



GLOBAL INVESTMENTS LIMITED

4Q 2012 and Full Year 2012 Results For the Year Ended 31 December 2012

Investments in Global Investments Limited ("GIL") are not deposits with or other liabilities of ST Asset Management Ltd ("STAM"), or any of STAM's related corporations and are subject to investment risk, including possible loss of income and capital invested. Neither STAM (manager of GIL), nor STAM's related corporations guarantee the performance of GIL or the payment of a particular rate of return on the shares of GIL.

This financial report is not an offer or invitation for subscription or purchase or recommendation of GIL shares. It does not take into account the investment objectives, financial situation and particular needs of an investor. Before making an investment in GIL, an investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment adviser if necessary.

STAM, as manager of GIL is entitled to fees for so acting. STAM and its related corporations, together with their respective officers and directors, may hold shares in GIL from time to time.

This financial report has been prepared to enable the directors to comply with their obligations under the Singapore Exchange Securities Trading Limited Listing Rules and where relevant, to satisfy the requirements of the International Financial Reporting Standards. The responsibility for the preparation of the financial report and any financial information contained in this financial report rests solely with the directors of GIL.

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REVIEW OF GLOBAL INVESTMENTS LIMITED PERFORMANCE

PERFORMANCE REVIEW

QUARTER ENDED 31 DECEMBER 2012

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.

Total comprehensive income of the Group for this quarter jumped 62 times to S\$5.6 million.

REVENUE

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.

EXPENSES

The Group's expenses were down by 40.7% to S\$2.0 million for this quarter 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.

SHARE OF PROFIT OF ASSOCIATED COMPANY

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

OTHER COMPREHENSIVE INCOME

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.

YEAR ENDED 31 DECEMBER 2012

The Group's net profit attributable to shareholders for the year ended 31 December 2012 surged 56.1% to S\$19.1 million from S\$12.2 million recorded in prior year. The increase was driven largely by the reversal of impairment of its investment in Ascendos totalling S\$4.9 million registered during the year as well as the absence of impairment expenses of S\$1.8 million recorded in 2011. Earnings per share has 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.

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 S\$10.3 million recorded in previous year.

REVENUE

The Group reported lower total revenue of S\$18.4 million in 2012 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.

EXPENSES

Total expenses for the year reduced to S\$5.4 million from S\$7.6 million in 2011 due largely to the absence of impairment expenses, the lower finance cost and other operating expenses.

SHARE OF PROFIT OF ASSOCIATED COMPANY

The Group recorded its share of profit in an associated company of S\$1.6 million for the year due to equity accounting its investment in Ascendos in 2012.

OTHER COMPREHENSIVE INCOME

The gain in 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.

STATEMENT OF FINANCIAL POSITION

AIRCRAFT

On 9 December 2011, two of GIL subsidiaries, namely GIL Aircraft Lessor No. 2 FCA Limited and GIL Aircraft Lessor No. 2 FCB Limited, had each entered into an Aircraft Sale Agreement with Federal Express Corporation for the forward sale of their respective Boeing 757-200 aircraft. The expected completion date of the sale of both aircraft will be on or about 30th April 2013, which will coincide with the expiry date of the lease of the aircraft to Thomson Airways Limited.

After taking into account the estimated net proceeds arising from the redelivery of the aircraft by Thomson Airways Limited and the sale of the two aircraft, the Company anticipates that the sale of the two aircraft would result in a net accounting gain of approximately US\$2.65 million for the financial year ending 31 December 2013. The actual gain is subject to the actual condition of both aircraft on completion date.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT & LOSS

During the year, the Group invested in a portfolio of corporate bonds which are fairly liquid assets which can be divested easily to fund investments in other asset classes when the opportunities arise.

AVAILABLE FOR SALE FINANCIAL ASSETS

The available for sale financial assets increased to S\$58.8 million as at end December 2012 from S\$21.2 million as at 31 December 2011 owing to investments in listed equities traded on various exchanges.

LOANS AND RECEIVABLES

As at 31 December 2012, loan and receivables increased to S\$79.9 million compared to S\$71.7 million in 2011 as a result of the investments in Australian RMBS and Collateralised Loan Obligations. In 4Q 2012, the Group sold the remaining 4 US RMBS for US\$8.77 million.

