

UNAUDITED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011

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

Consolidated Income Statement

	Group			Group		
	2Q2011	2Q2010	Increase / (decrease)	1H2011	1H2010	Increase / (decrease)
	1 Apr 2011 to 30 Jun 2011	1 Apr 2010 to 30 Jun 2010		1 Jan 2011 to 30 Jun 2011	1 Jan 2010 to 30 Jun 2010	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	65,540	53,994	21.4%	129,975	106,807	21.7%
Cost of sales	(49,588)	(38,332)	29.4%	(98,455)	(74,674)	31.8%
Gross profit	15,952	15,662	1.9%	31,520	32,133	(1.9%)
Other income	434	194	123.7%	573	664	(13.7%)
Selling and distribution expenses	(1,427)	(1,450)	(1.6%)	(2,839)	(2,873)	(1.2%)
General and administrative expenses	(3,562)	(3,076)	15.8%	(6,552)	(5,846)	12.1%
Other operating expenses	(347)	(333)	4.2%	(1,465)	(1,439)	1.8%
Finance costs	(1)	(10)	(90.0%)	(5)	(21)	(76.2%)
Profit before taxation	11,049	10,987	0.6%	21,232	22,618	(6.1%)
Taxation	(791)	(1,291)	(38.7%)	(1,554)	(2,434)	(36.2%)
Profit after taxation	10,258	9,696	5.8%	19,678	20,184	(2.5%)
Profit attributable to:						
Equity holders of the Company	10,258	9,696	5.8%	19,678	20,184	(2.5%)
Non-controlling interests	- *	- *	N/M	- *	- *	N/M
	10,258	9,696		19,678	20,184	

Consolidated Statement of Comprehensive Income

	Group			Group		
	2Q2011	2Q2010	Increase / (decrease)	1H2011	1H2010	Increase / (decrease)
	1 Apr 2011 to 30 Jun 2011	1 Apr 2010 to 30 Jun 2010		1 Jan 2011 to 30 Jun 2011	1 Jan 2010 to 30 Jun 2010	
	RM'000	RM'000	%	RM'000	RM'000	%
Profit after taxation	10,258	9,696	5.8%	19,678	20,184	(2.5%)
Other comprehensive expense:						
Foreign currency translation	336	(220)	(252.7%)	(225)	(2,543)	(91.2%)
Total comprehensive income	10,594	9,476	11.8%	19,453	17,641	10.3%
Total comprehensive income attributable to:						
Equity holders of the Company	10,594	9,476	11.8%	19,453	17,641	10.3%
Non-controlling interests	- *	- *	N/M	- *	- *	N/M
	10,594	9,476		19,453	17,641	

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

	Group			Group		
	2Q2011	2Q2010	Increase / (decrease)	1H2011	1H2010	Increase / (decrease)
	1 Apr 2011 to 30 Jun 2011	1 Apr 2010 to 30 Jun 2010		1 Jan 2011 to 30 Jun 2011	1 Jan 2010 to 30 Jun 2010	
	RM'000	RM'000	%	RM'000	RM'000	%
Depreciation of property, plant and equipment	(3,353)	(2,553)	31.3%	(6,685)	(5,097)	31.2%
Net foreign exchange gain/ (loss)	367	360	1.9%	(135)	(409)	(67.0%)
Bad debts written off	-	(11)	(100.0%)	-	(11)	(100.0%)
Bad debts recovered	-	3	(100.0%)	-	3	(100.0%)
Property, plant and equipment written off	-	(1)	(100.0%)	(30)	(2)	N/M
Gain on disposal of property, plant and equipment	-	27	(100.0%)	- *	69	(100.0%)
Research and development expenses	(510)	(505)	1.0%	(913)	(723)	26.3%
Interest income from bank balances	36	21	38.1%	67	58	3.4%
Interest on borrowings	(1)	(10)	(90.0%)	(5)	(21)	(76.2%)

