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Co. Reg. No: 197000535W

## **PRESS RELEASE**

### **k1 Ventures Limited Unaudited Results for the Second Quarter and First Half Ended 31 December 2008**

**Singapore, 10 February 2009** - The Directors of k1 Ventures Limited advise the following unaudited results of the Group for the Second Quarter and First Half ended 31 December 2008.

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# K1 VENTURES LIMITED

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

## SECOND QUARTER 2009 FINANCIAL STATEMENTS

### UNAUDITED RESULTS FOR SECOND QUARTER AND HALF YEAR ENDED 31 DECEMBER 2008

The Directors of **k1 Ventures Limited** advise the following unaudited results of the Group for the second quarter and half year ended 31 December 2008.

#### 1. GROUP PROFIT AND LOSS ACCOUNT for the second quarter and half year ended 31 December 2008

	Note	1 Oct 08 to 31 Dec 08 \$'000	1 Oct 07 to 31 Dec 07 \$'000	+ / (-) %	1 Jul 08 to 31 Dec 08 \$'000	1 Jul 07 to 31 Dec 07 \$'000	+ / (-) %
<b>Continuing Operations</b>							
<b>Revenue</b>	1a	<b>26,314</b>	131,600	(80.00)	<b>52,879</b>	174,705	(69.73)
Net carrying value of Investments disposed		-	(44,595)	NM	-	(44,595)	NM
Staff costs		(2,871)	(3,672)	(21.81)	(6,307)	(7,271)	(13.26)
Depreciation and amortisation		(13,253)	(11,612)	14.13	(25,108)	(23,393)	7.33
Other operating expenses		(8,164)	(8,144)	0.25	(15,866)	(15,604)	1.68
<b>Operating profit</b>		<b>2,026</b>	63,577	(96.81)	<b>5,598</b>	83,842	(93.32)
Finance expenses		(4,021)	(6,571)	(38.81)	(8,318)	(15,755)	(47.20)
Foreign exchange(loss)/gain		(78)	(3,230)	(97.59)	2,495	(6,157)	NM
Share of results of associated company and joint ventures		4,651	644	622.20	8,191	2,776	195.06
<b>Profit before taxation</b>		<b>2,578</b>	54,420	(95.26)	<b>7,966</b>	64,706	(87.69)
Taxation		(175)	(23,076)	(99.24)	(1,359)	(27,242)	(95.01)
<b>Profit from continuing operations</b>		<b>2,403</b>	31,344	(92.33)	<b>6,607</b>	37,464	(82.36)
<b>Discontinued Operations</b>							
Profit/(loss) from discontinued operations		-	726	NM	-	(1,256)	NM
<b>Profit for the period</b>		<b>2,403</b>	32,070	(92.51)	<b>6,607</b>	36,208	(81.75)
<b>Attributable to:</b>							
Shareholders of the Company							
Profit from continuing operations		2,048	25,173	(91.86)	5,917	30,346	(80.50)
Profit/(loss) from discontinued operations		-	726	NM	-	(1,256)	NM
		2,048	25,899	(92.09)	5,917	29,090	(79.66)
Minority interests		355	6,171	(94.25)	690	7,118	(90.31)
		2,403	32,070	(92.51)	6,607	36,208	(81.75)
<b>EBITDA *</b>		<b>19,852</b>	72,603	(72.66)	<b>41,392</b>	103,854	(60.14)
<b>Earnings per ordinary share</b>							
Continuing and discontinued operations							
basic	1d	0.09 cts	1.22 cts	(92.62)	0.27 cts	1.37 cts	(80.29)
diluted	1d	0.09 cts	1.21 cts	(92.56)	0.27 cts	1.36 cts	(80.15)
Continuing operations							
basic	1d	0.09 cts	1.19 cts	(92.44)	0.27 cts	1.43 cts	(81.12)
diluted	1d	0.09 cts	1.18 cts	(92.37)	0.27 cts	1.42 cts	(80.99)

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

\*\* NM – Not meaningful

Note:

Discontinued Operations reflect the Group's activities in Mid Pac Petroleum, LLC ("Mid Pac"), the retail gasoline operations in Hawaii.

