

SECOND QUARTER 2008 FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT

UNAUDITED RESULTS FOR THE SECOND QUARTER AND HALF YEAR ENDED 31 DECEMBER 2007

The Directors of **k1 Ventures Limited** advise the following unaudited results of the Group for the second quarter and half year ended 31 December 2007.

1. GROUP PROFIT AND LOSS ACCOUNTS for the second quarter and half year ended 31 December 2007

Second Quarter 2008 vs Second Quarter 2007

	Continuing Operations			Discontinued Operation (a)			Group		
	1 Oct 07 to 31 Dec 07 Note	1 Oct 06 to 31 Dec 06	+/(-)%	1 Oct 07 to 31 Dec 07	1 Oct 06 to 31 Dec 06	+/(-)%	1 Oct 07 to 31 Dec 07	1 Oct 06 to 31 Dec 06	+/(-)%
	\$'000	\$'000		\$'000	\$'000		\$'000	\$'000	
Revenue	1a 131,045	43,079	204.20	-	58,000	NM	131,045	101,079	29.65
Raw materials & consumables used	-	-	NM	-	(49,196)	NM	-	(49,196)	NM
Net carrying value of investments disposed	(44,595)	-	NM	-	-	NM	(44,595)	-	NM
Staff costs	(3,672)	(3,488)	5.28	-	(1,761)	NM	(3,672)	(5,249)	(30.04)
Depreciation and amortisation	(11,612)	(12,234)	(5.08)	-	(799)	NM	(11,612)	(13,033)	(10.90)
Other operating expenses	(7,589)	(9,165)	(17.20)	1,214	(2,626)	NM	(6,375)	(11,791)	(45.93)
Operating profit	63,577	18,192	249.48	1,214	3,618	(66.44)	64,791	21,810	197.07
Finance expenses	(6,571)	(12,096)	(45.68)	-	-	NM	(6,571)	(12,096)	(45.68)
Foreign exchange loss	(3,230)	(9,694)	(66.68)	-	-	NM	(3,230)	(9,694)	(66.68)
Share of result of associated company and joint ventures	644	1,945	(66.89)	-	-	NM	644	1,945	(66.89)
Profit before tax	54,420	(1,653)	NM	1,214	3,618	(66.44)	55,634	1,965	NM
Taxation	(23,076)	(2,140)	978.32	(488)	(1,436)	(66.02)	(23,564)	(3,576)	558.95
Profit/(loss) for the period	31,344	(3,793)	NM	726	2,182	(66.72)	32,070	(1,611)	NM
Attributable to :									
Shareholders of the Company	25,173	(4,346)	NM	726	2,182	(66.72)	25,899	(2,164)	NM
Minority interest	6,171	553	NM	-	-	NM	6,171	553	NM
	31,344	(3,793)	NM	726	2,182	(66.72)	32,070	(1,611)	NM
EBITDA *	72,603	22,677	220.16	1,214	4,417	(72.51)	73,817	27,094	172.45
Earnings per ordinary share :									
- basic	1d 1.19 cts	(0.22) cts	NM	0.03 cts	0.11 cts	(72.73)	1.22 cts	(0.11) cts	NM
- diluted	1d 1.18 cts	(0.22) cts	NM	0.03 cts	0.11 cts	(72.73)	1.21 cts	(0.11) cts	NM

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

** NM - Not Meaningful

Note :

(a) Discontinued Operation reflects the Group's activities in Mid Pac Petroleum, LLC ("Mid Pac"), the retail gasoline operations in Hawaii. Refer to note 2d for details.

(b) The profit and loss comparatives have been adjusted to conform with changes in presentation in the current financial year.

