
DORIC NIMROD AIR TWO

Half-yearly Financial Report

From Incorporation on 31 January 2011 to 30 September 2011 (Unaudited)



CONTENTS

| | |
|-----------|--|
| 1 | Summary Information |
| 2 | Chairman's Statement |
| 3 | Interim Management Report |
| 4 | Statement of Directors' Responsibilities |
| 5 | Directors |
| 6 | Unaudited Consolidated Financial Statements |
| 10 | Notes to the Consolidated Financial Statements |
| 20 | Notice of Annual General Meeting |
| 25 | Advisers and Contact Information |

SUMMARY INFORMATION

Company Overview

Doric Nimrod Air Two Limited (LSE:DNA2) ("DNA2" or the "Company") is a Guernsey domiciled company which listed on the Specialist Fund Market of the London Stock Exchange and on the Channel Islands Stock Exchange on 14 July 2011.

Investment Objectives and Policy

The Company's investment objective is to obtain income returns and a capital return for its shareholders by acquiring, leasing and then selling aircraft (the "Assets").

To pursue its investment objective, DNA2 will seek to use the net proceeds of placings and other equity capital raisings, together with debt facilities to initially acquire Airbus A380-800 aircraft which will be leased to one or more major airlines. The first and second aircraft are expected to be acquired in the third and fourth quarters of 2011 respectively, and the third aircraft is expected to be acquired by June 2012 or earlier.

The Company aims to provide shareholders with an attractive total return comprising income, from distributions through the period of the Company's ownership of the Assets, and capital, upon the sale of the Assets.

Performance Overview

The Company's wholly owned subsidiary, MSN 077 Limited, acquired the first of the Assets, an Airbus A380-800 aircraft bearing manufacturer's serial number 077 for the sum of US\$234,000,000 on 14 October 2011. Upon delivery, the Subsidiary also entered into an Aircraft Operating Lease with Emirates Airlines ("Emirates") pursuant to which the Aircraft has been leased to Emirates for an initial term of 12 years, with fixed lease rentals for the duration. The debt portion of the funding, which has been advanced under the same interest rate fixing methodology, will fully amortise over the 12 year term of the Lease, leaving the aircraft unencumbered at the conclusion of the Lease.

All payments by Emirates have to date been made in accordance with the terms of the lease currently entered into in respect of MSN077 and the Company is anticipating to declare its first interim dividend of 1.5 pence per share during Q1 2012.

Once the first asset, second asset and third asset have been acquired and leased, the Company will target a distribution to shareholders of 4.5 pence per share per quarter (amounting to a yearly distribution of 9% based on initial placing price of 200 pence per share).

CHAIRMAN'S STATEMENT

I am pleased to present shareholders with the Company's first half yearly financial report covering the period from incorporation until 30 September 2011.

Admission of 72,500,000 shares of the Company to trading on the Specialist Fund Market of the London Stock Exchange and listing on the Channel Islands Stock Exchange took place on 14 July 2011, with an issue price of 200p each. The Company's investment objective is to obtain income returns and a capital return for its shareholders by acquiring leasing and then selling aircraft. The Company intends to use the net proceeds of the placing and three separate loans, each of approximately US\$150 million, to fund the purchase three Airbus A380-800 aircraft. The Company acquired the first aircraft, through its wholly subsidiary MSN077 Limited, subsequent to the end of the period covered by the Report and the Report should be read accordingly. The aircraft was acquired on 14 October 2011 for the sum of US\$234 million. Upon delivery this subsidiary also entered into an aircraft operating lease with Emirates Airlines. The aircraft has been leased to Emirates for an initial term of twelve years with fixed lease rentals for the duration. The debt portion of the funding will fully amortise over the twelve years of the lease, leaving the aircraft unencumbered at the conclusion of the lease. All payments thus far by Emirates have been made in accordance with the term of the lease.

The Company hopes to acquire two more aircraft by June 2012 or earlier. Once the three assets have been acquired and leased, the Company will target a distribution to shareholders of 4.5p per share per quarter (amounting to a yearly distribution of 9%) based on the initial placing price of 200p per share.

The Company will have the ability to acquire further additional aircraft if, in the view of the Board, the acquisition of such additional aircraft would not have an adverse material effect on the Company's target income distributions. As with the acquisition of the three aircraft already planned, the acquisition of additional aircraft would be financed by way of a Placing and debt.

The lessee has performed well over the period. Despite the turmoil in the global economy, passenger air traffic remained robust (though air freight traffic was more subdued). Emirates continues to report strong performance. This was greatly aided by the airline's ability to adjust flight schedules swiftly, and redeploy aircraft about the network, thus optimising revenue. The airline operates with a remarkably high passenger seat factor whilst at the same time increasing seat capacity.

