
UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2010

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

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		Increase / (decrease) %
	1Q2010 1 Jan 2010 to 31 Mar 2010 RM'000	1Q2009 1 Jan 2009 to 31 Mar 2009 RM'000	
Revenue	52,813	25,798	104.7%
Cost of sales	(36,342)	(20,791)	74.8%
Gross profit	<u>16,471</u>	<u>5,007</u>	229.0%
Other income	470	152	209.2%
Selling and distribution expenses	(1,423)	(1,220)	16.6%
General and administrative expenses	(2,770)	(1,800)	53.9%
Other operating expenses	(1,106)	(8)	N/M
Finance costs	(11)	(23)	(52.2%)
Profit before taxation	<u>11,631</u>	<u>2,108</u>	451.8%
Taxation	(1,143)	(284)	302.5%
Profit after taxation	<u>10,488</u>	<u>1,824</u>	475.0%
Other comprehensive (expense)/ income:			
Foreign currency translation	(2,323)	1,348	N/M
Total comprehensive income	<u>8,165</u>	<u>3,172</u>	157.4%
Profit attributable to:			
Equity holders of the Company	10,488	1,824	475.0%
Minority interests	-	-	N/M
	<u>10,488</u>	<u>1,824</u>	
Total comprehensive income attributable to:			
Equity holders of the Company	8,165	3,172	157.4%
Minority interests	-	-	N/M
	<u>8,165</u>	<u>3,172</u>	

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

	Group		Increase / (decrease) %
	1Q2010 1 Jan 2010 to 31 Mar 2010 RM'000	1Q2009 1 Jan 2009 to 31 Mar 2009 RM'000	
Depreciation of property, plant and equipment	(2,544)	(2,027)	25.5%
Net foreign exchange (loss)/gain	(769)	418	N/M
Property, plant and equipment written off	(1)	-	N/M
Gain on disposal of property, plant and equipment	42	-	N/M
Research and development expenses	(218)	(412)	(47.1%)
Interest income from bank balances	37	85	(56.5%)
Interest on borrowings	(11)	(23)	(52.2%)

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 31.03.10	As at 31.12.09	As at 31.03.10	As at 31.12.09
	RM'000	RM'000	RM'000	RM'000
Non current assets				
Property, plant and equipment	95,421	91,816	-	-
Investments in subsidiary companies	-	-	95,726	95,852
	<u>95,421</u>	<u>91,816</u>	<u>95,726</u>	<u>95,852</u>
Current assets				
Inventories	17,687	17,733	-	-
Trade receivables	39,025	37,594	-	-
Other receivables	1,467	692	-	-
Prepayments	687	295	46	16
Tax recoverable	317	317	-	-
Fixed deposits	31,879	22,754	28,316	18,111
Cash and bank balances	19,425	24,436	1,512	9,147
	<u>110,487</u>	<u>103,821</u>	<u>29,874</u>	<u>27,274</u>
Current liabilities				
Payables and accruals	19,425	17,713	192	219
Amounts due to a subsidiary company	-	-	162	144
Hire purchase creditors	25	42	-	-
Bank borrowings (secured)	495	489	-	-
Provision for taxation	1,024	490	-	1
	<u>20,969</u>	<u>18,734</u>	<u>354</u>	<u>364</u>
Net current assets	<u>89,518</u>	<u>85,087</u>	<u>29,520</u>	<u>26,910</u>
Non current liabilities				
Hire purchase creditors	19	22	-	-
Bank borrowings (secured)	98	224	-	-
Deferred taxation	5,210	5,210	-	-
	<u>5,327</u>	<u>5,456</u>	<u>-</u>	<u>-</u>
Net assets	<u>179,612</u>	<u>171,447</u>	<u>125,246</u>	<u>122,762</u>
Equity attributable to equity holders of the Company				
Share capital	106,788	106,788	106,788	106,788
Reserves	72,821	64,656	18,458	15,974
	<u>179,609</u>	<u>171,444</u>	<u>125,246</u>	<u>122,762</u>
Minority interests	3	3	-	-
Total equity	<u>179,612</u>	<u>171,447</u>	<u>125,246</u>	<u>122,762</u>

RIVERSTONE HOLDINGS LIMITED

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

	Group	
	As at 31.03.10	As at 31.12.09
	RM'000	RM'000
Amount repayable in one year or less, or on demand		
Hire purchase creditors (secured)	25	42
Bank borrowings (secured)	495	489
	<u>520</u>	<u>531</u>
Amount repayable after one year		
Hire purchase creditors (secured)	19	22
Bank borrowings (secured)	98	224
	<u>117</u>	<u>246</u>

The hire purchases were secured by certain motor vehicles.

