



TOP GLOVE CORPORATION BERHAD (474423-X)
TOP QUALITY, TOP EFFICIENT & GOOD HEALTH
PRESS STATEMENT/KENYATAAN AKHBAR/新聞發表
2nd Quarter 2010 (01/12/09 to 28/02/10) Financial Results
Klang, 17th March, 2010

NOTE TO EDITORS: This Press Statement is issued by Tan Sri Dato Sri Lim, Wee-Chai (Chairman) and Lim Cheong Guan (Executive Director) of Top Glove Corporation Berhad.

Highlights :

- 1a) PBT for 2Q10 at RM93.9 mil, UP 109% from 2Q09, and more than 6 months of 1H09 of RM88.2 million.**
- 1b) PBT for 1H10 at RM180.5 mil, UP 105% from 1H09.**
- 2a) Net profit for 2Q10 at RM72.3 mil, UP 100% from 2Q09, and more than 6 months of 1H09 of RM70.7 million.**
- 2b) Net profit for 1H10 at RM138.8 mil, UP 96% from 1H09.**
- 3a) Revenue 2Q10 at RM509.9 mil, UP by 47% from 2Q09.**
- 3b) Revenue 1H10 at RM982.2 mil, UP by 34% from 1H09.**
- 4a) EPS for 2Q10 at 23.5 sen, UP 93% from 2Q09.**
- 4b) EPS for 1H10 at 45.4 sen, UP 91% from 1H09.**
- 5) Continuously strong & healthy balance sheet with net cash position of RM269.8 mil as at 28 February 2010.**

Summary of Income Statement :

	3 months			6 months		
	2Q10 3 mths ended 28 Feb 2010	2Q09 3 mths ended 28 Feb 2009	Variance	1H10 6 mths ended 28 Feb 2010	1H09 6 mths ended 28 Feb 2009	Variance
Sales (RM mil)	509.9	346.5	47%	982.2	732.6	34%
Profit before Tax (RM mil)	93.9	44.9	109%	180.5	88.2	105%
Net profit (RM mil)	72.3	36.2	100%	138.8	70.7	96%
EPS (sen)	23.5	12.2	93%	45.4	23.8	91%

The Group sales revenue for the 6 months ended 28 February 2010 has increased by 34% to RM982.2 million from RM732.6 million for last year corresponding period. The profit before tax for 6 months and 3 months ended 28 February 2010 comparing to last year same period has increased by 105% to RM180.5 million and 109% to RM93.9 million respectively. For the 3 months ended 28 February 2010, the Group has achieved a net profit of RM72.3 million, which is higher than the 6 months period ended 28 February 2009 of RM70.7 million.

The Group continues with its strong profit growth momentum as it managed to capture additional market share, especially from the emerging countries and also benefiting from cost saving measures implemented at all factories, improvements in product quality, productivity, as well as aggressive marketing strategies to maintain its world number one market position.