CASH AND CASH EQUIVALENTS

The lower cash and cash equivalents of S\$24.5 million at end 2012 as compared to S\$42.2 million at end 2011 was due to the deployment of funds to invest in Australian RMBS, Collateralised Loan Obligations and listed equities.

NET ASSET VALUE PER SHARE

The Net Asset Value per Share of the Group as at 31 December 2012 was 23.0 Singapore cents after the payment of final 2011 dividend and interim 2012 dividend of 0.75 Singapore cents per share each. 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.

RETURN ON EQUITY

The Group achieved a return on equity* of 11.2 % in 2012 compared to 9.0% in 2011.

* Return on equity is computed based on net profit after tax over the average total equity for the relevant year.

INVESTMENT PORTFOLIO

GIL was incorporated in Bermuda on 24 April 2006 and is formed as a mutual fund company. Its objective is to invest in a diversified portfolio of assets except for direct investments in properties and commodities.

The Group's investment portfolio at 31 December 2012 comprised the following assets:

OPERATING LEASES

Fly Leasing Limited ("Fly Leasing")

The Group is invested in Fly Leasing, a Bermuda exempted company listed on the New York Stock Exchange. Fly Leasing is an aircraft lessor and it has a portfolio of commercial aircraft which are leased to commercial airlines.

GIL Aircraft Lessor No. 2 ("GILAL 2")

The Group owns 100% equity of GILAL 2 which owns two Boeing 757-200 aircraft leased to Thomson Airways Limited. The two leases mature on 30 April 2013 and have fixed monthly rentals over the remaining term of the leases. On 12 December 2011, the Group announced that it has entered into an Aircraft Sale Agreement with Federal Express Corporation for the forward sale of the two aircraft. The expected completion date of the sale of both aircraft will be on or about 30 April 2013, the scheduled maturity date of the leases.

Ascendos Investments Limited ("Ascendos")

The Group has a 40.56% interest in Ascendos, a Guernsey company. Ascendos hold 100% of Ascendos Rail Leasing S.à r.l. which currently owns and leases a portfolio of rail equipment, consisting of passenger train fleets, locomotives, and freight wagons in mainland Europe.

LOAN PORTFOLIO AND SECURITISATION ASSETS

Residential Mortgage-Backed Securities ("RMBS")

The Group is invested in a portfolio of US RMBS and Australian RMBS, which are securitisation vehicles that hold US and Australian residential mortgage loans respectively.

Collateralised Loan Obligation ("CLO") Securities

The Group is invested in a portfolio of USD and EUR denominated CLO and credit-linked notes ("CLN"). The CLO investments are in mezzanine and subordinated notes which are issued by securitisation vehicles that hold collateral consisting of mainly senior secured corporate loans, while the CLN investment references portfolios of trade finance obligations and corporate loans, with the obligors mainly domiciled in Asia.

ASIA LISTED EQUITIES

GIL is invested in a portfolio of listed equities traded on various exchanges including Hong Kong, Singapore, Japan and South Korea.

BONDS

The Group is invested in a portfolio of bonds denominated in SGD and USD.

BUSINESS OUTLOOK¹

TARGETED ASSET CLASSES

Operating Lease Assets

Despite continued high fuel prices and a slowing world economy, the financial performance of airlines have improved in the second and third quarters of 2012 as airlines adjusted to this difficult environment through improving efficiency and managing capacity. As such, the International Air Transport Association (“IATA”) revised its 2012 profit forecast for the industry from US\$4.1 billion to US\$6.7 billion. Following the better performance of 2012, IATA also raised the 2013 industry profit forecast to rise to US\$8.4 billion from the previous forecast of US\$7.5 billion. Overall, the outlook for 2013 has been lifted for airlines but they still face a difficult business environment amidst persistently high fuel costs and sluggish economic growth concerns.

The demand for leased aircraft has remained healthy with good growth from emerging economies. Leasing has grown to become the preferred means by which global airlines fund their fleet as they have realized the benefits of leasing in order to maintain a competitive fleet while minimizing capital expenditures. Furthermore, the revival in lease rates for A319 and A320, firming aircraft values and availability of funding access through the capital markets continue to point to a stabilizing outlook for aircraft lessors.

