

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

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

	Current Year		Cumulative Quarter	
	31 July 2011	Preceding Year 31 July 2010	Current Year To - date 31 July 2011	Preceding Year Corresponding Period 31 July 2010
	RM'000	RM'000	RM'000	RM'000
Revenue	9,851	10,352	27,249	30,689
Operating expenses	(10,317)	(12,524)	(31,891)	(33,858)
Other income	60	58	468	592
	(406)	(2,114)	(4,174)	(2,577)
Finance costs	(2,380)	(2,094)	(6,945)	(7,009)
Share of loss of associate companies	-	(1)	-	(136)
(Loss) before taxation	(2,786)	(4,209)	(11,119)	(9,722)
Taxation	(304)	(521)	(720)	(1,364)
(Loss) after taxation	(3,090)	(4,730)	(11,839)	(11,086)
Minority interest	(154)	10	(314)	32
Net (loss)	(3,244)	(4,720)	(12,153)	(11,054)
Other comprehensive income:				
Currency translation differences arising from consolidation	(62)	11	(54)	38
Total comprehensive loss for the period	<u>(3,306)</u>	<u>(4,709)</u>	<u>(12,207)</u>	<u>(11,016)</u>
Attributable to :				
Equity holders of the Company	(3,244)	(4,720)	(12,153)	(11,054)
Minority interest	154	(10)	314	(32)
	<u>(3,090)</u>	<u>(4,730)</u>	<u>(11,839)</u>	<u>(11,086)</u>
Total comprehensive loss attributable to:				
Equity holders of the Company	(3,306)	(4,709)	(12,207)	(11,016)
Minority interest	187	(10)	314	(32)
	<u>(3,119)</u>	<u>(4,719)</u>	<u>(11,893)</u>	<u>(11,048)</u>
Basic (loss) per share (sen)	(1.95)	(2.83)	(7.29)	(6.63)
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 JULY 2011

	(Unaudited)	(Audited)
	As at	As at
	31 July 2011	31 October 2010
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	44,574	45,590
Prepaid lease payments	11,065	11,231
Work-in-progress	81,968	79,477
Deferred tax assets	443	443
Development expenditure	74,293	72,955
Licensing rights on patents and technology	1,292	1,292
Goodwill on consolidation	33,083	33,090
Investment in associated companies	6	7
Other investments	7,862	7,862
Receivables	218	253
	<u>254,804</u>	<u>252,200</u>
Current assets		
Inventories	13,601	12,120
Trade and other receivables	31,692	29,924
Cash in hand and at bank	2,053	5,670
Fixed deposits with licensed bank	90	5,870
	<u>47,436</u>	<u>53,584</u>
TOTAL ASSETS	<u><u>302,240</u></u>	<u><u>305,784</u></u>
EQUITY AND LIABILITIES		
Equity		
Share Capital	84,743	84,743
Reserves	(6,961)	5,245
Equity attributable to equity holders of the Company	<u>77,782</u>	<u>89,988</u>
Minority Interest	728	414
Total Equity	<u>78,510</u>	<u>90,402</u>
Non-current liabilities		
Long term borrowings	168,474	103,852
Deferred taxation	618	618
	<u>169,092</u>	<u>104,470</u>
Current liabilities		
Trade and other payables	43,555	35,734
Short term borrowings	10,363	75,122
Taxation	720	56
	<u>54,638</u>	<u>110,912</u>
Total Liabilities	223,730	215,382
TOTAL EQUITY AND LIABILITIES	<u><u>302,240</u></u>	<u><u>305,784</u></u>
 Net Assets Per Share (RM)	 0.46	 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 July 2011

	(Unaudited) As at 31 July 2011 RM'000	(Unaudited) As at 31 July 2010 RM'000
(Loss)/Profit before taxation	(11,119)	(9,722)
Adjustments for:		
Non-cash items	9,825	11,832
Operating Profit before Working Capital Changes	(1,294)	2,110
Changes in Working Capital		
Net change in current assets	(3,214)	1,743
Net change in current liabilities	7,821	6,069
Net Cash Generated From/(Used In) Operating Activities	3,313	9,922
Other cash used (tax payment etc) in operations	(9,195)	(8,404)
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	40	124
Dividend received	5	2
Cash received shares subscription of a new subsidiary	-	174
Tax refund	3,107	-
Sales proceed	20	35
Capital expenditure	(5,133)	(7,775)
Net Cash Used In Investing Activities	(1,961)	(7,440)
CASH FLOW FROM FINANCING ACTIVITIES		
Net drawdown/(repayment) of banker's acceptance	2,500	-
Repayment of borrowings	(4,000)	(1,000)
Net Cash Generated From/(Used In) Financing Activities	(1,500)	(1,000)
Translation differences	(54)	38
Cash and Cash Equivalent at beginning of the year	11,460	20,562
Cash and Cash Equivalent at end of the year*	2,063	13,678
* Cash in hand and at banks	2,053	8,417
Fixed deposits with licensed banks	90	5,341
	2,143	13,758
Less: Fixed deposits with licensed bank under lien	(80)	(80)
	2,063	13,678

(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 July 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	-	-	-	(54)	-	-	(12,153)	(12,207)	314	(11,893)
At 31 July 2011	84,743	4,157	-	(790)	3,298	(2,120)	(11,506)	77,782	728	78,510

	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	-	-	-	38	-	-	(11,054)	(11,016)	(32)	(11,048)
At 31 July 2010	84,743	4,157	-	(612)	3,298	(2,120)	17,722	107,188	78	107,266

(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)