

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

	X	
In re:	:	Chapter 11
	:	
AEID II Holdings Limited,	:	Case No: 12-11080 (SHL)
	:	
Debtor.	:	
	X	

**Monthly Operating Report For the Period
From February 1, 2013 to February 28, 2013**

DEBTOR'S POSTAL ADDRESS: AEID II Holdings Limited
c/o Arcapita Bank B.S.C.(c)
Arcapita Building, Bahrain Bay
P.O. Box 1406, Manama
Kingdom of Bahrain
Telephone: +973 17218333
Facsimile: +973 17217555

DEBTOR'S REGISTERED ADDRESS:
AEID II Holdings Limited
Boundary Hall, Cricket Square
P.O.Box 1111, Grand Cayman
KY 1-1102, Cayman Islands
Tel: +1 345 949 5122
Fax: +1345 949 7920

DEBTOR'S ATTORNEYS: Michael A. Rosenthal (MR-7006)
Craig H. Millet (admitted pro hac vice)
Janet M. Weiss (JW-5460)
Matthew K. Kelsey (MK-3137)
GIBSON, DUNN & CRUTCHER LLP
200 Park Avenue
New York, New York 10166-0193
Telephone: (212) 351-4000
Facsimile: (212) 351-4035

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

/s/ Essa Zainal
Essa Zainal
Head of Financial Control
Arcapita Bank B.S.C.(c)

3/15/2013

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re AEID II Holdings Limited
Debtor

Case No. 12-11080 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

Federal Tax I.D. # N/A

CORPORATE MONTHLY OPERATING REPORT

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1		x
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CONT)		x
Copies of bank statements			x
Cash disbursements journals			x
Statement of Operations	MOR-2	x	
Balance Sheet	MOR-3	x	
Status of Post-petition Taxes	MOR-4	x	
Copies of IRS Form 6123 or payment receipt			x
Copies of tax returns filed during reporting period			x
Summary of Unpaid Post-petition Debts	MOR-4		x
Listing of Aged Accounts Payable			x
Accounts Receivable Reconciliation and Aging	MOR-5	x	
Taxes Reconciliation and Aging	MOR-5	x	
Payments to Insiders and Professionals	MOR-6	x	
Post Petition Status of Secured Notes, Leases Payable	MOR-6	x	
Debtor Questionnaire	MOR-7	x	

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re AEID II Holdings Limited
Debtor

Case No. 12-11080 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

Federal Tax I.D. # N/A

General Note:

The financial statements and supplemental information contained herein are preliminary, unaudited and may not comply in all material respects with generally accepted accounting principles ("GAAP") in the United States ("U.S.").

The unaudited financial statements have been derived from the books and records of AEID II Holdings Limited (the "Debtor"). This information, however has not been subject to certain procedures that would typically be applied to financial information in accordance with U.S. or other GAAP, and upon application of such procedures (e.g., asset impairment), the Debtor believes that the financial information could be subject to changes, and these changes could be material. The information furnished in this report includes normal recurring adjustments but does not include all adjustments that would typically be made for financial information in accordance with U.S. or other regional GAAP.

The results of operations contained herein are not necessarily indicative of results which may be expected for any other period or for the full year and may not necessarily reflect the consolidated results of operations and financial positions of the Debtor in the future.

In re AEID II Holdings Limited
Debtor

Case No. 12-11080 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

AEID II Holdings Limited is a wholly owned subsidiary of Arcapita LT Holdings Limited. In the reporting period February 1, 2013 to February 28, 2013, all payments and receipts were handled through the use of inter-company accounts with Arcapita Bank B.S.C.(c).

In re AEID II Holdings Limited
Debtor

Case No. 12-11080 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

BANK RECONCILIATIONS
Continuation Sheet for MOR-1

AEID II Holdings Limited is a wholly owned subsidiary of Arcapita LT Holdings Limited. In the reporting period February 1, 2013 to February 28, 2013, all payments and receipts were handled through the use of inter-company accounts with Arcapita Bank B.S.C.(c).

In re AEID II Holdings Limited
Debtor

Case No. 12-11080 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

STATEMENT OF OPERATIONS (Income Statement)
(in US Dollars)

For the Period
02/01/2013 - 02/28/2013

Total income		\$	-
General & Administrative expense	Note 1	\$	(1,577)
Fair valuation of Investment	Note 2		(85,590,042)
Total Expenses		\$	(85,591,618)
Net income (loss)		\$	(85,591,618)

Notes:

1. This consist of rent expense to Arcapita Inc., payment to U.S. Trustee Program and fees to Paget Brown.
2. Fair value adjustment to the carrying (book) value of the asset based on internal review.

In re AEID II Holdings Limited

Case No. 12-11080 (SHL)

Debtor

Reporting Period: 02/01/2013 - 02/28/2013

BALANCE SHEET
(in US Dollars)

		<u>As of 2/28/2013</u>
ASSETS		
Advance to AEID II Holding Company Limited	Note 1	\$ 16,436
Investment in AEID II Holding Company Limited	Note 2	122,808,427
Investment in BT Holding Company Inc		10,000
TOTAL ASSETS		\$ 122,834,863
LIABILITIES		
Post petition liabilities	Note 1	14,825
TOTAL POST-PETITION LIABILITIES		14,825
Liabilities subject to compromise	Note 1	29,743
TOTAL LIABILITIES		44,568
TOTAL EQUITY		122,790,295
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		\$ 122,834,863

Notes:

1. Change in value from previous month is solely due to foreign exchange translation.
2. Change in value from previous month is due to the fair valuation of investments.

In re AEID II Holdings Limited
Debtor

Case No. 12-11080 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

STATUS OF POST-PETITION TAXES

Federal	Beginning Tax	Amount Withheld and/or Accrued	Amount Paid	Ending Tax
Total Taxes				

Notes:

1. AEID II Holdings is incorporated in the Cayman Islands, a tax free jurisdiction.

SUMMARY OF PRE-PETITION DEBTS

DESCRIPTION	Total
AP - Product	-
AP - Legal & Professional Fees	-
AP - Intercompany	29,743
TOTAL LIABILITIES SUBJECT TO COMPROMISE	\$ 29,743

Notes:

1. AEID II Holdings Limited has contingent liabilities which arise from its role as a guarantor for certain liabilities of Arcapita Bank B.S.C.(c). These contingent guarantees are not reflected in the balance sheet.

In re AEID II Holdings Limited
Debtor

Case No. 12-11080 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	\$ -
Plus: Amounts billed during the period	-
Less: Amounts collected during the period	-
Less: Amounts written off during the period	-
Less: Amounts reserved during the period	-
Change in store accounts receivable, net	-
Total Accounts Receivable at the end of the reporting period	\$ -

Accounts Receivable Aging	02/28/2013
0 - 30 days old	\$ -
31 - 60 days old	-
61 - 90 days old	-
91 - 120 days old	-
121+ days old	-
Total Aged Accounts Receivable	-
Store Accounts Receivable	-
Total Accounts Receivable	-
Less: Bad Debts (Amount considered uncollectible)	-
Net Accounts Receivable	\$ -

TAXES RECONCILIATION AND AGING

Taxes Payable	Current	1-30 Days	31-60 Days	61-90 Days	91+ Days	Total
Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State and Local	-	-	-	-	-	\$ -
Other	-	-	-	-	-	\$ -
Total Taxes Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

1. AEID II Holdings Limited is incorporated in the Cayman Islands, a tax free jurisdiction.

In re AEID II Holdings Limited
Debtor

Case No. 12-11080 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

PAYMENTS TO INSIDERS AND PROFESSIONALS

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
See note below			
TOTAL PAYMENTS TO INSIDERS			

Notes:
1. No payments incurred during this period.

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID*
See note below					
TOTAL PAYMENTS TO PROFESSIONALS					

* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

Notes:
1. No payments incurred during this period but retention of certain professionals has been approved by the Court.

POST-PETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENT DUE	AMOUNT PAID DURING MONTH	TOTAL UNPAID POST-PETITION
See note below			
TOTAL PAYMENTS		\$ -	\$ -

Notes:
1. No payments were made to secured creditors within this time period.

In re AEID II Holdings Limited
Debtor

Case No. 12-11080 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

DEBTOR QUESTIONNAIRE

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.	Yes	No
1 Have any assets been sold or transferred outside the normal course of business this reporting period?		X
2 Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		X
3 Is the Debtor delinquent in the timely filing of any post-petition tax returns?		X
4 Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		X
5 Is the Debtor delinquent in paying any insurance premium payment?		X
6 Have any payments been made on pre-petition liabilities this reporting period?		X
7 Are any post petition receivables (accounts, notes or loans) due from related parties?		X
8 Are any post petition payroll taxes past due?		X
9 Are any post petition State or Federal income taxes past due?		X
10 Are any post petition real estate taxes past due?		X
11 Are any other post petition taxes past due?		X
12 Have any pre-petition taxes been paid during this reporting period?		X
13 Are any amounts owed to post petition creditors delinquent?		X
14 Are any wage payments past due?		X
15 Have any post petition loans been received by the Debtor from any party?		X
16 Is the Debtor delinquent in paying any U.S. Trustee fees?		X
17 Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		X
18 Have the owners or shareholders received any compensation outside of the normal course of business?		X

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	:	Chapter 11
	:	
Falcon Gas Storage Company, Inc.	:	Case No: 12-11790 (SHL)
	:	
Debtor.	:	
	X	

**Monthly Operating Report For the Period
From February 1, 2013 to February 28, 2013**

DEBTOR'S POSTAL ADDRESS: Falcon Gas Storage Company, Inc.
75 14th Street
24th Floor
Atlanta, GA 30309
Tel: (404) 920 9000
Fax: (404) 920 9001

