



Libyan Investment Authority

Management Information Report

30 September 2010

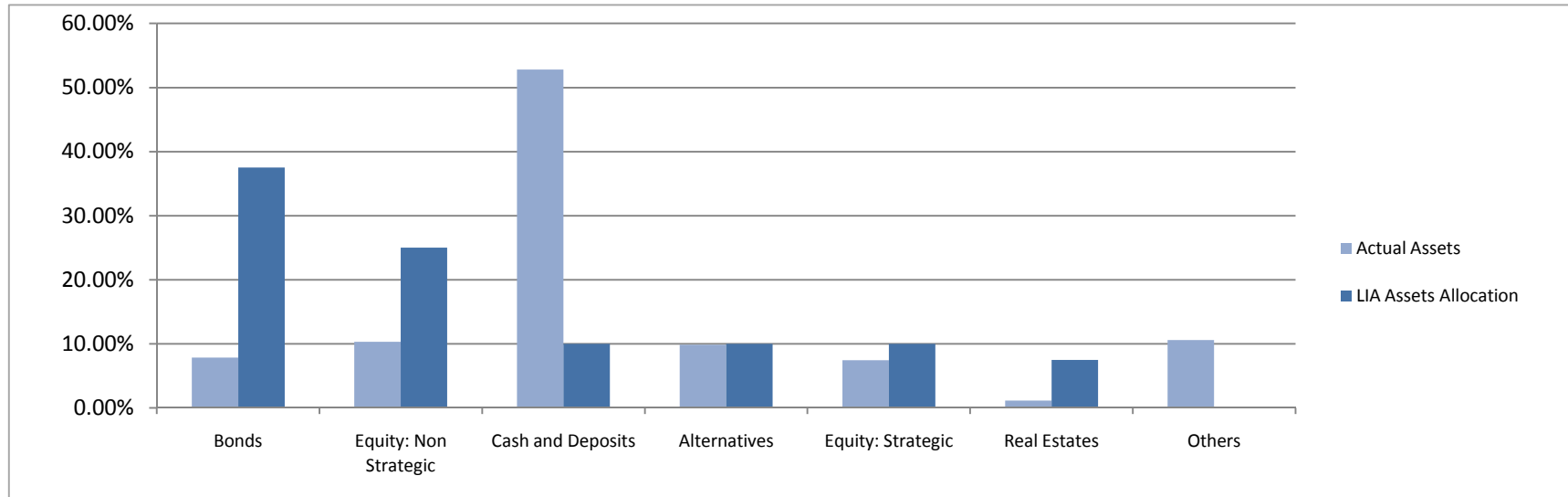
Assets Distribution

NAV Q2:Q3 (In 000' USD)

Assets	Market Value Q2 2010	Market Value Q3 2010	Net Buys/Sells or Matured	% Change	Reference
Cash	408,091	593,237		45.37%	Page 3
Deposits	19,817,137	20,202,466		1.94%	Page 5
Equity	5,225,606	7,199,841	(1,070,200)	18.30%	Page 6
Bonds	3,393,917	3,185,220	298,319	-6.15%	Page 15
Alternatives	4,059,541	3,995,280	287,280	-1.58%	Page 19
Subsidiaries	16,753,952	24,710,972		47.49%	Page 38
Other	4,154,966	4,300,660		3.51%	Page 39
Total Assets	53,813,210	64,187,676		19.28%	-

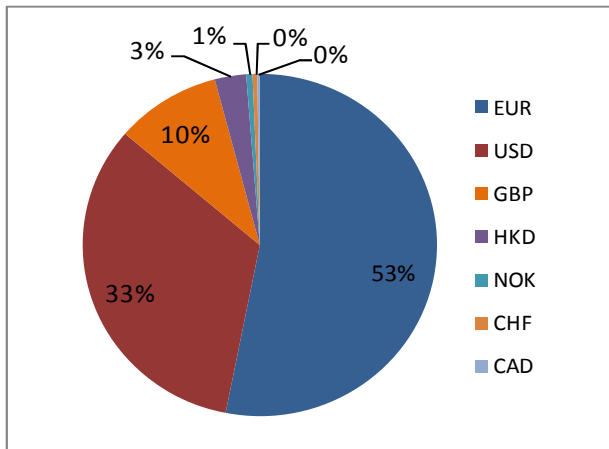
*The methodology for the Equity Performance calculation is the Modified Dietz Method which takes weighted cash flows in to account over the period to give a true performance figure.

Portfolio Breakdown (excluding Subsidiaries)

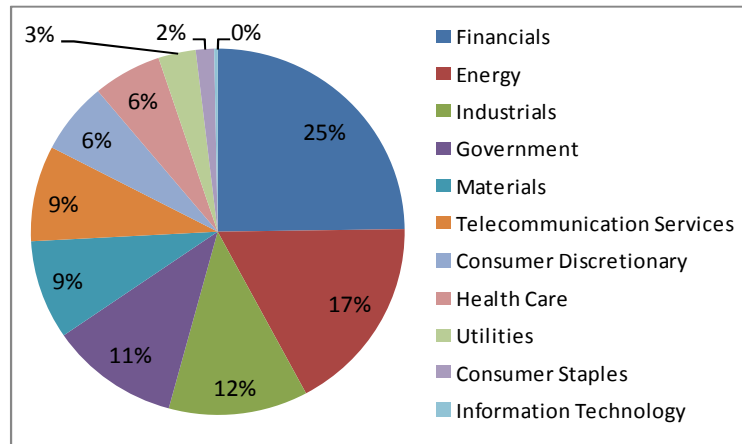


Bonds & Equity Analysis

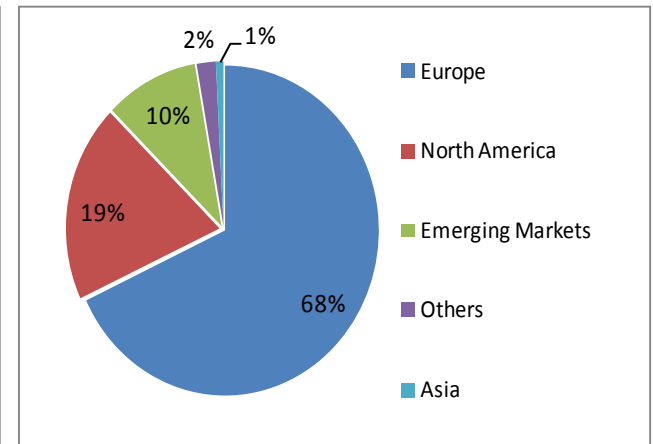
Currency



Sector



Regions



Cash and Deposit Positions

Cash Position (in 000' USD)

Bank	USD
UniCredit Group	110,830
Sahara Bank	1,694
Libyan Foreign Bank	4,325
HSBC (LUX)	394,781
HSBC	2,870
Gold Man Sachs	45,718
Central Bank of Libya	21,867
British Arab Commercial Bank	11,144
Banque BIA	8
Arab Banking Corporation	1
Total	593,237

Currency	USD
USD	432,130
EUR	142,982
GBP	14,386
CHF	1,928
LYD	1,694
CAD	116
NOK	0
Total	593,237

Gain / Loss on FX Transactions - October 2010

EUR	Amount	AVG.FX	USD
Average Buy	1,250,000	1.3531	1,691,375
Average Sell	1,250,000	1.3587	1,698,330
Gain / Loss			6,955

GBP	Amount	AVG.FX	USD
Average Buy	1,100,000	1.5278	1,680,580
Average Sell	1,100,000	1.59189	1,751,083
Gain / Loss			70,503

Overall Gain / Loss	77,458
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Deposits Position (in 000' USD)

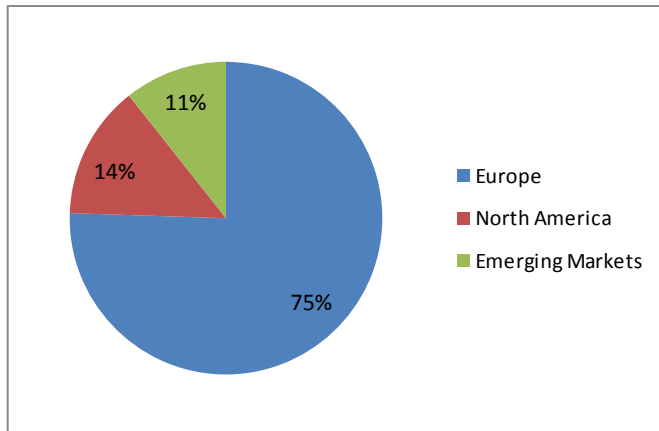
Bank	USD
Central Bank of Libya	17,329,827
Arab Banking Corporation	1,002,758
Libyan Foreign Bank	416,168
British Arab Commercial Bank	170,200
APICORP	70,860
UniCredit Group	84,966
Banque BIA	102,762
HSBC Liquidity Acct.	1,024,925
Total	20,202,466