The lease payments received by the Company from Emirates cover repayment of the debt as well as income to pay dividends to shareholders. Emirates bears all costs (including maintenance, repair and insurance) relating to the aircraft during the lifetime of the lease. The Company's Asset Manager, Doric Asset Finance Limited, continues to monitor the lease and reports regularly to the Board. Nimrod Capital LLP, the Company's Placing and Corporate and Shareholder Advisory Agent, continues to liaise between the Board and shareholders, which includes distribution of quarterly fact sheets and the interim management statements.

On behalf of the Board I would like to thank all shareholders for their continued support of the Company.

Norbert Bannon
Chairman

INTERIM MANAGEMENT REPORT

from period of incorporation to 30 September 2011 (the "Period")

A description of important events that have incurred during the Period, their impact on the performance of the Company as shown in the financial statements and description on the principal risks and uncertainties of the remaining six months of the annual financial year is given within the Chairman's Statement and the Notes to the Financial Statements contained below and is incorporated here by reference.

There were no material related party transactions which took place in the Period, other than those disclosed at Note 17 of the Notes to the Financial Statements.

Going Concern

The Company's financial position, its cashflows and liquidity position are set out in the financial statements and the Company's financial risk management objectives and policies are set out in Note 16 of the Notes to the Financial Statements.

After making reasonable enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in the preparation of this half-yearly financial report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Responsibility Statements

The Board of directors jointly and severally confirm that, to the best of their knowledge:

- (a) The financial statements, prepared in accordance with International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- (b) This Interim Management Report includes or incorporates by reference:
 - a. An indication of important events that have occurred during the Period, and their impact on the financial statements;
 - b. a description of the principal risks and uncertainties for the remaining six months of the financial year; and
 - c. confirmation that there were no related party transactions in the Period that have materially affected the financial position or the performance of the Company during that Period.

Norbert Bannon
Chairman

Charles Wilkinson
Chairman of Audit Committee

DIRECTORS

Norbert Bannon (Chairman)

Norbert Bannon works as a financial advisor and non-executive director. He is a director of the Irish and UK subsidiaries of a major Canadian bank and is chairman of a large UK pension scheme. He is a director of and advisor to a number of financial companies in the UK and Ireland.

He has extensive experience in international finance having been CEO of banks in Singapore and New York. He was Managing Director of Ireland’s largest venture capital company and was Finance Director and Chief Risk Officer of AIB Capital Markets plc which he left in 2002. He has worked as consultant to a number of international companies.

He earned a degree in economics from Queen’s University, studied at Stanford Graduate School of Business and is a Chartered Accountant.

Charles Edmund Wilkinson

Charles Wilkinson is a solicitor who retired from Lawrence Graham LLP in March 2005. While at Lawrence Graham he specialised in corporate finance and commercial law, latterly concentrating on investment trust and fund work. He is currently Chairman of Doric Nimrod Air One Limited. He is also a director of Premier Energy and Water Trust PLC a listed investment trust and of Landore Resources Ltd, a Guernsey based mining exploration company.

Geoffrey Alan Hall

Geoffrey Hall has extensive experience in investment management. He has been previously been Chief Investment Officer at Allianz Insurance Plc, a major UK insurance company, and an investment manager at HSBC Asset Management, County Investment Management, and British Railways Pension Funds. He is currently an investment consultant to Cumberland Place Investment Management, and also Chairman of WHEB Asset Management, a major firm in sustainability investing.

Geoffrey earned his Master’s degree in Geography at the University of London. He is an Associate of the Society of Investment Professionals (the CFA Society of the UK).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period 31 January 2011 to 30 September 2011

| | Notes | 31 Jan 2011 to 30 Sep 2011 GBP |
|--|-------|--------------------------------------|
| Income | | |
| Bank interest received | | 27,430 |
| | | 27,430 |
| Expenses | | |
| Operating expenses | 4 | (174,291) |
| | | (174,291) |
| Net loss for the period before finance costs and foreign exchange losses | | (146,861) |
| Unrealised foreign exchange loss | 11b | (961) |
| Loss for the period | | (147,822) |
| Other Comprehensive Income | | - |
| Total Comprehensive Income for the period | | (147,822) |
| Pence | | |
| Loss per Share for the period – Basic and Diluted | 6 | (0.20) |

In arriving at the results for the financial period, all amounts above relate to continuing operations.

There are no recognised gains or losses for the period other than those disclosed above.

