

**OCTAGON CONSOLIDATED BERHAD**  
**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 JULY 2007**  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**For the Financial Period Ended 31 July 2007**

	Current	Preceding	Cumulative Quarter	
	Year Quarter 31/07/2007	Year Quarter 31/07/2006 (Restated)	Current Year To - date 31/07/2007	Preceding Year Corresponding Period 31/07/2006 (Restated)
	RM'000	RM'000	RM'000	RM'000
Revenue	22,369	20,702	60,304	55,654
Operating Expenses	(18,563)	(16,640)	(49,335)	(43,889)
Other Income	67	59	248	155
	3,873	4,121	11,217	11,920
Finance costs	(793)	(32)	(2,393)	(98)
Share of loss of associates	(160)	(103)	(592)	(314)
Profit before taxation	2,920	3,986	8,232	11,508
Taxation	(1,109)	(1,170)	(3,386)	(3,725)
Profit after taxation	1,811	2,816	4,846	7,783
Minority interest	22	5	160	153
Net profit	1,833	2,821	5,006	7,936
Attributable to :				
Shareholders of the company	1,833	2,821	5,006	7,936
Minority interest	(22)	(5)	(160)	(153)
	1,811	2,816	4,846	7,783
Basic earnings per share (sen)	1.158	1.79	3.18	5.01
Diluted earnings per share (sen)	1.155	*	*	*

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

**(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2006 and the accompanying notes attached to this report)**

**OCTAGON CONSOLIDATED BERHAD**  
**CONDENSED CONSOLIDATED BALANCE SHEET**  
**As at 31 JULY 2007**

	(Unaudited) As at 31/07/2007 RM'000	(Audited) As at 31/10/2006 RM'000
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	24,197	25,079
Prepaid lease payments	2,396	2,488
Work-in-Progress	16,770	13,738
Deferred Assets	200	200
Other intangible asset	2,951	2,951
Intangible assets - Goodwill	14,594	14,582
Interest in Associates	13,833	7,001
Other investments	4,048	48
	<u>78,989</u>	<u>66,087</u>
Current assets		
Inventories	20,352	21,509
Trade and other receivables	38,365	38,737
Cash in hand and at bank	7,859	7,780
Fixed deposit with licensed bank	25,102	664
	<u>91,678</u>	<u>68,690</u>
<b>TOTAL ASSETS</b>	<u><u>170,667</u></u>	<u><u>134,777</u></u>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to equity holders		
Share Capital	82,460	82,460
Reserves	34,039	28,781
	<u>116,499</u>	<u>111,241</u>
Minority Interest	2,975	7,135
<b>Total Equity</b>	<u><u>119,474</u></u>	<u><u>118,376</u></u>
Non-current liabilities		
Long Term borrowings	40,084	184
Provision of other liabilities	-	3,200
Deferred taxation	873	873
	<u>40,957</u>	<u>4,257</u>
Current liabilities		
Trade creditors and other payables	6,906	9,952
Provision of other liabilities	3,200	-
Short-term borrowings	130	2,155
Taxation	-	37
	<u>10,236</u>	<u>12,144</u>
<b>Total Liabilities</b>	<u>51,193</u>	<u>16,401</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>170,667</u></u>	<u><u>134,777</u></u>
<b>Net Assets Per Share (RM)</b>	<b>0.72</b>	<b>0.72</b>

**(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2006 and the accompanying notes attached to this report)**

**OCTAGON CONSOLIDATED BERHAD**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**For the Financial Period Ended 31 July 2007**

	(Unaudited) As at 31/07/2007 RM'000	(Unaudited) As at 31/07/2006 RM'000
Profit before Taxation	8,232	11,508
Adjustments for:		
Non-cash items	6,238	2,280
Operating Profit before Working Capital Changes	14,470	13,788
Changes in Working Capital		
Net change in current assets	1,529	(4,050)
Net change in current liabilities	(3,083)	61
Net Cash Generated From/(Used In) Operating Activities	12,916	9,799
Other cash used (tax payment etc) in operations	(6,572)	(4,550)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Income	81	72
Dividend received	2	6
Proceed from disposal of fixed assets	-	76
Subscription of new shares	(11,437)	(3,920)
Capital expenditure	(3,759)	(6,991)
Net Cash (Used In)/Generated From Investing Activities	(15,113)	(10,757)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid	(4,590)	(1,422)
Cash from issuance of new shares	-	2,250
Share Buy-back	-	(3,788)
Net proceeds from bank borrowings	35,260	-
Net proceeds from sale of treasury shares	5,141	-
Drawdown of revolving credit	1,000	-
Payment of borrowings	(3,124)	(133)
Net Cash (Used In)/Generated From Financing Activities	33,687	(3,093)
Translation differences	(299)	193
Cash and Cash Equivalent at beginning of the year	8,342	18,208
Cash and Cash Equivalent at end of the year*	<b>32,961</b>	<b>9,800</b>
* Cash at banks and in hand	7,859	6,229
Fixed deposit accounts	25,102	3,670
	32,961	9,899
Less: Fixed deposit under lien	-	(99)
	<b>32,961</b>	<b>9,800</b>

**(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2006 and the accompanying notes attached to this report)**

**OCTAGON CONSOLIDATED BERHAD**

**Condensed Consolidated Statements of Changes in Equity  
for the Financial Period Ended 31 July 2007  
(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 Earnings RM'000	Total Shareholder Equity RM'000	Minority Interest RM'000	Total Equity RM'000
At 1/11/2006	82,460	210	1,371	(559)	3,298	(6,145)	30,606	111,241	7,135	118,376
Changes in accounting policies -effects of adopting FRS 3			(1,371)				1,371			
Restated balance as at 01/11/06	82,460	210	-	(559)	3,298	(6,145)	31,977	111,241	7,135	118,376
Net Profit for the period							5,006	5,006	(160)	4,846
Translation difference				(299)				(299)		(299)
New issue of shares (ESOS)	-	-						-		-
Share acquisition from minority shareholder	-	-	-	-	-	-	-	-	(4,000)	(4,000)
Final dividend of 2.5% less 28% tax in respect of FYE 31.10.06							(4,590)	(4,590)		(4,590)
Share Buy-back								-		-
Disposal of treasury shares						4,163		4,163		4,163
Gain on disposal of treasury shares		978						978		978
At 31/07/2007	82,460	1,188	-	(858)	3,298	(1,982)	32,393	116,499	2,975	119,474

	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 Earnings RM'000	Total Shareholder Equity RM'000	Minority Interest RM'000	Total Equity RM'000
At 1/11/2005	82,460	210	1,293	(654)	3,298	(2,118)	21,834	106,323	5,200	111,523
Net Profit for the period							7,936	7,936	(153)	7,783
Translation difference				193				193		193
New issue of shares (ESOS)	-	-						-		-
Share Buy-back						(3,788)		(3,788)		(3,788)
Increase in minority interest									2,250	2,250
Final dividend of 2.5% less 28% tax in respect of FYE 31.10.05							(1,422)	(1,422)		(1,422)
At 31/07/2006	82,460	210	1,293	(461)	3,298	(5,906)	28,348	109,242	7,297	116,539

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2006 and the accompanying notes attached to this report)