

K1 VENTURES LIMITED

REG. NO. 197000535W

THIRD QUARTER FINANCIAL STATEMENT
UNAUDITED RESULTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 MARCH 2007

The Directors of **k1 Ventures Limited** advise the following unaudited results of the Group for the third quarter and nine months ended 31 March 2007.

1. GROUP PROFIT AND LOSS ACCOUNTS for the third quarter and nine months ended 31 March 2007

	Note	Third Quarter			Nine Months		
		1 Jan 07 to 31 Mar 07 \$'000	1 Jan 06 to 31 Mar 06 \$'000	+/(-)%	1 Jul 06 to 31 Mar 07 \$'000	1 Jul 05 to 31 Mar 06 \$'000	+/(-)%
Continuing Operations							
Revenue	1a	131,839	95,458	38.11	354,461	289,679	22.36
Raw materials & consumables used		(48,662)	(46,898)	3.76	(159,667)	(149,471)	6.82
Net carrying value of investments disposed		(37,018)	(289)	NM	(42,018)	(3,577)	NM
Staff costs		(5,155)	(4,762)	8.25	(15,378)	(14,355)	7.13
Depreciation and amortisation		(13,101)	(12,934)	1.29	(38,511)	(38,567)	(0.15)
Other operating expenses		(8,846)	(11,587)	(23.66)	(30,329)	(33,375)	(9.13)
Operating profit		19,057	18,988	0.36	68,558	50,334	36.21
Finance expenses		(9,737)	(12,027)	(19.04)	(33,245)	(35,807)	(7.16)
Foreign exchange loss		(1,167)	(460)	153.70	(9,807)	(444)	NM
Share of result of associated company and joint ventures		1,999	308	549.03	5,679	3,044	86.56
Profit before tax		10,152	6,809	49.10	31,185	17,127	82.08
Taxation		(4,724)	(3,154)	49.78	(13,510)	(7,185)	88.03
Profit from continuing operations		5,428	3,655	48.51	17,675	9,942	77.78
Discontinued Operations							
Profit from discontinued operations	1d	-	6,267	NM	-	16,219	NM
Profit for the period		5,428	9,922	(45.29)	17,675	26,161	(32.44)
Attributable to :							
Shareholders of the Company		5,003	9,064	(44.80)	15,729	24,308	(35.29)
Minority interest		425	858	(50.47)	1,946	1,853	5.02
		5,428	9,922	(45.29)	17,675	26,161	(32.44)
EBITDA *		32,990	31,770	3.84	102,941	91,501	12.50
Earnings per ordinary share :							
Continuing and discontinued operations							
basic	1e	0.25 cts	0.48 cts	(47.92)	0.79 cts	1.29 cts	(38.76)
diluted	1e	0.24 cts	0.46 cts	(47.83)	0.75 cts	1.23 cts	(39.02)
Continuing operations							
basic	1e	0.25 cts	0.15 cts	66.67	0.79 cts	0.43 cts	83.72
diluted	1e	0.24 cts	0.14 cts	71.43	0.75 cts	0.41 cts	82.93

* EBITDA is defined as profit before tax, finance expenses, depreciation and amortisation for continuing operations.

** NM - Not Meaningful

Note :

Discontinued Operations reflected the Group's activities in The Gas Company, LLC ("GASCO"), the gas distribution business in Hawaii. The financial results in the prior period relating to GASCO, which was divested on 7 June 2006, has been reclassified as a single amount under "Profit from discontinued operations" in accordance with FRS 105 - Non Current Assets Held for Sale and Discontinued Operations. Refer to note 1d for details.

Notes to Group Profit and Loss Accounts

1a. Breakdown of revenue

	Third Quarter			Nine Months		
	1 Jan 07 to 31 Mar 07 \$'000	1 Jan 06 to 31 Mar 06 \$'000	+/(-)%	1 Jul 06 to 31 Mar 07 \$'000	1 Jul 05 to 31 Mar 06 \$'000	+/(-)%
Continuing operations						
Revenue from retail gasoline operations	55,049	52,336	5.18	182,305	164,896	10.56
Revenue from transportation leasing	32,575	36,871	(11.65)	103,936	106,356	(2.28)
Proceeds from sale of investments	38,462	214	NM	45,942	6,654	590.44
Investment income	1,154	1,051	9.80	3,311	3,085	7.33
Interest income from :						
Related parties	647	71	811.27	4,375	233	NM
Others	2,178	221	885.52	6,833	531	NM
Others	1,774	4,694	(62.21)	7,759	7,924	(2.08)
	<u>131,839</u>	<u>95,458</u>	38.11	<u>354,461</u>	<u>289,679</u>	22.36

