



**LEASING FUND
TWELVE, LLC**

PORTFOLIO OVERVIEW

SECOND QUARTER

2009

Dear investor in ICON Leasing Fund Twelve, LLC:

We write to briefly summarize our activity for the second quarter of 2009. A more detailed analysis, which we encourage you to read, is contained in our Form 10-Q. Our Form 10-Q, as well as our other quarterly, annual and current reports are available in the Investor Relations section of our website, www.iconcapital.com.

On April 30, 2009, we closed Fund Twelve's offering, having raised \$347,686,947 in capital contributions from its commencement on May 7, 2007. On May 1, 2009, Fund Twelve entered its operating period, during which time we will continue to seek to finance equipment subject to lease or structure financings secured primarily by equipment. As of June 30, 2009, we had invested \$276,224,478¹ of capital, or 89.05% of capital available for investment, in approximately \$501,338,176² worth of business-essential equipment and corporate infrastructure. Further, our distribution coverage ratio³ for the quarter was 129.94%. As of June 30, Fund Twelve held \$32,331,269 of capital available for future investments and maintained a leverage ratio of 0.64⁴. Fund Twelve collected 100%⁵ of all scheduled rent and loan receivables due for the quarter.

We have been able to take advantage of the dislocation in the credit markets by making some very favorable investments in business-essential equipment and corporate infrastructure. We purchased and leased diving equipment to an affiliate of Swiber Engineering Limited. We also purchased and leased mining equipment to affiliates of Murray Energy Corporation. Additionally, we made senior term loans secured by analog seismic system equipment to affiliates of ION Geophysical Corporation. We entered into a sale and leaseback transaction with an affiliate of Coach America for fourteen passenger buses, as well as purchased and leased natural gas compressors to affiliates of Atlas Pipeline Partners. Finally, during the second quarter of 2009, we purchased and chartered a pipelay barge and an accommodation and work barge to affiliates of Leighton Holdings Limited. The total equity we invested in the second quarter of 2009 was \$38,740,230⁶.

We are pleased to advise that we suffered no material defaults in the second quarter of 2009 and believe our portfolio is performing well in the face of a challenging macroeconomic environment. During the quarter, we continued to work with LC Manufacturing by amending its lease. The amendment provided for a reduction in the assets under lease from \$14,890,000 to approximately \$12,420,000. The off-lease assets were then leased to an affiliate of LC Manufacturing. This structure provides LC Manufacturing with enough flexibility to continue to make its payments to us, yet still allows us to recover our expected return on this investment. For a more detailed description, please refer to the portfolio overview section that follows this letter.

As traditional lenders continue to retrench from the market, we believe that there will be many excellent opportunities for us to deploy our remaining equity in well structured deals secured by business-essential equipment and corporate infrastructure.

We invite you to read through our portfolio overview on the pages that follow for a more detailed explanation of the above described investments. As always, thank you for entrusting ICON with your investment assets. We look forward to sharing future successes.

Sincerely,



Michael A. Reisner
Co-President and Co-Chief Executive Officer



Mark Gatto
Co-President and Co-Chief Executive Officer

¹ Pursuant to Fund Twelve's financials, prepared in accordance with US GAAP.

² Pursuant to Fund Twelve's financials, prepared in accordance with US GAAP.

³ The ratio of inflows from investments divided by paid distributions.

⁴ Pursuant to Fund Twelve's financials, prepared in accordance with US GAAP. Leverage ratio is defined as total liabilities divided by total equity.

⁵ Collections as of August 16, 2009.

⁶ Pursuant to Fund Twelve's financials, prepared in accordance with US GAAP.

ICON LEASING FUND TWELVE, LLC

- Portfolio Overview Second Quarter 2009 -

We are pleased to present ICON Leasing Fund Twelve, LLC's (the "Fund") Portfolio Overview for the second quarter of 2009. References to "we," "us" and "our" are references to the Fund, references to the "Manager" are references to the manager of the Fund, ICON Capital Corp.

The Fund

We raised \$347,686,947 commencing with our initial offering on May 7, 2007 through the closing of our offering on April 30, 2009.

Our operating period commenced on May 1, 2009, during which time we will continue to seek to finance equipment subject to lease or to structure financings secured primarily by equipment. Cash generated from these investments facilitates distributions to our members. Availability of cash to be used for reinvestment depends on the requirements for expenses, reserves and distributions to members.

Our operating period is anticipated to continue for a period of five years from the closing of the offering, unless extended at our Manager's sole discretion. Following our operating period, we will enter our liquidation period, during which time the leases and loans we own will mature or be sold in the ordinary course of business.

Portfolio Overview

Our portfolio consists of investments that we have made directly, as well as those that we have made with our affiliates. As of June 30, 2009, our portfolio consisted primarily of the following investments.