The notes on pages 10 to 19 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 September 2011

| | Notes | 30 Sep 2011 GBP |
|--|-------|--------------------|
| CURRENT ASSETS | | |
| Receivables | 7 | 3,045,385 |
| Cash and cash equivalents | | 131,506,958 |
| | | 134,552,343 |
| TOTAL ASSETS | | |
| | | 134,552,343 |
| CURRENT LIABILITIES | | |
| Payables – due within one year | 8 | 178,192 |
| | | 178,192 |
| TOTAL LIABILITIES | | |
| | | 178,192 |
| TOTAL NET ASSETS | | |
| | | 134,374,151 |
| EQUITY | | |
| Share capital | 9 | 134,521,973 |
| Revenue reserve | | (147,822) |
| | | 134,374,151 |
| | | Pence |
| Net asset value per Ordinary Share based on 75,000,000 shares in issue | | 185.34 |

The Financial Statements were approved by the Board of directors and authorised for issue on 29 November 2011 and are signed on its behalf by:

Norbert Bannon
Director

Charles Wilkinson
Director

The notes on pages 10 to 19 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the period ended 30 September 2011

| | 31 Jan 2011 to 30 Sep 2011 GBP |
|---|---|
| OPERATING ACTIVITIES | |
| Loss for the period | (147,822) |
| Interest received | (27,430) |
| Increase in payables | 178,192 |
| Increase in receivables | (3,045,385) |
| NET CASH OUTFLOW FROM OPERATING ACTIVITIES | (3,042,445) |
| INVESTING ACTIVITIES | |
| Interest received | 27,430 |
| NET CASH INFLOW FROM INVESTING ACTIVITIES | 27,430 |
| FINANCING ACTIVITIES | |
| Proceeds on issue of shares | 136,000,020 |
| Share issue costs | (1,478,047) |
| NET CASH INFLOW FROM FINANCING ACTIVITIES | 134,521,973 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | – |
| Increase in cash and cash equivalents | 131,506,958 |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | 131,506,958 |

The notes on pages 10 to 19 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period ended 30 September 2011

| | Notes | Share Capital GBP | Revenue Reserve GBP | Total GBP |
|---|-------|-------------------------|---------------------------|--------------|
| Balance as at 31 January 2011 | | – | – | – |
| Total Comprehensive Income for the period | | – | (147,822) | (147,822) |
| Share issue proceeds | 9 | 136,000,020 | – | 136,000,020 |
| Share issue costs | 9 | (1,478,047) | – | (1,478,047) |
| Balance as at 30 September 2011 | | 134,521,973 | (147,822) | 134,374,151 |

The notes on pages 10 to 19 form an integral part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at 30 September 2011

1 GENERAL INFORMATION

The consolidated financial statements incorporate the financial statements of Doric Nimrod Air Two Limited (the "Company"), MSN077 Limited and MSN090 Limited (the "Subsidiaries") together known as (the "Group").

The Company was incorporated in Guernsey on 31 January 2011 with registered number 52985. Its share capital consists of one class of Ordinary Preference Shares and one class of Subordinated Administrative Shares. The Company's Ordinary Preference Shares are listed on the London Stock Exchange ("LSE") and Channel Islands Stock Exchange ("CISX") and have been admitted to trading on the Specialist Fund Market ("SFM").

The Company's investment objective is to obtain income returns and a capital return for its shareholders by acquiring, leasing and then selling aircraft.

The significant accounting policies adopted by the Group are as follows:

2 ACCOUNTING POLICIES

(a) Basis of preparation and going concern

The consolidated financial statements have been prepared in conformity with IFRS which comprise standards and interpretations approved by the International Accounting Standards Board ("IASB") and International Financial Reporting Interpretations Committee ("IFRIC") and applicable Guernsey law. The financial statements have been prepared on a historical cost basis except for the measurement at fair value of certain financial instruments.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Group operates.

Changes in accounting policy and disclosure

The following Standards or Interpretations that are expected to affect the Group have been issued but not yet adopted by the Group as shown below. Other Standards or Interpretations issued by the IASB and IFRIC are not expected to affect the Group:

IFRS 7 *Financial Instruments: Disclosure* – amendments enhancing disclosures about transfers of financial assets effective for annual periods beginning on or after 1 July 2011.

IFRS 9 *Financial Instruments – Classification and Measurement* effective for annual periods beginning on or after 1 January 2013.

IFRS 13 *Fair Value Measurement* effective for annual periods beginning on or after 1 January 2013.

IAS 1 *Presentation of Financial Statements* – amendments to revise the way other comprehensive income is presented effective for annual periods beginning on or after 1 July 2012.

