

OCTAGON CONSOLIDATED BERHAD
INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 JANUARY 2011
(THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED INCOME STATEMENT
For the Financial Period Ended 31 January 2011

	Current Year Quarter 31 January 2011 RM'000	Preceding Year Quarter 31 January 2010 RM'000	Cumulative Quarter Current Year To - date 31 January 2011 RM'000	Preceding Year Corresponding Period 31 January 2010 RM'000
Revenue	8,944	10,376	8,944	10,376
Operating expenses	(10,776)	(11,201)	(10,776)	(11,201)
Other income	383	470	383	470
	(1,449)	(355)	(1,449)	(355)
Finance costs	(2,233)	(2,476)	(2,233)	(2,476)
Share of loss of associate companies	-	(135)	-	(135)
(Loss) before taxation	(3,682)	(2,966)	(3,682)	(2,966)
Taxation	(261)	(380)	(261)	(380)
(Loss) after taxation	(3,943)	(3,346)	(3,943)	(3,346)
Minority interest	27	12	27	12
Net (loss)	(3,916)	(3,334)	(3,916)	(3,334)
Other comprehensive income:				
Currency translation differences arising from consolidation	(94)	29	(94)	29
Total comprehensive loss for the period	(4,010)	(3,305)	(4,010)	(3,305)
Attributable to :				
Equity holders of the Company	(3,916)	(3,334)	(3,916)	(3,334)
Minority interest	(27)	(12)	(27)	(12)
	(3,943)	(3,346)	(3,943)	(3,346)
Total comprehensive loss attributable to:				
Equity holders of the Company	(4,010)	(3,305)	(4,010)	(3,305)
Minority interest	(27)	(12)	(27)	(12)
	(4,037)	(3,317)	(4,037)	(3,317)
Basic (loss) per share (sen)	(2.35)	(2.00)	(2.35)	(2.00)
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 2010 and the accompanying notes attached to this report)

OCTAGON CONSOLIDATED BERHAD
CONDENSED CONSOLIDATED BALANCE SHEET
As at 31 JANUARY 2011

	(Unaudited) As at 31 January 2011 RM'000	(Audited) As at 31 October 2010 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	45,463	45,590
Prepaid lease payments	11,133	11,231
Work-in-progress	80,124	79,477
Deferred tax assets	443	443
Development expenditure	74,137	72,955
Licensing rights on patents and technology	1,292	1,292
Goodwill on consolidation	33,087	33,090
Investment in associated companies	7	7
Other investments	7,862	7,862
Receivables	230	253
	<u>253,778</u>	<u>252,200</u>
Current assets		
Inventories	11,638	12,120
Trade and other receivables	31,183	29,924
Cash in hand and at bank	3,269	5,670
Fixed deposits with licensed bank	1,505	5,870
	<u>47,595</u>	<u>53,584</u>
TOTAL ASSETS	<u><u>301,373</u></u>	<u><u>305,784</u></u>
EQUITY AND LIABILITIES		
Equity		
Share Capital	84,743	84,743
Reserves	1,236	5,245
Equity attributable to equity holders of the Company	<u>85,979</u>	<u>89,988</u>
Minority Interest	387	414
Total Equity	<u>86,366</u>	<u>90,402</u>
Non-current liabilities		
Long term borrowings	170,474	103,852
Deferred taxation	618	618
	<u>171,092</u>	<u>104,470</u>
Current liabilities		
Trade and other payables	38,598	35,734
Short term borrowings	5,000	75,122
Taxation	317	56
	<u>43,915</u>	<u>110,912</u>
Total Liabilities	215,007	215,382
TOTAL EQUITY AND LIABILITIES	<u><u>301,373</u></u>	<u><u>305,784</u></u>
Net Assets Per Share (RM)	0.51	0.53

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2010 and the accompanying notes attached to this report)

OCTAGON CONSOLIDATED BERHAD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the Financial Period Ended 31 January 2011

	(Unaudited) As at 31 January 2011 RM'000	(Unaudited) As at 31 January 2010 RM'000
(Loss)/Profit before taxation	(3,682)	(2,966)
Adjustments for:		
Non-cash items	3,373	3,162
Operating Profit before Working Capital Changes	(309)	196
Changes in Working Capital		
Net change in current assets	(754)	1,995
Net change in current liabilities	2,864	(1,784)
Net Cash Generated From/(Used In) Operating Activities	1,801	407
Other cash used (tax payment etc) in operations	(3,028)	(1,707)
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	18	44
Dividend received	3	1
Tax refund	446	-
Sales proceed	20	-
Capital expenditure	(2,432)	(1,580)
Net Cash Used In Investing Activities	(1,945)	(1,535)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	-	-
Repayment of borrowings	(3,500)	(500)
Net Cash Generated From/(Used In) Financing Activities	(3,500)	(500)
Translation differences	(94)	29
Cash and Cash Equivalent at beginning of the year	11,460	20,562
Cash and Cash Equivalent at end of the year*	4,694	17,256
* Cash in hand and at banks	3,269	8,940
Fixed deposits with licensed banks	1,505	8,396
	4,774	17,336
Less: Fixed deposits with licensed bank under lien	(80)	(80)
	4,694	17,256

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2010 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 2011
(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 2010	84,743	4,157	-	(736)	3,298	(2,120)	647	89,989	414	90,403
Total comprehensive loss for the period	-	-	-	(94)	-	-	(3,916)	(4,010)	(27)	(4,037)
At 31 January 2011	84,743	4,157	-	(830)	3,298	(2,120)	(3,269)	85,979	387	86,366

	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
Total comprehensive loss for the period	-	-	-	29	-	-	(3,334)	(3,305)	(12)	(3,317)
At 31 January 2010	84,743	4,157	-	(621)	3,298	(2,120)	25,442	114,899	98	114,997

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2010 and the accompanying notes attached to this report)