



*k1 Ventures Limited
1 HarbourFront Avenue
#18-01 Keppel Bay Tower
Singapore 098632
Tel: (65) 6438 8898
Fax: (65) 6413 6352
Co. Reg. No. 197000535W*

PRESS RELEASE

k1 Ventures Limited Unaudited Results for the First Quarter ended 30 September 2011

Singapore, 3 November 2011 - The Directors of k1 Ventures Limited advise the following unaudited results of the Group for the first quarter ended 30 September 2011.

For more information, please contact

Ms Eva Ho
Deputy General Manager
Group Corporate Communications
Keppel Corporation
Tel: (65) 64136424
Fax: (65) 64136453
Email: eva.ho@kepcorp.com

K1 VENTURES LIMITED

Co. Reg. No. 197000535W
(Incorporated in the Republic of Singapore)

FIRST QUARTER 2012 FINANCIAL STATEMENTS

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K1 VENTURES LIMITED

FIRST QUARTER 2012 FINANCIAL STATEMENTS

UNAUDITED RESULTS FOR FIRST QUARTER ENDED 30 SEPTEMBER 2011

The Directors of **k1 Ventures Limited** advise the following unaudited results of the Group for the first quarter ended 30 September 2011.

1. GROUP PROFIT AND LOSS ACCOUNT for the first quarter ended 30 September 2011

	Note	1 Jul 11 to 30 Sep 11 \$'000	1 Jul 10 to 30 Sep 10 \$'000	+ / (-) %
Revenue	1a	14,987	16,534	(9.4)
Staff costs		(2,537)	(2,437)	4.1
Depreciation and amortisation		(7,545)	(8,686)	(13.1)
Other operating expenses		(5,810)	(4,130)	40.7
Operating (loss)/profit		(905)	1,281	NM
Finance expenses		(2,746)	(2,020)	35.9
Foreign exchange gain/(loss)		193	(789)	NM
Share of results of associated company and joint ventures		1,657	1,632	1.5
(Loss)/profit before taxation		(1,801)	104	NM
Taxation		522	(2,154)	NM
Loss for the period		(1,279)	(2,050)	(37.6)
Attributable to:				
Shareholders of the Company		(883)	(2,155)	(59.0)
Non-controlling interests		(396)	105	NM
		(1,279)	(2,050)	(37.6)
EBITDA *		8,490	10,810	(21.5)
Loss per ordinary share				
- basic	1d	(0.04) cts	(0.10) cts	(60.0)
- diluted	1d	(0.04) cts	(0.10) cts	(60.0)

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

** NM - Not meaningful

NOTES TO GROUP PROFIT AND LOSS ACCOUNT

1a. Breakdown of revenue

	1 Jul 11 to 30 Sep 11 \$'000	1 Jul 10 to 30 Sep 10 \$'000	+/(-) %
Revenue from transportation leasing	10,489	11,222	(6.5)
Proceeds from sale of investments	-	1,053	NM
Investment income	2,597	-	NM
Interest income from:			
- Related parties	8	93	(91.4)
- Others	5	67	(92.5)
Others	1,888	4,099	(53.9)
	<u>14,987</u>	<u>16,534</u>	(9.4)

1b. Pre-tax loss of the Group is arrived at after crediting the following:

	1 Jul 11 to 30 Sep 11 \$'000	1 Jul 10 to 30 Sep 10 \$'000	+/(-) %
Profit on disposal of fixed assets	1,013	2,948	(65.6)
Profit on sale of investments	-	1,053	NM
Write-back of provision for doubtful debts	6	-	NM

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

1d. Loss per ordinary share

	GROUP		
	1 Jul 11 to 30 Sep 11	1 Jul 10 to 30 Sep 10	+/(-) %
Loss per ordinary share of the Group based on net loss attributable to shareholders:-			
(i) Based on weighted average number of shares	(0.04) cts	(0.10) cts	(60.0)
- Weighted average number of shares ('000)	2,165,618	2,165,618	-
(ii) On a fully diluted basis	(0.04) cts	(0.10) cts	(60.0)
- Adjusted weighted average number of shares ('000)	2,165,618	2,165,618	-

