



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

A Public Company Listed on Main Market of Bursa Malaysia
 Manufacturer and Exporter of Latex Examination, Nitrile, Surgical, Household, Vinyl, Cleanroom,
 PE, Industrial Gloves & PE Apron

The World's Largest Rubber Glove Manufacturer

Top Glove, Top Quality, Top Efficiency, Good Health, Safety First & Be Honest

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CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2013

	Current Quarter	Corresponding	Current Year	Corresponding
	Ended	Quarter Ended	To Date	Year To Date
	30-Nov-2013	30-Nov-2012	30-Nov-2013	30-Nov-2012
	RM'000	RM'000	RM'000	RM'000
Revenue	573,986	584,575	573,986	584,575
Operating Expenses	(515,657)	(519,727)	(515,657)	(519,727)
Other Operating Income	3,159	5,477	3,159	5,477
Profit From Operations	61,488	70,325	61,488	70,325
Finance Costs	(686)	(30)	(686)	(30)
Share of results of associate	1,038	88	1,038	88
Profit Before Tax	61,840	70,383	61,840	70,383
Taxation	(9,894)	(11,487)	(9,894)	(11,487)
Profit Net of Tax	51,946	58,896	51,946	58,896
Profit Attributable to :				
Owners of the Company	50,277	57,492	50,277	57,492
Minority Interest	1,669	1,404	1,669	1,404
	51,946	58,896	51,946	58,896
Earnings Per Share (sen)				
Basic	8.11	9.29	8.11	9.29
Diluted	8.10	9.28	8.10	9.28

The Condensed Consolidated Income Statement should be read in conjunction with the
 Annual Financial Report for the financial year ended 31 August 2013

TOP GLOVE CORPORATION BHD.

(Company No. 474423-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2013**

	Current	Corresponding	Current	Corresponding
	Quarter Ended	Quarter Ended	Year To Date	Year To Date
	30-Nov-2013	30-Nov-2012	30-Nov-2013	30-Nov-2012
	RM'000	RM'000	RM'000	RM'000
Profit net of tax	51,946	58,896	51,946	58,896
Other comprehensive income:				
Net (loss) / gain on available-for-sale financial assets:				
- (loss) / gain on fair value changes	76	5,583	76	5,583
Foreign currency translation	(223)	(1,259)	(223)	(1,259)
Cash flow hedges	20,206	-	20,206	-
Other comprehensive income	20,059	4,324	20,059	4,324
Total comprehensive income	72,005	63,220	72,005	63,220
Total comprehensive income attributable to:				
Owners of the Company	70,423	61,920	70,423	61,920
Minority Interest	1,582	1,300	1,582	1,300
	72,005	63,220	72,005	63,220

The Condensed Consolidated Income Statement should be read in conjunction with the
Annual Financial Report for the financial year ended 31 August 2013

TOP GLOVE CORPORATION BHD.

(Company No. 474423-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2013**

	Unaudited as at 30-Nov-2013 RM'000	Audited as at 31-Aug-2013 RM'000	Audited as at 1-Sep-2012 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	935,500	928,802	734,386
Land use rights	44,964	45,647	22,441
Investment in associate	17,781	17,022	6,729
Deferred tax assets	11,498	19,165	3,700
Investment securities	145	145	145
Goodwill	25,183	25,183	20,113
	1,035,071	1,035,964	787,514
Current Assets			
Inventories	213,869	219,685	179,440
Trade and other receivables	289,352	295,141	293,863
Other current assets	4,744	3,853	25,791
Investment securities	129,329	93,669	144,198
Cash and bank balances	108,415	123,111	167,246
	745,709	735,459	810,538
Total Assets	1,780,780	1,771,423	1,598,052
EQUITY AND LIABILITIES			
Current Liabilities			
Trade and other payables	220,159	234,074	231,538
Other current liabilities	20,317	28,504	30,940
Short term borrowings	47,164	55,581	161
Tax payable	2,008	6,013	9,054
Derivative liability	10,228	40,852	2,663
	299,876	365,024	274,356
Net Current Assets	445,833	370,435	536,182
Non-Current Liabilities			
Long term borrowings	2,705	2,809	2,815
Deferred tax liabilities	46,957	45,749	41,028
	49,662	48,558	43,843
Total Liabilities	349,538	413,582	318,199
Net Assets	1,431,242	1,357,841	1,279,853
Equity Attributable to Equity Holders of the Company			
Share capital	310,255	310,110	309,440
Share premium	181,762	180,174	174,197
Retained earnings	895,054	844,777	747,411
Other reserves	16,600	(3,209)	24,306
	1,403,671	1,331,852	1,255,354
Minority Interest	27,571	25,989	24,499
Total Equity	1,431,242	1,357,841	1,279,853
Total Equity and Liabilities	1,780,780	1,771,423	1,598,052
Net Tangible Assets per share (RM)	2.27	2.15	2.04
Net Assets per share (RM)	2.31	2.19	2.07

