



**Top Glove Corporation Bhd**

(Company No. 199801018294 [474423-X])

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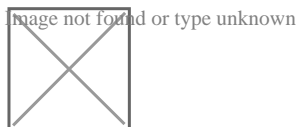
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## **PRESS RELEASE**

For Immediate Release

**FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED AUGUST 31, 2010**



*Record revenue and profit after tax of over RM2 bil and RM250 mil respectively, but cautious over headwinds*

**Klang, Oct 6, 2010** – Top Glove Corporation Bhd (Top Glove) today announced a record sales revenue of RM2.08 billion and a record profit after tax of RM250 million for the financial year ended 31 August 2010 (FY2010). Top Glove's FY2010 revenue of RM2.08 billion was an increase of 36% from RM1.53 billion last year while profit after tax of RM250 million rose 49% from RM168 million.

Top Glove's strong sales performance was attributed to strong demand for gloves from the healthcare sector and emerging markets, which demand for gloves is expected to continue to register double digit growth.

In line with the higher demand, the Group has increased its capacity during the financial year just ended.

The Group's profit after tax for FY2010 was 49% higher due to higher sales and improved margins.

For the fourth quarter ended 31 August 2010 (4QFY10), sales revenue was 28% higher at RM541 million

compared with RM424 million recorded in the corresponding period last year.

Meanwhile, profit after tax for 4QFY10 declined 16% to RM46 million from RM55 million a year ago despite higher sales due to normalised demand and oversupply of capacity situation. This was further aggravated with persistently high latex prices and weakening of USD, which affected the Group's revenue and profit margins.

Todate, latex price has increased by around 55% and USD has weakened against RM by around 13% since beginning of the financial year 2010 (12 months ago).

The Group announced a final dividend of 9 sen per share, bringing to a total of 16 sen per share, up 45% from last year's total dividend of 11 sen per share (after adjusting for one-for-one bonus issue).

Top Glove's balance sheet position was further strengthened with a net cash position of RM299.5 mil and free cash flow of RM131.6 million as at 31 August, 2010.

"I am pleased to announce that Top Glove has continued its growth momentum and chalked up a very solid performance in the financial year just ended despite operating in a tougher environment. While the glove industry is now undergoing some headwinds with high latex prices and depreciating US dollar, we are confident the Group will be able to weather through the challenges on the back of a strong financial balance sheet and vast experience of the efficient, healthy and prudent management team, who has been through many cycles in the glove industry," said Top Glove chairman Tan Sri Dato Sri Lim Wee Chai.

On the outlook moving forward, Top Glove remains cautious as demand normalizes coupled with excess capacity situation. As such, consolidation is expected to take place among the industry players.

Nevertheless, Top Glove is committed to strengthening its leadership position within the rubber glove industry through continued focus on enhancing its quality through research and development, innovation, manufacturing process re-engineering, relentless cost reduction and running its business with honesty, integrity and transparency.

"Given the demanding environment and barring unforeseen circumstances, we maintain our expectation that the next financial results will be satisfactory at best underpinned by continued demand for gloves," Tan Sri Lim concluded.

Please refer to attached file for additional information on Top Glove's performance.

For more information on Top Glove Corporation Berhad's, please visit [www.topglove.com.my](http://www.topglove.com.my)

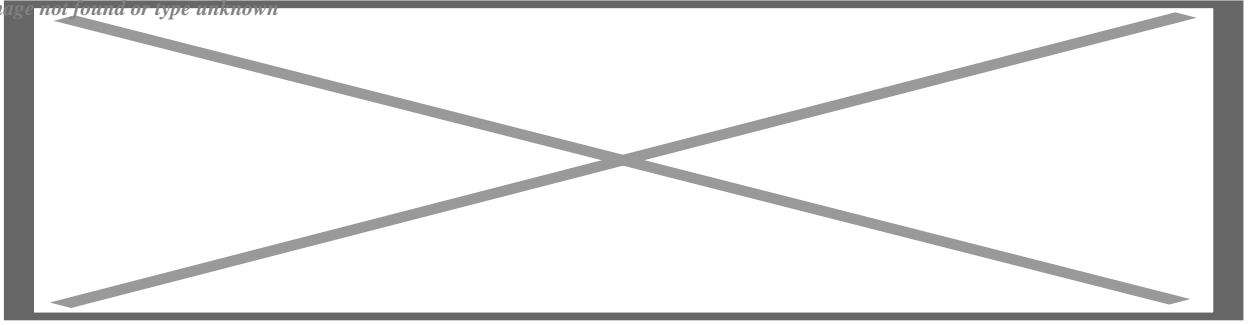
### **About Top Glove Corporation Berhad:**

