

MEDIA RELEASE

Riverstone delivers another year of revenue and profits in FY2010, full-year dividends translate to 51%^ payout

RM million (Y/E Dec)	4Q 2010	4Q 2009	Chg	FY 2010	FY 2009	Chg
Revenue	60.0	47.4	+27%	221.5	155.7	+42%
Gross Profit	16.0	17.2	-7%	64.3	49.1	+31%
Profit before tax	10.8	11.7	-8%	43.7	32.2	+36%
Net Profit	10.3	11.0	-7%	40.4	29.5	+37%
EPS (sen)				13.0*	9.5	+37%
EPS (Fully diluted)				12.0 [#]	9.5	+26%

*Based on weighted average no. of shares of 311.2 million ordinary shares

[#] Based on fully diluted no. of shares of 335.3 million ordinary shares

^Based on 371.4 million of ordinary shares assuming all outstanding warrants are converted

21 February 2011– SGX Mainboard-listed Riverstone Holdings Limited ('Riverstone' or 'the Group') 立合斯顿有限公司, a leading manufacturer of specialised cleanroom and healthcare gloves has reported a 42% rise in group revenue to RM 221.5 million for the twelve months ended 31 December 2010 (FY2010). Net profit was up 37% to RM 40.4 million, compared to RM 29.5 million a year ago. The Board has proposed a final tax-exempt dividend of 3.7 sen per share. Including the interim dividend of 2.2 sen per share, total dividends for the year would be 5.9 sen per share (FY2009: 5.3 sen). This represents a total 51%^ payout on the group's earnings.

“2010 has been another record year for Riverstone as we expanded our capacity to meet the strong demand for nitrile gloves from the semi-conductor and healthcare sectors. In the last five years, we have doubled both group revenues and net profits and we will continue to strive for even better results. Our shareholders would be pleased to know that we hope to have a better payout in the coming years.”

- Executive Chairman and CEO, Mr Wong Teek Son (黄德顺)

FY 2010 Performance

Group revenue in FY2010 rose 42% to a record RM 221.5 million, as both cleanroom and healthcare gloves experienced strong demand. During the year, the Group added 5 new lines, adding 50 million pieces of gloves monthly to annual production capacity. However, rising material costs and a weaker USD eroded overall profitability. Gross profit was up 31% to RM 64.3 million while net profit was up 37% to RM 40.4 million, a record for the Group.

4Q 2010 Performance

For the three months ended 31 December 2010 (4Q 2010), the group reported record quarterly revenue of RM 60.0 million, up 27% compared to a year ago and up 10% compared to 3Q 2010. The group had commissioned two new double former lines in 4Q 2010. However, the weaker US Dollar and higher raw material prices resulted in gross profit and net profit declining 7% to RM 16.0 million and RM 10.3 million respectively.

Robust Financials

Net operating cashflows in FY 2010 were a healthy RM 50.7 million, up from RM 40.6 million for the same period in 2009. Even after investing RM 42.1 million for its new plant in Taiping, Perak, its existing plant in Selangor and its Thailand plant, and paying some RM 15.6 million in dividends, the group's cash position remains very strong at RM 44.1 million and the group has very little borrowings.

Outlook

After a spectacular year in 2010, the semiconductor sector is expected to resume growth in the second half of 2011. However, Riverstone has gained new semiconductor customers in Japan, Korea and the US and this should sustain overall demand for its cleanroom gloves. Demand for healthcare gloves is expected to continue to grow.

“We have an excellent product mix of high-end cleanroom and healthcare nitrile gloves, both of which are experiencing sustained demand, especially for healthcare gloves. While we had expanded capacity from 1.1 billion gloves to 1.76 billion gloves during the year, all our production has been sold, and we are limited by our capacity. To meet demand, we have started Phase II of our expansion in the Taiping plant; we will add four additional production lines to boost our capacity to 2.3 billion gloves by year-end. With higher sales volumes, we can be more competitive and this will help offset some of the impact of the weaker USD. We are confident that 2011 will be another good year for Riverstone.”

- Executive Chairman and CEO, Mr Wong Teek Son (黄德顺)

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About Riverstone Holdings Limited (“Riverstone” or 立合斯顿有限公司)

Malaysia-based Riverstone is a global market leader in the manufacturing of nitrile and natural rubber clean room gloves used in highly controlled and critical environments. The company's proprietary “RS Riverstone Resources” brand is the preferred cleanroom glove for use in high-tech manufacturing industries. The company also manufactures cleanroom consumables such as finger cots and facemasks, and more recently premium healthcare gloves and face masks. Its customers are global leaders in the HDD, LCD, semiconductor, consumer electronics and pharmaceutical industries. The company employs more than 1,000 people throughout its five manufacturing facilities in Malaysia (3), Thailand (1) and China (1) with an annual production capacity of 1.76 billion gloves as at 31 December 2010. It also has an established global network of sales offices to serve its customers in Singapore, Malaysia, Thailand, the Philippines, China and the U.S. Riverstone was listed on the Mainboard of the Singapore Exchange in 2006. www.riverstone.com.my

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