Currency	USD
USD	16,595,714
EUR	1,860,981
GBP	1,745,761
CAD	11
Total	20,202,466

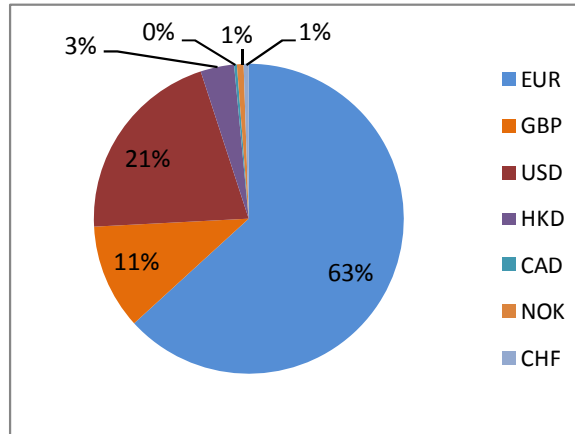
Equities

Equities

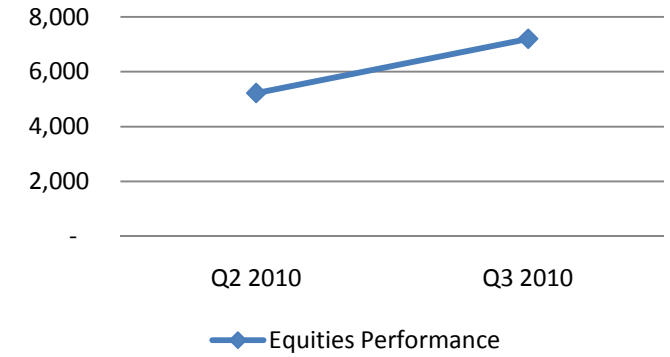
Regions



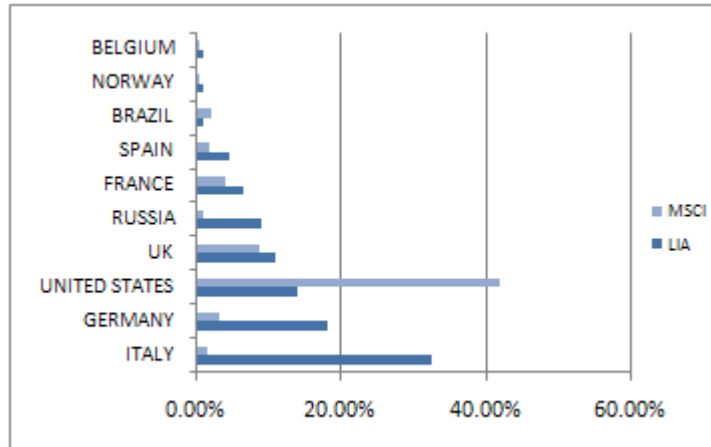
Currency



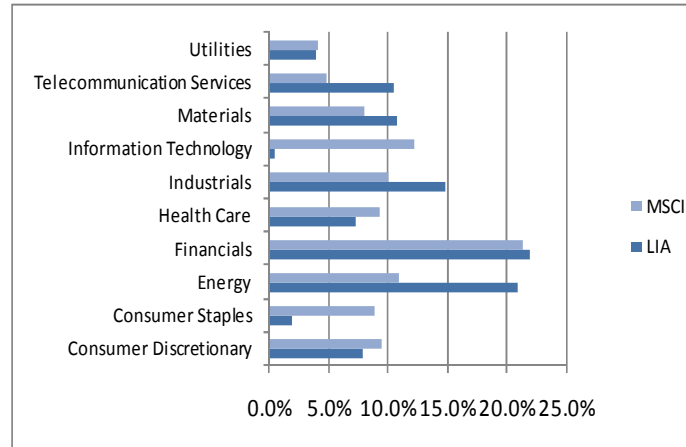
Long Term Performance



Top 10 countries



Sectors



Average Risk Weighted Assets

Credit Rating	LIA Holding (\$000)	Avg Risk Weighted Assets
AAA	35,919	6.1 (A)
AA	649,395	
A	4,262,318	
BBB	1,774,723	
BB	84,701	
B or Lower	-	
Not Rated	392,785	
Total	7,199,841	
Last Quarter	5,225,606	6.2 (A)

- Not Rated Counterparties have been excluded from the Avg RWA calculation

Please be informed that the MSCI index country & sector breakdown are not the most recent weightings.

Equities (in 000' USD)

Name of Equity	Book Cost	Market value last quarter	Market value this quarter	Difference	AUM
Strategic:					
UNICREDIT S.P.A	1,326,408	687,489	1,275,513	85.53%	17.72%
ENI	942,777	465,460	906,617	94.78%	12.59%
SIEMENS AG	476,315	480,884	558,131	16.06%	7.75%
PEARSON PLC	369,971	324,618	411,841	26.87%	5.72%
UNITED COMPANY RUSAL	302,021	195,765	253,510	29.50%	3.52%
MMC NORILSK NICKEL	269,198	274,672	322,193	17.30%	4.48%
FINMECCANICA S.P.A	129,432	60,969	118,698	94.69%	1.65%
BASF	89,025	82,946	95,173	14.74%	1.32%
Repsol YPF	89,022	76,496	96,378	25.99%	1.34%
LAGARDERE S.C.A	87,325	62,230	77,071	23.85%	1.07%
WIENEBERGER	43,719	30,476	40,634	33.33%	0.56%
SNC-LAVALIN GROUP INC	21,240	16,081	20,481	27.37%	0.28%
Total Strategic	4,146,452	2,758,086	4,176,241	51.42%	58.00%
Non-Strategic:					
AGEAS	330,228	46,623	58,777	26.07%	0.82%
GENERAL ELECTRIC CO	291,588	217,526	245,131	12.69%	3.40%
ALLIANZ AG-REG	222,760	127,738	144,568	13.18%	2.01%
Bayer AG	215,297	194,966	241,096	23.66%	3.35%
TELEFONICA	207,123	163,141	215,863	32.32%	3.00%
BP PLC	181,363	98,722	139,196	41.00%	1.93%
RWE AG	173,984	112,273	115,050	2.47%	1.60%
Pfizer INC	172,795	142,600	171,700	20.41%	2.38%
AT&T	151,589	135,309	159,977	18.23%	2.22%
Deutsche Telekom	145,332	116,541	134,003	14.98%	1.86%
Vodafone	140,171	142,213	168,695	18.62%	2.34%
OAO GAZPROM-SPON ADS	122,533	57,671	63,411	9.95%	0.88%
CITIGROUP INC	106,350	19,616	20,398	3.99%	0.28%

*AUM represents the Assets under management within the Equity Portfolio and NOT the AUM of the LIA as a whole.

Equities (in 000' USD)

Name of Equity	Book Cost	Market value last quarter	Market value this quarter	Difference	AUM
France Telecom	80,583	53,263	65,670	23.29%	0.91%
VIVENDI	79,009	39,159	51,885	32.50%	0.72%
NOKIA	76,687	22,617	27,604	22.05%	0.38%
OCCIDENTAL PETROLEUM CORP	74,860	79,773	80,962	1.49%	1.12%
GDF	73,212	49,356	61,285	24.17%	0.85%
EDF	70,213	42,338	47,360	11.86%	0.66%
ENEL SPA	59,690	37,681	46,910	24.49%	0.65%
Lafarge	51,470	69,931	72,406	3.54%	1.01%
Statoil Hydro	50,826	47,107	50,479	7.16%	0.70%
ROCHE	47,760	38,046	37,621	-1.12%	0.52%
Caterpillar	39,984	34,420	45,084	30.98%	0.63%
Tesco	39,130	36,519	42,817	17.25%	0.59%
Groupe Danone	37,588	35,973	39,679	10.30%	0.55%
Petrobras (ADRS)	34,664	45,505	50,116	10.13%	0.70%
RAIFFEISEN INTL BANK HOLDING	33,878	10,383	12,530	20.68%	0.17%
Schlumberger	30,007	31,046	34,563	11.33%	0.48%
Halliburton	29,963	33,634	45,306	34.70%	0.63%
E.ON	29,866	13,998	15,184	8.47%	0.21%
Exxon Mobil	29,659	23,969	25,952	8.27%	0.36%
ICICI BANK LTD-SPON ADR	29,616	31,948	44,067	37.94%	0.61%
Sanofi-Aventis	27,199	31,695	34,754	9.65%	0.48%
UNITED TECHNOLOGIES CORP	20,054	19,992	21,939	9.74%	0.30%
HONEYWELL INTERNATIONAL	19,434	13,543	15,247	12.58%	0.21%
ROYAL BANK OF SCOTLAND	19,404	2,732	3,272	19.77%	0.05%
COCA-COLA COMPANY	10,064	0	10,182		0.14%
DU PONT	10,064	0	10,218		0.14%
Bristol Myer SQB	10,053	0	10,016		0.14%
KIMBERLY-CLARK	10,031	0	10,004		0.14%

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Equities (in 000' USD)