The directors have considered the above and are of the opinion that the above Standards and Interpretations are not expected to have an impact on the Group's financial statements except for the presentation of additional disclosures and changes to the presentation of components of the financial statements. These items will be applied in the first financial period for which they are required.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 30 September 2011

2 ACCOUNTING POLICIES (continued)

(b) Basis of consolidation

The consolidated financial statements incorporate the financial statement of the Company and its Subsidiaries. The Company owns 100% of all the shares in the Subsidiaries and has the power to govern the financial and operating policies of the Subsidiaries so as to obtain benefits from their activities.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(c) Taxation

The Company and its Subsidiaries have been assessed for tax at the Guernsey standard rate of 0%. Income Tax has been provided based on the tax rate applicable to the Company and its Subsidiaries, on their current year profits.

(d) Share capital

Ordinary Preference Shares ("Shares") are classified as equity. Incremental costs directly attributable to the issue of Shares are recognised as a deduction from equity.

(e) Expenses

All expenses are accounted for on an accruals basis.

(f) Interest income

Interest income is accounted for on an accruals basis.

(g) Foreign currency translation

The currency of the primary economic environment in which the Group operates (the functional currency) is Great British Pounds ("GBP") which is also the presentation currency.

Transactions denominated in foreign currencies are translated into GBP at the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Consolidated Statement of Comprehensive Income.

(h) Cash and Cash equivalents

Cash at bank and short term deposits which are held to maturity are carried at cost. Cash and cash equivalents are defined as call deposits, short term deposits and highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purposes of the Statement of Cash Flow, cash and cash equivalents consist of cash and deposits at bank.

(i) Segmental Reporting

The directors are of the opinion that the Group is engaged in a single segment of business, being acquiring, leasing and selling various Airbus A380-861 aircraft ("Aircraft").

(j) Going concern

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The directors believe the Group is well placed to manage its business risks successfully despite the current economic climate. Accordingly, the directors have adopted the going concern basis in preparing the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 30 September 2011

2 ACCOUNTING POLICIES (continued)

(k) Leasing and rental income

The leases relating to the Aircraft have been classified as operating leases as the terms of the leases do not transfer substantially all the risks and rewards of ownership to the various lessees. The Aircraft are shown as non-current assets in the Statement of Financial Position.

Rental income and advance lease payments from operating leases are recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and amortised on a straight-line basis over the lease term.

(l) Property, plant and equipment – Aircraft

In line with IAS 16 Property Plant and Equipment, the Aircraft are initially recorded at the fair value of the consideration paid. The cost of the asset is made up of the purchase price of the Aircraft plus any costs directly attributable to bringing it into working condition for its intended use. Accumulated depreciation and any recognised impairment loss are deducted from cost to calculate the carrying amount of the Aircraft.

Depreciation is recognised so as to write off the cost of the asset less the estimated residual value of £6.2 million over the estimated useful life of the asset of 30 years, using the straight line method.

Depreciation is charged systematically over the asset's useful life. The depreciation method reflects the pattern of benefit consumption. The residual value is reviewed annually and is the amount the entity would receive currently if the asset were already of the age and condition expected at the end of its useful life. Useful life is also reviewed annually.

(m) Financial liabilities

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of the financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

3 SIGNIFICANT JUDGEMENTS AND ESTIMATES

In the application of the Company's accounting policies, which are described in Note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 30 September 2011

3 SIGNIFICANT JUDGEMENTS AND ESTIMATES (continued)

Critical judgements in applying the Company's accounting policies

The following are the critical judgements and estimates that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Residual value and useful life of Aircraft

As described in Note 2 (k), the Company depreciates the Aircraft on a straight line basis over the estimated useful life of the Aircraft and taking into consideration the estimated residual value. In making its judgement regarding these estimates the directors considered previous sales of similar aircraft and generally accepted aviation information regarding life expectancy of aircraft.

4 OPERATING EXPENSES

| | 31 Jan 2011 to 30 Sep 2011 GBP |
|------------------------------------|--------------------------------------|
| Nimrod management fee | 43,288 |
| Doric asset management fee | 53,500 |
| Administration fees | 21,353 |
| Accountancy fees | 4,479 |
| Registrars fee | 6,133 |
| Audit fee | 16,360 |
| Directors' remuneration | 18,892 |
| Directors' and Officers' insurance | 2,500 |
| Legal & professional expenses | 1,738 |
| Annual fees | 4,122 |
| Sundry costs | 1,603 |
| Other operating expenses | 323 |
| | 174,291 |

5 DIRECTORS' REMUNERATION

Under their terms of appointment, each director is paid a fee of £19,000 per annum by the Company, except for the Chairman, who receives £25,000 per annum. The Chairman of the audit committee also receives an extra £4,000 per annum.

