

KOSSAN RUBBER INDUSTRIES BHD

Company No. 48166-W
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEET

	UNAUDITED AS AT END OF CURRENT QUARTER 31/03/2004 RM' 000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31/12/2003 RM' 000
Property, Plant & Equipment	106,322	103,360
Intangible Assets	1,762	1,762
Investment in Associated Companies	117	117
Other Investment	116	116
Deferred tax asset	4,310	4,960
Current Assets		
Inventories	27,082	23,709
Trade and Other Receivables	71,771	63,509
Cash & Bank Balances	2,933	5,389
	<u>101,786</u>	<u>92,607</u>
Current Liabilities		
Trade and Other Payables	36,218	34,646
Overdraft & Short Term Borrowings	33,436	27,628
Taxation	416	40
	<u>70,070</u>	<u>62,314</u>
Net Current Assets	31,716	30,293
	<u>144,343</u>	<u>140,608</u>
Share Capital	66,611	66,611
Reserves	60,359	55,152
Shareholders' Funds	<u>126,970</u>	<u>121,763</u>
Minority Interests	2,331	2,297
Long Term Liabilities		
Borrowings	3,813	4,185
Deferred Taxation	5,322	5,232
Hire purchase creditors	5,907	7,131
	<u>144,343</u>	<u>140,608</u>
Net Tangible Assets per Share (RM)	1.88	1.80

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Annual Financial Report for the year ended 31 December 2003

KOSSAN RUBBER INDUSTRIES BHD

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2004**

	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 Mar 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	66,611	8,981	36	51,342	126,970
Unaudited - 3 months ended 31 Mar 2003					
At 01 January 2003 (as previously stated)	51,740	4,395	20	35,599	91,754
Prior year adjustment Restated	0	(1,704)	0	5,453	3,749
	51,740	2,691	20	41,052	95,503
Movement during the period (cumulative)	0	(46)	0	2,519	2,473
At 31 March 2003	51,740	2,645	20	43,571	97,976

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Annual Financial Report for the year ended 31 December 2003

KOSSAN RUBBER INDUSTRIES BHD

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**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FIRST QUARTER ENDED 31 MARCH 2004**

(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
	3/31/2004	3/31/2003	3/31/2004	3/31/2003
	RM'000	RM'000	RM'000	RM'000
Revenue	58,883	36,851	58,883	36,851
Operating Expenses	(52,164)	(33,354)	(52,164)	(33,354)
Other operating income	238	78	238	78
Profit from Operations	6,957	3,575	6,957	3,575
Finance cost	(559)	(554)	(559)	(554)
Investing Results - gain/(loss)	0	0	0	0
Profit before taxation	6,398	3,021	6,398	3,021
Less Taxation	1,156	460	1,156	460
Profit after taxation	5,242	2,561	5,242	2,561
Less Minority interests	35	42	35	42
Less Preacquisition profits	0	0	0	0
Net profit for the period	5,207	2,519	5,207	2,519
Earnings per share (sen)				
Basic based on 66,611,240 ordinary shares (2003 on 62,088,000 ordinary shares)	7.82	4.06	7.82	4.06

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Annual Financial Report for the year ended 31 December 2003

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FIRST QUARTER ENDED 31 MARCH 2004**

(These figures have not been audited)

Year to date ended 3/31/2004 RM' 000

Net profit before taxation	6,398
Adjustment for non-cash items	
Depreciation	2,323
Operating profit before changes in working capital	<u>8,721</u>
Changes in Working Capital	
Net change in current assets	(11,635)
Net change in current liabilities	1,572
Cash flows from operating activities	<u>(1,342)</u>
Investing Activities	
Acquisition of property , plant and equipment	<u>(5,285)</u>
	(6,627)
Financing activities	
Additonal bank borrowings	6,797
Repayment of bank borrowings	<u>(3,084)</u>
Net change in cash & cash equivalent	(2,914)
Cash & cash equivalent at beginning of year	2,503
Cash & cash equivalent at end of year	<u><u>(411)</u></u>
Cash & cash equivalent at end of year	
Cash & bank balances	2,933
Bank overdrafts	<u>(3,344)</u>
	<u><u>(411)</u></u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Annual Financial Report for the year ended 31 December 2003