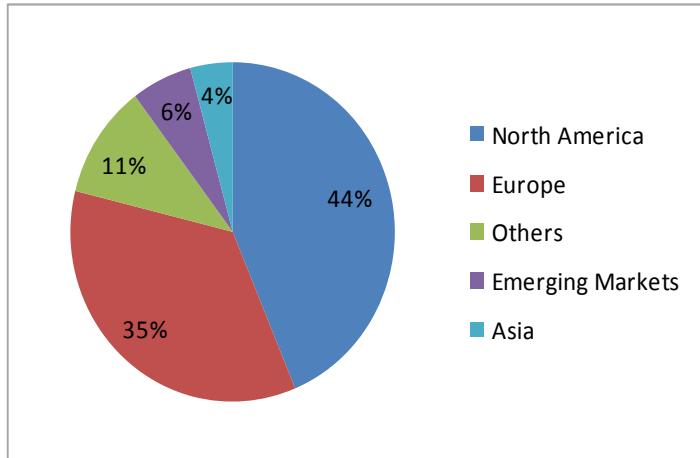
Name of Equity	Book Cost	Market value last quarter	Market value this quarter	Difference	AUM
Heinz Co	10,029	0	9,994		0.14%
PALM HILLS DEVELOPMENT	10,020	3,471	3,323	-4.26%	0.05%
MCDONALD'S	10,011	0	10,022		0.14%
KRAFT FOODS	9,992	0	9,813		0.14%
PROCTER & GAMBLE	9,959	0	9,745		0.14%
ABBOTT LABORATORIES	9,956	0	10,109		0.14%
ELI LILLY	9,949	0	10,155		0.14%
JOHNSON & JOHNSONS	9,899	0	9,967		0.14%
HOME DEPOT	9,020	0	9,133		0.13%
SOUTHERN COPPER	9,003	0	9,180		0.13%
Standard Chartered	8,181	10,927	12,779	16.96%	0.18%
Royal Dutch Shell	8,156	8,501	10,064	18.39%	0.14%
NESTLE SA-REGISTERED	6,055	6,860	7,598	10.76%	0.11%
CIA VALE DO RIO DOCE - ADR	4,684	8,279	10,632	28.42%	0.15%
POLYUS Gold	99	0	103		0.00%
TALAAAT MOUSTAFA GROUP	0	9,918			0.00%
Total Non-Strategic	3,711,094	2,467,520	3,023,600	22.54%	42.00%
Consolidated Portfolio	7,857,547	5,225,606	7,199,841	73.95%	100.0%

*AUM represents the Assets under management within the Equity Portfolio and NOT the AUM of the LIA as a whole.

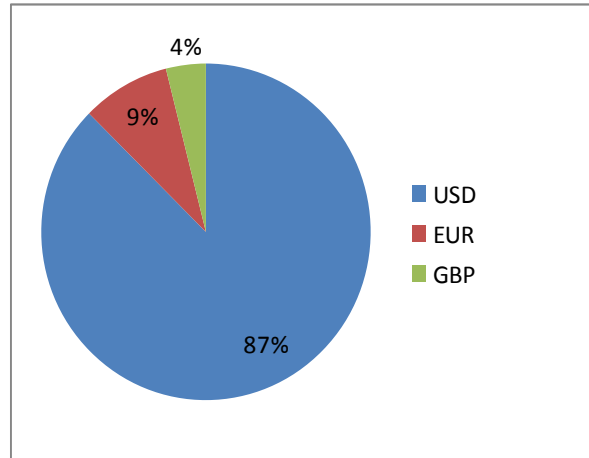
Bonds

Bonds

Regions



Currency

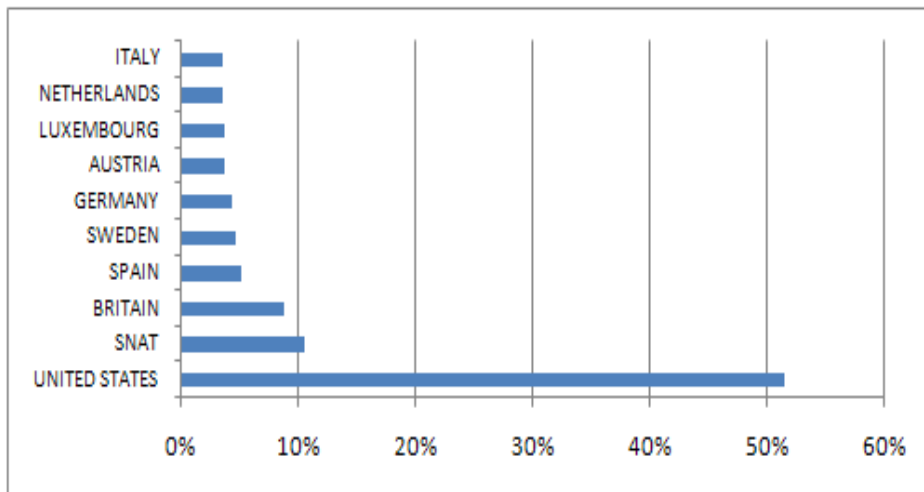


Average Risk Weighted Assets

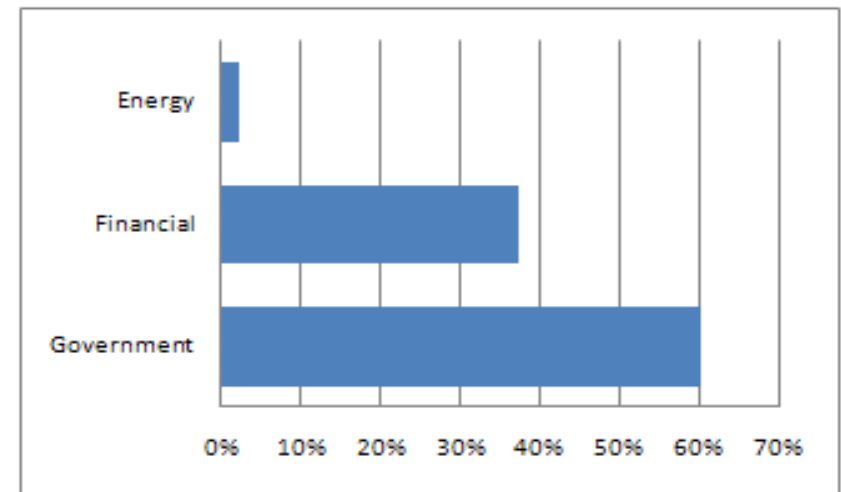
Credit Rating	LIA Holding (\$000)	Avg Risk Weighted Assets
AAA	1,284,416	1 (AAA)
AA	169,177	
A	188,077	
BBB	-	
BB	-	
B or Lower	-	
Not Rated	-	
Total	1,641,669	
Last Quarter	1,863,057	1 (AAA)

- Average Risk Weighted Assets excluding external Managed Bond Portfolio

Top 10 countries



Sectors



Bonds (in 000' USD)

Name of Bond	Book Cost	Market Value last quarter	Market Value this quarter	Accrual	Difference	AUM	Maturity
Treasury Bill		300,562	-		-100%	0.00%	Matured
Treasury Bill		301,031	-		-100%	0.00%	Matured
Danske Bank		20,869	-		-100%	0.00%	Matured
Treasury Bill		351,531	-		-100%	0.00%	Matured
Treasury Bill	299,886	-	299,610	-	0%	9.41%	4/11/2010
Treasury Bill	349,887	-	349,545	-	0%	10.97%	9/12/2010
Agence Francaise Develop	9,993	10,085	10,038	123	0%	0.32%	18/1/2011
KA Finanz Ag	23,737	22,231	24,658	432	11%	0.77%	28/1/2011
L-Bank Bw Foerderbank	19,985	20,190	20,146	314	0%	0.63%	14/2/2011
SFEF	9,984	10,062	10,064	19	0%	0.32%	25/2/2011
Institut Credito Oficial	19,954	19,688	20,025	172	2%	0.63%	15/4/2011
Raiff Zentralbk Oest Ag	26,513	24,754	27,477	278	11%	0.86%	4/5/2011
Dexia Banque Intl Lux Sa	28,420	30,445	31,923	865	5%	1.00%	30/10/2011
Dexia Banque Intl Lux Sa	20,000	20,270	20,001	440	-1%	0.63%	30/10/2011
Bp Capital Markets Plc	9,975	9,030	10,088	189	12%	0.32%	14/12/2011
Commonwealth Bank Aust	19,974	20,378	20,451	104	0%	0.64%	12/1/2012
National Australia Bank	9,986	10,212	10,244	55	0%	0.32%	13/1/2012
KFW	14,982	15,284	15,291	61	0%	0.48%	17/1/2012
Network Rail Infra Fin	19,999	20,240	20,355	281	1%	0.64%	17/1/2012
Banco Comerc Potugues	19,721	18,135	20,310	468	12%	0.64%	19/1/2012
Banco Espirito Santo	13,127	12,351	13,594	355	10%	0.43%	20/1/2012
African Development Bank	9,967	10,139	10,182	35	0%	0.32%	23/1/2012
SFEF	14,992	15,199	15,305	53	1%	0.48%	30/1/2012
Caja Ahorros Barcelona	6,384	6,151	6,874	151	12%	0.22%	3/2/2012
Swedbank AB	19,991	20,513	20,597	78	0%	0.65%	10/2/2012
Bp Capital Markets Plc	19,931	18,386	20,176	324	10%	0.63%	27/2/2012
Kingdom Of Spain	19,958	19,892	20,213	313	2%	0.63%	5/3/2012
Bp Capital Markets Plc	5,000	4,624	5,104	9	10%	0.16%	10/3/2012
Lloyds Tsb Bank Plc	27,940	30,641	32,178	469	5%	1.01%	16/3/2012

Maturing in next 30 days

Maturing in next 3 months

*AUM represents the Assets under management within the Bond Portfolio and NOT the AUM of the LIA as a whole.