The European rail transport industry was affected by the uncertainty surrounding the Eurozone and the difficult economic conditions prevalent in Europe. While passenger traffic grew, rail freight traffic appeared to have declined in 2012 and the demand for freight equipment may continue to remain soft. Lease rates for locomotives have been relatively stable although the duration of lease terms remain short-dated and renewals were also meant for short term. Going forward, improvements in trans-European rail transport network infrastructure coupled with the increase in road congestion and the cost of road haulage will support the growth in rail transport. The outlook for rolling stock lessors may improve if the recent improvements in financial markets were to continue and foster a pick-up in consumer sentiment and business investment. The resultant increase in the industrial production output will boost the end demand for manufactured goods which will drive freight transport demand.

Loan Portfolio and Securitisation Assets

In Australia, housing prices have softened in 2012. The RP Data-Rismark Home Value Index for capital city has declined by approximately 0.4% over the year. However, the relatively stable unemployment rate and the rate cuts by the Reserve Bank of Australia as well as improved housing affordability are likely to support the housing market.

Prices of global corporate loans rose in 2012 as a result of a benign credit environment and strong demand from CLOs as well as other loan funds. Although the Moody's Global Speculative-Grade Corporate default rate increased from 1.9% in 2011 to 2.6%, it is well below the historical average default rate of 4.8%. Moody's base outlook is that the global default rate will rise modestly to 3.0% by the end of 2013 as the weak economic recovery and sovereign debt issues continue to put upward pressure on corporate default rates. However, given most loans have been refinanced to mature beyond 2015 and supportive policy actions by central banks have moderated systemic risks, the overall default rate in 2013 is expected to remain low.

Asia Listed Equities

The MSCI AC Asia ex-Japan Index (“MSCI AxJ”) tracked global equity markets and rose 5.16% (in SGD terms) in 4Q12. The index slipped in mid-November on concerns over negotiations between U.S. policymakers on avoiding the “fiscal cliff,” and as the market awaited the announcement of the composition of the new leaders of the Chinese Communist Party. A 13-month high for the HSBC Purchasing Managers’ Index showing an expansion in China’s manufacturing sector then drove the Asian equity markets higher. The MSCI AxJ hit an intra-year high during the quarter, fuelled by positive sentiment economic growth in the region would be spurred on by supportive new Chinese and Japanese leaderships. China, in particular, has announced plans to provide fiscal stimulus measures to encourage urbanization, foreign investment, and domestic consumption. Japanese stocks also gained on the Liberal Democratic Party’s return to power, and on the Party’s pledge to weaken the yen and to introduce stimulus measures to revive the economy. Although uncertainty over the U.S. debt ceiling and Europe’s sovereign debt woes are likely to persist, the near-term outlook for Asian equities is positive, supported by continued global monetary easing and fiscal stimuli, as well as improving economic data.

Bonds

The JPMorgan Asia Credit Index (“JACI”), which tracks Asian bond markets, rose 1.88% (in SGD terms) in 4Q12, extending the rally which began in the middle of the year. Despite some healthy consolidation in late October and early November on concerns over the U.S. fiscal cliff, Asian credits continued to tighten during the quarter. While economic data out of the U.S. was weaker due to the effects of Hurricane Sandy, data from Asia, especially China, was encouraging. Despite heavy new issuance, appetite for Asian bonds has remained strong, supported by strong inflows. High yields bonds have outperformed on resurging Chinese economic growth, while high grade spreads ground tighter from already low levels. The near-term outlook for Asian credits remains positive, supported by the improving macroeconomic backdrop.

Summary

The Company will continue to actively manage its assets and the associated risks with the view to enhance returns to shareholders. The Company will also seek investment opportunities that fit the investment objectives of the Company.

¹ Sources include research publications by brokerage house, banks, information service providers, associations and media.

INTERESTED PERSON TRANSACTIONS

(A) DIRECTORS

Directors in office as at the date of the report:

| | | Date of Appointment |
|------------------------------------|-----------------|---------------------|
| Boon Swan Foo | Chairman | 25 November 2009 |
| Tan Mui Hong | Deputy Chairman | 30 April 2010 |
| Chan Pengee Adrian ¹ | Director | 5 May 2009 |
| Ronald Seah Lim Siang ¹ | Director | 30 April 2010 |
| Tan Kok Wee ¹ | Director | 30 April 2010 |

¹ The directors are regarded as independent in accordance with the Singapore Code of Corporate Governance 2012.