Half Year 2008 vs Half Year 2007

	<u>Continuing Operations</u>			<u>Discontinued Operation (a)</u>			<u>Group</u>		
	1 Jul 07 to 31 Dec 07 \$'000	1 Jul 06 to 31 Dec 06 \$'000	+/(-)%	1 Jul 07 to 31 Dec 07 \$'000	1 Jul 06 to 31 Dec 06 \$'000	+/(-)%	1 Jul 07 to 31 Dec 07 \$'000	1 Jul 06 to 31 Dec 06 \$'000	+/(-)%
Revenue	1a 174,032	94,164	84.82	115,226	128,458	(10.30)	289,258	222,622	29.93
Raw materials & consumables used	-	(10)	NM	(41,233)	(110,995)	(62.85)	(41,233)	(111,005)	(62.85)
Net carrying value of investments disposed	(44,595)	(5,000)	791.90	(66,593)	-	NM	(111,188)	(5,000)	NM
Staff costs	(7,271)	(6,982)	4.14	(2,157)	(3,241)	(33.45)	(9,428)	(10,223)	(7.78)
Depreciation and amortisation	(23,393)	(23,812)	(1.76)	(550)	(1,598)	(65.58)	(23,943)	(25,410)	(5.77)
Other operating expenses	(14,931)	(16,603)	(10.07)	(812)	(4,880)	(83.36)	(15,743)	(21,483)	(26.72)
Operating profit	83,842	41,757	100.79	3,881	7,744	(49.89)	87,723	49,501	77.21
Finance expenses	(15,755)	(23,508)	(32.98)	-	-	NM	(15,755)	(23,508)	(32.98)
Foreign exchange loss	(6,157)	(8,640)	(28.74)	-	-	NM	(6,157)	(8,640)	(28.74)
Share of result of associated company and joint ventures	2,776	3,680	(24.57)	-	-	NM	2,776	3,680	(24.57)
Profit before tax	64,706	13,289	386.91	3,881	7,744	(49.89)	68,587	21,033	226.09
Taxation	(27,242)	(5,718)	376.43	(5,137)	(3,068)	67.44	(32,379)	(8,786)	268.53
Profit/(loss) for the period	37,464	7,571	394.84	(1,256)	4,676	NM	36,208	12,247	195.64
Attributable to :									
Shareholders of the Company	30,346	6,050	401.59	(1,256)	4,676	NM	29,090	10,726	171.20
Minority interest	7,118	1,521	367.98	-	-	NM	7,118	1,521	367.98
	37,464	7,571	394.84	(1,256)	4,676	NM	36,208	12,247	195.64
EBITDA *	103,854	60,609	71.35	4,431	9,342	(52.57)	108,285	69,951	54.80
Earnings per ordinary share :									
- basic	1d 1.43 cts	0.32 cts	346.88	(0.06) cts	0.24 cts	NM	1.37 cts	0.56 cts	144.64
- diluted	1d 1.42 cts	0.30 cts	373.33	(0.06) cts	0.23 cts	NM	1.36 cts	0.53 cts	156.60

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

** NM - Not Meaningful

Note :

(a) Discontinued Operation reflects the Group's activities in Mid Pac Petroleum, LLC ("Mid Pac"), the retail gasoline operations in Hawaii. Refer to note 2d for details.

(b) The profit and loss comparatives have been adjusted to conform with changes in presentation in the current financial year.

Notes to Group Profit and Loss Accounts

1a. Breakdown of revenue

	Second Quarter			Half Year		
	1 Oct 07 to 31 Dec 07 \$'000	1 Oct 06 to 31 Dec 06 \$'000	+/(-)%	1 Jul 07 to 31 Dec 07 \$'000	1 Jul 06 to 31 Dec 06 \$'000	+/(-)%
Continuing operations						
Revenue from transportation leasing	28,689	36,225	(20.80)	60,079	71,361	(15.81)
Proceeds from sale of investments	95,511	227	NM	99,156	7,480	NM
Dividend income	27	1,087	(97.52)	961	2,157	(55.45)
Interest income from :						
Related parties	1,454	284	411.97	2,580	3,728	(30.79)
Others	1,255	3,831	(67.24)	2,655	4,655	(42.96)
Others	4,109	1,425	188.35	8,601	4,783	79.83
	<u>131,045</u>	<u>43,079</u>	204.20	<u>174,032</u>	<u>94,164</u>	84.82
Discontinued operation						
Revenue from retail gasoline operations	-	57,417	NM	45,486	127,256	(64.26)
Others	-	583	NM	397	1,202	(66.97)
	-	58,000		45,883	128,458	(64.28)
Consideration for sale of business	-	-	NM	69,343	-	NM
	-	58,000	NM	115,226	128,458	(10.30)
	<u>131,045</u>	<u>101,079</u>	29.65	<u>289,258</u>	<u>222,622</u>	29.93

