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## **PRESS RELEASE**

### **k1 Ventures Limited Unaudited Results for the Third Quarter and Nine Months Ended 31 March 2011**

**Singapore, 09 May 2011** - The Directors of k1 Ventures Limited advise the following unaudited results of the Group for the Third Quarter and Nine Months Ended 31 March 2011.

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# K1 VENTURES LIMITED

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

## THIRD QUARTER 2011 FINANCIAL STATEMENTS

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# K1 VENTURES LIMITED

## THIRD QUARTER 2011 FINANCIAL STATEMENTS

### UNAUDITED RESULTS FOR THIRD QUARTER AND NINE MONTHS ENDED 31 MARCH 2011

The Directors of **k1 Ventures Limited** advise the following unaudited results of the Group for the third quarter and nine months ended 31 March 2011.

#### 1. GROUP PROFIT AND LOSS ACCOUNT for the third quarter and nine months ended 31 March 2011

	Note	1 Jan 11 to 31 Mar 11 \$'000	1 Jan 10 to 31 Mar 10 \$'000	+ / (-) %	1 Jul 10 to 31 Mar 11 \$'000	1 Jul 09 to 31 Mar 10 \$'000	+ / (-) %
<b>Revenue</b>	1a	<b>15,665</b>	14,202	10.3	<b>48,227</b>	53,356	(9.6)
Staff costs		(2,545)	(2,739)	(7.1)	(7,463)	(8,376)	(10.9)
Depreciation and amortisation		(8,094)	(12,463)	(35.1)	(25,016)	(38,628)	(35.2)
Other operating expenses		(5,101)	(4,445)	14.8	(13,668)	(12,986)	5.3
<b>Operating (loss)/profit</b>		<b>(75)</b>	(5,445)	(98.6)	<b>2,080</b>	(6,634)	NM
Finance expenses		(1,721)	(2,168)	(20.6)	(5,574)	(6,570)	(15.2)
Foreign exchange loss		(234)	(61)	283.6	(1,375)	(538)	155.6
Share of results of associated company and joint ventures		<b>3,082</b>	2,619	17.7	<b>7,284</b>	8,318	(12.4)
<b>Profit/(loss) before taxation</b>		<b>1,052</b>	(5,055)	NM	<b>2,415</b>	(5,424)	NM
Taxation		(1,554)	1,951	NM	(5,264)	1,371	NM
<b>Loss for the period</b>		<b>(502)</b>	(3,104)	(83.8)	<b>(2,849)</b>	(4,053)	(29.7)
<b>Attributable to:</b>							
Shareholders of the Company		(787)	(2,540)	(69.0)	(3,754)	(3,210)	16.9
Non-controlling interests		285	(564)	NM	905	(843)	NM
		<b>(502)</b>	(3,104)	(83.8)	<b>(2,849)</b>	(4,053)	(29.7)
<b>EBITDA *</b>		<b>10,867</b>	9,576	13.5	<b>33,005</b>	39,774	(17.0)
<b>Loss per ordinary share</b>							
- basic	1d	(0.03) cts	(0.12) cts	(75.0)	(0.17) cts	(0.15) cts	13.3
- diluted	1d	(0.03) cts	(0.12) cts	(75.0)	(0.17) cts	(0.15) cts	13.3

\* 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

	<b>1 Jan 11 to 31 Mar 11 \$'000</b>	1 Jan 10 to 31 Mar 10 \$'000	+ / (-) %	<b>1 Jul 10 to 31 Mar 11 \$'000</b>	1 Jul 09 to 31 Mar 10 \$'000	+ / (-) %
Revenue from transportation leasing	<b>11,627</b>	11,257	3.3	<b>35,660</b>	39,722	(10.2)
Proceeds from sale of investments	-	685	NM	<b>2,507</b>	4,851	(48.3)
Interest income from:						
- Related parties	<b>76</b>	98	(22.4)	<b>273</b>	263	3.8
- Others	<b>50</b>	148	(66.2)	<b>181</b>	546	(66.8)
Others	<b>3,912</b>	2,014	94.2	<b>9,606</b>	7,974	20.5
	<b>15,665</b>	14,202	10.3	<b>48,227</b>	53,356	(9.6)

