# OCTAGON CONSOLIDATED BERHAD INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 JANUARY 2009 (THE FIGURES HAVE NOT BEEN AUDITED)

### **CONDENSED CONSOLIDATED INCOME STATEMENT**For the Financial Period Ended 31 January 2009

	Current Year Quarter 31 January 2009 RM'000	Preceding Year Quarter 31 January 2008 RM'000	Cumul Current Year To - date 31 January 2009 RM'000	ative Quarter Preceding Year Corresponding Period 31 January 2008 RM'000
Revenue	19,124	22,382	19,124	22,382
Operating expenses	(18,934)	(16,725)	(18,934)	(16,725)
Other income	139	93	139	93
	329	5,750	329	5,750
Finance costs	(2,528)	(773)	(2,529)	(773)
Share of loss of associate companies	(559)	(195)	(558)	(195)
(Loss)/Profit before taxation	(2,758)	4,782	(2,758)	4,782
Taxation	(344)	(1,605)	(344)	(1,605)
(Loss)/Profit after taxation	(3,102)	3,177	(3,102)	3,177
Minority interest	28	114	28	114
Net (loss)/profit	(3,074)	3,291	(3,074)	3,291
Attributable to :				
Equity holders of the Company	(3,074)	3,291	(3,074)	3,291
Minority interest	(28)	(114)	(28)	(114)
	(3,102)	3,177	(3,102)	3,177
Basic (loss)/ earnings per share (sen) Diluted (loss)/earnings per share (sen)	(1.84)	1.97	(1.84)	1.97

<sup>\*</sup> 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 2008 and the accompanying notes attached to this report)

### OCTAGON CONSOLIDATED BERHAD CONDENSED CONSOLIDATED BALANCE SHEET As at 31 JANUARY 2009

	(Unaudited)	(Audited)
	As at	As at
	31 January 2009	31 October 2008
ASSETS	RM'000	RM'000
Non-current assets		
Property, plant and equipment	25,855	26,282
Prepaid lease payments	11,493	11,549
Work-in-progress	109,763	108,138
Deferred tax assets	556	556
Deferred development expenditure	2,951	2,951
Licensing rights on patents and technology	1,292	1,292
Goodwill on consolidation	32,913	32,913
Investment in associated companies	8,702	9,261
Other investments	4,048 197,573	4,048 196,990
	107,070	100,000
Current assets		
Inventories	20,779	22,792
Trade and other receivables	88,981	88,080
Cash in hand and at bank	11,063	9,138
Fixed deposits with licensed bank	19,273	22,161
	140,096	142,171
TOTAL ASSETS	337,669	339,161
TOTAL AGGLTO	337,003	339,101
EQUITY AND LIABILITIES		
Equity		
Share Capital	84,743	84,743
Reserves	45,305	48,520
Equity attributable to equity holders of the Company	130,048	133,263
Minority Interest	242	270
Total Equity	130,290	133,533
Total Equity	130,230	100,000
Non-current liabilities		
Long term borrowings	179,921	173,585
Deferred taxation	1,279	1,279
	181,200	174,864
Command link liting		
Current liabilities	10.610	23,548
Trade and other payables Short term borrowings	18,619 7,203	7,203
Taxation	357	13
Taxation	007	10
	26,179	30,764
Total Liabilities	207,379	205,628
TOTAL EQUITY AND LIABILITIES	337,669	339,161
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Net Assets Per Share (RM)	0.77	0.79

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2008 and the accompanying notes attached to this report)

