SILK HOLDINGS BERHAD (405897-V) (Incorporated in Malaysia) UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2011 CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individu	al Quarter	Cumulative Quarter			
	Current Year Preceding Yea Quarter Corresponding		Current Year To Date	Preceding Year Corresponding		
	30-Apr-2011 RM '000	Ouarter 30-Apr-2010 RM '000	30-Apr-2011 RM '000	Period 30-Apr-2010 RM '000		
Revenue	63,105	57,908	181,835	164,326		
Direct costs	(26,906)	(26,785)	(75 <i>,</i> 485)	(80,040)		
Gross profit	36,199	31,123	106,350	84,286		
Other items of income						
Interest income	127	182	616	268		
Other income	117	10,970	1,897	22,215		
Other item of expenses						
Staff expenses	(4,075)	(3,588)	(11,601)	(8,655)		
Administrative expenses	(1,150)	(965)	(3,446)	(2,519)		
Professional fees	(385)	(346)	(709)	(814)		
	(5,610)	(4,899)	(15,756)	(11,988)		
EBITDA	30,833	37,376	93,107	94,781		
Depreciation	(9,950)	(5,236)	(23 <i>,</i> 874)	(16,415)		
Amortisation	(3,136)	(1,401)	(9 <i>,</i> 058)	(3,548)		
Provision for heavy repairs	(594)	-	(1,782)	-		
Finance costs	(22,614)	(19,502)	(64,287)	(46,875)		
	(36,294)	(26,138)	(99,001)	(66,838)		
(Loss)/profit before taxation	(5,461)	11,238	(5 <i>,</i> 894)	27,942		
Taxation	(659)	(4,082)	(4,666)	(10,468)		
Net (loss)/profit for the period	(6,120)	7,155	(10,561)	17,474		
Net (loss)/profit and total comprehensive						
income attributable to:						
Owners of the parent	(5,012)	3,218	(9,324)	7,100		
Minority interest	(1,108)	3,938	(1,237)	10,374		
	(6,120)	7,155	(10,561)	17,474		
(Loss)/earnings per share (sen)						
- basic	(1.31)	0.86	(2.45)	2.20		
- diluted	(0.75)	0.50	(1.33)	1.21		

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 July 2010 and the accompanying explanatory notes attached to the interim financial statements.

SILK HOLDINGS BERHAD (405897-V) (Incorporated in Malaysia) UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2011 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30-Apr-2011 RM '000	As at 31-Jul-2010 RM '000
Assets		
Non-current assets		
Expressway development expenditure	904,490	915,238
Property, vessels and equipment	843,061	684,765
Expressway heavy repairs	-	1,521
Other investments	584	600
Goodwill on consolidation	647	647
	1,748,782	1,602,771
Current accets		
Current assets Inventories	166	166
Trade receivables	63,042	57,169
Other receivables	3,063	32,067
Tax recoverable	1,519	1,677
Deposits with licensed financial institutions	27,905	15,300
Cash and bank balances	16,237	12,538
	111,932	118,917
Total assets	1,860,714	1,721,688
Equity and liabilities		
Equity attributable to equity		
holders of the Company		
Share capital	99,262	96,959
Share premium	53,670	53 <i>,</i> 649
Equity component of loan stocks	38,457	37,271
Equity component of preference shares	1,901	2,158
Employee trust shares	(6,688)	(6,688)
Retained earnings/(accumulated losses)	41,060	55,989
Reverse acquisition deficit	(92,791)	(92,791)
	134,871	146,547
Minority interests	63,565	45,825
Total equity	198,436	192,372
Non-current liabilities		
Borrowings	1,224,630	1,191,300
Deferred tax liabilities	44,242	39,615
Retirement benefits obligation	3,044	2,176
Provision for heavy repairs	1,439	-
Deferred income	1,556	
	1,274,911	1,233,091
Current liabilities		
Borrowings	56,691	44,444
Trade payables	35,977	39,310
Other payables	294,086	211,618
Provision for taxation	<u>613</u> 387,367	<u> </u>
Total liabilities	1,662,278	1,529,316
Total equity and liabilities	1,860,714	1,721,688
Net assets per share attributable to		
equity holders of the Company	RM 0.34	RM 0.38

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 July 2010 and the accompanying explanatory notes attached to the interim financial statements.