- We, through our wholly-owned subsidiary, ICON Global Crossing IV, LLC, own telecommunications equipment that is subject to various leases with Global Crossing Telecommunications, Inc. We paid purchase prices in the amounts of approximately \$21,294,000, \$5,939,000 and \$3,859,000 for the equipment and their respective leases are set to expire on November 30, 2011, March 31, 2011 and March 31, 2012.
- We, through ICON Atlas, LLC ("ICON Atlas"), a joint venture owned 55% by us and 45% by ICON Equipment and Corporate Infrastructure Fund Fourteen, L.P. ("Fund Fourteen"), an affiliate of our Manager, purchased four Ariel natural gas driven gas compressors from AG Equipment Co. ("AG") for approximately \$4,270,000 on June 26, 2009. Simultaneously with the purchase, ICON Atlas entered into a lease with Atlas Pipeline Mid-Continent, LLC ("Atlas"). On August 17, 2009, ICON Atlas purchased four Ariel electric driven gas compressors from AG for approximately \$7,028,000. Simultaneously with that purchase, ICON Atlas entered into Schedule 2 to the lease with Atlas. The lease is for a period of forty-eight months and expires on August 31, 2013. The obligations of Atlas are guaranteed by its parent company, Atlas Pipeline Partners, L.P.
- We own a saturation diving system that we acquired from Swiber Engineering Ltd. ("Swiber") through our wholly-owned subsidiary, ICON Diving Marshall Islands, LLC, for \$10,000,000, comprised of \$8,000,000 in cash and a \$2,000,000 subordinated seller's credit. Simultaneously with the purchase, we entered into a lease with our wholly-owned subsidiary, ICON Diving Netherlands B.V. ("ICON DNBV"). ICON DNBV then entered into a sixty month lease with Swiber Offshore Construction Pte. Ltd. ("SOC") that is scheduled to expire on June 30, 2014. All of the obligations of SOC are guaranteed by its parent company, Swiber Holdings Limited ("Holdings").
- A 300-man accommodation and work barge, the Swiber Victorious (the "Barge"), equipped with a 300-ton pedestal mounted offshore crane that is subject to a ninety-six month bareboat charter with Swiber Offshore Marine Pte. Ltd. ("SOM"). The Barge was purchased by Victorious, LLC ("Victorious"), a Marshall Islands limited liability company that is controlled by us through our wholly-owned subsidiary, ICON Victorious, LLC ("ICON Victorious"), from Swiber for \$42,500,000. The purchase price was comprised of (i) a \$19,125,000 equity investment from ICON Victorious, (ii) an \$18,375,000 contribution-in-kind by Swiber and (iii) a subordinated, non-recourse and unsecured \$5,000,000 payable. The payable bears interest at 3.5% per year, accrues interest quarterly and is only required to be repaid after we achieve our minimum targeted return. At the end of the charter, SOM has the option to purchase the Barge for \$21,000,000 plus 50% of the difference between the then fair market value less \$21,000,000. ICON Victorious is the sole manager of Victorious and holds a senior, controlling equity interest and all management rights with respect to Victorious. Swiber holds a subordinate, non-controlling equity interest

in Victorious and the obligations of the various entities that are parties to the transaction are guaranteed by Holdings.



(Above): Swiber Victorious

- ICON ION, LLC (“ICON ION”), a joint venture owned 55% by us and 45% by Fund Fourteen, was formed for the purpose of making secured term loans to ARAM Rentals Corporation (“ARC”) and ARAM Seismic Rentals, Inc. (“ASR,” together with ARC, collectively referred to as the “ARAM Borrowers”) in the aggregate amount of \$20,000,000. On June 29, 2009, ICON ION funded the first tranche of the secured term loans in the amounts of \$8,825,000 and \$3,675,000 to ARC and ASR, respectively. On July 20, 2009, ICON ION funded the second tranche of the secured term loan to ARC in the amount of \$7,500,000. The ARAM Borrowers are wholly-owned subsidiaries of ION Geophysical Corporation (“ION”). The loans are secured by (i) a first priority security interest in all of the ARAM analog seismic system equipment owned by the ARAM Borrowers and (ii) a pledge of all equity interests in the ARAM Borrowers. In addition, ION guaranteed all of the obligations of the ARAM Borrowers under the loans. The loans are payable monthly for a period of five years, beginning on August 1, 2009.
- We own two Aframax product tankers that we acquired from Aframax Tanker I AS through our wholly-owned subsidiary, ICON Eagle Holdings, LLC (“ICON Eagle Holdings”). ICON Eagle Auriga Pte. Ltd., a wholly-owned subsidiary of ICON Eagle Holdings, purchased the M/V Eagle Auriga (the “Eagle Auriga”) for \$42,000,000, comprised of \$14,000,000 in cash and \$28,000,000 in a non-recourse loan. ICON Eagle Centaurus Pte. Ltd., also a wholly-owned subsidiary of ICON Eagle Holdings, purchased the M/V Eagle Centaurus (the “Eagle Centaurus”) for \$40,500,000, comprised of \$13,500,000 in cash and \$27,000,000 in a non-recourse loan. The Eagle Auriga and the Eagle Centaurus are subject to eighty-four month bareboat charters with AET, Inc. Limited (“AET”) that expire on November 14, 2013 and November 13, 2013, respectively.
- A 95,639 DWT (deadweight tonnage) Aframax product tanker, the M/V Eagle Carina (“Eagle Carina”), was purchased from Aframax Tanker II AS by ICON Eagle Carina Pte. Ltd., a Singapore corporation wholly-owned by ICON Eagle Carina Holdings, LLC (“ICON Carina”), a joint venture owned 64.30% by us and 35.70% by ICON Income Fund Ten, LLC (“Fund Ten”), an affiliate of our Manager. The Eagle Carina was acquired for \$39,010,000, comprised of \$12,010,000 in cash and \$27,000,000 in a non-recourse loan. The Eagle Carina is subject to an eighty-four month bareboat charter with AET that expires on November 14, 2013.



