties, DD&A decreased $42.5 million, $82.9 million and $186.8 million for the three and six month periods ended June 30, 2010 and year ended December 31, 2010, respectively, with a corresponding increase to PP&E.

The Company's policy under IFRS is to amortize E&E undeveloped land by area over the average primary lease term; under previous GAAP undeveloped land was not amortized. Accordingly, DD&A increased $32.7 million, $60.4 million and $155.2 million for the three and six month periods ended June 30, 2010 and year ended December 31, 2010, respectively, with a corresponding decrease to E&E assets.

d) Decommissioning liability

In accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and IFRS 1, the Company revalued its decommissioning liability, known as asset retirement obligation under previous GAAP, using a risk free discount rate at January 1, 2010 and recognized the difference directly in accumulated deficit. Under previous GAAP, the Company's asset retirement obligation was discounted using an average credit-adjusted risk free rate of 8 percent, whereas under IFRS, the Company discounted its decommissioning liability using an average risk free rate of approximately 4 percent. As a result, on transition, the value of the Company's decommissioning liability increased by $77.1 million, deferred income tax liability decreased by $20.1 million and accumulated deficit increased $57.0 million. In addition, as at December 31, 2010, the value of the Company's decommissioning liability increased by $129.5 million, including the January 1, 2010 adjustment and the accretion adjustment discussed below.

During 2010, the Company recorded goodwill on the acquisition of Shelter Bay, and as a result of revaluing the decommissioning liability using a risk free rate, goodwill increased by $2.9 million.

At December 31, 2010, the Company's average risk free rate was approximately 3 percent; the credit-adjusted risk free rate used was 8 percent.

Consistent with the change in discount rate applied above, accretion on decommissioning liability is calculated based on the relevant risk free rate. The Company recorded a decrease in accretion on decommissioning liability of $0.7 million, $1.3 million and $2.8 million for the three and six months ended June 30, 2010 and year ended December 31, 2010, respectively.

e) Share-based compensation

In accordance with IFRS 2 *Share-based Payment*, as at the Transition Date the Company revalued its contributed surplus arising from share-based compensation to recognize an estimated forfeiture rate on restricted shares of 4 percent and a 4 year service period commencing January 1, 2009 for the restricted shares granted in January 2010 pursuant to the Company's APA. Under previous GAAP, forfeitures are recorded as they occur and the APA granted in January 2010 was amortized over the vesting period of 3 years.

Under previous GAAP, expense recognition generally cannot occur before the grant date. Under IFRS the grant date cannot be earlier than the date the awards are approved, however IFRS requires the entity to record an expense for employee's service as received, which may be earlier than the grant date.

Under IFRS, deferred income tax does not arise from capitalized share-based compensation. Therefore, amounts recorded under previous GAAP during 2010 were adjusted accordingly.

Directors

Peter Bannister, Chairman [(1) (3)]

Paul Colborne [(2) (4)]

Ken Cugnet [(3) (4) (5)]

Hugh Gillard [(1) (2) (5)]

Gerald Romanzin [(1) (3)]

Scott Saxberg [(4)]

Greg Turnbull [(2) (5)]

(1) Member of the Audit Committee of the Board of Directors

(2) Member of the Compensation Committee of the Board of Directors

(3) Member of the Reserves Committee of the Board of Directors

(4) Member of the Health, Safety and Environment Committee of the Board of Directors

(5) Member of the Corporate Governance and Nominating Committee

Officers

Scott Saxberg
President and Chief Executive Officer

Greg Tisdale
Chief Financial Officer

C. Neil Smith
Vice President, Engineering and
Business Development

Dave Balutis
Vice President, Exploration

Brad Borggard
Vice President, Corporate Planning

Derek Christie
Vice President, Geosciences

Ryan Gritzfeldt
Vice President, Engineering East

Ken Lamont
Vice President, Finance and Treasurer

Tamara MacDonald
Vice President, Land

Trent Stangl
Vice President, Marketing and Investor Relations

Steve Toews
Vice President, Engineering West

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Banker

The Bank of Nova Scotia
Calgary, Alberta

Auditor

PricewaterhouseCoopers LLP
Calgary, Alberta

Legal Counsel

Macleod Dixon LLP
Calgary, Alberta

Evaluation Engineers

GLJ Petroleum Consultants Ltd.
Calgary, Alberta

Sproule Associates Ltd.
Calgary, Alberta

Registrar and Transfer Agent

Investors are encouraged to contact
Crescent Point's Registrar and Transfer
Agent for information regarding their security holdings:

Olympia Trust Company
2300, 125 – 9th Avenue S.E.
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Stock Exchange

Toronto Stock Exchange – TSX

Stock Symbol

CPG

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