LEO CAPITAL GROWTH SPC

(Incorporated in the Cayman Islands)

Unaudited Consolidated Interim Financial Statements

For the Period from 1 January 2011

to

30 June 2011

UNAUDITED INTERIM FINANCIAL STATEMENTS
For the period from 1 January 2011 to 30 June 2011

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GENERAL INFORMATION

Directors
Mr. Ian Cooper
Mr. Wolfgang Graebner
Mr. Claus Helbig
Mr. Pierre Kladny
Mr. Jonathan Schwartz/(Chairman)

All serve as independent non-executive Directors

Registered Office
Leo Capital Growth SPC
Ogier Fiduciary Services (Cayman) Limited
89 Nexus Way
Camana Bay
Grand Cayman
Cayman Islands KY1-9007

Manager
Leonardo Capital Management Limited
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Hamilton HM LX
Bermuda

Sub-Manager
Leo Fund Managers Limited
2nd Floor, Liscartan House
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London SW1X 9AS
United Kingdom

Bankers
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Germany

Prime Broker
Goldman Sachs International Ltd.
Peterborough Court
133 Fleet Street
London EC2Y 9AW
United Kingdom

Administrator
Quintillion Limited
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Dublin 2
Ireland

Independent Auditors
PricewaterhouseCoopers
Chartered Accountants & Registered Auditors
One Spencer Dock
North Wall Quay
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Ireland

Legal Advisors on Dutch Law
Loyens & Loeff N.V.
Weena 690
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Legal Advisors on Cayman Islands Law
Ogier
89 Nexus Way
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CHAIRMAN'S STATEMENT

The first half of 2011 was a difficult time for Leo Capital Growth. A loss of 4.34% was reported for the period 1 January to 30 June 2011. This compares with a 1.26% loss in the MSCI Europe Index and gains of 5.24%, 4.66% and 0.78% for the DAX, CAC and the FTSE 100 indices over the same period.

During the first six months of 2011 the Fund entered into several profit yielding positions. Unfortunately, they were negated by several legacy position losses leaving the Fund with a negative result.

Three legacy positions in particular had a negative influence on the Leo Capital Growth's performance in the first half of 2011. They were Alpha Immobiliare -7% during the period, Beta Immobiliare -19.3% and Forsys Metals whose price dropped significantly during the first half of 2011.

In Alpha we remain confident that there is deep unrecognised value in the portfolio that will emerge as the properties are sold and cash is returned to the shareholders. Beta will have to liquidated in the first quarter of 2012 and we are monitoring this process to ensure that Beta's assets are crystallised in the best possible way for shareholders.

As for Forsys Metals, its price was significantly affected by the tragic events in Japan. The Investment Manager is working diligently to achieve an acceptable exit for LCG's investment in Forsys.

At the moment there is significant volatility in equity markets. Our strategy is to remain vigilant for appropriate investment opportunities, whilst at the same time retaining a strong approach to risk management.

Jonathan Schwartz

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Jonathan Schwartz
Chairman
22 July, 2011

DIRECTORS' REPORT
For the period ended 30 June 2011

The Directors present their report and the unaudited consolidated financial statements for the period from 1 January 2011 to 30 June 2011.

Principal activities

Leo Capital Growth SPC (the "Company") is an investment company whose objective is to achieve long-term capital appreciation primarily through direct or indirect equity investment in European publicly traded companies.

Operation of the business

The Company appointed Leonardo Capital Management Ltd. as Investment Manager (the "Manager"). The Manager in turn delegated its responsibilities for investment advice and execution to Leo Fund Managers Limited (the "Sub-Manager"), an investment management company authorised and regulated in the United Kingdom by the Financial Services Authority. The delegation of investment advice and execution to the Sub-Manager was envisaged in the Prospectus.

Results for the period and state of affairs at 30 June 2011

The Consolidated Statement of Financial Position and the Consolidated Statement of Comprehensive Income for the period ended 30 June 2011 are set out on pages 9 and 10, respectively. The Company returned a loss of -4.34% (2010: loss of -10.91%) for the period ending 30 June 2011, in comparison to its performance benchmark index, the MSCI Europe index, which decreased 1.26% in the same period. The Investment Manager's report discusses the performance of the Company for the period ending 30 June 2011.

Dividends

The Directors do not recommend the payment of a dividend at period end.

Significant events during the period

On 10 January 2011 the Directors wrote to shareholders advising them of a share buyback offer of up to 5% of the Company's shares. The offer was to be made in two tranches of 2.5% each. The first offer period began on 10 January 2011 and ended on 27 January 2011. A circular regarding the second offer is due to be published in September 2011. The first offer was fully subscribed, resulting in 75 shares being repurchased by the Company.

Subsequent events

There were no subsequent events .

Directors

The Directors as at 30 June 2011 are listed on page 1 and are as follows:

Mr. Ian Cooper
Mr. Wolfgang Graebner
Mr. Claus Helbig
Mr. Pierre Kladny
Mr. Jonathan Schwartz

All of the above are non-executive Directors.