## NOTES TO GROUP PROFIT AND LOSS ACCOUNT

### 1a. Breakdown of revenue

	1 Oct 08 to 31 Dec 08 \$'000	1 Oct 07 to 31 Dec 07 \$'000	+ / (-) %	1 Jul 08 to 31 Dec 08 \$'000	1 Jul 07 to 31 Dec 07 \$'000	+ / (-) %
<b>Continuing operations</b>						
Revenue from transportation leasing	22,636	28,689	(21.10)	44,786	60,079	(25.45)
Proceeds from sale of investments	103	95,511	(99.89)	103	99,156	(99.90)
Dividend income	-	27	NM	-	961	NM
Interest income from:						
- Related parties	430	1,454	(70.43)	975	2,580	(62.21)
- Others	93	1,810	(94.86)	424	3,328	(87.26)
Others	3,052	4,109	(25.72)	6,591	8,601	(23.37)
	<u>26,314</u>	<u>131,600</u>	(80.00)	<u>52,879</u>	<u>174,705</u>	(69.73)
<b>Discontinued operations</b>						
Revenue from gasoline operations	-	-	NM	-	45,486	NM
Others	-	-	NM	-	520	NM
	-	-	NM	-	46,006	NM
Consideration for sale of business	-	-	NM	-	69,343	NM
	-	-	NM	-	115,349	NM
	<u>26,314</u>	<u>131,600</u>	(80.00)	<u>52,879</u>	<u>290,054</u>	(81.77)

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

	1 Oct 08 to 31 Dec 08 \$'000	1 Oct 07 to 31 Dec 07 \$'000	+ / (-) %	1 Jul 08 to 31 Dec 08 \$'000	1 Jul 07 to 31 Dec 07 \$'000	+ / (-) %
<b>Continuing operations</b>						
Profit on disposal of fixed assets	450	2,748	(83.62)	2,644	6,605	(56.41)
Profit on sale of investments	103	50,915	(99.80)	103	54,560	(99.81)
(Provision)/write-back of provision for doubtful debts	-	(3)	NM	6	135	(95.56)
Fair value gain - derivatives	-	1	NM	-	18	NM
<b>Discontinued operations</b>						
Profit on disposal of subsidiary	-	-	NM	-	2,750	NM
Profit on disposal of fixed assets	-	1,214	NM	-	1,050	NM

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

1d. Earnings per ordinary share

	GROUP			GROUP		
	1 Oct 08 to 31 Dec 08	1 Oct 07 to 31 Dec 07	+/(-)%	1 Jul 08 to 31 Dec 08	1 Jul 07 to 31 Dec 07	+/(-)%
<b>From continuing and discontinued operations</b> Earnings per Ordinary share of the Group based on net profit attributable to shareholders:-						
(i) Based on weighted average number of shares	<b>0.09 cts</b>	1.22 cts	(92.62)	<b>0.27 cts</b>	1.37 cts	(80.29)
- Weighted average number of shares ('000)	<b>2,165,603</b>	2,127,603	1.79	<b>2,165,603</b>	2,127,603	1.79
(ii) On a fully diluted basis	<b>0.09 cts</b>	1.21 cts	(92.56)	<b>0.27 cts</b>	1.36 cts	(80.15)
- Adjusted weighted average number of shares ('000)	<b>2,165,708</b>	2,143,566	1.03	<b>2,165,708</b>	2,143,566	1.03
<b>From continuing operations</b> Earnings per Ordinary share of the Group based on net profit attributable to shareholders:-						
(i) Based on weighted average number of shares	<b>0.09 cts</b>	1.19 cts	(92.44)	<b>0.27 cts</b>	1.43 cts	(81.12)
- Weighted average number of shares ('000)	<b>2,165,603</b>	2,127,603	1.79	<b>2,165,603</b>	2,127,603	1.79
(ii) On a fully diluted basis	<b>0.09 cts</b>	1.18 cts	(92.37)	<b>0.27 cts</b>	1.42 cts	(80.99)
- Adjusted weighted average number of shares ('000)	<b>2,165,708</b>	2,143,566	1.03	<b>2,165,708</b>	2,143,566	1.03

