

KOSSAN RUBBER INDUSTRIES BHD

Company No. 48166-W
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEET

	UNAUDITED AS AT END OF CURRENT QUARTER 31/12/2004 RM' 000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31/12/2003 RM' 000
Property, Plant & Equipment	128,312	103,360
Intangible Assets	881	1,762
Investment in Associated Companies	117	117
Other Investment	116	116
Deferred tax asset	1,913	4,960
Current Assets		
Inventories	38,003	23,709
Trade and Other Receivables	76,626	63,509
Cash & Bank Balances	4,665	5,389
	<u>119,294</u>	<u>92,607</u>
Current Liabilities		
Trade and Other Payables	44,494	34,646
Short Term Borrowings	43,106	27,628
Taxation	1,803	40
	<u>89,403</u>	<u>62,314</u>
Net Current Assets	29,891	30,293
	<u>161,230</u>	<u>140,608</u>
Share Capital	66,611	66,611
Reserves	70,704	55,152
Shareholders' Funds	<u>137,315</u>	<u>121,763</u>
Minority Interests	2,288	2,297
Long Term Liabilities		
Borrowings	10,132	4,185
Deferred Taxation	7,024	5,232
Hire purchase creditors	4,471	7,131
	<u>161,230</u>	<u>140,608</u>
Net Tangible Assets per Share (RM)	2.05	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

Company No. 48166-W
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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 - 12 months ended 31 December 2004					
At 01 January 2004	66,611	8,981	36	46,135	121,763
Movement during the period (cumulative)	0	(2,265)	0	22,613	20,348
Dividend paid	0	0	0	(4,796)	(4,796)
At 31 December 2004	<u>66,611</u>	<u>6,716</u>	<u>36</u>	<u>63,952</u>	<u>137,315</u>
Unaudited - 12 months ended 31 December 2003					
At 01 January 2003 (as previously stated)	51,740	4,395	20	35,599	91,754
Prior year adjustment	0	(1,704)	0	5,453	3,749
Restated	<u>51,740</u>	<u>2,691</u>	<u>20</u>	<u>41,052</u>	<u>95,503</u>
Movement during the period (cumulative)	0			16,738	16,738
Reserves	0	4,164	16	59	4,239
Dividend paid	0	0	0	(1,366)	(1,366)
ESOS issue	4,523	2,126	0	0	6,649
Bonus issue	10,348	0	0	(10,348)	0
At 31 December 2003	<u>66,611</u>	<u>8,981</u>	<u>36</u>	<u>46,135</u>	<u>121,763</u>

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

Company No. 48166-W
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**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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
	12/31/2004	12/31/2003	12/31/2004	12/31/2003
	RM'000	RM'000	RM'000	RM'000
Revenue	71,720	47,933	279,155	179,640
Operating Expenses	(63,887)	(43,220)	(249,421)	(161,005)
Other operating income	255	1,379	997	2,505
Profit from Operations	8,088	6,092	30,731	21,140
Finance cost	(852)	(651)	(2,856)	(2,405)
Investing Results - gain/(loss)	1,384	0	1,384	(66)
Profit before taxation	8,620	5,441	29,259	18,669
Less Taxation	Note 1 3,082	604	6,655	1,914
Profit after taxation	5,538	4,837	22,604	16,755
Less Minority interests	(57)	(295)	(9)	17
Less Preacquisition profits	0	(239)	0	0
Net profit for the period	5,595	5,371	22,613	16,738
Earnings per share (sen)				
Basic based on 66,611,240 ordinary shares (2003 based on 62,088,000 ordinary shares)	8.40	8.65	33.95	26.96

Note 1

The provision of taxation for the current quarter amount to RM 0.568 million. Included in taxation of RM 3.082 million is an amount of RM 2.514 million being deferred tax as computed under MASB 25.

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

KOSSAN RUBBER INDUSTRIES BHD

Company No. 48166-W
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2004**

(These figures have not been audited)

Year to date ended 12/31/2004 RM' 000
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Net profit before taxation	29,259
Adjustment for non-cash items	
Amortisation of reserves (net of goodwill)	(1,384)
Depreciation	12,843
Operating profit before changes in working capital	<u>40,718</u>
Changes in Working Capital	
Net change in current assets	(27,411)
Net change in current liabilities	7,135
Cash from operating activities	<u>20,442</u>
Dividend paid	(4,796)
Net cash from operating activities	<u>15,646</u>
Investing Activities	
Acquisition of property , plant and equipment	<u>(37,795)</u>
	(22,149)
Financing activities	
Net of finance borrowings and repayments	22,887
Net change in cash & cash equivalent	<u>738</u>
Cash & cash equivalent at beginning of year	2,853
Cash & cash equivalent at end of year	<u><u>3,591</u></u>
Cash & cash equivalent at end of year	
Cash & bank balances	4,665
Bank overdrafts	(1,074)
	<u><u>3,591</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