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

	Second Quarter			Half Year		
	1 Oct 07 to 31 Dec 07 \$'000	1 Oct 06 to 31 Dec 06 \$'000	+/(-)%	1 Jul 07 to 31 Dec 07 \$'000	1 Jul 06 to 31 Dec 06 \$'000	+/(-)%
Continuing operations						
Profit on disposal of fixed assets	2,748	388	608.25	6,065	2,220	173.20
Profit on sale of investments	50,915	227	NM	54,560	2,480	NM
Fair value gain/(loss) - Derivatives	1	47	(97.87)	18	(319)	NM
(Provision)/write-back of doubtful debts	(3)	63	NM	135	63	114.29
Discontinued operations						
Profit on disposal of subsidiary	-	-	NM	2,750	-	NM
Profit/(loss) on disposal of fixed assets	1,214	(26)	NM	1,050	(26)	NM

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

1e. Earnings per ordinary share

	GROUP					
	1 Oct 07 to 31 Dec 07	1 Oct 06 to 31 Dec 06	+/(-)%	1 Jul 07 to 31 Dec 07	1 Jul 06 to 31 Dec 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	1.22 cts	(0.11) cts	NM	1.37 cts	0.56 cts	144.64
- Weighted average number of shares ('000)	2,127,603	1,911,558	11.30	2,127,603	1,911,558	11.30
(ii) On a fully diluted basis	1.21 cts	(0.11) cts	NM	1.36 cts	0.53 cts	156.60
- Adjusted weighted average number of shares ('000)	2,143,566	2,030,035	5.59	2,143,566	2,030,035	5.59
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	1.19 cts	(0.22) cts	NM	1.43 cts	0.32 cts	346.88
- Weighted average number of shares ('000)	2,127,603	1,911,558	11.30	2,127,603	1,911,558	11.30
(ii) On a fully diluted basis	1.18 cts	(0.22) cts	NM	1.42 cts	0.30 cts	373.33
- Adjusted weighted average number of shares ('000)	2,143,566	2,030,035	5.59	2,143,566	2,030,035	5.59

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

2. BALANCE SHEETS as at 31 December 2007

	Note	GROUP		COMPANY	
		As at 31 Dec 07 \$'000	As at 30 Jun 07 \$'000	As at 31 Dec 07 \$'000	As at 30 Jun 07 \$'000
Share capital		318,774	318,774	318,774	318,774
Reserves		376,543	360,554	292,130	263,427
Share capital & reserves		695,317	679,328	610,904	582,201
Minority interests		52,580	48,414	-	-
Capital employed		747,897	727,742	610,904	582,201
Represented by :					
Fixed assets		454,871	540,827	12	19
Subsidiaries		-	-	287,127	304,155
Associated company and joint ventures		38,169	83,796	-	-
Available-for-sale investments		189,461	231,083	23,068	15,417
Other assets		5,465	7,261	-	-
Intangibles		209,281	237,719	-	-
		897,247	1,100,686	310,207	319,591
Current assets					
Stocks		9,563	18,090	-	-
Due from subsidiaries					
Amounts due from:					
- subsidiaries		-	-	38	46,861
- associated company and joint ventures		-	484	-	-
Debtors		12,640	21,376	2,029	2,511
Bank balances, deposits and cash	3b	405,668	310,481	346,643	263,905
		427,871	350,431	348,710	313,277
Current liabilities					
Creditors		14,221	28,522	36,985	38,681
Amounts due to:					
- subsidiaries		-	-	997	3,962
- associated company and joint ventures		62	184	-	-
Term loans		3,246	4,657	-	-
Provision for taxation		49,399	37,082	2,555	2,055
		66,928	70,445	40,537	44,698
Net current assets		360,943	279,986	308,173	268,579
Non-current liabilities					
Term loans		312,628	450,836	-	-
Deferred liabilities		2,735	4,396	-	-
Deferred taxation		194,930	197,698	7,476	5,969
		510,293	652,930	7,476	5,969
Net assets		747,897	727,742	610,904	582,201

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 07		As at 30 Jun 07	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
3,246	-	4,657	-

(ii) Amount repayable after one year

As at 31 Dec 07		As at 30 Jun 07	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
312,628	-	450,836	-

(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 \$778 million (June 2007 : \$886 million).