SILK HOLDINGS BERHAD (Company No: 405897-V) Incorporated in Malaysia

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2011

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	←	/		Attributable to equity ho	lders of the Comp	any —	Distributed	\longrightarrow		
	Share capital RM'000	Share premium RM'000	Employee trust shares RM'000	Non - distributable Equity component of preference shares RM'000	Equity component of loan stocks RM'000	Reverse acquisition deficit RM'000	Distributable Retained earnings RM'000	Total net equity funds RM'000	Minority interests RM'000	Total equity funds RM'000
At 1 August 2010	96,959	53,649	(6,688)	2,158	37,271	(92,791)	55,989	146,547	45,825	192,372
Effect of adopting IC Interpretation 12 Effect of adopting FRS 139 At 1 August 2010 (restated)	- - 96,959	- - 53,649	- - (6,688)	- - 2,158		- - (92,791)	(5,589) (16) 50,384	(5,589) (16) 140,942	- - 45,825	(5,589) (16) 186,767
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	(9,324)	(9,324)	(1,237)	(10,561)
Transaction with Owners: Conversion of CC-RPS Issuance of Ioan stocks Issuance of new shares of subsidiaries Dividends paid to minority interest	2,303 - - - 2,303	21 - - - - 21	- - - -	(257) - - - (257)	- 1,186 - - 1,186	- - - -		2,067 1,186 - - - 3,253	- 20,777 (1,800) 18,977	2,067 1,186 20,777 (1,800) 22,230
At 30 April 2011	99,262	53,670	(6,688)	1,901	38,457	(92,791)	41,060	134,871	63,565	198,436
At 1 Agust 2009	90,000	53,632	-	-	-	-	36,737	180,369	-	180,369
Total comprehensive income for the period Transaction with Owners:	-	-	-	-	-	-	7,100	7,100	10,374	17,474
Par value reduction Conversion of R-CULS Issue of preference shares Acquisition of AQL Aman Sdn Bhd	(45,000) 4,959 - 43,750	- - 33,250	- - - (6,688)	- - 3,088 -	- - - 6,943	- - - (113,953)	- - -	(45,000) 4,959 3,088 (36,698)	- - - 35,420	(45,000) 4,959 3,088 (1,278)
Issue of loan stocks Issue of new shares of subsidiaries Dividends paid to minority interest	- - - 3,709	- - 33,250	- - - (6,688)	- - - 3,088	95 - - 7,038	- - - (113,953)	- - - -	95 - - (73,556)	- 40 (1,800) 33,660	95 40 (1,800) (39,896)
At 30 April 2010	93,709	86,882	(6,688)	3,088	7,038	(113,953)	43,837	113,913	44,034	157,947

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 July 2010 and the accompanying explanatory notes attached to the interim financial statements.

SILK HOLDINGS BERHAD (405897-V) (Incorporated in Malaysia) UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2011 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	9 months ended		
	30-Apr-2011	30-Apr-2010	
	RM '000	RM '000	
CASH FLOWS FROM OPERATING ACTIVITIES			
Collection of revenue	175,221	171,403	
Collection of other income	3,913	2,200	
	179,134	173,603	
Payment of expenses	(95,796)	(90,192)	
Tax (paid)/refunded	(121)	(200)	
Net cash generated from operating activities	83,217	83,211	
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, vessels and equipment	29,900	-	
Minority shareholders investment in subsidiaries	20,777	40	
Purchase of property, vessels and equipment	(121,344)	(108,007)	
Payment of expressway heavy repairs	(1,442)	(1,122)	
Net cash used in investing activities	(72,109)	(109,089)	
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue of shares	-	4,959	
Drawdown of borrowings	80,261	96,695	
Repayment of borrowings	(32,825)	(22,881)	
Payment of finance costs	(40,441)	(24,854)	
Dividends paid by a subsidiary to a minority shareholder	(1,800)	(1,800)	
Net cash generated from/(used in) financing activities	5,195	52,119	
NET INCREASE IN CASH AND CASH EQUIVALENTS	16,304	26,241	
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	27,839	6,761	
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	44,142	33,002	
Cash and cash equivalents at end of the financial period comprise the following:-	2		

	30-Apr-2011 RM '000	30-Apr-2010 RM '000
Short term deposits	27,905	18,263
Cash and bank balances	16,237	14,739
	44,142	33,002

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 July 2010 and the accompanying explanatory notes attached to the interim financial statements.