Bonds (in 000' USD)

Name of Bond	Book Cost	Market Value last quarter	Market Value this quarter	Accrual	Difference	AUM	Maturity
BK Of England Euro Note	9,962	10,220	10,269	126	0.48%	0.32%	19/3/2012
Export Developmnt Canada	19,955	20,504	20,556	15	0.25%	0.65%	19/3/2012
Swedish Housing Fin Corp	19,973	20,665	20,695	12	0.15%	0.65%	23/3/2012
Intl Bk Recon & Develop	14,959	15,255	15,356	148	0.66%	0.48%	2/4/2012
Hana Bank	2,987	3,196	3,200	93	0.13%	0.10%	9/4/2012
Bank Of America Corp	19,994	20,509	20,508	175	-0.01%	0.64%	30/4/2012
State Street Corp	4,993	5,130	5,130	45	0.02%	0.16%	30/4/2012
Bank Of America Corp	9,989	10,254	10,318	65	0.62%	0.32%	22/6/2012
Intl Bk Recon & Develop	24,998	25,008	25,133	66	0.50%	0.79%	6/7/2012
Kingdom Of Spain	24,493	-	24,992	38		0.78%	17/9/2012
Republic Of Italy	49,543	24,598	50,424	516	104.99%	1.58%	5/10/2012
Bk Of England Euro Note	24,990	25,149	25,494	219	1.37%	0.80%	18/3/2013
Eurofima	24,999	45,452	46,101	286	1.43%	1.45%	28/5/2013
Kommuninvest I Sverige	24,918	25,207	25,584	151	1.50%	0.80%	4/6/2013
Finance For Danish Ind	24,938	25,172	25,589	147	1.66%	0.80%	12/6/2013
KFW	24,934	-	25,399	73		0.80%	15/7/2013
Asian Development Bank	49,813	50,441	51,211	169	1.53%	1.61%	15/7/2013
SFEF	5,234	5,159	5,733	125	11.14%	0.18%	16/1/2014
Export-Import Bk Korea	19,926	22,872	23,514	311	2.81%	0.74%	21/1/2014
Rabobank Nederland	25,771	26,291	29,190	820	11.02%	0.92%	22/1/2014
ING Bank Nv	9,981	10,672	10,868	12	1.83%	0.34%	19/3/2014
Emirate Of Abu Dhabi	4,967	5,447	5,575	131	2.36%	0.18%	8/4/2014
European Investment Bank	13,237	13,080	14,324	196	9.52%	0.45%	15/4/2014
MDC-Gmnt B.V.	19,804	21,375	21,907	460	2.49%	0.69%	6/5/2014
Rabobank Nederland	9,982	10,607	10,818	160	1.99%	0.34%	13/5/2014
Cbb International Sukuk	5,000	5,519	5,657	89	2.50%	0.18%	17/6/2014
Bahrain Mumtalakat Hldng	34,677	34,596	36,011	437.5	4.09%	1.13%	30/6/2015
General Elec Cap Corp	18,075	17,786	17,666	19.87931			7/8/2018
TOTAL Bonds	1,583,375	1,863,057	1,641,669	10,691		49.18%	
TOTAL Extrnal Managers	1,500,000	1,530,861	1,543,550			48.46%	
TOTAL FIXED INCOME	3,083,375	3,393,917	3,185,220			97.64%	

*AUM represents the Assets under management within the Bond Portfolio and NOT the AUM of the LIA as a whole.

Externally Managed Bond Portfolio (in 000' USD)

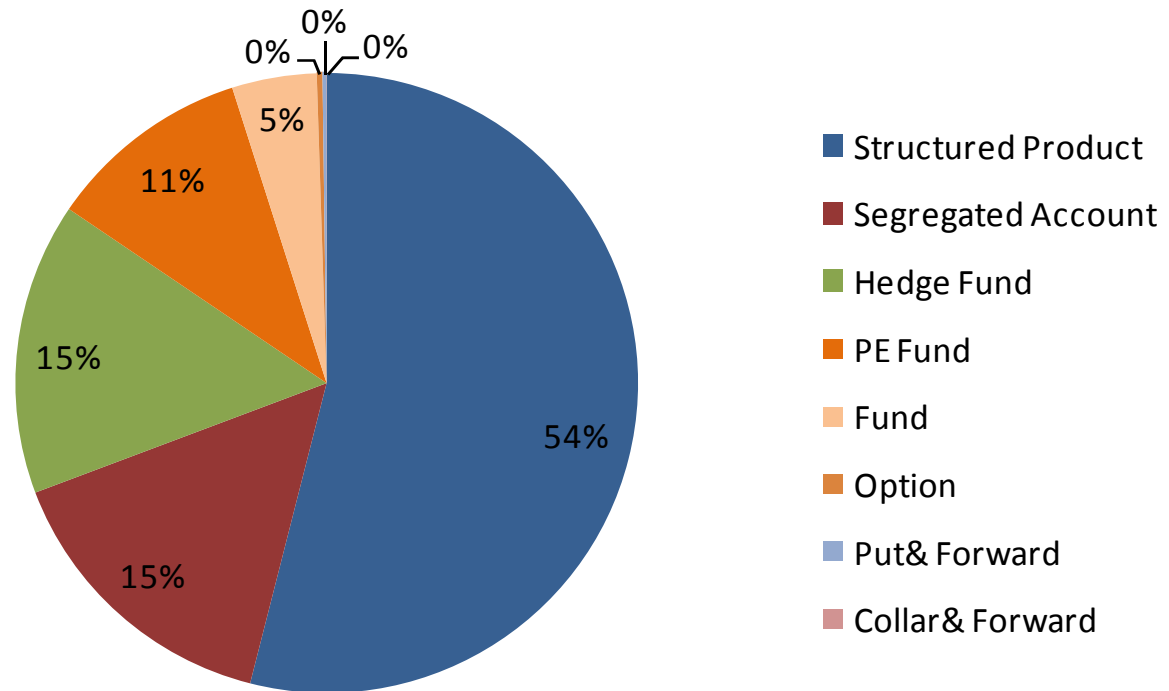
Name of Manager	Book Cost	Market Value last quarter	Market Value of this quarter	Difference	AUM
Nomura Asset portfolio	500,000	508,933	512,001	0.60%	16.07%
Western Asset portfolio	500,000	514,693	520,301	1.09%	16.33%
BNY Asset portfolio	500,000	507,234	511,249	0.79%	16.05%
Total	1,500,000	1,530,861	1,543,550	0.83%	48.46%

*AUM represents the Assets under management within the Bond Portfolio and NOT the AUM of the LIA as a whole.

All mandates; global government fixed income 1-3 year ,minimum rating A/A2 .