6 LOSS PER SHARE

Loss per Share is based on the net loss for the period attributable to shareholders of £147,822 and on 72,500,000 Shares, being the weighted average number of Shares in issue during the period. The directors are of the opinion that calculating Loss per Share using 72,500,000 Shares follows the substance of IAS 33 Earnings per Share, paragraph 26 as the share transactions prior to the Placing did not result in a corresponding change in the Company's resources.

The calculation of EPS under the alternative method would give a Loss per Share of 0.57 pence based on 25,814,050 Shares, being the alternative weighted average number of Shares in issue during the period. There are no dilutive instruments and therefore basic and diluted earnings per Share are identical.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 30 September 2011

7 RECEIVABLES

| | 30 Sep 2011 |
|------------------------------|--------------------|
| | GBP |
| Prepayment of aircraft costs | 3,037,865 |
| Prepayments | 7,500 |
| Sundry debtors | 20 |
| | 3,045,385 |

The above carrying value of receivables is equivalent to the fair value.

8 PAYABLES (amounts falling due within one year)

| | 30 Sep 2011 |
|-----------------------------------|--------------------|
| | GBP |
| Accrued administration fees | 16,658 |
| Accrued audit fee | 16,360 |
| Accrued management fee | 96,788 |
| Accrued legal & professional fees | 36,725 |
| Other accrued expenses | 11,661 |
| | 178,192 |

The above carrying value of payables is equivalent to the fair value.

9 SHARE CAPITAL

The Share Capital of the Company is represented by an unlimited number of shares of no par value being issued or reclassified by the Company as Ordinary Preference Shares or Subordinated Administrative Shares.

| | Subordinated Administrative Shares | Ordinary Preference Shares |
|--|---|---|
| Shares issued at incorporation | | 2 |
| Shares issued 8 February 2011 | – | 3,999,998 |
| Shares repurchased and cancelled 10 May 2011 | – | (1,000,000) |
| Bonus issue 22 June 2011 | – | 1,500,000 |
| Shares issued 30 June 2011 | 2 | – |
| Shares issued in Placing | – | 68,000,000 |
| Issued share capital as at 30 September 2011 | 2 | 72,500,000 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 30 September 2011

9 SHARE CAPITAL (continued)

| Issued | GBP |
|--|--------------------|
| Ordinary Preference Shares | |
| Shares issued at incorporation | 2 |
| 3,999,998 Shares issued 8 February 2011 | 18 |
| 68,000,000 Shares issued in Placing | 136,000,000 |
| Share issue costs | (1,478,047) |
| Issued share capital as at 30 September 2011 | 134,521,973 |
| Subordinated Administrative Shares | |
| Shares issued 30 June 2011 | 2 |
| Total share capital as at 30 September 2011 | 134,521,975 |

Members holding Ordinary Preference Shares are entitled to receive, and participate in, any dividends out of income; other distributions of the Company available for such purposes and resolved to be distributed in respect of any accounting period; or other income or right to participate therein. On a winding up, shareholders are entitled to the surplus assets remaining after payment of all the creditors of the Company.

Members have the right to receive notice of and to attend, speak and vote at general meetings of the Company.

The holders of Subordinated Administrative Shares are not entitled to receive, and participate in, any dividends out of income; other distributions of the Company available for such purposes and resolved to be distributed in respect of any accounting period; or other income or right to participate therein. On a winding up, holders are entitled to a return of capital paid up on them after the Ordinary Preference Shares have received a return of their capital paid up but ahead of the return of all additional capital to the holders of Ordinary Preference Shares. Holders do not have the right to receive notice of and no right to attend, speak and vote at general meetings of the Company, except for the Liquidation Proposal Meeting (general meeting convened six months before the end term of the Lease where the Liquidation Resolution will be proposed) or if there are no Ordinary Preference Shares in existence.

10 FINANCIAL INSTRUMENTS

The Group's main financial instruments comprise:

- (a) Cash and cash equivalents that arise directly from the Group's operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 30 September 2011

11 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's objective is to obtain income and returns and a capital return for its shareholders by acquiring, leasing and then selling aircraft.

The following table details the categories of financial assets and liabilities held by the Group at the reporting date:

| | 30 Sep 2011 GBP |
|---|----------------------------|
| Financial assets | |
| Loans and receivables | 131,506,978 |
| Total assets | 131,506,978 |
| Financial liabilities | |
| Accrued expenses | 178,192 |
| Financial liabilities measured at amortised cost | 178,192 |

Loans and receivables presented above represents cash and cash equivalents and sundry debtors as detailed in the Consolidated Statement of Financial Position.