(Above): M/V Eagle Carina

- A 95,634 DWT (deadweight tonnage) Aframax product tanker, the M/V Eagle Corona (“Eagle Corona”), was purchased from Aframax Tanker II AS by ICON Eagle Corona Pte. Ltd., a Singapore corporation wholly-owned by ICON Eagle Corona Holdings, LLC (“ICON Corona”), a joint venture owned 64.30% by us and 35.70% by Fund Ten. The Eagle Corona was acquired for \$41,270,000, comprised of \$13,270,000

in cash and \$28,000,000 in a non-recourse loan. The Eagle Corona is subject to an eighty-four month bareboat charter with AET that expires on November 14, 2013.

- ICON Pliant, LLC (“ICON Pliant”) acquired from Pliant Corporation (“Pliant”) and simultaneously leased back equipment that manufactures plastic films and flexible packaging for consumer products for a purchase price of \$12,115,000. We and ICON Leasing Fund Eleven, LLC (“Fund Eleven”), an affiliate of our Manager, have ownership interests of 45% and 55% in ICON Pliant, respectively. The lease expires on September 30, 2013. On February 11, 2009, Pliant commenced a voluntary Chapter 11 proceeding in U.S. Bankruptcy Court to eliminate all of its high-yield debt. In connection with this action, Pliant submitted a financial restructuring plan to eliminate its debt as part of a pre-negotiated package with its high-yield creditors. ICON Pliant’s lease is not currently subject to this proceeding. Pliant has indicated that it will continue to operate in a business-as-usual manner during the restructuring process, and to date has made all rent payments.
- ICON Northern Leasing, LLC (“ICON Northern Leasing”), a joint venture among us, Fund Ten and Fund Eleven, purchased four promissory notes (the “Notes”) and received an assignment of the underlying Master Loan and Security Agreement, dated July 28, 2006. We, Fund Ten and Fund Eleven have ownership interests of 52.75%, 12.25% and 35%, respectively. The aggregate purchase price for the Notes was approximately \$31,573,000 and is secured by an underlying pool of leases for credit card machines. The Notes accrue interest at rates ranging from 7.97% to 8.40% per year and require monthly payments ranging from approximately \$183,000 to \$422,000. The Notes mature between October 15, 2010 and August 14, 2011 and require balloon payments at the end of each note ranging from approximately \$594,000 to \$1,255,000. Our share of the purchase price was approximately \$16,655,000.
- ICON Northern Leasing II, LLC, our wholly-owned subsidiary, provided a senior secured loan in the amount of approximately \$7,870,000 to Northern Capital Associates XV, L.P. (“NCA XV”) and Northern Capital Associates XIV, L.P. (“NCA XIV”), affiliates of Northern Leasing Systems, Inc., pursuant to a Master Loan and Security Agreement, dated March 31, 2009. The loan accrues interest at a rate of 18% per year and is secured by a first priority security interest in an underlying pool of leases for credit card machines of NCA XV, a second priority security interest in an underlying pool of leases for credit card machines of NCA XIV (subject only to the first priority security interest of ICON Northern Leasing) and a limited guaranty from Northern Leasing Systems, Inc. of 10% of the loan amount.
- Each of our wholly-owned Singapore corporations, ICON Mynx Pte. Ltd. (“ICON Mynx”), ICON Stealth Pte. Ltd. (“ICON Stealth”) and ICON Eclipse Pte. Ltd. (“ICON Eclipse”), entered into a Memorandum of Agreement to purchase an accommodation and work barge, the Leighton Mynx, and the pipelay barges, the Leighton Stealth and the Leighton Eclipse, respectively, from Leighton Contractors (Singapore) Pte. Ltd. (“Leighton”) for the aggregate amount of \$133,000,000. Simultaneously with the purchases, each of ICON Mynx, ICON Stealth and ICON Eclipse entered into a bareboat charter to lease each respective vessel to Leighton for a period of eight years. All of Leighton’s obligations are guaranteed by its parent company, Leighton Holdings Limited, a publicly traded company on the Australian Stock Exchange. The Leighton Mynx was purchased for \$10,000,000 consisting of \$450,000 in cash and \$9,550,000 in a non-recourse loan, which included \$6,000,000 of senior debt pursuant to a \$79,800,000 senior facility agreement with Standard Chartered Bank, Singapore Branch (the “Facility Agreement”) and \$3,550,000 of subordinated seller’s credit. The Leighton Stealth was purchased for \$48,000,000 consisting of \$2,250,000 in cash and \$45,750,000 in a non-recourse loan, which included \$28,800,000 of senior debt pursuant to the Facility Agreement and \$16,950,000 of subordinated seller’s credit. The Leighton Eclipse is a new build barge that is currently under construction. Upon completion, ICON Eclipse will purchase the Leighton Eclipse for \$75,000,000. Completion is likely to occur no later than October 23, 2009. To purchase the Leighton Eclipse, ICON Eclipse will pay \$3,500,000 in cash and borrow an aggregate of \$71,500,000 on the closing date, which will consist of \$45,000,000 of senior debt pursuant to the Facility Agreement and \$26,500,000 of subordinated seller’s credit.
- A Bucyrus Erie model 1570 Dragline (the “Dragline”) subject to a sixty month lease with Magnum Coal Company and its subsidiaries that commenced on June 1, 2008. We, through our wholly-owned subsidiary, ICON Magnum, LLC, acquired title to the Dragline for a purchase price of approximately \$12,461,000.
- Mining equipment consisting of three 100-ton haul trucks and one 14-cubic yard wheel loader that was purchased through our wholly-owned subsidiary, ICON Murray, LLC, for approximately \$3,348,000. The equipment is subject to a lease with American Energy Corporation (“American Energy”) and Ohio American Energy, Incorporated and is set to expire on March 31, 2011. We also own pan line and hauling equipment used in underground long wall mining that was purchased through our wholly-owned