DEBTOR'S REGISTERED ADDRESS:
Falcon Gas Storage Company, Inc.
75 14th Street
24th Floor
Atlanta, GA 30309
Tel: (404) 920 9000
Fax: (404) 920 9001

DEBTOR'S ATTORNEYS: Michael A. Rosenthal (MR-7006)
Craig H. Millet (admitted pro hac vice)
Janet M. Weiss (JW-5460)
Matthew K. Kelsey (MK-3137)
GIBSON, DUNN & CRUTCHER LLP
200 Park Avenue
New York, New York 10166-0193
Telephone: (212) 351-4000
Facsimile: (212) 351-4035

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

/s/ Essa Zainal
Essa Zainal
Head of Financial Control
Arcapita Bank B.S.C.(c)

3/15/2013

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Falcon Gas Storage Company, Inc.
Debtor

Case No. 12-11790 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

Federal Tax I.D. # 76-0656572

CORPORATE MONTHLY OPERATING REPORT

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	x	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CONT)	x	
Copies of bank statements			x
Cash disbursements journals			x
Statement of Operations	MOR-2	x	
Balance Sheet	MOR-3	x	
Status of Post-petition Taxes	MOR-4	x	
Copies of IRS Form 6123 or payment receipt			x
Copies of tax returns filed during reporting period			x
Summary of Unpaid Post-petition Debts	MOR-4		x
Listing of Aged Accounts Payable			x
Accounts Receivable Reconciliation and Aging	MOR-5	x	
Taxes Reconciliation and Aging	MOR-5	x	
Payments to Insiders and Professionals	MOR-6	x	
Post Petition Status of Secured Notes, Leases Payable	MOR-6	x	
Debtor Questionnaire	MOR-7	x	

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Falcon Gas Storage Company, Inc.
Debtor

Case No. 12-11790 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

Federal Tax I.D. # 76-0656572

General Note:

The financial statements and supplemental information contained herein are preliminary and unaudited.

The results of operations contained herein are not necessarily indicative of results which may be expected for any other period or for the full year and may not necessarily reflect the consolidated results of operations and financial positions of the Debtor in the future.

In re Falcon Gas Storage Company, Inc.
Debtor

Case No. 12-11790 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Bank Accounts	Opening balance as at 2/1/2013	Receipts	Transfers	Disbursements	FX Fluctuation	Closing balance as at 2/28/2013
JP Morgan Chase - 816818207	29,875	-	-	(8,167)	-	21,707
JP Morgan Chase - 2909243137	588,461	90	-	-	-	588,551
Total Operating Accounts	618,336	90	-	(8,167)	-	610,259

Notes:

1. The receipt is interest income (\$90.13).
2. The disbursements are for consulting and accounting fees as well as account analysis and settlement charges.

In re Falcon Gas Storage Company, Inc.
Debtor

Case No. 12-11790 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

BANK RECONCILIATIONS
Continuation Sheet for MOR-1

GL#	Bank Name	Bank Balance	Deposits & Transfers in Transit	O/S, Bank Service Charges, Adjustments to GL	Other Reconciling Items	GL Balance
100-061	JP Morgan Chase - 816818207	21,707.33	-	-	-	21,707.33
	JP Morgan Chase - 2909243137	588,551.23	-	-	-	588,551.23
	Total Cash & Cash Equivalents	610,258.56	-	-	-	610,258.56

In re Falcon Gas Storage Company, Inc.
Debtor

Case No. 12-11790 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

STATEMENT OF OPERATIONS (Income Statement)
(in US Dollars)

For the Period
2/1/2013 - 2/28/2013

Income	Note 1	90
Total Income		\$ 90
Operating expenses	Note 2	(5,586)
Total Expenses		\$ (5,586)
Net income (loss)		\$ (5,496)

Notes:

1. The income pertains to interest income in the amount of \$90.13.
2. Operating expenses comprise consulting fees in connection with management of Falcon as well as bank service charges.

In re Falcon Gas Storage Company, Inc.
Debtor

Case No. 12-11790 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

BALANCE SHEET
(in US Dollars)

		<u>As of 2/28/2013</u>
ASSETS		
Cash		\$ 610,259
Other current assets	Note 1	92,058,487
Fixed assets		8,311
TOTAL ASSETS		\$ 92,677,056
LIABILITIES		
Post petition liabilities		\$ 748,405
Accrued liabilities		1,140,000
Deferred tax liability	Note 2	4,623,787
TOTAL POST-PETITION LIABILITIES		\$ 6,512,192
Liabilities subject to Compromise		\$ 16,186
TOTAL LIABILITIES		\$ 6,528,378
TOTAL EQUITY		\$ 86,148,678
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		\$ 92,677,056

Notes:

1. This includes \$15,170,785.65 of cash on deposit with Arcapita Bank B.S.C.(c) as well as a receivable for approximately \$70 million which is currently held in an escrow account pending the resolution of ongoing litigation.
2. The deferred tax liabilities pertains to a gain on installment sale.

In re Falcon Gas Storage Company, Inc.
Debtor

Case No. 12-11790 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

STATUS OF POST-PETITION TAXES

Federal	Beginning Tax	Amount Withheld and/or Accrued	Amount Paid	Ending Tax
Total Taxes				

Notes:

SUMMARY OF PRE-PETITION DEBTS

<u>DESCRIPTION</u>	Total
AP - Product	-
AP - Legal & Professional Fees	16,186
AP - Intercompany	-
TOTAL LIABILITIES SUBJECT TO COMPROMISE	\$ 16,186

Notes:

In re Falcon Gas Storage Company, Inc.
Debtor

Case No. 12-11790 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	\$ -
Plus: Amounts billed during the period	-
Less: Amounts collected during the period	-
Less: Amounts written off during the period	-
Less: Amounts reserved during the period	-
Change in store accounts receivable, net	-
Total Accounts Receivable at the end of the reporting period	\$ -

Accounts Receivable Aging	2/28/2013
0 - 30 days old	\$ -
31 - 60 days old	-
61 - 90 days old	-
91 - 120 days old	-
121+ days old	-
Total Aged Accounts Receivable	-
Store Accounts Receivable	-
Total Accounts Receivable	-
Less: Bad Debts (Amount considered uncollectible)	-
Net Accounts Receivable	\$ -

TAXES RECONCILIATION AND AGING

Taxes Payable	Current	1-30 Days	31-60 Days	61-90 Days	91+ Days	Total
Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State and Local	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Taxes Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

In re Falcon Gas Storage Company, Inc.
Debtor

Case No. 12-11790 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

PAYMENTS TO INSIDERS AND PROFESSIONALS

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
See note below			
TOTAL PAYMENTS TO INSIDERS			

Notes:

1. No payments incurred during this period.

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID*
See note below					
TOTAL PAYMENTS TO PROFESSIONALS					

* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

Notes:

1. No payments made during this period.

POST-PETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENT DUE	AMOUNT PAID DURING MONTH	TOTAL UNPAID POST-PETITION
See note below			
TOTAL PAYMENTS		\$ -	\$ -

Notes:

1. No payments were made to secured creditors within this time period.

In re Falcon Gas Storage Company, Inc.
Debtor

Case No. 12-11790 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

DEBTOR QUESTIONNAIRE

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.	Yes	No
1 Have any assets been sold or transferred outside the normal course of business this reporting period?		X
2 Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		X
3 Is the Debtor delinquent in the timely filing of any post-petition tax returns?		X
4 Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		X
5 Is the Debtor delinquent in paying any insurance premium payment?		X
6 Have any payments been made on pre-petition liabilities this reporting period?		X
7 Are any post petition receivables (accounts, notes or loans) due from related parties?		X
8 Are any post petition payroll taxes past due?		X
9 Are any post petition State or Federal income taxes past due?		X
10 Are any post petition real estate taxes past due?		X
11 Are any other post petition taxes past due?		X
12 Have any pre-petition taxes been paid during this reporting period?		X
13 Are any amounts owed to post petition creditors delinquent?		X
14 Are any wage payments past due?		X
15 Have any post petition loans been received by the Debtor from any party?		X
16 Is the Debtor delinquent in paying any U.S. Trustee fees?		X
17 Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		X
18 Have the owners or shareholders received any compensation outside of the normal course of business?		X

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	:	Chapter 11
	:	
RaillInvest Holdings Limited,	:	Case No: 12-11081 (SHL)
	:	
Debtor.	:	
	X	

**Monthly Operating Report For the Period
From February 1, 2013 to February 28, 2013**

DEBTOR'S POSTAL ADDRESS: RaillInvest Holdings Limited
c/o Arcapita Bank B.S.C.(c)
Arcapita Building, Bahrain Bay
P.O. Box 1406, Manama
Kingdom of Bahrain
Telephone: +973 17218333
Facsimile: +973 17217555

DEBTOR'S REGISTERED ADDRESS:
RaillInvest Holdings Limited
Boundary Hall, Cricket Square
P.O.Box 1111, Grand Cayman
KY 1-1102, Cayman Islands.
Tel: +1 345 949 5122
Fax: +1345 949 7920

DEBTOR'S ATTORNEYS: Michael A. Rosenthal (MR-7006)
Craig H. Millet (admitted pro hac vice)
Janet M. Weiss (JW-5460)
Matthew K. Kelsey (MK-3137)
GIBSON, DUNN & CRUTCHER LLP
200 Park Avenue
New York, New York 10166-0193
Telephone: (212) 351-4000
Facsimile: (212) 351-4035

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

/s/ Essa Zainal
Essa Zainal
Head of Financial Control
Arcapita Bank B.S.C.(c)

3/15/2013

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re RailInvest Holdings Limited
Debtor

Case No. 12-11081 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

Federal Tax I.D. # N/A

CORPORATE MONTHLY OPERATING REPORT

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1		x
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CONT)		x
Copies of bank statements			x
Cash disbursements journals			x
Statement of Operations	MOR-2	x	
Balance Sheet	MOR-3	x	
Status of Post-petition Taxes	MOR-4	x	
Copies of IRS Form 6123 or payment receipt			x
Copies of tax returns filed during reporting period			x
Summary of Unpaid Post-petition Debts	MOR-4		x
Listing of Aged Accounts Payable			x
Accounts Receivable Reconciliation and Aging	MOR-5	x	
Taxes Reconciliation and Aging	MOR-5	x	
Payments to Insiders and Professionals	MOR-6	x	
Post Petition Status of Secured Notes, Leases Payable	MOR-6	x	
Debtor Questionnaire	MOR-7	x	

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re RailInvest Holdings Limited
Debtor

Case No. 12-11081 (SHL)

Reporting Period: 02/01/2013 - 02/28/2013

Federal Tax I.D. # N/A

General Note:

The financial statements and supplemental information contained herein are preliminary, unaudited and may not comply in all material respects with generally accepted accounting principles ("GAAP") in the United States ("U.S.").

