



TOP GLOVE CORPORATION BHD.

TOP QUALITY, TOP EFFICIENT, GOOD HEALTH
SAFETY FIRST & BE HONEST

(Company No. 474423-X)

Public Listed Company on Bursa Malaysia Main Market

The World's Largest Rubber Glove Manufacturer

Lot 4969, Jalan Teratai, Batu 6, Off Jalan Meru,

41050 Klang, Selangor D.E., Malaysia.

Tel: 603-33921992 / 603-33921905 Fax: 603-33928410 / 603-33921291

Homepages : (i) www.topglove.com.my (ii) <http://topglove.asiaep.com>

E-mails : (i) invest@topglove.com.my (ii) top@topglove.com.my



CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE THIRD QUARTER ENDED 31 MAY 2010

	Current Quarter Ended	Corresponding Quarter Ended	Current Year To Date	Corresponding Year To Date
	31-May-2010	31-May-2009	31-May-2010	31-May-2009
	RM'000	RM'000	RM'000	RM'000
Revenue	555,851	371,965	1,538,046	1,104,563
Operating Expenses	(475,736)	(316,655)	(1,280,557)	(958,324)
Other Operating Income	3,142	1,276	7,906	4,244
Profit From Operations	83,257	56,586	265,395	150,483
Finance Costs	(101)	(2,013)	(575)	(7,058)
Share of results from associate	168	(235)	(968)	(884)
Profit Before Taxation	83,324	54,338	263,852	142,541
Taxation	(17,944)	(11,959)	(59,666)	(29,454)
Profit For The Period	65,380	42,379	204,186	113,087
Profit Attributable to :				
Equity Shareholder of the Company	64,484	42,167	200,218	112,323
Minority Interest	896	212	3,968	764
	65,380	42,379	204,186	113,087
Earnings Per Share (sen)				
Basic	21.31	14.31	66.52	38.14
Diluted	21.22	14.24	66.26	37.96

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 August 2009

TOP GLOVE CORPORATION BHD.

(Company No. 474423-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 MAY 2010**

	Unaudited as at 31-May-2010 RM'000	Audited as at 31-Aug-2009 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	565,588	564,380
Prepaid Land Lease Payment	13,727	14,200
Investment in Associate	3,882	9,366
Other Investment	145	12,853
Goodwill	22,457	20,113
	605,799	620,912
Current Assets		
Inventories	168,727	119,053
Trade Receivables	245,933	198,263
Other Receivables and Deposits	37,579	8,333
Cash and Bank Balances	283,845	185,848
	736,084	511,497
Total Assets	1,341,883	1,132,409
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share Capital	154,224	151,879
Share premium	284,205	243,677
Treasury shares	(29,765)	(38,427)
Retained profit	599,350	445,420
Foreign exchange reserves	(5,420)	10,581
Others	14,173	11,383
	1,016,767	824,513
Minority Interest	23,220	21,464
Total Equity	1,039,987	845,977
Non-Current Liabilities		
Long Term Borrowings	3,259	8,960
Deferred Taxation	42,356	33,413
	45,615	42,373
Current Liabilities		
Trade Payables	116,240	92,430
Other Payables and Accruals	103,979	104,554
Short Term Borrowings	7,596	11,573
Dividend Payable	-	20,781
Tax Payable	28,466	14,721
	256,281	244,059
Total Liabilities	301,896	286,432
Total Equity and Liabilities	1,341,883	1,132,409
Net Tangible Assets per share (RM)	3.30	2.72
Net Assets per share (RM)	3.37	2.79

TOP GLOVE CORPORATION BHD

(Company No. 474423-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 31 MAY 2010**

	← Attributable to Equity Holders of the Company →						Minority Interest	Total Equity	
	Share Capital	Share Premium	Non distributable			Distributable			Total
			Treasury Shares	Foreign Exchange Reserve	Others				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<u>9 Months Ended 31 May 2010</u>									
Balance as at 01 September 2009	151,879	243,677	(38,427)	10,581	11,383	445,420	824,513	21,464	845,977
Movement during the period (cumulative)	-	-	-	-	10,491	(996)	9,495	-	9,495
Profit for the period	-	-	-	-	-	200,218	200,218	3,968	204,186
Exchange fluctuation reserve	-	-	-	(16,001)	-	-	(16,001)	(2,212)	(18,213)
Resold of treasury shares	-	8,622	8,662	-	-	-	17,284	-	17,284
Issuance of ordinary shares pursuant to ESOS	2,345	31,906	-	-	(7,701)	-	26,550	-	26,550
Dividend	-	-	-	-	-	(45,292)	(45,292)	-	(45,292)
Balance as at 31 May 2010	154,224	284,205	(29,765)	(5,420)	14,173	599,350	1,016,767	23,220	1,039,987
<u>9 Months Ended 31 May 2009</u>									
Balance as at 01 September 2008	150,532	230,193	(38,427)	6,262	1,388	317,100	667,048	19,741	686,789
Movement during the period (cumulative)	-	1,451	-	-	6,199	-	7,650	-	7,650
Profit for the period	-	-	-	-	-	112,323	112,323	764	113,087
Exchange fluctuation reserves	-	-	-	3,808	-	-	3,808	2,724	6,532
Issuance of ordinary shares pursuant to ESOS	575	4,164	-	-	-	-	4,739	-	4,739
Dividend	-	-	-	-	-	(17,668)	(17,668)	-	(17,668)
Balance as at 31 May 2009	151,107	235,808	(38,427)	10,070	7,587	411,755	777,900	23,229	801,129