2b. Net asset value

	GROUP			COMPANY		
	As at 31 Dec 07	As at 30 Jun 07	+/(-)%	As at 31 Dec 07	As at 30 Jun 07	+/(-)%
Net asset value per Ordinary Share #	\$0.33	\$0.32	3.13	\$0.29	\$0.27	7.41
Net tangible asset value per Ordinary Share #	\$0.23	\$0.21	9.52	\$0.29	\$0.27	7.41

Based on issued share capital of 2,127,603,003 ordinary shares as at the end of the financial period (June 2007 : 2,127,603,003).

2c. Balance Sheet review

Group shareholders' funds increased from \$679.3 million as at 30 June 2007 to \$695.3 million as at 31 December 2007. The increase was due mainly to profits from the sale of Helm Holding Corporation (Helm)'s investment in Dakota, Minnesota & Eastern Railroad Corporation (DM&E), partially offset by a decrease in translation reserves as a result of currency fluctuations in the US dollar.

Group total assets of \$1.3 billion at 31 December 2007 were \$126.0 million lower than at 30 June 2007. The decrease in total assets was due primarily to the pay down of debt with the cash proceeds received from the sale of DM&E and the impact from foreign exchange movements partially offset by an increase in cash principally related to the sale of Mid Pac Petroleum LLC (Mid Pac).

Group total liabilities decreased by \$146.2 million from \$723.4 million at 30 June 2007 to \$577.2 million at 31 December 2007. This decrease is due primarily to the pay down of Helm's term loan and a decrease in liabilities related to the sale of Mid Pac. The decrease was partially offset by an increase in the provision for tax related to the exercise of 1,742,424 warrants in McMoRan Exploration Co. and the sale of Mid Pac.

2d. Discontinued operations

Discontinued operation reflects the Group's activities in Mid Pac Petroleum, LLC ("Mid Pac"). Mid Pac contributed to the Energy segment of the Group and 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 a 100% owned subsidiary in retail gasoline operations, Mid Pac Petroleum, LLC ("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 :

	Second Quarter *		Half Year	
	1 Oct 07 to 31 Dec 07 \$'000	1 Oct 06 to 31 Dec 06 \$'000	1 Jul 07 to 31 Dec 07 \$'000	1 Jul 06 to 31 Dec 06 \$'000
<u>Operations</u>				
Revenue	-	58,000	45,883	128,458
Expenses	1,214	(54,382)	(44,752)	(120,714)
Operating profit	1,214	3,618	1,131	7,744
Finance expenses	-	-	-	-
Profit before tax	1,214	3,618	1,131	7,744
<u>Profit from sale of business</u>				
Consideration	-	-	69,343	-
Net carrying value of assets disposed	-	-	(66,593)	-
Gain on disposal of discontinued operations	-	-	2,750	-
Profit before tax for the year	1,214	3,618	3,881	7,744

* The results of the second quarter relates to gain on disposal of balance fixed asset in the second quarter of the financial year.

- ii. The impact of the Discontinued operations on the cashflows of the Group is as follows :

	Second Quarter		Half Year	
	1 Oct 07 to 31 Dec 07 \$'000	1 Oct 06 to 31 Dec 06 \$'000	1 Jul 07 to 31 Dec 07 \$'000	1 Jul 06 to 31 Dec 06 \$'000
Operating cashflows	-	(4,957)	1,207	2,854
Investing cashflows	-	(2,285)	2,487	(3,562)
Financing cashflows	-	(10)	(12,205)	(14)
Net cashflows	-	(7,252)	(8,511)	(722)

