



# TOP GLOVE CORPORATION BHD.

(Company No. 474423-X)  
**Public Listed Company on Bursa Malaysia Main Board**  
**The World's Largest Rubber Glove Manufacturer**  
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## CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE QUARTER ENDED 28 FEBRUARY 2006

|   | Current Quarter Ended | Corresponding Quarter Ended | Cumulative Year To Date | Corresponding Year To Date |
|---|-----------------------|-----------------------------|-------------------------|----------------------------|
|   | 28-Feb-2006           | 28-Feb-2005                 | 28-Feb-2006             | 28-Feb-2005                |
|   | RM'000                | RM'000                      | RM'000                  | RM'000                     |
| <b>Revenue</b>  | 228,507               | 148,745                     | 437,194                 | 287,872                    |
| <b>Operating Expenses</b>   | (203,676)             | (132,112)                   | (390,701)               | (255,726)                  |
| <b>Other Operating Income</b>   | 922                   | 201                         | 1,797                   | 633                        |
| <b>Profit From Operations</b>   | 25,753                | 16,834                      | 48,290                  | 32,779                     |
| <b>Finance Costs</b>  | (2,589)               | (804)                       | (4,279)                 | (1,807)                    |
| <b>Interest Income</b>  | 153                   | 18                          | 256                     | 32                         |
| <b>Profit Before Taxation</b>   | 23,317                | 16,048                      | 44,267                  | 31,004                     |
| <b>Taxation</b>   | (3,218)               | (2,177)                     | (5,622)                 | (4,201)                    |
| <b>Profit After Taxation</b>  | 20,099                | 13,871                      | 38,645                  | 26,803                     |
| <b>Minority Interest</b>  | (98)                  | 52                          | (285)                   | 32                         |
| <b>Net Profit For The Period</b>  | 20,001                | 13,923                      | 38,360                  | 26,835                     |
| <b>Earnings Per Share (sen)</b>   |                       |                             |                         |                            |
| <b>Basic</b>  | 10.52                 | 7.46                        | 20.23                   | 14.36                      |
| <b>Diluted</b>  | 10.44                 | 7.43                        | 20.08                   | 14.30                      |
| Remarks : the calculation of basic earnings per share for both the current quarter and year-to-date ended 28 February 2006 is based on the weighted average of issued and paid up share capital of 190,099,073 and 189,590,204 shares respectively. As for the corresponding quarter and year-to-date ended 28 February 2005 is based on the weighted average of issued and paid up share capital of 186,538,000 and 186,899,000 shares respectively. |                       |                             |                         |                            |
| The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 August 2005  |                       |                             |                         |                            |

**TOP GLOVE CORPORATION BHD.**

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(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED BALANCE SHEET  
AS AT 28 FEBRUARY 2006**

|  | Unaudited<br>Balance as at<br>28-Feb-2006<br>RM'000 | Audited<br>Balance as at<br>31-Aug-2005<br>RM'000 |
|--|---|---|
| <b>Property, Plant and Equipment</b>     | 329,392   | 295,296   |
| <b>Other Investment</b>                  | 139   | 139   |
| <b>Goodwill on Consolidation</b>         | 5,325   | 5,325   |
| <b>Current Assets</b>                    |   |   |
| Inventories                              | 80,205  | 62,727  |
| Trade Receivables                        | 130,626   | 112,320   |
| Other Receivables and Deposits           | 14,678  | 5,569   |
| Cash and Bank Balances                   | 48,951  | 25,128  |
|  | <u>274,460</u>                                      | <u>205,744</u>                                    |
| <b>Current Liabilities</b>               |   |   |
| Trade Payables                           | 89,518  | 78,529  |
| Other Payables and Accruals              | 42,729  | 41,440  |
| Short Term Borrowings                    | 47,934  | 84,291  |
| Provision for Taxation                   | 2,693   | 593   |
| Dividend Payable                         | 8,455   | 5,655   |
|  | <u>191,329</u>                                      | <u>210,508</u>                                    |
| <b>Net Current Assets/ (Liabilities)</b> | <u>83,131</u>                                       | <u>(4,764)</u>                                    |
|  | <u>417,987</u>                                      | <u>295,996</u>                                    |
| <b>Financed by :</b>                     |   |   |
| Share Capital                            | 95,420  | 94,319  |
| Share premium                            | 16,227  | 9,065   |
| Retained profit                          | 140,107   | 110,202   |
| Foreign exchnage reserves                | 1,084   | 418   |
| Others                                   | 1,051   | 799   |
| <b>Shareholders' Equity</b>              | <u>253,889</u>                                      | <u>214,803</u>                                    |
| <b>Minority Interest</b>                 | <u>1,649</u>  | <u>1,232</u>                                      |
|  | 255,538   | 216,035   |
| <b>Long Term Liabilities</b>             |   |   |
| Long Term Borrowings                     | 81,544  | 69,899  |
| Bonds                                    | 70,000  | -   |
| Deferred Taxation                        | 10,905  | 10,062  |
|  | <u>417,987</u>                                      | <u>295,996</u>                                    |
| Net Tangible Assets per share (RM)       | 1.302   | 1.110   |
| Net Assets per share (RM)                | 1.339   | 1.145   |