subsidiary, ICON Murray II, LLC, for approximately \$3,196,000. That equipment is subject to a lease with American Energy and The Ohio Valley Coal Company and is set to expire on December 31, 2011. The obligations under the leases are guaranteed by Murray Energy Corporation.

- A one off machine paper coating manufacturing line through ICON Appleton, LLC (“ICON Appleton”), our wholly-owned subsidiary. ICON Appleton made a secured term loan to Appleton Papers, Inc. (“Appleton”) in the amount of \$22,000,000 commencing on November 7, 2008 for a period of sixty months. On March 26, 2009, the loan and security agreement (the “Loan”) and secured term loan note to Appleton were amended due to a default on one of the covenants in Appleton’s credit facility. As a result of the cross-default provisions of the Loan, the interest on the term note was adjusted to accrue interest at 14.25% per year.
- Fourteen 2009 model year MCID4505 passenger buses that were purchased through our wholly-owned subsidiary, ICON Coach, LLC, for approximately \$5,314,000 from CUSA PRTS, LLC (“CUSA”), an affiliate of Coach America Holdings, Inc. (“Coach”). The equipment is subject to a lease with CUSA that is set to expire on March 31, 2014 and the obligations of CUSA are guaranteed by Coach.
- Machining and metal working equipment subject to lease with LC Manufacturing, LLC (“LC”) and MW Crow, Inc. (“Crow”), both wholly-owned subsidiaries of MW Universal, Inc. (“MWU”). We acquired the equipment for a purchase price of \$18,990,000 and it is subject to a sixty month lease with LC and Crow that commenced on January 1, 2008. The equipment is comprised of all of LC’s and Crow’s capital assets including, but not limited to, hydraulic presses, stamping equipment, welders, drop hammers, forgers, and other related metal working and plastic injection molding equipment. On February 2, 2009, we, Fund Ten, Fund Eleven and IEMC Corp., a subsidiary of our Manager, entered into an Amended Forbearance Agreement with MWU, LC, Crow and seven other subsidiaries of MWU with respect to certain lease defaults. In consideration for restructuring LC’s lease payment schedule, we received, among other things, a warrant to purchase 10% of the outstanding stock of LC at an exercise price of \$0.01 per share, exercisable for a period of five years from the grant date. On June 1, 2009, we amended and restructured the lease with LC to reduce the assets under lease from \$14,890,000 to approximately \$12,420,000. Contemporaneously, we entered into a new lease with Metavation, LLC (“Metavation”), an affiliate of LC, for the assets previously on lease to LC. That equipment is subject to a forty-three month lease with Metavation that expires on December 31, 2012.
- ICON EAR, LLC (“ICON EAR”) acquired and simultaneously leased back semiconductor manufacturing equipment to Equipment Acquisition Resources, Inc. (“EAR”). We paid approximately \$3,814,000 for our interest in the equipment. ICON EAR also acquired and simultaneously leased back to EAR semiconductor manufacturing equipment for a total purchase price of approximately \$8,795,000. The equipment consists of silicone wafer slicers, dicers, backgrinders, lappers, and polishers that are designed to size microchips from embryo wafers. We and Fund Eleven have ownership interests of 55% and 45%, respectively, in ICON EAR. The leases commenced on July 1, 2008 and will continue for a period of sixty months.
- A 51% interest in one Aframax 98,507 DWT (deadweight tonnage) product tanker – the Mayon Spirit. We acquired our interest in the vessel through a joint venture with Fund Ten. The purchase price of the Mayon Spirit was approximately \$40,250,000, comprised of approximately \$15,312,000 in cash, paid in the form of a capital contribution to the joint venture, and a non-recourse loan in the amount of approximately \$24,938,000. Simultaneously with the purchase of the Mayon Spirit, the vessel was bareboat chartered back to an affiliate of Teekay Corporation for a period of forty-eight months and is scheduled to expire in July 2011. We acquired our interest in the Mayon Spirit for approximately \$8,472,000 in cash.



