

**OCTAGON CONSOLIDATED BERHAD**  
**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 JULY 2008**  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

**CONDENSED CONSOLIDATED INCOME STATEMENT**

**For the Financial Period Ended 31 July 2008**

	Current Year		Cumulative Quarter	
	Quarter	Preceding Year	Current Year	Preceding Year
	31/07/2008	31/07/2007	To - date	Corresponding
	RM'000	RM'000	RM'000	Period
			31/07/2008	31/07/2007
	RM'000	RM'000	RM'000	RM'000
Revenue	28,766	22,369	85,657	60,304
Operating Expenses	(26,399)	(18,563)	(72,809)	(49,335)
Other Income	318	67	499	248
	2,685	3,873	13,347	11,217
Finance costs	(2,559)	(793)	(4,105)	(2,393)
Share of loss of associates	(519)	(160)	(906)	(592)
Profit/(Loss) before taxation	(393)	2,920	8,336	8,232
Taxation	(622)	(1,109)	(3,777)	(3,386)
Profit/(Loss) after taxation	(1,015)	1,811	4,559	4,846
Minority interest	58	22	284	160
Net profit/(loss)	(957)	1,833	4,843	5,006
Attributable to :				
Shareholders of the company	(957)	1,833	4,843	5,006
Minority interest	(58)	(22)	(284)	(160)
	(1,015)	1,811	4,559	4,846
Basic earnings per share (sen)	(0.57)	1.158	2.90	3.18
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 2007 and the accompanying notes attached to this report)**

**OCTAGON CONSOLIDATED BERHAD**  
**CONDENSED CONSOLIDATED BALANCE SHEET**  
**As at 31 July 2008**

	(Unaudited) As at 31/07/2008 RM'000	(Audited) As at 31/10/2007 RM'000
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	26,503	24,578
Prepaid lease payments	11,705	2,193
Work-in-Progress	109,346	16,967
Deferred Assets	247	247
Other intangible assets	4,243	2,951
Intangible assets - Goodwill	33,056	18,590
Interest in Associates	9,727	13,498
Other investments	4,048	4,048
	<u>198,875</u>	<u>83,072</u>
Current assets		
Inventories	22,852	21,753
Trade and other receivables	76,429	51,354
Cash in hand and at bank	8,445	8,757
Fixed deposit with licensed bank	29,914	23,901
	<u>137,640</u>	<u>105,765</u>
<b>TOTAL ASSETS</b>	<u><u>336,515</u></u>	<u><u>188,837</u></u>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to equity holders		
Share Capital	84,743	84,743
Reserves	43,575	44,312
	<u>128,318</u>	<u>129,055</u>
Minority Interest	392	676
<b>Total Equity</b>	<u><u>128,710</u></u>	<u><u>129,731</u></u>
Non-current liabilities		
Long Term borrowings	182,559	39,486
Provision of other liabilities	-	-
Deferred taxation	267	267
	<u>182,826</u>	<u>39,753</u>
Current liabilities		
Trade creditors and other payables	24,959	17,351
Provision of other liabilities	-	-
Short-term borrowings	20	106
Taxation	-	1,896
	<u>24,979</u>	<u>19,353</u>
<b>Total Liabilities</b>	<u>207,805</u>	<u>59,106</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>336,515</u></u>	<u><u>188,837</u></u>
 Net Assets Per Share (RM)	 0.76	 0.76

**(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2007 and the accompanying notes attached to this report)**

**OCTAGON CONSOLIDATED BERHAD**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**For the Financial Period Ended 31 July 2008**

	(Unaudited) As at 31/07/2008 RM'000	(Unaudited) As at 31/07/2007 RM'000
Profit before Taxation	8,336	8,232
Adjustments for:		
Non-cash items	7,008	6,238
Operating Profit before Working Capital Changes	15,344	14,470
Changes in Working Capital		
Net change in current assets	(25,349)	1,529
Net change in current liabilities	7,608	(3,083)
Net Cash Generated From/(Used In) Operating Activities	(2,397)	12,916
Other cash used (tax payment etc) in operations	(8,725)	(6,572)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Income	188	81
Dividend received	7	2
Subscription of new shares	-	(11,437)
Acquisition of subsidiary company, net of cash required	(37,405)	-
Capital expenditure	(1,849)	(3,759)
Net Cash (Used In)/Generated From Investing Activities	(39,059)	(15,113)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid	(4,937)	(4,590)
Proceeds from bank borrowings		35,260
Net proceeds from sale of treasury shares		5,141
Drawdown of revolving credit	-	1,000
Share Buy-back	(138)	-
Net proceeds from borrowings	61,565	-
Payment of borrowings	(103)	(3,124)
Net Cash (Used In)/Generated From Financing Activities	56,387	33,687
Translation differences	(505)	(299)
Cash and Cash Equivalent at beginning of the year	32,578	8,342
Cash and Cash Equivalent at end of the year*	<b>38,279</b>	<b>32,961</b>
* Cash at banks and in hand	8,445	7,859
Fixed deposit accounts	29,914	25,102
	38,359	32,961
Less: Fixed deposit under lien	(80)	-
	<b>38,279</b>	<b>32,961</b>

**(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2007 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 2008  
(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 1/11/2007	84,743	4,157	-	(848)	3,298	(1,982)	39,687	129,055	676	129,731
Net Profit for the period							4,843	4,843	(284)	4,559
Share Buy-back						(138)		(138)		(138)
Translation difference			-	(505)				(505)		(505)
Final dividend of 2.5% less 26% tax in respect of FYE 31.10.07							(4,937)	(4,937)		(4,937)
At 31/07/2008	84,743	4,157	-	(1,353)	3,298	(2,120)	39,593	128,318	392	128,710
	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)
Share acquisition from minority shareholder									(4,000)	(4,000)
Final dividend of 2.5% less 27% tax in respect of FYE 31.10.06							(4,590)	(4,590)		(4,590)
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

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2007 and the accompanying notes attached to this report)