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

1f. Discontinued operations

Discontinued operation reflects the Group's activities in Mid Pac. Mid Pac engages in the business of acquiring, distributing and marketing petroleum products in Hawaii through 51 retail gas stations and sub-marketers and resellers.

On 17 August 2007, the Company announced that an agreement was entered into for the sale of Mid Pac. The sale was completed on 31 August 2007.

i) An analysis of the results of discontinued operations, based on preliminary closing is as follows:

	Half Year 1 Jul 07 to 31 Dec 07 \$'000
<b><u>Operations</u></b>	
Revenue	46,006
Expenses	(44,875)
Profit before tax	<u>1,131</u>
<b><u>Profit from sale of business</u></b>	
Consideration	69,343
Net carrying value of assets disposed	(66,593)
Gain on disposal of discontinued operations	<u>2,750</u>
Profit before tax for the year	3,881
Taxation	(5,137)
Loss after tax	<u>(1,256)</u>

ii) The impact of the discontinued operations on the cashflows of the Group is as follows:

	Half Year 1 Jul 07 to 31 Dec 07 \$'000
Operating cashflows	1,207
Investing cashflows	2,487
Financing cashflows	(12,205)
Net cashflows	<u>(8,511)</u>

## 2. BALANCE SHEETS as at 31 December 2008

	<b>Group</b>		<b>Company</b>	
	<b>As at 31 Dec 08 \$'000</b>	<b>As at 30 Jun 08 \$'000</b>	<b>As at 31 Dec 08 \$'000</b>	<b>As at 30 Jun 08 \$'000</b>
<b>Share capital</b>	<b>196,437</b>	196,437	<b>196,437</b>	196,437
<b>Reserves</b>	<b>231,132</b>	353,729	<b>119,820</b>	225,401
<b>Share capital &amp; reserves</b>	<b>427,569</b>	550,166	<b>316,257</b>	421,838
<b>Minority interests</b>	<b>53,669</b>	50,358	-	-
<b>Capital employed</b>	<b>481,238</b>	600,524	<b>316,257</b>	421,838
<b>Represented by:</b>				
<b>Fixed assets</b>	<b>430,151</b>	439,394	<b>2</b>	2
<b>Subsidiaries</b>	-	-	<b>288,314</b>	287,127
<b>Associated company and joint ventures</b>	<b>46,435</b>	39,376	-	-
<b>Available-for-sale investments</b>	<b>127,424</b>	177,736	<b>20,525</b>	20,455
<b>Other assets</b>	<b>3,956</b>	4,468	-	-
<b>Intangibles</b>	<b>203,878</b>	195,740	-	-
	<b>811,844</b>	856,714	<b>308,841</b>	307,584
<b>Current assets</b>				
Stocks	<b>8,093</b>	16,487	-	-
Amount due from:				
- associated company and joint ventures	-	309	-	-
Debtors	<b>13,685</b>	18,597	<b>57</b>	304
Bank balances, deposits & cash	<b>151,332</b>	278,504	<b>52,505</b>	166,247
	<b>173,110</b>	313,897	<b>52,562</b>	166,551
<b>Current liabilities</b>				
Creditors	<b>6,818</b>	15,942	<b>34,196</b>	35,167
Amounts due to:				
- subsidiaries	-	-	<b>767</b>	6,749
- associated company and joint ventures	<b>74</b>	428	-	-
Term loans	<b>2,843</b>	3,065	-	-
Provision for taxation	<b>40,059</b>	60,587	<b>2,055</b>	2,029
	<b>49,794</b>	80,022	<b>37,018</b>	43,945
<b>Net current assets</b>	<b>123,316</b>	233,875	<b>15,544</b>	122,606
<b>Non-current liabilities</b>				
Term loans	<b>270,988</b>	293,684	-	-
Deferred liabilities	<b>813</b>	4,444	-	-
Deferred taxation	<b>182,121</b>	191,937	<b>8,128</b>	8,352
	<b>453,922</b>	490,065	<b>8,128</b>	8,352
<b>Net assets</b>	<b>481,238</b>	600,524	<b>316,257</b>	421,838