The unaudited financial statements have been derived from the books and records of RailInvest Holdings Limited (the "Debtor"). This information, however has not been subject to certain procedures that would typically be applied to financial information in accordance with U.S. or other GAAP, and upon application of such procedures (e.g., asset impairment), the Debtor believes that the financial information could be subject to changes, and these changes could be material. The information furnished in this report includes normal recurring adjustments but does not include all adjustments that would typically be made for financial information in accordance with U.S. or other regional GAAP.

The results of operations contained herein are not necessarily indicative of results which may be expected for any other period or for the full year and may not necessarily reflect the consolidated results of operations and financial positions of the Debtor in the future.

In re RailInvest Holdings Limited
Debtor

Case No. 12-11081 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

RailInvest Holdings Limited is a wholly owned subsidiary of Arcapita LT Holdings Limited. In the reporting period February 1, 2013 to February 28, 2013, all payments and receipts were handled through the use of inter-company accounts with Arcapita Bank B.S.C.(c).

In re RailInvest Holdings Limited
Debtor

Case No. 12-11081 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

BANK RECONCILIATIONS
Continuation Sheet for MOR-1

RailInvest Holdings Limited is a wholly owned subsidiary of Arcapita LT Holdings Limited. In the reporting period February 1, 2013 to February 28, 2013, all payments and receipts were handled through the use of inter-company accounts with Arcapita Bank B.S.C.(c).

In re RailInvest Holdings Limited
Debtor

Case No. 12-11081 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

STATEMENT OF OPERATIONS (Income Statement)
(in US Dollars)

For the Period
02/01/2013 - 02/28/2013

Fair valuation of Investment	Note 1	\$	7,114,636
Total Income		\$	7,114,636
General & Administrative expense	Note 2	\$	(2,091)
Total Expenses		\$	(2,091)
Net income (loss)		\$	7,112,546

Notes:

1. Fair value adjustment to the carrying (book) value of the asset based on internal review.
2. This consist of rent expense to Arcapita Inc. and annual fees to Paget Brown.

In re RailInvest Holdings Limited

Debtor

Case No. 12-11081 (SHL)

Reporting Period: 02/01/2013 - 02/28/2013

BALANCE SHEET
(in US Dollars)

			<u>As of 02/28/2013</u>
ASSETS			
Investment in RailInvest Funding Limited	Note 1	\$	80,587,714
Investment in BT Holding Company Inc			10,000
TOTAL ASSETS		\$	80,597,714
LIABILITIES			
Post petition liabilities	Note 2	\$	10,963
TOTAL POST-PETITION LIABILITIES			10,963
Liabilities subject to Compromise	Note 2	\$	14,208
TOTAL LIABILITIES			25,171
TOTAL EQUITY			80,572,542
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		\$	80,597,714

Notes:

1. Change in value from previous period is due to the fair valuation of investments.
2. Change in value from previous month is solely due to foreign exchange translation.

In re RailInvest Holdings Limited
Debtor

Case No. 12-11081 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

STATUS OF POST-PETITION TAXES

Federal	Beginning Tax	Amount Withheld and/or Accrued	Amount Paid	Ending Tax
Total Taxes				

Notes:

1. RailInvest Holdings Limited is incorporated in the Cayman Islands, a tax free jurisdiction.

SUMMARY OF PRE-PETITION DEBTS

DESCRIPTION	Total
AP - Product	-
AP - Legal & Professional Fees	-
AP - Intercompany	14,208
TOTAL LIABILITIES SUBJECT TO COMPROMISE	\$ 14,208

Notes:

1. RailInvest Holdings Limited has contingent liabilities which arise from its role as a guarantor for certain liabilities of Arcapita Bank B.S.C.(c). These contingent guarantees are not reflected in the balance sheet.

In re RailInvest Holdings Limited
Debtor

Case No. 12-11081 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	\$ -
Plus: Amounts billed during the period	-
Less: Amounts collected during the period	-
Less: Amounts written off during the period	-
Less: Amounts reserved during the period	-
Change in store accounts receivable, net	-
Total Accounts Receivable at the end of the reporting period	\$ -

Accounts Receivable Aging	02/28/2013
0 - 30 days old	\$ -
31 - 60 days old	-
61 - 90 days old	-
91 - 120 days old	-
121+ days old	-
Total Aged Accounts Receivable	-
Store Accounts Receivable	-
Total Accounts Receivable	-
Less: Bad Debts (Amount considered uncollectible)	-
Net Accounts Receivable	\$ -

TAXES RECONCILIATION AND AGING

Taxes Payable	Current	1-30 Days	31-60 Days	61-90 Days	91+ Days	Total
Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State and Local	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Taxes Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

1. RailInvest Holdings Limited is incorporated in the Cayman Islands, a tax free jurisdiction.

In re RailInvest Holdings Limited
Debtor

Case No. 12-11081 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

PAYMENTS TO INSIDERS AND PROFESSIONALS

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
See note below			
TOTAL PAYMENTS TO INSIDERS			

Notes:

1. No payments incurred during this period.

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID*
See note below					
TOTAL PAYMENTS TO PROFESSIONALS					

* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

Notes:

1. No payments incurred during this period but retention of certain professionals has been approved by the Court.

POST-PETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENT DUE	AMOUNT PAID DURING MONTH	TOTAL UNPAID POST-PETITION
See note below			
TOTAL PAYMENTS		\$ -	\$ -

Notes:

1. No payments were made to secured creditors within this time period.

In re RailInvest Holdings Limited
Debtor

Case No. 12-11081 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

DEBTOR QUESTIONNAIRE

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.	Yes	No
1 Have any assets been sold or transferred outside the normal course of business this reporting period?		X
2 Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		X
3 Is the Debtor delinquent in the timely filing of any post-petition tax returns?		X
4 Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		X
Is the Debtor delinquent in paying any insurance premium payment?		X
6 Have any payments been made on pre-petition liabilities this reporting period?		X
7 Are any post petition receivables (accounts, notes or loans) due from related parties?		X
8 Are any post petition payroll taxes past due?		X
9 Are any post petition State or Federal income taxes past due?		X
10 Are any post petition real estate taxes past due?		X
11 Are any other post petition taxes past due?		X
12 Have any pre-petition taxes been paid during this reporting period?		X
13 Are any amounts owed to post petition creditors delinquent?		X
14 Are any wage payments past due?		X
15 Have any post petition loans been received by the Debtor from any party?		X
16 Is the Debtor delinquent in paying any U.S. Trustee fees?		X
17 Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		X
18 Have the owners or shareholders received any compensation outside of the normal course of business?		X

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	:	Chapter 11
	:	
WindTurbine Holdings Limited,	:	Case No: 12-11079 (SHL)
	:	
Debtor.	:	
	X	

**Monthly Operating Report For the Period
From February 1, 2013 to February 28, 2013**

DEBTOR'S POSTAL ADDRESS: WindTurbine Holdings Limited
C/O Arcapita Bank B.S.C.(c)
Arcapita Building, Bahrain Bay
P.O. Box 1406, Manama
Kingdom of Bahrain
Telephone: +973 17218333
Facsimile: +973 17217555

DEBTOR'S REGISTERED ADDRESS:
WindTurbine Holdings Limited
Boundary Hall, Cricket Square,
P.O.Box 1111, Grand Cayman,
KY 1-1102, Cayman Islands.
Tel: +1 345 949 5122
Fax: +1 345 949 7920

DEBTOR'S ATTORNEYS: Michael A. Rosenthal (MR-7006)
Craig H. Millet (admitted pro hac vice)
Janet M. Weiss (JW-5460)
Matthew K. Kelsey (MK-3137)
GIBSON, DUNN & CRUTCHER LLP
200 Park Avenue
New York, New York 10166-0193
Telephone: (212) 351-4000
Facsimile: (212) 351-4035

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

/s/ Essa Zainal
Essa Zainal
Head of Financial Control
Arcapita Bank B.S.C.(c)

3/15/2013

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re WindTurbine Holdings Limited
Debtor

Case No. 12-11079 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

Federal Tax I.D. # N/A

CORPORATE MONTHLY OPERATING REPORT

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1		x
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CONT)		x
Copies of bank statements			x
Cash disbursements journals			x
Statement of Operations	MOR-2	x	
Balance Sheet	MOR-3	x	
Status of Post-petition Taxes	MOR-4	x	
Copies of IRS Form 6123 or payment receipt			x
Copies of tax returns filed during reporting period			x
Summary of Unpaid Post-petition Debts	MOR-4		x
Listing of Aged Accounts Payable			x
Accounts Receivable Reconciliation and Aging	MOR-5	x	
Taxes Reconciliation and Aging	MOR-5		x
Payments to Insiders and Professionals	MOR-6		x
Post Petition Status of Secured Notes, Leases Payable	MOR-6		x
Debtor Questionnaire	MOR-7	x	

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re WindTurbine Holdings Limited
Debtor

Case No. 12-11079 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

Federal Tax I.D. # N/A

General Note:

The financial statements and supplemental information contained herein are preliminary, unaudited and may not comply in all material respects with generally accepted accounting principles ("GAAP") in the United States ("U.S.").

