

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

(Expressed in Bahamian Dollars, unaudited)

	March 31, 2012	December 31, 2011 (audited)
PROPERTY, PLANT & EQUIPMENT	62,690	75,247
INVESTMENT PROPERTY	3,763,643	3,763,643
LONG-TERM INVESTMENT	106,548	75,000
CURRENT ASSETS		
Cash at bank	896,111	1,893,824
Due from brokers	1,977,898	1,965,514
Customer advances	40,387,985	40,387,985
Dividends receivable	--	22,930
Other receivables	464,244	425,369
Loan receivable	3,558	10,558
Note receivable	300,000	300,000
Investments in securities (note 2)	<u>7,254,520</u>	<u>6,670,705</u>
	51,284,316	51,676,885
CURRENT LIABILITIES		
Bank overdraft	292,340	448,220
Payables and accrued expenses	334,201	214,125
Due to customers	48,857,262	48,699,703
Investments – sold short (note 2)	1,623,650	1,368,600
Current portion of bank loan	<u>96,000</u>	<u>96,000</u>
	51,203,453	50,826,648
NET CURRENT ASSETS	80,863	850,237
PREFERRED SHARE LIABILITY	1,000,000	1,000,000
LONG-TERM BANK LOAN	575,801	1,379,367
	<u>\$ 2,437,943</u>	<u>\$ 2,384,760</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>(6,667,921)</u>	<u>(6,721,104)</u>
	<u>\$ 2,437,943</u>	<u>\$ 2,384,760</u>

BENCHMARK (BAHAMAS) LTD.CONSOLIDATED STATEMENT OF OPERATIONS
(Expressed in Bahamian dollars, unaudited)

	Three months ended	
	<u>March 31, 2012</u>	<u>March 31, 2011</u>
Investment income	97,736	144,445
Fees and commissions	160,903	191,635
	<u>258,639</u>	<u>336,080</u>
<u>General administrative expenses</u>	<u>415,894</u>	<u>377,472</u>
Net investment loss	(157,255)	(41,392)
Realized and unrealized gain and loss on investments		
Net realized (loss)/gain on investment	(203)	20,141
Net movement in unrealized loss on investments	210,641	(263,999)
Net realized and unrealized loss on investments	210,438	(243,858)
	<u>Net income/(loss) for the period</u>	<u>\$(285,250)</u>
	\$53,183	
Deficit per share	\$0.01	\$(0.06)

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

Three months ended March 31, 2012 with comparative figures for the three months ended March 31, 2011

(Expressed in Bahamian dollars, unaudited)

	Number of Shares	Ordinary Shares	Preference Shares	Contributed Surplus	Retained Earnings	Total
Balance at December 31, 2010	4,959,111	49,591	1,000,000	4,056,273	(4,219,570)	1,886,294
Net deficit for the period	--	--	--	--	(285,250)	(285,250)
<u>Balance at March 31, 2011</u>	<u>4,959,111</u>	<u>\$49,591</u>	<u>\$1,000,000</u>	<u>\$4,056,273</u>	<u>\$(4,504,820)</u>	<u>\$1,601,044</u>
Balance at December 31, 2011	4,959,111	49,591	5,000,000	4,056,273	(6,721,104)	2,384,760
Net income for the period	--	--	--	--	53,183	53,183
<u>Balance at March 31, 2012</u>	<u>4,959,111</u>	<u>\$49,591</u>	<u>\$5,000,000</u>	<u>\$4,056,273</u>	<u>\$(6,667,921)</u>	<u>\$2,437,943</u>

BENCHMARK (BAHAMAS) LTD.**CONSOLIDATED STATEMENT OF CASH FLOWS**
(Expressed in Bahamian dollars, unaudited)

	Three months ended	
	March 31, 2012	March 31, 2011
<hr/>		
Cash flows from operating activities:		
Net deficit for the period	\$ 53,183	\$ (285,250)
Adjustments for:		
Net realized loss/(gain)	203	(20,141)
Net movement in unrealized (gain)/loss on investments	(210,641)	263,999
<u>Depreciation and amortization</u>	<u>12,557</u>	<u>15,268</u>
Cash used by operations before changes in operating assets and liabilities	(144,698)	(26,124)
Decrease/(increase) in dividends receivable	22,930	(22,930)
(Increase)/decrease in other receivables	(38,875)	281,171
Decrease/(increase) in loan receivable	7,000	(10,000)
Increase in due to customers	157,559	2,120,926
<u>Increase in payables and accrued expenses</u>	<u>120,076</u>	<u>266,892</u>
Net cash provided by operating activities	123,992	2,609,935
Cash flows from investing activities:		
Purchase of fixed assets	--	(13,503)
Increase in long term investment	(31,548)	
Purchase of securities	(220,471)	--
<u>Sale of securities</u>	<u>102,144</u>	<u>35,588</u>
<u>Net cash (used)/provided by investing activities</u>	<u>(149,875)</u>	<u>22,085</u>
Cash flows from financing activities:		
<u>Bank loan repayments</u>	<u>(803,566)</u>	<u>(39,482)</u>
<u>Net cash used by financing activities</u>	<u>(803,566)</u>	<u>(39,482)</u>
Net (decrease)/increase in cash & cash equivalents	(829,449)	2,592,538
Cash & cash equivalents, beginning of period	3,411,118	4,123,731
<u>Cash & cash equivalents, end of period</u>	<u>\$2,581,669</u>	<u>\$6,716,269</u>

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 2011 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	March 31, 2012			December 31, 2011		
	Cost	Fair Value	%	Cost	Fair Value	%
<i>Unrestricted</i>						
Biotechnology	85,693	3,578	--	54,371	108	--
Construction	173,250	81,250	1	173,250	62,000	1
Entertainment	139,661	28,574	--	139,661	28,574	--
Financial services	4,210,725	5,558,494	77	4,130,925	5,168,325	77
Industrial	1,822,646	1,173,569	16	1,822,593	1,033,793	16
Insurance	214,434	1,300	--	214,434	1,748	--
Technology	21,692	228	--	21,692	570	--
Utilities	89,406	46,220	1	89,406	46,220	1
Wholesale & retail	176,961	74,624	1	176,961	78,484	1
Other	368,712	245,350	3	368,712	200,250	3
<i>Restricted</i>						
Industrial	199,180	41,333	1	199,180	50,633	1
<hr/>						
	\$7,502,360	\$7,254,520	100	\$7,391,185	\$6,670,705	100

BENCHMARK (BAHAMAS) LTD.EXPLANATORY NOTES TO
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Bahamian dollars, unaudited)**2. Investments (cont)**

Investments sold short:

<u>Industry</u>	March 31, 2012			December 31, 2011		
	Cost	Fair Value	%	Cost	Fair Value	%
<i>Unrestricted</i>						
Industrial	349,865	793,500	49	349,866	686,700	50
Financial services	132,629	578,600	36	132,629	471,700	35
Other	114,077	251,550	15	114,076	210,200	15
	\$596,571	\$1,623,650	100	\$596,571	\$1,368,600	100