

**KOSSAN RUBBER INDUSTRIES BHD**

Company No. 48166-W  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED BALANCE SHEET**

*(These figures have not been audited)*

	UNAUDITED AS AT END OF CURRENT QUARTER 30/09/2010 RM '000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31/12/2009 RM '000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	390,647	359,255
Intangible assets	864	864
Other investment	116	116
Deferred tax asset	434	434
	<u>392,061</u>	<u>360,669</u>
<b>Current Assets</b>		
Inventories	123,260	109,917
Trade receivables	153,217	142,342
Other receivables	32,737	52,102
Cash and bank balances	65,516	23,515
	<u>374,730</u>	<u>327,876</u>
<b>TOTAL ASSETS</b>	<u>766,791</u>	<u>688,545</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	159,927	79,933
Reserves	261,264	277,435
	<u>421,191</u>	<u>357,368</u>
Minority shareholders' interest	1,830	1,631
<b>Total Equity</b>	<u>423,021</u>	<u>358,999</u>
<b>Non-Current Liabilities</b>		
Bank borrowings	27,594	33,791
Deferred taxation	33,895	21,282
Hire purchase creditors	3,442	13,562
	<u>64,931</u>	<u>68,635</u>
<b>Current Liabilities</b>		
Trade and other payables	124,878	118,936
Short term borrowings	146,141	137,994
Taxation	7,820	3,981
	<u>278,839</u>	<u>260,911</u>
<b>Total liabilities</b>	<u>343,770</u>	<u>329,546</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>766,791</u>	<u>688,545</u>
<b>Net assets per share (sen)</b>	131	223

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2009

**KOSSAN RUBBER INDUSTRIES BHD**

Company No. 48166-W  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 SEPTEMBER 2010**

*(These figures have not been audited)*

	Attributable to equity holders of Company				Minority Interest	Total
	Share Capital	Capital Reserve	Retained earnings	Total		
	RM '000	RM '000	RM '000	RM '000		
<b>Unaudited - 9 months ended 30 September 2010</b>						
At 01 January 2010, as per audited accounts	79,933	1,209	276,226	357,368	1,631	358,999
- effect of adopting FRS 139	-	-	(10,731)	(10,731)	-	(10,731)
At 01 January 2010, as restated	79,933	1,209	265,495	346,637	1,631	348,268
Total comprehensive income for the period (cumulative)	-	-	88,942	88,942	199	89,141
Bonus issue	79,994	-	(79,994)	-	-	-
Dividend paid	-	-	(14,388)	(14,388)	-	(14,388)
At 30 September 2010	159,927	1,209	260,055	421,191	1,830	423,021
<b>Unaudited - 9 months ended 30 September 2009</b>						
At 01 January 2009	79,933	1,271	217,679	298,883	976	299,859
Total comprehensive income for the period (cumulative)	-	-	42,826	42,826	218	43,044
Dividend paid	-	-	(8,193)	(8,193)	-	(8,193)
At 30 September 2009	79,933	1,271	252,312	333,516	1,194	334,710

**The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2009**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE PERIOD ENDED 30 SEPTEMBER 2010**

*(These figures have not been audited)*

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current year Quarter 30/09/2010	Preceding Year Corresponding Quarter 30/09/2009	Current year to Date (unaudited) 30/09/2010	Preceding Year to Date (audited) 30/09/2009
	RM '000	RM '000	RM '000	RM '000
<b>Revenue</b>	275,635	210,088	794,898	609,222
Operating expenses	(236,133)	(187,341)	(677,112)	(547,067)
Other operating income/	569	138	1,471	632
Profit from operations	40,071	22,885	119,257	62,787
Finance cost	(1,963)	(2,089)	(6,109)	(6,953)
<b>Profit before taxation</b>	38,108	20,796	113,148	55,834
Taxation	(9,577)	(5,510)	(24,007)	(12,790)
<b>Profit after taxation</b>	28,531	15,286	89,141	43,044
<b>Attributable to:</b>				
Equity shareholders of the Company	28,551	15,368	88,942	42,826
Minority interests	(20)	(82)	199	218
	28,531	15,286	89,141	43,044
<b>Earnings per share (sen)</b>				
Basic based on 319,733,952 ordinary shares of RM 0.50 each	9	5	28	13
<b>Profit after taxation</b>	28,531	15,286	89,141	43,044
Other comprehensive income				
- Exchange difference translation	-	-	-	-
Total comprehensive income for the period	28,531	15,286	89,141	43,044
<b>Total comprehensive income for the period attributable to:</b>				
Equity shareholders of the Company	28,551	15,368	88,942	42,826
Minority interests	(20)	(82)	199	218
	28,531	15,286	89,141	43,044

**The Condensed Consolidated Income Statement should be read in conjunction with the  
 Audited Annual Financial Statements for the year ended 31 December 2009**

**KOSSAN RUBBER INDUSTRIES BHD**

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE PERIOD ENDED 30 SEPTEMBER 2010**

*(These figures have not been audited)*

	Year to date ended 30/09/2010 RM '000	Year to date ended 31/12/2009 RM '000
<b>Net profit before taxation</b>	113,148	85,828
<b>Adjustment for non-cash items</b>		
Depreciation	25,980	33,652
Other non cash items	(14,306)	16,767
<b>Operating profit before changes in working capital</b>	124,822	136,247
<b>Changes in Working Capital</b>		
Net change in current assets	(28,415)	(32,910)
Net change in current liabilities	(4,178)	(21,432)
<b>Net cash from operating activities</b>	92,229	81,905
<b>Investing Activities</b>		
Liquidation of associate company	-	-
Acquisition of property , plant and equipment	(57,372)	(40,573)
	34,857	41,332
<b>Financing activities</b>		
Net of finance borrowings and repayments	7,961	(31,570)
Dividends paid	(14,388)	(8,193)
Proceeds from insurance	19,581	4,000
<b>Net change in cash &amp; cash equivalent</b>	48,011	5,569
<b>Cash &amp; cash equivalent at beginning of year</b>	17,402	11,833
<b>Cash &amp; cash equivalent at end of the period</b>	65,413	17,402
<b>Cash &amp; cash equivalent at end of the period</b>		
Cash & bank balances	16,009	4,824
Short term deposits with licensed banks	49,507	18,691
Bank overdrafts	(103)	(5,422)
	65,413	18,093
Less Deposits pledged to banks	-	(691)
	65,413	17,402

**The Condensed Consolidated Cash Flow Statement should be read in conjunction with  
the Audited Annual Financial Statements for the year ended 31 December 2009**