Financial liabilities measured at amortised cost presented above represents accrued expenses as detailed in the Consolidated Statement of Financial Position.

The main risks arising from the Group's financial instruments are capital management risk, foreign currency risk, credit risk, liquidity risk and interest rate risk. The Board regularly review and agrees policies for managing each of these risks and these are summarised below:

(a) Capital management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders, comprising issued capital and retained earnings.

The Group's Board of directors reviews the capital structure on a bi-annual basis.

Equity includes all capital and reserves of the Group that are managed as capital.

(b) Foreign currency risk

The Group undertakes transactions denominated in foreign currencies and consequently exposures to exchange rate fluctuations arise. The directors are of the opinion that these transactions are not material.

At the period end, the Group had no foreign currency denominated monetary assets or liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 30 September 2011

11 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The credit risk on cash transactions are mitigated by transacting with counterparties that are regulated entities subject to prudential supervision, or with high credit ratings assigned by international credit rating agencies.

The Group's financial assets exposed to credit risk are as follows:

| | 30 Sep 2011 |
|---------------------------|--------------------|
| | GBP |
| Receivables | 20 |
| Cash and cash equivalents | 131,506,958 |
| | 131,506,978 |

Surplus cash is held in five different financial institutions via the Barclays Plc 'Liquidity Management Service' ("LMS"). All five financial institutions have credit ratings which are upper medium investment grade or above, and cash is placed on deposit between 1 month to 1 year. The remaining cash is held in a current account at Barclays, which has a credit rating of Aa3 with Moody's credit rating agency.

(d) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in realising assets or otherwise raising funds to meet financial commitments. The Group's main financial commitments are its on-going operating expenses.

Ultimate responsibility for liquidity risk management rests with the Board of directors, which established an appropriate liquidity management framework at the incorporation of the Group, through the timings of lease rentals and loan repayments. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities, by monitoring forecast and actual cash flows, and by matching profiles of financial assets and liabilities.

The table below details the residual contractual maturities of financial liabilities:

| | 1-3 months | 3-12 months | Over 1 year |
|--------------------------------|-------------------|--------------------|--------------------|
| | GBP | GBP | GBP |
| Financial liabilities | | | |
| Payables – due within one year | 178,192 | – | – |
| | 178,192 | – | – |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 30 September 2011

11 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(e) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows. It is the risk that fluctuations in market interest rates will result in a reduction in deposit interest earned on bank deposits held by the Group.

The following table details the Group's exposure to interest rate risks:

| | Less than 1 month GBP | Fixed interest GBP | Non-interest bearing GBP | Total GBP |
|---------------------------------------|-----------------------------|--------------------------|--------------------------------|--------------|
| Financial assets | | | | |
| Receivables | – | – | 3,045,385 | 3,045,385 |
| Cash and cash equivalents | 131,506,958 | – | – | 131,506,958 |
| Total financial assets | 131,506,958 | – | 3,045,385 | 134,552,343 |
| Financial liabilities | | | | |
| Accrued expenses | – | – | 178,192 | 178,192 |
| Total financial liabilities | – | – | 178,192 | 178,192 |
| Total interest sensitivity gap | 131,506,958 | – | | |

If interest rates had been 50 basis points higher throughout the period and all other variables were held constant, the Group's net assets attributable to shareholders as at 30 September 2011 would have been £109,589 greater due to an increase in the amount of interest receivable on the bank balances.

If interest rates had been 50 basis points lower throughout the period and all other variables were held constant, the Group's net assets attributable to shareholders as at 30 September 2011 would have been £109,589 lower due to a decrease in the amount of interest receivable on the bank balances.

12 RELATED PARTY TRANSACTIONS

Anson Fund Managers Limited ("AFML") is the Company's Administrator and Secretary, Anson Registrars Limited ("ARL") is the Company's Registrar, Transfer Agent and Paying Agent and Anson Administration (UK) Limited ("AAUK") is the UK Transfer Agent. Breton Limited is a director of MSN077 Limited and is also a wholly owned subsidiary of Anson Custody Limited, a member of a group of companies which also includes AFML, ARL and AAUK. £31,965 of costs was incurred with these related parties during the period, of which £16,658 was due to these related parties at 30 September 2011.

