

**BENCHMARK (BAHAMAS) LTD.****CONSOLIDATED BALANCE SHEET**  
(Expressed in Bahamian Dollars, unaudited)

	June 30, 2011	December 31, 2010 (audited)
<b>FIXED ASSETS</b>	89,609	104,315
<b>LONG TERM NOTE RECEIVABLE</b>	300,000	300,000
<b>INVESTMENT PROPERTY</b>	3,763,643	3,720,170
<b>CURRENT ASSETS</b>		
Cash at bank	2,727,857	2,366,097
Due from brokers	1,831,042	2,214,403
Customer advances	40,687,985	40,692,956
Dividends receivable	45,860	--
Other receivables	219,669	657,829
Loan receivable	10,000	--
Investments in securities (note 2)	<u>7,705,247</u>	<u>7,906,769</u>
	53,227,660	53,838,054
<b>CURRENT LIABILITIES</b>		
Bank overdraft	255,818	456,769
Payables and accrued expenses	252,105	81,287
Due to customers	51,205,599	51,572,709
Investments – sold short (note 2)	1,508,850	1,352,700
Current portion of bank loan	135,126	155,686
Preferred share liability	<u>1,000,000</u>	<u>1,000,000</u>
	54,357,498	54,619,151
<b>NET CURRENT LIABILITIES</b>	(1,129,838)	(781,097)
<b>LONG TERM BANK LOAN</b>	1,408,720	1,457,094
	<u>\$ 1,614,694</u>	<u>\$ 1,886,294</u>
<b>Shareholders' Equity</b>		
Ordinary shares	49,591	49,591
Preference shares	2,000,000	2,000,000
Contributed surplus	4,056,273	4,056,273
Retained deficit	<u>(4,491,170)</u>	<u>(4,219,570)</u>
	<u>\$ 1,614,694</u>	<u>\$ 1,886,294</u>

**BENCHMARK (BAHAMAS) LTD.****CONSOLIDATED STATEMENT OF OPERATIONS**

(Expressed in Bahamian dollars, unaudited)

	Three months ended	
	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Investment income (loss)	105,868	(27,135)
Fees and commissions	294,788	134,290
	<u>400,656</u>	<u>107,155</u>
General administrative expenses	377,845	306,162
Net investment income (loss)	22,811	(199,007)
Realized gain (loss) and unrealized (loss) on investments		
Net realized gain (loss) on investment	31,700	(1,212,118)
Net realized (loss) gain on forex	--	180
Net movement in unrealized (loss) gain on investments	<u>(40,861)</u>	<u>303,635</u>
Net realized and unrealized loss on investments	(9,161)	(908,303)
Net profit (deficit) for the period	<u>\$ 13,650</u>	<u>\$ (1,107,310)</u>
Earnings (deficit) per share	\$0.00	\$(0.22)
	Six months ended	
	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Investment income/(loss)	250,313	(6,382)
Fees and commissions	486,423	438,454
	<u>736,736</u>	<u>432,074</u>
General administrative expenses	755,317	588,700
Net investment loss	(18,581)	(156,628)
Realized (loss) gain and unrealized (loss) on investments		
Net realized gain/(loss) on investment	51,841	(1,312,718)
Net realized gain on forex	--	180
Net movement in unrealized loss on investments	<u>(304,860)</u>	<u>(224,950)</u>
Net realized and unrealized loss on investments	(253,019)	(1,537,488)
Net deficit for the period	<u>\$ (271,600)</u>	<u>\$ (1,694,116)</u>
Deficit per share	\$(0.05)	\$(0.34)

**BENCHMARK (BAHAMAS) LTD.****CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

Six months ended June 30, 2011 with comparative figures for the six months ended June 30, 2010

(Expressed in Bahamian dollars, unaudited)

	Number of Shares	Ordinary Shares	Preference Shares	Contributed Surplus	Retained Earnings	Total
Balance at December 31, 2009	4,959,111	49,591	1,000,000	4,056,273	(3,983,198)	1,122,666
Issuance of preference shares	--	--	2,000,000	--	--	2,000,000
Net deficit for the period	--	--	--	--	(1,694,116)	(1,694,116)
<u>Balance at June 30, 2010</u>	<u>4,959,111</u>	<u>\$49,591</u>	<u>\$3,000,000</u>	<u>\$4,056,273</u>	<u>\$(5,677,314)</u>	<u>\$1,428,550</u>
Balance at December 31, 2010	4,959,111	49,591	2,000,000	4,056,273	(4,219,570)	1,886,294
Net deficit for the period	--	--	--	--	(271,600)	(271,600)
<u>Balance at June 30, 2011</u>	<u>4,959,111</u>	<u>\$49,591</u>	<u>\$2,000,000</u>	<u>\$4,056,273</u>	<u>\$(4,491,170)</u>	<u>\$1,614,694</u>