Funds & Alternatives

Alternatives



The Externally Managed & Alternatives

Investment Review

Review

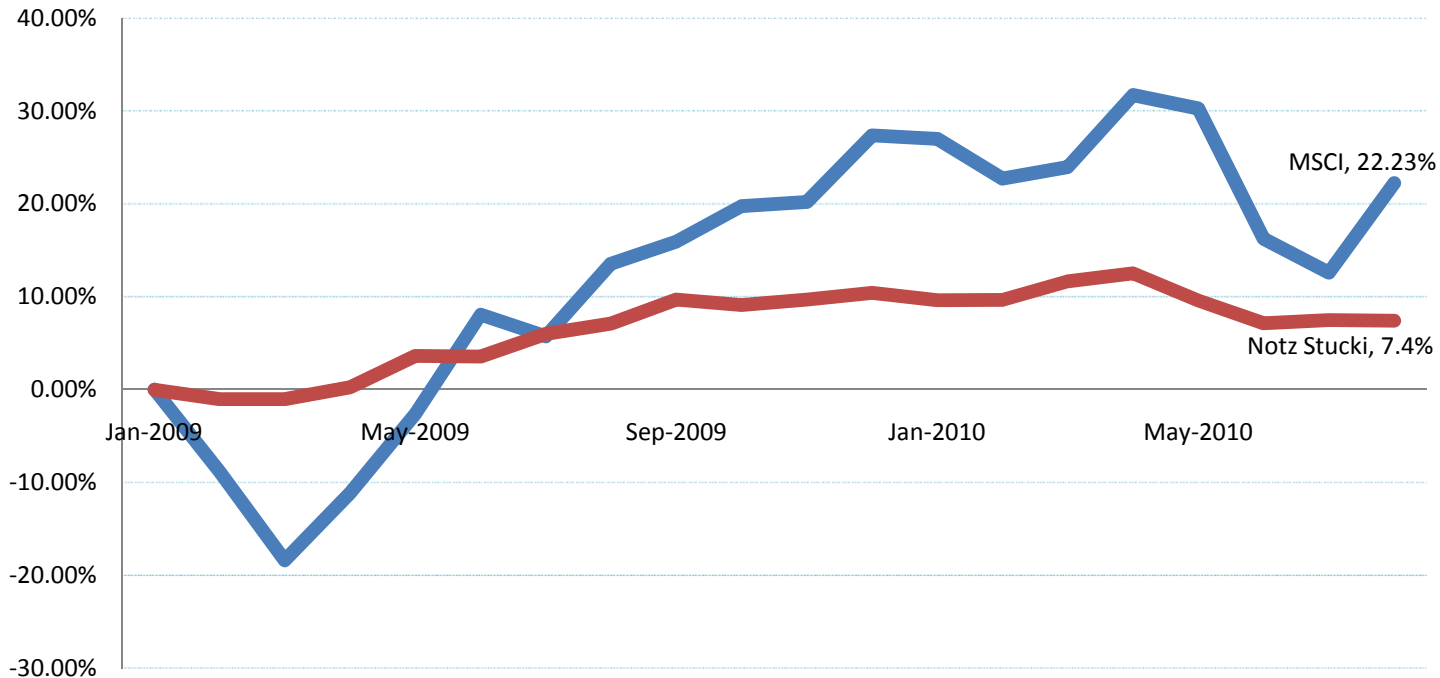
The Alternative investment department currently has under management \$4.5bn (35.9% current allocation), under the advice of KPMG it is recommended that the department reduce its position by \$2.4bn, to bring it into line with 11% asset allocation weighting.

Therefore the following slides give a high level review of what we feel are the poorest performing funds which should be the first to be liquidated.

NotzStucki

Invested Amounts	NAV	Performance since inception	Fees	Proportion of the loss attributed to fees
\$300,000,000	\$245,339,851	-18%	\$5m	9%

MSCI World index Vs Notz stucki



•Fund down 20% overall

•High fees for no added value.

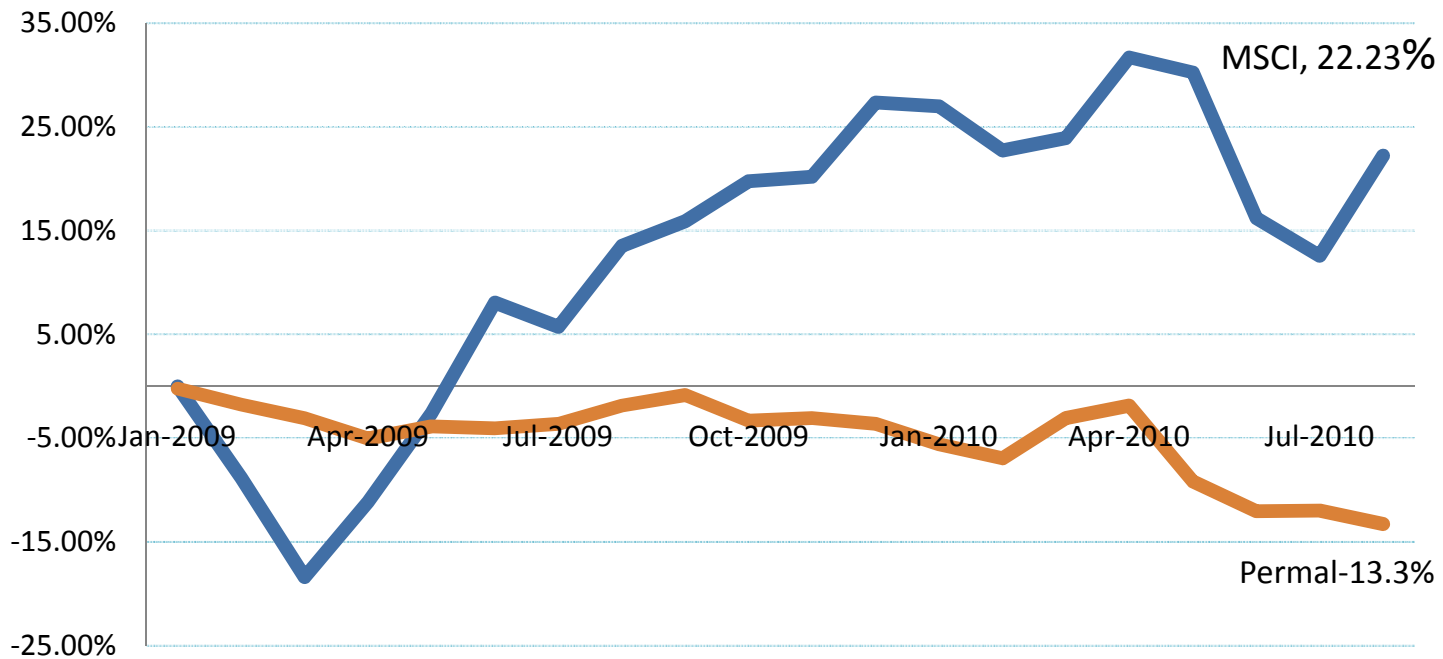
Notz Stucki Vs MCSI world from Jan 2009

-15%

Permal

Invested Amounts	NAV	Performance since inception	Fees	Proportion of the loss attributed to fees
\$ 300,000,000	\$180,892,000	-40%	\$27M	23%

MSCI World Index Vs Permal



- Fund down nearly 40%
- Consistently negative performance since inception
- Very high fees for no value
- Very poor structure and management

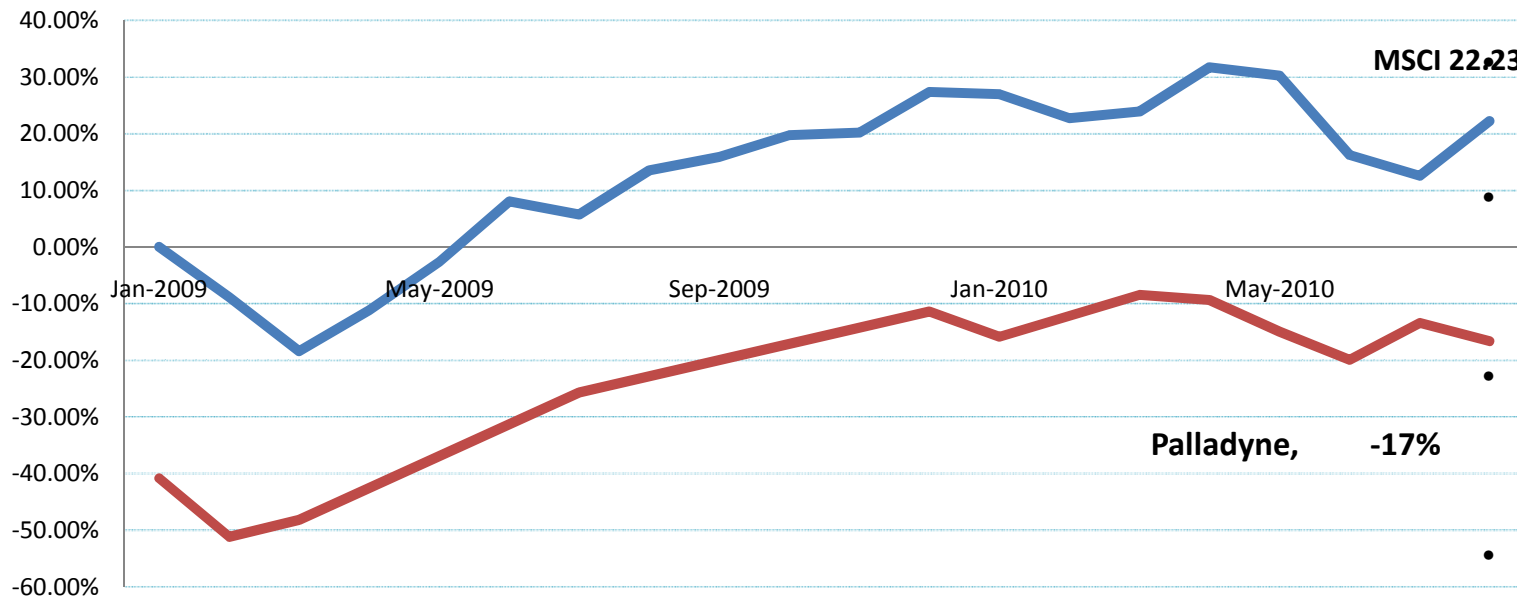
Permal Vs MCSI world from Jan 2009

-36%

Palladyne

Invested Amounts	NAV	Performance since inception	Fees	Proportion of the loss attributed to fees
\$300,000,000	\$272,795,859	-9% (-17% on invested amount)	\$19m	69%

MSCI World Index Vs Palladyne



- Over 45% of fund held in cash

• Proportionality we are paying in excess of 11% in fees

- Relative to the cash invested performance is actually down -17%

• To date we have paid in **excess of \$18m** in fees, for **losing us \$30m**

- The fund is down 40% relative to the MCSI.

