

GIBSON, DUNN & CRUTCHER LLP

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Proposed Attorneys for the Debtors
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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	:	
IN RE:	:	Chapter 11
	:	
ARCAPITA BANK B.S.C.(c), et al.,	:	Case No. 12-11076 (SHL)
	:	
Debtors.	:	Joint Administration Requested
	:	
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NOTICE OF FILING OF BUDGET TO DEBTORS' MOTION FOR INTERIM AND FINAL ORDERS (A) AUTHORIZING DEBTORS TO (I) CONTINUE EXISTING CASH MANAGEMENT SYSTEM, BANK ACCOUNTS, AND BUSINESS FORMS AND (II) CONTINUE ORDINARY COURSE INTERCOMPANY TRANSACTIONS; AND (B) GRANTING AN EXTENSION OF TIME TO COMPLY WITH THE REQUIREMENTS OF SECTION 345(B) OF THE BANKRUPTCY CODE

Pursuant to the Interim Order Granting (A) Authorizing Debtors to (I) Continue Existing Cash Management System, Bank Accounts, and Business Forms and (II) Continue Ordinary Course Intercompany Transactions; and (B) Granting an Extension of Time to Comply with the Requirements of Section 345(b) of the Bankruptcy Code (“*Cash Management Interim Order*”) (Docket Entry No. 22) signed on March 22, 2012, Arcapita Bank B.S.C.(c) and its affiliated chapter 11 debtors, as debtors and debtors in possession, hereby file their Budget for the period from the Petition Date through the week of April 15, 2012.

Dated: New York, New York
March 27, 2012

Respectfully submitted,

/s/ Michael A. Rosenthal

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PROPOSED ATTORNEYS FOR THE DEBTORS
AND DEBTORS IN POSSESSION

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Arcapita 4 Week Budget

As of: 3/27/2012

		Week:					
		Actual	1	2	3	4	Forecast
		18-Mar	25-Mar	1-Apr	8-Apr	15-Apr	Total
Inflows							
1	Proceeds from Exits	\$ 3.0	\$ 2.9	\$ -	\$ -	\$ -	\$ 5.9
2	Management Fees	-	0.1	2.4	2.9	0.2	5.6
3	Yield from Deal Companies	-	0.2	-	-	-	0.2
4	Other	0.1	0.5	-	-	-	0.6
Total Inflows		\$ 3.1	\$ 3.6	\$ 2.4	\$ 2.9	\$ 0.2	\$ 12.2
Outflows							
Operating and financing costs							
	G&A Expenses	\$ -	\$ (0.7)	\$ (0.4)	\$ (0.1)	\$ (0.4)	\$ (1.6)
	Staff Expenses	-	(0.2)	(0.1)	(0.5)	(1.4)	(2.2)
5	Critical/Foreign Vendors / Prepetition Wages, Salaries and Other	-	(0.8)	(0.8)	(0.8)	(0.8)	(3.0)
6	Other	-	(0.2)	-	-	-	(0.2)
7	Funding of AIHL provisional liquidation	-	(1.0)	-	-	-	(1.0)
Total Operating and financing costs		\$ -	\$ (2.9)	\$ (1.2)	\$ (1.3)	\$ (2.5)	\$ (8.0)
Deal Funding							
8	Arcapita Int'l Luxury Residential Dev I (Castello)	\$ -	\$ -	\$ -	\$ -	\$ (0.4)	\$ (0.4)
9	Arcapita Int'l Luxury Residential Dev I (Aspen Valley Ranch)	-	-	-	-	(0.3)	(0.3)
10	Arcapita European Industrial Development II	-	-	(2.0)	-	-	(2.0)
11	European Industrial Portfolio	-	-	(0.7)	-	-	(0.7)
12	Arcapita GCC Utilities Development I	-	-	-	-	(1.1)	(1.1)
13	Falcon Gas Storage Company, Inc.	-	(0.1)	-	-	-	(0.1)
14	Arcapita Ventures	-	-	-	(0.9)	-	(0.9)
Total Deal Funding		\$ -	\$ (0.1)	\$ (2.6)	\$ (0.9)	\$ (1.8)	\$ (5.4)
Total Outflows		\$ -	\$ (3.0)	\$ (3.9)	\$ (2.2)	\$ (4.3)	\$ (13.4)
Net Cash Inflow/(Outflow)		\$ 3.1	\$ 0.7	\$ (1.5)	\$ 0.7	\$ (4.1)	\$ (1.2)
Cumulative Net Cash Inflow (Outflow)		\$ 3.1	\$ 3.7	\$ 2.2	\$ 2.9	\$ (1.2)	\$ (1.2)

Comment:

Amounts presented above reflect cash in- and outflows between filing date through April 17, and do not present accrual accounting in accordance US-GAAP

Notes:

- [1] Includes \$5.9 MM from the sale by non-subsiary of a condominiums at the Elysian project.
- [2] Management fees represent recurring fees earned by Non-Debtor subsidiaries for rendering management and administrative services.
- [3] Yield from Deal Companies represent yield and dividends received by Non-Debtor subsidiaries on investments in Arcapita UK Senior Living I.
- [4] Includes amounts refunded by the payroll administrator for duplicate payroll wire transfer.
- [5] Per the Critical and Foreign Vendors motion and the Prepetition Wages, Salaries and Reimbursable Employee Expenses motion.
- [6] Adequate protection payment on secured SCB bank.
- [7] Estimated professional costs related to the AIHL provisional liquidation.
- [8] Contractual amounts per terms of loan restructuring agreement with existing lenders. Non-payment would trigger default under financing documents and would allow the lenders to accelerate and foreclose on the property.
- [9] Non-payment would trigger default under financing documents and would allow the lenders to accelerate and foreclose on the property.
- [10] Contractual requirement to fund on a monthly basis. Damages would result from breach.
- [11] Includes professional payments related to preparing three portfolio companies to go public currently targeted for H2 2012.
- [12] Contractual requirement to fund under the (i) EPC contracts signed with contractors and (ii) concession agreements signed with the master developers. Non-payment would likely cause work stoppage and would put at risk the entire capital invested to date in the project.
- [13] Represents settlement of certain litigation related to 2010 Falcon transaction, if funding request not met could lead to Company incurring further litigation and additional legal expenses and risk of larger claim against assets of Falcon.
- [14] Represents contractual additional funding requirements for Fidelis (\$550k share of \$3 million bridge round) and FrameMax (\$350k share of \$1 million round). Not meeting these requirements could lead to Arcapita's position being wiped out (Fidelis) or the Company (FrameMax) filing for Chapter 7.