The bank borrowings were secured by 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	
	1Q2010 1 Jan 2010 to 31 Mar 2010 RM'000	1Q2009 1 Jan 2009 to 31 Mar 2009 RM'000
Cash flows from operating activities		
Profit before taxation	11,631	2,108
Adjustments:–		
Depreciation of property, plant and equipment	2,544	2,027
Property, plant and equipment written off	1	-
Gain on disposal of property, plant and equipment	(42)	-
Interest expense	11	23
Interest income	(37)	(85)
Operating cash flows before working capital changes	<u>14,108</u>	<u>4,073</u>
Decrease in inventories	46	5,867
(Increase)/ decrease in receivables and prepayments	(2,598)	2,230
Increase/ (decrease) in payables and accruals	<u>1,712</u>	<u>(363)</u>
Cash flows from operations	13,268	11,807
Income taxes paid	(609)	(291)
Interest paid	(11)	(23)
Interest received	<u>37</u>	<u>85</u>
Net cash flows from operating activities	<u>12,685</u>	<u>11,578</u>
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	65	-
Purchase of property, plant and equipment	<u>(6,540)</u>	<u>(2,437)</u>
Net cash flows used in investing activities	<u>(6,475)</u>	<u>(2,437)</u>
Cash flows from financing activities		
Repayment of term loans	(120)	(292)
Repayment of hire purchase creditors	<u>(20)</u>	<u>(24)</u>
Net cash flows used in financing activities	<u>(140)</u>	<u>(316)</u>
Net increase in cash and cash equivalents	6,070	8,825
Effect of foreign currency exchange rates	(1,956)	658
Cash and cash equivalents at beginning of period	<u>47,190</u>	<u>46,526</u>
Cash and cash equivalents at end of period	<u>51,304</u>	<u>56,009</u>
Cash and cash equivalents comprise the followings at end of the financial period		
Fixed deposits	31,879	39,457
Cash at banks and in hand	<u>19,425</u>	<u>16,552</u>
Cash and cash equivalent at end of the financial period	<u>51,304</u>	<u>56,009</u>

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.

GROUP	Share Capital RM'000	Retained Earnings RM'000	Other Reserves RM'000	Total Reserves RM'000	Minority Interests RM'000	Total Equity RM'000
1Q2009						
Balance at 1 January 2009	106,788	103,210	(55,961)	47,249	3	154,040
Total comprehensive income for the period	-	1,824	1,348	3,172	- *	3,172
Balance at 31 March 2009	106,788	105,034	(54,613)	50,421	3	157,212
1Q2010						
Balance at 1 January 2010	106,788	119,509	(54,853)	64,656	3	171,447
Total comprehensive income for the period	-	10,488	(2,323)	8,165	- *	8,165
Balance at 31 March 2010	106,788	129,997	(57,176)	72,821	3	179,612

* 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
1Q2009					
Balance at 1 January 2009	106,788	8,524	3,705	12,229	119,017
Total comprehensive loss for the period	-	(150)	(307)	(457)	(457)
Balance at 31 March 2009	106,788	8,374	3,398	11,772	118,560
1Q2010					
Balance at 1 January 2010	106,788	10,617	5,357	15,974	122,762
Total comprehensive income for the period	-	7,969	(5,485)	2,484	2,484
Balance at 31 March 2010	106,788	18,586	(128)	18,458	125,246

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
Issued and fully paid up:		
As at 31 December 2009	<u>309,500</u>	<u>106,788</u>
As at 31 March 2010	<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 31.03.10 '000	As at 31.12.09 '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 2009.