3. CONSOLIDATED CASH FLOW STATEMENTS for the second quarter and half year ended 31 December 2007

	Note	Second Quarter		Half Year	
		1 Oct 07	1 Oct 06	1 Jul 07	1 Jul 06
		to 31 Dec 07 \$'000	to 31 Dec 06 \$'000	to 31 Dec 07 \$'000	to 31 Dec 06 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Operating profit		64,791	21,810	87,723	49,501
Adjustments:					
Depreciation and amortisation		11,612	13,033	23,943	25,410
Dividend income (non cash)		(27)	(886)	(961)	(1,758)
Profit on disposal of subsidiary		-	-	(2,750)	-
Profit on disposal of fixed assets		(3,962)	(362)	(7,115)	(2,194)
Profit on sale of investments		(50,915)	(227)	(54,560)	(2,480)
Cash flow from operations before changes in working capital		21,499	33,368	46,280	68,479
Working capital changes :					
Stocks		3,051	(3,432)	(2,765)	(5,438)
Debtors		2,562	(2,061)	1,100	2,757
Creditors		(3,492)	(7,096)	(67)	(10,544)
Translation of foreign subsidiaries and others		(5,027)	(3,045)	(6,358)	(2,508)
Cash from operations		18,593	17,734	38,190	52,746
Interest paid		(5,972)	(7,112)	(16,055)	(22,069)
Income taxes paid		(4,827)	(3,139)	(5,127)	(4,460)
Net cash from operating activities		7,794	7,483	17,008	26,217
CASH FLOWS FROM INVESTING ACTIVITIES					
Disposal of subsidiary	3a	-	-	68,353	-
Adjustment to acquisition value for an investment in a subsidiary		-	(2,464)	-	(2,464)
Purchase of fixed assets		(5,734)	(5,877)	(11,678)	(63,967)
Proceeds from disposal of fixed assets		13,329	2,985	19,502	7,329
Net proceeds from disposal and capital distribution of investments		138,900	1,534	143,218	8,787
Purchase of investments		(19,487)	-	(19,487)	-
Net cash from/(used in) investing activities		127,008	(3,822)	199,908	(50,315)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from share issue		-	4,473	-	4,473
Proceeds from amount due to minority shareholders		-	235	-	235
Proceeds from term loans		-	94,346	-	126,106
Repayment of term loans		(100,585)	(105,683)	(113,178)	(107,653)
Capital distribution		-	(113,855)	-	(113,855)
Net cash used in financing activities		(100,585)	(120,484)	(113,178)	(90,694)
Increase/(decrease) in cash and cash equivalents		34,217	(116,823)	103,738	(114,792)
Cash and cash equivalents at beginning of period		372,389	352,267	305,795	349,182
Effects of exchange rate changes on cash and cash equivalents		(3,230)	(9,694)	(6,157)	(8,640)
Cash and cash equivalents at end of period	3b	403,376	225,750	403,376	225,750
Restricted cash	3b	2,292	5,423	2,292	5,423
		405,668	231,173	405,668	231,173

Notes to Consolidated Cashflow Statements

3a. Disposal of Subsidiaries

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

	Second Quarter		Half year	
	1 Oct 07 to 31 Dec 07	1 Oct 06 to 31 Dec 06	1 Jul 07 to 31 Dec 07 \$'000	1 Jul 06 to 31 Dec 06
Fixed assets	-	-	(37,867)	-
Intangibles	-	-	(13,029)	-
Other assets	-	-	(564)	-
Debtors	-	-	(7,446)	-
Stock	-	-	(10,832)	-
Bank balances, deposits & cash	-	-	(990)	-
Creditors	-	-	10,011	-
Provision for taxation	-	-	43	-
Deferred taxation	-	-	(308)	-
Deferred liabilities	-	-	2,111	-
Foreign Exchange Translation Reserves	-	-	(7,722)	-
	-	-	(66,593)	-
Net profit on disposal	-	-	(2,750)	-
Sales Proceeds	-	-	(69,343)	-
Add : Bank balance and cash disposed	-	-	990	-
Cash flow on disposal net of cash disposed	-	-	(68,353)	-

Note :

The above values are derived based on a preliminary closing statement.

