



FHG Limited

Chairman and Chief Executive Officer's letter

Falcon continued to perform strongly throughout the year to January 2010, despite difficult market conditions. We remain on-track to achieve our target turnover of US\$5 billion in the next three to four years. Our ambition is to increase earnings to exceed US\$100 million while continuing to grow the capital base of the company.

We are pleased to report a pre-tax profit in excess of US\$23 million, which shows a positive movement in terms of our thirteen month accounting period to 31 January 2009. As we thrive on creating opportunities in difficult markets, these results are in keeping with our continued strong performance during these volatile times.

To achieve our ambitious growth targets we must continue to develop opportunities and seek new market share. Falcon is not about growth through the acquisition of other companies, which means we must continue to recruit top talent, to expand our geographic presence and to develop new product areas. In the year to January 2010 we achieved strong growth in all three areas and intend to continue this process during 2010 and beyond.

A natural progression for Falcon has been our expansion towards structured forms of finance, involving medium term finance. Although still in its embryonic stage, we are confident that this will soon form a vital part of our product offering. Our global footprint continues to grow, and in recent months we made some important additions to the team. We will extend this further with additional representations in Abu Dhabi, Bahrain, Malaysia, Indonesia, and Saudi Arabia.

Aside from the general business activities, Falcon also extended its grip on the London scene, hosting our second annual party at the apex of our London offices in the Gherkin.

Billed as the leading trade finance networking event in the City's calendar, we were once again, delighted by the attendance of many senior players in our sector.

In April we will be hosting the first Annual Trade & Corporate Finance Forum in Dubai. Various clients and industry partners were invited to a two day event where senior bankers, economists and established clients will present and discuss current and future markets. This forum will be held on an annual basis.

Finally, we have continued to be recognised externally as a leading force in our sector. We received strong press coverage throughout the year, culminating in a clean sweep of awards for "Best Trade Finance Boutique" from *Global Trade Review*, *Trade Finance*, and *Trade and Forfaiting Review*. Reflecting our constant development, these awards are detailed on our upgraded website, revamped last year as part of our rebranding.

Our thanks to our staff for their efforts throughout the year and our congratulations to the entire team for their success.

Kamel Alzarka – Chairman

Will Nagle – Chief Executive Officer