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

**2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the first quarter ended 30 September 2011**

	1 Jul 11 to 30 Sep 11 \$'000	1 Jul 10 to 30 Sep 10 \$'000	+ / (-) %
Loss for the period	<u>(1,279)</u>	<u>(2,050)</u>	(37.6)
Fair value changes on available-for-sale investments	(14,481)	10,710	NM
Fair value gain on available-for-sale assets realised & transferred to profit and loss account	-	(928)	NM
Exchange differences arising on consolidation	22,949	(18,230)	NM
Share of other comprehensive expense of joint venture	<u>(316)</u>	<u>(286)</u>	10.5
Other comprehensive income/(expense) for the period	<u>8,152</u>	<u>(8,734)</u>	NM
Total comprehensive income/(expense) for the period	<u>6,873</u>	<u>(10,784)</u>	NM
Attributable to:			
Shareholders of the Company	4,608	(7,993)	NM
Non-controlling interests	<u>2,265</u>	<u>(2,791)</u>	NM
	<u>6,873</u>	<u>(10,784)</u>	NM

3. BALANCE SHEETS as at 30 September 2011

	Group		Company	
	As at 30 Sep 11 \$'000	As at 30 Jun 11 \$'000	As at 30 Sep 11 \$'000	As at 30 Jun 11 \$'000
Share capital	196,439	196,439	196,439	196,439
Reserves	147,130	142,522	87,067	87,767
Share capital & reserves	343,569	338,961	283,506	284,206
Non-controlling interests	43,588	41,323	-	-
Capital employed	387,157	380,284	283,506	284,206
Represented by:				
Fixed assets	220,368	212,890	-	-
Subsidiaries	-	-	295,685	295,685
Associated company and joint ventures	57,509	52,639	-	-
Investments	194,180	207,412	17,064	17,064
Other assets	7,023	6,925	-	-
Intangibles	178,627	168,274	-	-
	657,707	648,140	312,749	312,749
Current assets				
Stocks	2,651	2,372	-	-
Amounts due from:				
- subsidiaries	-	-	7	6
Debtors	6,056	7,083	23	24
Bank balances, deposits & cash	39,661	40,093	16,810	17,665
	48,368	49,548	16,840	17,695
Current liabilities				
Creditors	5,592	6,233	34,838	34,650
Amounts due to:				
- subsidiaries	-	-	567	910
- associated company and joint ventures	526	341	-	-
Term loans	1,569	1,474	-	-
Provision for taxation	42,841	46,467	2,055	2,055
	50,528	54,515	37,460	37,615
Net current liabilities	(2,160)	(4,967)	(20,620)	(19,920)
Non-current liabilities				
Term loans	154,523	145,565	-	-
Deferred liabilities	226	601	-	-
Deferred taxation	113,641	116,723	8,623	8,623
	268,390	262,889	8,623	8,623
Net assets	387,157	380,284	283,506	284,206

NOTES TO BALANCE SHEETS

3a. Group's borrowings and debt securities

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

As at 30 Sep 11		As at 30 Jun 11	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
1,569	-	1,474	-

(ii) Amount repayable after one year

As at 30 Sep 11		As at 30 Jun 11	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
154,523	-	145,565	-

(iii) Details of any collateral

The term loans pertain 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 \$327 million (June 2011: \$311 million).

3b. Net asset value

	GROUP			COMPANY		
	As at 30 Sep 11	As at 30 Jun 11	+/(-)%	As at 30 Sep 11	As at 30 Jun 11	+/(-)%
Net asset value per ordinary share #	\$0.16	\$0.16	-	\$0.13	\$0.13	-
Net tangible asset value per ordinary share #	\$0.09	\$0.09	-	\$0.13	\$0.13	-

Based on issued share capital of 2,165,618,003 ordinary shares as at the end of the financial period (June 2011: 2,165,618,003).

3c. Balance sheet review

Group shareholders' funds increased from \$339.0 million at 30 June 2011 to \$343.6 million at 30 September 2011. The increase was attributable to unrealised currency translation gains resulting from the strengthening of the US dollar in the amount of \$20.2 million, partially offset by a decrease in fair value of the Group's investment in McMoRan Exploration Co. ("MMR") and a loss of \$883,000 for the period.

Group total assets of \$706.1 million at 30 September 2011 increased by \$8.4 million over the previous year end mainly driven by the impact of currency movements offset in part by a downward revaluation of the Group's investment in MMR.

Group total liabilities of \$318.9 million at 30 September 2011 were \$1.5 million higher than the previous year end principally due to currency movements partially offset by a decrease in deferred taxation resulting from the decline in fair value of the Group's investment in MMR.

