

KOSSAN RUBBER INDUSTRIES BHD

Company No. 48166-W

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION*(These figures have not been audited)*

	UNAUDITED AS AT END OF CURRENT PERIOD 30/09/2014 RM '000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31/12/2013 RM '000
ASSETS		
Non-Current Assets		
Property, plant & equipment	698,393	600,539
Intangible assets	4,926	4,926
Other investment	116	116
Deferred tax asset	0	0
	703,435	605,581
Current Assets		
Inventories	184,092	148,782
Trade receivables	217,296	221,562
Current tax assets	0	3,531
Other receivables	20,366	25,961
Cash and bank balances	89,174	100,601
	510,928	500,437
TOTAL ASSETS	1,214,363	1,106,018
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	319,734	319,734
Reserves	468,612	385,207
	788,346	704,941
Minority shareholders' interest	19,292	17,069
Total Equity	807,638	722,010
Non-Current Liabilities		
Bank loan borrowings	57,180	37,862
Deferred taxation	61,346	55,897
Finance lease liabilities	21,608	11,523
	140,134	105,282
Current Liabilities		
Trade and other payables	138,743	142,071
Foreign exchange derivatives	1,843	7,038
Finance lease liabilities	26,632	7,415
Short term borrowings	80,720	97,623
Bank loan borrowings	17,936	14,548
Taxation	717	10,031
	266,591	278,726
Total liabilities	406,725	384,008
TOTAL EQUITY AND LIABILITIES	1,214,363	1,106,018
Net assets per share (sen)	123	109

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2013

KOSSAN RUBBER INDUSTRIES BHD

Company No. 48166-W
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(These figures have not been audited)

	Attributable to equity holders of Company					Total	Minority Interest	Total
	Share Capital	Share Premium	Translation Reserve	Treasury Shares	Retained earnings			
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Unaudited - period ended 30 September 2014								
At 01 January 2014	319,734	4,151	855	0	380,201	704,941	17,069	722,010
Total comprehensive income for the period (cumulative)	0	0	(44)	0	105,830	105,786	2,223	108,009
Dividend paid	0	0	0	0	(22,381)	(22,381)	0	(22,381)
At 30 September 2014	319,734	4,151	811	0	463,650	788,346	19,292	807,638
Unaudited - period ended 30 September 2013								
At 01 January 2013	159,867	11	(150)	(3,460)	448,331	604,599	12,790	617,389
Total comprehensive income for the period (cumulative)	0	0	(307)	0	102,089	101,782	2,719	104,501
Dividend paid	0	0	0	0	(22,303)	(22,303)	0	(22,303)
At 30 September 2013	159,867	11	(457)	(3,460)	528,117	684,078	15,509	699,587

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2013

KOSSAN RUBBER INDUSTRIES BHD

Company No. 48166-W

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME*(These figures have not been audited)*

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current year Quarter 30/09/2014	Preceding Year Corresponding Quarter 30/09/2013	Current year to Date (unaudited) 30/09/2014	Preceding Year to Date (unaudited) 30/09/2013
	RM '000	RM '000	RM '000	RM '000
Revenue	328,352	333,547	938,355	982,386
Operating expenses	(281,903)	(285,090)	(798,700)	(843,739)
Other operating income	1,270	845	3,639	2,689
Profit from operations	47,719	49,302	143,294	141,336
Finance cost	(2,459)	(1,576)	(6,088)	(5,083)
Profit before taxation	45,260	47,726	137,206	136,253
Taxation	(9,821)	(11,046)	(29,153)	(31,445)
Profit after taxation	35,439	36,680	108,053	104,808
Attributable to:				
Equity shareholders of the Company	34,403	35,405	105,830	102,089
Minority interests	1,036	1,275	2,223	2,719
	35,439	36,680	108,053	104,808
Earnings per share attributed to equity holders of the Company				
Basic (sen)	5.38	5.54	16.55	15.96
Total comprehensive income for the period attributable to:				
Equity shareholders of the Company	34,403	35,405	105,830	102,089
Minority interests	1,036	1,275	2,223	2,719
	35,439	36,680	108,053	104,808
Profit after taxation	35,439	36,680	108,053	104,808
Other comprehensive income				
- Exchange difference translation	0	0	0	0
Total comprehensive income for the period	35,439	36,680	108,053	104,808

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2013

KOSSAN RUBBER INDUSTRIES BHD

Company No. 48166-W
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

(These figures have not been audited)

	Year to date ended 30/09/2014	Audited Year to date ended 31/12/2013
	RM '000	RM '000
Net profit before taxation	137,206	180,134
Adjustment for non-cash items		
Depreciation	40,956	50,983
Interest income	(1,976)	(2,689)
Interest expenses	6,088	6,884
Gain/(loss) from disposal of fixed assets	0	7
Foreign exchange (gain)/loss - unrealised	0	(79)
Loss on derivatives - unrealised	1,843	7,038
Negative goodwill	0	0
Impairment of assets	0	474
Operating profit before changes in working capital	<u>184,117</u>	<u>242,752</u>
Changes in Working Capital		
Net change in current assets	(25,571)	(22,371)
Net change in current liabilities	(10,366)	27,758
Cash from operating activities	<u>148,180</u>	<u>248,139</u>
Dividends paid	(22,303)	(44,685)
Interest expenses	(6,088)	(6,884)
Interest income	1,976	2,689
Taxation paid	(29,487)	(35,182)
Net cash from operating activities	<u>92,278</u>	<u>164,077</u>
Investing Activities		
Proceed from disposal of fixed assets	0	994
Acquisition of property, plant and equipment	(138,810)	(119,821)
	<u>(46,532)</u>	<u>45,250</u>
Financing activities		
Additional/(Repayment) of finance lease liabilities	29,302	(9,966)
Additional/(Repayment) of bank borrowings	2,667	(39,365)
Proceed from disposal of treasury shares	0	7,600
Decrease in deposit pledged	0	700
Net change in cash & cash equivalent	<u>(14,563)</u>	<u>4,219</u>
Cash & cash equivalent at beginning of year	97,975	93,756
Cash & cash equivalent at end of the period	<u>83,412</u>	<u>97,975</u>
Cash & cash equivalent at end of the period		
Cash & bank balances	9,599	69,345
Short term deposits with licensed banks	79,575	31,256
Bank overdrafts	(5,506)	(2,370)
	<u>83,668</u>	<u>98,231</u>
Less Deposits pledged to banks	(256)	(256)
	<u>83,412</u>	<u>97,975</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2013

KOSSAN RUBBER INDUSTRIES BHD

Company No. 48166-W

(Incorporated in Malaysia)

NOTES TO CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME*(These figures have not been audited)*

	Current year Quarter	Current year to Date
	30/09/2014	30/09/2014
	RM '000	RM '000
Other operating income		
Interest income	733	1,976
Rental income	63	117
Other income	474	1,546
Gain/(loss) in disposal of assets	0	0
Bad debts recovered	0	0
	1,270	3,639
Interest expenses	2,459	6,088
Depreciation	13,519	40,956
Provision for/write off of receivables	252	252
Provision for/write off of inventories	0	0
Gain/(loss) on disposal of unquoted investment	0	0
Gain/(loss) on disposal of properties	0	0
Impairment of assets	0	0
Foreign exchange gain/(loss) - realised	1,312	8,151
Foreign exchange gain/(loss) - unrealised	0	0
Gain/ (loss) on derivatives - unrealised	(1,843)	(1,843)
Exceptional items	0	0