The unaudited financial statements have been derived from the books and records of WindTurbine Holdings Limited (the "Debtor"). This information, however has not been subject to certain procedures that would typically be applied to financial information in accordance with U.S. or other GAAP, and upon application of such procedures (e.g., asset impairment), the Debtor believes that the financial information could be subject to changes, and these changes could be material. The information furnished in this report includes normal recurring adjustments but does not include all adjustments that would typically be made for financial information in accordance with U.S. or other regional GAAP.

The results of operations contained herein are not necessarily indicative of results which may be expected for any other period or for the full year and may not necessarily reflect the consolidated results of operations and financial positions of the Debtor in the future.

In re WindTurbine Holdings Limited
Debtor

Case No. 12-11079 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

WindTurbine Holdings Limited is a wholly owned subsidiary of Arcapita LT Holdings Limited. In the reporting period February 1, 2013 to February 28, 2013, all payments and receipts were handled through the use of inter-company accounts with Arcapita Bank B.S.C.(c).

In re WindTurbine Holdings Limited
Debtor

Case No. 12-11079 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

BANK RECONCILIATIONS
Continuation Sheet for MOR-1

WindTurbine Holdings Limited is a wholly owned subsidiary of Arcapita LT Holdings Limited. In the reporting period February 1, 2013 to February 28, 2013, all payments and receipts were handled through the use of inter-company accounts with Arcapita Bank B.S.C.(c).

In re WindTurbine Holdings Limited
Debtor

Case No. 12-11079 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

STATEMENT OF OPERATIONS (Income Statement)
(in US Dollars)

For the Period
02/01/2013 - 02/28/2013

Total Income		\$	-
General & Administrative expenses	Note 1	\$	(2,017)
Fair valuation of Investment	Note 2		(99,179,470)
Total Expenses		\$	(99,181,487)
Net income (loss)		\$	(99,181,487)

Notes:

1. This consist of rent expense to Arcapita Inc. and annual fees to Paget Brown.
2. Fair value adjustment to the carrying (book) value of the asset based on internal review.

In re WindTurbine Holdings Limited
Debtor

Case No. 12-11079 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

BALANCE SHEET
(in US Dollars)

		<u>As of 02/28/2013</u>
ASSETS		
Investment in WindTurbine Holding Company Limited	Note 1	\$ 85,140,769
Investment in BT Holding Company Inc		10,000
TOTAL ASSETS		\$ 85,150,769
LIABILITIES		
Post petition liabilities		15,346
TOTAL POST-PETITION LIABILITIES		15,346
Liabilities subject to Compromise		18,777
TOTAL LIABILITIES		34,123
TOTAL EQUITY		85,116,647
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		\$ 85,150,769

Notes:

1. The difference from the previous period relates to the fair valuation of investments.

In re WindTurbine Holdings Limited
Debtor

Case No. 12-11079 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

STATUS OF POST-PETITION TAXES

Federal	Beginning Tax	Amount Withheld and/or Accrued	Amount Paid	Ending Tax
Total Taxes				

Notes:

1. WindTurbine Holdings Limited is incorporated in the Cayman Islands, a tax free jurisdiction.

SUMMARY OF PRE-PETITION DEBTS

DESCRIPTION	Total
AP - Product	-
AP - Legal & Professional Fees	-
AP - Intercompany	18,777
TOTAL LIABILITIES SUBJECT TO COMPROMISE	\$ 18,777

Notes:

1. WindTurbine Holdings Limited has contingent liabilities which arise from its role as a guarantor for certain liabilities of Arcapita Bank B.S.C.(c). These contingent guarantees are not reflected in the balance sheet.

In re WindTurbine Holdings Limited
Debtor

Case No. 12-11079 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	\$ -
Plus: Amounts billed during the period	-
Less: Amounts collected during the period	-
Less: Amounts written off during the period	-
Less: Amounts reserved during the period	-
Change in store accounts receivable, net	-
Total Accounts Receivable at the end of the reporting period	\$ -

Accounts Receivable Aging	02/28/2013
0 - 30 days old	\$ -
31 - 60 days old	-
61 - 90 days old	-
91 - 120 days old	-
121+ days old	-
Total Aged Accounts Receivable	-
Store Accounts Receivable	-
Total Accounts Receivable	-
Less: Bad Debts (Amount considered uncollectible)	-
Net Accounts Receivable	\$ -

TAXES RECONCILIATION AND AGING

Taxes Payable	Current	1-30 Days	31-60 Days	61-90 Days	91+ Days	Total
Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State and Local	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Taxes Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

1. WindTurbine Holdings Limited is incorporated in the Cayman Islands, a tax free jurisdiction.

In re WindTurbine Holdings Limited
Debtor

Case No. 12-11079 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

PAYMENTS TO INSIDERS AND PROFESSIONALS

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
See note below			
TOTAL PAYMENTS TO INSIDERS			

Notes:

1. No payments incurred during this period.

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID*
See note below					
TOTAL PAYMENTS TO PROFESSIONALS					

* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

Notes:

1. No payments incurred during this period but retention of certain professionals has been approved by the Court.

POST-PETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENT DUE	AMOUNT PAID DURING MONTH	TOTAL UNPAID POST-PETITION
See note below			
TOTAL PAYMENTS		\$ -	\$ -

Notes:

1. No payments were made to secured creditors within this time period.

In re WindTurbine Holdings Limited
Debtor

Case No. 12-11079 (SHL)
Reporting Period: 02/01/2013 - 02/28/2013

DEBTOR QUESTIONNAIRE

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.	Yes	No
1 Have any assets been sold or transferred outside the normal course of business this reporting period?		X
2 Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		X
3 Is the Debtor delinquent in the timely filing of any post-petition tax returns?		X
4 Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		X
5 Is the Debtor delinquent in paying any insurance premium payment?		X
6 Have any payments been made on pre-petition liabilities this reporting period?		X
7 Are any post petition receivables (accounts, notes or loans) due from related parties?		X
8 Are any post petition payroll taxes past due?		X
9 Are any post petition State or Federal income taxes past due?		X
10 Are any post petition real estate taxes past due?		X
11 Are any other post petition taxes past due?		X
12 Have any pre-petition taxes been paid during this reporting period?		X
13 Are any amounts owed to post petition creditors delinquent?		X
14 Are any wage payments past due?		X
15 Have any post petition loans been received by the Debtor from any party?		X
16 Is the Debtor delinquent in paying any U.S. Trustee fees?		X
17 Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		X
18 Have the owners or shareholders received any compensation outside of the normal course of business?		X

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

	X	
In re:	:	Chapter 11
	:	
Arcapita Investment Holdings Limited,	:	Case No: 12-11077 (SHL)
	:	
Debtor.	:	
	X	

**Monthly Operating Report For the Period
From February 1, 2013 to February 28, 2013**

DEBTOR'S ADDRESS: Arcapita Investment Holdings Limited
 c/o Arcapita Bank B.S.C.(c)
 Arcapita Building, Bahrain Bay
 P.O. Box 1406, Manama
 Kingdom of Bahrain
 Telephone: +973 17218333
 Facsimile: +973 17217555

DEBTOR'S REGISTERED ADDRESS:
 Arcapita Investment Holdings Limited
 Boundary Hall, Cricket Square
 P.O.Box 1111, Grand Cayman
 KY 1-1102, Cayman Islands
 Tel: +1 345 949 5122
 Fax: +1 345 949 7920

DEBTOR'S ATTORNEYS: Michael A. Rosenthal (MR-7006)
 Craig H. Millet (admitted pro hac vice)
 Janet M. Weiss (JW-5460)
 Matthew K. Kelsey (MK-3137)
 GIBSON, DUNN & CRUTCHER LLP
 200 Park Avenue
 New York, New York 10166-0193
 Telephone: (212) 351-4000
 Facsimile: (212) 351-4035

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

/s/ Essa Zainal
Essa Zainal
Head of Financial Control
Arcapita Bank B.S.C.(c)

3/15/2013

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Arcapita Investment Holdings Limited
Debtor

Case No. 12-11077 (SHL)
Reporting Period: 2/1/2013- 2/28/2013

Federal Tax I.D. # N/A

CORPORATE MONTHLY OPERATING REPORT

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	x	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CONT)	x	
Copies of bank statements			x
Cash disbursements journals			x
Statement of Operations	MOR-2	x	
Balance Sheet	MOR-3	x	
Status of Post-petition Taxes	MOR-4	x	
Copies of IRS Form 6123 or payment receipt			x
Copies of tax returns filed during reporting period			x
Summary of Unpaid Post-petition Debts	MOR-4		x
Listing of Aged Accounts Payable			x
Accounts Receivable Reconciliation and Aging	MOR-5	x	
Taxes Reconciliation and Aging	MOR-5	x	
Payments to Insiders and Professionals	MOR-6	x	
Post Petition Status of Secured Notes, Leases Payable	MOR-6	x	
Debtor Questionnaire	MOR-7	x	

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Arcapita Investment Holdings Limited
Debtor

Case No. 12-11077 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

Federal Tax I.D. # N/A

General Note:

The financial statements and supplemental information contained herein are preliminary, unaudited and may not comply in all material respects with generally accepted accounting principles ("GAAP") in the United States ("U.S."). In certain instances, accounting principles or concepts, specific to the region (e.g., Murabaha) are used.

