

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

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

	Current Year Quarter 31 July 2012 RM'000	Preceding Year Quarter 31 July 2011 RM'000	Cumulative Quarter Current Year To - date 31 July 2012 RM'000	Preceding Year Corresponding Period 31 July 2011 RM'000
Revenue	10,778	9,851	33,459	27,249
Operating expenses	(11,738)	(10,317)	(36,740)	(31,891)
Other income	43	60	74	468
	(917)	(406)	(3,207)	(4,174)
Finance costs	(2,590)	(2,380)	(7,652)	(6,945)
Share of loss of associate company	-	-	-	-
(Loss) before taxation	(3,507)	(2,786)	(10,859)	(11,119)
Taxation	(147)	(304)	(973)	(720)
(Loss) after taxation	(3,654)	(3,090)	(11,832)	(11,839)
Other comprehensive income:				
Currency translation differences arising from consolidation	1,318	(62)	(3,926)	(54)
Total comprehensive loss for the period	(2,336)	(3,152)	(15,758)	(11,893)
Attributable to :				
Owners of the parent	(3,578)	(3,244)	(10,958)	(12,153)
Non-controlling interests	(76)	154	(874)	314
	(3,654)	(3,090)	(11,832)	(11,839)
Total comprehensive loss attributable to:				
Owners of the parent	(5,104)	(3,306)	(13,576)	(12,207)
Non-controlling interests	2,768	154	(2,182)	314
	(2,336)	(3,152)	(15,758)	(11,893)
Basic (loss) per share (sen)	(2.15)	(1.94)	(6.57)	(7.29)
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 July 2012

	(Unaudited)	(Audited)
	As at	As at
	31 July 2012	31 October 2011
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	52,600	53,654
Prepaid lease payments	2,131	2,248
Work-in-progress	85,524	82,558
Deferred tax assets	382	382
Development expenditure	80,281	78,158
Licensing rights on patents and technology	1,292	1,292
Goodwill on consolidation	33,095	33,091
Investment in associate company	-	-
Other investments	7,888	7,888
Receivables	185	127
	<u>263,378</u>	<u>259,398</u>
Current assets		
Inventories	14,636	13,848
Receivables	25,353	27,397
Cash in hand and at bank	4,632	2,978
Fixed deposits with licensed bank	110	110
	<u>44,731</u>	<u>44,333</u>
TOTAL ASSETS	<u><u>308,109</u></u>	<u><u>303,731</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	84,743	84,743
Reserves	(27,008)	(12,673)
Equity attributable to owners of the parent	<u>57,735</u>	<u>72,070</u>
Non-controlling interests	2,424	4,606
Total Equity	<u><u>60,159</u></u>	<u><u>76,676</u></u>
Non-current liabilities		
Long term borrowings	9,752	63,872
Post employment benefits	135	136
Deferred taxation	756	572
	<u>10,643</u>	<u>64,580</u>
Current liabilities		
Payables	52,346	45,244
Short term borrowings	184,961	117,227
Taxation	-	4
	<u>237,307</u>	<u>162,475</u>
Total Liabilities	<u>247,950</u>	<u>227,055</u>
TOTAL EQUITY AND LIABILITIES	<u><u>308,109</u></u>	<u><u>303,731</u></u>
Net Assets Per Share (RM)	0.35	0.43

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

	(Unaudited) As at 31 July 2012 RM'000	(Unaudited) As at 31 July 2011 RM'000
Loss before taxation	(10,859)	(11,119)
Adjustments for:		
Non-cash items	10,416	9,825
Operating Profit before Working Capital Changes	(443)	(1,294)
Changes in Working Capital		
Net change in current assets	778	(3,214)
Net change in current liabilities	12,101	7,821
Net Cash Generated From Operating Activities	12,436	3,313
Other cash used (tax payment etc) in operations	(3,730)	(9,195)
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	6	40
Dividend received	5	5
Tax Refund	1,474	3,107
Drawdown from bank borrowings	5,191	2,500
Sale proceed	-	20
Capital expenditure	(13,473)	(5,133)
Net Cash Used In Investing Activities	(6,797)	539
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of bank borrowings	(1,135)	-
Proceeds from issuance of Redeemable Convertible Preference Shares	5,000	-
Repayment of borrowings	(250)	(4,000)
Net Cash Generated From/(Used In) Financing Activities	3,615	(4,000)
Translation differences	(3,926)	(54)
Cash and Cash Equivalent at beginning of the year	1,656	11,460
Cash and Cash Equivalent at end of the year*	3,254	2,063
* Cash in hand and at banks	4,632	2,053
Fixed deposits with licensed banks	110	90
Bank overdraft	(1,408)	-
	3,334	2,143
Less: Fixed deposits with licensed bank under lien	(80)	(80)
	3,254	2,063

(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 July 2012
(The figures have not been audited)**

	Share Capital RM'000	Share Premium RM'000	Fair Value Reserve 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	-	-	-	(3,926)	549	-	-	(10,958)	(14,335)	(2,182)	(16,517)
At 31 July 2012	84,743	4,157	26	(5,575)	549	3,298	(2,120)	(27,343)	57,735	2,424	60,159

	Share Capital RM'000	Share Premium RM'000	Fair Value Reserve 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	-	-	-	(54)	-	-	-	(12,153)	(12,207)	314	(11,893)
At 31 July 2011	84,743	4,157	38,840	(790)	-	3,298	(2,120)	(100,217)	27,911	728	28,639

(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)