

**OCTAGON CONSOLIDATED BERHAD**  
**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 APRIL 2010**  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**For the Financial Period Ended 30 APRIL 2010**

	Cumulative Quarter			
	Current Year Quarter 30 April 2010 RM'000	Preceding Year Quarter 30 April 2009 RM'000	Current Year To - date 30 April 2010 RM'000	Preceding Year Corresponding Period 30 April 2009 RM'000
Revenue	9,961	14,180	20,337	33,304
Operating expenses	(10,119)	(14,213)	(21,320)	(33,147)
Other income	64	168	534	307
	(94)	135	(449)	464
Finance costs	(2,453)	(2,947)	(4,929)	(5,476)
Share of loss of associate companies	-	(657)	(135)	(1,215)
(Loss) before taxation	(2,547)	(3,469)	(5,513)	(6,227)
Taxation	(463)	(508)	(843)	(852)
(Loss) after taxation	(3,010)	(3,977)	(6,356)	(7,079)
Minority interest	10	91	22	119
Net (loss)	(3,000)	(3,886)	(6,334)	(6,960)
Attributable to :				
Equity holders of the Company	(3,000)	(3,886)	(6,334)	(6,960)
Minority interest	(10)	(91)	(22)	(119)
	(3,010)	(3,977)	(6,356)	(7,079)
Basic (loss) per share (sen)	(1.80)	(2.33)	(3.80)	(4.17)
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 30 APRIL 2010**

	(Unaudited) As at 30 April 2010 RM'000	(Audited) As at 31 October 2009 RM'000
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	45,334	45,769
Prepaid lease payments	11,362	11,433
Work-in-progress	77,534	75,532
Deferred tax assets	603	603
Development expenditure	16,728	17,092
Licensing rights on patents and technology	1,292	1,292
Goodwill on consolidation	32,913	32,913
Investment in associated company	7	7,957
Other investments	10,280	2,466
Receivables	457	504
	<u>196,510</u>	<u>195,561</u>
Current assets		
Inventories	12,614	12,437
Trade and other receivables	81,928	82,230
Cash in hand and at bank	6,569	9,647
Fixed deposits with licensed bank	5,840	10,995
	<u>106,951</u>	<u>115,309</u>
<b>TOTAL ASSETS</b>	<u><u>303,461</u></u>	<u><u>310,870</u></u>
<b>EQUITY AND LIABILITIES</b>		
Equity		
Share Capital	84,743	84,743
Reserves	27,154	33,461
Equity attributable to equity holders of the Company	<u>111,897</u>	<u>118,204</u>
Minority Interest	88	110
<b>Total Equity</b>	<u><u>111,985</u></u>	<u><u>118,314</u></u>
Non-current liabilities		
Long term borrowings	160,194	93,194
Deferred taxation	730	730
	<u>160,924</u>	<u>93,924</u>
Current liabilities		
Trade and other payables	10,847	11,770
Short term borrowings	18,632	86,632
Taxation	1,073	230
	<u>30,552</u>	<u>98,632</u>
<b>Total Liabilities</b>	<u>191,476</u>	<u>192,556</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>303,461</u></u>	<u><u>310,870</u></u>
 Net Assets Per Share (RM)	 0.66	 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 30 April 2010**

	(Unaudited) As at 30 April 2010 RM'000	(Unaudited) As at 30 April 2009 RM'000
(Loss)/Profit before taxation	(5,513)	(6,227)
Adjustments for:		
Non-cash items	6,415	7,468
Operating Profit before Working Capital Changes	902	1,241
Changes in Working Capital		
Net change in current assets	2,289	(1,876)
Net change in current liabilities	(1,673)	789
Net Cash Generated From Operating Activities	1,518	154
Other cash used (tax payment etc) in operations	(6,032)	(8,516)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest income	85	222
Dividend received	1	3
Capital expenditure	(2,832)	(3,203)
Net Cash Used In Investing Activities	(2,746)	(2,978)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	-	2,248
Income Tax refunded		424
Repayment of borrowings	(1,000)	(11)
Net Cash Generated From/(Used In) Financing Activities	(1,000)	2,661
Translation differences	27	(20)
Cash and Cash Equivalent at beginning of the year	20,562	31,219
Cash and Cash Equivalent at end of the year*	<b>12,329</b>	<b>22,520</b>
* Cash in hand and at banks	6,569	8,945
Fixed deposits with licensed banks	5,840	13,655
	12,409	22,600
Less: Fixed deposits with licensed bank under lien	(80)	(80)
	<b>12,329</b>	<b>22,520</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 30 April 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	-	-	-	-	-	-	(6,334)	(6,334)	(22)	(6,356)
Translation difference	-	-	-	27	-	-	-	27	-	27
At 30 April 2010	84,743	4,157	-	(623)	3,298	(2,120)	22,442	111,897	88	111,985

	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	-	-	-	-	-	-	(6,960)	(6,960)	(119)	(7,079)
Translation difference	-	-	-	(20)	-	-	-	(20)	-	(20)
At 30 April 2009	84,743	4,157	-	(819)	3,298	(2,120)	37,025	126,284	151	126,435

**(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)**