N/M Not Meaningful

* Denote amount less than RM500

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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 30.06.11	As at 31.12.10	As at 30.06.11	As at 31.12.10
	RM'000	RM'000	RM'000	RM'000
Non-current assets				
Property, plant and equipment	124,257	122,730	-	-
Investments in subsidiary companies	-	-	109,956	106,743
	<u>124,257</u>	<u>122,730</u>	<u>109,956</u>	<u>106,743</u>
Current assets				
Inventories	28,837	26,752	-	-
Trade receivables	48,293	43,585	-	-
Other receivables	1,839	1,619	-	-
Amounts due from a subsidiary company	-	-	2,228	3,446
Prepayments	1,252	594	30	23
Tax recoverable	317	418	14	-
Fixed deposits	13,028	18,999	13,028	18,491
Cash and bank balances	22,901	25,150	7,246	1,516
	<u>116,467</u>	<u>117,117</u>	<u>22,546</u>	<u>23,476</u>
Current liabilities				
Payables and accruals	23,061	32,661	176	238
Hire purchase creditors	14	14	-	-
Bank borrowings (secured)	-	226	-	-
Provision for taxation	1,369	1,052	-	1
	<u>24,444</u>	<u>33,953</u>	<u>176</u>	<u>239</u>
Net current assets	<u>92,023</u>	<u>83,164</u>	<u>22,370</u>	<u>23,237</u>
Non-current liabilities				
Hire purchase creditors	1	8	-	-
Deferred taxation	5,626	5,626	-	-
	<u>5,627</u>	<u>5,634</u>	<u>-</u>	<u>-</u>
Net assets	<u>210,653</u>	<u>200,260</u>	<u>132,326</u>	<u>129,980</u>
Equity attributable to equity holders of the Company				
Share capital	112,945	110,129	112,945	110,129
Reserves	97,704	90,127	19,381	19,851
	<u>210,649</u>	<u>200,256</u>	<u>132,326</u>	<u>129,980</u>
Non-controlling interests	4	4	-	-
Total equity	<u>210,653</u>	<u>200,260</u>	<u>132,326</u>	<u>129,980</u>

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

	Group	
	As at 30.06.11	As at 31.12.10
	RM'000	RM'000
Amount repayable in one year or less, or on demand		
Hire purchase creditors (secured)	14	14
Bank borrowings (secured)	-	226
	<u>14</u>	<u>240</u>
Amount repayable after one year		
Hire purchase creditors (secured)	1	8
	<u>1</u>	<u>8</u>

The hire purchases were secured by certain motor vehicles.

The bank borrowings were secured by a corporate guarantee of the Company.

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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	
	2Q2011 1 Apr 2011 to 30 Jun 2011	2Q2010 1 Apr 2010 to 30 Jun 2010	1H2011 1 Jan 2011 to 30 Jun 2011	1H2010 1 Jan 2010 to 30 Jun 2010
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Profit before taxation	11,049	10,987	21,232	22,618
Adjustments:-				
Depreciation of property, plant and equipment	3,353	2,553	6,685	5,097
Property, plant and equipment written off	-	1	30	2
Gain on disposal of property, plant and equipment	-	(27)	- *	(69)
Bad debts written off	-	11	-	11
Interest expense	1	10	5	21
Interest income	(36)	(21)	(67)	(58)
Operating cash flows before working capital changes	14,367	13,514	27,885	27,622
Increase in inventories	(1,846)	(277)	(2,085)	(231)
Increase in receivables and prepayments	(1,496)	(1,345)	(5,485)	(3,943)
(Decrease)/ increase in payables and accruals	(5,748)	1,059	(9,600)	2,771
Cash flows from operations	5,277	12,951	10,715	26,219
Income taxes paid	(664)	(423)	(1,237)	(1,032)
Interest paid	(1)	(10)	(5)	(21)
Interest received	36	21	67	58
Net cash flows from operating activities	4,648	12,539	9,540	25,224
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	-	109	- *	174
Purchase of property, plant and equipment	(5,103)	(10,954)	(8,845)	(17,494)
Net cash flows used in investing activities	(5,103)	(10,845)	(8,845)	(17,320)
Cash flows from financing activities				
Net proceeds from warrants conversion	2,216	-	2,685	-
Repayment of term loans	(99)	(120)	(226)	(240)
Repayment of hire purchase creditors	(4)	(16)	(7)	(36)
Dividends paid	(11,745)	(8,666)	(11,745)	(8,666)
Net cash flows used in financing activities	(9,632)	(8,802)	(9,293)	(8,942)
Net decrease in cash and cash equivalents	(10,087)	(7,108)	(8,598)	(1,038)
Effect of foreign currency exchange rates	545	(104)	378	(2,060)
Cash and cash equivalents at beginning of period	45,471	51,304	44,149	47,190
Cash and cash equivalents at end of period	35,929	44,092	35,929	44,092
Cash and cash equivalents comprise the followings at end of the financial period				
Fixed deposits	13,028	17,741	13,028	17,741
Cash at banks and in hand	22,901	26,351	22,901	26,351
Cash and cash equivalent at end of the financial period	35,929	44,092	35,929	44,092