The Company is not aware of any potential conflicts of interest between any duty of any Directors owed to it and their respective private interests. Each Director is paid an annual fee of €50,000.

The Directors acknowledge their responsibility to maintain books and accounts which disclose with reasonable accuracy the positions held in the Company at any point in time. The Directors also acknowledge their responsibility in the safeguarding of the assets of the Company and take reasonable steps in the detection of fraud and other irregularities. The Directors believe they have complied with these guidelines by employing an experienced administrator with appropriate expertise in Quintillion Limited ("Quintillion"), who maintain the books and accounts. Quintillion prepare valuations on a month end basis and annually produce consolidated financial statements in accordance with the International Financial

DIRECTORS' REPORT (Continued)
For the period ended 30 June 2011

Directors (continued)

Reporting Standards ("IFRS"). The Directors regularly review the Administrator's performance, the investment strategy and also the risk profile of the Company at the quarterly Board Meetings as well as from time to time during the period as required.

The Directors are responsible for preparing the interim report and the consolidated financial statements in accordance with IFRS as adopted by the EU. In preparing the consolidated financial statements, the Directors are required to select suitable accounting policies and then apply them consistently, make judgements and estimates that are reasonable and prudent and prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business. The Directors confirm that they have complied with these requirements in preparing the consolidated financial statements.

The Directors are also required by the Transparency (Directive 2004/109/EC) Regulations 2007 to include a management report containing a fair review of the business and a description of the principal risks and uncertainties facing the Company. The Directors confirm that they have complied with the above requirements in preparing the annual report.

The Directors confirm that, to the best of each person's knowledge and belief:

- the consolidated financial statements, prepared in accordance with IFRS, give a true and fair view of the assets, liabilities, financial position and loss of the Company; and
- the Report of the Directors includes a fair review of the development and performance of the Company's business and the state of affairs of the business at 30 June 2011, together with a description of the principal risks and uncertainties facing the Company.

The Board of Directors hold quarterly board meetings at which key risks facing the Company are discussed (as referred to in note 6 'Financial Risk Management').

Other

The Board would also direct your attention to note 7 for 'Related Party Transactions' for the period to 30 June 2011.

With regards to the additional disclosure requirements for closed end companies which flow from the EC (Takeover Bids) Regulations, please note the following:

Note 5, 'Shareholders' Interests' details the rights and obligations of the Participating Shares and the capital structure, including the total capital in the singular Share Class.

The Participating Shares of the Company were listed on the Euronext Amsterdam under the symbol "LEO" on 12 July 2007. Although there is a 7 year lock up period of Participating Shares in the Company, preventing redemption, these Participating Shares may be transferred in accordance with procedures established for this purpose by Euroclear Netherlands or alternatively through the Company's Share registrar. The rights of holders of Participating Shares will rank *pari passu* with each other.

Under the Articles of Association of the Company, the Board of Directors is authorised in its absolute discretion and subject to applicable laws, to effect repurchases of up to 20% of its aggregated issued Participating Shares in any one financial period of the Company at a price per Participating Share not being greater than the Net Asset Value per Participating Share as at the most recent Valuation Day. The Board of Directors will not, however, be obliged to repurchase Participating Shares and holders of Participating Shares will have no right to require such a repurchase. Repurchased Shares will automatically be cancelled.

DIRECTORS' REPORT (Continued)
For the period ended 30 June 2011

Directors (continued)

Please refer to note 5 'Shareholders' Interests' with reference to Management Shares.

The Company's Condensed Schedule of Investments shows no positions of controlling ownership at the period end 30 June 2011.

As noted previously, the Directors receive an annual fee as compensation. The general meeting of shareholders of the Company may appoint and remove the Directors pursuant to a resolution adopted by a simple majority of the votes cast at such meeting.

By order of the Board

22 July, 2011

INVESTMENT MANAGER'S REPORT
For the period ended 30 June 2011

The Leo Capital Growth fund reported a 4.34% loss for the half year ended 30/06/2011. The fund's performance compares to a 1.26% loss in the MSCI Europe Index and respective gains of 5.24%, 4.66% and 0.78% for the DAX, CAC and FTSE 100 indices over the equivalent period.

Monthly Performances – H1 2011

Month	**December**	**January**	**February**	**March**	**April**	**May**	**June**	**H1 2011**
Performance	-	-2.46%	-1.42%	-2.83%	2.37%	-1.56%	1.60%	**-4.34%**
NAV (Closing)	92,761.81	90,481.10	89,199.55	86,672.86	88,725.87	87,342.04	88,738.54	**88,738.54**

Market Review:

The year started off strong as receding sovereign debt fears coupled with supportive macro and earnings data boosted investor sentiment towards risk assets. European markets were particularly strong with well subscribed bond auctions and indications that EU officials were considering boosting the bail-out facility, which more than offset lackluster results from US financials. Markets hit two-year highs, undeterred by the riots that had been happening in North Africa. Investor sentiment was only muted when the unrest spread to Egypt, though this still did not spoil January's performance as solid gains in the previous weeks ensured markets ended the month considerably higher. This positive momentum continued into February as strong macro data reinforced evidence of economic recovery. Markets largely ignored the escalating protests and violence in the Middle East, even when tensions reached critical levels in Egypt and President Mubarak was forced to resign. Only as chaos spread over to neighboring Libya and concerns about the threat to oil supply sent crude prices spiking sharply higher, did equities show the first signs of weakness. The power struggle between Gaddafi and rebel forces for the control of Libya continued throughout March, yet this was abruptly overshadowed by the earthquake and subsequent tsunami that struck Japan on March 11. Equity markets retreated sharply as the full scale of the tragedy began to unfold and investors fretted about the knock-on effects this would have on the world economy. Matters were made worse as the tsunami damaged the nuclear power plant in Fukushima, triggering a nuclear crisis affecting in particular the insurance, energy and uranium sectors. By the end of the quarter however, major indices recovered most of the lost ground as positive macro data and fading worries over the nuclear incident in Japan boosted risk appetite.

The second quarter started with positive momentum from the end of March. Equities remained resilient, with a continued pick-up in M&A activity in April, and an earnings season that was generally perceived to exceed market expectations. The rest of the quarter was predominantly weak with shocks including more earthquakes hitting the Japan region, weaker macro data, and escalating European sovereign debt issues. Equities moved lower throughout the rest of the quarter, triggered by concerns that debt crisis contagion risks could be moving into some of the larger economies from smaller ones surrounding the periphery. US growth momentum slowed in the second quarter, causing continued weakness in equities until near the end of the quarter. Equity performance could have been much worse for the period had it not been for the sharp acceleration at the end of the second quarter. In the final few days of Q2, equities rallied sharply after the Greek parliament approved austerity measures to avoid defaulting on its debt. Better-than-expected June Institute of Supply Management (ISM) Manufacturing data and much stronger-than-expected Chicago Purchasing Managers Index (PMI) data also aided the broader market in the last few days of the period.

Sector wise, the period exhibited mixed trends with no clear cyclical bias. Auto & Parts (+9.9%) put in a strong performance in Q2 to finish top sector for H1. Real Estate (+6.1%) and Insurance (+5.2%) were next best. On the negative side, Basic Resources (-10.0%) continued to suffer from the decline in commodity prices and was the period's worst performer, followed by Travel & Leisure (-7.2%) and Retail (-5.6%) which were affected by consumer spending pressure.

On the macro front, data was generally supportive in Q1, but turned significantly worst in Q2. US employment data was encouraging up to April, with the unemployment rate improving and solid Non Farm Payrolls (NFP) releases. However, the positive trend slowed abruptly in May and June with NFP's rising much less than expected. Manufacturing data followed a similar trend with ISM readings reaching 6 year highs in Q1, but then receding sharply in the latter part of Q2. A similar story was true for Europe with data coming strong in Q1 followed by a correction in Q2. German releases surprised to the upside in Q1 on the back of strong exports and consumer spending while both consumer and industrial confidence increased up to April. In the months of May and June manufacturing data worsened with PMI's decreasing sharply as did Economic sentiment, with the Zentrums für Europäische Wirtschaftsforschung (ZEW) indicator receding substantially towards the end of the period. With regards to interest rates, the Federal Reserve and Bank of England kept rates on hold at 0.25% and 0.5% respectively while the European Central Bank raised rates for the first time in two years by 0.25% to 1.25%.

INVESTMENT MANAGER'S REPORT (Continued)
For the period ended 30 June 2011

Fund Investments

Exited Positions:
During the period to 30th June 2011 investments in Norilsk Nickel, Actelion and Synthes were closed at a profit as the positions had reached our target price or the investment rationale had played out. The latter, a Swiss Orthopedics company, was the most profitable investment made by LCG during the period. The investment rationale was driven by the Company's best in class products and strong positions in its end-markets especially trauma, where Synthes is a market leader. In late April, Johnson & Johnson made a cash and stock offer for the Company. LCG took advantage of the resulting appreciation in share price to exit profitably.

Current Positions:
During the half year to 30 June, 2011, the Fund entered into several profit yielding investments that were negated by drops in the share prices of the legacy positions, thereby resulting in an overall loss for LCG. Below we provide a review of current investments.

Alpha Immobiliare:
Alpha's share price dropped more than 7% throughout the period although there was no specific negative news on the company so the decline was more a function of Italian market conditions. In February FY10 accounts were released with an updated NAV which was virtually unchanged from the June 2010 level. A dividend of €66.20 per share was also announced in February and paid in March. During the period Alpha's manager FIMIT announced that it will merge with First Atlantic SGR (part of the DeAgostini Group) with the latter taking control of the newly formed entity. We don't envisage any particular implication for Alpha nor our activist strategy. We remain confident that there is deep unrecognised value in Alpha's portfolio that will emerge as properties are sold and cash returned. We will continue to exert pressure on management for this to occur.

