

**OCTAGON CONSOLIDATED BERHAD**  
**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 JANUARY 2006**  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**For the Financial Period Ended 31 January 2006**

	Current Year Quarter 31/01/2006 RM'000	Preceding Year Quarter 31/01/2005 RM'000	Cumulative Quarter	
			Current Year To - date 31/01/2006 RM'000	Preceding Year Corresponding Period 31/01/2005 RM'000
Revenue	15,594	13,055	15,594	13,055
Operating Profit	3,353	3,242	3,353	3,242
Interest expense	(6)	(9)	(6)	(9)
Interest income	19	119	19	119
Profit before taxation (PBT)	3,366	3,352	3,366	3,352
Taxation	(1,104)	(1,122)	(1,104)	(1,122)
Profit after taxation	2,262	2,230	2,262	2,230
Minority interest	101	149	101	149
Net profit	2,363	2,379	2,363	2,379
Basic earnings per share (sen)*	1.48	1.44	1.48	1.44
Diluted earnings per share (sen)*	**	1.43	**	1.43

\* *The Basic and Diluted earnings per share in preceding year quarters were restated to adjust for the effects of the share split of every 1 ordinary shares of RM1.00 each into 2 new ordinary shares of RM0.50 each ("Octagon Shares") ("Share Split") and the bonus issue on the basis of 1 new Octagon Share for every 4 existing Octagon Shares held after the Share Split.*

\*\* *Diluted earnings per share is not computed for the current quarter as the potential ordinary shares are anti-dilutive.*

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 October 2005)

**OCTAGON CONSOLIDATED BERHAD**  
**CONDENSED CONSOLIDATED BALANCE SHEET**  
**As at 31 January 2006**

	(Unaudited) As at 31/01/2006 RM'000	(Audited) As at 31/10/2005 RM'000
Property, plant and equipment	25,961	25,691
Capital work in progress	15,646	10,674
Deferred tax asset	-	73
Deferred development expenditure	2,951	2,951
Goodwill on consolidation	15,029	15,170
Long Term Investments	48	48
Interest in Associated companies	705	62
Current Assets		
Inventories	18,729	18,131
Trade and other receivables	36,873	38,273
Cash in hand and at bank	8,983	13,412
Fixed deposits with licensed bank	5,920	4,895
	70,505	74,711
Current Liabilities		
Trade and other payables	13,940	13,065
Short Term Borrowings	151	151
Provision for Taxation	79	719
Amount owing to Directors	17	17
	14,187	13,952
Net Current Assets	56,318	60,759
	<b>116,658</b>	<b>115,428</b>
Shareholders' Funds		
Share Capital	82,460	82,460
Reserves	22,993	23,863
	105,453	106,323
Minority interest	7,338	5,200
Long Term Borrowings	301	339
Long Term Liability	3,200	3,200
Deferred Taxation	366	366
	<b>116,658</b>	<b>115,428</b>
Net Assets Per Share (RM)	0.68	0.68

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 October 2005)

**OCTAGON CONSOLIDATED BERHAD**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**For the Financial Period Ended 31 January 2006**

	(Unaudited) As at 31/01/2006 RM'000	(Unaudited) As at 31/01/2005 RM'000
Profit before Taxation but after Minority interest	3,467	3,501
Adjustments for:		
Non-cash items	630	235
Operating Profit before Working Capital Changes	4,097	3,736
Changes in Working Capital		
Net change in deferred development costs	-	-
Net change in current assets	875	(1,674)
Net change in current liabilities	875	(3,776)
Net Cash Generated From/(Used In) Operating Activities	5,847	(1,714)
Other cash used (tax payment etc) in operations	(1,751)	(924)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Income	20	119
Dividend received	3	-
Proceed from disposal of fixed assets	-	35
Subscription of new shares	(735)	(4,400)
Capital expenditure	(5,767)	(2,921)
Net Cash (Used In)/Generated From Investing Activities	(6,479)	(7,167)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Cash from issuance of new shares	2,250	8,075
Share Buy-back	(3,289)	-
Payment of borrowings	(38)	(41)
Net Cash (Used In)/Generated From Financing Activities	(1,077)	8,034
Translation differences	56	(131)
Cash and Cash Equivalent at beginning of the year	18,208	44,383
Cash and Cash Equivalent at end of the year*	<b>14,804</b>	<b>42,481</b>
* Cash at banks and in hand	8,983	11,168
Fixed deposit accounts	5,920	31,409
	14,903	42,577
Less: Fixed deposit under lien	(99)	(96)
	<b>14,804</b>	<b>42,481</b>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 October 2005)

**OCTAGON CONSOLIDATED BERHAD**

**Condensed Consolidated Statements of Changes in Equity  
For the Financial Period Ended 31 January 2006  
(The figures have not been audited)**

	Share Capital RM'000	Share Premium RM'000	Reserve on Consolidation RM'000	Translation Reserve RM'000	Warrant Reserve RM'000	Treasury Reserve RM'000	Retained Profits RM'000	Total Shareholder Equity RM'000
At 1/11/2005	82,460	210	1,293	(654)	3,298	(2,118)	21,834	106,323
Net Profit for the period							2,363	2,363
Translation difference				56				56
New issue of shares (ESOS)	-	-						-
Share Buy-back						(3,289)		(3,289)
At 31/01/2006	82,460	210	1,293	(598)	3,298	(5,407)	24,197	105,453

	Share Capital RM'000	Share Premium RM'000	Reserve on Consolidation RM'000	Translation Reserve RM'000	Warrant Reserve RM'000	Treasury Reserve RM'000	Retained Profits RM'000	Total Shareholder Equity RM'000
At 1/11/2004	65,871	10,794	1,293	(187)	-	-	21,005	98,776
Net Profit for the period							2,379	2,379
Translation difference				56				56
New issue of shares (ESOS)	26	48						74
At 31/01/2005	65,897	10,842	1,293	(131)	-	-	23,384	101,285

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 October 2005)