Top Glove Corporation Berhad was listed on the Second Board of the Kuala Lumpur Stock Exchange in 2001 and was transferred to the Main Board on May 16, 2002. The company is one of the component stocks of the FTSE Bursa Malaysia ("FBM") Mid 70 Index, FBM Top 100 Index and FBM Emas Index.

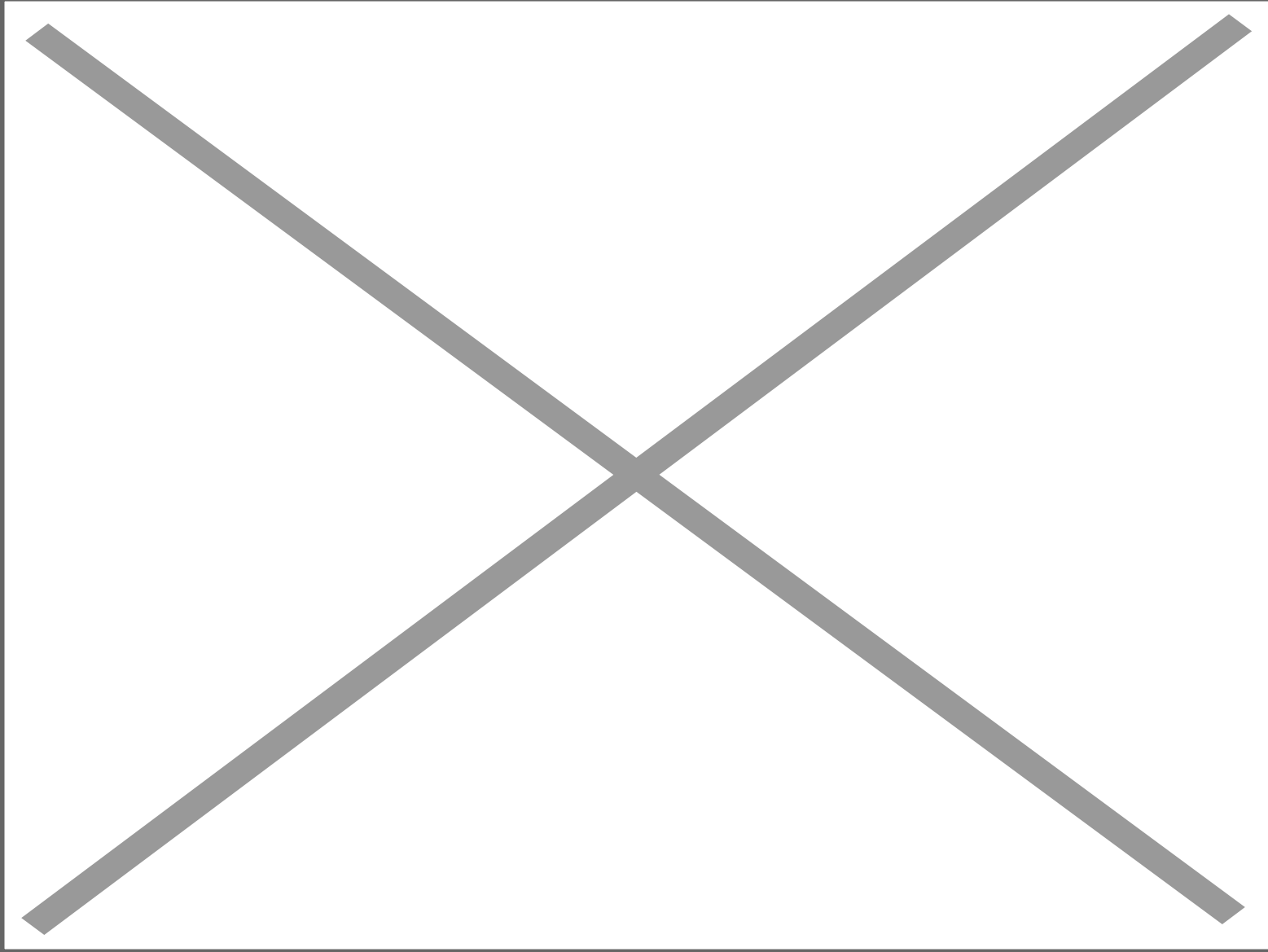
Top Glove is currently the world's largest rubber glove manufacturer with good and established corporate culture and business direction of consistently producing top quality gloves at efficient low cost. Top Glove has more than 900 customers worldwide and exports to more than 180 countries.