(Above): M/T Mayon Spirit

- Auto parts manufacturing equipment purchased from Sealyx Automotive Transieres SAS (“Sealyx”) that was simultaneously leased back to Sealyx. We paid approximately \$11,626,000 for the equipment. The

lease is for a period of sixty months and commenced on March 3, 2008. The equipment consists of all of Sealynx's machinery in its operating facility, including its mixing, extrusion and pressing machinery. As additional security, we received a first lien on Sealynx's real property located in Transieres, France.

- Two handy-size vessels that hold 1,500 TEU (twenty-foot equivalent unit) containers (each a "Vessel" and, collectively, referred to as the "Vessels") from the Vroon Group B.V. ("Vroon"), through our wholly-owned subsidiaries, ICON Arabian Express, LLC and ICON Aegean Express, LLC. We acquired the Vessels by making a cash payment of approximately \$6,150,000 per Vessel and a non-recourse loan in the amount of approximately \$19,350,000 per Vessel. The total aggregate purchase price of the Vessels was \$51,000,000. We have a seventy-two month bareboat charter for the Vessels with a subsidiary of Vroon that commenced on April 24, 2008. All obligations of the charterer under each respective bareboat charter are guaranteed by Vroon.

Revolving Line of Credit

We and ICON Income Fund Eight B, L.P., ICON Income Fund Nine, LLC, Fund Ten and Fund Eleven, entities sponsored by our Manager (collectively, the "ICON Borrowers"), are parties to a Commercial Loan Agreement, as amended (the "Loan Agreement"), with California Bank & Trust. The Loan Agreement provides for a revolving line of credit of up to \$30,000,000 pursuant to a senior secured revolving loan facility (the "Facility"), which is secured by all assets of the ICON Borrowers not subject to a first priority lien. The interest rate at June 30, 2009 was 3.25%. Aggregate borrowings under the Facility amounted to \$10,330,000 at June 30, 2009, none of which was attributable to the Fund.

On August 12, 2009, the ICON Borrowers and Fund Fourteen entered into a Loan Modification Agreement with California Bank & Trust. The changes to the Loan Agreement included an extension of the Facility from April 30, 2010 to June 30, 2011, the requirement that the interest rate on all current and future borrowings under the Facility will be not less than 4.0% per year, and the addition of Fund Fourteen as a permitted borrower under the Facility.

Transactions with Related Parties

We have entered into certain agreements with our Manager and with ICON Securities Corp. ("ICON Securities"), a wholly-owned subsidiary of our Manager, whereby we pay certain fees and reimbursements to those parties. Our Manager was entitled to receive an organizational and offering expense allowance of 3.5% of capital raised up to \$50,000,000, 2.5% of capital raised between \$50,000,001 and \$100,000,000, 1.5% of capital raised between \$100,000,001 and \$200,000,000, 1.0% of capital raised between \$200,000,001 and \$250,000,000 and 0.5% of capital raised over \$250,000,000. ICON Securities was entitled to a 2% underwriting fee from the gross proceeds from sales of shares to additional members.

In accordance with the terms of our limited liability company agreement, we pay or paid our Manager (i) management fees ranging from 1% to 7% based on the type of transaction and (ii) acquisition fees, through the end of the operating period, of 3% of the purchase price of our investments. The purchase price includes the cash paid, indebtedness incurred, assumed or to which our gross revenues from the investment are subject, or the value of the equipment secured by or subject to such investment, and the amount of the related acquisition fees on such investment, plus that portion of the expenses incurred by our Manager or any of its affiliates in making investments on an arm's length basis with a view to transferring such investments to us, which is allocated to the investments in question in accordance with allocation procedures employed by our Manager or such affiliate from time to time and within generally accepted accounting principles. In addition, our Manager will be reimbursed for administrative expenses incurred in connection with our operations.