# OCTAGON CONSOLIDATED BERHAD CONDENSED CONSOLIDATED CASH FLOW STATEMENT For the Financial Period Ended 31 January 2009

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RM*000 (Loss)/Profit before taxation         31 January 2009 RM*000 RM*000 RM*000 (Loss)/Profit before taxation         2 (2,758)         4,782           Adjustments for:         Non-cash items         3,508         1,431           Operating Profit before Working Capital Changes         750         6,213           Changes in Working Capital         Net change in current assets         2,864         (6,275)           Net change in current liabilities         (4,929)         (531)           Net Cash Generated From/(Used In) Operating Activities         (1,315)         (593)           Other cash used (tax payment etc) in operations         (4,256)         (2,011)           CASH FLOW FROM INVESTING ACTIVITIES         119         62           Interest income         119         62           Dividend received         3         5           Capital expenditure         (1,708)         (694)           Net Cash Used In Investing Activities         (1,586)         (627)           CASH FLOW FROM FINANCING ACTIVITIES         (1,586)         (627)           Proceeds from borrowings         6,341         -           Repayment of borrowings         6,341         -           Repayment of borrowings         6,341         -           Repayment of borrowings		(Unaudited)	(Unaudited)
RM'000 (Loss)/Profit before taxation         RM'000 (2,758)         RM'000 (2,758)         RM'000 (2,758)         4,782           Adjustments for:         Non-cash items         3,508         1,431           Operating Profit before Working Capital Changes         750         6,213           Changes in Working Capital         Net change in current lassets         2,864         (6,275)           Net change in current liabilities         (4,929)         (531)           Net Cash Generated From/(Used In) Operating Activities         (1,315)         (593)           Other cash used (tax payment etc) in operations         (4,256)         (2,011)           CASH FLOW FROM INVESTING ACTIVITIES         1119         62           Interest income         119         62           Dividend received         3         5           Capital expenditure         (1,708)         (694)           Net Cash Used In Investing Activities         (1,586)         (627)           CASH FLOW FROM FINANCING ACTIVITIES         Froceeds from borrowings         6,341         -           Repayment of borrowings         6,341         -           Repayment of borrowings         6,336         (35)           Net Cash Generated From/(Used In) Financing Activities         6,336			
Adjustments for:   Non-cash items			
Adjustments for:  Non-cash items Operating Profit before Working Capital Changes Changes in Working Capital Net change in current assets Net change in current liabilities (4,929) (531) Net Cash Generated From/(Used In) Operating Activities (1,315) (593) Other cash used (tax payment etc) in operations (4,256) (2,011)  CASH FLOW FROM INVESTING ACTIVITIES Interest income Dividend received 3 3 5 Capital expenditure (1,708) (694) Net Cash Used In Investing Activities (1,1586) (627)  CASH FLOW FROM FINANCING ACTIVITIES Proceeds from borrowings Repayment of borrowings Repayment of borrowings Repayment of borrowings (5) (35) Net Cash Generated From/(Used In) Financing Activities (1,26) Cash and Cash Equivalent at beginning of the year  * Cash and Cash Equivalent at end of the year  * Cash in hand and at banks Fixed deposits with licensed banks under lien (80)  * Cash:		RM'000	RM'000
Non-cash items         3,508         1,431           Operating Profit before Working Capital Changes         750         6,213           Changes in Working Capital         2,864         (6,275)           Net change in current assets         2,864         (6,275)           Net change in current liabilities         (4,929)         (531)           Net Cash Generated From/(Used In) Operating Activities         (1,315)         (593)           Other cash used (tax payment etc) in operations         (4,256)         (2,011)           CASH FLOW FROM INVESTING ACTIVITIES         119         62           Interest income         119         62           Dividend received         3         5           Capital expenditure         (1,708)         (694)           Net Cash Used In Investing Activities         (1,586)         (627)           CASH FLOW FROM FINANCING ACTIVITIES         Froceeds from borrowings         6,341         -           Repayment of borrowings         6,341         -           Repayment of borrowings         (5)         (35)           Net Cash Generated From/(Used In) Financing Activities         6,336         (35)           Translation differences         (142)         (221)           Cash and Cash Equivalent at beginning of the year	(Loss)/Profit before taxation	(2,758)	4,782
Operating Profit before Working Capital         750         6,213           Changes in Working Capital         2,864         (6,275)           Net change in current assets         2,864         (6,275)           Net change in current liabilities         (4,929)         (531)           Net Cash Generated From/(Used In) Operating Activities         (1,315)         (593)           Other cash used (tax payment etc) in operations         (4,256)         (2,011)           CASH FLOW FROM INVESTING ACTIVITIES         119         62           Interest income         119         62           Dividend received         3         5           Capital expenditure         (1,708)         (694)           Net Cash Used In Investing Activities         (1,586)         (627)           CASH FLOW FROM FINANCING ACTIVITIES           Proceeds from borrowings         6,341         -           Repayment of borrowings         (5)         (35)           Net Cash Generated From/(Used In) Financing Activities         6,336         (35)           Translation differences         (142)         (221)           Cash and Cash Equivalent at beginning of the year         31,219         32,578           Cash in hand and at banks         11,063         11,638	Adjustments for:		
Changes in Working Capital         2,864 (6,275)           Net change in current assets         2,864 (6,275)           Net change in current liabilities         (4,929) (531)           Net Cash Generated From/(Used In) Operating Activities         (1,315) (593)           Other cash used (tax payment etc) in operations         (4,256) (2,011)           CASH FLOW FROM INVESTING ACTIVITIES         119 62           Dividend received         3 5           Capital expenditure         (1,708) (694)           Net Cash Used In Investing Activities         (1,586) (627)           CASH FLOW FROM FINANCING ACTIVITIES         Froceeds from borrowings         6,341 - (5)         - (35)           Repayment of borrowings         (5) (35)         (35)           Net Cash Generated From/(Used In) Financing Activities         6,336 (35)         (35)           Translation differences         (142) (221)         (221)           Cash and Cash Equivalent at beginning of the year         31,219 (32,578)         32,578           Cash and Cash Equivalent at end of the year*         30,256 (29,091)         29,091           * Cash in hand and at banks         11,063 (17,538)         11,638           Fixed deposits with licensed banks (19,273 (17,538)         30,336 (29,171)         29,071           Less: Fixed deposits with licensed bank under lien	Non-cash items	3,508	1,431