## 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 Dec 08		As at 30 Jun 08	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
2,843	-	3,065	-

#### (ii) Amount repayable after one year

As at 31 Dec 08		As at 30 Jun 08	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
270,988	-	293,684	-

#### (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 \$720 million (June 2008: \$728 million).

### 2b. Net asset value

	GROUP			COMPANY		
	As at 31 Dec 08	As at 30 Jun 08	+ / (-)%	As at 31 Dec 08	As at 30 Jun 08	+ / (-)%
Net asset value per Ordinary Share #	\$0.20	\$0.25	(20.00)	\$0.15	\$0.19	(21.05)
Net tangible asset value per Ordinary Share #	\$0.10	\$0.16	(37.50)	\$0.15	\$0.19	(21.05)

# Based on issued share capital of 2,165,603,003 ordinary shares as at the end of the financial period (June 2008: 2,165,603,003).

### 2c. Balance sheet review

Group shareholders' funds decreased from \$550.2 million as at 30 June 2008 to \$427.6 million as at 31 December 2008. The \$122.6 million decrease was driven by a dividend distribution of \$108.3 million in November 2008 and a downward revaluation of the Group's investment in McMoRan Exploration Co. ("MMR") partially offset by a net increase in translation reserves as a result of currency fluctuations, and retained profits for the period.

Group total assets of \$985.0 million at 31 December 2008 were \$185.7 million less than at 30 June 2008. The decrease in total assets was primarily due to a decrease of \$127.2 million in cash principally related to the dividend distribution, the pay down of Helm's term loan, and payment of income taxes, and the reduction in valuation of the Group's investment in MMR partially offset by positive foreign translation adjustments.

Group total liabilities decreased by \$66.4 million to \$503.7 million as of 31 December 2008 as compared to \$570.1 million at 30 June 2008. This decrease was driven by the reduction of Helm's term loan and a decrease in the provision for taxation.