Beta Immobiliare:
Beta had a poor semester with the stock dropping 19.3%. However, the company paid a capital return dividend of €14.00 in March implying the actual price retreat was 17.1%. Moreover, Beta had a very strong December (+21.4%) and also paid an ordinary dividend of €48.30 in March, therefore a degree of price correction could be envisaged. No major operational developments occurred throughout the quarter except for the payment of dividends and the sale of part of a small property for c.€1.4m at the end of May. As the sale relates to an unspecified part of a property, no immediate comparison can be made with purchase cost or book value, although FIMIT's press release states 'it was in line with the FY 10 independent valuation'. The merger between First Atlantic and FIMIT should not have a significant impact on Beta, not least because the fund will have to be liquidated by February next year, and hence there is little in the way of strategy other than sell properties and return cash to shareholders. We are confident this process will proceed swiftly and will continue to monitor developments in order to crystallise the value in Beta's assets.

Forsys Metals:
Forsys price dropped significantly during the period as it continued to be negatively affected due to concerns surrounding the future of nuclear power following the unfortunate Japanese earthquake on March 11 and the resulting Fukushima episode. Forsys, therefore, was the largest loss-making position for the Fund. Industry experts still believe that in the longer term uranium prices should see a significant jump from their current depressed levels as demand increases from developing countries such as China and India combined with slowing supply growth will boost prices. There are still very few proven and viable non-fossil fuel alternatives for the growing energy needs of the world. In the early part of the year, the Company announced additional drilling results from its ongoing Namibplaas drilling program that could significantly increase its resource level. The Investment Manager intends to continue the ongoing efforts to seek an acceptable exit strategy for LCG's investment in Forsys.

Hermes International:
Throughout the period the fund also took a tactical position in the French luxury goods' manufacturer Hermes International, which saw a rapid rise in its share price due to stake-building by LVMH and its limited free float. Since late June, LCG has been reducing its investment in Hermes to book a healthy gain.

Infigen Energy:
LCG's legacy investment in Infigen Energy continued to be very volatile as the stock price went down by nearly a third in the six months to June 30th 2011. It was impacted by the release of its first half 2011 results, which showed that although the production and revenue were within the guided range, final results were impacted due to lower than expected electricity prices and unfavorable moves in foreign exchange rates. The company is also facing higher operating & maintenance costs which exacerbated results. The high leverage in the capital structure led to somewhat exaggerated concerns on default that

INVESTMENT MANAGER'S REPORT (Continued)
For the period ended 30 June 2011

Infigen Energy (continued):
impacted the share price. Some positive news was released during the period as the company announced the sale of the German portfolio, which provided a significant help in reducing leverage. This was preceded by the company's confirmation that it had received "preliminary enquiries from Investment banks and others, none of which were in advanced stages". The Investment Manager continued to engage with the company's senior management as we remain convinced there are potential strategic buyers for the Australian assets, although currently no formal sale process exists. Further, the proposed introduction of carbon trading would lead to higher realization for Australian power prices, thus benefitting producers like Infigen. The company should be able to meet its key debt covenants and we could hear developments on debt-restructuring in next 1-2 years. The Investment Manager intends to continue to engage with the company and put pressure upon management to explore all strategic options, including a partial or full sale.

Kabel Deutschland Holding:
During the period under consideration, the Fund also initiated a position in the German cable operator, Kabel Deutschland Holding AG (Kabel).The investment rationale is driven by the Company's strong underlying fundamentals, its stable core offering that limits downside and its new services that are driving growth. Further, despite the company having been listed relatively recently, the potential for a corporate action is high. Kabel finished the half year close to the Fund's acquisition price.

Mitchells & Butlers:
The fund's legacy position in Mitchell's & Butlers (MAB) yielded a loss as its stock price decreased by nearly 11% during the half year under consideration. This was mainly due to concerns surrounding the UK economy and more specifically, the slowdown in spending by UK consumers. In this backdrop, MAB's operations proved yet again to be recession resilient and continue to show like-for-like gains. The stock was also impacted by concerns regarding the Chairman's exit followed by the well-respected CEO. The Company stated that this move was to break the final links to the boardroom struggle that took place in the beginning of 2010. We continue to see intrinsic value in the Company and believe that its operational outperformance will help us crystallize it.

Misys:
Misys is a UK based provider of Software to the global financial services industry, which in the past few years, under leadership of a dynamic CEO, has undertaken significant restructuring and initiatives to streamline assets. The underlying fundamentals are robust and at the time of commencing LCG's investment, the Company was a potential takeover candidate for other software players in this space. This investment thesis played out in June as Misys was approached by a US based banking technology company: Fidelity National Information Services, which resulted in a significantly jump in the company's share price. Since then, LCG has been taking profits by reducing its position in the company.

Northumbrian Water Group:
Northumbrian Water is a UK based regulated water and sewage services' company that operates in the north east and south east of England. The regulatory framework provides long term stability and the company is well-managed. Operations are supported by the macro scenario with high UK inflation and low real interest rates. Further, Northumbrian has been a tangible acquisition candidate due to the bond-like visibility of its cashflows. History too was supportive, as there have been many corporate transactions in the regulated UK-utilities' sector. This trend is continuing, as towards the end of the half year under consideration, Hong Kong-based Cheung Kong Infrastructure Holdings Limited (CKI) made a statement indicating that it is in the preliminary stages of assessing a potential cash offer for Northumbrian. LCG has been taking advantage of the share price appreciation to opportunistically exit from this position.