The unaudited financial statements have been derived from the books and records of Arcapita Investment Holdings Limited ("AIHL" or the "Debtor"). This information, however has not been subject to certain procedures that would typically be applied to financial information in accordance with U.S. or other GAAP, and upon application of such procedures (e.g., asset impairment), the Debtor believes that the financial information could be subject to changes, and these changes could be material. The information furnished in this report includes normal recurring adjustments but does not include all adjustments that would typically be made for financial information in accordance with U.S. or other regional GAAP.

The results of operations contained herein are not necessarily indicative of results which may be expected for any other period or for the full year and may not necessarily reflect the consolidated results of operations and financial positions of the Debtor in the future.

In re Arcapita Investment Holdings Limited
Debtor

Case No. 12-11077 (SHL)
Reporting Period: 2/1/2013- 2/28/2013

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

(in US Dollar millions)

Bank Accounts	Opening balance as at 02/01/2013	Receipts	Transfers	Disbursements	FX Fluctuation	Closing balance as at 02/28/2013
JP Morgan Chase	94.0	-	(6.7)	(1.9)	-	85.4
HSBC	3.4	-	-	(3.1)	-	0.4
Total Operating Accounts	97.4	-	(6.7)	(5.0)	-	85.8

Notes:

1. Transfers relate to funds moved from AIHL to Arcapita Bank and subsidiaries \$6.7M.
2. Disbursements include \$3.1M professional fees (\$1.6M Zolfo Cooper; \$1.3M Sidley Ausin & \$0.1M Campbells); \$1.2M DIP interest; & \$0.7M deal funding (\$392K US Res Dev II & \$294K AEID II).

In re Arcapita Investment Holdings Limited
Debtor

Case No. 12-11077 (SHL)
Reporting Period: 2/1/2013- 2/28/2013

BANK RECONCILIATIONS
(in US Dollar millions)

GL#	Bank Name	Bank Balance	Deposits & Transfers in Transit	O/S, Bank Service Charges, Adjustments to GL	Other Reconciling Items	GL Balance
3-1-301101-111003-0	JP Morgan Chase	85.4	-	-	-	85.4
3-1-1-301101-111228-0	HSBC	0.4	-	-	-	0.4
	Total Cash & Cash Equivalents	85.8	-	-	-	85.8

In re Arcapita Investment Holdings Limited
Debtor

Case No. 12-11077 (SHL)
Reporting Period: 2/1/2013- 2/28/2013

STATEMENT OF OPERATIONS (Income Statement)
(in US Dollars)

		For the Period	
		<u>2/1/2013- 2/28/2013</u>	
Profit expenses from short term deposits	Note 1	\$	(1,064,208)
General and administration expenses	Note 2	\$	(3,369,886)
Total Expenses		\$	(4,434,095)
Net income before Foreign exchange movements		\$	(4,434,095)
Foreign exchange movements	Note 3	\$	(7,061,434)
Net income		\$	(11,495,528)

Notes:

1. Profit expenses from short term deposit relates to accrued profits on DIP financing.
2. G&A exepenses largely pertain to professional fees.
3. Foreign exchange loss primarily relates to the unfavorable foreign currency movement exchange rates.

In re Arcapita Investment Holdings Limited
Debtor

Case No. 12-11077 (SHL)
Reporting Period: 2/1/2013- 2/28/2013

BALANCE SHEET
(in US Dollars)

		<u>02/28/2013</u>
ASSETS		
Cash and Balances with Bank		\$ 85,785,523
Receivables	Note 1	7,763,029
Investment in Portfolio Companies		544,043,170
Investment in Subsidiaries		2,119,525,411
Intercompany Receivables	Note 2	26,630,373
Other assets		52,899
TOTAL ASSETS		\$ 2,783,800,405
LIABILITIES		
Due to Other Institution	Note 3	114,592,423
Due to Deal companies	Note 4	238,419
Intercompany Payables	Note 5	33,288,296
Other Liabilities	Note 6	258,230
TOTAL POST-PETITION LIABILITIES		\$ 148,377,368
Liabilities Subject to Compromise		456,139,610
TOTAL LIABILITIES		\$ 604,516,978
EQUITY		
Share Capital		\$ 50,000
Share Premium		3,128,946,518
Reserves		(949,713,091)
TOTAL EQUITY		\$ 2,179,283,427
TOTAL EQUITY AND LIABILITIES		\$ 2,783,800,405

Notes:

1. Receivables consist of yield receivable from the underlying investment asset and expense reimbursement receivables from investment structure companies. The majority of these receivables are collectible on exit or disposal of the asset.

2. Intercompany receivables balances are comprised as follows:

Arcapita Bank B.S.C.(c)	25,300,916
Arcapita Industrial Management II Limited	1,325,457
Arcapita Investment Management Limited	4,000
	<u>26,630,373</u>

3. Amount related to the new DIP Facility.

4. The balance relates to Lusail.

5. Intercompany payables balances are comprised as follows:

Chicago Condominium WCF Limited	19,020,509
Arcapita Limited	5,459,400
Gas WCF Limited	3,136,575
US Senior Living WCF Limited	2,000,000
Arcapita Ventures I WCF Limited	1,933,626
Loghomes II WCF Limited	989,190
Condo Conversion WCF Limited	467,140
Aspen Valley Ranch WCF Limited	250,000
Arcapita LT Holdings Limited	22,865
Arcapita WCF Limited	8,990
	<u>33,288,296</u>

6. Other Liabilities balances are comprised as follows:

Accruals and vendor payables	258,230
	<u>258,230</u>

In re Arcapita Investment Holdings Limited
Debtor

Case No. 12-11077 (SHL)
Reporting Period: 2/1/2013- 2/28/2013

STATUS OF POST-PETITION TAXES

Federal	Beginning Tax	Amount Withheld and/or Accrued	Amount Paid	Ending Tax
Withholding				
FICA-Employee				
FICA-Employer				
Unemployment				
Income				
Other:				
Total Federal Taxes				
State and Local				
Withholding				
Sales				
Excise				
Unemployment				
Real Property				
Personal Property				
Other: Income/Franchise				
Total State and Local				
Total Taxes	\$ -	\$ -	\$ -	\$ -

Notes:

1. Arcapita Investment Holdings Limited is incorporated in the Cayman Islands, a tax free jurisdiction.

SUMMARY OF PRE-PETITION DEBTS

DESCRIPTION	Total
AP - Product	-
AP - Legal & Professional Fees	-
AP - Intercompany	456,139,610
TOTAL LIABILITIES SUBJECT TO COMPROMISE	\$ 456,139,610

Notes:

1. Arcapita Investment Holdings Limited pre-petition debts comprise largely of its inter-company account with its parent entity Arcapita Bank B.S.C.(c) and are not past due as of the date of reporting. The company also has contingent liabilities which arise from its role as a guarantor of Arcapita Bank B.S.C.(c). These contingent guarantees are not reflected in the balance sheet.

In re Arcapita Investment Holdings Limited
Debtor

Case No. 12-11077 (SHL)
Reporting Period: 2/1/2013-2/28/2013

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	\$ -
Plus: Amounts billed during the period	
Less: Amounts collected during the period	
Less: Amounts written off during the period	
Less: Amounts reserved during the period	
Change in store accounts receivable, net	
Total Accounts Receivable at the end of the reporting period	\$ -

Accounts Receivable Aging	2/28/2013
0 - 30 days old	\$ -
31 - 60 days old	-
61 - 90 days old	-
91 - 120 days old	-
121+ days old	-
Total Aged Accounts Receivable	-
Yield receivables	3,714,080
Expenses reimbursement receivable from Investment structure companies	4,048,949
Total Receivable	7,763,029
Less: Bad Debts (Amount considered uncollectible)	
Net Receivable	\$ 7,763,029

Notes:

1. Receivables consist of yield receivable from underlying investment asset and expense reimbursement receivables from investment structure companies. The majority of these receivable are collectible on exit or disposal of the asset.

TAXES RECONCILIATION AND AGING

Taxes Payable	Current	1-30 Days	31-60 Days	61-90 Days	91+ Days	Total
Federal						\$ -
State and Local						-
Other						
Total Taxes Payable						\$ -

Notes:

1. Arcapita Investment Holdings Limited is incorporated in the Cayman Islands, a tax free jurisdiction.

In re Arcapita Investment Holdings Limited
Debtor

Case No. 12-11077 (SHL)
Reporting Period: 2/1/2013- 2/28/2013

PAYMENTS TO INSIDERS AND PROFESSIONALS

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
See note below			
TOTAL PAYMENTS TO INSIDERS			

Notes:

1. No payments incurred during this period.

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID*
Zolfo Cooper			\$ 1,632,098	\$ 4,394,121	\$ 257,042
Sidley Austin			\$ 1,328,412	\$ 3,039,783	\$ -
Campbells			133,020	408,908	-
TOTAL PAYMENTS TO PROFESSIONALS					

* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

Notes:

- Per the Cayman rules, a court order for payment of the legal fees is only required if requested by the creditors committee in the Cayman proceedings of AIHL. Since no such committee exists, there is no court order associated with these payments.
- Total Paid To Date reflects payments through 3/2/2013
- Total Incurred & Unpaid reflects fee app/statement submissions through 3/2/2013

AND ADEQUATE PROTECTION PAYMENTS

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENT DUE	AMOUNT PAID DURING MONTH	TOTAL UNPAID POST-PETITION
See note below			
TOTAL PAYMENTS		\$ -	\$ -

Notes:

1. No payments were made to secured creditors within this time period.

In re Arcapita Investment Holdings Limited
Debtor

Case No. 12-11077 (SHL)
Reporting Period: 2/1/2013- 2/28/2013

DEBTOR QUESTIONNAIRE

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.	Yes	No
1 Have any assets been sold or transferred outside the normal course of business this reporting period?		X
2 Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		X
3 Is the Debtor delinquent in the timely filing of any post-petition tax returns?		X
4 Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		X
5 Is the Debtor delinquent in paying any insurance premium payment?		X
6 Have any payments been made on pre-petition liabilities this reporting period?		X
7 Are any post petition receivables (accounts, notes or loans) due from related parties?	X (Intercompany)	
8 Are any post petition payroll taxes past due?		X
9 Are any post petition State or Federal income taxes past due?		X
10 Are any post petition real estate taxes past due?		X
11 Are any other post petition taxes past due?		X
12 Have any pre-petition taxes been paid during this reporting period?		X
13 Are any amounts owed to post petition creditors delinquent?		X
14 Are any wage payments past due?		X
15 Have any post petition loans been received by the Debtor from any party?		X
16 Is the Debtor delinquent in paying any U.S. Trustee fees?		X
17 Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		X
18 Have the owners or shareholders received any compensation outside of the normal course of business?		X

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

	X	
In re:	:	Chapter 11
	:	
Arcapita LT Holdings Limited,	:	Case No: 12-11078 (SHL)
	:	
Debtor.	:	
	X	

**Monthly Operating Report For the Period
From February 1, 2013 to February 28, 2013**

DEBTOR'S ADDRESS: Arcapita LT Holdings Limited
 c/o Arcapita Bank B.S.C.(c)
 Arcapita Building, Bahrain Bay
 P.O. Box 1406, Manama
 Kingdom of Bahrain
 Telephone: +973 17218333
 Facsimile: +973 17217555

DEBTOR'S REGISTERED ADDRESS:
 c/o Arcapita Bank B.S.C.(c)
 Boundary Hall, Cricket Square
 P.O.Box 1111, Grand Cayman
 KY 1-1102, Cayman Islands
 Tel: +1 345 949 5122
 Fax: +1345 949 7920

DEBTOR'S ATTORNEYS: Michael A. Rosenthal (MR-7006)
 Craig H. Millet (admitted pro hac vice)
 Janet M. Weiss (JW-5460)
 Matthew K. Kelsey (MK-3137)
 GIBSON, DUNN & CRUTCHER LLP
 200 Park Avenue
 New York, New York 10166-0193
 Telephone: (212) 351-4000
 Facsimile: (212) 351-4035

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

/s/ Essa Zainal
Essa Zainal
Head of Financial Control
Arcapita Bank B.S.C.(c)

3/15/2013

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Arcapita LT Holdings Limited
Debtor

Case No. 12-11078 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

Federal Tax I.D. # N/A

CORPORATE MONTHLY OPERATING REPORT

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1		X
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CON'T)		X
Copies of bank statements			X
Cash disbursements journals			X
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Post-petition Taxes	MOR-4	X	
Copies of IRS Form 6123 or payment receipt			X
Copies of tax returns filed during reporting period			X
Summary of Unpaid Post-petition Debts	MOR-4		X
Listing of Aged Accounts Payable			X
Accounts Receivable Reconciliation and Aging	MOR-5	X	
Taxes Reconciliation and Aging	MOR-5	X	
Payments to Insiders and Professionals	MOR-6	X	
Post Petition Status of Secured Notes, Leases Payable	MOR-6	X	
Debtor Questionnaire	MOR-7	X	

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Arcapita LT Holdings Limited
Debtor

Case No. 12-11078 (SHL)
Reporting Period: 02/1/2013 - 2/28/2013

Federal Tax I.D. # N/A

General Note:

The financial statements and supplemental information contained herein are preliminary, unaudited and may not comply in all material respects with generally accepted accounting principles ("GAAP") in the United States ("U.S."). In certain instances, accounting principles or concepts, specific to the region (e.g., Murabaha) are used.

The unaudited financial statements have been derived from the books and records of Arcapita LT Holdings Limited (the "Debtor"). This information, however has not been subject to certain procedures that would typically be applied to financial information in accordance with U.S. or other GAAP, and upon application of such procedures (e.g., asset impairment), the Debtor believes that the financial information could be subject to changes, and these changes could be material. The information furnished in this report includes normal recurring adjustments but does not include all adjustments that would typically be made for financial information in accordance with U.S. or other regional GAAP.

The results of operations contained herein are not necessarily indicative of results which may be expected for any other period or for the full year and may not necessarily reflect the consolidated results of operations and financial positions of the Debtor in the future.

In re Arcapita LT Holdings Limited
Debtor

Case No. 12-11078 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
(in US Dollars)

Bank Accounts	Opening balance as at 2/01/2013	Receipts	Transfers	Disbursements	FX Fluctuation	Closing balance as at 2/28/2013
JP Morgan Chase Bank NA, NY	14,221,558	-	-	-	-	14,221,558
Sub-Total	14,221,558	-	-	-	-	14,221,558

In re Arcapita LT Holdings Limited
Debtor

Case No. 12-11078 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

BANK RECONCILIATIONS

(in US Dollars)

GL#	Bank Name	Bank Balance	Deposits & Transfers in	O/S, Bank Service Charges,	Other Reconciling	GL Balance
277-1-301101-111003-0	JP Morgan Chase Bank NA, NY	14,221,558				14,221,558
	Total Cash & Cash Equivalents	14,221,558	-	-	-	14,221,558

In re Arcapita LT Holdings Limited
Debtor

Case No. 12-11078 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

STATEMENT OF OPERATIONS (Income Statement)
(in US Dollars)

For the Period
2/1/2013 - 2/28/2013

General and administration expenses	Note 1	\$	(764)
Total Expenses		\$	(764)
Net income before Foreign exchange movements		\$	(764)
Foreign exchange movements	Note 2	\$	(7,567,447)
Net income		\$	(7,568,212)

Notes:

1. Expenses include ALTH's office rent and restructuring cost.
2. Foreign exchange loss primarily relates to the unfavorable foreign exchange rate movements.

In re Arcapita LT Holdings Limited

Case No. 12-11078 (SHL)

Debtor

Reporting Period: 2/1/2013 - 2/28/2013

BALANCE SHEET
(in US Dollars)

2/28/2013

ASSETS

Cash and Balances with Bank		\$	14,221,558
Receivables	Note 1		1,606,920
Investment in deals			401,967,036
Intercompany Receivables	Note 2		316,448,753
Investment in Subsidiaries			664,681
TOTAL ASSETS		\$	734,908,949

LIABILITIES

Due to Deal companies			0
Intercompany Payables			-
TOTAL LIABILITIES		\$	0

EQUITY

Share Capital		\$	50,000
Share Premium			1,475,217,670
Retained Earnings / Deficit			(740,358,722)
TOTAL EQUITY		\$	734,908,949

TOTAL LIABILITIES AND EQUITY		\$	734,908,949
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Notes:

1. Receivables consist of yield receivables from underlying investment assets. The majority of the yield receivable is collectible on exit or disposal of the asset.

2. Intercompany Receivables are comprised as follow:

Arcapita Bank B.S.C.(c)	\$	316,425,888
Arcapita Investment Holdings Limited	\$	22,865
	\$	316,448,753

In re Arcapita LT Holdings Limited

Case No. 12-11078 (SHL)

Debtor

Reporting Period: 2/1/2013 - 2/28/2013

STATUS OF POST-PETITION TAXES

Federal	Beginning Tax	Amount Withheld and/or Accrued	Amount Paid	Ending Tax
Withholding				
FICA-Employee				
FICA-Employer				
Unemployment				
Income				
Other:				
Total Federal Taxes				
State and Local				
Withholding				
Sales				
Excise				
Unemployment				
Real Property				
Personal Property				
Other: Income/Franchise				
Total State and Local				
Total Taxes	\$ -	\$ -	\$ -	\$ -

Notes:

1. Arcapita LT Holdings Limited is incorporated in the Cayman Islands, a tax free jurisdiction.

SUMMARY OF PRE-PETITION DEBTS

DESCRIPTION	Total
AP - Product	
AP - Legal & Professional Fees	
AP - Other	
TOTAL POST-PETITION DEBTS	\$ -

Note:

1. Arcapita LT Holding Limited pre-petition debts are contingent and arise from its role as a guarantor for certain liabilities of Arcapita Bank B.S.C.(c). These contingent guarantees are not reflected in the balance sheet.
2. Arcapita LT Holdings Limited has no on-balance-sheet pre- or post-petition liabilities.

In re Arcapita LT Holdings Limited
Debtor

Case No. 12-11078 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	\$ -
Plus: Amounts billed during the period	
Less: Amounts collected during the period	
Less: Amounts written off during the period	
Less: Amounts reserved during the period	
Change in store accounts receivable, net	
Total Accounts Receivable at the end of the reporting period	\$ -

Accounts Receivable Aging	2/28/2013
0 - 30 days old	\$ -
31 - 60 days old	-
61 - 90 days old	-
91 - 120 days old	-
121+ days old	-
Total Aged Accounts Receivable	-
Yield receivables	1,606,920
Receivables & reimbursables from Holding Companies	-
Total Accounts Receivable	1,606,920
Less: Bad Debts (Amount considered uncollectible)	
Net Accounts Receivable	\$ 1,606,920

Note:

1. Receivables consist of yield receivables from underlying investment assets. The majority of the yield receivables are collectible on exit/disposal of the asset.

