



## 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, Industrial Gloves,  
 CPE & TPE

**The World's Largest Rubber Glove Manufacturer**

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

Corporate Office : A-11-01, Empire Subang Office, Jalan SS16/1, 47500 Subang Jaya, Selangor D.E., Malaysia.

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### CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2014

	Current Quarter Ended	Corresponding Quarter Ended	Current Year To Date	Corresponding Year To Date
	30-Nov-2014	30-Nov-2013	30-Nov-2014	30-Nov-2013
	RM'000	RM'000	RM'000	RM'000
Revenue	567,628	573,986	567,628	573,986
Operating Expenses	(510,537)	(515,657)	(510,537)	(515,657)
Other Operating Income	5,689	3,159	5,689	3,159
<b>Profit From Operations</b>	<b>62,780</b>	<b>61,488</b>	<b>62,780</b>	<b>61,488</b>
Finance Costs	(876)	(686)	(876)	(686)
Share of results of associate	(2,852)	1,038	(2,852)	1,038
<b>Profit Before Tax</b>	<b>59,052</b>	<b>61,840</b>	<b>59,052</b>	<b>61,840</b>
Taxation	(10,039)	(9,894)	(10,039)	(9,894)
<b>Profit Net of Tax</b>	<b>49,013</b>	<b>51,946</b>	<b>49,013</b>	<b>51,946</b>
<b>Profit Attributable to :</b>				
Owners of the Company	48,683	50,277	48,683	50,277
Minority Interest	330	1,669	330	1,669
	<b>49,013</b>	<b>51,946</b>	<b>49,013</b>	<b>51,946</b>
<b>Earnings Per Share (sen)</b>				
Basic	7.85	8.11	7.85	8.11
Diluted	7.84	8.10	7.84	8.10

The Condensed Consolidated Income Statement should be read in conjunction with the  
 Annual Financial Report for the financial year ended 31 August 2014

**TOP GLOVE CORPORATION BHD.**

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(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME****FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2014**

	<b>Current Quarter Ended</b>	<b>Corresponding Quarter Ended</b>	<b>Current Year To Date</b>	<b>Corresponding Year To Date</b>
	<b>30-Nov-2014</b>	<b>30-Nov-2013</b>	<b>30-Nov-2014</b>	<b>30-Nov-2013</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit net of tax	49,013	51,946	49,013	51,946
<b>Other comprehensive income:</b>				
Net movement on available-for-sale financial assets	2,104	76	2,104	76
Foreign currency translation	5,185	(223)	5,185	(223)
Net movement on cash flow hedge	-	20,206	-	20,206
<b>Other comprehensive income</b>	<b>7,289</b>	<b>20,059</b>	<b>7,289</b>	<b>20,059</b>
<b>Total comprehensive income</b>	<b>56,302</b>	<b>72,005</b>	<b>56,302</b>	<b>72,005</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	55,860	70,423	55,860	70,423
Minority Interest	442	1,582	442	1,582
	<b>56,302</b>	<b>72,005</b>	<b>56,302</b>	<b>72,005</b>

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 August 2014

**TOP GLOVE CORPORATION BHD.**

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(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 NOVEMBER 2014**

	Unaudited as at 30-Nov-2014 RM'000	Audited as at 31-Aug-2014 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,017,145	995,242
Land use rights	40,591	42,068
Investment in associate	17,091	20,058
Deferred tax assets	13,208	12,825
Investment securities	145	145
Goodwill	22,805	22,805
	<b>1,110,985</b>	<b>1,093,143</b>
<b>Current Assets</b>		
Inventories	194,685	207,377
Trade and other receivables	283,817	288,863
Other current assets	9,371	2,770
Investment securities	421,835	154,322
Cash and bank balances	146,532	184,030
Derivative financial instruments	-	2,662
	<b>1,056,240</b>	<b>840,024</b>
<b>Total Assets</b>	<b>2,167,225</b>	<b>1,933,167</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	247,364	267,006
Other current liabilities	31,915	38,112
Short term borrowings	312,617	178,179
Tax payable	3,251	2,530
Derivative financial instruments	1,260	-
	<b>596,407</b>	<b>485,827</b>
<b>Net Current Assets</b>	<b>459,833</b>	<b>354,197</b>
<b>Non-Current Liabilities</b>		
Long term borrowings	69,063	2,540
Deferred tax liabilities	47,260	47,250
	<b>116,323</b>	<b>49,790</b>
<b>Total Liabilities</b>	<b>712,730</b>	<b>535,617</b>
<b>Net Assets</b>	<b>1,454,495</b>	<b>1,397,550</b>
<b>Equity Attributable to Equity Holders of the Company</b>		
Share capital	310,347	310,332
Share premium	180,726	180,673
Retained earnings	929,547	880,864
Other reserves	29,272	21,520
	<b>1,449,892</b>	<b>1,393,389</b>
<b>Minority Interest</b>	<b>4,603</b>	<b>4,161</b>
<b>Total Equity</b>	<b>1,454,495</b>	<b>1,397,550</b>
<b>Total Equity and Liabilities</b>	<b>2,167,225</b>	<b>1,933,167</b>
Net Tangible Assets per share (RM)	2.31	2.21
Net Assets per share (RM)	2.34	2.25