Symphony International:
Symphony's share price added 16.6% during the period on the back of positive operational developments. The company released updated NAV's as at 31/12/2010 and 31/03/2011 that contained no surprises and simply moved along with the performance of its listed investments. The latest was 6.2% ahead of the FY10 NAV but 13.2% lower than the NAV at September 30th 2010. In April the company held its AGM where it sought authorization to undertake share buybacks at the discretion of their Directors. We voted against this due to unfavourable conditions of the resolution, and the resolution was withdrawn. In May the company's listed investment, Minor International Pcl ("MINT") succeeded in a takeover battle for a majority (65%) stake of Australian apartment hotel operator Oaks Hotels & Resorts. This acquisition will double the size of MINT's hotel and serviced apartment portfolio. We continue to envisage substantial value embedded in Symphony's unlisted assets and will continue to work on strategies to unlock this.

Leonardo Capital Management
22 July, 2011

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2011
(Expressed in Euros)

	30 June 2011 €	30 June 2010 €
Current Assets		
Financial assets at fair value through profit or loss	156,217,702	136,645,003
Cash and cash equivalents	94,432,245	122,551,213
Cash at broker	234,933	1,584,107
Interest and dividends receivable	14,756	593,686
Other assets and prepaid expenses	10,683	101,026
Due from Broker	6,043,478	-
Total current assets	**256,953,797**	**261,475,035**
Equity		
Ordinary Share Capital	1	1
Total Equity	**1**	**1**
Current Liabilities		
Financial liabilities at fair value through profit or loss	131,225	375,140
Due to broker	-	47,655
Investment management fee payable	323,322	326,670
Directors' fee payable	125,000	125,000
Administration fee payable	16,227	15,858
Audit fee payable	17,250	18,875
Dividends payable	-	136,797
Interest payable	-	4,017
Tax accrual	372,076	-
Other payables and accrued expenses	74,267	20,535
Current liabilities excluding net assets attributable to holders of redeemable Participating Shares	**1,059,367**	**1,070,547**
Net Assets attributable to holders of redeemable Participating Shares on a bid/ask price basis	**255,894,430**	**260,404,488**
Adjustment for bid/ask price to last traded price	2,423,446	589,147
Net Assets attributable to holders of redeemable Participating Shares on a last traded price basis	258,317,876	260,993,635

Net Asset Value per Share (NAV)	**2011**	**2010**
Euro Class Shares	2,911	2,986
NAV per Share	€88,738.5352	€87,405.7719

See notes to the consolidated financial statements

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the period from 1 January 2011 to 30 June 2011
(Expressed in Euros)

	Note	30 June 2011 €	30 June 2010 €
Investment income			
Interest income		356,150	433,339
Dividend income		5,120,637	2,046,010
Net loss on financial assets and liabilities at fair value through profit or loss	3	(16,246,952)	(29,526,217)
Total loss		**(10,770,165)**	**(27,046,868)**
Expenses			
Investment management fees	4	1,943,731	2,122,941
Directors' fees	4	125,000	125,000
Legal fee		120,000	90,745
Administration fee	4	96,805	104,635
Dividend expense		-	134,920
Prime broker fees		5,902	36,943
Audit fee		15,000	12,375
Other expenses		102,415	81,419
Total expenses		**2,408,853**	**2,708,978**
Operating (loss)		**(13,179,018)**	**(29,755,846)**
Finance cost			
Interest expense on margin cash		(44,888)	(1,137,370)
Total finance cost		**(44,888)**	**(1,137,370)**
Loss before tax		**(13,223,906)**	**(30,893,216)**
Withholding tax on dividends and other investment income from operations		(94,367)	-
Tax provision		(575,623)	-
Decrease in net assets attributable to holders of redeemable Participating Shares		**(13,893,896)**	**(30,893,216)**
Adjustment for bid/ask price to last traded price		1,834,299	(1,073,558)
Decrease in net assets attributable to holders of redeemable Participating Shares resulting from operations based on last traded price		**(12,059,597)**	**(31,966,774)**

On behalf of the Board

See notes to the consolidated financial statements

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING SHARES

For the period from 1 January 2011 to 30 June 2011

(Expressed in Euros)

	Number of Shares	2011 €	Number of Shares	2010 €
Euro Class				
Net assets attributable to holders of redeemable Participating Shares at 1 January	2,986	276,986,752	2,986	292,960,409
Redemption of shares during the period	(75)	(6,609,279)	-	-
Decrease in net assets attributable to holders of redeemable Participating Shares resulting from operations	-	(12,059,597)	-	(31,966,774)
Net assets attributable to holders of redeemable Participating Shares on a last traded basis	**2,911**	**258,317,876**	**2,986**	**260,993,635**