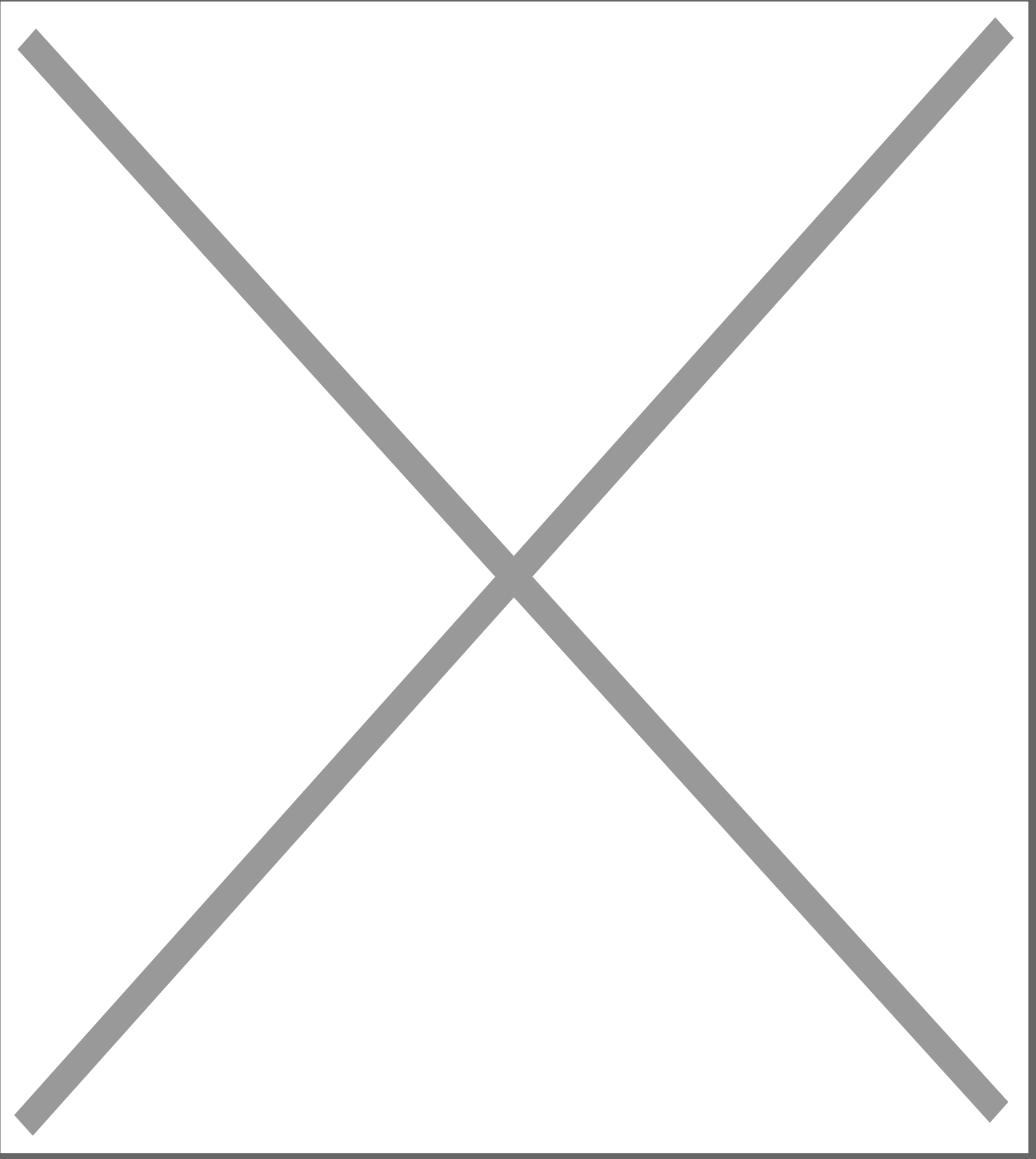
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