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

	<b>1 Jan 11 to 31 Mar 11 \$'000</b>	1 Jan 10 to 31 Mar 10 \$'000	+ / (-) %	<b>1 Jul 10 to 31 Mar 11 \$'000</b>	1 Jul 09 to 31 Mar 10 \$'000	+ / (-) %
Profit on disposal of fixed assets	<b>2,724</b>	991	174.9	<b>6,304</b>	4,660	35.3
Profit on sale of investments	-	685	NM	<b>2,507</b>	4,851	(48.3)
(Provision)/write-back of provision for doubtful debts	<b>(35)</b>	-	NM	<b>(58)</b>	58	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			GROUP		
	<b>1 Jan 11 to 31 Mar 11</b>	1 Jan 10 to 31 Mar 10	+ / (-) %	<b>1 Jul 10 to 31 Mar 11</b>	1 Jul 09 to 31 Mar 10	+ / (-) %
Loss per ordinary share of the Group based on net loss attributable to shareholders:-						
(i) Based on weighted average number of shares	<b>(0.03) cts</b>	(0.12) cts	75.0	<b>(0.17) cts</b>	(0.15) cts	(13.3)
- Weighted average number of shares ('000)	<b>2,165,618</b>	2,165,617	-	<b>2,165,618</b>	2,165,617	-
(ii) On a fully diluted basis	<b>(0.03) cts</b>	(0.12) cts	75.0	<b>(0.17) cts</b>	(0.15) cts	(13.3)
- Adjusted weighted average number of shares ('000)	<b>2,165,618</b>	2,165,617	-	<b>2,165,618</b>	2,165,617	-

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

**2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**for the third quarter and nine months ended 31 March 2011**

	1 Jan 11 to 31 Mar 11 \$'000	1 Jan 10 to 31 Mar 10 \$'000	+ / (-) %	1 Jul 10 to 31 Mar 11 \$'000	1 Jul 09 to 31 Mar 10 \$'000	+ / (-) %
<b>Loss for the period</b>	<u>(502)</u>	<u>(3,104)</u>	(83.8)	<u>(2,849)</u>	<u>(4,053)</u>	(29.7)
Fair value changes on available-for-sale investments	481	13,807	(96.5)	9,730	18,661	(47.9)
Fair value gain on available-for-sale assets realised & transferred to profit and loss account	-	(560)	NM	(1,913)	(3,091)	(38.1)
Exchange differences arising on consolidation	(5,258)	(1,511)	248.0	(31,009)	(11,990)	158.6
Share of other comprehensive income/ (expense) of joint venture	183	(253)	NM	337	(302)	NM
<b>Other comprehensive (expense)/ income for the period</b>	<u>(4,594)</u>	<u>11,483</u>	NM	<u>(22,855)</u>	<u>3,278</u>	NM
<b>Total comprehensive (expense)/ income for the period</b>	<u>(5,096)</u>	<u>8,379</u>	NM	<u>(25,704)</u>	<u>(775)</u>	>500.0
<b>Attributable to:</b>						
Shareholders of the Company	(4,593)	9,209	NM	(21,838)	1,954	NM
Non-controlling interests	(503)	(830)	(39.4)	(3,866)	(2,729)	41.7
	<u>(5,096)</u>	<u>8,379</u>	NM	<u>(25,704)</u>	<u>(775)</u>	>500.0

