

SILK HOLDINGS BERHAD (405897-V)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2012

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-Apr-2012 RM '000	Preceding Year Corresponding Quarter 30-Apr-2011 RM '000	Current Year To Date 30-Apr-2012 RM '000	Preceding Year Corresponding Period 30-Apr-2011 RM '000
Revenue	91,497	63,105	254,244	181,835
Direct costs	(31,776)	(26,906)	(87,825)	(75,485)
Gross profit	59,721	36,199	166,419	106,350
Other items of income:				
Interest income	197	127	819	616
Other income	365	117	768	1,897
Other item of expenses:				
Staff expenses	(5,529)	(4,075)	(16,211)	(11,601)
Administrative expenses	(1,300)	(1,150)	(6,506)	(3,446)
Professional fees	(404)	(385)	(1,171)	(709)
	(7,233)	(5,610)	(23,888)	(15,756)
EBITDA	53,050	30,833	144,118	93,107
Depreciation	(16,651)	(9,950)	(44,649)	(23,874)
Amortisation	(2,989)	(3,136)	(8,737)	(9,058)
Provision for heavy repairs	-	(594)	-	(1,782)
Finance costs	(27,028)	(22,614)	(78,313)	(64,287)
	(46,668)	(36,294)	(131,699)	(99,001)
Profit/(loss) before taxation	6,382	(5,461)	12,419	(5,894)
Taxation	(272)	(659)	(3,041)	(4,666)
Net profit/(loss) for the period	6,110	(6,120)	9,378	(10,560)
Net profit/(loss) and total comprehensive income attributable to:				
Owners of the parent	2,293	(5,012)	1,847	(9,324)
Non-controlling interests	3,817	(1,108)	7,531	(1,236)
	6,110	(6,120)	9,378	(10,560)
Earnings/(loss) per share (sen)				
- basic	0.60	(1.31)	0.48	(2.45)
- diluted	0.40	(0.75)	0.42	(1.33)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 July 2011 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 2012**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	30-Apr-2012 RM '000	Audited 31-Jul-2011 RM '000
Assets		
Non-current assets		
Concession intangible assets	892,935	901,648
Property, vessels and equipment	908,712	871,329
Goodwill on consolidation	647	647
Other investments	-	600
	<u>1,802,294</u>	<u>1,774,224</u>
Current assets		
Inventories	778	168
Trade and other receivables	119,905	56,380
Tax recoverable	1,317	1,743
Deposits with licensed financial institutions	32,029	52,546
Cash and bank balances	7,150	12,198
	<u>161,179</u>	<u>123,035</u>
Non-current assets classified as held for sale	1,071	1,071
Total assets	<u>1,964,544</u>	<u>1,898,330</u>
Equity and liabilities		
Equity attributable to equity holders of the Company		
Share capital	99,262	99,262
Share premium	53,670	53,670
Equity component of loan stocks	37,271	37,271
Equity component of preference shares	1,901	1,901
Employee trust shares	(6,688)	(6,688)
Retained earnings/(accumulated losses)	37,383	35,536
Reverse acquisition deficit	(92,791)	(92,791)
	<u>130,008</u>	<u>128,161</u>
Non-controlling interests	74,117	63,560
Total equity	<u>204,125</u>	<u>191,721</u>
Non-current liabilities		
Borrowings	1,393,458	1,361,901
Liability component of convertible preference shares	14,176	13,426
Liability component of convertible loan stocks	5,860	5,547
Deferred tax liabilities	48,809	46,490
Retirement benefits obligation	3,593	3,334
Provision for heavy repairs	2,487	3,703
	<u>1,468,383</u>	<u>1,434,401</u>
Current liabilities		
Borrowings	82,093	68,808
Trade and other payables	79,258	91,169
Ijarah rental payable	129,991	112,195
Provision for taxation	694	36
	<u>292,036</u>	<u>272,208</u>
Total liabilities	<u>1,760,419</u>	<u>1,706,609</u>
Total equity and liabilities	<u>1,964,544</u>	<u>1,898,330</u>
Net assets per share attributable to equity holders of the Company	<u>RM 0.51</u>	<u>RM 0.48</u>

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SILK HOLDINGS BERHAD (Company No: 405897-V)

Incorporated in Malaysia

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2012

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to equity holders of the Company →						Distributable	Non-Controlling interests	Total
	← Non - distributable →								
	Share capital RM'000	Share premium RM'000	Employee trust shares RM'000	Equity component of preference shares RM'000	Equity component of loan stocks RM'000	Reverse acquisition deficit RM'000	Retained earnings RM'000	RM'000	RM'000
At 1 August 2011	99,262	53,670	(6,688)	1,901	37,271	(92,791)	35,536	63,560	191,721
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	1,847	7,531	9,378
Transaction with Owners:									
Contribution by non-controlling shareholders	-	-	-	-	-	-	-	3,626	3,626
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(600)	(600)
	-	-	-	-	-	-	-	3,026	3,026
At 30 April 2012	99,262	53,670	(6,688)	1,901	37,271	(92,791)	37,383	74,117	204,125
At 1 August 2010	96,959	53,649	(6,688)	2,157	37,271	(92,791)	55,989	45,825	192,371
Effect of adopting IC Interpretation 12	-	-	-	-	-	-	(9,217)	-	(9,217)
At 1 August 2010 (restated)	96,959	53,649	(6,688)	2,157	37,271	(92,791)	46,772	45,825	183,154
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	(9,324)	(1,236)	(10,560)
Transaction with Owners:									
Conversion of CC-RPS	2,303	21	-	(256)	-	-	-	-	2,068
Issuance of new shares of subsidiaries	-	-	-	-	-	-	-	20,777	20,777
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(1,800)	(1,800)
	2,303	21	-	(256)	-	-	-	18,977	21,045
At 30 April 2011	99,262	53,670	(6,688)	1,901	37,271	(92,791)	37,448	63,566	193,639

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 July 2011 and the accompanying explanatory notes attached to the interim financial statements.

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(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2012**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	30-Apr-2012 RM '000	30-Apr-2011 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Collection of revenue	195,024	175,221
Collection of other income	1,534	3,913
	<u>196,558</u>	<u>179,134</u>
Payment of expenses	(115,382)	(95,796)
Tax recovered/(paid)	363	(121)
Net cash generated from operating activities	<u>81,539</u>	<u>83,217</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of investments	600	-
Proceeds from sale of property, vessels and equipment	177	29,900
Capital contributions by non-controlling interests	3,626	20,777
Purchase of property, vessels and equipment	(91,650)	(121,344)
Payment of expressway heavy repairs and upgrade of toll collection system	(1,386)	(1,442)
Net cash used in investing activities	<u>(88,633)</u>	<u>(72,109)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of borrowings	93,995	80,261
Repayment of borrowings	(49,154)	(32,825)
Payment of finance costs	(62,712)	(40,441)
Dividends paid to non-controlling interest	(600)	(1,800)
Net cash generated from financing activities	<u>(18,471)</u>	<u>5,195</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(25,565)	16,303
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	64,744	27,839
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	39,179	44,142

Cash and cash equivalents at end of the financial period comprise the following:-

	30-Apr-2012 RM '000	30-Apr-2011 RM '000
Short term deposits	32,029	27,905
Cash and bank balances	7,150	16,237
	<u>39,179</u>	<u>44,142</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 July 2011 and the accompanying explanatory notes attached to the interim financial statements.