3b. Bank balances, deposits and cash

	1 Jul 07 to 31 Dec 07 \$'000	1 Jul 06 to 31 Dec 06 \$'000
Bank balances, deposits and cash	360,904	213,383
Deposits with related parties	42,472	12,367
Cash and cash equivalents	403,376	225,750
Restricted cash held under escrow	2,292	5,423
	405,668	231,173

4. STATEMENTS OF CHANGES IN EQUITY

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

	Attributable to equity holders of the Company						
	Share capital S\$'000	Capital reserves S\$'000	Foreign Exchange Translation Account S\$'000	Revenue reserves S\$'000	Share capital & reserves S\$'000	Minority interests S\$'000	Capital employed S\$'000
2007							
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	-	(2,948)	-	-	(2,948)	-	(2,948)
Fair value change on cashflow hedges	-	(435)	-	-	(435)	-	(435)
Exchange differences arising on consolidation	-	-	(9,893)	-	(9,893)	(1,457)	(11,350)
Currency translation loss realised and transferred to profit and loss account	-	-	7,685	-	7,685	-	7,685
	-	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	-	(25,228)	-	-	(25,228)	(5,712)	(30,940)
Fair value change on cashflow hedges	-	(241)	-	-	(241)	-	(241)
Exchange differences arising on consolidation	-	-	(9,687)	-	(9,687)	(1,495)	(11,182)
	-	(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

Attributable to equity holders of the Company							
	Share capital	Capital reserves	Foreign Exchange Translation Account	Revenue reserves	Share capital & reserves	Minority interests	Capital employed
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2006							
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	-	436	-	-	436	-	436
Fair value gain realised and transferred to profit and loss account upon disposal of investment	-	(1,850)	-	-	(1,850)	-	(1,850)
Fair value change on cashflow hedges	-	(843)	-	-	(843)	-	(843)
Exchange differences arising on consolidation	-	-	1,270	-	1,270	157	1,427
Currency translation loss realised and transferred to profit and loss account	-	-	8	-	8	-	8
	-	(2,257)	1,278	-	(979)	157	(822)
Profit for the period	-	-	-	12,888	12,888	968	13,856
As at 30 September 2006	393,213	56,542	(23,428)	341,684	768,011	47,743	815,754
Fair value changes on available-for-sale investments	-	(14,112)	-	-	(14,112)	-	(14,112)
Fair value gain realised and transferred to profit and loss account upon disposal of investment	-	(249)	-	-	(249)	-	(249)
Fair value change on cashflow hedges	-	14	-	-	14	-	14
Exchange differences arising on consolidation	-	-	(12,202)	-	(12,202)	(1,521)	(13,723)
	-	(14,347)	(12,202)	-	(26,549)	(1,521)	(28,070)
Loss for the period	-	-	-	(2,162)	(2,162)	553	(1,609)
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

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

	Share capital	Capital reserves	Revenue reserves	Total
	S\$'000	S\$'000	S\$'000	S\$'000
2007				
As at 1 July 2007	318,774	6,211	257,216	582,201
Fair value gain realised and transferred to profit and loss account	-	(2,948)	-	(2,948)
	-	(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 investments	-	6,824	-	6,824
Fair value gain realised and transferred to profit and loss account	-	(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

2006	Share capital S\$'000	Capital reserves S\$'000	Revenue reserves S\$'000	Total S\$'000
As at 1 July 2006	393,213	1,897	257,577	652,687
Profit for the period	-	-	5,079	5,079
As at 30 September 2006	393,213	1,897	262,656	657,766
Fair value changes on available-for-sale investments	-	2,231	-	2,231
Fair value gain realised and transferred to profit and loss account	-	(249)	-	(249)
	-	1,982	-	1,982
Loss for the period	-	-	(10,562)	(10,562)
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

4c. Share capital

Since 30 June 2007, no shares were issued by virtue of the exercise of options to take up unissued shares of the Company. As at 31 December 2007, there were unexercised options for 240,000 (December 2006: 255,000) of unissued ordinary shares under the Keppel Marine Share Option Scheme 1990 and 38 million warrants (December 2006: 240 million) to subscribe for 38 million ordinary shares.

The issued share capital of the Company as at 31 December 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 2007.