### 3. CONSOLIDATED CASHFLOW STATEMENT for the second quarter and half year ended 31 December 2008

	Second Quarter		Half Year	
	1 Oct 08	1 Oct 07	1 Jul 08	1 Jul 07
	to 31 Dec 08 \$'000	to 31 Dec 07 \$'000	to 31 Dec 08 \$'000	to 31 Dec 07 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating profit	2,026	64,791	5,598	87,723
Adjustments:				
Depreciation and amortisation	13,253	11,612	25,108	23,943
Dividend income (non cash)	-	(27)	-	(961)
Profit on disposal of subsidiary	-	-	-	(2,750)
Profit on disposal of fixed assets	(450)	(3,962)	(2,644)	(7,115)
Profit on sale of investments	-	(50,915)	-	(54,560)
Cash flow from operations before changes in working capital	14,829	21,499	28,062	46,280
Working capital changes:				
Stocks	8,396	3,051	13,507	(2,765)
Debtors	(3,592)	2,562	8,312	1,100
Creditors	(1,089)	(3,492)	(12,350)	(67)
Translation of foreign subsidiaries and others	1,290	(5,027)	1,908	(6,358)
	19,834	18,593	39,439	38,190
Interest paid	(4,223)	(5,972)	(8,388)	(16,055)
Income taxes paid	(2,311)	(4,827)	(24,371)	(5,127)
<b>Net cash from operating activities</b>	<b>13,300</b>	<b>7,794</b>	<b>6,680</b>	<b>17,008</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Disposal of subsidiaries	3a	-	-	68,353
Purchase of fixed assets	(2,263)	(5,734)	(3,048)	(11,678)
Proceeds from disposal of fixed assets	1,647	13,329	11,029	19,502
Proceeds from distribution from joint venture	2,116	-	3,162	-
Net proceeds from disposal and capital distribution of investments	-	138,900	-	143,218
Purchase of investment	-	(19,487)	(246)	(19,487)
<b>Net cash from investing activities</b>	<b>1,500</b>	<b>127,008</b>	<b>10,897</b>	<b>199,908</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of term loans	(3,442)	(100,585)	(38,259)	(113,178)
Dividend paid to shareholders of the Company	(108,280)	-	(108,280)	-
<b>Net cash used in financing activities</b>	<b>(111,722)</b>	<b>(100,585)</b>	<b>(146,539)</b>	<b>(113,178)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(96,922)</b>	<b>34,217</b>	<b>(128,962)</b>	<b>103,738</b>
<b>Cash and cash equivalents as at beginning of period</b>	<b>248,332</b>	<b>372,389</b>	<b>277,799</b>	<b>305,795</b>
<b>Effects of exchange rate changes on cash and cash equivalents</b>	<b>(78)</b>	<b>(3,230)</b>	<b>2,495</b>	<b>(6,157)</b>
<b>Cash and cash equivalents at end of period</b>	<b>3b</b>	<b>151,332</b>	<b>403,376</b>	<b>151,332</b>
<b>Restricted cash</b>	<b>3b</b>	<b>-</b>	<b>2,292</b>	<b>-</b>
		<b>151,332</b>	<b>405,668</b>	<b>151,332</b>

## NOTES TO CONSOLIDATED CASHFLOW STATEMENT

### 3a. Disposal of subsidiary

The fair values of net assets and liabilities of a subsidiary disposed were as follows:

	Half Year 1 Jul 07 to 31 Dec 07 \$'000
Fixed assets	(37,867)
Intangibles	(13,029)
Other assets	(564)
Debtors	(7,446)
Stock	(10,832)
Bank balances and cash	(990)
Creditors	10,011
Provision for taxation	43
Deferred taxation	(308)
Deferred liabilities	2,111
Foreign exchange translation reserves	(7,722)
	<u>(66,593)</u>
Net profit on disposal	<u>(2,750)</u>
Sales Proceeds	(69,343)
Add: Bank balance and cash disposed	990
Cash flow on disposal net of cash disposed	<u>(68,353)</u>

### 3b. Bank balances, deposits and cash

	1 Jul 08 to 31 Dec 08 \$'000	1 Jul 07 to 31 Dec 07 \$'000
Bank balances, deposits and cash	46,612	360,904
Deposits with related parties	<u>104,720</u>	<u>42,472</u>
Cash and cash equivalents	151,332	403,376
Restricted cash held under escrow	-	<u>2,292</u>
	<u>151,332</u>	<u>405,668</u>



