

BENCHMARK (BAHAMAS) LTD.**CONSOLIDATED BALANCE SHEET**

(Expressed in Bahamian Dollars, unaudited)

	September 30, 2011	December 31, 2010 (audited)
FIXED ASSETS	77,507	104,315
LONG TERM NOTE RECEIVABLE	300,000	300,000
INVESTMENT PROPERTY	3,763,643	3,720,170
CURRENT ASSETS		
Cash at bank	2,266,788	2,366,097
Due from brokers	2,131,127	2,214,403
Customer advances	40,687,985	40,692,956
Dividends receivable	22,930	--
Other receivables	276,372	657,829
Loan receivable	10,000	--
Investments in securities (note 2)	<u>6,845,054</u>	<u>7,906,769</u>
	52,240,256	53,838,054
CURRENT LIABILITIES		
Bank overdraft	344,263	456,769
Payables and accrued expenses	286,792	81,287
Due to customers	51,789,793	51,572,709
Investments – sold short (note 2)	1,212,900	1,352,700
Current portion of bank loan	139,936	155,686
Preferred share liability	<u>1,000,000</u>	<u>1,000,000</u>
	54,773,684	54,619,151
NET CURRENT LIABILITIES	(2,533,428)	(781,097)
LONG TERM BANK LOAN	1,371,146	1,457,094
	<u>\$ 236,576</u>	<u>\$ 1,886,294</u>
Shareholders' Equity		
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>(5,869,288)</u>	<u>(4,219,570)</u>
	<u>\$ 236,576</u>	<u>\$ 1,886,294</u>

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

(Expressed in Bahamian dollars, unaudited)

	<u>September 30, 2011</u>	Three months ended <u>September 30, 2010</u>
Investment (loss) income	(17,488)	94,912
Fees and commissions	200,028	154,152
	<u>182,540</u>	<u>249,064</u>
<u>General administrative expenses</u>	<u>396,262</u>	<u>340,238</u>
Net investment loss	(213,722)	(91,174)
Realized (loss) gain and unrealized gain (loss) on investments		
Net realized gain (loss) on investment	13,896	(20)
Net realized gain on forex	--	--
Net movement in unrealized gain (loss) on investments	<u>(1,178,293)</u>	<u>195,969</u>
Net realized and unrealized gain (loss) on investments	(1,164,397)	195,949
<u>Net income (deficit) for the period</u>	<u>\$ (1,378,119)</u>	<u>\$ 104,775</u>
(Deficit) earnings per share	\$(0.28)	\$0.02
	<u>September 30, 2011</u>	Nine months ended <u>September 30, 2010</u>
Investment income	232,825	88,530
Fees and others	686,451	592,605
	<u>919,276</u>	<u>681,135</u>
<u>General administrative expenses</u>	<u>1,151,578</u>	<u>928,938</u>
Net investment loss	(232,302)	(247,803)
Realized gain (loss) and unrealized (loss) on investments		
Net realized (loss) gain on investment	65,737	(1,312,738)
Net realized gain on forex	--	180
Net movement in unrealized loss on investments	<u>(1,483,153)</u>	<u>(28,981)</u>
Net realized and unrealized loss on investments	(1,417,416)	(1,341,539)
<u>Net deficit for the period</u>	<u>\$ (1,649,718)</u>	<u>\$ (1,589,342)</u>
Deficit per share	\$(0.33)	\$(0.32)

BENCHMARK (BAHAMAS) LTD.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY Nine months ended September 30, 2011 with comparative figures for the nine months ended September 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	--	--	--	--	(1,589,342)	(1,589,342)
<u>Balance at September 30, 2010</u>	<u>4,959,111</u>	<u>\$49,591</u>	<u>\$3,000,000</u>	<u>\$4,056,273</u>	<u>\$(5,572,540)</u>	<u>\$1,533,324</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	--	--	--	--	(1,649,718)	(1,649,718)
<u>Balance at September 30, 2011</u>	<u>4,959,111</u>	<u>\$49,591</u>	<u>2,000,000</u>	<u>\$4,056,273</u>	<u>\$(5,869,288)</u>	<u>\$236,576</u>

