

KOSSAN RUBBER INDUSTRIES BHD

Company No. 48166-W
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEET

	UNAUDITED AS AT END OF CURRENT QUARTER 31/03/2007 RM '000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31/12/2006 RM '000
ASSETS		
Non-Current Assets		
Property, plant & equipment	241,767	229,223
Intangible assets	864	864
Investment in associated company	129	129
Other investment	116	116
Deferred tax asset	1,225	1,385
	<u>244,101</u>	<u>231,717</u>
Current Assets		
Inventories	68,321	63,640
Trade receivables	113,300	120,865
Other receivables	10,589	11,371
Cash and bank balances	35,657	3,729
	<u>227,867</u>	<u>199,605</u>
TOTAL ASSETS	<u>471,968</u>	<u>431,322</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	79,933	79,933
Reserves	122,502	110,863
	<u>202,435</u>	<u>190,796</u>
Minority shareholders' interest	456	456
Total Equity	<u>202,891</u>	<u>191,252</u>
Non-Current Liabilities		
Bank borrowings	25,319	28,555
Deferred taxation	18,993	17,993
Hire purchase creditors	9,557	13,831
	<u>53,869</u>	<u>60,379</u>
Current Liabilities		
Trade and other payables	86,362	80,490
Short term borrowings	127,546	99,052
Taxation	1,300	149
	<u>215,208</u>	<u>179,691</u>
Total liabilities	<u>269,077</u>	<u>240,070</u>
TOTAL EQUITY AND LIABILITIES	<u>471,968</u>	<u>431,322</u>
Net assets per share (RM)	1.26	1.19

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2006

KOSSAN RUBBER INDUSTRIES BHD

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2007**

	Attributable to equity holders of Company				Minority Interest	Total
	Share Capital	Capital Reserve	Revenue Reserve	Retained earnings		
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Unaudited - 3 months ended 31 March 2007						
At 01 January 2007	79,933	1,551	0	109,312	456	191,252
Prior year adjustment	0	0	0		0	0
Movement during the period (cumulative)	0	0	0	11,639	0	11,639
At 31 March 2007	79,933	1,551	0	120,951	456	202,891
Unaudited - 3 months ended 31 March 2006						
At 01 January 2006	79,933	1,630	27	76,976	2,293	160,859
Prior year adjustment	0	0	(27)	27	0	0
Movement during the period (cumulative)	0	0	0	7,461	(92)	7,369
At 31 March 2006	79,933	1,630	0	84,464	2,201	168,228

**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 2006**

KOSSAN RUBBER INDUSTRIES BHD

Company No. 48166-W
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**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2007**

(These figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current year Quarter 3/31/2007	Preceding Year Corresponding Quarter 3/31/2006	Current year to Date 3/31/2007	Preceding Year to Date (Audited) 3/31/2006
	RM '000	RM '000	RM '000	RM '000
Revenue	162,485	107,233	162,485	107,233
Operating expenses	(146,702)	(97,348)	(146,702)	(97,348)
Other operating income	211	98	211	98
Profit from operations	15,994	9,983	15,994	9,983
Finance cost	(1,895)	(1,182)	(1,895)	(1,182)
Investing results - gain/(loss)	0	0	0	0
Profit before taxation	14,099	8,801	14,099	8,801
Less taxation	2,460	1,432	2,460	1,432
Profit after taxation	11,639	7,369	11,639	7,369
Attributable to:				
Equity shareholders of the Company	11,639	7,461	11,639	7,461
Minority interests	0	(92)	0	(92)
	11,639	7,369	11,639	7,369
Earnings per share (sen)				
Basic based on 159,866,976 ordinary shares of RM 0.50 each	7.28	4.67	7.28	4.67

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Annual Financial Statement for the year ended 31 December 2006

KOSSAN RUBBER INDUSTRIES BHD

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2007**

(These figures have not been audited)

	Year to date ended 3/31/2007 RM '000	Year to date ended 3/31/2006 RM '000
Net profit before taxation	14,099	8,801
Adjustment for non-cash items		
Depreciation	5,157	4,332
Operating profit before changes in working capital	19,256	13,133
Changes in Working Capital		
Net change in current assets	3,666	(19,884)
Net change in current liabilities	1,449	22,517
Net cash from operating activities	24,371	15,766
Investing Activities		
Acquisition of property , plant and equipment	(17,701)	(23,354)
	6,670	(7,588)
Financing activities		
Net of finance borrowings and repayments	28,416	13,612
Net change in cash & cash equivalent	35,086	6,024
Cash & cash equivalent at beginning of year	(755)	3,359
Cash & cash equivalent at end of the period	34,331	9,383
Cash & cash equivalent at end of the period		
Cash & bank balances	35,657	11,482
Bank overdrafts	(1,326)	(2,099)
	34,331	9,383

**The Condensed Consolidated Cash Flow Statement should be read in conjunction with
the Audited Annual Financial Statement for the year ended 31 December 2006**

