

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

Notes to the interim financial statements

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in compliance with the requirements of FRS 134, Interim Financial Reporting and Chapter 9 Part K of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Company for the year ended 31 December 2007. There was no qualification in the audited financial statements for the year ended 31 December 2007.

The accounting policies and methods of computation adopted by the Company in the interim financial statements are consistent with those adopted in the annual financial statements for the year ended 31 December 2007 except for the adoption of the following new/revised Financial Reporting Standards (“FRS”) effective for the financial period beginning 1 January 2008.

FRS 139	:	Financial Instruments - Recognition and Measurement
FRS 107	:	Cash Flow Statements
FRS 111	:	Construction Contracts
FRS 112	:	Income Taxes
FRS 118	:	Revenue
FRS 120	:	Accounting for Government Grants and Disclosure of Government Assistance
FRS 134	:	Interim Financial Reporting
FRS 137	:	Provisions, Contingent Liabilities and Contingent Assets
Amendment to FRS 121	:	The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation
IC Interpretation 1	:	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2	:	Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5	:	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6	:	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment
IC Interpretation 7	:	Applying the Restatement Approach under FRS 129 ²⁰⁰⁴ - Financial Reporting in Hyperinflationary Economies
IC Interpretation 8	:	Scope of FRS 2

The above new and revised FRSs, amendment to FRS and IC Interpretations are expected to have no significant impact on the financial statements of the Company upon their initial application.

The Company is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 139.

A2. Seasonal or cyclical factors

The production of fresh fruits bunches of oil palms (“FFB”) is dependent on weather conditions; hence is seasonal in nature.

A3. Items affecting assets, liabilities, equity, net income or cash flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

A4. Change in estimates

There were no changes in estimates that have a material effect in the current quarter.

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Notes to the interim financial statements

A5. Debt and equity securities

There were no issuance, cancellations, repurchase, resale and repayments of debt and equity securities in the current quarter.

A6. Dividend paid

An interim ordinary dividend of 5 sen per share and a special dividend of 7 sen per share on 64,850,448 ordinary shares, less income tax respectively in respect of the financial year ended 31 December 2007 was paid on 20 February 2008.

A7. Segment information

Segmental information is not presented as the principal activity of the Company is the cultivation of oil palm wholly carried out within Malaysia.

A8. Valuation of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

A9. Capital commitments

There are no capital commitments as at 31 March 2008.

A10. Events subsequent to the balance sheet date

There were no material events subsequent to the end of the current quarter that have not been reflected in the interim financial statements under review.

A11. Changes in composition

There were no changes in the composition of the Company for the current quarter.

A12. Changes in contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets as at the last annual balance sheet date and the latest practicable date.

A13. Related party transactions

There were no significant related party transactions of the Company for the current quarter.

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Additional information required by Bursa Malaysia Securities Berhad's Listing Requirements

B1. Review of performance

The Company registered revenue of RM7.90 million for the current financial period, an increase of 172.46% as compared to the preceding year corresponding quarter. The Company also recorded a pre-tax profit in the financial year to date of RM7.32 million against pre-tax profit of RM2.28 million in the preceding year corresponding quarter. The higher revenue was mainly due to an increase in yield and selling price of fresh fruit bunches of oil palms due to buoyant CPO prices. The higher pre-tax profit was also due to contributions from associate companies.

B2. Variation of results against preceding quarter

The current quarter's recorded pre-tax profit of RM7.32 million on revenue of RM7.90 million as compared to pre-tax profit of RM7.42 million on revenue of RM7.42 million posted in the immediate preceding quarter. The higher revenue was mainly due to an increase in yield and increased selling price of fresh fruit bunches of oil palms due to buoyant CPO prices. The lower pre-tax profit is due to the lower contributions from the associate companies.

B3. Current year prospects

Barring any unforeseen circumstances, the directors expect the performance of the Company for the current financial year to be more than satisfactory.

B4. Profit forecast

Not applicable as no profit forecast was published.

B5. Tax expense

	3 months ended	
	31.03.2008	31.03.2007
	RM'000	RM'000
Current tax expense		
- of the company	1,565	462
- of the associates	289	140
	<u>1,854</u>	<u>602</u>

The effective rate of taxation of the Company is lower than the statutory rate of taxation for the current financial period to date principally due to certain income which is not taxable.

B6. Unquoted investments and properties

There were no sales of unquoted investments or properties for the current financial year to date.

B7. Quoted investments

There were no purchases or disposals of quoted securities for the current period

B8. Status of corporate proposal announced

There were no corporate proposals announced and not completed as at the latest practicable date.

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Additional information required by Bursa Malaysia Securities Berhad's Listing Requirements

B9. Borrowing and debt securities

There were no borrowings and debt securities as at the end of the current quarter.

B10. Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at the latest practicable date.

B11. Changes in material litigation

There was no pending material litigation as at the latest practicable date.

B12. Dividends

The directors do not recommend any payment of dividend for the current financial period.

B13. Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the financial year is based on the net profit attributable to ordinary shareholders of RM5.46 million and the weighted average number of ordinary shares in issue during the current quarter of 64,850,448 shares.

Diluted earnings per shares

Not applicable.

B14. Financial assistance in the ordinary course of business

The outstanding amount of financial assistance provided in the form of loan to the FFB transporter contractors as at the end of the current quarter was RM145,000. The financial assistance provided has no financial impact on the Company.

By Order of the Board

Adrian Tsen
Company Secretary

Dated: 24 April 2008