The Condensed Consolidated Balance Sheet should be read in conjunction with the  
Annual Financial Report for the financial year ended 31 August 2014

**TOP GLOVE CORPORATION BHD**

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2014**

	← Attributable to Equity Holders of the Company →										
	Equity, total RM'000	← Equity attributable to owners of the parent, total RM'000	← Non distributable					→ Distributable			Minority Interest RM'000
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 earnings RM'000			
<b>3 Months Ended 30 November 2014</b>											
Opening balance at 1 September 2014	1,397,550	1,393,389	310,332	180,673	6,485	-	3,781	10,200	1,054	880,864	4,161
Total comprehensive income	56,302	55,860	-	-	5,073	-	-	-	2,104	48,683	442
<b>Transactions with owners</b>											
Issuance of ordinary shares pursuant to ESOS	643	643	15	53	-	-	-	575	-	-	-
Closing balance at 30 November 2014	<u>1,454,495</u>	<u>1,449,892</u>	<u>310,347</u>	<u>180,726</u>	<u>11,558</u>	<u>-</u>	<u>3,781</u>	<u>10,775</u>	<u>3,158</u>	<u>929,547</u>	<u>4,603</u>
<b>3 Months Ended 30 November 2013</b>											
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
<b>Transactions with owners</b>											
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>

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 2014

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE PERIOD ENDED 30 NOVEMBER 2014**

	<b>Current Year To Date Ended 30-Nov-2014</b>	<b>Corresponding Year To Date Ended 30-Nov-2013</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Profit before taxation	59,052	61,840
Depreciation	23,375	21,845
Other adjustment	9,290	(2,499)
<b>Operating profit before changes in working capital</b>	<b>91,717</b>	<b>81,186</b>
<b>Changes in working capital</b>		
Net change in current assets	11,137	12,861
Net change in current liabilities	(24,579)	(26,858)
Cash flows from operating activities	78,275	67,189
Interest paid	(876)	(686)
Tax paid	(9,691)	(12,691)
<b>Net cash flows from operating activities</b>	<b>67,708</b>	<b>53,812</b>
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(269,043)	(17,055)
Purchase of property, plant and equipment	(41,401)	(25,799)
<b>Net cash flows used-in investing activities</b>	<b>(310,444)</b>	<b>(42,854)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	643	1,396
Increase / (Decrease) in borrowings	200,961	(8,521)
<b>Net cash flows generated from / (used-in) financing activities</b>	<b>201,604</b>	<b>(7,125)</b>
<b>Net change in cash and cash equivalents</b>	<b>(41,132)</b>	<b>3,833</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>187,664</b>	<b>104,582</b>
<b>Cash and cash equivalents at end of period</b>	<b>146,532</b>	<b>108,415</b>
<b>Breakdown of cash and cash equivalents at end of period</b>		
Cash and bank balances	146,532	108,415

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the financial year ended 31 August 2014



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## NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2014

### 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 2014. 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 2014.

The audited financial statements of the Group for the year ended 31 August 2014 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 2014.

### 2. Auditors' report

The audited financial statements for the financial year ended 31 August 2014 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 2014.

### 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.

## TOP GLOVE CORPORATION BHD.

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2014 (CONTINUED)

#### 6. Changes in debts and equity securities

During the quarter ended 30 November 2014, a total of 30,800 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 2014 are as follows:-

	No. of shares	RM
As at 31 August 2014	620,664,062	310,332,031
Ordinary shares issued pursuant to the ESOS	30,800	15,400
As at 30 November 2014	620,694,862	310,347,431

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 2014, the Company:-

- On 17 July 2014, paid a 1<sup>st</sup> interim single tier dividend of 7 sen (net) per ordinary share amounting to RM43.44 million, which was declared on 17 June 2014 in conjunction with the 3<sup>rd</sup> quarter ended 31 May 2014 financial results announcement.
- On 14 October 2014, a final single tier dividend of 9 sen (net) per ordinary share amounting to approximately RM55.86 million for the financial year ended 31 August 2014 was proposed. The proposed final dividend is subject to shareholders' approval at the forthcoming Annual General Meeting on 8 January 2015.

The total dividend paid and proposed by the Company in respect of the financial year ended 31 August 2014 is 16 sen per ordinary share represented by a payment of approximately RM99.30 million.