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2013**

	← Attributable to Equity Holders of the Company →										
	Equity, total RM'000	Equity attributable to owners of the parent, total RM'000	← Non distributable →					Distributable			
Share Capital RM'000			Share Premium RM'000	Foreign exchange reserve RM'000	Cash flow hedge reserve RM'000	Legal reserve RM'000	Share option reserve RM'000	Fair value Adjustment Reserve RM'000	Retained Profits RM'000	Minority Interest RM'000	
3 Months Ended 30 November 2013											
Opening balance at 1 September 2013	1,357,841	1,331,852	310,110	180,174	11,058	(31,393)	4,434	11,054	1,638	844,777	25,989
Total comprehensive income	72,005	70,423	-	-	(136)	20,206	-	-	76	50,277	1,582
Transactions with owners											
Issuance of ordinary shares pursuant to ESOS	1,396	1,396	145	1,588	-	-	-	(337)	-	-	-
Closing balance at 30 November 2013	<u>1,431,242</u>	<u>1,403,671</u>	<u>310,255</u>	<u>181,762</u>	<u>10,922</u>	<u>(11,187)</u>	<u>4,434</u>	<u>10,717</u>	<u>1,714</u>	<u>895,054</u>	<u>27,571</u>
3 Months Ended 30 November 2012											
Opening balance at 1 September 2012	1,279,853	1,255,354	309,440	174,197	5,360	-	4,434	10,331	4,181	747,411	24,499
Total comprehensive income	63,235	61,935	-	-	(1,140)	-	-	-	5,583	57,492	1,300
Transactions with owners											
Issuance of ordinary shares pursuant to ESOS	761	761	99	798	-	-	-	(136)	-	-	-
Acquisition of subsidiary	1,287	-	-	-	-	-	-	-	-	-	1,287
Closing balance at 30 November 2012	<u>1,345,136</u>	<u>1,318,050</u>	<u>309,539</u>	<u>174,995</u>	<u>4,220</u>	<u>-</u>	<u>4,434</u>	<u>10,195</u>	<u>9,764</u>	<u>804,903</u>	<u>27,086</u>

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 August 2013

TOP GLOVE CORPORATION BHD.

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 NOVEMBER 2013**

	Current Year To Date Ended 30-Nov-2013	Corresponding Year To Date Ended 30-Nov-2012
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit before taxation	61,840	70,383
Depreciation	21,845	19,217
Other adjustment	(2,499)	(9,771)
Operating profit before changes in working capital	<u>81,186</u>	<u>79,829</u>
Changes in working capital		
Net change in current assets	12,861	29,262
Net change in current liabilities	(26,858)	20,435
Cash flows from operating activities	<u>67,189</u>	<u>129,526</u>
Interest paid	(686)	(30)
Tax paid	(12,691)	(16,155)
Net cash flows from operating activities	<u>53,812</u>	<u>113,341</u>
Cash flows from investing activities		
(Purchase) / Proceeds from disposal of investment securities	(35,584)	875
Purchase of property, plant and equipment	(25,799)	(58,085)
Acquisition of land use rights	-	(24,116)
Net cash flows used-in investing activities	<u>(61,383)</u>	<u>(81,326)</u>
Cash flows from financing activities		
Proceeds from issuance of shares	1,396	761
(Decrease) / Increase in borrowings	(8,521)	1,397
Net cash flows (used-in) / generated from financing activities	<u>(7,125)</u>	<u>2,158</u>
Net change in cash and cash equivalents	(14,696)	34,173
Cash and cash equivalents at beginning of year	<u>123,111</u>	<u>167,246</u>
Cash and cash equivalents at end of period	<u>108,415</u>	<u>201,419</u>
Breakdown of cash and cash equivalents at end of period		
Bank and cash balances	<u>108,415</u>	<u>201,419</u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the financial year ended 31 August 2013



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ISO 9001

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2013

1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysia Financial Reporting Standard ("MFRS") 134 : Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 August 2013. 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 2013.

