

**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 30/09/2015 <b>RM '000</b>	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31/12/2014 <b>RM '000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	768,762	724,616
Intangible assets	4,926	4,926
Other investment	116	116
Deferred tax asset	0	11
	<b>773,804</b>	<b>729,669</b>
<b>Current Assets</b>		
Inventories	206,035	193,532
Trade receivables	294,765	259,897
Current tax assets	0	7,844
Other investment	0	8,143
Other receivables	22,337	26,681
Cash and bank balances	115,439	63,899
	<b>638,576</b>	<b>559,996</b>
<b>TOTAL ASSETS</b>	<b><u>1,412,380</u></b>	<b><u>1,289,665</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	319,734	319,734
Reserves	607,925	487,296
	<b>927,659</b>	<b>807,030</b>
Minority shareholders' interest	23,459	20,983
<b>Total Equity</b>	<b><u>951,118</u></b>	<b><u>828,013</u></b>
<b>Non-Current Liabilities</b>		
Bank loan borrowings	87,261	38,630
Deferred taxation	68,234	62,456
Finance lease liabilities	16,810	24,799
	<b>172,305</b>	<b>125,885</b>
<b>Current Liabilities</b>		
Trade and other payables	144,220	170,347
Foreign exchange derivatives	0	14,459
Finance lease liabilities	28,482	19,080
Short term borrowings	90,441	110,788
Bank loan borrowings	16,375	12,799
Taxation	9,439	8,294
	<b>288,957</b>	<b>335,767</b>
<b>Total liabilities</b>	<b><u>461,262</u></b>	<b><u>461,652</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>1,412,380</u></b>	<b><u>1,289,665</u></b>
<b>Net assets per share (sen)</b>	<b>144</b>	<b>125</b>

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2014

**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 RM '000	Minority Interest RM '000	Total RM '000
	Share Capital	Share Premium	Translation Reserve	Retained earnings			
	RM '000	RM '000	RM '000	RM '000			
<b>Unaudited - period ended 30 September 2015</b>							
<b>At 01 January 2015</b>	319,734	4,151	2,109	481,036	807,030	20,983	828,013
<b>Dividend paid by subsidiary to minority shareholders</b>	0	0	0	(301)	(301)	0	(301)
<b>Total comprehensive income for the period (cumulative)</b>	0	0	1,650	148,056	149,706	2,476	152,182
<b>Dividend paid</b>	0	0	0	(28,776)	(28,776)	0	(28,776)
<b>At 30 September 2015</b>	319,734	4,151	3,759	600,015	927,659	23,459	951,118
<b>Unaudited - period ended 30 September 2014</b>							
<b>At 01 January 2014</b>	319,734	4,151	855	380,201	704,941	17,069	722,010
<b>Total comprehensive income for the period (cumulative)</b>	0	0	(44)	105,830	105,786	2,223	108,009
<b>Dividend paid</b>	0	0	0	(22,381)	(22,381)	0	(22,381)
<b>At 30 September 2014</b>	319,734	4,151	811	463,650	788,346	19,292	807,638

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 2014

**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 30/09/2015	Preceding Year Corresponding Quarter 30/09/2014	Current year to Date (unaudited) 30/09/2015	Preceding Year to Date (unaudited) 30/09/2014
	RM '000	RM '000	RM '000	RM '000
<b>Revenue</b>	441,743	328,352	1,196,779	938,355
Operating expenses	(369,204)	(281,903)	(1,002,405)	(798,700)
Other operating income	955	1,270	2,965	3,639
Profit from operations	73,494	47,719	197,339	143,294
Finance cost	(2,648)	(2,459)	(7,313)	(6,088)
<b>Profit before taxation</b>	70,846	45,260	190,026	137,206
Taxation	(14,742)	(9,821)	(39,494)	(29,153)
<b>Profit after taxation</b>	56,104	35,439	150,532	108,053
<b>Attributable to:</b>				
Equity shareholders of the Company	55,166	34,403	148,056	105,830
Minority interests	938	1,036	2,476	2,223
	56,104	35,439	150,532	108,053
<b>Other comprehensive income, net of tax</b>				
- Exchange difference translation	0	0	0	0
<b>Total comprehensive income for the period</b>	56,104	35,439	150,532	108,053
<b>Attributable to:</b>				
Equity shareholders of the Company	55,166	34,403	148,056	105,830
Minority interests	938	1,036	2,476	2,223
	56,104	35,439	150,532	108,053
<b>Total comprehensive income for the period attributable to:</b>				
Equity shareholders of the Company	55,071	34,452	147,275	103,774
- Exchange difference translation	1,033	987	3,257	4,279
	56,104	35,439	150,532	108,053
<b>Earnings per share attributed to equity holders of the Company</b>				
Basic (sen)	8.63	5.38	23.15	16.55