8. CHANGES IN THE ACCOUNTING POLICIES

Not applicable

9. REVIEW OF GROUP PERFORMANCE

Group revenue from continuing operations for 2Q FY2008 and the half year ended 31 December 2007 of \$131.0 million and \$174.0 million, respectively, represent an increase of 204.2% and 84.8% as compared to the corresponding periods in the previous year. As compared to the previous year, Group operating profit from continuing operations improved by 249.5% to \$63.6 million for the second quarter and 100.8% to \$83.8 million for the half year ended 31 December 2007.

The improved revenue and operating profit was attributable mainly to Helm’s sale of its investment in DM&E, which resulted in revenue and operating profit of \$92.8 million and \$48.2 million, respectively. This was partially offset by a decrease in Helm’s leasing revenue.

Discontinued operations contributed revenue of \$115.2 million and an operating profit of \$3.9 million for the half year which was principally a result of the Mid Pac sale. The gain from the sale of Mid Pac was negatively impacted by the realisation of translation adjustments of \$7.7 million.

The Group achieved profit before tax (PBT) of \$55.6 million for 2Q FY2008 as compared to \$2.0 million for the same period in the prior year. For the half year, PBT amounted to \$68.6 million, which was a 226.1% increase over the corresponding period last year. The improved results were due mainly to the sale of DM&E, lower interest expense, and less of a negative impact associated with foreign exchange movements partially offset by lower leasing revenue from Helm and the loss of contributions from Mid Pac due to its sale on 31 August 2007.

The Group’s EBITDA for continuing operations improved by 220.2% to \$72.6 million for the second quarter and 71.4% to \$103.9 million for the half year.

Profit attributable to shareholders (PATMI) for 2Q FY2008 was \$25.9 million as compared to a loss of \$2.2 million in the corresponding prior period. For the half year, PATMI amounted to \$29.1 million, which was a 171.2% increase over the corresponding period last year. PATMI from continuing operations for the half year ended 31 December 2007 was \$30.3 million as compared to \$6.1 million in the prior corresponding period, which is an increase of 401.6%.

Basic earnings per share (EPS) for the Group for half year ended 31 December 2007 increased to 1.37 cents from 0.56 cents, a 144.6% increase from the prior year.

In the opinion of the Directors, no factor has arisen between 31 December 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 subsidiary, Helm Holding Corporation, is anticipated to continue to contribute positively to the results of the Group although we expect that its leasing operations will continue to be impacted by a slowdown in the US economy.

Management will continue to be pro-active with the current investments and seek to enhance shareholder value.

12. DIVIDENDS

12a. Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? Yes

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

With the disposal of Helm Holding Corp’s investment in Dakota, Minnesota & Eastern Railroad Corporation, the Directors are pleased to declare an interim one-tier exempt special dividend of 3 cents per share.

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

3 March 2008

12d. Books Closure Date

Notice is hereby given that, the Share Transfer Books and Register of Members of the Company will be closed on 22 February 2008 to determine shareholders' entitlement to the interim dividend. Duly completed transfers received by the Company's Registrar, B.A.C.S. Private Limited, at 63 Cantonment Road, Singapore 089758 up to 5.00 p.m. on 21 February 2008 will be registered to determine shareholders' entitlement to the interim dividend. In respect of ordinary shares in securities accounts with The Central Depository (Pte) Ltd (CDP), the interim dividend will be paid by the Company to CDP which will in turn distribute the dividend entitlements to shareholders.

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

Dividend has been declared, see paragraph 12a.

13. SEGMENT ANALYSIS

BUSINESS SEGMENT

The Group has segmented its continuing operations into Energy, Transportation Leasing and Investments. The Group's Energy segment reflects its 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.