The audited financial statements of the Group for the year ended 31 August 2013 were prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"). The significant accounting policies and method of computations adopted in preparation of this interim financial report are consistent with those adopted in the audited financial statements of the Company for the financial year ended 31 August 2013.

2. Auditors' report

The audited financial statements for the financial year ended 31 August 2013 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 period ended 30 November 2013.

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.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2013 (CONTINUED)

6. Changes in debts and equity securities

The Company's 2nd Employee Share Option Scheme ("ESOS II") was implemented on 1 August 2008. During the quarter ended 30 November 2013, a total of 290,200 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 30 November 2013 are as follows:-

	No. of shares	RM
As at 31 August 2013	620,219,962	310,109,981
Ordinary shares issued pursuant to the ESOS	290,200	145,100
As at 30 November 2013	620,510,162	310,255,081

Other than the above, there were no issuance and repayment of debt and equity securities, share cancellations and resale of treasury shares for the financial year-to-date.

7. Dividends paid

For the financial year ended 31 August 2013, the Company:-

- On 18 July 2013, paid a 1st interim single tier dividend of 7 sen per ordinary share amounting to RM43.40 million, which was declared on 13 June 2013 in conjunction with the 3rd quarter ended 31 May 2013 financial results announcement.
- On 11 October 2013, a final single tier dividend of 9 sen per ordinary share amounting to approximately RM55.84 million for the financial year ended 31 August 2013 was proposed. The proposed final dividend is subject to shareholders' approval at the forthcoming Annual General Meeting on 7 January 2014.

The total dividend paid and proposed by the Company in respect of the financial year ended 31 August 2013 is 16 sen per ordinary share represented by a payment of approximately RM99.24 million.

Record of dividends paid:-

Financial Year	Net Dividend per share (sen)	Total Dividend (RM'000)
2013	7.00 (interim)	43,404
2012	16.00	99,038
2011	11.00	68,035
2010	16.00	98,877
2009	11.00	65,873
2008	5.50	32,389
2007	4.61	27,435
2006	3.67	21,173
2005	2.66	14,110
2004	2.36	12,295
2003	1.85	9,550
2002	0.56	2,808
2001	0.80	4,000
Total		498,987

Note : Net dividend per share has been adjusted to reflect :

- Subdivision of shares from one ordinary share of RM1.00 to two ordinary shares of RM0.50 each which was completed in February 2005.
- Bonus issue of 30% in April 2002, 40% in April 2003, 40% in February 2007 and 100% in July 2010.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2013 (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.

3 months ended 30 November 2013

	Malaysia RM'000	Thailand RM'000	China RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
<u>Revenue</u>						
External sales	456,105	63,016	29,824	25,041	-	573,986
Inter-segment sales	9,846	79,802	1,286	-	(90,934)	-
Total Revenue	<u>465,951</u>	<u>142,818</u>	<u>31,110</u>	<u>25,041</u>	<u>(90,934)</u>	<u>573,986</u>
<u>Result</u>						
Segment profit	60,277	4,770	(5,233)	1,674	-	61,488
Finance cost						(686)
Share of profit of Associate						1,038
Profit before tax						<u>61,840</u>
<u>Assets</u>						
Segment assets	1,211,221	210,660	108,973	206,962		<u>1,737,816</u>
Goodwill						<u>25,183</u>
Investment in Associate						<u>17,781</u>
<u>Liabilities</u>						
Segment liabilities	249,265	27,753	15,666	56,854		<u>349,538</u>
<u>Other information</u>						
Capital expenditure	24,241	1,519	-	39		<u>25,799</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.

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 the date of this announcement, which will materially affect the earnings or income of the Group.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2013 (CONTINUED)

11. Changes in the composition of the group

There were no significant changes in the composition of the Group for the quarter under 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.

13. Capital commitments

As at the end of the reporting quarter, the Company had commitments for significant approved and contracted for capital expenditures amounting approximately to RM123.3 million.

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

14. Review of performance

The Group's performance for the first quarter ended 30 November 2013 ("1QFY2014") compared with the corresponding quarter last financial year is as tabled below:

	1QFY2014	1QFY2013	Variance
	RM'mil	RM'mil	%
Revenue	574.0	584.6	(1.8)
PBT	61.8	70.4	(12.2)
PBT Margin	10.8%	12.0%	

The Group registered a revenue of RM574.0 million for 1QFY2014, which was slightly lower compared with the corresponding quarter in the previous financial year, mainly due to a lower average selling price despite the increase in overall sales volume by 10%. The volume growth was attributable to the continuous demand from developed and emerging markets alike, which is expected to continue growing at a rate of 8% to 10%.