* Denote amount less than RM500

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- 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	Non- controlling Interests RM'000	Total Equity RM'000
GROUP						
1H2010						
Balance at 1 January 2010	106,788	119,509	(54,853)	64,656	3	171,447
Total comprehensive income for the period	-	20,184	(2,543)	17,641	-	17,641
Payment of FY2009 final dividend	-	(8,666)	-	(8,666)	-	(8,666)
Balance at 30 June 2010	106,788	131,027	(57,396)	73,631	3	180,422
1H2011						
Balance at 1 January 2011	110,129	144,319	(54,192)	90,127	4	200,260
Total comprehensive income for the period	-	19,678	(225)	19,453	-	19,453
Payment of FY2010 final dividend	-	(11,745)	-	(11,745)	-	(11,745)
Issuance of ordinary shares upon the exercise of warrants	2,816	-	(131)	(131)	-	2,685
Balance at 30 June 2011	112,945	152,252	(54,548)	97,704	4	210,653
2Q2010						
Balance at 1 April 2010	106,788	129,997	(57,176)	72,821	3	179,612
Total comprehensive income for the period	-	9,696	(220)	9,476	-	9,476
Payment of FY2009 final dividend	-	(8,666)	-	(8,666)	-	(8,666)
Balance at 30 June 2010	106,788	131,027	(57,396)	73,631	3	180,422
2Q2011						
Balance at 1 April 2011	110,621	153,739	(54,776)	98,963	4	209,588
Total comprehensive income for the period	-	10,258	336	10,594	-	10,594
Payment of FY2010 final dividend	-	(11,745)	-	(11,745)	-	(11,745)
Issuance of ordinary shares upon the exercise of warrants	2,324	-	(108)	(108)	-	2,216
Balance at 30 June 2011	112,945	152,252	(54,548)	97,704	4	210,653

* Denote amount less than RM500

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<u>COMPANY</u>	Share Capital RM'000	Retained Earnings RM'000	Other Reserves RM'000	Total Reserves RM'000	Total Equity RM'000
1H2010					
Balance at 1 January 2010	106,788	10,617	5,357	15,974	122,762
Total comprehensive income for the period	-	7,548	(5,952)	1,596	1,596
Payment of FY2009 final dividend	-	(8,666)	-	(8,666)	(8,666)
Balance at 30 June 2010	106,788	9,499	(595)	8,904	115,692
1H2011					
Balance at 1 January 2011	110,129	15,167	4,684	19,851	129,980
Total comprehensive income for the period	-	7,443	3,963	11,406	11,406
Payment of FY2010 final dividend	-	(11,745)	-	(11,745)	(11,745)
Issuance of ordinary shares upon the exercise of warrants	2,816	-	(131)	(131)	2,685
Balance at 30 June 2011	112,945	10,865	8,516	19,381	132,326
2Q2010					
Balance at 1 April 2010	106,788	18,586	(128)	18,458	125,246
Total comprehensive income for the period	-	(421)	(467)	(888)	(888)
Payment of FY2009 final dividend	-	(8,666)	-	(8,666)	(8,666)
Balance at 30 June 2010	106,788	9,499	(595)	8,904	115,692
2Q2011					
Balance at 1 April 2011	110,621	14,912	5,396	20,308	130,929
Total comprehensive income for the period	-	7,698	3,228	10,926	10,926
Payment of FY2010 final dividend	-	(11,745)	-	(11,745)	(11,745)
Issuance of ordinary shares upon the exercise of warrants	2,324	-	(108)	(108)	2,216
Balance at 30 June 2011	112,945	10,865	8,516	19,381	132,326