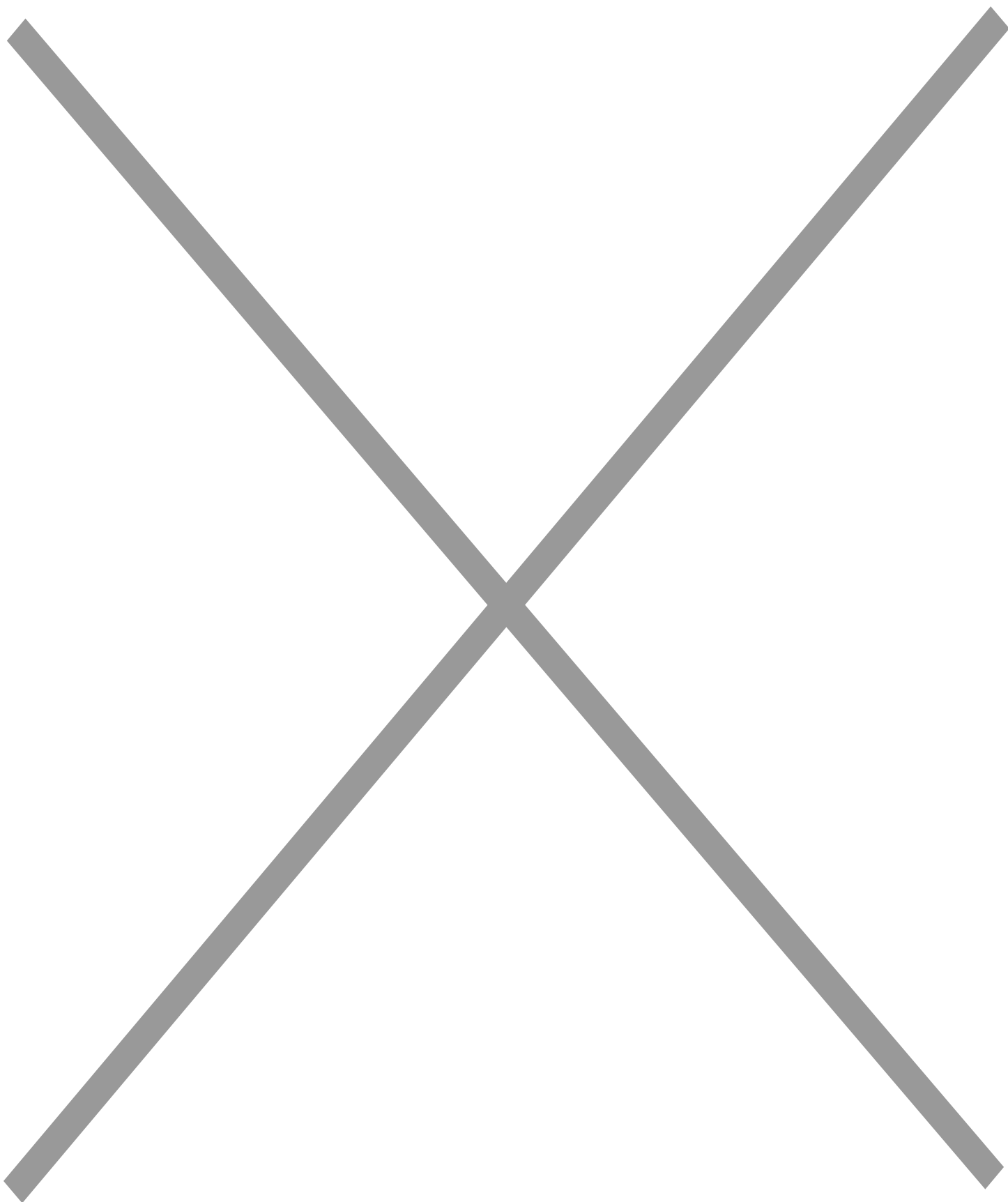