Meanwhile, profit before taxation ("PBT") was RM61.8 million, compared with RM70.4 million in 1QFY2013. The decline in PBT was mainly attributed to the fair value gain on foreign exchange contracts of RM15.2 million that was recognised in 1QFY2013.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2013 (CONTINUED)****14. Review of performance (continued)**

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

RM 'mil	Financial year ended 31 August													1QFY14 (unaudited)
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Revenue	138.9	180.2	265.1	418.1	641.8	992.6	1,228.8	1,377.9	1,529.1	2,079.4	2,053.9	2,314.5	2,313.2	574.0
EBITDA	23.9	27.1	39.5	60.6	89.2	130.3	175.7	197.8	287.5	364.7	207.3	310.0	323.3	84.4
EBITDA margin	17.2%	15.0%	14.9%	14.5%	13.9%	13.1%	14.3%	14.4%	18.8%	17.5%	10.1%	13.4%	14.0%	14.7%
PBT	17.2	20.2	29.3	45.2	65.7	91.8	118.6	134.6	222.0	305.0	145.5	240.7	242.2	61.8
PBT margin	12.4%	11.2%	11.1%	10.8%	10.2%	9.2%	9.7%	9.8%	14.5%	14.7%	7.1%	10.4%	10.5%	10.8%
Taxation	1.3	2.2	3.6	5.3	7.5	7.0	29.9	26.5	53.9	54.6	30.3	33.4	39.4	9.9
PAT	15.9	18.0	25.7	39.9	58.2	84.8	88.7	108.1	168.1	250.4	115.1	207.3	202.8	51.9
PAT margin	11.4%	10.0%	9.7%	9.5%	9.1%	8.5%	7.2%	7.8%	11.0%	12.0%	5.6%	9.0%	8.8%	9.0%

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2013 (CONTINUED)**

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

	1QFY2014 RM'mil	4QFY2013 RM'mil	Variance %
Revenue	574.0	548.2	4.7
PBT	61.8	67.1	(7.9)
PBT margin	10.8%	12.2%	

Revenue increased by 4.7% from RM548.2 million in 4QFY2013 to RM574.0 million in 1QFY2014, attributed to a 3% increase in sales volume. However, PBT in 1QFY2014 declined by 7.9% to RM61.8 million from RM67.1 million in 4QFY2013, mainly due to the unfavourable contribution from the subsidiaries in China arising from the challenging operating environment in the vinyl glove segment.

16. Commentary on prospects and targets

The Group expects the business landscape to remain competitive and challenging, in the face of volatility in commodity prices and foreign exchange as well as higher electricity tariffs.

The Group will continue its improvement and transformation projects to meet such challenges.

17. Variance of actual profits from forecast profits

Not applicable as no profit forecast was issued.

18. Taxation

	Quarter Ended		Year To Date Ended	
	30 Nov 2013 RM'000	30 Nov 2012 RM'000	30 Nov 2013 RM'000	30 Nov 2012 RM'000
Income tax				
- Current year	8,188	8,945	8,188	8,945
- Under provision in previous year	498	-	498	-
Deferred taxation	1,208	2,542	1,208	2,542
	<u>9,894</u>	<u>11,487</u>	<u>9,894</u>	<u>11,487</u>

The effective tax rate of the Group is lower than the statutory tax rate due to the tax-free status of certain overseas subsidiaries.

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

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

20. Purchase and disposal of quoted securities

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

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2013 (CONTINUED)

21. Status of corporate proposals announced

As announced on 11 October 2013, in connection with the proposed voluntary delisting of Medi-Flex Limited (“Medi-Flex”) from the Catalist of the Singapore Exchange Securities Trading Limited pursuant to Rules 1307 and 1308 of the Catalist Rules (“Proposed Delisting”), Top Glove Sdn Bhd (the “Offeror”) has made a cash offer at an offer price of SGD0.15 per share to purchase all of the issued ordinary shares (excluding treasury shares) in the capital of Medi-Flex (“Shares”), other than those Shares held by the Offeror, its related corporations or their nominees, on the terms and subject to the conditions set out in the Joint Announcement and the Exit Offer Letter, in accordance with Section 139 of the Securities and Future Act (Cap 289) and the Singapore Code on Take-overs and Mergers.

An Extraordinary General Meeting has been scheduled to be held on 30 December 2013 to seek the approval of Shareholders for the Proposed Delisting and to make an application to the SGX-ST for the Delisting. In connection therewith, the Delisting Circular, Exit Offer Letter and Acceptance Form have been despatched to Shareholders of Medi-Flex on 6 December 2013.