1b. Pre-tax profit of the Group is arrived at after crediting/(charging) the following :

	Third Quarter			Nine Months		
	1 Jan 07 to 31 Mar 07 \$'000	1 Jan 06 to 31 Mar 06 \$'000	+/(-)%	1 Jul 06 to 31 Mar 07 \$'000	1 Jul 05 to 31 Mar 06 \$'000	+/(-)%
Continuing operations						
Profit on disposal of fixed assets	2,399	2,714	(11.61)	4,593	2,964	54.96
Profit on sale of investments	1,443	(75)	NM	3,923	3,077	27.49
Provision for doubtful debts	-	-	NM	(62)	-	NM
Write-back of provision for doubtful debts	58	-	NM	58	-	NM
Fair value gain/(loss) - Derivatives	36	538	(93.31)	(283)	3,024	NM
Discontinued operations						
Provision for stock obsolescence	-	(39)	NM	-	(116)	NM
Write-back of provision for doubtful debts	-	15	NM	-	175	NM

1c. There was no material adjustment for under or over provision of tax in respect of prior years.

1d. Profit from discontinued operations

On 7 June 2006, the Group completed the sale of The Gas Company, LLC ("GASCO"), the gas distribution business in Hawaii. An analysis of the results of discontinued operations is as follows :

	Third Quarter		Nine Months	
	1 Jan 07 to 31 Mar 07 \$'000	1 Jan 06 to 31 Mar 06 \$'000	1 Jul 06 to 31 Mar 07 \$'000	1 Jul 05 to 31 Mar 06 \$'000
Revenue	-	66,865	-	191,787
Expenses	-	(54,642)	-	(159,329)
Operating profit	-	12,223	-	32,458
Finance expenses	-	(1,974)	-	(5,742)
Profit before tax	-	10,249	-	26,716
Taxation	-	(3,982)	-	(10,497)
Profit after tax	-	6,267	-	16,219

1e. Earnings per ordinary share

	GROUP					
	Third Quarter			9 Months		
	1 Jan 07 to 31 Mar 07	1 Jan 06 to 31 Mar 06	+ / (-) %	1 Jul 06 to 31 Mar 07	1 Jul 05 to 31 Mar 06	+ / (-) %
Continuing and Discontinued operations Earnings per Ordinary Share of the Group for the period based on net profit attributable to shareholders :						
(i) Based on the weighted average number of shares	0.25 cts	0.48 cts	(47.92)	0.79 cts	1.29 cts	(38.76)
- Weighted average number of shares ('000)	1,995,728	1,890,709	5.55	1,995,728	1,890,709	5.55
(ii) On a fully diluted basis	0.24 cts	0.46 cts	(47.83)	0.75 cts	1.23 cts	(39.02)
- Adjusted weighted average number of shares ('000)	2,090,174	1,971,984	5.99	2,090,174	1,971,984	5.99
Continuing operations Earnings per Ordinary Share of the Group for the period based on net profit attributable to shareholders :						
(i) Based on the weighted average number of shares	0.25 cts	0.15 cts	66.67	0.79 cts	0.43 cts	83.72
- Weighted average number of shares ('000)	1,995,728	1,890,709	5.55	1,995,728	1,890,709	5.55
(ii) On a fully diluted basis	0.24 cts	0.14 cts	71.43	0.75 cts	0.41 cts	82.93
- Adjusted weighted average number of shares ('000)	2,090,174	1,971,984	5.99	2,090,174	1,971,984	5.99

1f. There was no extraordinary item during the period.

