

---

**UNAUDITED RESULTS FOR THE SECOND QUARTER PERIOD ENDED 30 JUNE 2008**


---

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

The initial public offering of Riverstone Holdings Limited (the "Company") was sponsored by Phillip Securities Pte Ltd (the "Manager"). The Manager assumes no responsibility for the contents of this announcement.

The Company was incorporated on 3 August 2005 and listed on the Official List of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 20 November 2006.

**1 (a) (i) An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group			Group		
	2Q2008	2Q2007	Increase / (decrease)	1H2008	1H2007	Increase / (decrease)
	1 Apr 2008 to 30 Jun 2008	1 Apr 2007 to 30 Jun 2007		1 Jan 2008 to 30 Jun 2008	1 Jan 2007 to 30 Jun 2007	
	RM'000	RM'000	%	RM'000	RM'000	%
<b>Revenue</b>	33,595	27,604	21.7%	69,434	55,628	24.8%
<b>Cost of sales</b>	(23,228)	(18,488)	25.6%	(48,545)	(37,064)	31.0%
<b>Gross profit</b>	10,367	9,116	13.7%	20,889	18,564	12.5%
Other operating income	303	588	(48.5%)	874	1,038	(15.8%)
Selling and distribution expenses	(1,355)	(1,212)	11.8%	(2,710)	(2,451)	10.6%
General and administrative expenses	(2,208)	(2,132)	3.6%	(4,452)	(4,169)	6.8%
Other operating expenses	(724)	(275)	N/M	(1,929)	(2,310)	(16.5%)
Finance costs	(42)	(66)	(36.4%)	(90)	(138)	(34.8%)
<b>Profit before taxation</b>	6,341	6,019	5.3%	12,582	10,534	19.4%
Taxation	(586)	(1,128)	(48.0%)	(1,249)	(1,670)	(25.2%)
<b>Profit after taxation</b>	<b>5,755</b>	<b>4,891</b>	17.7%	<b>11,333</b>	<b>8,864</b>	27.9%
<b>Attributable to:</b>						
Equity holders of the Company	5,755	4,891	17.7%	11,333	8,864	27.9%
Minority interests	- *	- *	N/M	- *	- *	N/M
	<b>5,755</b>	<b>4,891</b>		<b>11,333</b>	<b>8,864</b>	

**1 (a) (ii) The net profit attributable to shareholders includes the following (charges)/credits:**

	Group			Group		
	2Q2008	2Q2007	Increase / (decrease)	1H2008	1H2007	Increase / (decrease)
	1 Apr 2008 to 30 Jun 2008	1 Apr 2007 to 30 Jun 2007		1 Jan 2008 to 30 Jun 2008	1 Jan 2007 to 30 Jun 2007	
	RM'000	RM'000	%	RM'000	RM'000	%
Depreciation of property, plant and equipment	(1,695)	(1,567)	8.2%	(3,326)	(3,126)	6.4%
Foreign exchange gain	25	58	(56.9%)	317	125	N/M
Foreign exchange loss	4	57	(93.0%)	(793)	(599)	32.4%
Property, plant and equipment written off	(1)	(26)	(96.2%)	(7)	(44)	(84.1%)
Loss on disposal of property, plant and equipm	(17)	79	N/M	(24)	79	N/M
Research and development expenses	(516)	(326)	58.3%	(769)	(1,197)	(35.8%)
Interest income from bank balances	197	305	(35.4%)	389	654	(40.5%)
Interest on borrowings	(42)	(66)	(36.4%)	(90)	(138)	(34.8%)