See notes to the consolidated financial statements

UNAUDITED CONSOLIDATED STATEMENT OF CASHFLOWS
For the period from 1 January 2011 to 30 June 2011
(Expressed in Euros)

	30 June 2011 €	30 June 2010 €
Cash flow from operating activities		
(Decrease) in net assets attributable to holders of redeemable Participating Shares from operations	(12,059,597)	(31,966,774)
Changes in operating assets and liabilities		
Purchase of investments	(41,337,868)	(54,020,326)
Proceeds from sale of investments	63,268,120	61,528,762
Adjustments to reconcile realised (loss) and (depreciation) on investments and derivatives	12,799,454	20,367,240
Net decrease/(increase) in cash at broker	3,723,667	(788,820)
Net (decrease) in due to broker	(2,510,747)	(747,117)
Net (decrease) in investment management fee payable	(23,345)	(399,392)
Net decrease/(increase) in interest and dividends receivable	373,773	(492,637)
Net increase in directors fees payable	125,000	-
Net (increase)/decrease in other assets and prepaid expenses	(712)	35,639
Net increase in dividends payable	-	136,797
Net increase/(decrease) in other payables and accrued expenses	57,237	(98,455)
Net (increase) in due from broker	(6,039,232)	-
Net (decrease) in administration fee payable	(388)	(36,423)
Net (decrease) in audit fee payable	(19,500)	(22,875)
Net increase in interest expense payable	-	3,017
Net increase in tax payable	372,076	-
Net cash generated from / (used in) operations	**18,355,862**	**(6,501,364)**
Net increase / (decrease) in cash and cash equivalents	18,355,862	(6,501,364)
Cash and cash equivalents at beginning of the period	76,076,383	129,052,577
Cash and cash equivalents at end of the year	**94,432,245**	**122,551,213**
Supplementary disclosures of cash flow information		
Net cash received during the period for dividends	5,120,637	1,523,154
Net cash received during the period for interest	341,394	457,172
Net cash paid during the period for interest	-	(1,139,392)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the period ended 30 June 2011

1. General information

Leo Capital Growth SPC (the "Company") was incorporated and registered as a closed ended segregated portfolio company in Cayman Islands on 25 August 2006, under the Companies Law (Revised) of the Cayman Islands. On or prior to the seventh anniversary of the first issue of the Participating Shares (being 31 March 2014), the Board of Directors will convene a general meeting of shareholders at which a resolution will be put to all holders of Participating Shares to continue the existence of the Company beyond that date for a period of up to two years. Initially, only one segregated portfolio has been created: the PS Segregated Portfolio. The PS Segregated Portfolio has only one Class of Shares: the Euro Class. The Participating Shares were listed on Euronext Amsterdam on 12 July 2007.

Liscartan Investments S.a.r.l was set up as a Luxembourg SPV wholly owned by Leo Capital Growth SPC. It holds LCG's investments in listed Italian real estate funds. Its financial statements are consolidated Financial Statements of Leo Capital Growth SPC.

The Company's investment objective is to achieve long-term appreciation of its assets. The Company for and on behalf of PS Segregated Portfolio seeks to achieve its objective by making significant equity investments either directly or indirectly in primarily European publicly traded companies which the Company believes are under-managed and under-valued. The strategy may require medium to longer-term commitment in order to unlock value. There may be at any point in time significant concentration exposures to individual issuers.

The Company's investment activities are managed by Leonardo Capital Management Limited (the "Manager") who in turn has delegated responsibility for investment management to Leo Fund Managers Limited (the "Sub-Manager").

The Company's administration is delegated to Quintillion Limited (the "Administrator"). The registered office of the Company is Ogier Fiduciary Services (Cayman) Limited, 89 Nexus Way, Camana Bay, Grand Cayman, Cayman Islands KY1-9007.

The consolidated financial statements were authorised for issue by the Directors on 22 July 2011.

2. Summary of significant accounting policies

Basis of preparation
The Company's condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2010.

The financial statements are presented in Euro, the Company's functional and presentation currency. Financial assets and liabilities are held at "fair value through profit or loss", as defined by IFRS 9: Financial Instruments.

There were no changes in accounting policies for the Fund during the period.

Basis of Consolidation
These consolidated financial statements combine the financial statements of Leo Capital Growth SPC and Liscartan Investments for the period ended 30 June 2011.

Accounting Policy
The accounting policies applied in these condensed consolidated interim financial statements are consistent with those of the annual financial statements as at and for the year ended 31 December 2010, as described in those annual financial statements.

Estimates Policy
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual financial statements for the year ended 31 December 2010.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For the period ended 30 June 2011

2. Summary of significant accounting policies (continued)

Cash and cash equivalents

The Company considers short term, highly liquid investments with original maturities of three months or less to be cash equivalents. The majority of the Company's cash and cash equivalents are held in Citi deposit accounts. The remainder is held with Goldman Sachs International (the "Prime Broker") and J.P. Morgan International. Cash and cash equivalents comprise the following balances with original maturity of less than 90 days.

