

KOSSAN RUBBER INDUSTRIES BHD

Company No. 48166-W
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEET

	UNAUDITED AS AT END OF CURRENT QUARTER 31/03/2005 RM' 000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31/12/2004 RM' 000
Property, Plant & Equipment	141,062	129,617
Intangible Assets	661	881
Investment in Associated Companies	98	98
Other Investment	116	116
Deferred tax asset	1,854	1,854
Current Assets		
Inventories	42,513	38,029
Trade and Other Receivables	83,474	73,396
Cash & Bank Balances	1,202	4,488
	<u>127,189</u>	<u>115,913</u>
Current Liabilities		
Trade and Other Payables	46,455	44,750
Short Term Borrowings	54,293	42,663
Taxation	514	72
	<u>101,262</u>	<u>87,485</u>
Net Current Assets	25,927	28,428
	<u>169,718</u>	<u>160,994</u>
Share Capital	66,611	66,611
Reserves	76,677	70,269
Shareholders' Funds	<u>143,288</u>	<u>136,880</u>
Minority Interests	2,202	2,214
Long Term Liabilities		
Borrowings	11,777	10,347
Deferred Taxation	8,658	7,563
Hire purchase creditors	3,793	3,990
	<u>169,718</u>	<u>160,994</u>
Net Tangible Assets per Share (RM)	2.14	2.04

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2004

KOSSAN RUBBER INDUSTRIES BHD

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2005**

	Share Capital RM '000	Reserve attributable to Capital RM '000	Reserve attributable to Revenue RM '000	Retained earnings and dividend payable RM '000	Total RM '000
Unaudited - 3 months ended 31 March 2005					
At 01 January 2005	66,611	6,657	87	63,525	136,880
Movement during the period (cumulative)	0	(597)	0	7,005	6,408
At 31 March 2005	<u>66,611</u>	<u>6,060</u>	<u>87</u>	<u>70,530</u>	<u>143,288</u>
Unaudited - 3 months ended 31 March 2004					
At 01 January 2004	66,611	8,981	36	46,135	121,763
Movement during the period (cumulative)	0	0	0	5,207	5,207
At 31 March 2004	<u>66,611</u>	<u>8,981</u>	<u>36</u>	<u>51,342</u>	<u>126,970</u>

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 2004

KOSSAN RUBBER INDUSTRIES BHD

Company No. 48166-W
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**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER ENDED 31 MARCH 2005**

(These figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current year Quarter	Preceding Year Corresponding Quarter	Current year to Date	Preceding Year Corresponding Period
	31/03/2005	31/03/2004	31/03/2005	31/03/2004
	RM'000	RM'000	RM'000	RM'000
Revenue	85,407	58,883	85,407	58,883
Operating Expenses	(76,485)	(52,164)	(76,485)	(52,164)
Other operating income	529	238	529	238
Profit from Operations	9,451	6,957	9,451	6,957
Finance cost	(906)	(559)	(906)	(559)
Investing Results - gain/(loss)	0	0	0	0
Profit before taxation	8,545	6,398	8,545	6,398
Less Taxation	1,552	1,156	1,552	1,156
Profit after taxation	6,993	5,242	6,993	5,242
Add/(Less) Minority interests	12	(35)	12	(35)
Net profit for the period	7,005	5,207	7,005	5,207
Earnings per share (sen)				
Basic based on 66,611,240 ordinary shares	10.52	7.82	10.52	7.82

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Annual Financial Statement for the year ended 31 December 2004

KOSSAN RUBBER INDUSTRIES BHD

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 31 MARCH 2005**

(These figures have not been audited)

Year to date ended 31/03/2005 RM' 000
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Net profit before taxation	8,545
Adjustment for non-cash items	
Amortisation of reserves (net of goodwill)	(346)
Depreciation	3,912
Operating profit before changes in working capital	<u>12,111</u>
Changes in Working Capital	
Net change in current assets	(14,562)
Net change in current liabilities	1,493
Net cash from operating activities	<u>(958)</u>
Expenses for corporate exercise	<u>(31)</u>
	(989)
Investing Activities	
Acquisition of property , plant and equipment	<u>(15,357)</u>
	(16,346)
Financing activities	
Net of finance borrowings and repayments	8,865
Net change in cash & cash equivalent	<u>(7,481)</u>
Cash & cash equivalent at beginning of year	3,412
Cash & cash equivalent at end of the period	<u><u>(4,069)</u></u>
Cash & cash equivalent at end of the period	
Cash & bank balances	1,202
Bank overdrafts	(5,271)
	<u><u>(4,069)</u></u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Annual Financial Statement for the year ended 31 December 2004

KOSSAN RUBBER INDUSTRIES BHD

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**SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE INTERIM FINANCIAL PERIOD ENDED 31 MARCH 2005**

(These figures have not been audited)

Part A2

- 1 Revenue
- 2 Profit before tax
- 3 Profit after tax and minority interest
- 4 Net profit for the period
- 5 Basic earnings per share (sen)
- 6 Dividend per share (sen)

INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
Current year Quarter	Preceding Year Corresponding Quarter	Current year to Date	Preceding Year Corresponding Period
31/03/2005	31/03/2004	31/03/2005	31/03/2004
RM'000	RM'000	RM'000	RM'000
85,407	58,883	85,407	58,883
8,545	6,398	8,545	6,398
7,005	5,207	7,005	5,207
7,005	5,207	7,005	5,207
10.52	7.82	10.52	7.82
0.00	0.00	0.00	0.00

- 7 Net tangible assets per share (RM)

AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
2.14	2.04

Part A3: ADDITIONAL INFORMATION

- 1 Profit from operations
- 2 Gross interest income
- 3 Gross interest expense

INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
Current year Quarter	Preceding Year Corresponding Quarter	Current year to Date	Preceding Year Corresponding Period
31/03/2005	31/03/2004	31/03/2005	31/03/2004
RM'000	RM'000	RM'000	RM'000
9,451	6,957	9,451	6,957
0	0	0	0
906	559	906	559