

RIVERVIEW RUBBER ESTATES, BERHAD

(Company No. : 820-V)

(Incorporated in Malaysia)

Interim Financial Report

For the financial period ended 30 June 2012

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Condensed Consolidated Statement of Comprehensive Income
For the financial period ended 30 June 2012
(the figures have not been audited)

| | Current 3 months ended | | Cummulative 6 months ended | |
|--|------------------------|----------------|----------------------------|----------------|
| | 30.06.2012 | 30.06.2011 | 30.06.2012 | 30.06.2011 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 6,849 | 7,255 | 12,542 | 14,194 |
| Cost of sales | (2,273) | (1,844) | (4,167) | (3,279) |
| Gross profit | <u>4,576</u> | <u>5,411</u> | <u>8,375</u> | <u>10,915</u> |
| Other items of income | | | | |
| Interest income | 343 | 318 | 657 | 600 |
| Dividend income | 67 | - | 67 | 29 |
| Gain on disposal of property, plant and equipment | - | - | - | 9 |
| Other income | 2 | 8 | 7 | 16 |
| Other items of expense | | | | |
| Replanting expenditure | (119) | (126) | (229) | (239) |
| Depreciation | (51) | (37) | (95) | (71) |
| Amortisation of prepaid lease payments | (5) | (5) | (9) | (9) |
| Administrative expenses | (281) | (359) | (508) | (617) |
| Results from operating activities | <u>4,532</u> | <u>5,210</u> | <u>8,265</u> | <u>10,633</u> |
| Foreign exchange gain/(loss) | <u>253</u> | <u>110</u> | <u>253</u> | <u>266</u> |
| Profit for the period | <u>4,785</u> | <u>5,320</u> | <u>8,518</u> | <u>10,899</u> |
| Share of profit from associates | <u>737</u> | <u>1,359</u> | <u>1,429</u> | <u>2,366</u> |
| Profit before tax for the period | <u>5,522</u> | <u>6,679</u> | <u>9,947</u> | <u>13,265</u> |
| Taxation | <u>(1,307)</u> | <u>(1,162)</u> | <u>(2,246)</u> | <u>(2,514)</u> |
| Net profit for the period | <u>4,215</u> | <u>5,517</u> | <u>7,701</u> | <u>10,751</u> |
| Other comprehensive income, net of tax | | | | |
| Fair value adjustment | 77 | - | 575 | - |
| Realisation of revaluation reserves on disposal of property, plant and equipment | - | - | - | 4 |
| Other comprehensive income for the period, net of tax | <u>77</u> | <u>-</u> | <u>575</u> | <u>4</u> |
| Total comprehensive income for the period | <u>4,292</u> | <u>5,517</u> | <u>8,276</u> | <u>10,755</u> |
| Profit attributable to: | | | | |
| - Owners of the Company | <u>4,215</u> | <u>5,517</u> | <u>7,701</u> | <u>10,751</u> |
| Total comprehensive income attributable to: | | | | |
| - Owners of the Company | <u>4,292</u> | <u>5,517</u> | <u>8,276</u> | <u>10,755</u> |
| Earnings per share (sen) | | | | |
| Basic | 6.50 | 8.51 | 11.88 | 16.58 |
| Diluted | N/A | N/A | N/A | N/A |

Note : N/A denotes "Not Applicable"

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the annual financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

Riverview Rubber Estates, Berhad
 (Company No. 820 - V)
 (Incorporated in Malaysia)

Condensed Consolidated Statement of Financial Position
As at 30 June 2012
(the figures have not been audited)

| | 30.06.2012 | 31.12.2011 |
|---|-------------------|-------------------|
| | RM'000 | RM'000 |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 32,551 | 32,179 |
| Biological assets | 44,986 | 44,986 |
| Prepaid lease land | 9 | 17 |
| Investment in associates | 39,705 | 38,769 |
| Other investment | 2,158 | 1,583 |
| Deferred taxation | 92 | 92 |
| | <u>119,501</u> | <u>117,626</u> |
| Current assets | | |
| Inventories | 308 | 491 |
| Trade and other receivables | 4,552 | 3,237 |
| Deferred nursery expenditure | 158 | 99 |
| Deposits with financial institutions | 58,181 | 62,088 |
| Cash and cash equivalents | 828 | 1,381 |
| | <u>64,027</u> | <u>67,296</u> |
| TOTAL ASSETS | <u>183,528</u> | <u>184,922</u> |
| EQUITY AND LIABILITIES | | |
| Current liabilities | | |
| Trade and other payables | 7,568 | 10,749 |
| NET CURRENT ASSETS | <u>56,459</u> | <u>56,547</u> |
| Non-current liabilities | | |
| Provision for retirement benefits | 92 | 96 |
| TOTAL LIABILITIES | <u>7,660</u> | <u>10,845</u> |
| NET ASSETS | <u>175,868</u> | <u>174,077</u> |
| Equity attributable to owners of the Company | | |
| Share capital | 64,850 | 64,850 |
| Reserves | 65,627 | 65,052 |
| Retained earnings | 45,391 | 44,175 |
| TOTAL EQUITY AND LIABILITIES | <u>175,868</u> | <u>174,077</u> |
| TOTAL EQUITY | <u>183,528</u> | <u>184,922</u> |
| Net Assets per share (RM) | <u>2.71</u> | <u>2.68</u> |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the annual financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