TOP GLOVE CORPORATION BHD.

(Company No. 474423-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD YEAR ENDED 31 MAY 2010**

	Current Year To Date Ended 31-May-2010	Corresponding Year To Date Ended 31-May-2009
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit before taxation	263,852	142,541
Other adjustment	58,444	51,559
Operating profit before changes in working capital	<u>322,296</u>	<u>194,100</u>
Changes in working capital		
Net change in current assets	(123,001)	91,608
Net change in current liabilities	23,235	(33,801)
Cash flows from operating activities	222,530	251,907
Tax paid	(36,978)	(20,422)
Net cash flows from operating activities	<u>185,552</u>	<u>231,485</u>
Cash flows from investing activities		
Proceeds from resale of treasury shares	17,284	-
Purchase of property, plant and equipment	(55,638)	(55,269)
	<u>147,198</u>	<u>176,216</u>
Cash flows from financing activities		
Dividend paid	(66,073)	(32,390)
Increase in share capital	26,550	4,739
Repayment of borrowings	(9,678)	(95,884)
Net change in cash and cash equivalents	<u>97,997</u>	<u>52,681</u>
Cash and cash equivalents at beginning of year	<u>185,848</u>	<u>120,470</u>
Cash and cash equivalents at end of period	<u><u>283,845</u></u>	<u><u>173,151</u></u>
Breakdown of cash and cash equivalents at end of period		
Bank and cash balances	<u><u>283,845</u></u>	<u><u>173,151</u></u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31 August 2009



AWARDED
ISO 9001

TOP GLOVE CORPORATION BHD. (Company No. 474423-X)

**TOP QUALITY, TOP EFFICIENT, GOOD HEALTH,
SAFETY FIRST & BE HONEST**

Public Listed Company on Bursa Malaysia Main Market

The World's Largest Rubber Glove Manufacturer

Lot 4969, Jalan Teratai, Batu 6, Off Jalan Meru,

41050 Klang, Selangor D.E., Malaysia.

Tel: 603-33921992 / 603-33921905 Fax: 603-33921291 / 603-33928410

Website : (i) www.topglove.com.my

E-mails : (i) invest@topglove.com.my (ii) top@topglove.com.my



NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 MAY 2010

1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with FRS 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Securities.

The interim financial report should be read in conjunction with the audited financial statements for the Group for the financial year ended 31 August 2009. The explanatory notes attached to the interim financial statements provide an explanation of events and transaction that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 August 2009.

Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 August 2009.

2. Auditors' report

The audited financial statements for the financial year ended 31 August 2009 was not subject to any qualification.

3. Seasonal or cyclical factors

The operations of the Group were not affected by any seasonal or cyclical factors in view of its well-diversified world markets and the nature of the Company's products being disposable gloves.

4. Extraordinary and exceptional items

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income, or cash flows in the interim financial report ended 31 August 2009.

5. Changes in estimates of amounts reported previously

There were no material changes in estimates of amounts reported in prior interim periods or prior financial year that have a material effect in the current financial year to-date.

6. Debts and equity securities

6.1) On 1 August 2008, the Company implemented the 2nd Employee Share Option Scheme ("ESOS II"), which is for duration of 10 years. During the current quarter ended 31 May 2010, a total of 1,001,400 new ordinary shares of RM0.50 each were issued and allotted pursuant to the exercise of the ESOS II. The details of the issued and paid-up capital of the Company as at 31 May 2010 are as follow:-

	No. of shares	RM
As at 28 February 2010	307,446,431	153,723,216
Ordinary shares issued pursuant to the ESOS	1,001,400	500,700
As at 31 May 2010	308,447,831	154,223,916

TOP GLOVE CORPORATION BHD.