TAXES RECONCILIATION AND AGING

Taxes Payable	Current	1-30 Days	31-60 Days	61-90 Days	91+ Days	Total
Federal						\$ -
State and Local						-
Other						-
Total Taxes Payable						\$ -

Notes:

1. Arcapita LT Holdings Limited is incorporated in the Cayman Islands, a tax free jurisdiction.

In re Arcapita LT Holdings Limited
Debtor

Case No. 12-11078 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

PAYMENTS TO INSIDERS AND PROFESSIONALS

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
See note below			
TOTAL PAYMENTS TO INSIDERS			

Notes:

1. No payments incurred during this period.

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID*
See note below					
TOTAL PAYMENTS TO PROFESSIONALS					

* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

Notes:

1. No payments incurred during this period but retention of certain professionals has been approved by the Court.

POST-PETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENT DUE	AMOUNT PAID DURING MONTH	TOTAL UNPAID POST-PETITION
See note below			
TOTAL PAYMENTS		\$ -	\$ -

Notes:

1. No payments were made to secured creditors within this time period.

In re Arcapita LT Holdings Limited
Debtor

Case No. 12-11078 (SHL)
Reporting Period: 2/1/2013 - 2/28/2013

DEBTOR QUESTIONNAIRE

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.		Yes	No
1	Have any assets been sold or transferred outside the normal course of business this reporting period?		X
2	Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		X
3	Is the Debtor delinquent in the timely filing of any post-petition tax returns?		X
4	Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		X
5	Is the Debtor delinquent in paying any insurance premium payment?		X
6	Have any payments been made on pre-petition liabilities this reporting period?		X
7	Are any post petition receivables (accounts, notes or loans) due from related parties?	X (intercompany)	
8	Are any post petition payroll taxes past due?		X
9	Are any post petition State or Federal income taxes past due?		X
10	Are any post petition real estate taxes past due?		X
11	Are any other post petition taxes past due?		X
12	Have any pre-petition taxes been paid during this reporting period?		X
13	Are any amounts owed to post petition creditors delinquent?		X
14	Are any wage payments past due?		X
15	Have any post petition loans been received by the Debtor from any party?		X
16	Is the Debtor delinquent in paying any U.S. Trustee fees?		X
17	Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		X
18	Have the owners or shareholders received any compensation outside of the normal course of business?		X

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	:	Chapter 11
	:	
Arcapita Bank B.S.C.(c),	:	Case No: 12-11076 (SHL)
	:	
Debtor.	:	
	X	

**Monthly Operating Report For the Period
From February 1, 2013 to February 28, 2013**

DEBTOR'S ADDRESS: Arcapita Bank B.S.C.(c)
 Arcapita Building, Bahrain Bay
 P.O. Box 1406, Manama
 Kingdom of Bahrain
 Telephone: +973 17218333
 Facsimile: +973 17217555

DEBTOR'S ATTORNEYS: Michael A. Rosenthal (MR-7006)
 Craig H. Millet (admitted pro hac vice)
 Janet M. Weiss (JW-5460)
 Matthew K. Kelsey (MK-3137)
 GIBSON, DUNN & CRUTCHER LLP
 200 Park Avenue
 New York, New York 10166-0193
 Telephone: (212) 351-4000
 Facsimile: (212) 351-4035

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

/s/ Essa Zainal
Essa Zainal
Head of Financial Control
Arcapita Bank B.S.C.(c)

3/15/2013

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Arcapita Bank B.S.C.(c)
Debtor

Case No. 12-11076 (SHL)
Reporting Period: 2/1/2013 -2/28/2013

Federal Tax I.D. # N/A

CORPORATE MONTHLY OPERATING REPORT

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	x	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CONT)	x	
Copies of bank statements			x
Cash disbursements journals			x
Statement of Operations	MOR-2	x	
Balance Sheet	MOR-3	x	
Status of Post-petition Taxes	MOR-4	x	
Copies of IRS Form 6123 or payment receipt			x
Copies of tax returns filed during reporting period			x
Summary of Unpaid Post-petition Debts	MOR-4		x
Listing of Aged Accounts Payable			x
Accounts Receivable Reconciliation and Aging	MOR-5	x	
Taxes Reconciliation and Aging	MOR-5	x	
Payments to Insiders and Professionals	MOR-6	x	
Post Petition Status of Secured Notes, Leases Payable	MOR-6	x	
Debtor Questionnaire	MOR-7	x	

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Arcapita Bank B.S.C.(c)
Debtor

Case No. 12-11076 (SHL)
Reporting Period: 2/1/2013 -2/28/2013

Federal Tax I.D. # N/A

General Note:

The financial statements and supplemental information contained herein are preliminary, unaudited and may not comply in all material respects with generally accepted accounting principles ("GAAP") in the United States ("U.S."). In certain instances, accounting principles or concepts, specific to the region (e.g., Murabaha) are used.

The unaudited financial statements have been derived from the books and records of Arcapita Bank B.S.C.(c) (the "Debtor"). This information, however has not been subject to certain procedures that would typically be applied to financial information in accordance with U.S. or other GAAP, and upon application of such procedures (e.g., asset impairment), the Debtor believes that the financial information could be subject to changes, and these changes could be material. The information furnished in this report includes normal recurring adjustments but does not include all adjustments that would typically be made for financial information in accordance with U.S. or other regional GAAP.

The results of operations contained herein are not necessarily indicative of results which may be expected for any other period or for the full year and may not necessarily reflect the consolidated results of operations and financial positions of the Debtor in the future.

re Arcapita Bank B.S.C.(c)
Debtor

Case No. 12-11076 (SHL)
Reporting Period: 2/1/2013 -2/28/2013

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
(in US Dollar millions)

Bank Accounts	Currency	Opening balance as at 02/01/2013	Receipts	Transfers	Disbursements	FX Fluctuation	Closing balance as at 02/28/2013
Operating Accounts							
JP Morgan Chase, New York	US\$	\$ 4.8	\$ 0.6	\$ 2.6	\$ (3.7)	\$ -	\$ 4.3
JP Morgan Chase, London	€	0.4	-	-	(0.0)	(0.0)	0.4
JP Morgan Chase, London	£	4.4	-	-	(0.0)	(0.2)	4.2
JP Morgan Chase, London	¥	0.0	-	-	-	(0.0)	0.0
Arab Banking Corporation	US\$	0.2	0.0	-	(0.0)	-	0.2
Bank of Bahrain & Kuwait	BD	0.0	-	-	-	-	0.0
Bank of Bahrain & Kuwait	US\$	0.0	-	-	-	-	0.0
National Bank of Bahrain	BD	0.0	-	-	-	-	0.0
National Bank of Bahrain	US\$	-	-	-	-	-	-
Bahrain Islamic Bank	BD	0.4	0.0	1.8	(2.1)	-	0.1
Bahrain Islamic Bank	US\$	0.0	-	-	-	-	0.0
DBS Bank Ltd	S\$	0.1	-	-	(0.0)	0.0	0.1
Standard Chartered Bank	US\$	0.0	0.0	-	-	-	0.0
Standard Chartered Bank	£	0.0	-	-	-	(0.0)	0.0
Standard Chartered Bank	SGD	0.0	-	-	-	0.0	0.0
Standard Bank PLN	PLN	0.0	0.0	-	-	(0.0)	0.0
Standard Bank SGD	S\$	-	-	-	-	-	-
Subtotal Operating Accounts (book balances)		\$ 10.4	\$ 0.7	\$ 4.3	\$ (5.8)	\$ (0.2)	\$ 9.4
Placements							
Tadhamon Capital B.S.C.(c)	US\$	\$ 18.6	\$ -	\$ -	\$ -	\$ -	\$ 18.6
Bahrain Islamic Bank BSC	US\$	10.0	-	-	-	-	10.0
Al Baraka Islamic Bank BSC (EC)	US\$	5.0	-	-	-	-	5.0
Subtotal Placements		\$ 33.6	\$ -	\$ -	\$ -	\$ -	\$ 33.6
Total balances with banks (book balance)		\$ 44.0	\$ 0.7	\$ 4.3	\$ (5.8)	\$ (0.2)	\$ 43.0

Notes:

1. Receipts primarily comprised of \$60K management fee from AREIF I, and other items.
2. Transfers include \$5M from AIHL to Bahrain Bank; \$1.8M between Bahrain Bank's own accounts; & \$651K from Bahrain Bank to various subsidiaries.
3. Disbursements primarily comprised of \$2.0M operating expenses; \$1.8M professional fees; \$1.5M severance & KEIP payments; & \$500K SCB monthly murabahas installment.
4. Local currency figures have been converted to US dollars using exchange rate prevailing on the transaction date.

In re Arcapita Bank B.S.C.(c)
Debtor

Case No. 12-11076 (SHL)
Reporting Period: 2/1/2013 -2/28/2013

Continuation Sheet for MOR-1

Bank Name	Bank Balance	Deposits & Transfers in Transit	O/S, Bank Service Charges, Adjustments to GL	Other Reconciling Items	GL Balance
Operating Accounts					
JP Morgan Chase, New York	4.3	-	-	-	4.3
JP Morgan Chase, London	0.4	-	-	-	0.4
JP Morgan Chase, London	4.2	-	-	-	4.2
JP Morgan Chase, London	0.0	-	-	-	0.0
Arab Banking Corporation	0.2	-	-	-	0.2
Bank of Bahrain & Kuwait	0.0	-	-	-	0.0
Bank of Bahrain & Kuwait	0.0	-	-	-	0.0
National Bank of Bahrain	0.0	-	-	-	0.0
National Bank of Bahrain	-	-	-	-	-
Bahrain Islamic Bank	0.1	-	-	-	0.1
Bahrain Islamic Bank	0.0	-	-	-	0.0
DBS Bank Ltd	0.1	-	-	-	0.1
Standard Chartered Bank	0.0	-	-	-	0.0
Standard Chartered Bank	0.0	-	-	-	0.0
Standard Chartered Bank	0.0	-	-	-	0.0
Standard Bank PLN	0.0	-	-	-	0.0
Standard Bank SGD	-	-	-	-	-
Total Cash & Cash Equivalents	\$ 9.4	\$ -	\$ -	\$ -	\$ 9.4
Placements					
Tadhamon Capital B.S.C.(c)	18.6	\$ -	\$ -	\$ -	18.6
Bahrain Islamic Bank BSC	10.0	-	-	-	10.0
AlBaraka Islamic Bank BSC (EC)	5.0	-	-	-	5.0
Subtotal Placements	\$ 33.6	\$ -	\$ -	\$ -	\$ 33.6
Total Balances with Bank	\$ 43.0	\$ -	\$ -	\$ -	\$ 43.0

Notes:

1. Due to the voluminous nature of transactions, individual bank statements and details of the cash disbursements journal are not included herein.