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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	Share Capital RM'000
Issued and fully paid up:		
As at 31 December 2010	<u>313,908,690</u>	<u>110,129</u>
As at 30 June 2011	<u>317,515,762</u>	<u>112,945</u>

On 19 May 2010, the Company announce a renounceable non-underwritten rights issue of up to 61,900,000 warrants at an issue price of S\$0.02 for each warrant, each warrant carrying the right to subscribe for one (1) new share at the exercise price of S\$0.31 for each new share, on the basis of one (1) warrant for every five (5) existing ordinary shares.

On 5 August 2010, the Company allotted and issued 61,900,000 rights warrants for valid acceptance received.

The warrants are exercisable within three (3) years from the date of issue of warrants on 5 August 2010 and will expire on 4 August 2013. For the 6 months ended 30 June 2011, total conversion of warrants to shares for the period amount to S\$1,118,192.32, the outstanding warrants were 53,884,238.

Other than the above mentioned, the Company does not have any outstanding share convertibles and treasury shares at the end of the financial period under review.

The Company wishes to announce that to-date, the total net proceeds of approximately S\$3.45 million from the issuance of warrants and conversion of warrants were fully used for the Group's general working capital.

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 30.06.11	As at 31.12.10
Total number of issued shares excluding treasury shares	<u>317,515,762</u>	<u>313,908,690</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

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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 2010.

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	
		2Q2011	2Q2010
Earnings per share ("EPS") in sen (RM)			
a)	Basic	3.24	3.13
b)	On a fully diluted basis	2.76	3.13

Earnings per share for the second quarter ended 30 June 2011 is calculated based on profit from ordinary activities after taxation of RM10.3 million divided by weighted average of 316.7 million number of ordinary shares in issue. As for comparative, earnings per share for the second quarter ended 30 June 2010 is calculated based on profit attributable to shareholders of RM9.7 million divided by weighted average of 309.5 million number of ordinary shares in issue.

The fully diluted earnings per share for the second quarter ended 30 June 2011 was calculated based on the weighted average number of 371.4 million ordinary shares assuming the full exercise of warrants outstanding during the period after adjusting the weighted average number of shares. As there were no share options and other potential issuance granted in second quarter ended 30 June 2010, 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 30.06.11	As at 31.12.10	As at 30.06.11	As at 31.12.10
Net asset per share in sen (RM)	66.34	63.80	41.68	41.41

The Group and Company net asset backing per ordinary share as at 30 June 2011 and 31 December 2010 are calculated based on 317.5 million and 313.9 million ordinary shares in issue respectively.

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.**

RIVERSTONE HOLDINGS LIMITED

a) INCOME STATEMENT REVIEW

For the 2Q2011, the Group achieved modest growth in pretax profit and net profit to RM11.0 million and RM10.3 million respectively when compared to 2Q2010. This was achieved on the back of an increase in total revenue by 21.4% from RM54.0 million in 2Q2010 to RM65.5 million in 2Q2011. The revenue growth is in line with the Group's continuous expansion in production capacity and growing demand of our products especially in healthcare gloves. The Group's gross profit was higher by 1.9% from RM15.6 million to RM16.0 million when compared to 2Q2010. However, the Group's gross profit margin came down from 29.0% in 2Q2010 to 24.3% in 2Q2011 mainly due to higher raw material prices and a weaker US Dollar.