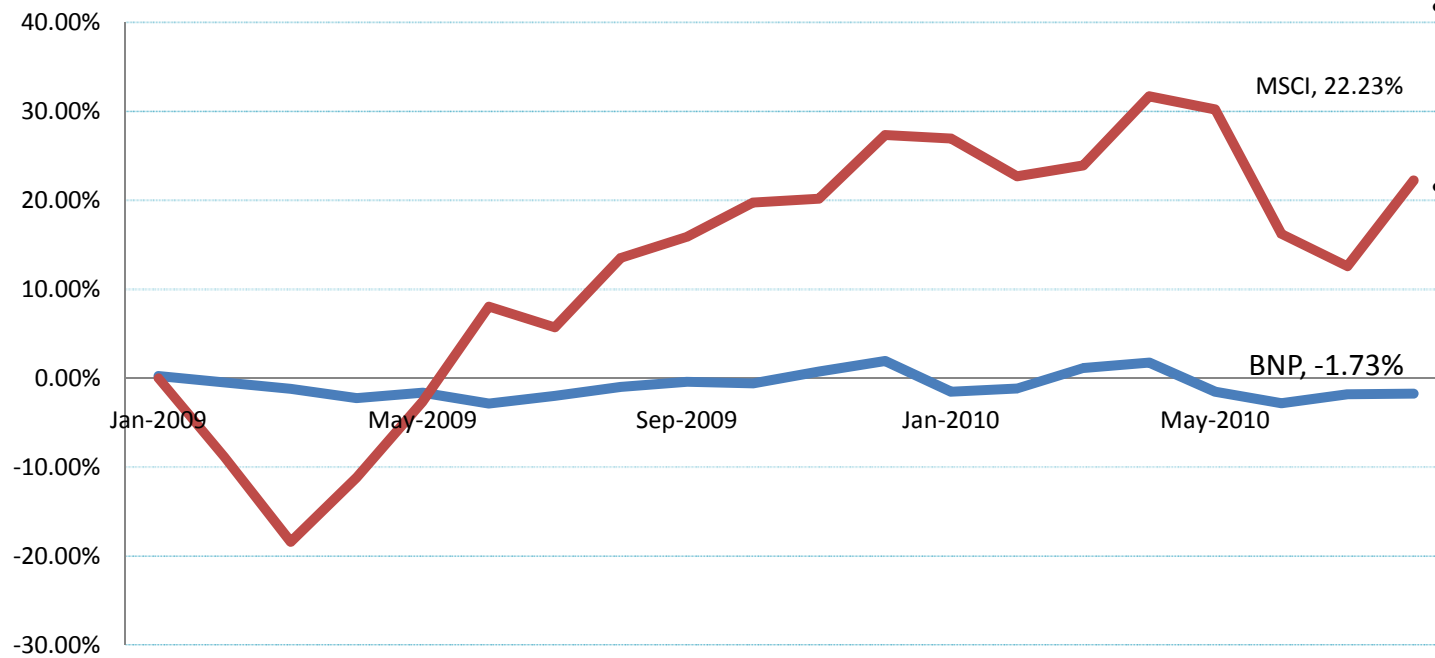
Palladyne Vs MCSI world from Jan 2009

-39%

BNP

Invested Amounts	NAV	Performance since inception	Fees	Proportion of the loss attributed to fees
\$300,000,000	\$232,390,609	-23%	\$18m	27%

BNP Vs MSCI World Index



- **Fund down nearly 25%**
- That high fees have been directly responsible for the poor results.
- The performance of the fund relative to the MSCI world has been very poor. With market increasing by 25%, with the BNP fund actually in negative performance.

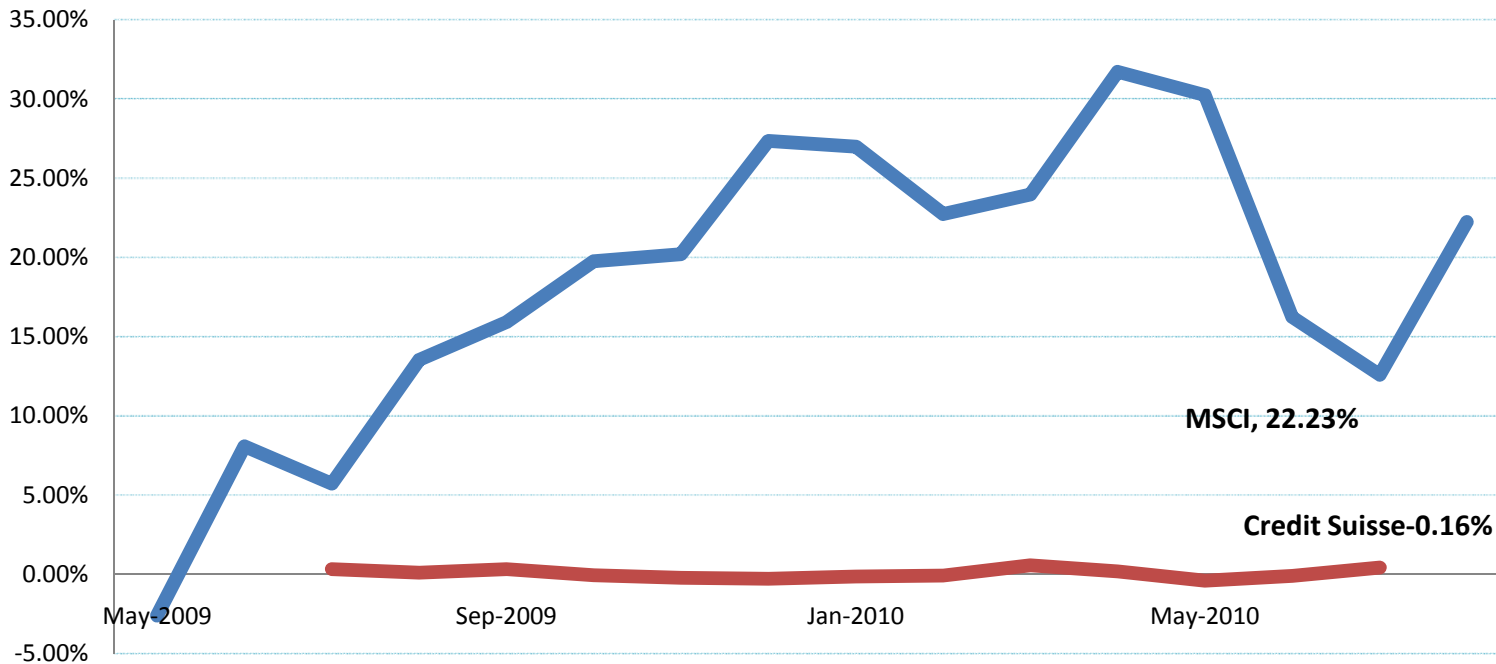
BNP Vs MCSI world from Jan 2009

-24%

Credit-Suisse

Invested Amounts	NAV	Performance since inception	Fees	Proportion of the loss attributed to fees
\$200,000,000	\$142,813,885	-29%	\$7.6m	13%

MSCI World Vs Credit Suisse



- Fund down nearly 30%
- Structure means we are paying CS, Pimco and Duet for adding no value.
- During the last year the fund has not moved more than 1%.
- Fund has moved 0.29

Credit-suisse Vs MCSI world from June 2009

-22%

Total overview since inception

Invest amount	NAV	Profit/Loss	Fees	% of Fees from total Invested
\$1,400,000,000	\$1,080,000,000	-23%	\$81,000,000	5.8%

Conclusion

- Market up by **over 25%** since Jan 2009, funds have **registered a decrease** in the same period
- Our funds have scarcely moved** and therefore if they did not increase during the last 2 years it is unlikely they **will perform in times of uncertainty.**
- By liquidating the funds now we can **guarantee capital preservation** and ensure **reduction in expenses**

Liquidation of Millennium funds

Fund Overview

The team is proposing the liquidation of the two remaining funds which the LIA has with the firm as a result of previous performance, specifically the complete loss of one \$100m fund and new information which the team has become privy too.

Introduction

The aim of this report is to notify the board/committee of the current state of the millennium global investments and ultimately the state of the company.

The LIA has three investments with the group ; Global Natural resources, high yield and the bust emerging credit fund, with the investment amount being \$100m respectively.