(B) DIRECTORS REMUNERATION

Under the Bye-Laws of the Company, the maximum aggregate amount of fees payable to the directors in respect of one year is the number of directors appointed at the relevant time multiplied by US\$70,000.

There were 5 directors in office in 2012.

The manager-nominated director of GIL is not entitled to any remuneration from GIL, other than reimbursement of expenses incurred on behalf of GIL, such as travel costs and accommodation and expenses properly and reasonably incurred by her in the conduct of the Company's business or in the discharge of her duties as a director.

No remuneration was paid to the Manager-nominated director for the year 2012.

In addition to the annual directorship fee of US\$50,000, the non manager-nominated directors were also paid the following fees in respect of their membership in the Company's various committees:

| | Remuneration Structure |
|---|--|
| Membership of Audit & Risk Management Committee | US\$10,000 per member per annum |
| Membership of Nomination and Governance Committee | US\$2,000 per member per annum |
| Membership of Remuneration Committee | US\$2,000 per member per annum (from 14 November 2012) |

The total directors' fee for the year ended 31 December 2012 amounted to US\$246, 786.

(C) THE MANAGER

ST Asset Management Ltd. ("The Manager") of GIL was appointed by the Company as the sole and exclusive manager pursuant to the management agreement dated 24 September 2009.

The following relationships and transactions with STAM are as follows:

| | Group 2012 S\$'000 | Group 2011 S\$'000 |
|--|--------------------------|--------------------------|
| Transactions with STAM:- | | |
| Base management fees | 1,065 | 760 |
| Fixed management fees | 650 | 650 |
| Other fees and reimbursement of expenses | 334 | 392 |
| Divestment fees | 348 | 48 |
| Acquisition fees | 185 | 216 |
| Dividends | 10 | 6 |

| | Group As at 31 December 2012 S\$'000 | Company As at 31 December 2012 S\$'000 | Group As at 31 December 2011 S\$'000 | Company As at 31 December 2011 S\$'000 |
|---|---|---|---|---|
| Balances with STAM:- | | | | |
| Accrued base management fees | 322 | 322 | 201 | 201 |
| Accrued fixed management fees | 163 | 163 | 164 | 164 |
| Other fees and reimbursement of expenses | 49 | 46 | 92 | 92 |
| Accrual of Divestment fees | 297 | 8 | - | - |
| Accrual of Acquisition fees | 185 | - | - | - |
| Total liabilities payable to the Manager | 1,016 | 539 | 457 | 457 |

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | Group Quarter ended 31 Dec 12 S\$'000 | Group Year to date 31 Dec 12 S\$'000 | Group Quarter ended 31 Dec 11 S\$'000 | Group Year to date 31 Dec 11 S\$'000 |
|---|--|---|--|---|
| Revenue | | | | |
| Distribution income | - | - | 404 | 1,162 |
| Dividend income | 455 | 1,435 | 269 | 1,054 |
| Interest income | 2,640 | 8,772 | 2,600 | 9,866 |
| Rental income | 1,159 | 4,724 | 1,216 | 4,765 |
| Net foreign exchange gains | - | 100 | 998 | - |
| Gain on sale of investments | 2,054 | 3,307 | - | 3,608 |
| Gains on financial assets designated as fair value through profit or loss | 27 | 27 | - | - |
| Total revenue | 6,335 | 18,365 | 5,487 | 20,455 |
| Expenses | | | | |
| Management fees | (322) | (1,065) | (201) | (760) |
| Net foreign exchange losses | (559) | - | - | (382) |
| Depreciation and amortisation | (316) | (1,286) | (331) | (1,297) |
| Finance costs | (273) | (1,165) | (325) | (1,325) |
| Impairment expenses | - | - | (1,772) | (1,772) |
| Other operating expenses | (481) | (1,887) | (659) | (2,017) |
| Total expenses | (1,951) | (5,403) | (3,288) | (7,553) |
| Reversal of impairment in associated company | - | 4,936 | - | - |
| Share of profit of associated company (net of tax) | 359 | 1,654 | - | - |
| Profit before tax | 4,743 | 19,552 | 2,199 | 12,902 |
| Income tax expense | (117) | (495) | (166) | (690) |
| Profit after tax | 4,626 | 19,057 | 2,033 | 12,212 |
| Other comprehensive income/(loss) | | | | |
| Available for sale financial assets revaluation reserve | 637 | 2,224 | (1,572) | (4,082) |
| Foreign currency translation reserve | 323 | (5,400) | (371) | 2,186 |
| Other comprehensive income/(loss) for the period after tax | 960 | (3,176) | (1,943) | (1,896) |
| Total comprehensive income for the period attributable to shareholders | 5,586 | 15,881 | 90 | 10,316 |
| Basic earnings per share (cents per share) | 0.56 | 2.53 | 0.36 | 2.29 |
| Diluted earnings per share (cents per share) | 0.56 | 2.53 | 0.36 | 2.29 |

