

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

	September 30, 2013 (unaudited)	December 31, 2012 (audited)
FIXED ASSETS	34,786	35,561
INVESTMENT PROPERTY	4,506,160	4,500,000
LONG TERM INVESTMENT	106,548	106,548
CURRENT ASSETS		
Cash at bank	1,423,477	2,733,478
Due from brokers	3,144,724	2,132,035
Customer advances	802,253	802,253
Other receivables	9,858	360,609
Loan receivable	558	558
Investment in securities (note 2)	<u>6,746,120</u>	<u>7,306,911</u>
	12,126,990	13,335,844
CURRENT LIABILITIES		
Bank overdraft	183,375	298,860
Payables and accrued expenses	485,463	274,273
Due to customers	11,240,854	12,103,174
Investments – sold short (note 2)	2,012,850	1,558,750
Current portion of bank loan	<u>68,328</u>	<u>72,124</u>
	13,990,870	14,307,181
NET CURRENT LIABILITIES	(1,863,880)	(971,337)
PREFERRED SHARE LIABILITY	--	1,000,000
LONG-TERM BANK LOAN	508,760	553,861
	<u>\$ 2,274,854</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>(6,831,010)</u>	<u>(6,988,953)</u>
	<u>\$ 2,274,854</u>	<u>\$ 2,116,911</u>

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

(Expressed in Bahamian dollars, unaudited)

	Three months ended	
	<u>September 30, 2013</u>	<u>September 30, 2012</u>
Investment income	26,743	57,522
Fees and commissions	303,253	138,553
	329,996	196,075
General administrative expenses	343,429	349,636
Net investment loss	(13,433)	(153,561)
Realized (loss) gain and unrealized gain (loss) on investments		
Net realized gain on investment	160,118	409
Net movement in unrealized (loss) gain on investments	(98,358)	78,231
Net realized and unrealized gain on investments	61,760	78,640
Net income (deficit) for the period	\$ 48,327	\$ (74,921)
Earnings (deficit) per share	\$0.01	\$(0.01)
	Nine months ended	
	<u>September 30, 2013</u>	<u>September 30, 2012</u>
Investment income	86,697	163,168
Fees and commissions	756,733	758,843
	843,430	922,011
General administrative expenses	940,436	1,123,288
Net investment loss	(97,006)	(201,277)
Realized (loss) gain and unrealized gain (loss) on investments		
Net realized gain on investment	860,774	1,380
Net movement in unrealized loss on investments	(605,825)	(219,296)
Net realized and unrealized gain (loss) on investments	254,949	(217,916)
Net income (deficit) for the period	\$ 157,943	\$ (419,193)
Earnings (deficit) per share	\$0.03	\$(0.08)

BENCHMARK (BAHAMAS) LTD.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY Nine months ended September 30, 2013 with comparative figures for the nine months ended September 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	--	--	--	--	(419,193)	(419,193)
Balance at September 30, 2012	4,959,111	\$49,591	\$5,000,000	\$4,056,273	\$(7,140,297)	\$1,965,567
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	--	--	--	--	157,943	157,943
Balance at September 30, 2013	4,959,111	\$49,591	\$5,000,000	\$4,056,273	\$(6,831,010)	\$2,274,854

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

(Expressed in Bahamian dollars, unaudited)

	Nine months ended	
	September 30, 2013	September 30, 2012
Cash flows from operating activities:		
Net income (loss) for the period	\$ 157,943	\$ (419,193)
Adjustments for:		
Net realized gain on investment	(860,774)	(1,380)
Net movement in unrealized loss on investments	605,825	219,296
Depreciation and amortization	23,764	38,691
Cash used by operations before changes in operating assets and liabilities	(73,242)	(162,586)
Decrease (increase) in dividends receivable	--	22,930
Decrease in other receivables	350,751	87,219
Decrease in loan receivable	--	10,000
(Decrease) increase in due to customers	(862,320)	358,593
Increase in payables and accrued expenses	211,190	92,100
Net cash (used) provided by operating activities	(373,621)	408,256
Cash flows from investing activities:		
Purchase of fixed assets	(22,989)	--
Increase in long term investment	--	(31,548)
Purchase of investment property	(6,160)	--
Purchase of securities	(769,901)	(391,612)
Sale of securities	2,039,741	177,684
Net cash provided (used) by investing activities	1,240,691	(245,476)
Cash flows from financing activities:		
Preferred share liability repayments	(1,000,000)	--
Bank loan repayment	(48,897)	(837,406)
Net cash used by financing activities	(1,048,897)	(837,406)
Net decrease in cash & cash equivalents	(181,827)	(674,626)
Cash & cash equivalents, beginning of period	4,566,653	3,411,118
Cash & cash equivalents, end of period	\$ 4,384,826	\$ 2,736,492

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 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 publicly traded equities in the following industries:

Industry	September 30, 2013			December 31, 2012		
	Cost	Fair Value	%	Cost	Fair Value	%
<i>Unrestricted</i>						
Biotechnology	85,693	4,930	--	89,523	15,083	--
Construction	173,250	90,000	1	173,250	84,450	1
Entertainment	139,661	28,574	--	139,661	19,782	--
Financial services	3,636,527	4,875,224	73	3,462,175	5,413,326	74
Industrial	2,178,880	1,460,154	22	2,382,389	1,332,033	18
Insurance	214,434	1,100	--	214,434	1,537	--
Technology	21,692	--	--	295,225	312,990	5
Utilities	79,366	31,240	1	78,605	32,450	--
Wholesale & retail	176,961	85,662	1	78,958	43,933	1
Other	72,247	86,728	1	329,610	51,327	1
<i>Fixed Income</i>						
Morgan Stanley Note	78,750	82,508	1	--	--	--
	\$6,857,461	\$6,746,120	100	\$7,243,830	\$7,306,911	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, 2013			December 31, 2012		
	Cost	Fair Value	%	Cost	Fair Value	%
<i>Unrestricted</i>						
Industrial	349,866	878,400	44	349,866	674,700	43
Financial services	132,629	755,200	37	132,629	574,800	37
Other	114,076	379,250	19	114,076	309,250	20
	<u>\$596,571</u>	<u>\$2,012,850</u>	<u>100</u>	<u>\$596,571</u>	<u>\$1,558,750</u>	<u>100</u>