Riverview Rubber Estates, Berhad

(Company No. 820 - V)

(Incorporated in Malaysia)

Condensed Consolidated Statement of Changes in Equity

For the financial period ended 30 June 2012

(the figures have not been audited)

| | Share capital RM '000 | Capital reserve RM '000 | General reserve RM '000 | Retained profits RM'000 | Total RM'000 |
|--------------------------------------|-----------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------|
| As at 1 January 2011 | 64,850 | 57,003 | 6,566 | 38,821 | 167,240 |
| Total comprehensive income | | | | | |
| Statement of comprehensive income | - | 1,487 | - | 18,320 | 19,807 |
| Transfer of reserves | - | (4) | - | 4 | - |
| | <u>-</u> | <u>1,483</u> | <u>-</u> | <u>18,324</u> | <u>19,807</u> |
| Transactions with owners | | | | | |
| Dividends | - | - | - | (12,970) | (12,970) |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>(12,970)</u> | <u>(12,970)</u> |
| As at 31 December 2011 | 64,850 | 58,486 | 6,566 | 44,175 | 174,077 |
| As at 1 January 2012 | 64,850 | 58,486 | 6,566 | 44,175 | 174,077 |
| Total comprehensive income | - | 575 | - | 7,701 | 8,276 |
| Transactions with owners | | | | | |
| Dividends | - | - | - | (6,485) | (6,485) |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>(6,485)</u> | <u>(6,485)</u> |
| As at 30 June 2012 | 64,850 | 59,061 | 6,566 | 45,391 | 175,868 |

The condensed consolidated statement of changes in equity should be read in conjunction with the annual financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

Riverview Rubber Estates, Berhad

(Company No. 820 - V)

(Incorporated in Malaysia)

Condensed Consolidated Statement of Cash Flows**For the financial period ended 30 June 2012*****(the figures have not been audited)***

| | 30.06.2012 | 30.06.2011 |
|---|----------------------|----------------------|
| | RM'000 | RM'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 9,947 | 13,265 |
| Adjustments for: | | |
| Amortisation of prepaid lease payments | 9 | 9 |
| Depreciation | 95 | 71 |
| Dividend income | (67) | (29) |
| Gain on disposal of property, plant and equipment | - | (9) |
| Gain on foreign exchange | (253) | (266) |
| Interest income | (657) | (600) |
| Share of profit from associate | (1,429) | (2,366) |
| Operating profit before working capital changes | <u>7,645</u> | <u>10,075</u> |
| Changes in working capital: | | |
| Receivables | 349 | (333) |
| Inventories | 183 | (368) |
| Payables | (586) | (24) |
| Cash generated from operating activities | <u>7,591</u> | <u>9,350</u> |
| Retirement benefits paid | (4) | - |
| Taxes paid | (3,350) | (2,564) |
| Net cash generated from operating activities | <u>4,237</u> | <u>6,786</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (469) | (165) |
| Proceeds from disposal of property, plant and equipment | - | 17 |
| Interest received | 657 | 600 |
| Dividends received | - | 22 |
| Deferred nursery expenditure | (59) | - |
| Net cash generated from investing activities | <u>129</u> | <u>474</u> |
| CASH FLOWS FROM FINANCING ACTIVITY | | |
| Dividends paid | (9,079) | (5,837) |
| Net cash used in financing activity | <u>(9,079)</u> | <u>(5,837)</u> |
| Net decrease in cash and cash equivalents | (4,713) | 1,423 |
| Effects of exchange rate changes | 253 | 266 |
| Cash and cash equivalents at beginning of period | 63,469 | 58,726 |
| Cash and cash equivalents at end of period | <u>59,009</u> | <u>60,415</u> |
| Cash and cash equivalents comprise: | | |
| Cash on hand and at banks | 828 | 1,071 |
| Deposits with financial institutions | <u>58,181</u> | <u>59,344</u> |
| | <u>59,009</u> | <u>60,415</u> |

The condensed consolidated cash flow statement should be read in conjunction with the annual financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.