

**KOSSAN RUBBER INDUSTRIES BHD**

Company No. 48166-W  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED BALANCE SHEET**

	UNAUDITED AS AT END OF CURRENT QUARTER 30/09/2007 RM '000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31/12/2006 RM '000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	268,235	229,223
Intangible assets	864	864
Investment in associated company	129	129
Other investment	116	116
Deferred tax asset	1,066	1,385
	270,410	231,717
<b>Current Assets</b>		
Inventories	81,838	63,640
Trade receivables	128,264	120,865
Other receivables	10,843	11,371
Cash and bank balances	25,664	3,729
	246,609	199,605
<b>TOTAL ASSETS</b>	517,019	431,322
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	79,933	79,933
Reserves	137,088	110,863
	217,021	190,796
Minority shareholders' interest	456	456
<b>Total Equity</b>	217,477	191,252
<b>Non-Current Liabilities</b>		
Bank borrowings	25,563	28,555
Deferred taxation	21,353	17,993
Hire purchase creditors	13,372	13,831
	60,288	60,379
<b>Current Liabilities</b>		
Trade and other payables	99,792	80,490
Short term borrowings	137,609	99,052
Taxation	1,853	149
	239,254	179,691
<b>Total liabilities</b>	299,542	240,070
<b>TOTAL EQUITY AND LIABILITIES</b>	517,019	431,322
<b>Net assets per share (RM)</b>	1.35	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**

Company No. 48166-W  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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
<b>Unaudited - 9 months ended 30 September 2007</b>						
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	35,537	0	35,537
Dividend paid	0	0	0	(9,312)	0	(9,312)
At 30 September 2007	<u>79,933</u>	<u>1,551</u>	<u>0</u>	<u>135,537</u>	<u>456</u>	<u>217,477</u>
<b>Unaudited - 9 months ended 30 September 2006</b>						
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	27,977	(1,825)	26,152
Dividend paid	0	0	0	(7,354)	0	(7,354)
At 30 September 2006	<u>79,933</u>	<u>1,630</u>	<u>0</u>	<u>97,626</u>	<u>468</u>	<u>179,657</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 2006**

**KOSSAN RUBBER INDUSTRIES BHD**

Company No. 48166-W  
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**CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE YEAR ENDED 30 SEPTEMBER 2007**

*(These figures have not been audited)*

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current year Quarter	Preceding Year Corresponding Quarter	Current year to Date	Preceding Year to Date
	9/30/2007	9/30/2006	9/30/2007	9/30/2006
	RM '000	RM '000	RM '000	RM '000
<b>Revenue</b>	188,311	162,643	511,578	403,145
Operating expenses	(170,986)	(147,652)	(462,988)	(365,228)
Other operating income	136	94	688	292
Profit from operations	17,461	15,085	49,278	38,209
Finance cost	(2,003)	(1,835)	(5,931)	(4,487)
Investing results - gain/(loss)	0	0	0	0
<b>Profit before taxation</b>	15,458	13,250	43,347	33,722
Taxation	(2,950)	(2,358)	(7,810)	(5,858)
<b>Profit after taxation</b>	12,508	10,892	35,537	27,864
<b>Attributable to:</b>				
Equity shareholders of the Company	12,508	10,858	35,537	27,977
Minority interests	0	34	0	(113)
	12,508	10,892	35,537	27,864
<b>Earnings per share (sen)</b>				
Basic based on 159,866,976 ordinary shares of RM 0.50 each	7.82	6.79	22.23	17.50

**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**

Company No. 48166-W  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2007**

*(These figures have not been audited)*

	Year to date ended 9/30/2007 RM '000	Year to date ended 9/30/2006 RM '000
<b>Net profit before taxation</b>	43,347	33,722
<b>Adjustment for non-cash items</b>		
Depreciation	16,643	14,110
<b>Operating profit before changes in working capital</b>	59,990	47,832
<b>Changes in Working Capital</b>		
Net change in current assets	(25,068)	(73,705)
Net change in current liabilities	16,415	44,372
<b>Net cash from operating activities</b>	51,337	18,499
<b>Investing Activities</b>		
Acquisition of additional shares of subsidiary company	0	(2,586)
Acquisition of property , plant and equipment	(55,655)	(55,537)
	(4,318)	(39,624)
<b>Financing activities</b>		
Net of finance borrowings and repayments	37,954	48,744
Dividend paid	(9,312)	(7,354)
<b>Net change in cash &amp; cash equivalent</b>	24,324	1,766
<b>Cash &amp; cash equivalent at beginning of year</b>	(755)	3,359
<b>Cash &amp; cash equivalent at end of the period</b>	23,569	5,125
<b>Cash &amp; cash equivalent at end of the period</b>		
Cash & bank balances	25,664	7,954
Bank overdrafts	(2,095)	(2,829)
	23,569	5,125

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