#### 4. STATEMENTS OF CHANGES IN EQUITY

##### 4a. Group Statement of Changes in Equity for the second quarter and half year ended 31 December 2008

	Attributable to equity holders of the Company						
	Share Capital \$'000	Capital Reserves \$'000	Foreign Exchange Translation Account \$'000	Revenue Reserves \$'000	Share Capital & Reserves \$'000	Minority Interests \$'000	Capital Employed \$'000
<b>2008</b>							
As at 1 July 2008	196,437	48,493	(56,998)	362,234	550,166	50,358	600,524
Fair value changes on available-for-sale investment	-	(5,237)	-	-	(5,237)	-	(5,237)
Fair value changes on cashflow hedges	-	265	-	-	265	-	265
Exchange differences arising on consolidation	-	-	15,652	-	15,652	2,829	18,481
Net (loss)/gain not recognised in profit & loss account	-	(4,972)	15,652	-	10,680	2,829	13,509
Profit for the period	-	-	-	3,869	3,869	335	4,204
As at 30 September 2008	196,437	43,521	(41,346)	366,103	564,715	53,522	618,237
Fair value changes on available-for-sale investment	-	(29,844)	-	-	(29,844)	-	(29,844)
Fair value changes on cashflow hedges	-	88	-	-	88	-	88
Exchange differences arising on consolidation	-	-	(1,149)	-	(1,149)	(208)	(1,357)
Currency translation loss transferred to profit and loss account	-	-	(9)	-	(9)	-	(9)
Net loss not recognised in profit & loss account	-	(29,756)	(1,158)	-	(30,914)	(208)	(31,122)
Profit for the period	-	-	-	2,048	2,048	355	2,403
Dividend paid	-	-	-	(108,280)	(108,280)	-	(108,280)
As at 31 December 2008	196,437	13,765	(42,504)	259,871	427,569	53,669	481,238
<b>2007</b>							
As at 1 July 2007	318,774	43,084	(37,553)	355,023	679,328	48,414	727,742
Fair value changes on available-for-sale investments	-	19,621	-	-	19,621	5,712	25,333
Fair value gain realised and transferred to profit and loss account upon disposal of investment	-	(2,948)	-	-	(2,948)	-	(2,948)
Fair value changes on cashflow hedges	-	(435)	-	-	(435)	-	(435)
Exchange differences arising on consolidation	-	-	(9,893)	-	(9,893)	(1,457)	(11,350)
Currency translation gain transferred to profit and loss account	-	-	7,685	-	7,685	-	7,685
Net gain/(loss) not recognised in profit & loss account	-	16,238	(2,208)	-	14,030	4,255	18,285
Profit for the period	-	-	-	3,191	3,191	947	4,138
As at 30 September 2007	318,774	59,322	(39,761)	358,214	696,549	53,616	750,165
Fair value changes on available-for-sale investments	-	8,025	-	-	8,025	-	8,025
Fair value gain realised and transferred to profit and loss account upon disposal of investment	-	(25,228)	-	-	(25,228)	(5,712)	(30,940)
Fair value changes on cashflow hedges	-	(241)	-	-	(241)	-	(241)
Exchange differences arising on consolidation	-	-	(9,687)	-	(9,687)	(1,495)	(11,182)
Net loss not recognised in profit & loss account	-	(17,444)	(9,687)	-	(27,131)	(7,207)	(34,338)
Profit for the period	-	-	-	25,899	25,899	6,171	32,070
As at 31 December 2007	318,774	41,878	(49,448)	384,113	695,317	52,580	747,897

4b. Company Statement of Changes in Equity for the second quarter and half year ended 31 December 2008

	<u>Share Capital</u> \$'000	<u>Capital Reserves</u> \$'000	<u>Revenue Reserves</u> \$'000	<u>Total</u> \$'000
<b>2008</b>				
As at 1 July 2008	196,437	5,351	220,050	421,838
Profit for the period	-	-	3,327	3,327
As at 30 September 2008	196,437	5,351	223,377	425,165
Fair value changes on available- for-sale investments	-	49	-	49
Profit for the period	-	-	(677)	(677)
Dividend paid	-	-	(108,280)	(108,280)
As at 31 December 2008	196,437	5,400	114,420	316,257
<b>2007</b>				
As at 1 July 2007	318,774	6,211	257,216	582,201
Fair value gain realised and transferred to profit and loss account upon disposal of investment	-	(2,948)	-	(2,948)
Profit for the period	-	-	14,533	14,533
As at 30 September 2007	318,774	3,263	271,749	593,786
Fair value changes on available- for-sale investment	-	6,824	-	6,824
Fair value gain realised and transferred to profit and loss account upon disposal of investment	-	(2,237)	-	(2,237)
	-	4,587	-	4,587
Profit for the period	-	-	12,531	12,531
As at 31 December 2007	318,774	7,850	284,280	610,904

4c. Share capital

Since 30 June 2008, no shares were issued by virtue of the exercise of options to take up unissued shares of the Company. As at 31 December 2008, there were unexercised options for 215,000 (June 2008: 215,000) of unissued ordinary shares under the Keppel Marine Share Option Scheme 1990.