For the 1H2011, the Group's pretax profit and net profit were lower at RM21.2 million and RM19.7 million respectively when compared to 1H2010. This was on the back of an increase in total revenue by 21.7% from RM106.8 million in 2Q2010 to RM130.0 million in 2Q2011. The Group's gross profit reduced marginally by 1.9% from RM32.1 million in 1H2010 to RM31.5 million in 1H2011.

The Group's other income increased from RM0.2 million in 2Q2010 to RM0.4 million in 2Q2011 mainly due to a compensation claimed from a contractor for the temporary work stoppages caused to our normal operation.

Selling and distribution came down by 1.6% when compared to 2Q2010 despite the higher sales activities.

General and administrative expenses increased by RM0.5 million or 15.8% from RM3.1 million in 2Q2010 to RM3.6 million in 2Q2011 mainly because of increase in payroll cost and foreign workers levy.

Finance costs decreased by 90.0% in 2Q2011 due to the repayment of bank borrowing.

The Group's effective tax rate was lower when compared to 2Q2010 due to availability of higher reinvestment allowance claimable by the Group.

b) BALANCE SHEET REVIEW

As at 30 June 2011, non-current assets increased from RM122.7 million to RM124.3 million mainly due to acquisition of property, plant and equipment of RM8.9 million, offset by the depreciation charge of RM6.7 million and the foreign exchange adjustment of RM0.6 million.

Trade receivables and inventory increased from RM43.6 million to RM48.3 million and from RM26.8 million to RM28.8 million as at 30 June 2011 respectively mainly due to increase in sales and higher production volume.

Other receivables increased to RM1.8 million as at 30 June 2011 from RM1.6 million as at 31 December 2010 mainly due to an advance given to secure the supply of raw material.

Prepayments increase from RM0.6 million to RM1.3 million as at 30 June 2011 mainly due to prepayment of Malaysian government levy for foreign workers and insurance premiums.

Cash and cash equivalents reduced from RM44.1 million as at 31 December 2010 to RM35.9 million as at 30 June 2011. For the 2Q2011, the Group generated RM4.6 million in net cash flows from operating activities and net cash flows used in investing was amounted to RM5.1 for the purchase of property, plant and equipment. The Group has net cash flows used in financing activities in 2Q2011 amounted to RM9.6 million due to payment of dividends and offset of proceeds of warrants conversion to ordinary shares.

Current liabilities decreased by 28.0% mainly due to the decrease in payables and accruals from RM32.7 million as at 31 December 2010 to RM23.1 million as at 30 June 2011.

The Group has fully settled the total bank borrowings in 2Q2011. The Group had not acquired additional bank borrowings during 2Q2011.

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.

The previously announced expansion plans are progressing well and within the target of completion before end of 2011 and the new facilities will increase our annual production capacity in cleanroom and healthcare gloves to 2.52 billion gloves.

While the volatility of the commodity prices and the weakening of the US currency will be a challenge for the Group, we expect the demand for our cleanroom and healthcare products to continue to remain strong in the forthcoming quarters.

Barring other unforeseen circumstances, the Directors are optimistic that the Group will achieve good results in the forthcoming quarters.

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

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

The Board has recommended to pay a one-tier tax exempt interim dividend of 2.2 sen (RM) per ordinary share for the financial year ending 31 December 2011.

(b) Corresponding period of the immediately preceding financial year

Yes

Name of Dividend	Interim Tax Exempt Dividend
Dividend Type	Cash
Dividend amount per Share (in sen)	2.200 sen (RM) per ordinary share
Tax Rate	Tax-exempt one-tier

(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).

The dividend will be a one-tier tax exempt dividend and will not be taxable in the hands of shareholders in Singapore.

(d) The date the dividend is payable.

To be determined

(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.

To be determined

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

Not applicable

13. Interest person transactions

The aggregate value of interested person transactions entered into for the second quarter ended 30 June 2011 is as follow:

Name of interested persons	Aggregate value of all interested person transactions during the financial year 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\$186,044	0
Sea Transport	S\$56,359	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 second quarter ended 30 June 2011 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

3 August 2011

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.