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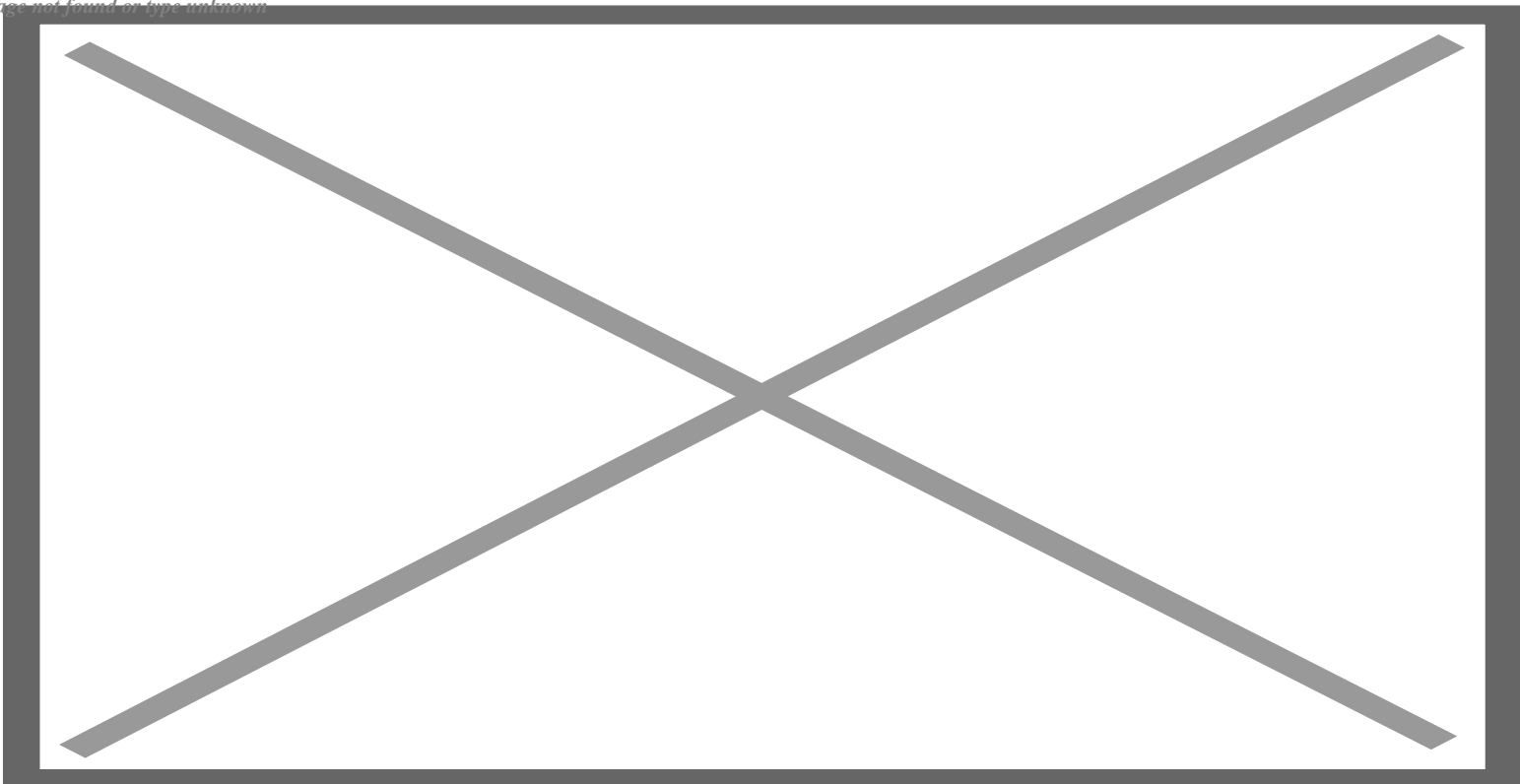


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