Net change in current assets         2,864 (6,275)           Net change in current liabilities         (4,929) (531)           Net Cash Generated From/(Used In) Operating Activities         (1,315) (593)           Other cash used (tax payment etc) in operations         (4,256) (2,011)           CASH FLOW FROM INVESTING ACTIVITIES         Interest income           Interest income         119 62           Dividend received         3 5           Capital expenditure         (1,708) (694)           Net Cash Used In Investing Activities         (1,586) (627)           CASH FLOW FROM FINANCING ACTIVITIES         Froceeds from borrowings         6,341 -           Repayment of borrowings         6,336 (35)           Net Cash Generated From/(Used In) Financing Activities         6,336 (35)           Translation differences         (142) (221)           Cash and Cash Equivalent at beginning of the year         31,219 (32,578)           Cash and Cash Equivalent at end of the year*         30,256 (29,091)           * Cash in hand and at banks         11,063 (11,638)           Fixed deposits with licensed banks         19,273 (17,533)           Acsi Fixed deposits with licensed bank under lien         (80) (80)	Operating Profit before Working Capital Changes	750	6,213
Net change in current liabilities         (4,929)         (531)           Net Cash Generated From/(Used In) Operating Activities         (1,315)         (593)           Other cash used (tax payment etc) in operations         (4,256)         (2,011)           CASH FLOW FROM INVESTING ACTIVITIES         1119         62           Interest income         119         62           Dividend received         3         5           Capital expenditure         (1,708)         (694)           Net Cash Used In Investing Activities         (1,586)         (627)           CASH FLOW FROM FINANCING ACTIVITIES           Proceeds from borrowings         6,341         -           Repayment of borrowings         (5)         (35)           Net Cash Generated From/(Used In) Financing Activities         6,336         (35)           Translation differences         (142)         (221)           Cash and Cash Equivalent at beginning of the year         31,219         32,578           Cash and Cash Equivalent at end of the year*         30,256         29,091           * Cash in hand and at banks         11,063         11,638           Fixed deposits with licensed banks         19,273         17,533           30,336         29,171           Less: Fixed deposits with	Changes in Working Capital		
Net Cash Generated From/(Used In) Operating Activities         (1,315)         (593)           Other cash used (tax payment etc) in operations         (4,256)         (2,011)           CASH FLOW FROM INVESTING ACTIVITIES         Interest income         119         62           Dividend received         3         5           Capital expenditure         (1,708)         (694)           Net Cash Used In Investing Activities         (1,586)         (627)           CASH FLOW FROM FINANCING ACTIVITIES         Froceeds from borrowings         6,341         -           Repayment of borrowings         (5)         (35)           Net Cash Generated From/(Used In) Financing Activities         6,336         (35)           Translation differences         (142)         (221)           Cash and Cash Equivalent at beginning of the year         31,219         32,578           Cash and Cash Equivalent at end of the year*         30,256         29,091           * Cash in hand and at banks         11,063         11,638           Fixed deposits with licensed banks         19,273         17,533           Less: Fixed deposits with licensed bank under lien         (80)         (80)	Net change in current assets	2,864	(6,275)
Other cash used (tax payment etc) in operations         (4,256)         (2,011)           CASH FLOW FROM INVESTING ACTIVITIES           Interest income         119         62           Dividend received         3         5           Capital expenditure         (1,708)         (694)           Net Cash Used In Investing Activities         (1,586)         (627)           CASH FLOW FROM FINANCING ACTIVITIES         Proceeds from borrowings         6,341         -           Repayment of borrowings         (5)         (35)           Net Cash Generated From/(Used In) Financing Activities         6,336         (35)           Translation differences         (142)         (221)           Cash and Cash Equivalent at beginning of the year         31,219         32,578           Cash and Cash Equivalent at end of the year*         30,256         29,091           * Cash in hand and at banks         11,063         11,638           Fixed deposits with licensed banks         19,273         17,533           30,336         29,171         Less: Fixed deposits with licensed bank under lien         (80)         (80)	Net change in current liabilities	(4,929)	(531)
CASH FLOW FROM INVESTING ACTIVITIES         Interest income       119       62         Dividend received       3       5         Capital expenditure       (1,708)       (694)         Net Cash Used In Investing Activities       (1,586)       (627)         CASH FLOW FROM FINANCING ACTIVITIES         Proceeds from borrowings       6,341       -         Repayment of borrowings       (5)       (35)         Net Cash Generated From/(Used In) Financing Activities       6,336       (35)         Translation differences       (142)       (221)         Cash and Cash Equivalent at beginning of the year       31,219       32,578         Cash and Cash Equivalent at end of the year*       30,256       29,091         * Cash in hand and at banks       11,063       11,638         Fixed deposits with licensed banks       19,273       17,533         30,336       29,171         Less: Fixed deposits with licensed bank under lien       (80)       (80)	Net Cash Generated From/(Used In) Operating Activities	(1,315)	
Interest income	Other cash used (tax payment etc) in operations	(4,256)	(2,011)