2. BALANCE SHEETS as at 31 March 2007

	Note	GROUP		COMPANY	
		As at	As at	As at	As at
		31 Mar 07	30 Jun 06	31 Mar 07	30 Jun 06
		\$'000	\$'000	\$'000	\$'000
Share capital		318,774	393,213	318,774	393,213
Reserves		342,025	362,889	254,178	259,474
Share capital & reserves		660,799	756,102	572,952	652,687
Minority interests		46,795	46,618	-	-
Capital employed		707,594	802,720	572,952	652,687
Represented by :					
Fixed assets		544,711	540,944	28	241
Subsidiaries		-	-	204,615	203,855
Associated company and joint ventures		81,285	79,276	-	-
Available-for-sale investments		224,642	288,495	13,843	42,981
Other assets		7,778	11,535	-	-
Intangibles		236,906	248,865	-	-
		1,095,322	1,169,115	218,486	247,077
Current assets					
Stocks		16,313	14,684	-	-
Due from subsidiaries		-	-	151,815	137,762
Debtors		16,618	24,482	2,844	2,590
Available-for-sale investments		-	6,850	-	-
Bank balances, deposits and cash	3b	305,251	385,246	256,920	334,881
		338,182	431,262	411,579	475,233
Current liabilities					
Creditors		34,599	55,599	43,506	54,613
Amount owing to minority shareholders		-	24,510	-	-
Due to subsidiaries		-	-	10,326	11,662
Term loans		13,719	3,720	-	-
Provision for taxation		39,977	39,263	2,055	2,055
		88,295	123,092	55,887	68,330
Net current assets		249,887	308,170	355,692	406,903
Non-current liabilities					
Term loans		448,197	473,080	-	-
Deferred liabilities		2,795	3,713	-	-
Deferred taxation		186,623	197,772	1,226	1,293
		637,615	674,565	1,226	1,293
Net assets		707,594	802,720	572,952	652,687

Notes to Balance Sheets

2a. Group's borrowings and debt securities

(i) Amount repayable in one year or less, or on demand

As at 31 Mar 07		As at 30 Jun 06	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
13,719	-	3,720	-

(ii) Amount repayable after one year

As at 31 Mar 07		As at 30 Jun 06	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
448,197	-	473,080	-

(iii) Details of any collateral

The term loans pertained to debt financing taken up by Helm and are pledged against the assets of Helm. The net book value of the fixed assets and other assets pledged to financial institutions amounted to \$878 million (June 2006 : \$901 million).

2b. Net asset value

	GROUP			COMPANY		
	As at 31 Mar 07	As at 30 Jun 06	+ / (-) %	As at 31 Mar 07	As at 30 Jun 06	+ / (-) %
Net asset value per Ordinary Share #	\$0.31	\$0.40	(22.50)	\$0.27	\$0.34	(20.59)
Net tangible asset value per Ordinary Share #	\$0.20	\$0.27	(25.93)	\$0.27	\$0.34	(20.59)

Based on issued share capital of 2,127,603,003 ordinary shares as at the end of the financial period (June 2006 : 1,897,528,003).

2c. Balance Sheet review

Group shareholders' funds decreased by \$95.3 million from \$756.1 million as at 30 June 2006 to \$660.8 million as at 31 March 2007. The decrease was primarily due to the capital distribution of \$113.9 million made in December 2006 and decreases in the capital and translation reserves of \$36.6 million attributable to the revaluation of McMoRan Exploration and currency fluctuations in the US dollar. The decrease was partially offset by the issuance of shares in the amount of \$39.4 million resulting from the exercise of the 2002 Warrants and net profit attributable to shareholders of \$15.7 million for the first nine months.

Group total assets of \$1.4 billion at 31 March 2007 were \$166.9 million lower than that at 30 June 2006. The decrease was primarily due to the above mentioned capital distribution, the release of escrow funds to the minority shareholders of Helm Holding Corporation ("Helm"), the payment of escrow funds from the sale of the Group's interests in The Gas Company, LLC, as well as the downward mark-to-market adjustment of the Group's available-for-sale investment in McMoRan Exploration.

Group total liabilities decreased by \$71.8 million from \$797.7 million at 30 June 2006 to \$725.9 million at 31 March 2007 primarily due to a reduction in term loans, the release of escrow funds and a decrease in amounts due to creditors and deferred taxation.