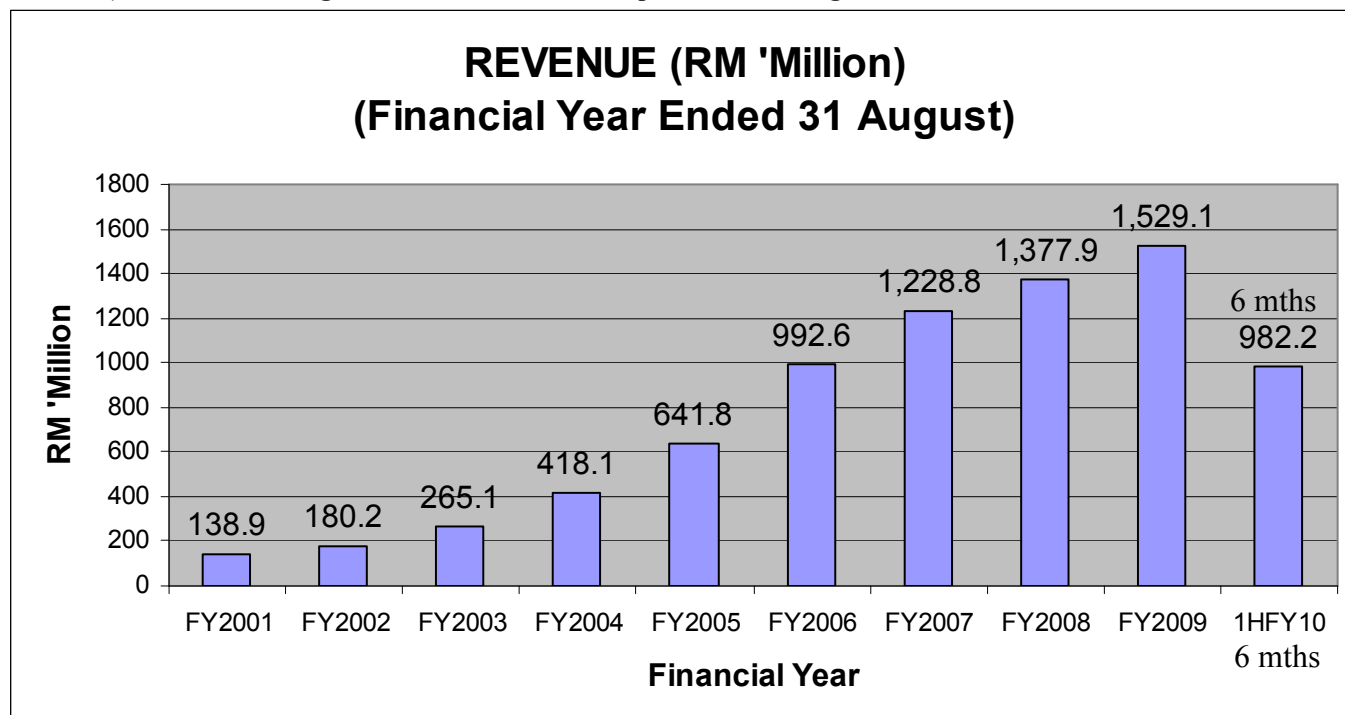
The balance sheet position strengthened further with net cash position of RM269.8 million and free cash flow of RM106.2 million for the period ended 28 February 2010. The Group has fully redeemed the RM35 million bonds before its maturity in December 2010, in view of the strong cash flow position.

The financial results of the Group since financial year 2001 (year of listing) are as follow :