	2011 €	2010 €
J.P. Morgan Chase	19,465,335	945,792
Citi deposit accounts	40,000,000	53,166,089
Goldman Sachs Funds PLC - Euro Liquid Reserve Fund	2,125,100	61,584,890
Goldman Sachs International	32,824,543	6,847,227
ING Bank	17,267	7,215
	94,432,245	122,551,213

Cash at brokers

Amounts receivable from or payable to brokers include cash balances with the Company's clearing broker. Under a revolving facility with the Prime Broker, Goldman Sachs International, the Company is able to borrow amounts in various currencies collateralised by the cash and securities held on its behalf by Goldman Sachs International.

	2011 €	2010 €
Goldman Sachs International	234,933	1,584,107
	234,933	1,584,107

3. Net gain/(loss) on financial assets and liabilities at fair value through profit or loss and foreign currency

	2011 €	2010 €
Net loss on financial assets and financial liabilities at fair value through profit or loss during the year comprises of:		
Realised gain on investments at fair value through profit or loss	9,228,111	1,572,995
Change in unrealised (loss) on investments at fair value through profit or loss	(28,698,274)	(20,207,358)
Net realised and change in unrealised (loss) on investments at fair value through profit or loss	(19,470,163)	(18,634,363)
Realised gain / (loss) on foreign exchange	1,701,163	(4,857,356)
Change in unrealised gain/(loss) on foreign exchange	1,522,048	(6,034,498)
Net realised and change in unrealised gain/(loss) on foreign currency	3,223,211	(10,891,854)
Net (loss) on financial assets and financial liabilities at fair value through profit or loss	(16,246,952)	(29,526,217)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For the period ended 30 June 2011

4. Expenses

Investment management fee
Pursuant to the investment management agreement dated 12 January 2007, the Company pays the Manager a monthly investment management fee at an annual rate of 1.5% of the Net Asset Value of the PS Segregated Portfolio (payable in arrears every month).

Investment management fees incurred during the period amounted to €1,943,731 (2010: €2,122,941) and investment management fees payable at 30 June 2011 amounted to €323,322 (2010: €326,670).

Performance fee
On the winding-up of the Company or on the redemption of all of the Participating Shares of the PS Segregated Portfolio, the Company shall pay a performance fee to the Manager pursuant to terms of the investment management agreement equivalent to 20% of the appreciation in the Net Asset Value of the PS Segregated Portfolio over the period since a performance fee was last paid or, if no performance fee has been paid, since the date of the first issue of Participating Shares.

In the event that the Manager's appointment is terminated by the Company prior to the winding-up of the Company or the redemption of all of the Participating Shares of the PS Segregated Portfolio for any reason, the Company shall pay a performance fee to the Manager equivalent to 20% of the appreciation in the Net Asset Value of the PS Segregated Portfolio over the period since a performance fee was last paid or, if no performance fee has been paid, since the date of the first issue of Participating Shares to the last Business Day on the month immediately prior to which such termination becomes effective. For the period ended 30 June 2011, the performance fee accrued amounted to €Nil (2010: €Nil).

Administration fee
Quintillion Limited (the "Administrator") serves as the Company's administrator, registrar, and transfer agent and performs certain administrative duties, including accounting and clerical functions. The Company pays from the assets attributable to the redeemable participating shares of the Company a monthly administration fee equal to an amount falling between one-twelfth of between 0.06% and 0.08% of the month end net assets, depending on the level of assets under management. The minimum monthly fee for such services will be equal to €10,000. The Administrator also charges an annual fee of €6,000 for audit assistance and is entitled to be reimbursed for reasonable out-of-pocket expenses. As at 30 June 2011, total administration fees for the period amounted to €96,805 (2010: €104,635) with €16,227 (2010: €15,585) payable at period end.

Directors' fees
The listing of the members of the Board of Directors is shown on page 3 of the annual report.

Each Director is paid a fee of €50,000 per annum by the Company. The Directors will also be entitled to payment of all reasonable expenses incurred in connection with their appointment as Directors of the Company.

Directors' fees incurred during the period amounted to €125,000 (2010: €125,000) and Directors' fees payable at 30 June 2011 amounted to €125,000 (2010: €125,000).

Jonathan Schwartz receives €12,000 in directorship fees from Liscartan Investments S.a.r.l and €20,000 in investment committee fees from the Company.

5. Shareholders' interests

The Company has an authorised share capital of €250,000,001 divided into 100 Management Shares with a nominal value of €0.01 each and 5,000 Participating Shares with a nominal value of €50,000 each. All Management Shares have been issued to the Manager at their nominal value.

As at 30 June 2011 2,911 Participating shares were in issue.

The holders of Participating Shares shall be entitled to receive notice and to attend, in person or by proxy, at each general meeting of shareholders of the Company but shall only be entitled to speak or vote at any such meeting in respect of a resolution which proposes to vary the special rights attaching to the Participating Shares, to amend the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For the period ended 30 June 2011

5. Shareholders' interests (continued)

Memorandum or Articles of Association of the Company, to remove and appoint Directors of the Company, to vote on the winding-up/continuation of the Company at the end of its seven year planned life and to change the Manager as of June 30, 2010 and as of June 30 of each successive year. The holders of Participating Shares and Management Shares where they are entitled to vote shall have one vote for each share held.

