

OCTAGON CONSOLIDATED BERHAD
INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 JANUARY 2012
(THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Financial Period Ended 31 January 2012

	Current Year Quarter 31 January 2012 RM'000	Preceding Year Quarter 31 January 2011 RM'000	Cumulative Quarter Current Year To - date 31 January 2012 RM'000	Preceding Year Corresponding Period 31 January 2011 RM'000
Revenue	11,550	8,944	11,550	8,944
Operating expenses	(14,967)	(10,776)	(14,967)	(10,776)
Other income	14	383	14	383
	(3,403)	(1,449)	(3,403)	(1,449)
Finance costs	(2,473)	(2,233)	(2,473)	(2,233)
Share of loss of associate company	-	-	-	-
(Loss) before taxation	(5,876)	(3,682)	(5,876)	(3,682)
Taxation	(394)	(261)	(394)	(261)
(Loss) after taxation	(6,270)	(3,943)	(6,270)	(3,943)
Other comprehensive income:				
Currency translation differences arising from consolidation	(19)	(94)	(19)	(94)
Total comprehensive loss for the period	(6,289)	(4,037)	(6,289)	(4,037)
Attributable to :				
Owners of the parent	(5,133)	(3,916)	(5,133)	(3,916)
Non-controlling interests	(1,137)	(27)	(1,137)	(27)
	(6,270)	(3,943)	(6,270)	(3,943)
Total comprehensive loss attributable to:				
Owners of the parent	(5,152)	(4,010)	(5,152)	(4,010)
Non-controlling interests	(1,137)	(27)	(1,137)	(27)
	(6,289)	(4,037)	(6,289)	(4,037)
Basic (loss) per share (sen)	(3.08)	(2.35)	(3.08)	(2.35)
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 2011 and the accompanying notes attached to this report)

OCTAGON CONSOLIDATED BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 JANUARY 2012

	(Unaudited)	(Audited)
	As at	As at
	31 January 2012	31 October 2011
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	53,111	53,654
Prepaid lease payments	2,209	2,248
Work-in-progress	82,920	82,558
Deferred tax assets	382	382
Development expenditure	76,870	78,158
Licensing rights on patents and technology	1,292	1,292
Goodwill on consolidation	33,091	33,091
Investment in associate company	-	-
Other investments	7,888	7,888
Receivables	141	127
	<u>257,904</u>	<u>259,398</u>
Current assets		
Inventories	13,189	13,848
Receivables	28,881	27,397
Cash in hand and at bank	3,184	2,978
Fixed deposits with licensed bank	110	110
	<u>45,364</u>	<u>44,333</u>
TOTAL ASSETS	<u><u>303,268</u></u>	<u><u>303,731</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	84,743	84,743
Reserves	(17,276)	(12,673)
Equity attributable to owners of the parent	<u>67,467</u>	<u>72,070</u>
Non-controlling interests	3,469	4,606
Total Equity	<u>70,936</u>	<u>76,676</u>
Non-current liabilities		
Long term borrowings	72,974	63,872
Post employment benefits	133	136
Deferred taxation	756	572
	<u>73,863</u>	<u>64,580</u>
Current liabilities		
Payables	41,303	45,244
Short term borrowings	116,768	117,227
Taxation	398	4
	<u>158,469</u>	<u>162,475</u>
Total Liabilities	232,332	227,055
TOTAL EQUITY AND LIABILITIES	<u><u>303,268</u></u>	<u><u>303,731</u></u>
Net Assets Per Share (RM)	0.40	0.43

OCTAGON CONSOLIDATED BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
For the Financial Period Ended 31 January 2012

	(Unaudited) As at 31 January 2012 RM'000	(Unaudited) As at 31 January 2011 RM'000
Loss before taxation	(5,876)	(3,682)
Adjustments for:		
Non-cash items	5,295	3,373
Operating Profit before Working Capital Changes	(581)	(309)
Changes in Working Capital		
Net change in current assets	(1,259)	(754)
Net change in current liabilities	1,056	2,864
Net Cash Generated From Operating Activities	(784)	1,801
Other cash used (tax payment etc) in operations	(1,737)	(3,028)
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	1	18
Dividend received	2	3
Tax Refund	-	446
Sales proceed	-	20
Capital expenditure	(1,548)	(2,432)
Net Cash Used In Investing Activities	(1,545)	(1,945)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of bank borrowings	(405)	-
Proceeds from issuance of Redeemable Convertible Preference Shares	5,000	-
Repayment of borrowings	(250)	(3,500)
Net Cash Generated From/(Used In) Financing Activities	4,345	(3,500)
Translation differences	(19)	(94)
Cash and Cash Equivalent at beginning of the year	1,656	11,460
Cash and Cash Equivalent at end of the year*	1,916	4,694
* Cash in hand and at banks	3,184	3,269
Fixed deposits with licensed banks	110	1,505
Bank overdraft	(1,298)	-
	1,996	4,774
Less: Fixed deposits with licensed bank under lien	(80)	(80)
	1,916	4,694

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2011 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 2012
(The figures have not been audited)**

	Share Capital RM'000	Share Premium RM'000	Fair Value Rserve RM'000	Translation Reserve RM'000	RCPS - Equity Component RM'000	Warrant Reserve RM'000	Treasury Reserve RM'000	(Accumulate d loss) RM'000	Total Shareholder Equity RM'000	Non- controlling Interests RM'000	Total Equity RM'000
At 1 November 2011	84,743	4,157	26	(1,649)	-	3,298	(2,120)	(16,385)	72,070	4,606	76,676
Total comprehensive loss for the period	-	-	-	(19)	549	-	-	(5,133)	(4,603)	(1,137)	(5,740)
At 31 January 2012	84,743	4,157	26	(1,668)	549	3,298	(2,120)	(21,518)	67,467	3,469	70,936

	Share Capital RM'000	Share Premium RM'000	Fair Value Rserve RM'000	Translation Reserve RM'000	RCPS - Equity Component RM'000	Warrant Reserve RM'000	Treasury Reserve RM'000	Retained Earnings/ (Accumulate d loss) RM'000	Total Shareholder Equity RM'000	Non- controlling Interests 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
Effect of adopting FRS139	-	-	38,840	-	-	-	-	(88,711)	(49,871)	-	(49,871)
Total comprehensive loss for the period	-	-	-	(94)	-	-	-	(3,916)	(4,010)	(27)	(4,037)
At 31 January 2011	84,743	4,157	38,840	(830)	-	3,298	(2,120)	(91,980)	36,108	387	36,495

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 October 2011 and the accompanying notes attached to this report)