Dividend received         3         5           Capital expenditure         (1,708)         (694)           Net Cash Used In Investing Activities         (1,586)         (627)           CASH FLOW FROM FINANCING ACTIVITIES         Froceeds from borrowings         6,341         -           Repayment of borrowings         (5)         (35)           Net Cash Generated From/(Used In) Financing Activities         6,336         (35)           Translation differences         (142)         (221)           Cash and Cash Equivalent at beginning of the year         31,219         32,578           Cash and Cash Equivalent at end of the year*         30,256         29,091           * Cash in hand and at banks         11,063         11,638           Fixed deposits with licensed banks         19,273         17,533           Less: Fixed deposits with licensed bank under lien         (80)         (80)	CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure         (1,708)         (694)           Net Cash Used In Investing Activities         (1,586)         (627)           CASH FLOW FROM FINANCING ACTIVITIES         Froceeds from borrowings         6,341         -           Repayment of borrowings         (5)         (35)           Net Cash Generated From/(Used In) Financing Activities         6,336         (35)           Translation differences         (142)         (221)           Cash and Cash Equivalent at beginning of the year         31,219         32,578           Cash and Cash Equivalent at end of the year*         30,256         29,091           * Cash in hand and at banks         11,063         11,638           Fixed deposits with licensed banks         19,273         17,533           Less: Fixed deposits with licensed bank under lien         (80)         (80)	Interest income	119	62
Net Cash Used In Investing Activities         (1,586)         (627)           CASH FLOW FROM FINANCING ACTIVITIES         -         6,341         -           Proceeds from borrowings         (5)         (35)           Net Cash Generated From/(Used In) Financing Activities         6,336         (35)           Translation differences         (142)         (221)           Cash and Cash Equivalent at beginning of the year         31,219         32,578           Cash and Cash Equivalent at end of the year*         30,256         29,091           * Cash in hand and at banks         11,063         11,638           Fixed deposits with licensed banks         19,273         17,533           Less: Fixed deposits with licensed bank under lien         (80)         (80)	Dividend received	3	5
Net Cash Used In Investing Activities         (1,586)         (627)           CASH FLOW FROM FINANCING ACTIVITIES         -         6,341         -           Proceeds from borrowings         (5)         (35)           Net Cash Generated From/(Used In) Financing Activities         6,336         (35)           Translation differences         (142)         (221)           Cash and Cash Equivalent at beginning of the year         31,219         32,578           Cash and Cash Equivalent at end of the year*         30,256         29,091           * Cash in hand and at banks         11,063         11,638           Fixed deposits with licensed banks         19,273         17,533           Less: Fixed deposits with licensed bank under lien         (80)         (80)	Capital expenditure	(1,708)	(694)
Proceeds from borrowings       6,341       -         Repayment of borrowings       (5)       (35)         Net Cash Generated From/(Used In) Financing Activities       6,336       (35)         Translation differences       (142)       (221)         Cash and Cash Equivalent at beginning of the year       31,219       32,578         Cash and Cash Equivalent at end of the year*       30,256       29,091         * Cash in hand and at banks       11,063       11,638         Fixed deposits with licensed banks       19,273       17,533         Less: Fixed deposits with licensed bank under lien       (80)       (80)			`
Repayment of borrowings       (5)       (35)         Net Cash Generated From/(Used In) Financing Activities       6,336       (35)         Translation differences       (142)       (221)         Cash and Cash Equivalent at beginning of the year       31,219       32,578         Cash and Cash Equivalent at end of the year*       30,256       29,091         * Cash in hand and at banks       11,063       11,638         Fixed deposits with licensed banks       19,273       17,533         Less: Fixed deposits with licensed bank under lien       (80)       (80)	CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowings       (5)       (35)         Net Cash Generated From/(Used In) Financing Activities       6,336       (35)         Translation differences       (142)       (221)         Cash and Cash Equivalent at beginning of the year       31,219       32,578         Cash and Cash Equivalent at end of the year*       30,256       29,091         * Cash in hand and at banks       11,063       11,638         Fixed deposits with licensed banks       19,273       17,533         Less: Fixed deposits with licensed bank under lien       (80)       (80)	Proceeds from borrowings	6,341	_
Net Cash Generated From/(Used In) Financing Activities         6,336         (35)           Translation differences         (142)         (221)           Cash and Cash Equivalent at beginning of the year         31,219         32,578           Cash and Cash Equivalent at end of the year*         30,256         29,091           * Cash in hand and at banks         11,063         11,638           Fixed deposits with licensed banks         19,273         17,533           Less: Fixed deposits with licensed bank under lien         (80)         (80)			(35)
Cash and Cash Equivalent at beginning of the year       31,219       32,578         Cash and Cash Equivalent at end of the year*       30,256       29,091         * Cash in hand and at banks       11,063       11,638         Fixed deposits with licensed banks       19,273       17,533         Less: Fixed deposits with licensed bank under lien       (80)       (80)		` '	
Cash and Cash Equivalent at end of the year*       30,256       29,091         * Cash in hand and at banks       11,063       11,638         Fixed deposits with licensed banks       19,273       17,533         Less: Fixed deposits with licensed bank under lien       (80)       (80)	Translation differences	(142)	(221)
* Cash in hand and at banks 11,063 11,638 Fixed deposits with licensed banks 19,273 17,533 30,336 29,171 Less: Fixed deposits with licensed bank under lien (80) (80)	Cash and Cash Equivalent at beginning of the year	31,219	32,578
Fixed deposits with licensed banks         19,273         17,533           30,336         29,171           Less: Fixed deposits with licensed bank under lien         (80)         (80)	Cash and Cash Equivalent at end of the year*	30,256	29,091
Fixed deposits with licensed banks         19,273         17,533           30,336         29,171           Less: Fixed deposits with licensed bank under lien         (80)         (80)	* Cash, in hand and at hanks	11.063	11 638
Less: Fixed deposits with licensed bank under lien         30,336         29,171           (80)         (80)			•
	·		
30,256 29,091	Less: Fixed deposits with licensed bank under lien		
		30,256	29,091