(Company No. 474423-X)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 MAY 2010 (CONTINUED)

6. Debts and equity securities (cont'd)

6.2) During the current quarter, a total of 1,365,000 treasury shares were sold to the open market for a total consideration of RM17.28 million; the gain on these sales have been recorded in the share premium account of the Company. Subsequent to 31 May 2010, a total of 5,251,700 treasury shares were disposed for a total consideration of RM64.49 million.

7. Dividends paid

For the financial year ended 31 August 2009, the Company :-

- i) On 16 September 2009, paid an interim dividend of 7 sen per share (single tier) amounting to RM20.78 million.
- ii) On 12 March 2010, the Company paid a final dividend of 9 sen per share (single tier) amounting to RM27.05 million and a special dividend of 6 sen per share (single tier) amounting to RM18.04 million which were approved in the Company's Annual General Meeting held on 12 January 2010.

The total dividend paid by the Company in respect of financial year ended 31 August 2009 is 22 sen per share represented by a net payment of RM65.87 million.

For the financial year ended 31 August 2008, the Company :-

- iii) On 16 September 2008, paid 1st interim dividend of 5 sen per share (tax exempt) amounting RM14.72 million.
- iv) On 16 March 2009, the Company paid a final dividend of 6 sen per share (single tier) amounting to RM17.67 million which were approved in the Company's Annual General Meeting held on 13 January 2009.

The total dividend paid by the Company in respect of the financial year ended 31 August 2008 was 11 sen per share represented by a net payment of RM32.39 million.

Record of dividends paid :-

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

TOP GLOVE CORPORATION BHD.

(Company No. 474423-X)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 MAY 2010 (CONTINUED)

8. Segmental reporting

- a. Primary reporting segment – Geographical segments.

The Group operates in three principal geographical areas of the world and is primarily involved in the gloves manufacturing industry.

The directors are of the opinion that all inter-segment transaction have been entered into the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

31 May 2010 (9 months)

	Malaysia RM'000	Thailand RM'000	China RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
<u>Revenue</u>						
External sales	1,246,981	149,160	64,858	77,047		1,538,046
Inter-segment sales	31,318	350,024	63,254	-	(444,596)	
Total Revenue	<u>1,278,299</u>	<u>499,184</u>	<u>128,112</u>	<u>77,047</u>	<u>(444,596)</u>	<u>1,538,046</u>
<u>Result</u>						
Profit from operations	239,285	29,864	(3,917)	163		265,395
Finance cost						(575)
Share of loss of associate						(968)
Profit before tax						<u>263,852</u>
Taxation						(59,666)
Profit for the year						<u>204,186</u>
Segment assets	934,389	212,429	129,063	39,663		<u>1,315,544</u>
Goodwill						<u>22,457</u>
Investment in associate						<u>3,882</u>
<u>Liabilities</u>						
Segment liabilities	220,734	36,409	34,310	10,658	(215)	<u>301,896</u>
<u>Other information</u>						
Capital expenditure	43,148	6,684	5,738	68		<u>55,638</u>
Depreciation	31,093	8,538	4,217	173		<u>44,021</u>

- b. Secondary reporting segment – Business segments

As the Group is principally involved in gloves manufacturing industry, segment reporting by business segment is not prepared.

9. Valuation of property and equipment

There was no revaluation of property, plant and equipment brought forward from the previous audited financial statements, as the Group does not adopt a revaluation policy on its property, plant and equipment.

TOP GLOVE CORPORATION BHD.

(Company No. 474423-X)
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 MAY 2010 (CONTINUED)

10. Material events subsequent to the end of the interim report

There were no significant subsequent events after the end of the interim period to date of this announcement, which will materially affect the earnings or income of the Group.

11. Changes in the composition of the group

There were no significant changes in the composition of the Group for the quarter review, including business combination, acquisition or disposal of subsidiaries and long-term investment, restructuring and discontinuing operations.

12. Contingent liabilities

There were no significant changes in contingent liabilities since the last annual balance sheet date and there were no contingent liabilities pending at the date of this report except the material litigation as disclosed in note 23 below.

ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS

13. Review of performance

	3 months			9 months		
	3Q10 3 mths ended 31 May 2010	3Q09 3 mths ended 31 May 2009	Variance	9M10 9 mths ended 31 May 2010	9M09 9 mths ended 31 May 2009	Variance
Sales (RM mil)	555.9	372.0	49%	1,538.0	1,104.6	39%
Profit before Tax (RM mil)	83.3	54.3	53%	263.9	142.5	85%
Net profit (RM mil)	65.4	42.4	54%	204.2	113.1	81%

The Group sales revenue for the 9 months ended 31 May 2010 has increased by 39% to RM1.54 billion from RM1.10 billion for last year corresponding period. The profit before tax for 9 months and 3 months ended 31 May 2010 comparing to last year's same period has increased by 85% to RM263.9 million and 53% to RM83.3 million respectively. The group 9 months net profit of RM204.2 million, is 21% higher than the full year profit for financial year 2009 of RM168.1 million.