- 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:-**

		Group	
		1Q2010	1Q2009
Earnings per share ("EPS") in sen (RM)			
a)	Basic	3.39	0.58
b)	On a fully diluted basis	3.39	0.58

Earnings per share for the first quarter ended 31 March 2010 is calculated based on profit from ordinary activities after taxation of RM10.5 million divided by weighted average of 309.5 million number of ordinary shares in issue. As for comparative, earnings per share for the first quarter ended 31 March 2009 is calculated based on profit attributable to shareholders of RM1.8 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.**

	Group		Company	
	As at 31.03.10	As at 31.12.09	As at 31.03.10	As at 31.12.09
Net asset per share in sen (RM)	58.03	55.39	40.47	39.66

The Group and Company net asset backing per ordinary share as at 31 March 2010 and 31 December 2009 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 the 1Q2010, the Group's pretax profit and net profit rose almost six-fold to RM11.6 million and RM10.5 million respectively when compared to 1Q2009. This was achieved on the back of a two-fold increase in total revenue from RM25.8 million in 1Q2009 to RM52.8 million in 1Q2010. This was mainly due to strong demand for the Group's products from customers in the electronics and healthcare industries. The Group's gross profit rose slightly more than three-fold from RM5.0 million in 1Q2009 to RM16.5 million in 1Q2010. Gross profit margin increased from 19.4% in 1Q2009 to 31.2% in 1Q2010 mainly due to greater production efficiency and higher productivity.

The Group's other income increased from RM0.1 million in 1Q2009 to RM0.5 million in 1Q2010 mainly from a settlement received from a local utility company for the disruption caused to our normal operation.

Selling and distribution expenses increased by 16.6% from RM1.2 million in 1Q2009 to RM1.4 million in 1Q2010. This was due mainly to higher handling and forwarding expenses.

General and administrative expenses increased by RM1.0 million or 53.9% from RM1.8 million in 1Q2009 to RM2.8 million in 1Q2010 mainly because of increase in payroll cost.

Other operating expenses increased to RM1.1 million mainly as a result of higher net foreign exchange losses in 1Q2010 when compare to net foreign exchange gains in 1Q2009.

Finance costs decreased by 52.2% to RM0.01 in 1Q2010 due to the repayment of bank borrowing.

The effective tax rate was 9.8% in 1Q2010 as compared to 13.5% in 1Q2009 due to availability of higher reinvestment allowance claimable by the Group and the higher profits of certain overseas subsidiaries enjoying tax concession status.

b) BALANCE SHEET REVIEW

As at 31 March 2010, fixed assets increased from RM91.8 million to RM95.4 million mainly due to the acquisition of property, plant and equipment of RM6.5 million, offset by the depreciation charge of RM2.5 million and the foreign exchange adjustment of RM0.4 million.

Trade receivables increased by RM1.4 million to RM39.0 million as at 31 March 2010 whereas there was a small reduction in inventories level to RM17.7 million as at 31 March 2010 due to increase in sales.

Other receivables increased from RM0.7 million to RM1.5 million as at 31 March 2010 mainly due to deposit for the purchase of fixed assets.

Cash and cash equivalents increased from RM47.2 million as at 31 December 2009 to RM51.3 million as at 31 March 2010. For the 1Q2010, the Group generated RM12.7 million in net cash flows from operating activities whereas net cash flows used in investing and financing activities amounted to RM6.5 million and RM0.1 million respectively, and were mainly used to finance the purchase of property, plant and equipment and loan repayment.

Payables and accruals increased by RM1.7 million from RM17.7 million as at 31 December 2009 to RM19.4 million as at 31 March 2010 as a result of longer credit term granted by a few main suppliers and contractors.

Total bank borrowings decreased by RM0.1 million from RM0.7 million to RM0.6 million due to repayment of the borrowings. The Group had not acquired additional bank borrowings during 1Q2010.

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.

On the industry outlook, hard disk drive ("HDD") and semiconductor industries are expected to grow by 10% to 15% annually through 2012. (Source: Trendfocus). For healthcare, we expect the global consumption of gloves to grow at 10% annually. However, commodity prices and weakening of US currency will continue to be a challenge for the Group.

We expect the demand for our cleanroom and healthcare products to grow in line with the strong demand in the electronics and healthcare industries.

Barring unforeseen circumstances, the Group believes that with its capacity expansion and continued demand for our products, we are optimistic that the Group will achieve good results 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 first quarter ended 31 March 2010.

13. Interest person transactions

The aggregate value of interested person transactions entered into for the first quarter ended 31 March 2010 is as follow:

Name of interested persons	Aggregate value of all interested person transactions during the financial quarter under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Hoe Hup Heng Engineering	S\$24,946	0
Sea Transport	S\$54,596	0

14. Statement by Directors

Pursuant to SGX Listing Rule 705(5)

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 first quarter ended 31 March 2010 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

26 April 2010

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.