Our Manager performs certain services relating to the management of our equipment leasing and other financing activities. Such services include, but are not limited to, the collection of lease payments from the lessees of the equipment or loan payments from borrowers, re-leasing services in connection with equipment which is off-lease, inspections of the equipment, liaising with and general supervision of lessees and borrowers to ensure that the equipment is being properly operated and maintained, monitoring performance by the lessees of their obligations under the leases, loans and the payment of operating expenses.

Administrative expense reimbursements are costs incurred by our Manager or its affiliates that are necessary to our operations. These costs include our Manager's and its affiliates' legal, accounting, investor relations and operations personnel, as well as professional fees and other costs, that are charged to us based upon the percentage of time such personnel dedicate to us. Excluded are salaries and related costs, travel expenses and other administrative costs incurred by individuals with a controlling interest in our Manager.

Our Manager also has a 1% interest in our profits, losses, cash distributions and liquidation proceeds. We paid distributions to our Manager in the amounts of \$80,287 and \$148,770 for the three and six months ended June 30, 2009, respectively. Our Manager's interest in our net income for the three and six months ended June 30, 2009 was \$37,129 and \$67,846, respectively.

Fees and other expenses paid or accrued by us to our Manager or its affiliates for the three and six months ended June 30, 2009 and 2008 were as follows:

Entity	Capacity	Description	Three Months Ended June 30,		Six Months Ended June 30,	
			2009	2008	2009	2008
ICON Capital Corp.	Manager	Organizational and offering expenses (1)	\$ 150,820	\$ 670,919	\$ 372,809	\$ 1,358,767
ICON Securities Corp.	Managing broker-dealer	Underwriting fees (1)	\$ 603,280	\$ 865,710	\$ 1,441,563	\$ 1,678,369
ICON Capital Corp.	Manager	Acquisition fees (2)	\$ 5,422,675	\$ 682,486	\$ 7,228,249	\$ 2,740,654
ICON Capital Corp.	Manager	Administrative expense reimbursements (3)	\$ 1,109,954	\$ 741,180	\$ 1,960,023	\$ 1,431,999
ICON Capital Corp.	Manager	Management fees (3)	\$ 766,823	\$ 372,010	\$ 1,466,852	\$ 559,147

(1) Amount charged directly to members' equity.

(2) Amount capitalized and amortized to operations over the estimated service period in accordance with the Fund's accounting policies.

(3) Amount charged directly to operations.

At June 30, 2009, we were due \$2,344,135 primarily from an affiliate for our investments in ICON Carina and ICON Corona. We also had a payable of \$1,853,998 primarily related to administrative expenses due to our Manager and an affiliate for the Eagle Auriga and the Eagle Centaurus acquisitions. Members may obtain a summary of administrative expense reimbursements upon request.

Your participation in the Fund is greatly appreciated and we look forward to sharing continued successes.

We are committed to protecting the privacy of our investors in compliance with all applicable laws. Please be advised that, unless required by a regulatory authority such as the FINRA or ordered by a court of competent jurisdiction, we will not share any of your personally identifiable information with any third party.

ICON Leasing Fund Twelve, LLC
(A Delaware Limited Liability Company)
Consolidated Balance Sheets
(unaudited)

Assets

	June 30, 2009	December 31, 2008
Current assets:		
Cash and cash equivalents	\$ 34,069,704	\$ 45,408,378
Current portion of net investment in finance leases	14,843,476	6,175,219
Current portion of notes receivable	19,787,244	17,058,414
Other current assets	5,265,842	2,455,649
Total current assets	73,966,266	71,097,660
Non-current assets:		
Net investment in finance leases, less current portion	119,995,735	20,723,514
Leased equipment at cost (less accumulated depreciation of \$29,107,288 and \$14,178,194, respectively)	304,474,388	302,253,674
Notes receivable	46,231,592	35,641,940
Investment in joint venture	4,998,617	5,374,899
Derivative instrument	-	92,388
Due from Manager and affiliates	2,344,135	1,919,144
Prepaid acquisition fees	2,662,032	-
Other non-current assets, net	3,482,597	2,759,899
Total non-current assets	484,189,096	368,765,458
Total Assets	\$ 558,155,362	\$ 439,863,118
Liabilities and Equity		
Current liabilities:		
Current portion of non-recourse long-term debt	\$ 33,413,063	\$ 29,073,897
Derivative instruments	4,395,338	5,431,968
Deferred revenue	4,570,074	4,608,711
Due to Manager and affiliates	1,853,998	1,608,556
Accrued expenses and other current liabilities	3,072,185	2,046,343
Total current liabilities	47,304,658	42,769,475
Non-current liabilities:		
Non-recourse long-term debt, less current portion	150,340,797	133,501,171
Other non-current liabilities	20,975,042	-
Total non-current liabilities	171,315,839	133,501,171
Total Liabilities	218,620,497	176,270,646
Commitments and contingencies		
Equity:		
Members' Equity:		
Additional Members	288,242,816	229,360,768
Manager	(202,330)	(121,406)
Accumulated other comprehensive loss	(4,735,870)	(5,751,632)
Total Members' Equity	283,304,616	223,487,730
Noncontrolling Interests	56,230,249	40,104,742
Total Equity	339,534,865	263,592,472
Total Liabilities and Equity	\$ 558,155,362	\$ 439,863,118

