

**OCTAGON CONSOLIDATED BERHAD**  
**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 JANUARY 2010**  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**For the Financial Period Ended 31 January 2010**

	Current Year Quarter 31 January 2010 RM'000	Preceding Year Quarter 31 January 2009 RM'000	Cumulative Quarter	
			Current Year To - date 31 January 2010 RM'000	Preceding Year Corresponding Period 31 January 2009 RM'000
Revenue	10,376	19,124	10,376	19,124
Operating expenses	(11,201)	(18,958)	(11,201)	(18,958)
Other income	470	139	470	139
	(355)	305	(355)	305
Finance costs	(2,476)	(2,504)	(2,476)	(2,504)
Share of loss of associate companies	(135)	(559)	(135)	(559)
(Loss) before taxation	(2,966)	(2,758)	(2,966)	(2,758)
Taxation	(380)	(344)	(380)	(344)
(Loss) after taxation	(3,346)	(3,102)	(3,346)	(3,102)
Minority interest	12	28	12	28
Net (loss)	(3,334)	(3,074)	(3,334)	(3,074)
Attributable to :				
Equity holders of the Company	(3,334)	(3,074)	(3,334)	(3,074)
Minority interest	(12)	(28)	(12)	(28)
	(3,346)	(3,102)	(3,346)	(3,102)
Basic (loss) per share (sen)	(2.00)	(1.84)	(2.00)	(1.84)
Diluted (loss) per share (sen)	*	*	*	*

\* 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 2009 and the accompanying notes attached to this report)**

**OCTAGON CONSOLIDATED BERHAD**  
**CONDENSED CONSOLIDATED BALANCE SHEET**  
**As at 31 JANUARY 2010**

	(Unaudited)	(Audited)
	As at	As at
	31 January 2010	31 October 2009
	RM'000	RM'000
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	45,636	45,769
Prepaid lease payments	11,396	11,433
Work-in-progress	76,568	75,532
Deferred tax assets	603	603
Development expenditure	16,960	17,092
Licensing rights on patents and technology	1,292	1,292
Goodwill on consolidation	32,913	32,913
Investment in associated companies	7,822	7,957
Other investments	2,466	2,466
Receivables	475	504
	<u>196,131</u>	<u>195,561</u>
Current assets		
Inventories	12,392	12,437
Trade and other receivables	81,378	82,230
Cash in hand and at bank	8,940	9,647
Fixed deposits with licensed bank	8,396	10,995
	<u>111,106</u>	<u>115,309</u>
<b>TOTAL ASSETS</b>	<u><u>307,237</u></u>	<u><u>310,870</u></u>
<b>EQUITY AND LIABILITIES</b>		
Equity		
Share Capital	84,743	84,743
Reserves	30,156	33,461
Equity attributable to equity holders of the Company	<u>114,899</u>	<u>118,204</u>
Minority Interest	98	110
<b>Total Equity</b>	<u><u>114,997</u></u>	<u><u>118,314</u></u>
Non-current liabilities		
Long term borrowings	160,694	93,194
Deferred taxation	730	730
	<u>161,424</u>	<u>93,924</u>
Current liabilities		
Trade and other payables	11,574	11,770
Short term borrowings	18,632	86,632
Taxation	610	230
	<u>30,816</u>	<u>98,632</u>
<b>Total Liabilities</b>	<u>192,240</u>	<u>192,556</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>307,237</u></u>	<u><u>310,870</u></u>
Net Assets Per Share (RM)	0.68	0.70

**(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2009 and the accompanying notes attached to this report)**

**OCTAGON CONSOLIDATED BERHAD**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**For the Financial Period Ended 31 January 2010**

	(Unaudited) As at 31 January 2010 RM'000	(Unaudited) As at 31 January 2009 RM'000
(Loss)/Profit before taxation	(2,966)	(2,758)
Adjustments for:		
Non-cash items	3,162	3,508
Operating Profit before Working Capital Changes	196	750
Changes in Working Capital		
Net change in current assets	1,995	2,864
Net change in current liabilities	(1,784)	(4,929)
Net Cash Generated From/(Used In) Operating Activities	407	(1,315)
Other cash used (tax payment etc) in operations	(1,707)	(4,256)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest income	44	119
Dividend received	1	3
Capital expenditure	(1,580)	(1,708)
Net Cash Used In Investing Activities	(1,535)	(1,586)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	-	6,341
Repayment of borrowings	(500)	(5)
Net Cash Generated From/(Used In) Financing Activities	(500)	6,336
Translation differences	29	(142)
Cash and Cash Equivalent at beginning of the year	20,562	31,219
Cash and Cash Equivalent at end of the year*	<b>17,256</b>	<b>30,256</b>
* Cash in hand and at banks	8,940	11,063
Fixed deposits with licensed banks	8,396	19,273
	17,336	30,336
Less: Fixed deposits with licensed bank under lien	(80)	(80)
	<b>17,256</b>	<b>30,256</b>

**(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2009 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 2010  
(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 2009	84,743	4,157	-	(650)	3,298	(2,120)	28,776	118,204	110	118,314
Net loss for the period	-	-	-	-	-	-	(3,334)	(3,334)	(12)	(3,346)
Translation difference	-	-	-	29	-	-	-	29	-	29
At 31 January 2010	84,743	4,157	-	(621)	3,298	(2,120)	25,442	114,899	98	114,997

	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 profit 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

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2009 and the accompanying notes attached to this report)