N/M Not Meaningful

\* Denote amount less than RM500

RIVERSTONE HOLDINGS LIMITED

1 (b) (i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at 30.06.08 RM'000	As at 31.12.07 RM'000	As at 30.06.08 RM'000	As at 31.12.07 RM'000
<b>Non current assets</b>				
Property, plant and equipment	66,305	59,102	-	-
Investments in subsidiary companies	-	-	93,253	63,722
	<u>66,305</u>	<u>59,102</u>	<u>93,253</u>	<u>63,722</u>
<b>Current assets</b>				
Inventories	19,527	14,583	-	-
Trade receivables	26,982	30,199	-	-
Other receivables	870	1,148	-	-
Amounts due from a subsidiary company	-	-	-	21,887
Prepayments	185	199	35	4
Fixed deposits	44,606	47,591	18,789	31,582
Cash and bank balances	8,677	9,358	805	552
	<u>100,847</u>	<u>103,078</u>	<u>19,629</u>	<u>54,025</u>
<b>Current liabilities</b>				
Payables and accruals	15,358	15,822	299	3,099
Amounts due to a subsidiary company	-	-	54	-
Hire purchase creditors	92	96	-	-
Bank borrowings (secured)	1,014	1,340	-	-
Provision for taxation	913	1,340	-	128
	<u>17,377</u>	<u>18,598</u>	<u>353</u>	<u>3,227</u>
<b>Net current assets</b>	<u>83,470</u>	<u>84,480</u>	<u>19,276</u>	<u>50,798</u>
<b>Non current liabilities</b>				
Hire purchase creditors	64	107	-	-
Bank borrowings (secured)	951	1,401	-	-
Deferred taxation	3,490	3,490	-	-
	<u>4,505</u>	<u>4,998</u>	<u>-</u>	<u>-</u>
<b>Net assets</b>	<u>145,270</u>	<u>138,584</u>	<u>112,529</u>	<u>114,520</u>
<b>Equity attributable to equity holders of the Company</b>				
Share capital	106,788	106,788	106,788	106,788
Reserves	38,480	31,794	5,741	7,732
	<u>145,268</u>	<u>138,582</u>	<u>112,529</u>	<u>114,520</u>
Minority interests	2	2	-	-
<b>Total equity</b>	<u>145,270</u>	<u>138,584</u>	<u>112,529</u>	<u>114,520</u>

**RIVERSTONE HOLDINGS LIMITED**

**1 (b) (ii) Aggregate amount of group's borrowings and debt securities**

	<b>Group</b>	
	<b>As at</b>	<b>As at</b>
	<b>30.06.08</b>	<b>31.12.07</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Amount repayable in one year or less, or on demand</b>		
Hire purchase creditors (secured)	92	96
Bank borrowings (secured)	1,014	1,340
	<u>1,106</u>	<u>1,436</u>
<b>Amount repayable after one year</b>		
Hire purchase creditors (secured)	64	107
Bank borrowings (secured)	951	1,401
	<u>1,015</u>	<u>1,508</u>

The hire purchases were secured by certain motor vehicles.

The bank borrowings were secured by the following:-

- (a) First legal charge over certain of the Group's freehold land and buildings; and
- (b) A corporate guarantee of the Company

**RIVERSTONE HOLDINGS LIMITED**

**1 (c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group		Group	
	2Q2008 1 Apr 2008 to 30 Jun 2008 RM'000	2Q2007 1 Apr 2007 to 30 Jun 2007 RM'000	1H2008 1 Jan 2008 to 30 Jun 2008 RM'000	1H2007 1 Jan 2007 to 30 Jun 2007 RM'000
<b>Cash flows from operating activities</b>				
Profit before taxation	6,341	6,019	12,582	10,534
Adjustments:-				
Depreciation of property, plant and equipment	1,695	1,567	3,326	3,126
Property, plant and equipment written off	1	26	7	44
Loss/ (gain) on disposal of property, plant and equipment	17	(79)	24	(79)
Interest expense	42	66	90	138
Interest income	(197)	(305)	(389)	(654)
Operating cash flow before working capital changes	7,899	7,294	15,640	13,109
Decrease/ (Increase) in inventories	(1,829)	1,772	(4,944)	57
Decrease in receivables and prepayments	1,562	2,562	3,509	3,042
Decrease/ (increase) in payables and accruals	686	(3,375)	(464)	(5,697)
Cash generated from operations	8,318	8,253	13,741	10,511
Income taxes paid	(820)	(604)	(1,676)	(1,253)
Interest paid	(42)	(66)	(90)	(138)
Interest received	197	305	389	654
Net cash generated from operating activities	<b>7,653</b>	<b>7,888</b>	<b>12,364</b>	<b>9,774</b>
<b>Cash flows from investing activities</b>				
Proceeds from disposal of property, plant and equipment	11	81	13	81
Purchase of property, plant and equipment	(4,972)	(1,409)	(10,461)	(2,392)
Net cash used in investing activities	<b>(4,961)</b>	<b>(1,328)</b>	<b>(10,448)</b>	<b>(2,311)</b>
<b>Cash flows from financing activities</b>				
Repayment of banker's acceptances	-	(169)	-	(169)
Repayment of term loans	(370)	(218)	(776)	(769)
Repayment of hire purchase creditors	(24)	(34)	(147)	(63)
Dividends paid	(6,298)	(7,985)	(6,298)	(7,985)
Net cash used in financing activities	<b>(6,692)</b>	<b>(8,406)</b>	<b>(7,221)</b>	<b>(8,986)</b>
Net decrease in cash and cash equivalents	(4,000)	(1,846)	(5,305)	(1,523)
Effect of foreign currency exchange rates	962	(393)	1,639	(862)
Cash and cash equivalents at beginning of period	56,321	54,976	56,949	55,122
Cash and cash equivalents at end of period	<b>53,283</b>	<b>52,737</b>	<b>53,283</b>	<b>52,737</b>
<b>Cash and cash equivalents comprise the followings at end of the financial period</b>				
Fixed deposits	44,606	40,259	44,606	40,259
Cash at banks and in hand	8,677	12,478	8,677	12,478
Cash and cash equivalent at end of the financial period	<b>53,283</b>	<b>52,737</b>	<b>53,283</b>	<b>52,737</b>