22. Group borrowings

The Group borrowings as at 30 November 2013 were as follows:-

	As at 30 Nov 2013 Unsecured RM'000	As at 30 Nov 2012 Unsecured RM'000
Short term borrowings	47,164	1,698
Long term borrowings	2,705	2,675
	<u>49,869</u>	<u>4,373</u>

Borrowings are mainly denominated in US Dollar amounting to USD15.57 million as at 30 November 2013 (30 November 2012: USD1.37 million), with the balance in RM and Euro.

23. Fair value hierarchy

The Group uses the following hierarchy in determining the fair value of all financial instruments carried at fair value :

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs that are based on observable market data, either directly or indirectly

Level 3 – Inputs that are not based on observable market data

As at 30 November 2013, the Group held the following financial assets that are measured at fair value :-

	Level 1 RM'000	Level 2 RM'000	Total RM'000
Assets measured at fair value: Available-for-sale financial assets	129,329		129,329
Liabilities measured at fair value: Derivative liabilities		10,228	10,228

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2013 (CONTINUED)****24. Realised and Unrealised Profits/Losses**

	As at 30 Nov 2013 RM'000	As at 31 Aug 2013 RM'000
Total retained earnings of the company and its subsidiaries:		
- Realised	939,073	875,616
- Unrealised	(32,829)	(21,942)
	<hr/> 906,244	<hr/> 853,674
(Less)/Add: Consolidation adjustments	(11,190)	(8,897)
	<hr/> 895,054	<hr/> 844,777
	<hr/> <hr/>	<hr/> <hr/>

25. Notes to the Statement of Comprehensive Income

Profit for the period has been arrived at after crediting / (charging):-

	Quarter ended 30 Nov 2013 RM'000	Year To Date Ended 30 Nov 2013 RM'000
Interest income	2,448	2,448
Other income including investment income	272	272
Interest expenses	(686)	(686)
Depreciation and amortization	(21,845)	(21,845)
Foreign exchange loss	(7,103)	(7,103)
Fair value gain on foreign exchange contracts	438	438

26. Other Comprehensive Income

The Company has designated all of its foreign currency forward contracts entered into as effective hedge and has applied hedge accounting upon recognition on all of the forward contracts outstanding.

27. Material litigation

The Company's subsidiaries, namely Top Glove Sdn. Bhd., TG Medical Sdn. Bhd. and Flexitech Sdn. Bhd. were served a writ of summons on 18 January 2013 by Sentinel Engineering Sdn. Bhd. and Hartalega Sdn. Bhd., claiming damages on the alleged infringement of the arrangement of assembling former holders, claimed in features of Patent No. MY 140770-A. The writ of summons was also served on 3 other glove manufacturing companies and 2 suppliers of glove machinery parts or components. Our subsidiaries have filed their defence and counterclaims on 22 April 2013 and the Plaintiffs have filed their reply and defence to counterclaims on 27 September 2013. The next case management hearing was fixed on 16 January 2014.

Save as disclosed above, 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.

TOP GLOVE CORPORATION BHD.

(Company No. 474423-X)

(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2013 (CONTINUED)****28. Dividends**

No dividend was proposed by the Board of Directors for the current quarter under review.

The total dividend declared by the Company in respect of the financial year ended 31 August 2013 is 16 sen per ordinary share amounting to approximately RM99.24 million. The Company paid a first single tier interim dividend of 7 sen per ordinary share amounting to RM43.40 million on 18 July 2013. The Board of Directors have also proposed a final single tier dividend of 9 sen per ordinary share amounting to approximately RM55.84 million for the financial year ended 31 August 2013. The proposed final dividend is subject to shareholders' approval at the forthcoming Annual General Meeting on 7 January 2014.

29. Earnings per share

	Quarter Ended		Year To Date Ended	
	30 Nov 2013	30 Nov 2012	30 Nov 2013	30 Nov 2012
Net profit attributable to owners of the Company shareholders (RM'000)	50,277	57,492	50,277	57,492
Basic				
Weighted average number of ordinary shares in issue ('000)	620,243	618,959	620,243	618,959
Basic earnings per share (sen)	8.11	9.29	8.11	9.29
Diluted				
Weighted average number of ordinary shares in issue ('000)	620,243	618,959	620,243	618,959
Effect of dilution : share options ('000)	757	780	757	780
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	621,000	619,739	621,000	619,739
Diluted earnings per share (sen)	8.10	9.28	8.10	9.28