3. CONSOLIDATED CASH FLOW STATEMENTS for the third quarter and nine months ended 31 March 2007

	Note	Third Quarter		Nine Months	
		1 Jan 07 to 31 Mar 07 \$'000	1 Jan 06 to 31 Mar 06 \$'000	1 Jul 06 to 31 Mar 07 \$'000	1 Jul 05 to 31 Mar 06 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Operating profit		19,057	31,211	68,558	82,792
Adjustments:					
Depreciation and amortisation		13,101	12,934	38,511	40,059
Investment income		(898)	(848)	(2,656)	(2,462)
Profit on disposal of fixed assets		(2,399)	(2,714)	(4,593)	(2,964)
Fixed asset written off		26	-	26	-
Loss/(profit) on sale of investments		(1,443)	75	(3,923)	(3,077)
Cash flow from operations before changes in working capital		27,444	40,658	95,923	114,348
Working capital changes :					
Stocks		3,200	3,131	(2,238)	(4,182)
Debtors		4,579	10,427	7,336	17,129
Creditors		(756)	5,149	(11,300)	2,487
Translation of foreign subsidiaries and others		(2,007)	(3,322)	(4,515)	(6,408)
Cash from operations		32,460	56,043	85,206	123,374
Interest paid		(9,555)	(14,773)	(31,624)	(35,392)
Income taxes paid		(1,729)	(330)	(6,189)	(4,306)
Net cash from operating activities		21,176	40,940	47,393	83,676
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of subsidiaries	3a	-	-	-	(726,529)
Adjustment to acquisition value for an investment in a subsidiary		34	-	(2,430)	-
Purchase of fixed assets		(6,137)	(6,262)	(70,104)	(62,496)
Proceeds from disposal of fixed assets		7,824	26,002	15,153	33,060
Net proceeds from disposal and capital distribution of investments		39,019	3,374	47,806	12,941
Purchase of investments		(7,316)	(1,809)	(7,316)	(3,035)
Net cash from/(used in) investing activities		33,424	21,305	(16,891)	(746,059)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from share issue		34,943	1,335	39,416	3,397
Proceeds from/(Repayment of) amount due to minority shareholders		-	(321)	235	(7,748)
Proceeds from term loans		(14,997)	(16,274)	111,109	564,979
Repayment of term loans		1,456	(31,523)	(106,197)	(35,826)
Capital distribution		-	-	(113,855)	-
Distribution to minority shareholder of subsidiary		-	(3)	-	(8)
Net cash from/(used in) financing activities		21,402	(46,786)	(69,292)	524,794
Increase/(decrease) in cash and cash equivalents		76,002	15,459	(38,790)	(137,589)
Cash and cash equivalents at beginning of period		225,750	48,014	349,182	201,046
Effects of exchange rate changes on cash and cash equivalents		(1,167)	(465)	(9,807)	(449)
Cash and cash equivalents at end of period	3b	300,585	63,008	300,585	63,008

Notes to Consolidated Cashflow Statements

3a. Acquisition of Subsidiaries

The fair values of net assets and liabilities of subsidiaries acquired were as follows :

	Third Quarter		Nine months	
	1 Jan 07 to 31 Mar 07 \$'000	1 Jan 06 to 31 Mar 06 \$'000	1 Jul 06 to 31 Mar 07 \$'000	1 Jul 05 to 31 Mar 06 \$'000
Fixed assets	-	-	-	539,975
Associated company and joint ventures	-	-	-	76,439
Available-for-sale investments	-	-	-	43,017
Debtors	-	-	-	57,926
Stocks	-	-	-	4,420
Intangibles	-	-	-	55,881
Other assets	-	-	-	13,731
Cash and cash equivalents	-	-	-	6,080
Creditors	-	-	-	(21,152)
Amount due to minority shareholder	-	-	-	(33,262)
Provision for taxation	-	-	-	(15,121)
Deferred taxation	-	-	-	(143,667)
Deferred liabilities	-	-	-	(597)
Minority Interest	-	-	-	(45,660)
Net assets acquired	-	-	-	538,010
Goodwill	-	-	-	194,599
Purchase consideration	-	-	-	732,609
Less : cash and cash equivalents acquired	-	-	-	(6,080)
Cash flow on acquisition, net of cash acquired	-	-	-	726,529

3b. Bank balances, deposits and cash

	Continuing operations		Discontinued operations		Total operations	
	1 Jul 06 to 31 Mar 07 \$'000	1 Jul 05 to 31 Mar 06 \$'000	1 Jul 06 to 31 Mar 07 \$'000	1 Jul 05 to 31 Mar 06 \$'000	1 Jul 06 to 31 Mar 07 \$'000	1 Jul 05 to 31 Mar 06 \$'000
Bank balances, deposits and cash	115,202	23,941	-	25,517	115,202	49,458
Deposits with related parties	185,383	13,550	-	-	185,383	13,550
Cash and cash equivalents	300,585	37,491	-	25,517	300,585	63,008
Restricted cash held under escrow	4,666	24,728	-	-	4,666	24,728
	305,251	62,219	-	25,517	305,251	87,736

Restricted cash held under escrow as at 31 March 2007 relates to an amount payable to a former subsidiary on certain obligations arising out of the settlement conditions with respect to the regulatory approval obtained on the sale of a subsidiary.