Nimrod Capital LLP ("Nimrod") is the Company's Placing Agent and Corporate and Shareholder Adviser. In consideration for Nimrod acting as placing agent in the Placing, the Company agreed to pay Nimrod at Admission, a placing commission equal to 0.2186 per cent. of the Initial Gross Proceeds. Nimrod will also receive a placing commission following the acquisition of the Third Aircraft by the Company equal to 0.1092 per cent. of the Initial Gross Proceeds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 30 September 2011

12 RELATED PARTY TRANSACTIONS (continued)

The Group shall pay to Nimrod for its services as Corporate and Shareholder Adviser a fee of £200,000 per annum (adjusted annually for inflation from 2013 onwards, at 2.25 per cent. per annum) payable quarterly in arrears. As at the date the Group acquires the Third Asset, the Group will pay Nimrod an additional fee of £100,000 per annum (adjusted annually for inflation from 2013 onwards, at 2.25 per cent. per annum).

During the period, the Group incurred £1,056,219 of expenses with Nimrod, of which £43,288 was outstanding to this related party at 30 September 2011.

Doric Asset Finance Limited ("Doric") is the Group's Asset Manager. Doric received a fee at Admission, equal to 0.6556 per cent. of the Initial Gross Proceeds. Doric will also receive a fee following the agreement by the Group of the principal contracts relating to the acquisition of the Third Aircraft equal to 0.3278 per cent. of the Initial Gross Proceeds.

The Group will also pay Doric a management and advisory fee of £250,000 per annum per Asset (adjusted annually for inflation from 2013 onwards, at 2.25 per cent. per annum), payable quarterly in arrears commencing from the acquisition of each relevant Asset.

During the period, the Group incurred £3,037,865 of expenses with Doric, of which £nil was outstanding to this related party at 30 September 2011.

13 ULTIMATE CONTROLLING PARTY

In the opinion of the directors, the Company has no ultimate controlling party.

14 SUBSEQUENT EVENTS

On 14 October 2011, MSN077 Limited acquired an Airbus A380-800 aircraft for the sum of USD 234,000,000. In order to finance this acquisition, MSN077 Limited drew down senior debt financing from a syndicate of lenders in the amount of USD 151,047,509. On the same date, 43,568,866 Ordinary Shares in MSN077 Limited were issued to the Company at £1 each.

NOTICE OF ANNUAL GENERAL MEETING

DORIC NIMROD AIR TWO LIMITED

(Incorporated and registered in Guernsey with company number 52985)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you are advised to consult your stockbroker, solicitor, accountant, or other professional adviser. If you have sold or otherwise transferred all your shares in Doric Nimrod Air Two Limited, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer for transmission to the person who now holds shares in Doric Nimrod Air Two Limited.

Notice is hereby given that the first Annual General Meeting (the "AGM") of the shareholders of Doric Nimrod Air Two Limited (the "Company") will be held at Anson Place, Mill Court, La Charroterie, St Peter Port, Guernsey GY1 1EJ, Channel Islands on 24 January 2012 at 10.30 a.m. to consider and, if thought fit, pass the below resolutions.

Resolutions 1 to 5 will be proposed as ordinary resolutions.

ORDINARY RESOLUTIONS

1. TO re-appoint Deloitte LLP as Auditors of the Company, to hold office until the conclusion of the 2013 Annual General Meeting.
2. TO authorise the directors to determine the remuneration of the Auditors of the Company.
3. TO re-elect as a director Mr Norbert Bannon, who retires in accordance with the provisions of the UK Code of Corporate Governance.
4. TO re-elect as a director Mr Charles Wilkinson, who retires in accordance with the provisions of the UK Code of Corporate Governance.
5. TO re-elect as a director Mr Geoffrey Hall, who retires in accordance with the provisions of the UK Code of Corporate Governance.

By order of the Board

For and on behalf of
Anson Fund Management Limited
Company Secretary

Registered Office:

Anson Place
Mill Court
La Charroterie
St. Peter Port
Guernsey
GY1 1EJ

Registered in Guernsey with registered number 52985.

Dated: 30 November 2011

NOTICE OF ANNUAL GENERAL MEETING (continued)

Notes:

1. A member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to speak and vote instead of them. A proxy need not be a member of the Company. Completion and return of the form of proxy will not preclude members from attending or voting at the AGM if they so wish.
2. More than one proxy may be appointed provided each proxy is appointed to exercise the rights attached to different shares.
3. In accordance with the provision E.2.1 of the UK Code of Corporate Governance it should be noted that a vote withheld is not a vote in law and will not be counted in the calculation of the proportion of the votes for and against each resolution.
4. A Form of Proxy is enclosed for use at the AGM. The Form of Proxy should be completed in accordance with the instructions set out therein and sent, together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, so as to reach the Company's agent, for this purpose being, Anson Registrars Limited, Anson Place, Mill Court, La Charroterie, St Peter Port, Guernsey GY1 1EJ not less than 48 hours before the time for holding the AGM.
5. All persons recorded on the register of shareholders as holding shares in the Company as at 10.00 a.m. on 22 January 2012 or, if the AGM is adjourned, as at 48 hours before the time of any adjourned AGM, shall be entitled to attend and vote (either in person or by proxy) at the AGM and shall be entitled to one vote per share held.
6. If the AGM falls to be adjourned because it is not quorate, it will be adjourned to the same time and place five business days later or to such other day and/or time and/or place as the directors of the Company may determine, whereupon those shareholders then present in person, by their representative or by proxy, shall form the quorum. In the event of any such adjournment the Company will announce the adjournment via a regulatory information service but no notification will be sent directly to shareholders.
7. Where there are joint registered holders of any shares such persons shall not have the right of voting individually in respect of such shares but shall elect one of their number to represent them and to vote whether in person or by proxy in their name. In default of such election the person whose name stands first on the register of shareholders shall alone be entitled to vote.
8. On a poll votes may be given either personally or by proxy and a shareholder entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
9. Any corporation which is a shareholder may by resolution of its board of directors or other governing body authorise such person as it thinks fit to act as its representative at the AGM. Any person so authorised shall be entitled to exercise on behalf of the corporation which he represents the same powers (other than to appoint a proxy) as that corporation could exercise if it were an individual shareholder.
10. As at 30 November 2011 (the latest practicable date prior to the printing of this notice) the Company's issued share capital consisted of 72,500,000 ordinary preference shares of no par value, all carrying one vote each per share.
11. Copies of the following documents are available for inspection at the registered office of the Company during usual business hours on any weekday (weekends and public holidays excluded) and will be available for inspection at the place of the AGM for 15 minutes before and during the AGM itself:
 - (a) copies of the non-executive directors' appointment letters; and
 - (b) the Articles of Incorporation.

EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

At the AGM there are 5 Resolutions which shareholders will be asked to consider and, if thought fit, approve. An explanation of each of these Resolutions is given below. Resolutions 1 to 5 (inclusive) are proposed as ordinary resolutions. An ordinary resolution requires more than 50 per cent. of votes cast at the AGM relating to that resolution to be in favour of it for the resolution to be passed.

ORDINARY RESOLUTIONS

Resolutions 1 and 2: Appointment and remuneration of the Auditors

Deloitte LLP have indicated that they are willing to continue to be the Company's Auditors for the next financial year. You are asked to approve their re-appointment and to authorise the directors of the Company to determine their remuneration

Resolutions 3 to 5 (inclusive): Re-election of Directors

In accordance with the recommendations of the UK Corporate Governance Code, the directors have resolved that they will all retire at this first AGM and that those wishing to continue to serve will submit themselves for re-election by the shareholders at this AGM and those following every three years thereafter.

Having considered the performance and contribution made by each of the directors, the Board believes that each of them continues to perform effectively and with commitment to their roles and, as such, recommends their respective election and re-election. Brief biographical details of the directors seeking re-election can be found on page 5.

ADVISERS AND CONTACT INFORMATION

KEY INFORMATION

| | |
|--------------------------|--|
| Exchange | Specialist Fund Market of the LSE/CISX |
| Ticker | DNA2 |
| Listing Date | 14 July 2011 |
| Fiscal Year End | 31 March |
| Base Currency | GBP |
| ISIN | GG00B3Z62522 |
| SEDOL | B3Z6252 |
| Country of Incorporation | Guernsey – Registration number 52985 |

MANAGEMENT AND ADMINISTRATION

Registered Office

Doric Nimrod Air Two Limited
Anson Place
Mill Court
La Charroterie
St Peter Port
Guernsey GY1 EJ

Company Secretary and Administrator

Anson Fund Managers Limited
P.O. Box 405, Anson Place
Mill Court
La Charroterie
St Peter Port
Guernsey GY1 3GF

Asset Manager

Doric Asset Finance Limited
5 Royal Exchange Buildings
London EC3V 3NL

Registrar

Anson Registrars Limited
PO Box 426, Anson Place
Mill Court, La Charroterie
St Peter Port
Guernsey GY1 3WX

Placing and Corporate and Shareholder Advisory Agent

Nimrod Capital LLP
4 The London Fruit and Wool Exchange
Brushfield Street
London E1 6HB

Advocates to the Company (as to Guernsey Law)

Mourant Ozannes
1 Le Marchant Street
St Peter Port
Guernsey GY1 4HP

Solicitors to the Company (as to English Law)

Herbert Smith LLP
Exchange House
Primrose Street
London EC2A 2HS

Auditor

Deloitte LLP
Regency Court
Gategny Esplanade
St Peter Port
Guernsey GY1 3HW