ICON Leasing Fund Twelve, LLC
(A Delaware Limited Liability Company)
Consolidated Statements of Operations
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
Revenue:				
Rental income	\$ 13,213,846	\$ 5,345,686	\$ 26,044,236	\$ 8,553,234
Finance income	2,567,011	1,052,969	3,447,921	1,803,890
Income from investment in joint venture	130,962	-	292,866	-
Interest and other income	2,583,355	329,610	4,999,171	618,594
Total revenue	18,495,174	6,728,265	34,784,194	10,975,718
Expenses:				
Management fees - Manager	766,823	372,010	1,466,852	559,147
Administrative expense reimbursements - Manager	1,109,954	741,180	1,960,023	1,431,999
General and administrative	576,073	491,507	1,022,570	725,898
Interest	2,265,842	644,751	4,507,220	929,709
Depreciation and amortization	7,999,787	2,925,719	15,599,376	4,671,927
Loss (gain) on financial instruments	5,860	(197,695)	19,295	(197,872)
Total expenses	12,724,339	4,977,472	24,575,336	8,120,808
Net income	5,770,835	1,750,793	10,208,858	2,854,910
Less: Net income attributable to noncontrolling interests	(2,057,940)	(334,977)	(3,424,285)	(710,271)
Net income attributable to Fund Twelve	\$ 3,712,895	\$ 1,415,816	\$ 6,784,573	\$ 2,144,639
Net income attributable to Fund Twelve allocable to:				
Additional Members	\$ 3,675,766	\$ 1,401,658	\$ 6,716,727	\$ 2,123,193
Manager	37,129	14,158	67,846	21,446
	\$ 3,712,895	\$ 1,415,816	\$ 6,784,573	\$ 2,144,639
Weighted average number of additional shares of limited liability company interests outstanding				
	342,374	157,613	318,735	136,157
Net income attributable to Fund Twelve per weighted average additional share of limited liability company interests				
	\$ 10.74	\$ 8.89	\$ 21.07	\$ 15.59

ICON Leasing Fund Twelve, LLC
(A Delaware Limited Liability Company)
Consolidated Statements of Changes in Equity
(unaudited)

	Members' Equity						
	Additional Shares of Limited Liability Company Interests	Additional Members	Manager	Accumulated Other Comprehensive Loss	Total Members' Equity	Noncontrolling Interests	Total Equity
Balance, December 31, 2008	273,989	\$ 229,360,768	\$ (121,406)	\$ (5,751,632)	\$ 223,487,730	\$ 40,104,742	\$ 263,592,472
Comprehensive income:							
Net income	-	3,040,961	30,717	-	3,071,678	1,366,345	4,438,023
Change in valuation of derivative instruments	-	-	-	(20,555)	(20,555)	(65,752)	(86,307)
Currency translation adjustment	-	-	-	(609,296)	(609,296)	-	(609,296)
Total comprehensive income	-	-	-	(629,851)	2,441,827	1,300,593	3,742,420
Proceeds from issuance of additional shares of limited liability company interests	44,673	44,397,807	-	-	44,397,807	-	44,397,807
Sales and offering expenses	-	(4,413,405)	-	-	(4,413,405)	-	(4,413,405)
Cash distributions to members and noncontrolling interests	-	(6,779,850)	(68,483)	-	(6,848,333)	(2,476,304)	(9,324,637)
Investment in joint venture by noncontrolling interests	-	-	-	-	-	18,381,998	18,381,998
Balance, March 31, 2009	318,662	\$ 265,606,281	\$ (159,172)	\$ (6,381,483)	\$ 259,065,626	\$ 57,311,029	\$ 316,376,655
Comprehensive income:							
Net income	-	3,675,766	37,129	-	3,712,895	2,057,940	5,770,835
Change in valuation of derivative instruments	-	-	-	1,058,589	1,058,589	267,767	1,326,356
Currency translation adjustment	-	-	-	587,024	587,024	-	587,024
Total comprehensive income	-	-	-	1,645,613	5,358,508	2,325,707	7,684,215
Proceeds from issuance of additional shares of limited liability company interests	30,164	30,162,009	-	-	30,162,009	-	30,162,009
Sales and offering expenses	-	(3,167,221)	-	-	(3,167,221)	-	(3,167,221)
Cash distributions to members and noncontrolling interests	-	(7,948,350)	(80,287)	-	(8,028,637)	(3,406,487)	(11,435,124)
Shares of limited liability company interests redeemed	(304)	(85,669)	-	-	(85,669)	-	(85,669)
Balance, June 30, 2009	<u>348,522</u>	<u>\$ 288,242,816</u>	<u>\$ (202,330)</u>	<u>\$ (4,735,870)</u>	<u>\$ 283,304,616</u>	<u>\$ 56,230,249</u>	<u>\$ 339,534,865</u>