Restricted cash held under escrow as at 31 March 2006 related to a payable to the former shareholders of a subsidiary, which represented the minority interests of a subsidiary, as collateral for representations and warranties provided at the time of the acquisition.

4. STATEMENTS OF CHANGES IN EQUITY

4a. Group Statement of Changes in Equity for the third quarter and nine months ended 31 March

	Attributable to equity holders of the Company						
	Share capital S\$'000	Capital reserves S\$'000	Translation reserves S\$'000	Revenue reserves S\$'000	Share capital & reserves S\$'000	Minority interests S\$'000	Capital employed S\$'000
2007							
As at 1 July 2006	393,213	58,799	(24,706)	328,796	756,102	46,618	802,720
Fair value changes on available-for-sale investments	-	(13,676)	-	-	(13,676)	-	(13,676)
Fair value gain realised and transferred to profit and loss account upon disposal of investment	-	(2,099)	-	-	(2,099)	-	(2,099)
Fair value change on cashflow hedges	-	(829)	-	-	(829)	-	(829)
Exchange differences arising on consolidation	-	-	(10,932)	-	(10,932)	(1,364)	(12,296)
Currency translation loss realised and transferred to profit and loss account	-	-	8	-	8	-	8
	-	(16,604)	(10,924)	-	(27,528)	(1,364)	(28,892)
Profit for the period	-	-	-	10,726	10,726	1,521	12,247
Capital distribution	(113,855)	-	-	-	(113,855)	-	(113,855)
Shares issued	4,473	-	-	-	4,473	-	4,473
Increased share capital in a subsidiary	-	-	-	-	-	235	235
As at 31 December 2006	283,831	42,195	(35,630)	339,522	629,918	47,010	676,928
Fair value changes on available-for-sale investments	-	(2,751)	-	-	(2,751)	-	(2,751)
Fair value gain realised and transferred to profit and loss account upon disposal of investment	-	(497)	-	-	(497)	-	(497)
Fair value change on cashflow hedges	-	(183)	-	-	(183)	-	(183)
Exchange differences arising on consolidation	-	-	(4,986)	-	(4,986)	(640)	(5,626)
Currency translation loss realised and transferred to profit and loss account	-	-	(648)	-	(648)	-	(648)
	-	(3,431)	(5,634)	-	(9,065)	(640)	(9,705)
Profit for the period	-	-	-	5,003	5,003	425	5,428
Shares issued	34,943	-	-	-	34,943	-	34,943
As at 31 March 2007	318,774	38,764	(41,264)	344,525	660,799	46,795	707,594

Attributable to equity holders of the Company

	Share capital S\$'000	Share premium S\$'000	Capital reserves S\$'000	Translation reserves S\$'000	Revenue reserves S\$'000	Share capital & reserves S\$'000	Minority interests S\$'000	Capital employed S\$'000
2006								
As at 1 July 2005								
As previously reported	187,741	202,011	59,508	(7,919)	153,192	594,533	151	594,684
Effect of adopting FRS 39	-	-	26,096	-	-	26,096	-	26,096
	187,741	202,011	85,604	(7,919)	153,192	620,629	151	620,780
Fair value changes on available-for -sale investments	-	-	2,937	-	-	2,937	-	2,937
Fair value gain realised and transferred to profit and loss account upon disposal of investment	-	-	(4,356)	-	-	(4,356)	-	(4,356)
Exchange differences arising on consolidation	-	-	-	(6,287)	-	(6,287)	(365)	(6,652)
	-	-	(1,419)	(6,287)	-	(7,706)	(365)	(8,071)
Profit for the period	-	-	-	-	15,244	15,244	995	16,239
Subsidiary acquired	-	-	-	-	-	-	45,660	45,660
Shares issued	1,210	852	-	-	-	2,062	-	2,062
Distribution from subsidiaries	-	-	-	-	-	-	(5)	(5)
As at 31 December 2006	188,951	202,863	84,185	(14,206)	168,436	630,229	46,436	676,665
Fair value changes on available-for -sale investments	-	-	(13,940)	-	-	(13,940)	-	(13,940)
Exchange differences arising on consolidation	-	-	-	(13,726)	-	(13,726)	(1,352)	(15,078)
	-	-	(13,940)	(13,726)	-	(27,666)	(1,352)	(29,018)
Profit for the period	-	-	-	-	9,064	9,064	858	9,922
Distribution from subsidiaries	-	-	-	-	-	-	(3)	(3)
Shares issued	1,328	7	-	-	-	1,335	-	1,335
Adjustment arising from from abolition of par value of shares	202,870	(202,870)	-	-	-	-	-	-
As at 31 March 2007	393,149	-	70,245	(27,932)	177,500	612,962	45,939	658,901