### 3. BALANCE SHEETS as at 31 March 2011

	<b>Group</b>		<b>Company</b>	
	<b>As at 31 Mar 11 \$'000</b>	<b>As at 30 Jun 10 \$'000</b>	<b>As at 31 Mar 11 \$'000</b>	<b>As at 30 Jun 10 \$'000</b>
<b>Share capital</b>	<b>196,439</b>	196,439	<b>196,439</b>	196,439
<b>Reserves</b>	<b>149,615</b>	182,281	<b>89,974</b>	106,495
<b>Share capital &amp; reserves</b>	<b>346,054</b>	378,720	<b>286,413</b>	302,934
<b>Non-controlling interests</b>	<b>43,120</b>	46,986	-	-
<b>Capital employed</b>	<b>389,174</b>	425,706	<b>286,413</b>	302,934
<b>Represented by:</b>				
<b>Fixed assets</b>	<b>237,646</b>	298,550	-	-
<b>Subsidiaries</b>	-	-	<b>288,314</b>	288,314
<b>Associated company and joint ventures</b>	<b>54,179</b>	54,046	-	-
<b>Available-for-sale investments</b>	<b>87,610</b>	118,304	<b>17,398</b>	19,971
<b>Other assets</b>	<b>616</b>	1,715	-	-
<b>Intangibles</b>	<b>173,072</b>	193,406	-	-
	<b>553,123</b>	666,021	<b>305,712</b>	308,285
<b>Current assets</b>				
Stocks	<b>2,987</b>	5,300	-	-
Amounts due from:				
- subsidiaries	-	-	<b>6</b>	7
Debtors	<b>10,103</b>	6,813	<b>28</b>	23
Bank balances, deposits & cash	<b>185,570</b>	164,242	<b>26,459</b>	40,838
	<b>198,660</b>	176,355	<b>26,493</b>	40,868
<b>Current liabilities</b>				
Creditors	<b>3,771</b>	5,014	<b>34,193</b>	34,381
Amounts due to:				
- subsidiaries	-	-	<b>991</b>	1,463
- associated company and joint ventures	<b>310</b>	42	-	-
Term loans	<b>179,709</b>	1,740	-	-
Provision for taxation	<b>45,690</b>	46,388	<b>2,055</b>	2,055
	<b>229,480</b>	53,184	<b>37,239</b>	37,899
<b>Net current (liabilities)/assets</b>	<b>(30,820)</b>	123,171	<b>(10,746)</b>	2,969
<b>Non-current liabilities</b>				
Term loans	-	218,172	-	-
Deferred liabilities	<b>795</b>	2,332	-	-
Deferred taxation	<b>132,334</b>	142,982	<b>8,553</b>	8,320
	<b>133,129</b>	363,486	<b>8,553</b>	8,320
<b>Net assets</b>	<b>389,174</b>	425,706	<b>286,413</b>	302,934

## NOTES TO BALANCE SHEETS

### 3a. Group's borrowings and debt securities

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

As at 31 Mar 11		As at 30 Jun 10	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
179,709	-	1,740	-

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

As at 31 Mar 11		As at 30 Jun 10	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
-	-	218,172	-

#### (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 \$341 million (June 2010: \$402 million).

### 3b. Net asset value

	GROUP			COMPANY		
	As at 31 Mar 11	As at 30 Jun 10	+/(-)%	As at 31 Mar 11	As at 30 Jun 10	+/(-)%
Net asset value per ordinary share #	\$0.16	\$0.17	(5.9)	\$0.13	\$0.14	(7.1)
Net tangible asset value per ordinary share #	\$0.10	\$0.10	-	\$0.13	\$0.14	(7.1)

# Based on issued share capital of 2,165,618,003 ordinary shares as at the end of the financial period (June 2010: 2,165,618,003).

### 3c. Balance sheet review

Group shareholders' funds decreased from \$378.7 million at 30 June 2010 to \$346.1 million at 31 March 2011. The decrease was mainly attributable to a dividend distribution to shareholders of \$10.8 million in November 2010, an unrealised translation loss of \$26.2 million, and a loss of \$3.8 million for the period, offset in part by an upward revaluation of the Group's investment in McMoRan Exploration Co. ("MMR").

Group total assets of \$751.8 million at 31 March 2011 were \$90.6 million lower than the previous year end, resulting from a decrease in fixed assets principally due to the sale and depreciation of rail equipment at Helm. The decrease in available-for-sale investments was principally attributable to cash distributions received from certain investments, offset by an upward revaluation of the Group's investment in MMR.