STATEMENT OF FINANCIAL POSITION

| | Group As at 31 Dec 12 S\$'000 | Group As at 31 Dec 11 S\$'000 | Company As at 31 Dec 12 S\$'000 | Company As at 31 Dec 11 S\$'000 |
|---|--|--|--|--|
| Non current assets | | | | |
| Aircraft | | 31,825 | - | - |
| Investment in associated company | 4,555 | - | - | - |
| Investment in subsidiaries | - | - | 101,411 | 97,625 |
| Loans and receivables | 79,925 | 71,712 | - | - |
| | <u>84,480</u> | <u>103,537</u> | <u>101,411</u> | <u>97,625</u> |
| Current assets | | | | |
| Cash and cash equivalents | 24,508 | 42,166 | 18,270 | 3,628 |
| Aircraft ¹ | 28,707 | - | - | - |
| Financial assets at fair value through profit or loss | 8,777 | - | 8,777 | - |
| Available for sale financial assets | 58,753 | 21,201 | 39,961 | - |
| Intercompany receivables | - | - | 22,316 | 49,081 |
| Other assets | 257 | 531 | 164 | 106 |
| | <u>121,002</u> | <u>63,898</u> | <u>89,488</u> | <u>52,815</u> |
| Total Assets | <u>205,482</u> | <u>167,435</u> | <u>190,899</u> | <u>150,440</u> |
| Liabilities | | | | |
| Interest bearing liabilities | 14,037 | 16,964 | - | - |
| Other liabilities | 1,361 | 966 | 815 | 935 |
| Total liabilities | <u>15,398</u> | <u>17,930</u> | <u>815</u> | <u>935</u> |
| Net Assets attributable to Shareholders | <u>190,084</u> | <u>149,505</u> | <u>190,084</u> | <u>149,505</u> |
| Equity | | | | |
| Share capital | 450,433 | 415,418 | 450,433 | 415,418 |
| Capital reserve | (65,846) | - | (65,846) | - |
| Available for sale financial assets revaluation reserve | 19,301 | 17,077 | 2,773 | - |
| Translation reserve | (2,546) | (44,015) | - | (46,869) |
| Accumulated losses | (211,258) | (238,975) | (197,276) | (219,044) |
| Total Equity | <u>190,084</u> | <u>149,505</u> | <u>190,084</u> | <u>149,505</u> |
| Net assets per share (S\$ per share) | 0.230 | 0.272 | 0.230 | 0.272 |

¹ The aircraft have been classified as "current assets" to reflect the forward sale of the aircraft, which is expected to be completed on or about 30 April 2013.