4b. Company Statement of Changes in Equity for the third quarter and nine months ended 31 March

	Share capital S\$'000	Share premium S\$'000	Capital reserves S\$'000	Translation reserves S\$'000	Revenue reserves S\$'000	Total S\$'000
2007						
As at 1 July 2006	393,213	-	1,897	-	257,577	652,687
Fair value changes on available-for-sale investments	-	-	2,231	-	-	2,231
Fair value gain realised and transferred to profit and loss account upon disposal of investment	-	-	(249)	-	-	(249)
	-	-	1,982	-	-	1,982
Loss for the period	-	-	-	-	(5,483)	(5,483)
Capital distribution	(113,855)	-	-	-	-	(113,855)
Share issued	4,473	-	-	-	-	4,473
As at 31 December 2006	283,831	-	3,879	-	252,094	539,804
Fair value changes on available-for-sale investments	-	-	-	-	-	-
Fair value gain realised and transferred to profit and loss account upon disposal of investment	-	-	(166)	-	-	(166)
	-	-	(166)	-	-	(166)
Loss for the period	-	-	-	-	(1,629)	(1,629)
Share issued	34,943	-	-	-	-	34,943
As at 31 March 2007	318,774	-	3,713	-	250,465	572,952
2006						
As at 1 July 2005						
As previously reported	187,741	202,011	-	(2,629)	72,312	459,435
Effect of adopting FRS 21	-	-	-	2,629	(2,629)	-
As restated	187,741	202,011	-	-	69,683	459,435
Effect of adopting FRS 39	-	-	753	-	-	753
	187,741	202,011	753	-	69,683	460,188
Fair value changes on available-for- -sale investments	-	-	2,891	-	-	2,891
Fair value gain realised and transferred to profit and loss account upon disposal of investment	-	-	(4,356)	-	-	(4,356)
	-	-	(1,465)	-	-	(1,465)
Profit for the period	-	-	-	-	21	21
Shares issued	1,210	852	-	-	-	2,062
As at 31 December 2005	188,951	202,863	(712)	-	69,704	460,806
Fair value changes on available-for- -sale investments	-	-	-	-	-	-
Fair value gain realised and transferred to profit and loss account upon disposal of investment	-	-	-	-	-	-
	-	-	-	-	-	-
Loss for the period	-	-	-	-	(3,516)	(3,516)
Shares issued	1,328	7	-	-	-	1,335
Adjustment arising from abolition of par value of shares	202,870	(202,870)	-	-	-	-
As at 31 March 2006	393,149	-	(712)	-	66,188	458,625

4c. Share capital

Since 30 June 2006, the Company issued 75,000 ordinary shares upon the exercise of options granted to employees under the Keppel Marine Share Option Scheme 1990 and 230 million ordinary shares upon the exercise of warrants issued in 2002. As at 31 March 2007, there were unexercised options for 240,000 (March 2006: 620,000) of unissued ordinary shares under the Keppel Marine Share Option Scheme 1990 and 38 million warrants (March 2006: 268 million) to subscribe for 38 million ordinary shares.

The issued share capital of the Company as at 31 March 2007 was 2,127,603,003 ordinary shares.

5. AUDIT

The financial statements have not been audited nor reviewed by our auditors.

6. AUDITORS' REPORT

Not applicable

7. ACCOUNTING POLICIES

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 30 June 2006.

8. CHANGES IN THE ACCOUNTING POLICIES

Not applicable

9. REVIEW OF GROUP PERFORMANCE

The Group recorded total revenue of \$131.8 million and \$354.5 million for continuing operations for the third quarter and first nine months respectively, representing an increase of 38% and 22% over the same periods last year.

The Group's pre-tax profit was impacted by a foreign exchange loss associated with the proceeds from the sale of GASCO held in US dollars of \$1.2 million and \$9.8 million in the third quarter and first nine months respectively. Nevertheless, the Group achieved a pre-tax profit of \$10.2 million for the third quarter and \$31.2 million for the first nine months, which represents a 49% and 82% increase over the corresponding periods last year. Excluding the foreign exchange loss and discontinued operations of GASCO, the Group's pre-tax profit for the third quarter and first nine months increased by 56% and 133% respectively over the same periods last year.