The Board of Directors of Top Glove has resolved on 14 October 2014 to adopt a Dividend Policy to declare and pay annual dividends of not less than 50% of its profit after tax and minority interest in respect of future financial years.

Record of dividends paid:-

Financial Year	Net Dividend per share (sen)	Total Dividend (RM'000)
2014	7.00 (interim)	43,444
2013	16.00	99,252
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
<b>Total</b>		<b>598,279</b>

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.

## TOP GLOVE CORPORATION BHD.

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2014 (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 2014

	Malaysia RM'000	Thailand RM'000	China RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
<b><u>Revenue</u></b>						
External sales	455,599	54,600	22,716	34,713	-	567,628
Inter-segment sales	16,836	75,718	709	-	(93,263)	-
Total Revenue	<u>472,435</u>	<u>130,318</u>	<u>23,425</u>	<u>34,713</u>	<u>(93,263)</u>	<u>567,628</u>
<b><u>Result</u></b>						
Segment profit	44,220	7,765	1,507	9,288	-	62,780
Finance cost						(876)
Share of profit of Associate						(2,852)
Profit before tax						<u>59,052</u>
<b><u>Assets</u></b>						
Segment assets	1,447,311	203,408	63,110	413,500		<u>2,127,329</u>
Goodwill						<u>22,805</u>
Investment in Associate						<u>17,091</u>
<b><u>Liabilities</u></b>						
Segment liabilities	566,026	31,763	10,313	104,628		<u>712,730</u>
<b><u>Other information</u></b>						
Capital expenditure	39,533	1,073	508	287		<u>41,401</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.



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### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2014 (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 the 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 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 approved and contracted for capital expenditures amounting approximately to RM78.3 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 2014 ("1QFY2015") compared with the corresponding quarter last financial year is as tabled below:

	1QFY2015	1QFY2014	Variance
	RM'mil	RM'mil	%
Revenue	567.6	574.0	(1.1)
PBT	59.1	61.8	(4.4)
PBT Margin	10.4%	10.8%	

The Group posted a revenue of RM567.6 million for 1QFY2015, representing a decrease of 1.1% compared with the corresponding quarter in the previous financial year, largely owing to a lower average selling price from decreasing raw material prices.

Profit before taxation ("PBT") in 1QFY2015 decreased by 4.4% to RM59.1 million from RM61.8 million a year ago, mainly attributed to the increase in natural gas and electricity prices, together with their knock-on inflationary effects. Intense competition in the nitrile glove segment also hampered cost past-through and resulted in weaker margins.

Raw material prices continued to trend down compared with 1QFY2014, as natural latex fell by 24.5% to an average of RM3.90/kg and nitrile latex price contracted slightly by 1.0% to an average of USD1.04/kg in 1QFY2015. However, the positive impact from this was minimal in light of the competitive environment which necessitates cost savings gained to be shared with the customers.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2014 (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														
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	1QFY15 (unaudited)
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	2,275.4	567.6
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	312.1	83.3
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%	13.7%	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	216.3	59.1
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%	9.5%	10.4%
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	32.7	10.0
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	183.6	49.0
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%	8.1%	8.6%

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2014 (CONTINUED)**

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

	<b>1QFY2015 RM'mil</b>	<b>4QFY2014 RM'mil</b>	<b>Variance %</b>
<b>Revenue</b>	567.6	579.1	(2.0)
<b>PBT</b>	59.1	49.2	20.1
<b>PBT margin</b>	10.4%	8.5%	

Revenue eased 2.0% from RM579.1 million in 4QFY2014 to RM567.6 million in 1QFY2015, mainly due to a lower average selling price from decreasing raw material prices.

The Group recorded a 20.1% increase in PBT to RM59.1 million from RM49.2 million in the immediate preceding quarter, mainly attributed to the lower raw material prices and a stronger US Dollar, as well as concerted quality enhancement initiatives which the Group had earlier embarked on. Raw material prices continued to trend down compared with 4QFY2014, as natural latex price fell by 12.1% to an average of RM3.90/kg while the nitrile latex price decreased by 4.6% to an average of USD1.04/kg in 1QFY2015.

**16. Commentary on prospects and targets**

The Group remains focussed on pursuing quality expansion and is proceeding with plans to increase the number of nitrile glove production lines. An additional 6 nitrile glove production lines at Factory 27 in Lukut, Port Dickson came on-stream in September 2014, while the installation of production lines at Factory 29 in Klang is to be completed and operational by January 2015, which will come fitted with faster, more efficient and technologically advanced glove production lines. This will boost the number of production lines from 470 to 484 and increase production capacity from 42.6 billion to 44.6 billion pieces of gloves per annum.

