

**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 30/09/2016 RM '000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31/12/2015 RM '000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	845,049	771,450
Goodwill on consolidation	4,926	4,926
Other investments	6,714	5,314
Deferred tax asset	0	36
	<u>856,689</u>	<u>781,726</u>
<b>Current Assets</b>		
Inventories	210,980	205,588
Trade receivables	262,016	285,823
Current tax assets	0	2,061
Other receivables	16,671	32,714
Cash and bank balances	156,204	168,383
	<u>645,871</u>	<u>694,569</u>
<b>TOTAL ASSETS</b>	<u>1,502,560</u>	<u>1,476,295</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	319,734	319,734
Reserves	715,543	631,187
	<u>1,035,277</u>	<u>950,921</u>
Non-controlling interests	27,790	25,525
<b>Total Equity</b>	<u>1,063,067</u>	<u>976,446</u>
<b>Non-Current Liabilities</b>		
Loans and borrowings	62,668	88,214
Deferred tax liabilities	77,108	72,379
Finance lease liabilities	2,954	15,265
	<u>142,730</u>	<u>175,858</u>
<b>Current Liabilities</b>		
Trade and other payables	141,422	186,009
Derivative financial liabilities	0	536
Finance lease liabilities	18,036	24,473
Bank borrowings	111,943	84,559
Term loans	26,375	10,781
Taxation	-1,013	17,633
	<u>296,763</u>	<u>323,991</u>
<b>Total liabilities</b>	<u>439,493</u>	<u>499,849</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,502,560</u>	<u>1,476,295</u>
<b>Net assets per share (sen)</b>	161	148

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2015

**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	
	Share Capital	Share Premium	Translation Reserve	Retained earnings		Non-Controlling Interests	Total
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
<b>Unaudited - period ended 30 September 2016</b>							
<b>At 01 January 2016</b>	319,734	4,151	7,417	619,619	950,921	25,525	976,446
<b>Dividends</b>							
To non-controlling interests	0	0	0	0	0	(301)	(301)
To owners of the Company	0	0	0	(41,565)	(41,565)	0	(41,565)
<b>Total comprehensive income for the period (cumulative)</b>	0	0	(377)	126,298	125,921	2,566	128,487
<b>At 30 September 2016</b>	319,734	4,151	7,040	704,352	1,035,277	27,790	1,063,067
<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</b>							
To non-controlling interests	0	0	0	0	0	(301)	(301)
To owners of the Company	0	0	0	(28,776)	(28,776)	0	(28,776)
<b>Total comprehensive income for the period (cumulative)</b>	0	0	1,650	148,056	149,706	2,476	152,182
<b>At 30 September 2015</b>	319,734	4,151	3,759	600,316	927,960	23,158	951,118

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 2015

**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 30/09/2016 RM '000	Preceding Year Corresponding Quarter 30/09/2015 RM '000	Current year to Date (unaudited) 30/09/2016 RM '000	Preceding Year to Date (unaudited) 30/09/2015 RM '000
<b>Revenue</b>	414,039	441,743	1,230,092	1,196,779
Operating expenses	(370,210)	(369,204)	(1,065,937)	(1,002,405)
Other operating income	1,076	955	2,263	2,965
Profit from operations	44,905	73,494	166,418	197,339
Finance cost	(2,297)	(2,648)	(7,416)	(7,313)
<b>Profit before taxation</b>	42,608	70,846	159,002	190,026
Taxation	(7,893)	(14,742)	(30,138)	(39,494)
<b>Profit after taxation</b>	34,715	56,104	128,864	150,532
<b>Other comprehensive income, net of tax</b>				
- Exchange difference translation	0	0	0	0
<b>Total comprehensive income for the period</b>	34,715	56,104	128,864	150,532
<b>Attributable to:</b>				
Equity shareholders of the Company	34,023	55,166	126,298	148,056
Non-controlling interests	692	938	2,566	2,476
	34,715	56,104	128,864	150,532
<b>Total comprehensive income for the period attributable to:</b>				
Equity shareholders of the Company	34,023	55,166	126,298	148,056
Non-controlling interests	692	938	2,566	2,476
	34,715	56,104	128,864	150,532
<b>Earnings per share attributed to equity holders of the Company</b>				
Basic (sen)	5.32	8.63	19.75	23.15