The improved revenue and pre-tax profit were mainly attributable to increased contributions from Mid Pac Petroleum, LLC ("Mid Pac"), gains from disposal of investments and fixed assets as well as higher interest income earned from fixed deposits.

Profit attributable to shareholders (PATMI) was \$5 million and \$15.7 million for the third quarter and first nine months respectively, representing a decrease of 45% and 35% over the prior corresponding periods. The prior period results included GASCO which was accounted for as discontinued operations. Excluding the results from GASCO and the effect of foreign exchange loss, PATMI for continuing operations increased by 89% and 199% for the third quarter and first nine months respectively, reflecting the improved operating results of the Group.

The Group's share of results of associated companies in the third quarter and first nine months represented earnings from Helm's joint ventures and associated company.

In the opinion of the Directors, no factor has arisen between 31 March 2007 and the date of this report which would materially affect the results of the Group and the Company for the period just ended.

10. VARIANCE FROM PROSPECT STATEMENT

No material variance from previous statement.

11. PROSPECTS

The Group's operating subsidiaries will continue to contribute positively to the results of the Group.

Our transportation leasing operations may be affected by the slowdown in the US home building and a lower demand for coal transportation.

Our retail gasoline operations may be impacted by the recent increase in commodity prices.

Management will continue to be pro-active with the current investments and focus on growth and expansion.

12. DIVIDENDS

12a. Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? No

12b. Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

12c. Date Payable

Not applicable

12d. Books Closure Date

Not applicable

12e. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared for the quarter ended 31 March 2007

13. SEGMENT ANALYSIS

BUSINESS SEGMENT

The Group has segmented its continuing operations into Energy, Transportation Leasing and Investments. The Group's Energy segment reflects Mid Pac's retail gasoline operations in Hawaii and other energy-related investments. The Transportation Leasing segment represents Helm's locomotive and railcar leasing business in North America. The Group's Investment activities consist mainly of the Group's education and technology investments.

Nine months ended 31 March

	Continuing Operations				Total	Discontinued Operations	Total Operations
	Energy	Transportation leasing	Investments	Elimination			
2007	\$'000	\$'000	\$'000	\$'000	\$'000	GASCO \$'000	\$'000
Revenue	184,629	112,618	60,236	(3,022)	354,461	-	354,461
Results							
Operating profit	12,625	44,432	14,523	(3,022)	68,558	-	68,558
Finance expenses	(3,022)	(33,245)	-	3,022	(33,245)	-	(33,245)
Foreign exchange gain	-	-	(9,807)	-	(9,807)	-	(9,807)
Share of results of associated company and joint ventures	-	5,679	-	-	5,679	-	5,679
Profit before taxation	<u>9,603</u>	<u>16,866</u>	<u>4,716</u>	<u>-</u>	<u>31,185</u>	<u>-</u>	<u>31,185</u>
Other information							
Segment assets	163,840	796,473	436,450	(47,098)	1,349,665	-	1,349,665
Investment in associated company and joint ventures	-	81,285	-	-	81,285	-	81,285
Tax recoverable	11	-	2,543	-	2,554	-	2,554
Total	<u>163,851</u>	<u>877,758</u>	<u>438,993</u>	<u>(47,098)</u>	<u>1,433,504</u>	<u>-</u>	<u>1,433,504</u>
Segment liabilities	61,123	477,689	7,596	(47,098)	499,310	-	499,310
Net tax provision & deferred taxation	19,099	163,329	44,172	-	226,600	-	226,600
Total	<u>80,222</u>	<u>641,018</u>	<u>51,768</u>	<u>(47,098)</u>	<u>725,910</u>	<u>-</u>	<u>725,910</u>
Net assets	<u>83,629</u>	<u>236,740</u>	<u>387,225</u>	<u>-</u>	<u>707,594</u>	<u>-</u>	<u>707,594</u>
Capital expenditure	4,426	65,674	4	-	70,104	-	70,104
Depreciation and amortisation	(2,374)	(36,042)	(95)	-	(38,511)	-	(38,511)

