



SGX-ST Release
7 February 2013

GIL RECORDED STRONG PROFIT GROWTH FOR THE FOURTH QUARTER AND FULL YEAR OF 2012

- Net profit after tax surged 127.5% to S\$4.6 million for the fourth quarter and 56.1% to S\$19.1 million for the full year of 2012
- Total comprehensive income attributable to shareholders jumped 62 times to S\$5.6 million for 4Q 2012 and 53.9% to S\$15.9 million for the full year
- Return on Equity ("ROE") rose to 11.2% in FY2012 from 9.0% in FY2011
- Declares 2012 final dividend of 0.75 Singapore cents per share on its enlarged share capital

Global Investments Limited (the "Company") has today released its financial results for the quarter and year ended 31 December 2012.

Quarterly Results

The Company and its subsidiaries (the "Group") posted 127.5% growth in its profit after tax of S\$4.6 million from S\$2.0 million in the same quarter of 2011 mainly due to the gain on sale of investment as well as the absence of impairment expenses in this quarter.

The Group's revenue of S\$6.3 million for this quarter was 15.5% higher compared to 4Q 2011. Dividend income for this quarter rose by S\$0.19 million (69.1%) to S\$0.46 million due to the dividends distribution from the listed equities in which the Group has invested. Interest income for 4Q 2012 remained stable with a marginal increase of 1.5% to S\$2.6 million, while the rental income dipped 4.7% to S\$1.2 million. The Group registered a S\$2.1 million gain on sale of investment in 4Q 2012 following the divestment of US RMBS, Fly Leasing shares and listed equities.

The Group's expenses for this quarter were down by 40.7% to S\$2.0 million from S\$3.3 million in 4Q 2011, mainly due to the absence of impairment expenses and the reduction of other operating expenses for this quarter.

For this quarter, the Group recorded S\$0.4 million as its share of profit in an associated company, Ascendos Investments Limited ("Ascendos"), from August to October 2012. The Group received a distribution income of S\$1.0 million for this quarter compared to S\$0.4 million in 4Q 2011, and the amount received for this quarter was taken against the carrying value of the investment and no longer reflected as revenue due to the change to equity accounting its investment in Ascendos.

Total comprehensive income of the Group for this quarter jumped 62 times to S\$5.6 million. The revaluation reserve of available-for-sale assets in the other comprehensive income for this quarter was S\$0.6 million compared to a loss of S\$1.6 million in 4Q 2011, mainly as a result of higher valuation of listed equities (S\$2.6 million) and Avoca CLO VI subordinated note (S\$0.6 million) which helped in offsetting a lower valuation of Fly Leasing shares.

Full Year Results

The Group's net profit attributable to shareholders for the year ended 31 December 2012 surged 56.1% to S\$19.1 million, driven largely by the reversal of impairment of its investment in Ascendos totalling S\$4.9 million registered for the year as well as the absence of impairment expenses of S\$1.8 million recorded in 2011. Earnings per share increased by 10.5% to 2.53 Singapore cents (after adjusting for the enlarged share capital resulting from the Rights Issue in April 2012) for the year ended 31 December 2012 from 2.29 Singapore cents recorded for the year 2011.

For the year, the Group reported lower total revenue of S\$18.4 million compared to S\$20.5 million in 2011, mainly due to the change in accounting treatment of distribution income received as a result of equity accounting its investment in Ascendos in 2012. A total distribution income of about S\$1.8 million from Ascendos in the year 2012 was no longer reflected as revenue; instead it was taken against the



carrying value of the investment. The Group's dividend income of S\$1.4 million for the full year of 2012 was S\$0.4 million (36.1%) higher than the previous year due to dividend distribution from the listed equities. Rental income for the year remained stable at S\$4.7 million, but the interest income dropped by S\$1.1 million (11.1%) to S\$8.8 million, reflecting an overall decline in interest rates globally. Gain on sale of investment of S\$3.3 million achieved for the year, resulting from the divestment of Fly Leasing shares, US RMBS and listed equities, was S\$0.3 million (8.3%) lower from the previous year.

Total expenses for the year reduced by S\$2.2 million (28.5%) to S\$5.4 million due largely to the absence of impairment expenses, the lower finance cost and other operating expenses.

The Group posted a total comprehensive income of S\$15.9 million for the year, which was S\$5.6 million (53.9%) higher than the 2011. For the year, the revaluation reserve of available for sale financial assets of S\$2.2 million was more than offset by the unrealized foreign currency translation loss of S\$5.4 million (due to the strengthening of Singapore dollar against the US dollar), resulting in a loss in other comprehensive income of S\$3.2 million.

The Net Asset Value per Share of the Group as at 31 December 2012 was 23.0 Singapore cents after the payment of 0.75 Singapore cents interim dividend on 10 September 2012. If the Rights Issue had been completed before 31 December 2011, the Net Asset Value per Share as at 31 December 2011 would have been 22.4 Singapore cents instead of 27.2 Singapore cents per share and the increase in Net Asset Value per Share would be 8.6% for the year ended 31 December 2012 after adjusting for the final 2011 dividend of S\$4.1 million and interim 2012 dividend of S\$6.2 million paid during the year.

Further details on the performance of the Group for the quarter and the year ended 31 December 2012 have been included in the SGX Report released today.

Remuneration Committee

On a separate note, the Company is pleased to announce that it has established a Remuneration Committee on 14 November 2012.

The objectives of the Remuneration Committee are as follows:

- 1) To oversee and supervise a framework of remuneration;
- 2) To recommend to the Board, policies and guidelines for the remuneration of the Directors subject to the provisions of the Company's bye-laws; and
- 3) To review the fees payable to the Manager, as and when necessary.

The Remuneration Committee comprises the following Independent Directors:

- a) Mr Ronald Seah Lim Siang, who is also the Chairman of the Remuneration Committee;
- b) Mr Adrian Chan Pengee; and
- c) Mr Tan Kok Wee.

By order of the Board of Directors

Date: 7 February 2013

Ends

Further Information:

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About Global Investments Limited
(<http://www.globalinvestmentslimited.com>)



Global Investments Limited (“GIL”) is a mutual fund company incorporated in Bermuda that provides investors access to a diversified portfolio of assets and economic exposures. GIL is managed by ST Asset Management Ltd.