



Top Glove Corporation Bhd

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PRESS RELEASE

For Immediate Release

TOP GLOVE NET PROFIT SURGED BY 109%

Financial results for the second quarter ended February 29, 2012 (“2QFY12”)

Klang, Thursday, March 15, 2012 –Top Glove Corporation Bhd (Top Glove) today announced sales revenue of RM549.0 million and net profit of RM54.2 million in 2QFY12 for the financial year ending 31 August 2012.

Revenue for 2QFY12 recorded a growth of 13% to RM549.0 million from RM485.2 million in the corresponding quarter last financial year, and net profit surged 109% to RM54.2 million from RM25.9 million.

On a six month cumulative (September to February) comparison between 1HFY12 and 1HFY11, revenue rose 13% to RM1,103.8 million from RM976.7 million and net profit improved 39% to RM86.7 million from RM62.3 million. The improved performance was attributed to an increase in glove demand, improved operational efficiency and a downtrend in latex prices which reduced from an average of RM8.14/kg in 1HFY11 to RM7.58/kg in 1HFY12.

Top Glove’s Group Chairman, Tan Sri Lim Wee Chai commented “The stronger US dollar and lower latex prices gave us better net profit for 2QFY12. We have learnt from past experiences on excessive increases in latex prices and shall remain cautious to continue with our planned strategy for a more balanced product mix of latex and nitrile gloves to cater to on-going customer preference.”

Latex prices are expected to stay above RM7 per kg in the short term due to the Thai government’s intervention to support rubber prices coupled with the wintering season from February to May 2012.

Tan Sri Lim further commented “Continued volatility in foreign exchange market is expected, however our existing hedges should provide reasonable protection through to 2HFY12.”

Tan Sri Lim added that Top Glove's long-standing business relationship with its customers had enabled it to seek their understanding in passing on part of the increase or savings in production costs to them.

“With the positive improvement, our net cash was maintained at RM302 million as of February 29, 2012 despite utilising some cash for our capital expenditure for new factories and the recent dividend payment.” said Tan Sri Lim.

It is estimated that the world’s population will reach eight billion people by 2020. Tan Sri Lim concurred that people in developed and developing countries alike will have the same fundamental needs, wants and aspirations for products that protect and make their lives better. This would be a tremendous potential for Top Glove to grow by meeting those needs, as gloves are deemed a basic necessity in the healthcare industry.

Please refer to attached file for additional information on Top Glove’s performance. For more information on Top Glove Corporation Berhad, please visit 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 16 May 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 an established corporate culture and good business direction of producing consistently high quality, cost efficient gloves. Top Glove has more than 1,000 customers worldwide and exports to more than 185 countries.

Summary of key information:

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