Group total liabilities of \$362.6 million at 31 March 2011 were \$54.1 million lower than the previous year end. Decrease in term loans was due to loan repayments made by Helm. The Company has ongoing discussions regarding the refinancing of Helm's long term debt, which is entirely classified as current liabilities at 31 March 2011, and expects to refinance the debt prior to its maturity date.

All U.S. dollar denominated balances were impacted by currency exchange fluctuations.

4. **STATEMENTS OF CHANGES IN EQUITY**  
for the third quarter and nine months ended 31 March 2011

4a. Group Statement of Changes in Equity

	Attributable to equity holders of the Company						
	Share Capital	Capital Reserves	Foreign	Revenue Reserves	Share Capital & Reserves	Non- controlling Interests	Capital Employed
			Exchange Translation Account				
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
2011							
As at 1 July 2010	196,439	11,268	(49,358)	220,371	378,720	46,986	425,706
<b>Total comprehensive income/ (expense) for first half</b>							
(Loss)/profit for first half	-	-	-	(2,967)	(2,967)	620	(2,347)
Other comprehensive income/(expense)	-	7,459	(21,737)	-	(14,278)	(3,983)	(18,261)
<b>Total comprehensive income/ (expense) for first half</b>	-	7,459	(21,737)	(2,967)	(17,245)	(3,363)	(20,608)
<b>Transactions with equity holders, recorded directly in equity</b>							
Dividend paid	-	-	-	(10,828)	(10,828)	-	(10,828)
<b>As at 31 December 2010</b>	<b>196,439</b>	<b>18,727</b>	<b>(71,095)</b>	<b>206,576</b>	<b>350,647</b>	<b>43,623</b>	<b>394,270</b>
<b>Total comprehensive income/ (expense) for third quarter</b>							
(Loss)/profit for third quarter	-	-	-	(787)	(787)	285	(502)
Other comprehensive income/(expense)	-	628	(4,434)	-	(3,806)	(788)	(4,594)
<b>Total comprehensive income/ (expense) for third quarter</b>	-	628	(4,434)	(787)	(4,593)	(503)	(5,096)
<b>As at 31 March 2011</b>	<b>196,439</b>	<b>19,355</b>	<b>(75,529)</b>	<b>205,789</b>	<b>346,054</b>	<b>43,120</b>	<b>389,174</b>
2010							
As at 1 July 2009	196,437	2,816	(38,964)	259,264	419,553	54,249	473,802
<b>Total comprehensive income/ (expense) for first half</b>							
Loss for first half	-	-	-	(670)	(670)	(279)	(949)
Other comprehensive income/(expense)	-	2,288	(8,873)	-	(6,585)	(1,620)	(8,205)
<b>Total comprehensive income/ (expense) for first half</b>	-	2,288	(8,873)	(670)	(7,255)	(1,899)	(9,154)
<b>Transactions with equity holders, recorded directly in equity</b>							
Dividend paid	-	-	-	(16,242)	(16,242)	-	(16,242)
Shares issued	2	-	-	-	2	-	2
<b>Total transactions with equity holders</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>(16,242)</b>	<b>(16,240)</b>	<b>-</b>	<b>(16,240)</b>
<b>As at 31 December 2009</b>	<b>196,439</b>	<b>5,104</b>	<b>(47,837)</b>	<b>242,352</b>	<b>396,058</b>	<b>52,350</b>	<b>448,408</b>
<b>Total comprehensive income/ (expense) for third quarter</b>							
Loss for third quarter	-	-	-	(2,540)	(2,540)	(564)	(3,104)
Other comprehensive income/(expense)	-	13,044	(1,295)	-	11,749	(266)	11,483
<b>Total comprehensive income/ (expense) for third quarter</b>	-	13,044	(1,295)	(2,540)	9,209	(830)	8,379
<b>As at 31 March 2010</b>	<b>196,439</b>	<b>18,148</b>	<b>(49,132)</b>	<b>239,812</b>	<b>405,267</b>	<b>51,520</b>	<b>456,787</b>