Half year ended 31 December

	Continuing Operations			Discontinued Operation	Total Operations
	Energy	Transportation Leasing	Investments		
	\$'000	\$'000	\$'000	\$'000	\$'000
2007					
Revenue	-	162,459	11,573	174,032	289,258
Results					
Operating profit	-	74,644	9,198	83,842	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	68,587
Other information					
Segment assets	84,922	740,148	459,993	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	84,922	778,317	461,879	1,325,118	1,325,118
Segment liabilities	-	328,766	4,126	332,892	332,892
Net tax provision & deferred taxation	12,777	183,935	47,617	244,329	244,329
Total	12,777	512,701	51,743	577,221	577,221
Net assets	72,145	265,616	410,136	747,897	747,897
Capital expenditure	-	11,024	-	11,024	11,678
Depreciation and amortisation	-	(23,370)	(23)	(23,393)	(23,943)

Half year ended 31 December

	Continuing Operations				Total \$'000	Discontinued Operation \$'000	Total Operations \$'000
	Energy \$'000	Transportation Leasing \$'000	Investments \$'000	Elimination \$'000			
2006							
Revenue	<u>392</u>	<u>77,902</u>	<u>15,870</u>	<u>-</u>	<u>94,164</u>	<u>128,458</u>	<u>222,622</u>
Results							
Operating profit	392	33,007	8,358	-	41,757	7,744	49,501
Finance expenses	-	(23,508)	-	-	(23,508)	-	(23,508)
Foreign exchange loss	-	-	(8,640)	-	(8,640)	-	(8,640)
Share of results of associated company and joint ventures	-	3,680	-	-	3,680	-	3,680
Profit before taxation	<u>392</u>	<u>13,179</u>	<u>(282)</u>	<u>-</u>	<u>13,289</u>	<u>7,744</u>	<u>21,033</u>
Other information							
Segment assets	169,537	818,018	403,303	(47,054)	1,343,804	-	1,343,804
Investment in associated company and joint ventures	-	80,434	-	-	80,434	-	80,434
Tax recoverable	-	-	2,504	-	2,504	-	2,504
Total	<u>169,537</u>	<u>898,452</u>	<u>405,807</u>	<u>(47,054)</u>	<u>1,426,742</u>	<u>-</u>	<u>1,426,742</u>
Segment liabilities	64,476	496,145	8,164	(47,054)	521,731	-	521,731
Net tax provision & deferred taxation	<u>20,325</u>	<u>164,313</u>	<u>43,445</u>	<u>-</u>	<u>228,083</u>	<u>-</u>	<u>228,083</u>
Total	<u>84,801</u>	<u>660,458</u>	<u>51,609</u>	<u>(47,054)</u>	<u>749,814</u>	<u>-</u>	<u>749,814</u>
Net assets	<u>84,736</u>	<u>237,994</u>	<u>354,198</u>	<u>-</u>	<u>676,928</u>	<u>-</u>	<u>676,928</u>
Capital expenditure	-	60,162	4	-	60,166	3,801	63,967
Depreciation and amortisation	-	(23,745)	(67)	-	(23,812)	(1,598)	(25,410)

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.

Half year ended 31 December

2007	Singapore	USA	China/ Hong Kong	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Continuing operations					
External revenue	377	164,982	2,457	6,216	174,032
Segment assets	255,299	967,531	51,437	10,796	1,285,063
Capital expenditure	-	11,024	-	-	11,024
Discontinued operations					
External revenue	-	115,226	-	-	115,226
Segment assets	-	-	-	-	-
Capital expenditure	-	654	-	-	654

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	7,758	82,796	3,383	227	94,164
Segment assets	17,686	1,313,422	4,271	8,425	1,343,804
Capital expenditure	1	60,165	-	-	60,166
Discontinued operations					
External revenue	-	128,458	-	-	128,458
Segment assets	-	-	-	-	-
Capital expenditure	-	3,801	-	-	3,801

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 07 to 31 Dec 07 \$'000	1 Jul 06 to 31 Dec 06 \$'000	1 Jul 07 to 31 Dec 07 \$'000	1 Jul 06 to 31 Dec 06 \$'000
General transactions				
KCL Group	-	-	469	697
Greenstreet Partners *	-	-	3,565	3,766
Corporate treasury transactions				
KCL Group	-	-	45,053	16,095
Total	-	-	49,087	20,558

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


BY ORDER OF THE BOARD

Lawrence Chan
Company Secretary
4-Feb-2008

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 2007 financial results to be false or misleading.

On behalf of the board of directors



STEVEN JAY GREEN
Chairman

Singapore
4 Feb 2008



TEO SOON HOE
Director