CONSOLIDATED STATEMENT OF CASH FLOWS

| | Group Quarter ended 31 Dec 12 S\$'000 | Group Year to date 31 Dec 12 S\$'000 | Group Quarter ended 31 Dec 11 S\$'000 | Group Year to date 31 Dec 11 S\$'000 |
|---|--|---|--|---|
| Cash flows from operating activities | | | | |
| Operating costs | (745) | (3,071) | (755) | (3,151) |
| Interest income | 2,506 | 7,845 | 2,408 | 8,846 |
| Distribution income | 937 | 2,094 | 132 | 1,779 |
| Dividend income | 475 | 1,381 | 266 | 999 |
| Rental income | 1,171 | 4,745 | 1,216 | 4,777 |
| Income tax paid | (120) | (492) | (166) | (690) |
| Net cash inflow from operating activities | 4,224 | 12,502 | 3,101 | 12,560 |
| Cash flows from investing activities | | | | |
| Purchase of financial assets | (44,835) | (76,041) | - | (22,027) |
| Loan repayments received | 445 | 3,241 | 11,752 | 14,847 |
| Disposal of financial assets | 13,602 | 20,945 | - | 4,067 |
| Net cash (outflow)/inflow from investing activities | (30,788) | (51,855) | 11,752 | (3,113) |
| Cash flows from financing activities | | | | |
| Net repayments of borrowings | (498) | (1,973) | (473) | (1,826) |
| Proceed from rights issue | - | 35,213 | - | 21,694 |
| Payment of rights issue expenses | - | (198) | - | (198) |
| Borrowing costs paid | (270) | (1,155) | (319) | (1,302) |
| Dividends paid | - | (10,317) | - | (6,092) |
| Net cash (outflow)/inflow from financing activities | (768) | 21,570 | (792) | 12,276 |
| Net (decrease)/increase in cash and cash equivalents | (27,332) | (17,783) | 14,061 | 21,723 |
| Cash and cash equivalents at beginning of period/year | 51,584 | 42,166 | 28,120 | 20,149 |
| Effects of exchange rate changes on cash and cash equivalents | 256 | 125 | (15) | 294 |
| Cash and cash equivalents at end of year | 24,508 | 24,508 | 42,166 | 42,166 |

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

| Changes in shareholders' equity of the Group for the quarter and year ended 31 Dec 2012 | Share capital S\$'000 | Capital reserve S\$'000 | Available for sale financial assets revaluation reserve S\$'000 | Translation reserve S\$'000 | Retained earnings S\$'000 | Total S\$'000 |
|---|--------------------------|----------------------------|--|--------------------------------|------------------------------|------------------|
| Total equity at 1 January 2012 | 415,418 | - | 17,077 | (44,015) | (238,975) | 149,505 |
| Effects of change in functional currency ¹ | - | (65,846) | - | 46,869 | 18,977 | - |
| Total comprehensive income/(loss) | - | - | 1,587 | (5,723) | 14,431 | 10,295 |
| Issuance of rights shares | 35,015 | - | - | - | - | 35,015 |
| Dividend for the period | - | - | - | - | (10,317) | (10,317) |
| Total equity at 30 September 2012 | 450,433 | (65,846) | 18,664 | (2,869) | (215,884) | 184,498 |
| Total comprehensive income for the quarter | - | - | 637 | 323 | 4,626 | 5,586 |
| Total equity at 31 December 2012 | 450,433 | (65,846) | 19,301 | (2,546) | (211,258) | 190,084 |

¹ On 1 January 2012, the Company changed its functional currency from United States dollar ("USD") to Singapore dollar ("SGD"). As a result, the cumulative currency translation differences which had arisen up to the date of the change of functional currency were reallocated to other components within the equity as disclosed above.

Share capital denominated in SGD reflects the registered currency amounts; cumulative currency translation differences are taken to capital reserve directly.

| Changes in shareholders' equity of the Group for the quarter and year ended 31 Dec 2011 | Share capital S\$'000 | Available for sale financial assets revaluation reserve S\$'000 | Translation reserve S\$'000 | Retained earnings S\$'000 | Total S\$'000 |
|---|--------------------------|--|--------------------------------|------------------------------|------------------|
| Total equity at 1 January 2011 | 393,922 | 21,159 | (46,201) | (247,060) | 121,820 |
| Total comprehensive (loss)/income | - | (2,510) | 2,557 | 10,179 | 10,226 |
| Issuance of rights shares | 21,496 | - | - | - | 21,496 |
| Dividend for the period | - | - | - | (4,127) | (4,127) |
| Total equity at 30 September 2011 | 415,418 | 18,649 | (43,644) | (241,008) | 149,415 |
| Total comprehensive (loss)/income for the quarter | - | (1,572) | (371) | 2,033 | 90 |
| Total equity at 31 December 2011 | 415,418 | 17,077 | (44,015) | (238,975) | 149,505 |