ICON Leasing Fund Twelve, LLC
(A Delaware Limited Liability Company)
Consolidated Statements of Cash Flows
(unaudited)

	Six Months Ended June 30,	
	2009	2008
Cash flows from operating activities:		
Net income	\$ 10,208,858	\$ 2,854,910
Adjustments to reconcile net income to net cash provided by operating activities:		
Rental income paid directly to lenders by lessees	(16,916,011)	(3,692,450)
Finance income	(3,447,921)	(1,803,890)
Income from investment in joint venture	(292,866)	-
Depreciation and amortization	15,599,376	4,671,927
Interest expense on non-recourse financing paid directly to lenders by lessees	3,974,954	903,648
Interest expense from amortization of debt financing costs	428,255	26,061
Interest expense other	60,261	-
Loss (gain) on financial instruments	19,295	(197,872)
Changes in operating assets and liabilities:		
Collection of finance leases	6,885,840	4,719,024
Prepaid acquisition fees	(2,662,032)	-
Other assets, net	(2,499,180)	(843,143)
Accrued expenses and other current liabilities	(133,628)	215,198
Deferred revenue	(2,200,335)	(535,874)
Due from/to Manager and affiliates, net	(179,549)	354,532
Distributions from joint venture	292,866	-
Net cash provided by operating activities	9,138,183	6,672,071
Cash flows from investing activities:		
Purchase of equipment	(53,977,555)	(49,921,909)
Distributions received from joint venture	376,282	-
Restricted cash	(569,796)	-
Investment in note receivable	(21,239,728)	(164,822)
Repayment of notes receivable	8,771,761	-
Net cash used in investing activities	(66,639,036)	(50,086,731)
Cash flows from financing activities:		
Issuance of additional shares of limited liability company interests, net of sales and offering expenses	66,979,190	76,614,018
Shares of limited liability company interests redeemed	(85,669)	-
Distributions to noncontrolling interests	(5,882,791)	(351,338)
Cash distributions to members	(14,876,970)	(5,897,582)
Net cash provided by financing activities	46,133,760	70,365,098
Effects of exchange rates on cash and cash equivalents	28,419	378
Net (decrease) increase in cash and cash equivalents	(11,338,674)	26,950,816
Cash and cash equivalents, beginning of the period	45,408,378	22,154,903
Cash and cash equivalents, end of the period	\$ 34,069,704	\$ 49,105,719

ICON Leasing Fund Twelve, LLC
(A Delaware Limited Liability Company)
Consolidated Statements of Cash Flows
(unaudited)

	<u>Six Months Ended June 30,</u>	
	<u>2009</u>	<u>2008</u>
Supplemental disclosure of cash flow information:		
Cash paid during the period for interest	<u>\$ 43,750</u>	<u>\$ -</u>
Supplemental disclosure of non-cash investing and financing activities:		
Principal and interest on non-recourse long-term debt paid directly to lenders by lessees	<u>\$ 16,916,011</u>	<u>\$ 3,692,450</u>
Equipment purchased with non-recourse long-term debt paid directly by lender	<u>\$ 34,800,000</u>	<u>\$ 38,699,640</u>
Equipment purchased with subordinated financing provided by seller	<u>\$ 27,500,000</u>	<u>\$ -</u>
Investment in joint venture by noncontrolling interest	<u>\$ 18,381,998</u>	<u>\$ 4,076,251</u>

Forward-Looking Information – Certain statements within this document may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (“PSLRA”). These statements are being made pursuant to the PSLRA, with the intention of obtaining the benefits of the “safe harbor” provisions of the PSLRA, and, other than as required by law, we assume no obligation to update or supplement such statements. Forward-looking statements are those that do not relate solely to historical fact. They include, but are not limited to, any statement that may predict, forecast, indicate or imply future results, performance, achievements or events. You can identify these statements by the use of words such as “may,” “will,” “could,” “anticipate,” “believe,” “estimate,” “expects,” “continue,” “further,” “plan,” “seek,” “intend,” “predict” or “project” and variations of these words or comparable words or phrases of similar meaning. These forward-looking statements reflect our current beliefs and expectations with respect to future events and are based on assumptions and are subject to risks and uncertainties and other factors outside our control that may cause actual results to differ materially from those projected. We undertake no obligation to update publicly or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

Additional Required Disclosure

To fulfill our promises to you we are required to make the following disclosures when applicable:

A detailed financial report on SEC Form 10-Q or 10-K (whichever is applicable) is available to you. It is typically filed either 45 or 90 days after the end of a quarter or year, respectively. Usually this means a filing will occur on or around March 31, May 15, August 15, and November 15 of each year. It contains financial statements and detailed sources and uses of cash plus explanatory notes. You are always entitled to these reports. Please access them by:

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