

**OCTAGON CONSOLIDATED BERHAD**  
**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 JULY 2009**  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

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

	Current Year Quarter 31 July 2009 RM'000	Preceding Year Quarter 31 July 2008 RM'000	Cumulative Quarter Current Year To - date 31 July 2009 RM'000	Preceding Year Corresponding Period 31 July 2008 RM'000
	Revenue	13,495	28,766	46,799
Operating Expenses	(14,991)	(26,399)	(48,138)	(72,809)
Other Income	166	318	473	499
	(1,330)	2,685	(866)	13,347
Finance costs	(2,089)	(2,559)	(7,565)	(4,105)
Share of loss of associates	(388)	(519)	(1,603)	(906)
(Loss)/Profit before taxation	(3,807)	(393)	(10,034)	8,336
Taxation	(724)	(622)	(1,576)	(3,777)
(Loss)/Profit after taxation	(4,531)	(1,015)	(11,610)	4,559
Minority interest	17	58	136	284
Net (loss)/profit	(4,514)	(957)	(11,474)	4,843
Attributable to :				
Equity holders of the company	(4,514)	(957)	(11,474)	4,843
Minority interest	(17)	(58)	(136)	(284)
	(4,531)	(1,015)	(11,610)	4,559
Basic (loss)/earnings per share (sen)	(2.71)	(0.57)	(6.88)	2.90
Diluted (loss)/earnings per share (sen)	*	*	*	*

\*  
*Diluted (loss)/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 JULY 2009**

	(Unaudited) As at 31 July 2009 RM'000	(Audited) As at 31 October 2008 RM'000
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	25,129	26,282
Prepaid lease payments	11,465	11,549
Work-in-progress	110,219	108,138
Deferred 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	7,657	9,261
Other investments	2,466	4,048
	<u>194,648</u>	<u>196,990</u>
Current assets		
Inventories	15,124	22,792
Trade and other receivables	99,907	88,080
Cash in hand and at bank	8,317	9,138
Fixed deposit with licensed bank	10,389	22,161
	<u>133,737</u>	<u>142,171</u>
<b>TOTAL ASSETS</b>	<u><u>328,385</u></u>	<u><u>339,161</u></u>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to equity holders		
Share capital	84,743	84,743
Reserves	37,174	48,520
	<u>121,917</u>	<u>133,263</u>
Minority interest	135	270
<b>Total Equity</b>	<u><u>122,052</u></u>	<u><u>133,533</u></u>
Non-current liabilities		
Long term borrowings	97,244	173,585
Deferred taxation	1,279	1,279
	<u>98,523</u>	<u>174,864</u>
Current liabilities		
Trade and other payables	19,568	23,548
Provision of other liabilities	-	-
Short term borrowings	86,653	7,203
Taxation	1,589	13
	<u>107,810</u>	<u>30,764</u>
<b>Total Liabilities</b>	<u>206,333</u>	<u>205,628</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>328,385</u></u>	<u><u>339,161</u></u>
 Net Assets Per Share (RM)	 0.72	 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 July 2009**

	(Unaudited) As at 31 July 2009 RM'000	(Unaudited) As at 31 July 2008 RM'000
(Loss)/Profit before Taxation	(10,034)	8,336
Adjustments for:		
Non-cash items	12,034	7,008
Operating Profit before Working Capital Changes	2,000	15,344
Changes in Working Capital		
Net change in current assets	(833)	(25,349)
Net change in current liabilities	1,055	7,608
Net Cash Generated From/(Used In) Operating Activities	2,222	(2,397)
Other cash used (tax payment etc) in operations	(10,825)	(8,725)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Income	303	188
Dividend received	3	7
Cash received from shares subscription of a new subsidiary	6	-
Subscription of shares in new subsidiary company	(4)	-
Acquisition of subsidiary, net of cash required	-	(37,405)
Capital expenditure	(2,923)	(1,849)
Net Cash (Used In)/Generated From Investing Activities	(2,615)	(39,059)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid	-	(4,937)
Share Buy-back	-	(138)
Proceeds from bank borrowings	2,248	61,565
Income tax refunded	424	-
Repayment of borrowings	(4,174)	(103)
Net Cash (Used In)/Generated From Financing Activities	(1,502)	56,387
Translation differences	127	(505)
Cash and Cash Equivalent at beginning of the year	31,219	32,578
Cash and Cash Equivalent at end of the year*	<b>18,626</b>	<b>38,279</b>
* Cash at banks and in hand	8,317	8,445
Fixed deposit accounts	10,389	29,914
	18,706	38,359
Less: Fixed deposit under lien	(80)	(80)
	<b>18,626</b>	<b>38,279</b>

**(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 July 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	-	-	-	-	-	-	(11,474)	(11,474)	(136)	(11,610)
Translation difference	-	-	-	127	-	-	-	127	-	127
Investment in a new subsidiary company	-	-	-	-	-	-	-	-	1	1
At 31 July 2009	<u>84,743</u>	<u>4,157</u>	<u>-</u>	<u>(672)</u>	<u>3,298</u>	<u>(2,120)</u>	<u>32,511</u>	<u>121,917</u>	<u>135</u>	<u>122,052</u>

	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 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 July 2008	<u>84,743</u>	<u>4,157</u>	<u>-</u>	<u>(1,353)</u>	<u>3,298</u>	<u>(2,120)</u>	<u>39,593</u>	<u>128,318</u>	<u>392</u>	<u>128,710</u>

(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)