The team recently met with the Millennium Global Investments team, to deal with issues relating with fees and performance, and the discussion which took place ultimately led to the team contemplating the life of the fund with the company.

Analysis

The LIA has had various issues with the company starting with the bust \$100m emerging credit fund, which has resulted in extensive legal issues for the company. As a consequence of the fund blowing the fallout for the company has been very evident and ultimately a unsettling force within the company.

When the team met with James Guiang and Zarko Stefanovski to discuss the issue of fee rebate and reduction going forward, the team was struck by the lack of cooperation by the company, with both rebate and reduction in fees being rejected.

As the team questioned James further it became apparent that there are some obvious internal issues with management, partners and employees.

Issues

The ramifications of the fund blowing have led to major dislocation within the organization with one of the partners and head of Emerging credit fund, Joseph Strubel leaving the company and setting up a new fund. As a result of the fund blowing the firm has been involved in very serious internal legal actions with each manager claiming negligence from the opposite party.

With the fact that Mr. Strubel is leaving the firm, we have the option of liquidating without any charge before November 1st 2010 or the money is automatically invested with Mr. Strubel in his new vehicle Sphere Invest. The fact that a partner and investment manager is leaving the company believes will greatly reduce their expertise and ability to run a successful operation.

Another issue arose when the Mr. Guiang asked his board to limit the performance fee given the historical performance of the fund, it was rejected and again highlights the internal problems currently facing Millennium. Therefore, and due to these several issues and conflicts, which, Mr. Guiang is currently facing. Such as conflicts with other managers and an unresponsive board, the team concluded that the state of the company has been adversely affected.

Performance

Fund Name	NAV	Lowest NAV since 2009
Natural resources	100.00%	87.00%
Global High yield	75.00%	55.00%

Conclusion

The team strongly recommends that with such evident problems and a company in disarray that our Investment is not safe. Moreover, the performance of the funds has been at subpar during a bullish market in 2009. Thus, and with poor and conflicting management, the likelihood of the further issues arising is high, further risking LIA money.

Therefore, the team is attempting to preempt the difficulties which Millennium will undoubtedly face in the coming weeks by liquidating the funds now, we will save more in the longer term, and ensure capital preservation of current value, where one fund is at PAR.

Alternatives

Structured Product Investments, Externally Managed (in 000' USD)

Name of Investment	Type of Investment	Book cost	Market Value last quarter	Market Value this quarter	Difference	AUM
Millennium -Global Natural Resources (Price as 31 Aug 10)	Fund	101,629	93,374	98,367	5.35%	2.46%
Millennium -Global High Yield (Price as 31 Aug 10)	Fund	100,000	75,774	77,721	2.57%	1.95%
Millenium - Global Emerging Credit (Price as 31 Aug 10)	Fund	100,000	-	-	0.00%	0.00%
Palladyne-Quant Fund Global Diversified (Price as 31 Aug 10)	Hedge Fund	300,000	267,465	272,796	1.99%	6.83%
OCH-ZIFF- Global High Yield (Price as 31 Aug 10)	Hedge Fund	150,316	166,819	164,232	-1.55%	4.11%
OCH-ZIFF- overseas fund II (Price as 31 Aug 10)	Hedge Fund	150,098	161,753	169,426	4.74%	4.24%
HSBC-Absolute Return (Price as 31 Aug 10)	Segregated Account	279,309	281,270	286,364	1.81%	7.17%
Notz Stuki (Price as 31 Aug 10)	Segregated Account	246,907	245,223	246,865	0.67%	6.18%
Spencer House- Global Equity Portfolio (Price as 30 Sept 10)	Segregated Account	73,943	68,838	78,444	13.95%	1.96%
Permal-Segregated Account (Price as 31 Aug 10)	Structured Product	300,000	201,750	180,570	-10.50%	4.52%
Soc Gen -Cross Roads 5Y Link Notes (Price as 31 Aug 10)	Structured Product	300,000	204,270	201,510	-1.35%	5.04%
Lehman Brothers - CPPI (Price as 31 Aug 10)	Structured Product	300,000	-	-	0.00%	0.00%
Soc Gen Strategic Equity Fund Codeis (Price as 31 Aug 10)	Structured Product	265,000	566,450	286,518	-49.42%	7.17%
Fortis-Absolute Return Deutsche Bank (Price as 31 Aug 10)	Structured Product	242,000	232,391	236,493	1.77%	5.92%
UniCredit Note (Price as 31 Aug 10)	Structured Product	200,000	-	200,000	0.00%	5.01%
JP Morgan-Allegro Strategy Linked Notes (Price as 31 Aug 10)	Structured Product	200,000	171,500	173,820	1.35%	4.35%
Cheyne Capital-Dresdner Bank (Ser EMTN) (Price as 31 Aug 10)	Structured Product	200,000	139,400	146,900	5.38%	3.68%
Commerzbank-Outperformance Note (47% Sold)	Structured Product	150,000	193,194	141,791	-26.61%	3.55%
GLG-CPPI Credit Suisse - USD 90% (Price as 31 Aug 10)	Structured Product	200,000	143,680	143,340	-0.24%	3.59%
ITRAN CFP Fund	Structured Product	143,895	143,895	143,895	0.00%	3.60%
PARIBAS (Price as 30 Sept 10)	Structured Product (ETF)	10,000	9,284	10,171	9.55%	0.25%

Alternatives (in 000' USD)

Private Equity Funds, externally managed

Name of Investment	Type of Investment	Book cost	Market Value last quarter	Market Value this quarter	Difference	AUM
RBS Special opportunities (Price as 31 Aug 10)	PE Fund	110,166	74,413	91,665	23.18%	2.29%
Carlyle -Partner V Fund (Price as 31 Aug 10)	PE Fund	86,846	80,683	92,063	14.10%	2.30%
Goldman Sachs-Mezzanine (Price as 30 June 10)	PE Fund	73,508	76,767	76,768	0.00%	1.92%
Goldman Sachs-Peter Shill (Price as 30 June 10)	PE Fund	64,818	74,933	74,934	0.00%	1.88%
Carlyle -Mena Fund (Price as 31 Aug 10)	PE Fund	42,653	39,149	42,990	9.81%	1.08%
ABC Bahrain Navis Funds (Price as 31 Aug 10)	PE Fund	25,000	33,165	35,637	7.45%	0.89%
Celtic Pharmaceutical (Price as 30 June 10)	PE Fund	10,592	10,718	10,137	-5.42%	0.25%
Total		4,426,680	3,756,158	3,683,417		92.2%

Equity Derivatives, Externally Managed (in 000' USD)

Name of Investment	Category	Book cost	Market Value last quarter	Market Value this quarter	Difference
EDF.PA	Collar& Forward	73,500	420	259	-38.23%
EDF.PA	Collar& Forward	65,964	1,156	707	-38.88%
GS FX Basket	Option	50,000	9,000	12,150	35.00%
CRDI.MI	Put& Forward	448,534	2,908	2,131	-26.73%
ENI.MI	Put& Forward	148,795	968	708	-26.81%
SAN.MC	Put& Forward	148,336	3,028	2,927	-3.35%
Citigroupe	Put& Forward	100,000	0	0	
Citigroupe	Put& Forward	100,000	0	0	
ALVG.DE	Put& Forward	74,464	554	358	-35.39%
EDF.PA	Put& Forward	37,197	849	523	-38.36%
Soc Gen Europe Meduim	Structured Product	1,000,000	284,500	292,100	2.67%
Total		2,246,790	303,383	311,863	2.80%

Valuations on equity derivatives above are based on NPV (Net Present Value) and are subject to change with market conditions upon maturity.

Asset Movements in the last three Months

Assets bought/sold/maturing in last 3 months (In 000' USD)

Asset	Type of asset	Value purchased	Value sold	Value Matured	Date of transaction
Abbott Laboratories	Equity	9,956			3 Tranches
Bristol Myer Sqb	Equity	10,053			3 Tranches
Coca-Cola Company	Equity	10,064			3 Tranches
Du Pont	Equity	10,064			3 Tranches
Heinz Co	Equity	10,029			3 Tranches
Home Depot	Equity	9,020			2 Tranches
Johnson & Johnsons	Equity	9,899			3 Tranches
Kimberly-Clark	Equity	10,031			3 Tranches
Kraft Foods	Equity	9,992			3 Tranches
Eli Lilly	Equity	9,949			3 Tranches
Mcdonald'S	Equity	10,011			3 Tranches
Procter & Gamble	Equity	9,959			3 Tranches
Southern Copper	Equity	9,003			2 Tranches
Polyus Gold	Equity	99			26/08/2010
Unicredit	Equity	511,563			9 Tranches
Finnemeccanica	Equity	45,826			7 Tranches
Pearson	Equity	34,597			5 Tranches
ENI	Equity	360,319			7 Tranches
Talaat Moustafa Group	Equity		10,233		21 Tranches
Republic Of Italy	Fixed Income	24,800			7/7/2010
KFW	Fixed Income	24,934			7/7/2010
Kingdom Of Spain	Fixed Income	24,493			7/7/2010
Treasury Bill	Fixed Income	199,923			2/8/2010
Treasury Bill	Fixed Income	99,963			28/7/2010
Treasury Bill	Fixed Income	349,887			2/9/2010
Treasury Bill	Fixed Income			300,000	31/7/2010
Treasury Bill	Fixed Income			350,000	31/8/2010
Danske Bank A/S	Fixed Income			22,318	21/9/2010
Treasury Bill	Fixed Income			350,000	30/9/2010
Soc Gen Strategic Equity Fund Codeis	Structured Product		235,000		23/08/2010
Commerzbank-Outperformance Note	Structured Product		52,280		25/08/2010
Total		1,804,432	297,513	1,022,318	