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2008 and the accompanying notes attached to this report)

#### OCTAGON CONSOLIDATED BERHAD

Condensed Consolidated Statements of Changes in Equity for the Financial Period Ended 31 January 2009 (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 November 2008	84,743	4,157	-	(799)	3,298	(2,120)	43,985	133,264	270	133,534
Net loss for the period	-	-	-	-	-	-	(3,074)	(3,074)	(28)	(3,102)
Translation difference	-	-	-	(142)	-	-	-	(142)	-	(142)
At 31 January 2009	84,743	4,157	-	(941)	3,298	(2,120)	40,911	130,048	242	130,290
	Share Capital	Share Premium	Reserve on Consolidation	Translation Reserve	Warrant Reserve	Treasury Reserve	Retained Earnings	Total Shareholder Equity	Minority Interest	Total Equity
						•		Shareholder	•	
	Capital	Premium	Consolidation	Reserve	Reserve	Reserve	Earnings	Shareholder Equity	Interest	Equity
At 1 November 2007	Capital	Premium	Consolidation	Reserve	Reserve	Reserve	Earnings	Shareholder Equity	Interest	Equity
At 1 November 2007 Net profit for the period	Capital RM'000	Premium RM'000	Consolidation RM'000	Reserve RM'000	Reserve RM'000	Reserve RM'000	Earnings RM'000	Shareholder Equity RM'000	Interest RM'000	Equity RM'000
	<b>Capital RM'000</b> 84,743	<b>Premium RM'000</b> 4,157	Consolidation RM'000	Reserve RM'000	<b>Reserve RM'000</b> 3,298	Reserve RM'000	<b>Earnings RM'000</b> 39,687	Shareholder Equity RM'000	Interest RM'000	Equity RM'000

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2008 and the accompanying notes attached to this report)