The issued share capital of the Company as at 31 December 2008 was 2,165,603,003 ordinary shares.

As at 31 December 2008, the Company was not holding any treasury shares.

**5. AUDIT**

The financial statements have not been audited nor reviewed by the Company's 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 2008.

## **8. CHANGES IN THE ACCOUNTING POLICIES**

Not applicable.

## **9. REVIEW OF GROUP PERFORMANCE**

Group revenue from continuing operations decreased to \$26.3 million for 2Q FY2009 and \$52.9 million for the half year ended 31 December 2008. The decrease in revenue from continuing operations was mainly attributable to the sale of DM&E in the prior period, which accounted for \$92.8 million in revenue, a decrease in Helm's leasing revenue and lower interest income from fixed deposits.

Group profit before tax (PBT) from continuing operations was \$2.6 million for 2Q FY2009 and \$8.0 million for the half year ended 31 December 2008 as compared to \$54.4 million and \$64.7 million for the corresponding periods last year. The decrease in PBT was mainly attributable to the gain on the prior period sale of DM&E of \$48.2 million, lower leasing revenue, partially offset by lower finance expenses, improved results from Helm's associated company and joint ventures, and foreign exchange movements for 2Q FY2009.

The Group's EBITDA from continuing operations for 2Q FY2009 and the half year ended 31 December 2008 was \$19.9 million and \$41.4 million as compared to \$72.6 million and \$103.9 million in the corresponding periods last year, respectively. The decrease is driven in most part by the gain on prior period sale of DM&E and lower leasing revenue from Helm.

Profit attributable to shareholders (PATMI) from continuing operations for 2Q FY2009 and for the half year ended 31 December 2008 was \$2.0 million and \$5.9 million, respectively, as compared to \$25.2 million and \$30.3 million in the prior corresponding periods.

Basic earnings per share (EPS) for the half year ended 31 December 2008 decreased to 0.27 cents from 1.37 cents.

In the opinion of the Directors, no factor has arisen between 31 December 2008 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 subsidiary, Helm Holding Corporation, is expected to continue to see weakness in rail traffic volumes.

Management will continue to be pro-active with the current investments and focus on shareholder value enhancement.

## 12. DIVIDEND/CAPITAL DISTRIBUTION

### 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? Yes

Name of Dividend	Interim Special
Dividend type	Cash
Dividend per share (cents)	3 cts
Tax rate	Tax exempt

### 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 December 2008.

For the year ended 30 June 2008, the Board of Directors had recommended a tax exempt one-tier final dividend of 5 cents per share. The dividend has been approved by shareholders at the Annual General Meeting held on 31 October 2008. The dividend has been paid to the shareholders on 18 November 2008.

### 13. SEGMENT ANALYSIS

#### BUSINESS SEGMENT

The Group has segmented its continuing operations into 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.

The Group's energy-related investments from continuing operations have been classified under the Investment segment. They were classified under the Energy segment in previous years. The comparative segment analysis has also been reclassified to be consistent with the existing segment reporting.

Discontinued Operations reflects the Group's activities in Mid Pac, the retail gasoline operations in Hawaii, which was disposed on 31 August 2007.