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
<b>2011</b>				
<b>As at 1 July 2010</b>	196,439	1,195	105,300	302,934
<b>Total comprehensive expense for first half</b>				
Loss for first half	-	-	(1,723)	(1,723)
Other comprehensive expense	-	(2,380)	-	(2,380)
<b>Total comprehensive expense for first half</b>	-	(2,380)	(1,723)	(4,103)
<b>Transactions with equity holders, recorded directly in equity</b>				
Dividend paid	-	-	(10,828)	(10,828)
<b>As at 31 December 2010</b>	<b>196,439</b>	<b>(1,185)</b>	<b>92,749</b>	<b>288,003</b>
<b>Total comprehensive expense for third quarter</b>				
Loss for third quarter	-	-	(1,590)	(1,590)
<b>As at 31 March 2011</b>	<b>196,439</b>	<b>(1,185)</b>	<b>91,159</b>	<b>286,413</b>
<b>2010</b>				
<b>As at 1 July 2009</b>	196,437	2,477	113,619	312,533
<b>Total comprehensive (expense)/income for first half</b>				
Profit for first half	-	-	968	968
Other comprehensive expense	-	(1,639)	-	(1,639)
<b>Total comprehensive (expense)/income for first half</b>	-	(1,639)	968	(671)
<b>Transactions with equity holders, recorded directly in equity</b>				
Dividend paid	-	-	(16,242)	(16,242)
Shares issued	2	-	-	2
<b>Total transactions with equity holders</b>	2	-	(16,242)	(16,240)
<b>As at 31 December 2009</b>	<b>196,439</b>	<b>838</b>	<b>98,345</b>	<b>295,622</b>
<b>Total comprehensive income/(expense) for third quarter</b>				
Profit for third quarter	-	-	8,772	8,772
Other comprehensive expense	-	(560)	-	(560)
<b>Total comprehensive (expense)/income for third quarter</b>	-	(560)	8,772	8,212
<b>As at 31 March 2010</b>	<b>196,439</b>	<b>278</b>	<b>107,117</b>	<b>303,834</b>

4c. Share capital

Since 30 June 2010, there was no issue of ordinary shares by the Company. As at 31 March 2011, there were no unexercised options for unissued ordinary shares (June 2010: nil) under the k1 Ventures Share Option Scheme 2000.

The issued share capital of the Company as at 31 March 2011 was 2,165,618,003 ordinary shares.

As at 31 March 2011, the Company was not holding any treasury shares.

**5. CONSOLIDATED STATEMENT OF CASH FLOWS  
for the third quarter and nine months ended 31 March 2011**

	Third Quarter		Nine months	
	1 Jan 11	1 Jan 10	1 Jul 10	1 Jul 09
	to 31 Mar 11 \$'000	to 31 Mar 10 \$'000	to 31 Mar 11 \$'000	to 31 Mar 10 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating (loss)/profit	(75)	(5,445)	2,080	(6,634)
Adjustments:				
Depreciation and amortisation	8,094	12,463	25,016	38,628
Profit on disposal of fixed assets	(2,724)	(991)	(6,304)	(4,660)
Profit on sale of investments	-	(685)	(2,507)	(4,851)
Cash flow from operations before changes in working capital	5,295	5,342	18,285	22,483
Working capital changes:				
Stocks	4,048	702	7,118	2,662
Debtors	(4,245)	(2,108)	(4,099)	(2,166)
Creditors	(2,395)	210	(1,837)	(803)
Translation of foreign subsidiaries and others	(1,280)	(433)	(6,134)	(2,613)
	1,423	3,713	13,333	19,563
Interest paid	(1,300)	(2,357)	(4,330)	(5,372)
Income taxes paid	(2,460)	(1,513)	(7,452)	(6,288)
<b>Net cash (used in)/from operating activities</b>	<b>(2,337)</b>	<b>(157)</b>	<b>1,551</b>	<b>7,903</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of fixed assets	(9,289)	(129)	(10,899)	(1,900)
Proceeds from disposal of fixed assets	9,212	3,216	20,001	18,146
Proceeds from distributions from associated company and joint venture	-	-	1,928	1,013
Net proceeds from disposal and capital distribution of investments	21,949	938	40,180	5,104
Purchase of investment	-	-	-	(14)
<b>Net cash from investing activities</b>	<b>21,872</b>	<b>4,025</b>	<b>51,210</b>	<b>22,349</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from share issues	-	-	-	2
Repayment of term loans	(479)	(8,361)	(19,230)	(20,558)
Dividend paid to shareholders of the Company	-	-	(10,828)	(16,242)
<b>Net cash used in financing activities</b>	<b>(479)</b>	<b>(8,361)</b>	<b>(30,058)</b>	<b>(36,798)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>19,056</b>	<b>(4,493)</b>	<b>22,703</b>	<b>(6,546)</b>
<b>Cash and cash equivalents as at beginning of period</b>	<b>166,748</b>	<b>182,284</b>	<b>164,242</b>	<b>184,814</b>
<b>Effects of exchange rate changes on cash and cash equivalents</b>	<b>(234)</b>	<b>(61)</b>	<b>(1,375)</b>	<b>(538)</b>
<b>Cash and cash equivalents at end of period</b>	<b>185,570</b>	<b>177,730</b>	<b>185,570</b>	<b>177,730</b>

**NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS**

5a. Bank balances, deposits and cash

	As at 31 Mar 11 \$'000	As at 31 Mar 10 \$'000
Bank balances, deposits and cash	98,393	78,878
Deposits with related parties	87,177	98,852
Cash and cash equivalents	185,570	177,730

**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 2010.

**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 2010. 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:

Amendments to FRS 103      Business Combinations

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**

For the third quarter, Group revenue was \$15.7 million as compared to \$14.2 million in the corresponding prior year quarter, driven by higher revenue from Helm partially offset by lower interest income from fixed deposits and a decrease in gain from distributions from investments. Pre-tax earnings from Helm increased by \$7.4 million driven by higher revenue, lower operating costs and finance expenses during the quarter. Group net loss was \$787,000 as compared to a loss of \$2.5 million in the prior year quarter.

Group net loss for the nine months ended 31 March 2011 was \$3.8 million and basic loss per share was 0.17 cents. EBITDA of \$33.0 million was \$6.8 million lower than that of the corresponding prior year period.

For the first nine months, Group revenue was \$48.2 million as compared to \$53.4 million for the prior corresponding period. Despite an increase in Helm revenue in its functional currency, revenue from Helm declined by \$2.7 million driven by the impact of currency exchange rate fluctuations.

At the pre-tax level, Group profit was \$2.4 million for the first nine months as compared to a loss of \$5.4 million in the prior year. Earnings from Helm increased by \$12.1 million driven by lower operating costs and finance expenses. Group foreign exchange loss increased to \$1.4 million due to fluctuations in the exchange rate between the Singapore dollar and U.S. dollar.

After taking into account income tax expenses and non-controlling interests, net loss attributable to shareholders was \$3.8 million as compared to a loss of \$3.2 million in the previous year. Group taxation increased to \$5.3 million due to higher operating profit and an increase in the U.S. tax provision resulting from a foreign currency gain on fixed deposits.

In the opinion of the Directors, no factor has arisen between 31 March 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 nine months ended 31 March 2011 was previously provided.

**12. PROSPECTS**

The Group's operating subsidiary, Helm Holding Corporation, continues to show signs of improvement, although it is expected to be impacted by weakness in the overall demand for rail assets over the short term.

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/recommended, a statement to that effect.

No dividend has been declared for the quarter ended 31 March 2011.

For the year ended 30 June 2010, the Board of Directors had recommended a tax exempt one-tier final dividend of 0.5 cents per share. The dividend was approved by shareholders at the Annual General Meeting held on 15 October 2010. The dividend was paid to the shareholders on 2 November 2010.