The Group continues with its strong profit growth momentum as demand for gloves continue to increase, especially from the emerging markets 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 Group announced an interim dividend of 14 sen per share, which is 100% higher than last year's interim dividend of 7 sen per share. The balance sheet position strengthened further with a net cash position of RM273.0 million and free cash flow of RM147.2 million for the period ended 31 May 2010. The Group had fully redeemed the RM35 million bonds before its maturity in December 2010, in view of the strong cash flow position.

TOP GLOVE CORPORATION BHD.

(Company No. 474423-X)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 MAY 2010 (CONTINUED)

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

RM 'mil	Financial Year ended 31 August									9M10 9 months ended 31 May 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	1,538.0
EBITDA	23.9	27.1	39.5	60.6	89.2	130.3	175.7	197.8	287.5	308.5
EBITDA margin	17.2%	15.0%	14.9%	14.5%	13.9%	13.1%	14.3%	14.4%	18.8%	20.1%
PBT	17.2	20.2	29.3	45.2	65.7	91.8	118.6	134.6	222.0	263.9
PBT margin	12.4%	11.2%	11.1%	10.8%	10.2%	9.2%	9.7%	9.8%	14.5%	17.2%
Taxation	1.3	2.4	3.6	5.3	7.5	7.0	29.9	26.5	53.9	59.7
PAT	15.9	17.8	25.7	39.9	58.2	84.8	88.7	108.1	168.1	204.2
PAT margin	11.4%	9.9%	9.7%	9.5%	9.1%	8.5%	7.2%	7.8%	11.0%	13.3%

14. Quarterly profits before tax (PBT) comparison with preceding quarter

The Group registered PBT of RM83.3 million for current quarter compared with RM93.9 million in quarter ended 28 February 2010. The 3 months ended 31 May 2010 has been a challenging quarter for the Group due to the head winds faced by the Group in which average latex price had increased by 24% and average US Dollar (USD) had weakened by 3%. This has an impact on the performance for the quarter due to the time lag of passing on the cost to the customers. However, as at 1st June 2010, the latex price has declined by 7% from the peak of RM7.76 per kg and USD has also strengthened by 3% from the low of 3.17.

15. Commentary on prospects and targets

Top Glove, the world's largest rubber glove manufacturer with its good and established corporate culture, has always strived towards its business direction of consistently producing 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. The Group currently has 20 factories, 371 production lines with production capacity of 33 billion pieces of gloves per annum and 10,900 employees. Top Glove has more than 900 customers worldwide and exports to more than 180 countries.

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	July 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	

TOP GLOVE CORPORATION BHD.

(Company No. 474423-X)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 MAY 2010 (CONTINUED)

With the Group achieving good profit growth for the 9 months ended 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.

16. Variance of actual profits from forecast profits

Not applicable as no profit forecast was issued.

17. Taxation

	Quarter Ended		Year To Date Ended	
	31 May 2010	31 May 2009	31 May 2010	31 May 2009
	RM'000	RM'000	RM'000	RM'000
Income tax	15,252	10,231	50,716	22,974
Deferred taxation	2,692	1,728	8,950	6,480
	<u>17,944</u>	<u>11,959</u>	<u>59,666</u>	<u>29,454</u>

The effective tax rate of the Group is lower than the statutory tax rate due to the availability of reinvestment allowance by certain subsidiaries and the tax-free status of certain overseas subsidiaries during the current financial period.

18. Profit/(loss) on sale of unquoted investments and/or properties

There were no sales of unquoted investments and/or properties during the current interim report and financial year-to-date.

19. Purchase and dispose of quoted securities

There was no purchase or disposal of quoted securities by the Group for the current quarter and financial year-to-date.

TOP GLOVE CORPORATION BHD.