RIVERSTONE HOLDINGS LIMITED

- 1 (d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding year of the immediately preceding financial year.

	Share Capital RM'000	Retained Earnings RM'000	Other Reserves RM'000	Total Reserves RM'000	Minority Interests RM'000	Total Equity RM'000
<b>GROUP</b>						
<b>1H2007</b>						
<b>Balance at 1 January 2007</b>	106,788	80,124	(58,920)	21,204	2	127,994
Net profit for the period	-	8,864	-	8,864	- *	8,864
Net effect of translation differences	-	-	(695)	(695)	-	(695)
Payment of FY2006 final dividend	-	(7,985)	-	(7,985)	-	(7,985)
<b>Balance at 30 June 2007</b>	106,788	81,003	(59,615)	21,388	2	128,178
<b>1H2008</b>						
<b>Balance at 1 January 2008</b>	106,788	90,625	(58,831)	31,794	2	138,584
Net profit for the period	-	11,333	-	11,333	- *	11,333
Net effect of translation differences	-	-	1,651	1,651	-	1,651
Payment of FY2007 final dividend	-	(6,298)	-	(6,298)	-	(6,298)
<b>Balance at 30 June 2008</b>	106,788	95,660	(57,180)	38,480	2	145,270
<b>2Q2007</b>						
<b>Balance at 1 April 2007</b>	106,788	84,097	(59,369)	24,728	2	131,518
Net profit for the period	-	4,891	-	4,891	- *	4,891
Net effect of translation differences	-	-	(246)	(246)	-	(246)
Payment of FY2006 final dividend	-	(7,985)	-	(7,985)	-	(7,985)
<b>Balance at 30 June 2007</b>	106,788	81,003	(59,615)	21,388	2	128,178
<b>2Q2008</b>						
<b>Balance at 1 April 2008</b>	106,788	96,203	(57,761)	38,442	2	145,232
Net profit for the period	-	5,755	-	5,755	- *	5,755
Net effect of translation differences	-	-	581	581	-	581
Payment of FY2007 final dividend	-	(6,298)	-	(6,298)	-	(6,298)
<b>Balance at 30 June 2008</b>	106,788	95,660	(57,180)	38,480	2	145,270