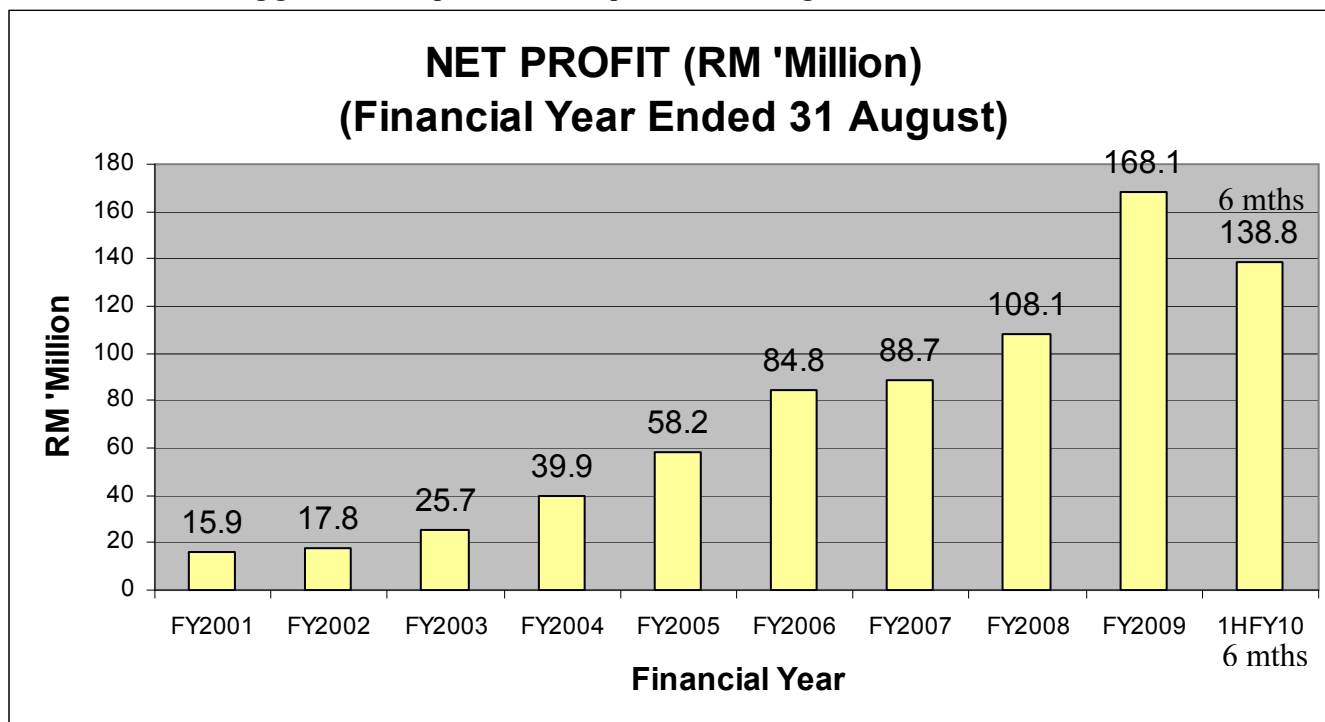
a) **Financial highlights**

RM 'mil	Financial Year ended 31 August									1H10 6 months ended 28 Feb 10
	2001	2002	2003	2004	2005	2006	2007	2008	2009	
Revenue	138.9	180.2	265.1	418.1	641.8	992.6	1,228.8	1,377.9	1,529.1	982.2
EBITDA	23.9	27.1	39.5	60.6	89.2	130.3	175.7	197.8	287.5	210.5
EBITDA margin	17.2%	15.0%	14.9%	14.5%	13.9%	13.1%	14.3%	14.4%	18.8%	21.4%
PBT	17.2	20.2	29.3	45.2	65.7	91.8	118.6	134.6	222.0	180.5
PBT margin	12.4%	11.2%	11.1%	10.8%	10.2%	9.2%	9.7%	9.8%	14.5%	18.4%
Taxation	1.3	2.4	3.6	5.3	7.5	7.0	29.9	26.5	53.9	41.7
PAT	15.9	17.8	25.7	39.9	58.2	84.8	88.7	108.1	168.1	138.8
PAT margin	11.4%	9.9%	9.7%	9.5%	9.1%	8.5%	7.2%	7.8%	11.0%	14.1%

b) **Consistent growth in revenue with compounded annual growth rate of 36%**



c) **Strong growth in net profit with compounded annual growth rate of 36%**



d) **Strong and healthy balance sheet**

	As at 28 February 2010	As at 28 February 2009	Variance
	(RM'million)	(RM'million)	(%)
Total cash in banks	277.7	183.1	52%
Total borrowings	7.9	143.5	(94%)
Net cash	269.8	39.6	581%
Net cash flow from operating activities	138.0	164.2	(16%)
Free cash flow	106.2	119.5	(11%)
Shareholders equity	951.9	750.7	27%
Net assets per share (RM)	3.1	2.5	24%