Nine months ended 31 March

	Continuing Operations					Discontinued Operations	Total Operations
	Energy \$'000	Transportation leasing \$'000	Investments \$'000	Elimination \$'000	Total \$'000	GASCO \$'000	\$'000
2006							
Revenue	<u>167,540</u>	<u>114,728</u>	<u>10,646</u>	<u>(3,235)</u>	<u>289,679</u>	<u>191,787</u>	<u>481,466</u>
Results							
Operating profit	4,613	48,402	554	(3,235)	50,334	32,458	82,792
Finance expenses	(3,235)	(35,063)	(744)	3,235	(35,807)	(5,742)	(41,549)
Foreign exchange loss	-	-	(444)	-	(444)	-	(444)
Share of results of associated company and joint ventures	-	3,044	-	-	3,044	-	3,044
Profit/(loss) before taxation	<u>1,378</u>	<u>16,383</u>	<u>(634)</u>	<u>-</u>	<u>17,127</u>	<u>26,716</u>	<u>43,843</u>
Other information							
Segment assets	206,854	854,739	205,295	(49,879)	1,217,009	272,952	1,489,961
Investment in associated company and joint ventures	-	77,166	-	-	77,166	-	77,166
Tax recoverable	612	-	-	-	612	-	612
Total	<u>207,466</u>	<u>931,905</u>	<u>205,295</u>	<u>(49,879)</u>	<u>1,294,787</u>	<u>272,952</u>	<u>1,567,739</u>
Segment liabilities	55,878	544,841	17,169	(49,879)	568,009	148,451	716,460
Net tax provision & deferred taxation	15,534	155,333	1,870	-	172,737	19,641	192,378
Total	<u>71,412</u>	<u>700,174</u>	<u>19,039</u>	<u>(49,879)</u>	<u>740,746</u>	<u>168,092</u>	<u>908,838</u>
Net assets	<u>136,054</u>	<u>231,731</u>	<u>186,256</u>	<u>-</u>	<u>554,041</u>	<u>104,860</u>	<u>658,901</u>
Capital expenditure	2,118	51,282	7	-	53,407	9,089	62,496
Depreciation and amortisation	(2,923)	(35,552)	(92)	-	(38,567)	(1,492)	(40,059)

GEOGRAPHICAL SEGMENT

The Group's two business segments operate in three main geographical areas. The operating activities and investment activities are predominately in the USA. There are also investment activities in Hong Kong. Singapore is the home country of the Company and its assets are mainly cash and cash equivalents.

Segment revenue is based on geographical location of its customers or, in the case of revenue from investments, the source of its investments income. Segment assets and capital expenditure are analyzed based on the location of the assets generating the income.

Nine months ended 31 March

	<u>Singapore</u> \$'000	<u>USA</u> \$'000	<u>China/ Hong Kong</u> \$'000	<u>Others</u> \$'000	<u>Total</u> \$'000
2007					
Continuing operations					
External revenue	7,980	342,275	3,879	327	354,461
Segment assets	19,818	1,140,626	182,121	7,100	1,349,665
Capital expenditure	1	70,103	-	-	70,104
Discontinued operations					
External revenue	-	-	-	-	-
Segment assets	-	-	-	-	-
Capital expenditure	-	-	-	-	-

2006	<u>Singapore</u> \$'000	<u>USA</u> \$'000	<u>China/ Hong Kong</u> \$'000	<u>Others</u> \$'000	<u>Total</u> \$'000
Continuing operations					
External revenue	6,743	282,916	20	-	289,679
Segment assets	19,994	1,191,513	867	4,635	1,217,009
Capital expenditure	2	53,405	-	-	53,407
Discontinued operations					
External revenue	-	191,787	-	-	191,787
Segment assets	-	272,952	-	-	272,952
Capital expenditure	-	9,089	-	-	9,089

14. REVIEW OF SEGMENT PERFORMANCE

Not applicable.

15. INTERESTED PERSON TRANSACTIONS

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual.	
	1 Jul 06 to 31 Mar 07 \$'000	1 Jul 05 to 31 Mar 06 \$'000	1 Jul 06 to 31 Mar 07 \$'000	1 Jul 05 to 31 Mar 06 \$'000
General transactions				
KCL Group	-	-	697	483
Greenstreet Partners *	-	-	3,736	3,992
Corporate treasury transactions				
KCL Group	-	-	189,758	26,499
Greenstreet Partners	-	-	-	4,225
Total	-	-	194,191	35,199

* This amount represents the full financial year transaction with the interested person as per agreement.


BY ORDER OF THE BOARD

Lawrence Chan
Company Secretary
9-May-2007

CONFIRMATION BY THE BOARD

We, STEVEN JAY GREEN and TEO SOON HOE, being two directors of k1 Ventures Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the third quarter ended 31 March 2007 financial results to be false or misleading.

On behalf of the board of directors



STEVEN JAY GREEN
Chairman

Singapore
9-May-2007



TEO SOON HOE
Director