\* Denote amount less than RM500

RIVERSTONE HOLDINGS LIMITED

<u>COMPANY</u>	Share Capital RM'000	Retained Earnings RM'000	Other Reserves RM'000	Total Reserves RM'000	Total Equity RM'000
<b>1H2007</b>					
<b>Balance at 1 January 2007</b>	106,788	8,449	(1,359)	7,090	113,878
Net loss for the period	-	(125)	-	(125)	(125)
Net effect of translation differences	-	-	(2,430)	(2,430)	(2,430)
Payment of FY2006 final dividend	-	(7,985)	-	(7,985)	(7,985)
<b>Balance at 30 June 2007</b>	106,788	339	(3,789)	(3,450)	103,338
<b>1H2008</b>					
<b>Balance at 1 January 2008</b>	106,788	9,581	(1,849)	7,732	114,520
Net loss for the period	-	(694)	-	(694)	(694)
Net effect of translation differences	-	-	5,001	5,001	5,001
Payment of FY2007 final dividend	-	(6,298)	-	(6,298)	(6,298)
<b>Balance at 30 June 2008</b>	106,788	2,589	3,152	5,741	112,529
<b>2Q2007</b>					
<b>Balance at 1 April 2007</b>	106,788	8,557	(2,580)	5,977	112,765
Net loss for the period	-	(233)	-	(233)	(233)
Net effect of translation differences	-	-	(1,209)	(1,209)	(1,209)
Payment of FY2006 final dividend	-	(7,985)	-	(7,985)	(7,985)
<b>Balance at 30 June 2007</b>	106,788	339	(3,789)	(3,450)	103,338
<b>2Q2008</b>					
<b>Balance at 1 April 2008</b>	106,788	9,211	(1,033)	8,178	114,966
Net loss for the period	-	(324)	-	(324)	(324)
Net effect of translation differences	-	-	4,185	4,185	4,185
Payment of FY2006 final dividend	-	(6,298)	-	(6,298)	(6,298)
<b>Balance at 30 June 2008</b>	106,788	2,589	3,152	5,741	112,529

RIVERSTONE HOLDINGS LIMITED

- 1 (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous year reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current period reported on and as at the end of the corresponding year of the immediately preceding financial year.

Share capital	Number of shares '000	Share Capital RM'000
<b>Issued and fully paid up:</b>		
<b>As at 31 December 2007</b>	<u>309,500</u>	<u>106,788</u>
<b>As at 30 June 2008</b>	<u>309,500</u>	<u>106,788</u>

The Company does not have any outstanding share convertibles and treasury shares at the end of the financial period under review.

- 1 (d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 30.06.08	As at 31.12.07
	'000	'000
Total number of issued shares excluding treasury shares	<u>309,500</u>	<u>309,500</u>

- 1 (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable

**RIVERSTONE HOLDINGS LIMITED**

2. **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The accounting policies and method of computation applied in the financial statements for the current reporting period are consistent with those disclosed in the audited financial statements for the financial year ended 31 December 2007.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-**

		<b>Group</b>	
		<b>2Q2008</b>	<b>2Q2007</b>
Earnings per share ("EPS") in sen (RM)			
a)	Basic	1.86	1.58
b)	On a fully diluted basis	1.86	1.58

Earnings per share for the second quarter ended 30 June 2008 is calculated based on profit from ordinary activities after taxation of RM5.8 million divided by weighted average of 309.5 million number of ordinary shares in issue. As for comparative, earnings per share for the second quarter ended 30 June 2007 is calculated based on profit attributable to shareholders of RM4.9 million divided by weighted average of 309.5 million number of ordinary shares in issue. As there were no share options and other potential issuance granted, the basic and diluted earnings per share are the same.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.

	<b>Group</b>		<b>Company</b>	
	<b>As at 30.06.08</b>	<b>As at 31.12.07</b>	<b>As at 30.06.08</b>	<b>As at 31.12.07</b>
Net asset per share in sen (RM)	46.94	44.78	36.36	37.00

The Group and Company net asset backing per ordinary share as at 30 June 2008 and 31 December 2007 are calculated based on 309.50 million ordinary shares in issue.



## RIVERSTONE HOLDINGS LIMITED

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
  - b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

### a) INCOME STATEMENT REVIEW

For 2Q2008, the Group achieved 21.7% growth in total revenue to RM33.6 million as compared to RM27.6 million in 2Q2007. The Group's total glove revenue and number of gloves sold increased by 21.8% and 43.4% respectively in 2Q2008 as compared to 2Q2007. This resulted from improved demand in 2Q2008 when compared to 2Q2007 from customers in the Hard Disk Drive ("HDD") industry and from gaining more customers from outside HDD industry. The Group was well positioned to meet the increased demand with the expanded production capacity of two additional dipping lines. However, the 2Q2008 revenue did not increase in direct proportion to the increase in sales volume because of the weakening of the United States and Hong Kong Dollars against the Malaysian Ringgit.