(Company No. 474423-X)

(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED 31 MAY 2010 (CONTINUED)****20. Status of corporate proposals announced**

Date of Announcement	Subject	Status
26 April 2010	<p>a) Proposed bonus issue of up to 348,013,000 new ordinary shares of RM 0.50 each on the basis of one (1) new ordinary shares for every one (1) existing shares held on an entitlement date to be determined later.</p> <p>b) Proposed increase in Company's Authorised Share Capital from RM200,000,000 comprising 400,000,000 ordinary shares of RM 0.50 each to RM 400,000,000 comprising 800,000,000 ordinary shares of RM 0.50 each.</p> <p>c) Proposed amendments to the Company's Memorandum and Articles of Association to accommodate the proposals.</p> <p>(Collectively referred to as The Proposals)</p>	<p>Bursa Malaysia Securities Berhad has approved Company's application for the listing and quotation of up to 348,013,000 new ordinary shares on 27 May 2010.</p> <p>The Proposals are pending the approval of the Company's shareholders at an Extraordinary General Meeting to be convened on 24 June 2010.</p>

Except for the above, there are no other corporate proposals not announced or outstanding as at 31 May 2010.

21. Group borrowings

The Group borrowings as at 31 May 2010 were as follows :-

	Unsecured
	RM'000
Short term borrowings	7,596
Long term borrowings	3,259
	<u>10,855</u>

22. Off balance sheet financial instruments

The Group uses derivative financial instruments, mainly forward foreign exchange contracts to hedge its exposure to fluctuations in foreign exchange arising from sales. The Group does not hold or issue derivative financial instruments for trading purposes.

Derivative financial instruments are not recognized in the financial statements on inception.

The details of the open foreign exchange forward contracts agreement as at 31 May 2010 are as follows:-

	Notional Amount
	As At 31 May 2010
	RM'000
Foreign exchange forward contracts :	
Within 3 months	<u>107,714</u>

The above instruments are executed with credit worthy financial institutions in Malaysia. The Directors are of the view that the possibility of non-performance by these financial institutions is remote on the basis of its financial strength.

TOP GLOVE CORPORATION BHD.

(Company No. 474423-X)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 MAY 2010 (CONTINUED)

23. Material litigation

Save as disclosed below, the Company and its subsidiaries are not engaged in any litigation, either as plaintiff or defendant, which has a material effect on the financial position of the Company and its subsidiaries, and the Directors do not know of any proceedings pending or threatened or of any fact likely to give to any proceedings which might materially and/or adversely affect the position or business of the Company or subsidiaries.

Tillotson Corporation (TC), in the United States has lifted the stay imposed by the U.S. District Court in Georgia of Patent infringement of nitrile gloves against Top Glove's two subsidiaries. Top Glove wish to advise that in the latest ruling of the U.S. ITC Federal Court for the Federal Circuit on 14 December 2009, it was decided that the Tillotson Patent on nitrile gloves (United States Patent No. 35,616) is invalid. TC has not appealed and the date of appeal has already lapsed. In line with the decision of the U.S. ITC Federal Court, Top Glove are in the process of striking off this case. Our US lawyers are of the opinion that Top Glove has a very good case on the invalidity claim based on the ITC Court decision above. Top Glove envisaged that there will not be any material implication to the performance of the Group.

24. Dividends

The Board of Directors has declared a first interim single tier dividend of 14 sen net per ordinary share of RM 0.50 each, which is not taxable in the hands of shareholders, amounting to approximately RM43.18 million for the quarter ended 31 May 2010.

Record of dividends :- :

Financial Year	Dividend % (on par value)	Dividend per share (sen)	Total Dividend (RM'000)	Status
2010	28% (1 st interim)	14	43,183	Declared
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			232,815	

* 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.

TOP GLOVE CORPORATION BHD.

(Company No. 474423-X)

(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED 31 MAY 2010 (CONTINUED)****25. Earnings per share**

	Quarter Ended		Year To Date Ended	
	31 May 2010	31 May 2009	31 May 2010	31 May 2009
Net profit attributable to ordinary shareholders (RM'000)	<u>64,484</u>	<u>42,167</u>	<u>200,218</u>	<u>112,323</u>
<u>Basic</u>				
Weighted average number of ordinary shares in issue ('000)	<u>302,655</u>	<u>294,687</u>	<u>300,995</u>	<u>294,530</u>
Basic earnings per share (sen)	<u>21.31</u>	<u>14.31</u>	<u>66.52</u>	<u>38.14</u>
<u>Diluted</u>				
Weighted average number of ordinary shares in issue ('000)	<u>302,655</u>	<u>294,687</u>	<u>300,995</u>	<u>294,530</u>
Effect of dilution : share options ('000)	<u>1,169</u>	<u>1,406</u>	<u>1,169</u>	<u>1,406</u>
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	<u>303,824</u>	<u>296,093</u>	<u>302,164</u>	<u>295,936</u>
Diluted earnings per share (sen)	<u>21.22</u>	<u>14.24</u>	<u>66.26</u>	<u>37.96</u>