The Condensed Consolidated Balance Sheet should be read in conjunction with the  
Annual Financial Report for the year ended 31 August 2005

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 28 FEBRUARY 2006**

|   |                            | ← Non distributable →      |  |                  | Distributable                 |                 |
|---|----------------------------|----------------------------|--|------------------|-------------------------------|-----------------|
|   | Share<br>Capital<br>RM'000 | Share<br>Premium<br>RM'000 | Foreign<br>Exchange<br>Reserve<br>RM'000 | Others<br>RM'000 | Retained<br>Profits<br>RM'000 | Total<br>RM'000 |
| <b><u>6 Months Ended 28 February 2006</u></b> |                            |                            |  |                  |                               |                 |
| Balance as at 01 September 2005               | 94,319                     | 9,065                      | 418                                      | 799              | 110,202                       | 214,803         |
| Movement during the period (cumulative)       | -                          | -                          | 666                                      | 252.00           | 38,360                        | 39,278          |
| ESOS share subscription during the year       | 1,101                      | 7,162                      | -  | -                | -                             | 8,263           |
| Dividend                                      |                            |                            |  |                  |                               |                 |
| - Final tax exempt dividend                   | -                          | -                          | -  | -                | (5,713)                       | (5,713)         |
| - Final dividend 3% (less 28% tax)            | -                          | -                          | -  | -                | (2,742)                       | (2,742)         |
| Balance as at 28 February 2006                | <u>95,420</u>              | <u>16,227</u>              | <u>1,084</u>                             | <u>1,051</u>     | <u>140,107</u>                | <u>253,889</u>  |
| <b><u>6 Months Ended 28 February 2005</u></b> |                            |                            |  |                  |                               |                 |
| Balance as at 01 September 2004               | 93,059                     | 2,279                      | 5  | -                | 66,160                        | 161,503         |
| Movement during the period (cumulative)       | -                          | -                          | 52                                       | -                | 26,835                        | 26,887          |
| ESOS share subscription during the year       | 725                        | 3,768                      | -  | -                | -                             | 4,493           |
| Dividend                                      |                            |                            |  |                  |                               |                 |
| - Final tax exempt dividend                   | -                          | -                          | -  | -                | (5,621)                       | (5,621)         |
| - Final dividend 3% (less 28% tax)            | -                          | -                          | -  | -                | (2,023)                       | (2,023)         |
| Balance as at 28 February 2006                | <u>93,784</u>              | <u>6,047</u>               | <u>57</u>                                | <u>-</u>         | <u>85,351</u>                 | <u>185,239</u>  |

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the year ended 31 August 2005

**TOP GLOVE CORPORATION BHD.**

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE QUARTER ENDED 28 FEBRUARY 2006**

|  | <b>Current Year<br/>To Date Ended<br/>28-Feb-2006<br/>RM'000</b> | <b>Corresponding Year<br/>To Date Ended<br/>28-Feb-2005<br/>RM'000</b> |
|--|--|--|
| <b>Cash Flows From Operating Activities</b>                        |  |  |
| Profit before taxation   | 44,267   | 31,004   |
| Adjustments for :  |  |  |
| Depreciation   | 12,804   | 8,644  |
| <b>Operating profit before changes in working capital</b>          | <u>57,071</u>  | <u>39,648</u>  |
| <b>Changes in working capital</b>                                  |  |  |
| Net change in current assets                                       | (44,893)   | (48,313)   |
| Net change in current liabilities                                  | 13,328   | 29,544   |
| Cash flows from operating activities                               | <u>25,506</u>  | <u>20,879</u>  |
| Tax paid   | (2,679)  | (407)  |
| <b>Net cash flows from operating activities</b>                    | <u>22,827</u>  | <u>20,472</u>  |
| <b>Cash flows from investing activities</b>                        |  |  |
| Purchase of additional shares in subsidiaries                      | -  | 5  |
| Purchase of Investment   | -  | (95)   |
| Purchase of property, plant and equipment                          | (46,900)   | (45,442)   |
|  | <u>(24,073)</u>  | <u>(25,060)</u>  |
| <b>Cash flows from financing activities</b>                        |  |  |
| Dividend paid  | (5,655)  | (4,651)  |
| Increase in subsidiaries share capital                             | -  | -  |
| Increase in share capital  | 8,263  | 4,493  |
| Increase of borrowings   | 42,873   | 24,375   |
| <b>Net change in cash and cash equivalents</b>                     | <u>21,408</u>  | <u>(843)</u>   |
| <b>Cash and cash equivalents at beginning of year</b>              | 24,812   | 16,618   |
| <b>Cash and cash equivalents at end of period</b>                  | <u><u>46,220</u></u>   | <u><u>15,775</u></u>   |
| <b>Breakdown of cash and cash equivalents<br/>at end of period</b> | -  |  |
| Bank and cash balances   | 48,951   | 30,758   |
| Bank overdrafts  | (2,731)  | (14,983)   |
|  | <u><u>46,220</u></u>   | <u><u>15,775</u></u>   |

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31 August 2005