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2014

**KOSSAN RUBBER INDUSTRIES BHD**

Company No. 48166-W  
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**NOTES TO CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

*(These figures have not been audited)*

<b>Current Quarter period ended 30/09/2015 RM '000</b>	<b>Financial period ended 30/09/2015 RM '000</b>
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**Other operating income**

Interest income	515	1,243
Rental income	39	117
Other income	401	1,465
Gain/(loss) in disposal of assets	-	140
Bad debts recovered	-	-
	<b>955</b>	<b>2,965</b>
<b>Interest expenses</b>	<b>2,649</b>	<b>7,314</b>
<b>Depreciation</b>	<b>17,370</b>	<b>49,777</b>
<b>Provision for/write off of receivables</b>	<b>-</b>	<b>-</b>
<b>Provision for/write off of inventories</b>	<b>-</b>	<b>-</b>
<b>Gain/(loss) on disposal of unquoted investment</b>	<b>-</b>	<b>-</b>
<b>Gain/(loss) on disposal of properties</b>	<b>-</b>	<b>-</b>
<b>Impairment of assets</b>	<b>-</b>	<b>-</b>
<b>Foreign exchange gain/(loss) - realised</b>	<b>6,913</b>	<b>23,148</b>
<b>Foreign exchange gain/(loss) - unrealised</b>	<b>-</b>	<b>-</b>
<b>Gain/ (loss) on derivatives - unrealised</b>	<b>-</b>	<b>-</b>
<b>Exceptional items</b>	<b>-</b>	<b>-</b>

**KOSSAN RUBBER INDUSTRIES BHD**

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

(These figures have not been audited)

	Year to date ended 30/09/2015 <b>RM '000</b>	Audited Year to date ended 31/12/2014 <b>RM '000</b>
<b>Net profit before taxation</b>	190,026	186,721
<b>Adjustment for non-cash items</b>		
Depreciation	49,777	55,939
Interest and dividend income	(1,243)	(2,448)
Interest expenses	7,314	8,144
Gain/(loss) from disposal of fixed assets	(140)	(81)
Foreign exchange (gain)/loss - unrealised	0	(16,883)
Loss on derivatives - unrealised	0	14,459
Negative goodwill	0	0
Impairment of assets	0	0
<b>Operating profit before changes in working capital</b>	<u>245,734</u>	<u>245,851</u>
<b>Changes in Working Capital</b>		
Net change in current assets	(41,422)	(72,315)
Net change in current liabilities	(40,586)	28,956
<b>Cash from operating activities</b>	<u>163,726</u>	<u>202,492</u>
Dividends paid	(28,776)	(44,762)
Interest expenses	(7,314)	(8,144)
Interest income	1,243	2,448
Taxation paid	(24,716)	(37,387)
<b>Net cash from operating activities</b>	<u>104,163</u>	<u>114,647</u>
<b>Investing Activities</b>		
Proceed from disposal of fixed assets	346	1,412
Disposal/(Acquisition) of other investments	8,143	(8,143)
Acquisition of property, plant and equipment	(94,129)	(141,279)
	<u>18,523</u>	<u>(33,363)</u>
<b>Financing activities</b>		
Additional/(Repayment) of finance lease liabilities	1,413	(14,049)
Additional/(Repayment) of bank borrowings	34,927	9,842
Proceed from disposal of treasury shares	0	0
Decrease in deposit pledged	0	0
<b>Net change in cash &amp; cash equivalent</b>	<u>54,863</u>	<u>(37,570)</u>
<b>Cash &amp; cash equivalent at beginning of year</b>	60,576	98,146
<b>Cash &amp; cash equivalent at end of the period</b>	<u><u>115,439</u></u>	<u><u>60,576</u></u>
<b>Cash &amp; cash equivalent at end of the period</b>		
Cash & bank balances	72,004	38,143
Short term deposits with licensed banks	43,691	25,756
Bank overdrafts	0	(3,067)
	<u>115,695</u>	<u>60,832</u>
Less Deposits pledged to banks	(256)	(256)
	<u><u>115,439</u></u>	<u><u>60,576</u></u>

**The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2014**