The Group's gross profit increased by 13.7% to RM10.4 million in 2Q2008. The Group's gross profit margin declined to 30.9% in 2Q2008 from 33.0% in 2Q2007 mainly due to high raw material prices coupled with the appreciation of the Malaysian Ringgit.

Other operating income comprised mainly interest income from deposits and foreign exchange gain. The Group's other operating income reduced from RM0.6 million in 2Q2007 to RM0.3 million in 2Q2008 as a result of the lower interest income.

Selling and distribution expenses increased by 11.8% to RM1.4 million in 2Q2008. This was due mainly to higher handling and forwarding expenses.

Other operating expenses rose from RM0.3 million to RM0.7 million because of higher research and development activities in 2Q2008 when compared to 2Q2007.

The effective tax rate was 9.9% in 1H2008 as compared to 15.9% in 1H2007 due to availability of higher reinvestment allowance obtained by a subsidiary company and the higher profits of certain overseas subsidiaries enjoying tax free status.

Overall for the first half of 2008, the Group's profit before tax and profit after tax increased by 19.4% and 27.9% to RM12.6 million and RM11.3 million respectively when compared to the corresponding period of 2007. As for the second quarter under review, the Group's profit before tax and profit after tax increased by 5.3% and 17.7% to RM6.3 million and RM5.8 million respectively

### b) BALANCE SHEET REVIEW

As at 30 June 2008, the property, plant and equipment increased by RM7.2 million to RM66.3 million due mainly to purchase of property, plant and equipment during the 1H2008 of RM10.5 million, offset by a half year depreciation charge of RM3.3 million.

Trade receivables reduced by RM3.2 million to RM27.0 million as at 30 June 2008, due to stringent credit control. Inventory levels had increased from RM14.6 million as at 31 December 2007 to RM19.5 million as at 30 June 2008 due to higher sales volumes.

Other receivables reduced from RM1.2 million to RM0.9 million as at 30 June 2008 due mainly to capitalisation of payments made in advance to property, plant and equipment.

Cash and cash equivalents increased from RM52.7 million as at 31 December 2007 to RM53.3 million as at 30 June 2008. For the 2Q2008, the Group generated RM7.7 million in net cash flows from operating activities whereas net cash flows used in investing and financing activities amounted to RM5.0 million and RM6.7 million respectively and were for financing the purchase of property, plant and equipment and the payment of dividends.

Payables and accruals decreased by 2.9% from RM15.8 million as at 31 December 2007 to RM15.4 million as at 30 June 2008 as a result of advance payment arrangements with certain suppliers to secure a rebate or discount on the purchases.

Total bank borrowings decreased by 28.3% to RM2.0 million as at 30 June 2008 due to repayment of the borrowings. The Group had not acquired additional bank borrowings during 1H2008.

## RIVERSTONE HOLDINGS LIMITED

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

There is no material variance from the statement provided in the previous announcement.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

High raw material prices will be a continuing challenge for the Group. The United States and Hong Kong Dollars are expected to depreciate further against the Malaysian Ringgit. These may affect our Group's revenue and gross profit margin.

In view of these uncertainties, the Group has taken measures to grow our sales in other geographical markets and to address our currency risks by invoicing in other currencies. The Group will seek opportunities to venture into other cleanroom consumables for the highly controlled and critical environments.

Barring other unforeseen circumstances, the Group is cautiously optimistic that the demand for our products will continue to be strong for the forthcoming quarters.

11. **If a decision regarding dividend has been made:-**

- (a) **Whether an interim (final) ordinary dividend has been declared (recommended); and**

None

- (b) **Corresponding period of the immediately preceding financial year**

None

- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable

- (d) **The date the dividend is payable.**

Not applicable

- (e) **The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Not applicable

12. **If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared or recommended for the second quarter ended 30 June 2008.

13. **Statement by Directors  
Pursuant to SGX Listing Rule 705(4)**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial results of Riverstone Holdings Limited for the second quarter ended 30 June 2008 presented in this announcement to be false or misleading in any material respect.

### BY ORDER OF THE BOARD

WONG TEEK SON  
EXECUTIVE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

13 August 2008

This release may contain forward looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.