As at September 30, 2011, the Group's and the Company's current liabilities exceeded the current assets by \$2,160,000 and \$20,620,000 respectively. The Group is able to realise its investments in the normal course of business to provide for the working capital of the Group and the Company if the need arises. Accordingly, the management is of the view that it is appropriate for the accompanying financial statements to be prepared on a going concern basis.

4. STATEMENTS OF CHANGES IN EQUITY for the first quarter ended 30 September 2011

4a. Group Statement of Changes in Equity

	Attributable to equity holders of the Company						
	Share	Capital	Foreign	Revenue	Share	Non-	Capital
	Capital	Reserves	Exchange	Reserves	Capital &	controlling	Capital
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2011							
As at 1 July 2011	196,439	19,421	(81,726)	204,827	338,961	41,323	380,284
Total comprehensive income/							
(expense) for the period							
Loss for the period	-	-	-	(883)	(883)	(396)	(1,279)
Other comprehensive (expense)/income	-	(14,734)	20,225	-	5,491	2,661	8,152
Total comprehensive income/							
(expense) for the period	-	(14,734)	20,225	(883)	4,608	2,265	6,873
As at 30 September 2011	196,439	4,687	(61,501)	203,944	343,569	43,588	387,157
2010							
As at 1 July 2010	196,439	11,268	(49,358)	220,371	378,720	46,986	425,706
Total comprehensive income/							
(expense) for the period							
(Loss)/profit for the period	-	-	-	(2,155)	(2,155)	105	(2,050)
Other comprehensive income/(expense)	-	9,553	(15,391)	-	(5,838)	(2,896)	(8,734)
Total comprehensive income/							
(expense) for the period	-	9,553	(15,391)	(2,155)	(7,993)	(2,791)	(10,784)
As at 30 September 2010	196,439	20,821	(64,749)	218,216	370,727	44,195	414,922

4b. Company Statement of Changes in Equity

	<u>Share Capital</u> \$'000	<u>Capital Reserves</u> \$'000	<u>Revenue Reserves</u> \$'000	<u>Total</u> \$'000
2011				
As at 1 July 2011	196,439	(1,590)	89,357	284,206
Total comprehensive expense for the period				
Loss for the period	-	-	(700)	(700)
Total comprehensive expense for the period	-	-	(700)	(700)
As at 30 September 2011	196,439	(1,590)	88,657	283,506
2010				
As at 1 July 2010	196,439	1,195	105,300	302,934
Total comprehensive expense for the period				
Loss for the period	-	-	(1,141)	(1,141)
Other comprehensive expense	-	(928)	-	(928)
Total comprehensive expense for the period	-	(928)	(1,141)	(2,069)
As at 30 September 2010	196,439	267	104,159	300,865

4c. Share capital

Since 30 June 2011, there was no issue of ordinary shares by the Company. As at 30 September 2011, there were no unexercised options for unissued ordinary shares (June 2011: nil) under the k1 Ventures Share Option Scheme 2000.

The issued share capital of the Company as at 30 September 2011 was 2,165,618,003 ordinary shares.

As at 30 September 2011, the Company was not holding any treasury shares.

5. CONSOLIDATED STATEMENT OF CASH FLOWS for the first quarter ended 30 September 2011

	Note	1 Jul 11 to 30 Sep 11 \$'000	1 Jul 10 to 30 Sep 10 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating (loss)/ profit		(905)	1,281
Adjustments:			
Depreciation and amortisation		7,545	8,686
Accretion of interest income on held to maturity financial assets		(429)	-
Profit on disposal of fixed assets		(1,013)	(2,948)
Profit on sale of investments		-	(1,053)
Cash flow from operations before changes in working capital		<u>5,198</u>	<u>5,966</u>
Working capital changes:			
Stocks		(127)	1,603
Debtors		1,482	2,067
Creditors		(1,187)	(1,430)
Translation of foreign subsidiaries and others		<u>2,156</u>	<u>(3,443)</u>
		7,522	4,763
Interest paid		(2,585)	(1,620)
Income taxes paid		<u>(5,513)</u>	<u>(1,131)</u>
Net cash (used in)/from operating activities		<u>(576)</u>	<u>2,012</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets		(4,700)	(587)
Proceeds from disposal of fixed assets		4,831	9,354
Proceeds from distributions from associated company and joint venture		-	930
Net proceeds from disposal and capital distribution of investments		<u>212</u>	<u>1,053</u>
Net cash from investing activities		<u>343</u>	<u>10,750</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of term loans		(392)	(11,052)
Net cash used in financing activities		<u>(392)</u>	<u>(11,052)</u>
Net (decrease)/increase in cash and cash equivalents		(625)	1,710
Cash and cash equivalents as at beginning of period		40,093	164,242
Effects of exchange rate changes on cash and cash equivalents		193	(789)
Cash and cash equivalents at end of period	5a	<u>39,661</u>	<u>165,163</u>

NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS

5a. Bank balances, deposits and cash

	As at 30 Sep 11 \$'000	As at 30 Sep 10 \$'000
Bank balances, deposits and cash	26,330	66,535
Deposits with related parties	<u>13,331</u>	<u>98,628</u>
Cash and cash equivalents	<u>39,661</u>	<u>165,163</u>

6. AUDIT

The financial statements have not been audited nor reviewed by the Company's auditors.

7. AUDITORS' REPORT

Not applicable

8. ACCOUNTING POLICIES

Except as disclosed in paragraph 9 below, 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 2011.

9. CHANGES IN THE ACCOUNTING POLICIES

The Group adopted the new/revised FRS and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 July 2011. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The following is the new or amended FRS that is relevant to the Group:

FRS 24 (Revised)	Related Party Disclosures
Amendments to FRS 107 Disclosures	Transfers of Financial Assets
Improvements to FRS (issued in 2010)	

The adoption of the above FRS did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements.

10. REVIEW OF GROUP PERFORMANCE

Group net loss attributable to shareholders for the quarter ended 30 September 2011 was \$883,000 compared to a loss of \$2.2 million in the corresponding prior year period. Loss per share was 0.04 cents.

Group revenue of \$15.0 million was \$1.5 million below that of the comparable prior year quarter due to a decrease in revenue from transportation leasing related activities offset in part by an increase in revenue from investments. Revenue from transportation leasing related activities was \$12.4 million and \$3.0 million lower than the comparable prior year period due to lower realised gains from the sale of equipment. Revenue from investments of \$2.6 million increased by \$1.4 million as a result of investment income from the Group's investment in Guggenheim.

Group operating loss was \$905,000 for the quarter compared to an operating profit of \$1.3 million in the corresponding prior year period. The decrease was driven by lower revenue from transportation leasing related activities in addition to an increase in start-up costs as a result of a significant number of locomotive units being prepared to go on new leases, offset in part by lower depreciation and amortisation. EBITDA of \$8.5 million was \$2.3 million lower than the first quarter of the prior year.

At the pre-tax level, Group loss was \$1.8 million compared to a profit of \$104,000 in the previous year. Finance expenses increased by 35.9% driven by the increase in borrowing costs related to the Helm refinancing in June 2011. Group foreign exchange gain of \$193,000 for the first quarter was the result of the strengthening of the US dollar during the period. Group taxation benefit was \$522,000 for the first quarter compared to a provision for taxation of \$2.2 million in 2010, which was attributable to a prior year foreign currency gain on fixed deposits.

After taking into account income tax expenses and non-controlling interests, net loss attributable to shareholders was \$883,000 for the first quarter compared to a loss of \$2.2 million in the previous year.

In the opinion of the Directors, no factor has arisen between 30 September 2011 and the date of this report which would materially affect the results of the Group and the Company for the period just ended.

11. VARIANCE FROM FORECAST STATEMENT

No forecast for the first quarter ended 30 September 2011 was previously provided.

12. PROSPECTS

The Group's operating subsidiary, Helm Holding Corporation, is experiencing increased utilisation of its equipment, although it is expected to be impacted by economic volatility in the U.S. economy. Helm will remain focused on overall fleet management delivering positive results on operating cash flow.

Management is assessing market fundamentals with a view to identify opportunistic investments, while continuing its focus on current investments and shareholder value enhancement.

13. DIVIDEND

13a. Current Financial Period Reported On

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

13b. Corresponding Period of the Immediately Preceding Financial Year

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

13c. Date Payable

Not applicable

13d. Books Closure Date

Not applicable

13e. If no dividend has been declared/recommendeded, a statement to that effect.

No dividend has been declared for the quarter ended 30 September 2011.

For the year ended 30 June 2011, the Board of Directors had recommended a tax exempt one-tier final dividend of 0.5 cents per share. The dividend has been approved by shareholders at the Annual General Meeting held on 28 October 2011. The dividend will be paid to the shareholders on 16 November 2011.