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

(Expressed in Bahamian dollars, unaudited)

	Nine months ended	
	September 30, 2011	September 30, 2010
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Cash flows from operating activities:		
Net loss for the period	\$(1,649,718)	\$(1,589,342)
Adjustments for:		
Net realized (gain) loss on investment	(65,737)	1,312,738
Net movement in unrealized loss on investments	1,483,153	28,981
<u>Depreciation and amortization</u>	<u>42,111</u>	<u>14,515</u>
Cash provided by operations before changes in operating assets and liabilities	(190,191)	(233,108)
Increase in dividends receivable	(22,930)	(208)
Decrease (increase) in other receivables	381,457	(282,969)
Increase in loan receivable	(10,000)	(15,000)
Decrease (increase) in customer advances	4,971	(6,895,938)
Increase in due to customers	217,084	4,016,695
<u>Increase in payables and accrued expenses</u>	<u>205,505</u>	<u>212,091</u>
Net cash used (provided) by operating activities	585,896	(3,198,437)
Cash flows from investing activities:		
Purchase of fixed assets	(15,303)	(782,102)
Purchase of securities	(891,759)	(9,479,429)
Purchase of investment property	(43,473)	--
<u>Sale of securities</u>	<u>396,258</u>	<u>2,894,495</u>
Net cash used by investing activities	(554,277)	(7,367,036)
Cash flows from financing activities:		
Issuance of preference shares	--	2,000,000
<u>Bank loan (repayment) increase</u>	<u>(101,698)</u>	<u>435,387</u>
Net cash (used) provided by financing activities	(101,698)	2,435,387
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Net decrease in cash & cash equivalents	(70,079)	(8,130,086)
Cash & cash equivalents, beginning of period	4,123,731	15,039,188
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<u>Cash & cash equivalents, end of period</u>	<u>\$4,053,652</u>	<u>\$6,909,102</u>

Cash & cash equivalents comprised 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 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	September 30, 2011			December 31, 2010		
	Cost	Fair Value	%	Cost	Fair Value	%
<i>Unrestricted</i>						
Auto manufacturing	836,675	580,200	8	836,675	1,007,400	13
Biotechnology	54,371	107	--	97,751	42,955	--
Communication	354,025	258,400	4	520,625	528,750	7
Entertainment	139,661	28,574	--	158,224	41,403	--
Financial services	4,094,882	4,969,501	72	3,444,100	5,558,172	71
Industrials	1,257,024	600,887	9	985,918	394,297	5
Insurance	214,434	1,623	--	214,434	982	--
Real estate	173,250	37,750	1	173,250	134,750	2
Technology	21,692	380	--	21,692	4,200	--
Utilities	89,406	46,220	1	89,406	46,720	1
Wholesale & retail	176,961	72,046	1	176,961	107,348	1
Other	14,687	1,366	--	22,512	28,992	--
<i>Restricted</i>						
Industrial	199,180	248,000	4	--	10,800	--
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	\$7,626,248	\$6,845,054	100	\$6,741,548	\$7,906,769	100

BENCHMARK (BAHAMAS) LTD.

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

2. Investments (cont)

Investments sold short:

Industry	September 30, 2011			December 31, 2010		
	Cost	Fair Value	%	Cost	Fair Value	%
<i>Unrestricted</i>						
Biotechnology	349,865	599,550	49	349,865	748,200	55
Financial services	132,629	449,000	37	132,629	429,200	32
Wholesale & retail	114,077	164,350	14	114,077	175,300	13
	<u>\$596,571</u>	<u>\$1,212,900</u>	<u>100</u>	<u>\$596,571</u>	<u>\$1,352,700</u>	<u>100</u>