**The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2015**

**KOSSAN RUBBER INDUSTRIES BHD**

Company No. 48166-W

(Incorporated in Malaysia)

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

	<b>Current Quarter ended 30/09/2016 RM '000</b>	<b>Financial period ended 30/09/2016 RM '000</b>
<b>Other operating income</b>		
Interest income	278	895
Rental income	12	36
Other income	786	1,332
Gain/(loss) in disposal of assets	-	-
Bad debts recovered	-	-
	<b>1,076</b>	<b>2,263</b>
<b>Interest expenses</b>	2,298	7,416
<b>Depreciation</b>	17,645	52,234
<b>Provision for/write off of receivables</b>	-	-
<b>Provision for/write off of inventories</b>	-	-
<b>Gain/(loss) on disposal of unquoted investment</b>	-	-
<b>Gain/(loss) on disposal of properties</b>	-	-
<b>Impairment of assets</b>	-	-
<b>Foreign exchange gain/(loss) - realised</b>	2,981	11,073
<b>Foreign exchange gain/(loss) - unrealised</b>	-	-
<b>Gain/ (loss) on derivatives - unrealised</b>	-	-
<b>Exceptional items</b>	-	-

**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 30/09/2016 <b>RM '000</b>	Audited Year to date ended 31/12/2015 <b>RM '000</b>
<b>Net profit before taxation</b>	159,002	268,567
<b>Adjustment for non-cash items</b>		
Depreciation	52,234	66,908
Interest and dividend income	(895)	(2,166)
Interest expenses	7,416	10,155
Gain/(loss) from disposal of fixed assets	0	(22)
Foreign exchange (gain)/loss - unrealised	0	(5,628)
Loss on derivatives - unrealised	0	536
Negative goodwill	0	0
Impairment of assets	0	31
<b>Operating profit before changes in working capital</b>	<u>217,757</u>	<u>338,381</u>
<b>Changes in Working Capital</b>		
Net change in current assets	34,189	(51,831)
Net change in current liabilities	(51,517)	15,662
<b>Cash from operating activities</b>	<u>200,429</u>	<u>302,212</u>
Dividends paid	(35,472)	(64,501)
Interest expenses	(7,416)	(10,155)
Interest income	895	2,166
Taxation paid	(41,958)	(37,227)
<b>Net cash from operating activities</b>	<u>116,478</u>	<u>192,495</u>
<b>Investing Activities</b>		
Proceed from disposal of fixed assets	0	1,283
Disposal/(Acquisition) of other investments	(1,400)	8,316
Acquisition of property, plant and equipment	(125,833)	(97,623)
	<u>(10,755)</u>	<u>104,471</u>
<b>Financing activities</b>		
Additional/(Repayment) of finance lease liabilities	(18,748)	(23,162)
Additional/(Repayment) of bank borrowings	17,432	24,404
Proceed from disposal of treasury shares	0	0
Decrease in deposit pledged	0	0
<b>Net change in cash &amp; cash equivalent</b>	<u>(12,071)</u>	<u>105,713</u>
<b>Cash &amp; cash equivalent at beginning of year</b>	168,275	62,562
<b>Cash &amp; cash equivalent at end of the period</b>	<u><u>156,204</u></u>	<u><u>168,275</u></u>
<b>Cash &amp; cash equivalent at end of the period</b>		
Cash & bank balances	28,404	108,275
Short term deposits with licensed banks	127,908	60,108
Bank overdrafts	0	0
	<u>156,312</u>	<u>168,383</u>
Less Deposits pledged to banks	(108)	(108)
	<u><u>156,204</u></u>	<u><u>168,275</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 2015**