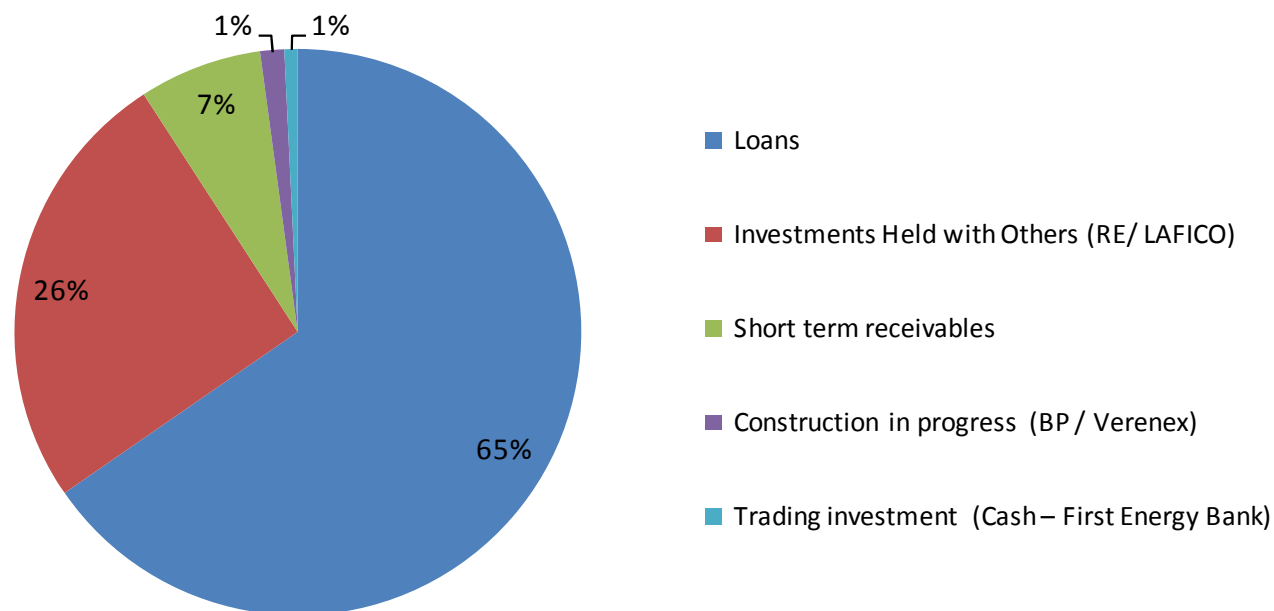
Investments maturing in next 3 months (In 000'USD)

Asset	Maturity date	Amount invested	Current market value
Treasury Bill	4/11/2010	299,886	299,610
Treasury Bill	9/12/2010	349,887	349,545
Total		649,773	649,155

Subsidiaries (In 000' USD)

Name of Subsidiary	Book Cost	AUM
Long Term investment Portfolio - LTP	8,517,583	34.47%
Libyan Investment Development Fund - LIDF	7,834,566	31.70%
Libyan African portfolio - LAP	5,187,189	20.99%
Libyan Arab Foreign Investment Company - LAFICO	1,805,979	7.31%
Oil Invest	937,870	3.80%
Verenex	300,622	1.22%
Libyan Norwegian Fertiliser Company - LNFC	122,454	0.50%
Alwihat	4,542	0.02%
DALIA	163	0.00%
Itern	4	0.00%
Akakus	-	0.00%
Total	24,710,972	

Other Assets (in 000' USD)



Investment Name	Amount	AUM
Loans	2,811,970	65.38%
Investments Held with Others (RE/ LAFICO)	1,095,101	25.46%
Short term receivables	301,709	7.02%
Construction in progress (BP / Verenex)	59,388	1.38%
Trading investment (Cash – First Energy Bank)	32,492	0.76%
Total	4,300,660	

Risk Management

VaR (VAR based on 95% Confidence, 3 Years Historical and 1 Day time horizon)

Strategic Equity Portfolio

1) VaR Historical 1 Day		2) Stress Tests 1 week		
VaR 95%		P&L ▲		%Ret(P)
181,739,412 (4.13%)		CVaR 95%		
250,117,669		Scenarios		
Top Contributors		Black Monday -621,047,404 -14.1		
Distribution		Sep 11 -506,528,025 -11.5		
VaR ▼		Russian Ruble Devalues -474,374,507 -10.7		
Financial	80,416,072	Corporate Scandal -385,842,217 -8.7		
Energy	47,012,188	WorldCom Bankrupts -372,628,443 -8.4		
Industrial	32,753,205	Flight to Quality -350,605,485 -7.9		
Basic Materials	27,897,435	Economic Recovery Falts -246,216,666 -5.5		
Communications	15,682,976	Small Cap Worries -215,384,525 -4.8		
Security		Market Bounce -165,612,641 -3.7		
VaR		Euro Weakens -148,434,734 -3.3		
UCG	80,416,072	G7 Summit -54,176,476 -1.2		
ENI	42,956,274	Invasion of Iraq -31,713,059 -0.7		
SIE	27,514,942	Credit Spreads Down 25% -440,459 -0.0		
NILSY	21,663,197			
PSON	13,194,646			

Equity Portfolio

1) VaR Historical 1 Day		2) Stress Tests 1 week		
VaR 95%		P&L ▲		%Ret(P)
97,397,945 (3.16%)		CVaR 95%		
132,415,731		Scenarios		
Top Contributors		Black Monday -418,269,682 -13.59		
Distribution		Flight to Quality -249,299,811 -8.10		
VaR ▼		Russian Ruble Devalues -198,824,294 -6.46		
Communications	24,237,177	Corporate Scandal -179,742,086 -5.84		
Industrial	18,038,455	Economic Recovery Falts -166,815,429 -5.42		
Energy	17,155,724	Market Bounce -132,959,899 -4.32		
Financial	14,246,779	WorldCom Bankrupts -89,871,043 -2.92		
Utilities	10,812,405	Sep 11 -88,024,378 -2.86		
Security		Euro Weakens -80,945,494 -2.63		
VaR		Small Cap Worries -80,022,161 -2.60		
GE	12,297,407	G7 Summit -47,089,964 -1.53		
BAYN	9,468,191	Invasion of Iraq -9,541,104 -0.31		
ALV	7,979,233	Baht devalues -3,693,331 -0.12		
TEF	7,875,202			
VOD	6,744,357			

- Due to Bloomberg VAR engine Limitation, the VAR has been calculated as the 17th Oct 2010 using the Portfolio positions as 30th Sept 2010

- The Stress Scenarios are build within Bloomberg / Provided by Bloomberg

VaR (cont'd)

Consolidated Bond Portfolio (Internally Managed)

1) VaR Historical 1 Day		2) Stress Tests 1 week		
VaR 95%		CVaR 95%		
2,553,347 (0.15%)		3,354,365		
Top Contributors				
Distribution		VaR		
Financial			2,181,560	
Government			405,921	
Energy			32,974	
Security		VaR		
DEXGRP 3 10/30/11			441,838	
LLOYDS 2 3/4 03/16/12			433,408	
RABOBK 4 3/8 01/22/14			352,370	
RZB 2 1/2 05/04/11			329,617	
KAFIN 2 5/8 01/28/11			298,412	
		Scenarios	P&L ▲	%Ret(P)
		Credit Spreads Up 100%	-20,265,704	-1.22
		Interest Rates Up 100 bps	-17,940,131	-1.08
		Flight to Quality	-16,445,120	-0.99
		Credit Rate Shock	-15,614,559	-0.94
		Credit Spreads Up 50%	-10,298,964	-0.62
		Euro Weakens	-6,478,381	-0.39
		Credit Spreads Up 25%	-5,149,482	-0.31
		Inv Grade Spreads Up 50%	-4,485,033	-0.27
		Economic Recovery Falts	-3,820,583	-0.23
		Market Bounce	-2,657,797	-0.16
		WorldCom Bankrupts	-2,491,685	-0.15
		Russian Ruble Devalues	-2,325,573	-0.14

- Due to Bloomberg VAR engine Limitation, the VAR has been calculated as the 17th Oct 2010 using the Bond Portfolio positions as 30th Sept 2010

- The listed Stress Scenarios are build within Bloomberg / Provided by Bloomberg