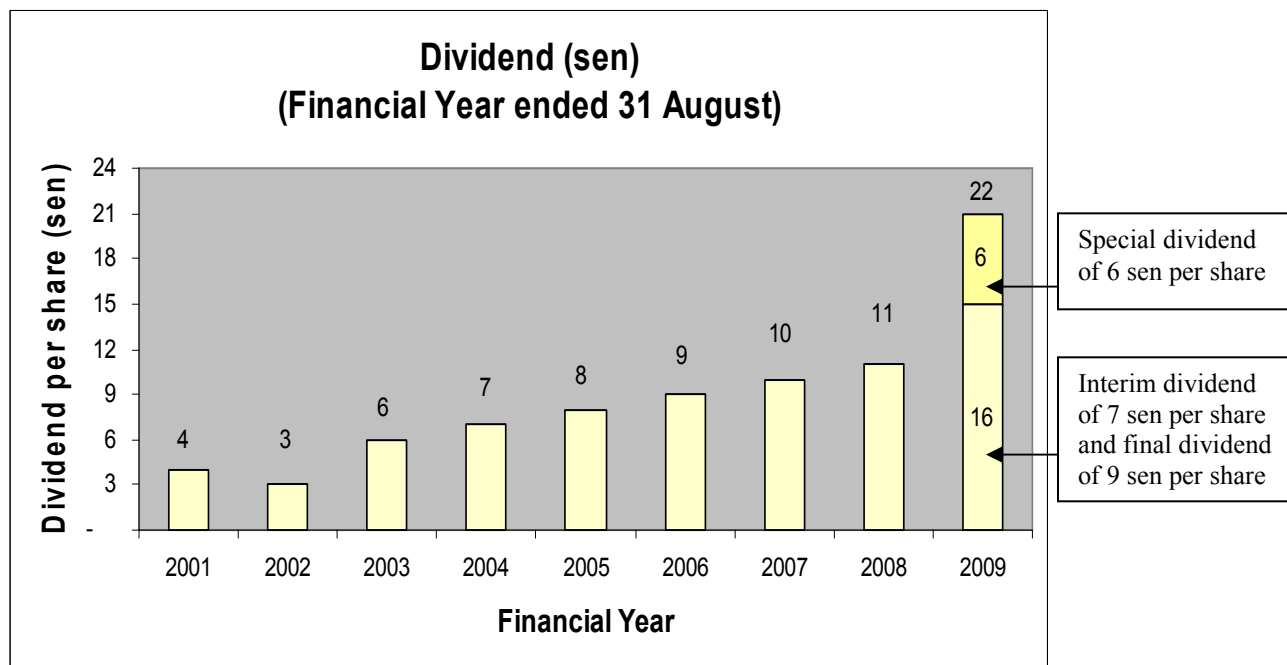
Dividends (Financial Year-Ended 31 August)

The Group has revised its target dividend payout ratio to 40% from its net profit, compared with 30% payout ratio in previous years.

The dividend payment for previous financial years were as follow :

Financial Year	Dividend % (on par value)	Dividend per share (sen)	Total Dividend (RM'000)	Status
2009	44%	22	65,872	Paid
2008	22%	11	32,389	Paid
2007	20%	10	27,435	Paid
2006	18%	9	21,173	Paid
2005	16%	8	14,110	Paid
2004 *	14%	7	12,295	Paid
2003 *	12%	6	9,550	Paid
2002 *	6%	3	2,808	Paid
2001 *	8%	4	4,000	Paid
Total			189,632	

* Dividend per share has been adjusted to reflect the subdivision of shares from one ordinary share of RM1.00 to two ordinary shares of RM0.50 each which was completed in February 2005.



Prospects

Top Glove, the world's largest rubber glove manufacturer with a vision of "Always Staying At The Top", with its good and established corporate culture, has always strived towards its business direction of consistently produce top quality gloves with efficient low cost. It has forged ahead strongly with specific efforts undertaken to improve and innovate its glove quality, marketing strategies, productivity enhancement and cost efficiency. Top Glove has more than 900 customers worldwide and exports to more than 180 countries.

	As at 17 th March 2010
Number of Factories	19 (13 in Malaysia, 4 in Thailand, 2 in China)
Number of Glove Production Lines	371
Glove Production Capacity	33 billion pcs per annum
Number of Employees	10,000
Estimated world demand	150 billion pcs of gloves for the year 2010

The Group on-going expansion plans are as follow :-

Factory	Location	No. of additional lines	Capacity p.a	Target completion
Factory 18	Banting, Malaysia	8	0.75 billion pcs	June 2010
Factory 21	Klang, Malaysia	16	1.5 billion pcs	August 2010
Factory 7	Sadao, Thailand	16	1.5 billion pcs	December 2010
Factory 22	Klang, Malaysia	16	1.5 billion pcs	March 2011
Factory 23	Ipoh, Malaysia	32	3.0 billion pcs	May 2011
Total		88	8.25 billion pcs	

With the Group achieving strong profit growth for the 1st half FY 2010, it will continue to be optimistic of its future outlook despite ongoing challenges such as the increase in raw material cost and weakening of US dollar. With a large customer base spread over more than 180 countries worldwide and with a diversified range of good quality products, coupled with a team of dedicated employees, the Group is confident of continuous growth and good profitable performance in this financial year ended 31 August 2010.

TAN SRI DATO SRI LIM, WEE-CHAI
CHAIRMAN

LIM CHEONG GUAN
EXECUTIVE DIRECTOR

17th March 2010

NOTE

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THANK YOU