In re Arcapita Bank B.S.C.(c)
Debtor

Case No. 12-11076 (SHL)
Reporting Period: 2/1/2013 -2/28/2013

STATEMENT OF OPERATIONS (Income Statement)
(in US Dollars)

			<u>For the Period</u> <u>2/1/2013 -2/28/2013</u>
Management Fees	Note 1	\$	66,070
Murabaha Profits from Inter bank Deposits			7,020
Other Income			9,357
Total Income		\$	82,446
Staff compensation and benefits	Note 2	\$	(4,772,036)
General and administration expenses	Note 3		(4,279,428)
Profit expenses from short term deposits	Note 4		(2,278,356)
Total Expenses		\$	(11,329,820)
Net Loss before foreign exchange movements		\$	(11,247,374)
Foreign exchange adjustments	Note 5		(5,219,044)
Net Loss		\$	(16,466,418)

Notes:

1. Management fee income represents fees charged to Arcapita Group portfolio investment companies.
2. Amount relates to staff benefits paid, accrued or amortization of a prepayment during the period.
3. During the month of February the G&A expense pertains to professional fees and other non-payroll related operational expenses.
4. Includes accrued profits for deposits with Arcapita Bank and balances related to the accrued profit for SCB.
5. Foreign currencies converted to US dollars using exchange rate prevailing on the transaction date.

In re Arcapita Bank B.S.C.(c)
Debtor

Case No. 12-11076 (SHL)
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BALANCE SHEET
(in US Dollars)

02/28/2013

Short term funds	Note 1	52,918,703
Receivables	Note 2	837,043,982
Investment in subsidiaries (at cost)		3,136,146,902
Other Assets	Note 3	42,214,836
TOTAL ASSETS		\$ 4,068,324,424

LIABILITIES

Due to Financial and other Institutions	Note 4	\$ 59,343
Accrued expenses and other Liabilities		41,054,846
Intercompany payable		11,807,749
TOTAL POST-PETITION LIABILITIES		\$ 52,921,938

Liabilities subject to compromise	Note 5	3,229,390,671
TOTAL LIABILITIES		\$ 3,282,312,609

EQUITY

Share Capital	\$ 311,256,551
Share Premium	953,986,516
Bank funded stock	(274,151,282)
Reserves	(288,180,132)
Shares pending allotment	83,100,161
TOTAL EQUITY	\$ 786,011,815

TOTAL LIABILITIES AND EQUITY	\$ 4,068,324,424
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Notes:

1. Short term funds include cash and cash equivalents and are segregated into sub-categories as follows:

Cash and balances with banks	\$ 9,391,664
Murabaha receivable from financial institutions	43,515,135
Cash and notes (Petty Cash)	11,905
\$ 52,918,703	

2. Receivable balances are segregated into sub-categories as follows:

Intercompany Receivables	\$ 543,187,262
Stock Purchase Plan	106,727,449
Management fees receivable	45,623,780
Receivables & reimbursables from Holding Co.	72,557,264
Deal Companies Loans	15,208,097
Investment Participation Plan (2.1)	44,451,317
Other receivables	9,288,813
\$ 837,043,982	

3. Other assets are primarily comprised of fixed assets totaling approximately \$42.0 million.

4. Balance relates to the accrued profit to be paid to SCB.

5. Relates to pre-petition liabilities, which are subject to change as a result of payments to critical or foreign vendors (in accordance with a Court order), and also because pre-petition invoices continue to be received by the Debtor. See MOR-4 on next page.

STATUS OF POST-PETITION TAXES

Federal	Beginning Tax	Amount Withheld and/or Accrued	Amount Paid	Ending Tax
FICA-Employee				
FICA-Employer				
Unemployment				
Income				
Other:				
Total Federal Taxes				
State and Local				
Withholding				
Sales				
Excise				
Unemployment				
Real Property				
Personal Property				
Other: Income/Franchise				
Total State and Local				
Total Taxes	\$ -	\$ -	\$ -	\$ -

Note:

1. Arcapita Bank B.S.C.(c) is incorporated in the Kingdom of Bahrain, a tax free jurisdiction.

SUMMARY OF PRE-PETITION DEBTS

DESCRIPTION	Total
Murabaha payable	1,863,295,723
Intercompany payable	504,900,272
Payable to portfolio investment companies	454,684,272
Investor deposits (URIA)	320,028,197
Payable to Investors (Special Programs)	31,332,073
Accruals and vendor payables	55,150,134
TOTAL LIABILITIES SUBJECT TO COMPROMISE	3,229,390,671

Note:

1. Arcapita Bank B.S.C.(c) has contingent liabilities which arise from its role as a guarantor for certain portfolio investment companies. These contingent guarantees are not reflected in the balance sheet. Unrestricted investment accounts (URIA) are a form of Islamic customer deposit accounts.
2. See MOR-3 for unpaid post-petition debts as of February 28, 2013.

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ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Deal subscription receivable at the beginning of the period	\$ -
Plus: Deal placement during the period	\$ -
Less: Deal placement reversed	\$ -
Less: Amounts collected during the period	\$ -
Less: Amounts written off during the period	\$ -
Foreign exchange movements	
Total Deal Subscription Receivable at the end of the reporting period	\$ -

Accounts Receivable Aging	2/28/2013
0 - 30 days old	\$ -
31 - 60 days old	-
61 - 90 days old	-
91 - 180 days old	-
181+ days old	-
Total Aged Deal Subscription Receivable	-
Other receivable items, net	837,043,982
Total Receivable	837,043,982
Less: Bad Debts (Amount considered uncollectible)	-
Net Receivable	\$ 837,043,982

Notes:

- See notes on MOR-3 for detailed breakdown.

TAXES RECONCILIATION AND AGING

Taxes Payable	Current	1-30 Days	31-60 Days	61-90 Days	91+ Days	Total
Federal						\$ -
State and Local						-
Other						-
Total Taxes Payable						\$ -

Notes:

- Arcapita Bank B.S.C.(c) is incorporated in the Kingdom of Bahrain, a tax free jurisdiction.

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PAYMENTS TO INSIDERS AND PROFESSIONALS
(in US dollars)

NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
		1,011,043	6,268,235
TOTAL PAYMENTS TO INSIDERS		1,011,043	6,268,235

Notes:

1. Above schedule illustrates cash payments made to 16 insiders during this time period; includes nothing more than normal-course salary, benefit & incentive bonus payments

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID*
A&M			-	\$ 7,110,717	\$ 1,432,698
FTI			-	1,555,587	208,952
Garden City			-	2,248	12,117
Garden City - CA			-	827,906	52,619
Gibson Dunn			1,834,037	14,911,266	3,968,760
Hassan Radhi			-	8,756	706
Houlihan Lokey			-	1,267,109	768,450
Other			-	263,782	50,785
KPMG - Valuation			-	4,053,980	76,705
KPMG - Tax			-	160,574	154,483
Linklaters			-	456,938	56,609
Milbank			-	8,136,751	2,858,076
Mourant Ozannes			-	461,128	535,899
Rothschild			-	1,844,515	1,840,314
Trowers			-	269,807	98,067
Walkers			-	92,748	8,983
E&Y			46,640	613,154	153,435
King & Spalding			102,733	1,223,652	253,018
TOTAL PAYMENTS TO PROFESSIONALS			\$ 1,983,409	\$ 43,260,616	\$ 12,530,677

* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

Notes:

- Total Paid To Date reflects payments through 3/2/2013
- Total Incurred & Unpaid reflects fee app/statement submissions through 3/2/2013

**POST-PETITION STATUS OF SECURED NOTES, LEASES PAYABLE
AND ADEQUATE PROTECTION PAYMENTS**

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENT DUE	AMOUNT PAID DURING MONTH	TOTAL UNPAID POST-PETITION
Standard Chartered Bank		\$ 500,098	
TOTAL PAYMENTS		\$ 500,098	\$ -

Notes:

1. \$500k profit payment made to SCB (i.e. Standard Chartered Bank) within this period.

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DEBTOR QUESTIONNAIRE

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.		Yes	No
1	Have any assets been sold or transferred outside the normal course of business this reporting period?		X
2	Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		X
3	Is the Debtor delinquent in the timely filing of any post-petition tax returns?		X
4	Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		X
5	Is the Debtor delinquent in paying any insurance premium payment?		X
6	Have any payments been made on pre-petition liabilities this reporting period?	X (in accordance with Court Order)	
7	Are any post petition receivables (accounts, notes or loans) due from related parties?	X (intercompany)	
8	Are any post petition payroll taxes past due?		X
9	Are any post petition State or Federal income taxes past due?		X
10	Are any post petition real estate taxes past due?		X
11	Are any other post petition taxes past due?		X
12	Have any pre-petition taxes been paid during this reporting period?		X
13	Are any amounts owed to post petition creditors delinquent?		X
14	Are any wage payments past due?		X
15	Have any post petition loans been received by the Debtor from any party?		X
16	Is the Debtor delinquent in paying any U.S. Trustee fees?		X
17	Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		X
18	Have the owners or shareholders received any compensation outside of the normal course of business?		X