## 14. SEGMENT ANALYSIS

Nine months ended 31 March 2011

	<u>Transportation Leasing</u> \$'000	<u>Investments</u> \$'000	<u>Total</u> \$'000
<b>Revenue</b>	<b>45,357</b>	<b>2,870</b>	<b>48,227</b>
<b>Segment Results</b>			
Operating profit / (loss)	3,102	(1,022)	2,080
Finance expenses	(5,574)	-	(5,574)
Foreign exchange loss	-	(1,375)	(1,375)
Share of results of associated company and joint ventures	7,284	-	7,284
Profit/(loss) before taxation	4,812	(2,397)	2,415
Taxation	(2,022)	(3,242)	(5,264)
Profit/(loss) for the period	<b>2,790</b>	<b>(5,639)</b>	<b>(2,849)</b>
Attributable to:			
Shareholders of the Company	1,885	(5,639)	(3,754)
Non-controlling interests	905	-	905
	<b>2,790</b>	<b>(5,639)</b>	<b>(2,849)</b>
<b>Other information</b>			
Segment assets	515,015	236,768	751,783
Segment liabilities	298,326	64,283	362,609
Net assets	<b>216,689</b>	<b>172,485</b>	<b>389,174</b>
Investment in associated company and joint ventures	54,179	-	54,179
Additions to non-current assets	10,899	-	10,899
Interest income	91	363	454
Depreciation and amortisation	25,013	3	25,016

### Geographical Information

	<u>Singapore</u> \$'000	<u>USA</u> \$'000	<u>Others</u> \$'000	<u>Total</u> \$'000
External sales	273	45,447	2,507	48,227
Non-current assets	-	465,513	-	465,513

## Nine months ended 31 March 2010

	<u>Transportation Leasing</u> \$'000	<u>Investments</u> \$'000	<u>Total</u> \$'000
<b>Revenue</b>	48,065	5,291	53,356
<b>Segment Results</b>			
Operating (loss)/profit	(9,050)	2,416	(6,634)
Finance expenses	(6,570)	-	(6,570)
Foreign exchange loss	-	(538)	(538)
Share of results of associated company and joint ventures	8,318	-	8,318
(Loss)/profit before taxation	(7,302)	1,878	(5,424)
Taxation	3,068	(1,697)	1,371
(Loss)/profit for the period	(4,234)	181	(4,053)
Attributable to:			
Shareholders of the Company	(3,391)	181	(3,210)
Non-controlling interests	(843)	-	(843)
	(4,234)	181	(4,053)
<b>Other information</b>			
Segment assets	664,352	256,456	920,808
Segment liabilities	403,695	60,326	464,021
Net assets	260,657	196,130	456,787
Investment in associated company and joint ventures	54,967	-	54,967
Additions to non-current assets	1,900	-	1,900
Interest revenue	369	440	809
Depreciation and amortisation	38,624	4	38,628

## Geographical Information

	<u>Singapore</u> \$'000	<u>USA</u> \$'000	<u>Others</u> \$'000	<u>Total</u> \$'000
External sales	263	48,242	4,851	53,356
Non-current assets	-	599,399	-	599,399

### 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 nine months ended 31 March 2011, revenues from two customers attributable to the Transportation Leasing segment amounted to approximately \$6.53 million and \$4.91 million respectively. For the nine months ended 31 March 2010, revenues from two customers attributable to the Transportation Leasing segment amounted to approximately \$7.21 million and \$6.43 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.	
	<b>1 Jul 10 to 31 Mar 11 \$'000</b>	1 Jul 09 to 31 Mar 10 \$'000	<b>1 Jul 10 to 31 Mar 11 \$'000</b>	1 Jul 09 to 31 Mar 10 \$'000
<b>General Transactions</b>				
KCL Group	-	-	<b>666</b>	659
Greenstreet Partners	-	-	<b>2,361</b>	2,542
<b>Corporate Treasury Transactions</b>				
KCL Group	-	-	<b>87,451</b>	99,114
<b>Total</b>	-	-	<b>90,478</b>	102,315

**BY ORDER OF THE BOARD**

Kenny Lee  
Company Secretary  
9 May 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 third quarter ended 31 March 2011 financial results to be false or misleading in any material respect.

On behalf of the board of directors



**STEVEN JAY GREEN**  
Chairman



**JEFFREY ALAN SAFCHIK**  
Director

Singapore  
9 May 2011