14. SEGMENT ANALYSIS

First quarter ended 30 September 2011

	<u>Transportation Leasing</u> \$'000	<u>Investments</u> \$'000	<u>Total</u> \$'000
Revenue	12,377	2,610	14,987
Segment Results			
Operating (loss)/profit	(2,336)	1,431	(905)
Finance expenses	(2,746)	-	(2,746)
Foreign exchange gain	-	193	193
Share of results of associated company and joint ventures	1,657	-	1,657
(Loss)/profit before taxation	(3,425)	1,624	(1,801)
Taxation	1,438	(916)	522
(Loss)/profit for the period	(1,987)	708	(1,279)
Attributable to:			
Shareholders of the Company	(1,591)	708	(883)
Non-controlling interests	(396)	-	(396)
	(1,987)	708	(1,279)
Other information			
Segment assets	487,625	218,450	706,075
Segment liabilities	268,584	50,334	318,918
Net assets	219,041	168,116	387,157
Investment in associated company and joint ventures	57,509	-	57,509
Additions to non-current assets	4,700	-	4,700
Interest income	-	13	13
Depreciation and amortisation	7,545	-	7,545

Geographical Information

	<u>Singapore</u> \$'000	<u>USA</u> \$'000	<u>Others</u> \$'000	<u>Total</u> \$'000
External sales	8	14,979	-	14,987
Non-current assets	-	640,621	17,086	657,707

First quarter ended 30 September 2010

	Transportation Leasing \$'000	Investments \$'000	Total \$'000
Revenue	15,359	1,175	16,534
Segment Results			
Operating profit/(loss)	1,304	(23)	1,281
Finance expenses	(2,020)	-	(2,020)
Foreign exchange loss	-	(789)	(789)
Share of results of associated company and joint ventures	1,632	-	1,632
Profit/(loss) before taxation	916	(812)	104
Taxation	(385)	(1,769)	(2,154)
Profit/(loss) for the period	531	(2,581)	(2,050)
Attributable to:			
Shareholders of the Company	426	(2,581)	(2,155)
Non-controlling interests	105	-	105
	531	(2,581)	(2,050)
Other information			
Segment assets	549,220	254,927	804,147
Segment liabilities	325,371	63,854	389,225
Net assets	223,849	191,073	414,922
Investment in associated company and joint ventures	51,274	-	51,274
Additions to non-current assets	587	-	587
Interest income	38	122	160
Depreciation and amortisation	8,685	1	8,686

Geographical Information

	Singapore \$'000	USA \$'000	Others \$'000	Total \$'000
External sales	93	15,388	1,053	16,534
Non-current assets	-	607,532	18,853	626,385

Notes:

- (a) The Group is organised into business units based on their products and services and has two reportable operating segments: Transportation Leasing and Investments. The Transportation Leasing segment represents Helm's locomotive and railcar leasing business in North America. The Group's Investment activities consist of the Group's investments in quoted and unquoted investments.
- (b) The Group's two operating segments operate in three main geographical areas. The operating activities and investment activities are predominantly 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.
- (c) For the first quarter ended 30 September 2011, revenues from one customer attributable to the Transportation Leasing segment amounted to approximately \$1.9 million. For the first quarter ended 30 September 2010, revenues from two customers attributable to the Transportation Leasing segment amounted to approximately \$2.28 million and \$1.67 million respectively.

15. REVIEW OF SEGMENT PERFORMANCE

Not applicable.

16. INTERESTED PERSON TRANSACTIONS

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual.	
	1 Jul 11 to 30 Sep 11 \$'000	1 Jul 10 to 30 Sep 10 \$'000	1 Jul 11 to 30 Sep 11 \$'000	1 Jul 10 to 30 Sep 10 \$'000
General Transactions				
KCL Group*	-	-	580	576
Greenstreet Partners	-	-	1,049	813
Corporate Treasury Transactions				
KCL Group	-	-	13,339	98,721
Total	-	-	14,968	100,110

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

BY ORDER OF THE BOARD

Kenny Lee & Winnie Mak
Company Secretaries
3 November 2011

CONFIRMATION BY THE BOARD

We, STEVEN JAY GREEN and JEFFREY ALAN SAFCHIK, 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 first quarter ended 30 September 2011 financial results to be false or misleading in any material respect.

On behalf of the board of directors



STEVEN JAY GREEN
Chairman

Singapore
3 November 2011



JEFFREY ALAN SAFCHIK
Director