Half year ended 31 December 2008

	<b>Transportation Leasing</b>	<b>Investments</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue</b>	<b>51,452</b>	<b>1,427</b>	<b>52,879</b>
<b>Results</b>			
Operating profit	6,105	(507)	5,598
Finance expenses	(8,318)	-	(8,318)
Foreign exchange gain	-	2,495	2,495
Share of results of associated company and joint ventures	8,191	-	8,191
Profit before taxation	<b>5,978</b>	<b>1,988</b>	<b>7,966</b>
<b>Other information</b>			
Segment assets	673,772	262,342	936,114
Investment in associated company and joint ventures	46,435	-	46,435
Tax recoverable	-	2,405	2,405
Total	<b>720,207</b>	<b>264,747</b>	<b>984,954</b>
Segment liabilities	280,678	858	281,536
Net tax provision & deferred taxation	168,206	53,974	222,180
Total	<b>448,884</b>	<b>54,832</b>	<b>503,716</b>
Net assets	<b>271,323</b>	<b>209,915</b>	<b>481,238</b>
Capital expenditure	3,048	-	3,048
Depreciation and amortisation	(25,098)	(10)	(25,108)

Half year ended 31 December 2007

	Continuing Operations			Discontinued Operation	Total Operations
	Transportation Leasing \$'000	Investments \$'000	Total \$'000	Midpac \$'000	\$'000
<b>Revenue</b>	163,132	11,573	174,705	115,349	290,054
<b>Results</b>					
Operating profit	74,644	9,198	83,842	3,881	87,723
Finance expenses	(15,755)	-	(15,755)	-	(15,755)
Foreign exchange loss	-	(6,157)	(6,157)	-	(6,157)
Share of results of associated company and joint ventures	2,776	-	2,776	-	2,776
Profit before taxation	61,665	3,041	64,706	3,881	68,587
<b>Other information</b>					
Segment assets	740,148	544,915	1,285,063	-	1,285,063
Investment in associated company and joint ventures	38,169	-	38,169	-	38,169
Tax recoverable	-	1,886	1,886	-	1,886
Total	778,317	546,801	1,325,118	-	1,325,118
Segment liabilities	328,766	4,126	332,892	-	332,892
Net tax provision & deferred taxation	183,935	60,394	244,329	-	244,329
Total	512,701	64,520	577,221	-	577,221
Net assets	265,616	482,281	747,897	-	747,897
Capital expenditure	11,024	-	11,024	654	11,678
Depreciation and amortisation	(23,370)	(23)	(23,393)	(550)	(23,943)

#### 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.

Half year ended 31 December

2008	Singapore	USA	China / Hong Kong	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Continuing operations</b>					
External sales	312	51,904	663	-	52,879
Segment assets	75,557	810,677	42,166	7,714	936,114
Capital expenditure	-	3,048	-	-	3,048
2007					
	Singapore	USA	China / Hong Kong	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Continuing operations</b>					
External sales	377	165,655	2,457	6,216	174,705
Segment assets	255,299	967,531	51,437	10,796	1,285,063
Capital expenditure	-	11,024	-	-	11,024
<b>Discontinued operations</b>					
External sales	-	115,349	-	-	115,349
Capital expenditure	-	654	-	-	654

**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 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 08 to 31 Dec 08 \$'000	1 Jul 07 to 31 Dec 07 \$'000	1 Jul 08 to 31 Dec 08 \$'000	1 Jul 07 to 31 Dec 07 \$'000
<b>General Transactions</b>				
KCL Group	-	-	557	469
Greenstreet Partners *	-	-	3,460	3,565
<b>Corporate Treasury Transactions</b>				
KCL Group	-	-	105,695	45,053
<b>Total</b>	-	-	<b>109,712</b>	49,087

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

**BY ORDER OF THE BOARD**

Yang Kai Hsien  
Company Secretary  
10 February 2009

**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 second quarter ended 31 December 2008 financial results to be false or misleading.

On behalf of the board of directors



**STEVEN JAY GREEN**  
Chairman

Singapore  
10 February 2009



**TEO SOON HOE**  
Director