The Group expects the glove business environment to remain competitive and challenging. However, with better cost-discipline and cost-optimisation practices via continuous automation in place, coupled with an unwavering focus on quality across all aspects of its operations, the Group is confident of navigating its way through this challenging time, to deliver an improved performance in the quarters ahead.

**17. Variance of actual profits from forecast profits**

Not applicable as no profit forecast was issued.

**18. Taxation**

	<b>Quarter Ended</b>		<b>Year To Date Ended</b>	
	<b>30 Nov 2014 RM'000</b>	<b>30 Nov 2013 RM'000</b>	<b>30 Nov 2014 RM'000</b>	<b>30 Nov 2013 RM'000</b>
Income tax				
- Current year	10,412	8,188	10,412	8,188
- Overprovision in previous year	-	498	-	498
Deferred taxation	(373)	1,208	(373)	1,208
	<u>10,039</u>	<u>9,894</u>	<u>10,039</u>	<u>9,894</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.

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2014 (CONTINUED)

#### 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.

#### 21. Status of corporate proposals announced

There were no corporate proposals announced which remain uncompleted during the quarter under review as at the date of this report.

#### 22. Group borrowings

The Group borrowings as at 30 November 2014 were as follows:-

	As at 30 Nov 2014 RM'000	As at 30 Nov 2013 RM'000
Short term borrowings		
Unsecured	223,042	4,062
Secured	89,575	43,102
	<u>312,617</u>	<u>47,164</u>
Long term borrowings		
Unsecured	66,391	-
Secured	2,672	2,705
	<u>69,063</u>	<u>2,705</u>
Total borrowings	<u>381,680</u>	<u>49,869</u>

Borrowings are mainly denominated in US Dollar amounting to USD109.7 million and Euro amounting to EUR3.0 million as at 30 November 2014 (30 November 2013: USD15.57 million).

#### 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 2014, the Group held the following financial assets and liabilities 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	323,019		323,019
Liabilities measured at fair value: Derivative financial instruments		1,260	1,260

**TOP GLOVE CORPORATION BHD.**

(Company No. 474423-X)

(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2014 (CONTINUED)****24. Realised and Unrealised Profits/Losses**

	<b>As at 30 Nov 2014 RM'000</b>	<b>As at 30 Nov 2013 RM'000</b>
Total retained earnings of the company and its subsidiaries:		
- Realised	982,136	939,073
- Unrealised	(37,882)	(32,829)
	<hr/> 944,254	<hr/> 906,244
Less: Consolidation adjustments	(14,707)	(11,190)
	<hr/> 929,547	<hr/> 895,054
	<hr/> <hr/>	<hr/> <hr/>

**25. Notes to the Statement of Comprehensive Income**

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

	<b>Quarter ended 30 Nov 2014 RM'000</b>	<b>Year To Date Ended 30 Nov 2014 RM'000</b>
Interest income	4,129	4,129
Other income including investment income	1,560	1,560
Interest expenses	(876)	(876)
Depreciation and amortization	(23,375)	(23,375)
Foreign exchange gain	2,317	2,317
Fair value loss on foreign exchange contracts	(3,922)	(3,922)

**26. Material litigation**

The Company and its subsidiaries are not engaged in any material 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 rise to any proceedings which might materially and/or adversely affect the position or business of the Company or subsidiaries.

**27. Dividends**

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

The total dividend paid and proposed by the Company in respect of the financial year ended 31 August 2014 is 16 sen per ordinary share amounting to approximately RM99.30 million. The Company paid a first single tier interim dividend of 7 sen (net) per ordinary share amounting to RM43.44 million on 17 July 2014. The Board of Directors has also proposed a final single tier dividend of 9 sen (net) per ordinary share amounting to approximately RM55.86 million for the financial year ended 31 August 2014. The proposed final dividend is subject to shareholders' approval at the forthcoming Annual General Meeting on 8 January 2015.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2014 (CONTINUED)****28. Earnings per share**

	<b>Quarter Ended</b>		<b>Year To Date Ended</b>	
	<b>30 Nov 2014</b>	<b>30 Nov 2013</b>	<b>30 Nov 2014</b>	<b>30 Nov 2013</b>
Net profit attributable to owners of the Company shareholders (RM'000)	48,683	50,277	48,683	50,277
<b>Basic</b>				
Weighted average number of ordinary shares in issue ('000)	620,472	620,243	620,472	620,243
<b>Basic earnings per share (sen)</b>	7.85	8.11	7.85	8.11
<b>Diluted</b>				
Weighted average number of ordinary shares in issue ('000)	620,472	620,243	620,472	620,243
Effect of dilution : share options ('000)	422	757	422	757
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	620,894	621,000	620,894	621,000
<b>Diluted earnings per share (sen)</b>	7.84	8.10	7.84	8.10