

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

	June 30, 2013	December 31, 2012 (audited)
PROPERTY, PLANT & EQUIPMENT	21,070	35,561
INVESTMENT PROPERTY	4,500,000	4,500,000
LONG-TERM INVESTMENT	106,548	106,548
CURRENT ASSETS		
Cash at bank	4,381,210	2,733,478
Due from brokers	1,879,930	2,132,035
Customer advances	802,253	802,253
Dividends receivable	--	--
Other receivables	469,979	360,609
Loan receivable	558	558
Investments in securities (note 2)	<u>6,935,527</u>	<u>7,306,911</u>
	14,469,457	13,335,844
CURRENT LIABILITIES		
Bank overdraft	396,648	298,860
Payables and accrued expenses	333,110	274,273
Due to customers	13,626,195	12,103,174
Investments – sold short (note 2)	1,922,450	1,558,750
Current portion of bank loan	<u>67,680</u>	<u>72,124</u>
	16,346,083	14,307,181
NET CURRENT LIABILITIES	(1,876,626)	(971,337)
PREFERRED SHARE LIABILITY	--	1,000,000
LONG-TERM BANK LOAN	524,465	553,861
	<u>\$ 2,226,527</u>	<u>\$ 2,116,911</u>

Shareholders' Equity

Ordinary shares	49,591	49,591
Preference shares	5,000,000	5,000,000
Contributed surplus	4,056,273	4,056,273
Retained deficit	<u>(6,879,337)</u>	<u>(6,988,953)</u>
	<u>\$ 2,226,527</u>	<u>\$ 2,116,911</u>

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

(Expressed in Bahamian dollars, unaudited)

	Three months ended	
	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Investment income	18,827	7,910
Fees and commissions	326,762	459,387
	345,589	467,297
<u>General administrative expenses</u>	<u>282,578</u>	<u>357,758</u>
Net investment income	63,011	109,539
Realized and unrealized gain and (loss) on investments		
Net realized gain on investment	674,929	1,174
Net movement in unrealized loss on investments	(509,391)	(508,168)
Net realized and unrealized gain (loss) on investments	165,538	(506,994)
<u>Net income (loss) for the period</u>	<u>\$228,549</u>	<u>\$(397,455)</u>
Earnings (deficit) per share	\$0.05	\$(0.08)
	Six months ended	
	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Investment income	59,954	105,646
Fees and commissions	453,480	620,290
	513,434	725,936
<u>General administrative expenses</u>	<u>597,007</u>	<u>773,652</u>
Net investment loss	(83,573)	(47,716)
Realized (loss) gain and unrealized (loss) on investments		
Net realized gain on investment	700,656	971
Net movement in unrealized loss on investments	(507,467)	(297,527)
Net realized and unrealized gain (loss) on investments	193,189	(296,556)
<u>Net income (deficit) for the period</u>	<u>\$ 109,616</u>	<u>\$(344,272)</u>
Earnings (deficit) per share	\$0.02	\$(0.07)

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

Six months ended June 30, 2013 with comparative figures for the six months ended June 30, 2012

(Expressed in Bahamian dollars, unaudited)

	Number of Shares	Ordinary Shares	Preference Shares	Contributed Surplus	Retained Earnings	Total
Balance at December 31, 2011	4,959,111	49,591	5,000,000	4,056,273	(6,721,104)	2,384,760
Net deficit for the period	--	--	--	--	(344,272)	(344,272)
<u>Balance at June 30, 2012</u>	<u>4,959,111</u>	<u>\$49,591</u>	<u>\$5,000,000</u>	<u>\$4,056,273</u>	<u>\$(7,065,376)</u>	<u>\$2,040,488</u>
Balance at December 31, 2012	4,959,111	49,591	5,000,000	4,056,273	(6,988,953)	2,116,911
Net income for the period	--	--	--	--	109,616	109,616
<u>Balance at June 30, 2013</u>	<u>4,959,111</u>	<u>\$49,591</u>	<u>\$5,000,000</u>	<u>\$4,056,273</u>	<u>\$(6,879,337)</u>	<u>\$2,226,527</u>

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

(Expressed in Bahamian dollars, unaudited)

	Six months ended	
	June 30, 2013	June 30, 2012
Cash flows from operating activities:		
Net income (deficit) for the period	\$109,616	\$ (344,272)
Adjustments for:		
Net realized gain on investment	(700,656)	(971)
Net movement in unrealized loss on investments	507,467	297,527
Depreciation and amortization	15,843	26,135
Cash used by operations before changes in operating assets and liabilities	(67,730)	(21,581)
(Increase) decrease in dividends receivable	--	22,930
(Increase) decrease in other receivables	(109,370)	103,830
Decrease in loan receivable	--	8,500
Increase (decrease) in due to customers	1,523,021	(283,499)
Increase in payables and accrued expenses	58,837	86,874
Net cash provided (used) by operating activities	1,404,758	(82,946)
Cash flows from investing activities:		
Purchase of fixed assets	(1,352)	--
Increase in long term investment	--	(31,548)
Purchase of securities	(520,764)	(303,585)
Sale of securities	1,449,037	170,477
Net cash provided (used) by investing activities	926,921	(164,656)
Cash flows from financing activities:		
Preferred share liability repayments	(1,000,000)	--
Bank loan repayments	(33,840)	(820,486)
Net cash used by financing activities	(1,033,840)	(820,486)
Net increase (decrease) in cash & cash equivalents	1,297,839	(1,068,088)
Cash & cash equivalents, beginning of period	4,566,653	3,411,118
Cash & cash equivalents, end of period	\$5,864,492	\$2,343,030

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)

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 2012 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 the following:

Industry	June 30, 2013			December 31, 2012		
	Cost	Fair Value	%	Cost	Fair Value	%
<i>Unrestricted</i>						
Biotechnology	85,693	6,542	--	89,523	15,083	--
Construction	173,250	87,600	1	173,250	84,450	1
Entertainment	139,661	28,574	--	139,661	19,782	--
Financial services	3,646,773	4,866,231	70	3,462,175	5,413,326	74
Industrial	2,178,880	1,353,157	20	2,382,389	1,332,033	18
Insurance	214,434	1,100	--	214,433	1,537	--
Technology	21,692	--	--	295,225	312,990	5
Utilities	79,366	34,180	--	78,605	32,450	--
Wholesale & retail	176,961	91,647	2	78,958	43,933	1
Other	243,449	386,211	6	329,610	51,327	1
<i>Fixed Income</i>						
Morgan Stanley Note	78,750	80,285	1	--	--	--
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<u>\$7,038,909</u> <u>\$6,935,527</u> <u>100</u> <u>\$7,243,829</u> <u>\$7,306,911</u> <u>100</u>						

