

**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 31/12/2015 <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	776,660	724,616
Intangible assets	4,926	4,926
Other investment	116	116
Deferred tax asset	0	11
	<b>781,702</b>	<b>729,669</b>
<b>Current Assets</b>		
Inventories	205,596	193,532
Trade receivables	288,054	259,897
Current tax assets	0	7,844
Other investment	0	8,143
Other receivables	25,103	26,681
Cash and bank balances	166,459	63,899
	<b>685,212</b>	<b>559,996</b>
<b>TOTAL ASSETS</b>	<b><u>1,466,914</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	662,660	487,296
	<b>982,394</b>	<b>807,030</b>
Non-controlling interests	24,835	20,983
<b>Total Equity</b>	<b><u>1,007,229</u></b>	<b><u>828,013</u></b>
<b>Non-Current Liabilities</b>		
Bank loan borrowings	82,620	38,630
Deferred taxation	74,255	62,456
Finance lease liabilities	13,461	24,799
	<b>170,336</b>	<b>125,885</b>
<b>Current Liabilities</b>		
Trade and other payables	148,833	170,347
Foreign exchange derivatives	536	14,459
Finance lease liabilities	25,736	19,080
Short term borrowings	84,559	110,788
Bank loan borrowings	16,375	12,799
Taxation	13,310	8,294
	<b>289,349</b>	<b>335,767</b>
<b>Total liabilities</b>	<b><u>459,685</u></b>	<b><u>461,652</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>1,466,914</u></b>	<b><u>1,289,665</u></b>
<b>Net assets per share (sen)</b>	153	125

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	Non- Controlling Interests	Total
	Share Capital	Share Premium	Translation Reserve	Retained earnings			
	RM '000	RM '000	RM '000	RM '000			
<b>Unaudited - period ended 31 December 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	(476)	(476)	0	(476)
<b>Total comprehensive income for the period (cumulative)</b>	0	0	1,354	203,262	204,616	3,852	208,468
<b>Dividend paid</b>	0	0	0	(28,776)	(28,776)	0	(28,776)
<b>At 31 December 2015</b>	319,734	4,151	3,463	655,046	982,394	24,835	1,007,229
<b>Audited - period ended 31 December 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	1,254	145,597	146,851	3,914	150,765
<b>Dividend paid</b>	0	0	0	(44,762)	(44,762)	0	(44,762)
<b>At 31 December 2014</b>	319,734	4,151	2,109	481,036	807,030	20,983	828,013

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 31/12/2015	Preceding Year Corresponding Quarter 31/12/2014	Current year to Date (unaudited) 31/12/2015	Preceding Year to Date (audited) 31/12/2014
	RM '000	RM '000	RM '000	RM '000
<b>Revenue</b>	439,163	360,958	1,635,942	1,301,740
Operating expenses	(359,446)	(309,890)	(1,361,977)	(1,112,200)
Other operating income	1,554	187	4,645	3,020
Profit from operations	81,271	51,255	278,610	192,560
Finance cost	(2,757)	(2,041)	(10,071)	(5,839)
<b>Profit before taxation</b>	78,514	49,214	268,539	186,721
Taxation	(21,931)	(10,247)	(61,425)	(37,885)
<b>Profit after taxation</b>	56,583	38,967	207,114	148,836
<b>Other comprehensive income, net of tax</b>				
- Exchange difference translation	0	0	0	1,929
<b>Total comprehensive income for the period</b>	56,583	38,967	207,114	150,765
<b>Attributable to:</b>				
Equity shareholders of the Company	55,206	37,934	203,262	145,597
Non-controlling interests	1,377	1,033	3,852	3,239
	56,583	38,967	207,114	148,836
<b>Total comprehensive income for the period attributable to:</b>				
Equity shareholders of the Company	55,206	37,934	203,857	146,851
Non-controlling interests	1,377	1,033	3,257	3,914
	56,583	38,967	207,114	150,765
<b>Earnings per share attributed to equity holders of the Company</b>				
Basic (sen)	8.63	5.93	31.79	22.77

**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)*

Current Quarter period ended 31/12/2015 RM '000	Financial year ended 31/12/2015 RM '000
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**Other operating income**

Interest income	881	2,124
Rental income	48	165
Other income	698	2,289
Gain/(loss) in disposal of assets	(73)	67
Bad debts recovered	-	-
	<b>1,554</b>	<b>4,645</b>
<b>Interest expenses</b>	<b>2,757</b>	<b>10,071</b>
<b>Depreciation</b>	<b>16,949</b>	<b>66,726</b>
<b>Provision for/write off of receivables</b>	<b>174</b>	<b>174</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>11,807</b>	<b>34,955</b>
<b>Foreign exchange gain/(loss) - unrealised</b>	<b>5,628</b>	<b>5,628</b>
<b>Gain/ (loss) on derivatives - unrealised</b>	<b>(536)</b>	<b>(536)</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 31/12/2015 <b>RM '000</b>	Audited Year to date ended 31/12/2014 <b>RM '000</b>
<b>Net profit before taxation</b>	268,539	186,721
<b>Adjustment for non-cash items</b>		
Depreciation	66,726	55,939
Interest and dividend income	(2,124)	(2,448)
Interest expenses	10,071	8,144
Gain/(loss) from disposal of fixed assets	(67)	(81)
Foreign exchange (gain)/loss - unrealised	5,628	(16,883)
Loss on derivatives - unrealised	(536)	14,459
Negative goodwill	0	0
Impairment of assets	0	0
<b>Operating profit before changes in working capital</b>	<u>348,237</u>	<u>245,851</u>
<b>Changes in Working Capital</b>		
Net change in current assets	(42,661)	(72,315)
Net change in current liabilities	(35,377)	28,956
<b>Cash from operating activities</b>	<u>270,199</u>	<u>202,492</u>
Dividends paid	(28,776)	(44,762)
Interest expenses	(10,071)	(8,144)
Interest income	2,124	2,448
Taxation paid	(36,755)	(37,387)
<b>Net cash from operating activities</b>	<u>196,721</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	(119,049)	(141,279)
	<u>86,161</u>	<u>(33,363)</u>
<b>Financing activities</b>		
Additional/(Repayment) of finance lease liabilities	(4,682)	(14,049)
Additional/(Repayment) of bank borrowings	24,404	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>105,883</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>166,459</u></u>	<u><u>60,576</u></u>
<b>Cash &amp; cash equivalent at end of the period</b>		
Cash & bank balances	106,607	38,143
Short term deposits with licensed banks	60,108	25,756
Bank overdrafts	0	(3,067)
	<u>166,715</u>	<u>60,832</u>
Less Deposits pledged to banks	(256)	(256)
	<u><u>166,459</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**