**BENCHMARK (BAHAMAS) LTD.****CONSOLIDATED STATEMENT OF CASH FLOWS**

(Expressed in Bahamian dollars, unaudited)

	Six months ended	
	June 30, 2011	June 30, 2010
Cash flows from operating activities:		
Net deficit for the period	\$ (271,600)	\$ (1,694,116)
Adjustments for:		
Net realized (gain) loss	(51,841)	1,312,718
Net movement in unrealized loss on investments	304,860	224,950
Depreciation and amortization	30,009	17,380
Cash provided (used) by operations before changes in operating assets and liabilities	11,428	(139,068)
Increase in dividends receivable	(45,860)	(19,316)
Decrease/(increase) in other receivables	438,160	(248,838)
Increase in loan receivable	(10,000)	(20,000)
Decrease/(increase) in customer advances	4,971	(6,895,938)
(Decrease)/increase in due to customers	(367,110)	3,125,741
Increase in payables and accrued expenses	170,818	203,255
Net cash provided (used) by operating activities	202,407	(3,994,164)
Cash flows from investing activities:		
Purchase of fixed assets	(15,303)	(534,813)
Purchase of securities	(130,109)	(9,402,807)
Purchase of investment property	(43,473)	--
Sale of securities	234,762	2,894,495
Net cash provided (used) by investing activities	45,877	(7,043,125)
Cash flows from financing activities:		
Issuance of preferred shares	--	2,000,000
Bank loan (repayments) increase	(68,934)	325,851
Net cash (used) provided by financing activities	(68,934)	2,325,851
Net increase (decrease) in cash & cash equivalents	179,350	(8,711,438)
Cash & cash equivalents, beginning of period	4,123,731	15,039,188
Cash & cash equivalents, end of period	\$4,303,081	\$6,327,750

Cash & cash equivalents comprise of cash at bank and brokers less bank overdraft and amounts due to brokers.

## BENCHMARK (BAHAMAS) LTD.

### EXPLANATORY NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Expressed in Bahamian dollars, unaudited)

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#### 1. Accounting policies

These interim financial statements have been prepared in accordance with International Financial Reporting Standards using the same accounting policies and methods of computation as compared with the 2010 audited financial statements.

The consolidated financial statements include the accounts of Benchmark (Bahamas) Ltd. and its wholly owned subsidiaries Benchmark Advisors (Bahamas) Ltd, Alliance Investment Management Ltd (“Alliance”) and Benchmark Properties Ltd (“Properties”).

#### 2. Investments

Investments are comprised of publicly traded equities in the following industries:

Industry	June 30, 2011			December 31, 2010		
	Cost	Fair Value	%	Cost	Fair Value	%
<i>Unrestricted</i>						
Auto manufacturing	836,675	827,400	11	836,675	1,007,400	13
Biotechnology	54,371	85	--	97,751	42,955	--
Communication	416,500	539,000	7	520,625	528,750	7
Entertainment	139,661	28,574	--	158,224	41,403	--
Financial services	3,444,100	5,305,504	69	3,444,100	5,558,172	71
Industrials	985,918	408,110	5	985,918	394,297	5
Insurance	214,434	1,789	--	214,434	982	--
Real estate	173,250	84,750	1	173,250	134,750	2
Technology	21,692	684	--	21,692	4,200	--
Utilities	89,406	46,220	1	89,406	46,720	1
Wholesale & retail	176,961	99,764	1	176,961	107,348	1
Other	14,687	1,700	--	22,512	28,992	--
<i>Restricted</i>						
Industrial	100,000	361,667	5	--	10,800	--
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	\$6,667,655	\$7,705,247	100	\$6,741,548	\$7,906,769	100

**BENCHMARK (BAHAMAS) LTD.**

EXPLANATORY NOTES TO  
INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
(Expressed in Bahamian dollars, unaudited)

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**2. Investments (cont)**

Investments sold short:

Industry	June 30, 2011			December 31, 2010		
	Cost	Fair Value	%	Cost	Fair Value	%
<i>Unrestricted</i>						
Biotechnology	349,865	810,750	54	349,865	748,200	55
Financial services	132,629	517,000	34	132,629	429,200	32
Wholesale & retail	114,077	181,100	12	114,077	175,300	13
	<u>\$596,571</u>	<u>\$1,508,850</u>	<u>100</u>	<u>\$596,571</u>	<u>\$1,352,700</u>	<u>100</u>