Each Management Share will carry the right to one vote on all matters in general meetings of the shareholders of the Company, except on a resolution to change the Manager or wind-up/continue the Company at the end of its seven year life, being 31 March 2014. The Management Shares do not entitle holders to participate in the Company's profits and losses. Upon winding up of the Company the holders of Management Shares are entitled to receive their paid in capital €0.01 per Share after payment of the amounts due to holders of Participating Shares.

The holders of Participating Shares shall be entitled to receive notice of and attend, in person or by proxy, at each meeting of shareholders, but shall only be entitled to speak or vote at any such meeting on a resolution which proposes to vary the special rights attaching to the Participating Shares or to amend the Memorandum or the Articles of Association of the Company, to remove and appoint the Directors of the Company, to vote on the winding-up/continuation of the Company at the end of its seven year life or to vote for a change in Manager. They are entitled to receive any dividends that may be declared by the Company and upon the winding-up of the Company, the full amount of the assets of the PS Segregated Portfolio available for the distribution will be distributed to registered holders of Participating Shares.

On 10 January 2011 the Directors wrote to shareholders advising them of a share buyback offer of up to 5 % of the Company's shares. The offer was to be made in two tranches of 2.5% each. The first offer period began on 10 January 2011 and ended on 27 January 2011. A circular regarding the second offer is due to be published in September 2011. The first offer was fully subscribed, resulting in 75 shares repurchased by the Company.

6. Related party transactions

At 30 June 2011 :

- Francesco Marotta a Director of the Investment Manager (Leonardo Capital Management Limited) held 2 Participating Shares.
- Leonardo Capital Management Limited held 1 Participating Shares of the Company.
- Woodbourne Trustees, as Trustee of the C&C Trust, 50% owner of Leonardo Capital Management, held 42 Participating Shares.
- Woodbourne Trustees, as Trustee of the Leonardo Trust, 50% owner of Leonardo Capital Management, held 251 Participating Shares.
- Ian Cooper, a Director of the Company held 5 Participating Shares.

The above share holdings were the same as at 30 June 2010.

The Investment Manager is considered a related party to the Company. Investment Management and Performances fees are detailed in note 4 of the financial statements.

The Directors are considered related parties to the Company. The Company is not aware of any potential conflicts of interest between any duty of any Directors owed to it. Directors fees are detailed in note 4 of the financial statements.

7. Foreign currency rates versus Euro (functional currency) at 30June 2011 and 30 June 2010

	2011	**2010**
AUD	1.3543	1.4501
CAD	1.3992	1.3016
GBP	0.9031	0.8187
SEK	-	9.5329
USD	1.4499	1.2249
TRY	-	1.9395

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
For the period ended 30 June 2011

8. Significant events during the period

On 10 January 2011 the Directors wrote to shareholders advising them of a share buyback offer of up to 5 % of the Company's shares. The offer was to be made in two tranches of 2.5% each. The first offer period began on 10 January 2011 and ended on 27 January 2011. A circular regarding the second offer is due to be published in September 2011. The first offer was fully subscribed, resulting in 75 shares repurchased by the Company.

9. Subsequent events

There were no subsequent events.

10. Changes in accounting standards

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2010, and have not been applied in preparing these consolidated financial statements. None of these are expected to have a significant effect on the measurement of the amounts recognised in the consolidated financial statements of the Fund. IFRS9 Financial Instruments issued in November 2009 (IFRS 9 (2009)) will change the classification of financial assets.

The standard is not expected to have an impact on the measurement basis of the financial assets since the majority of the Fund's financial assets are measured at fair value through profit or loss.

IFRS 9 (2009) deals with classification and measurement of financial assets and its requirements represent a significant change from the existing requirements in IAS 39 in respect of financial assets. The standard contains two primary measurement categories for financial assets: amortised cost and fair value. A financial asset would be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and the asset's contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. All other financial assets would be measured at fair value. The standard eliminates the existing IAS 39 categories of held to maturity, available for sale and loans and receivables.

For an investment in an equity instrument which is not held for trading, the standard permits an irrevocable election, on initial recognition, on an individual share-by-share basis, to present all fair value changes from the investment in other comprehensive income. No amount recognised in other comprehensive income would ever be reclassified to profit or loss. However, dividends on such investments are recognised in profit or loss, rather than other comprehensive income unless they clearly represent a partial recovery of the cost of the investment. Investments in equity instruments in respect of which an entity does not elect to present fair value changes in other comprehensive income would be measured at fair value with changes in fair value recognised in profit or loss.

The standard requires that derivatives embedded in contracts with a host that is a financial asset within the scope of the standard are not separated; instead the hybrid financial instrument is assessed in its entirety as to whether it should be measured at amortised cost or fair value. The standard is effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted. The Fund does not plan to adopt this standard early.

11. Approval of consolidated financial statements

These consolidated financial statements were approved on 22 July 2011.