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE COMPANY

| Changes in shareholders' equity of the Company for the quarter and year ended 31 Dec 2012 | Share capital S\$'000 | Capital reserve S\$'000 | Available for sale financial assets revaluation reserve S\$'000 | Translation reserves S\$'000 | Retained earnings S\$'000 | Total S\$'000 |
|--|----------------------------------|------------------------------------|--|---|--------------------------------------|--------------------------|
| Total equity at 1 January 2012 | 415,418 | - | - | (46,869) | (219,044) | 149,505 |
| Effects of change in functional currency ¹ | - | (65,846) | - | 46,869 | 18,977 | - |
| Total comprehensive income | - | - | 189 | - | 10,106 | 10,295 |
| Issuance of rights shares | 35,015 | - | - | - | - | 35,015 |
| Dividend for the period | - | - | - | - | (10,317) | (10,317) |
| Total equity at 30 September 2012 | 450,433 | (65,846) | 189 | - | (200,278) | 184,498 |
| Total comprehensive income for the quarter | - | - | 2,584 | - | 3,002 | 5,586 |
| Total equity at 31 December 2012 | 450,433 | (65,846) | 2,773 | - | (197,276) | 190,084 |

| Changes in shareholders' equity of the Company for the quarter and year ended 31 Dec 2011 | Share capital S\$'000 | Translation reserve S\$'000 | Retained earnings S\$'000 | Total S\$'000 |
|--|----------------------------------|--|--------------------------------------|--------------------------|
| Total equity at 1 January 2011 | 393,922 | (48,835) | (223,267) | 121,820 |
| Total comprehensive income | - | 2,374 | 7,852 | 10,226 |
| Issuance of rights shares | 21,496 | - | - | 21,496 |
| Dividend for the period | - | - | (4,127) | (4,127) |
| Total equity at 30 September 2011 | 415,418 | (46,461) | (219,542) | 149,415 |
| Total comprehensive (loss)/income for the quarter | - | (408) | 498 | 90 |
| Total equity at 31 December 2011 | 415,418 | (46,869) | (219,044) | 149,505 |

ACCOUNTING POLICIES APPLICATION

Accounting policies and methods of computation applied in preparation of these figures that are not stated in this report are the same as those used in the most recently audited annual financial statements of the Group and the Company.

DIVIDENDS

The Company has declared a final dividend of 0.75 cents per share for the period 1 July 2012 to 31 December 2012 amounting to S\$6.19 million. This dividend will be paid on or about 12 April 2013.

The 2012 interim dividend of 0.75 cents per share in respect of the period from 1 January 2012 to 30 June 2012 amounting to S\$6.19 million was paid on 10 September 2012.

The Company paid a final dividend of 0.75 cents per share for the period 1 July 2011 to 31 December 2011 amounting to S\$4.13 million on 8 March 2012.

| | Group 2012 | Group 2011 |
|-----------------------------------|---------------|---------------|
| Ordinary shares | | |
| Interim Dividend | | |
| Dividends per Share (cents) | 0.75 | 0.75 |
| Dividends paid (S\$'000) | 6,190 | 4,127 |
| Final Dividend | | |
| Dividends per Share (cents) | 0.75 | 0.75 |
| Dividends declared/paid (S\$'000) | 6,190 | 4,127 |

For the financial year ended 31 December 2012, the Company has obtained the Inland Revenue Authority of Singapore's confirmation that it is tax resident of Singapore.

The Company has also received confirmation from Inland Revenue Authority of Singapore that it is a tax resident of Singapore for financial year 2013.

Dividends paid in 2012 and 2013 are exempt from tax when received in the hands of Shareholders.

CHANGES IN SHARE CAPITAL

The movement in the number of issued and fully paid-up ordinary shares for the quarter and year ended 31 December 2012 is as follows:

| | <u>No. of shares</u> |
|-------------------------------------|----------------------|
| At 1 January 2012 | 550,208,520 |
| Issuance of shares on 12 April 2012 | <u>275,104,260</u> |
| At 31 December 2012 | <u>825,312,780</u> |

On 7 February 2012, the Company announced a renounceable non-underwritten Rights Issue on the basis of one rights share for every two ordinary shares in the capital of the Company. Pursuant to the Rights Issue, on 12 April 2012, the Company issued and allotted 275,104,260 new ordinary shares in the capital of the Company. The Rights Shares were offered at S\$0.128 per share.

UPDATES ON THE PROCEEDS FROM RIGHTS ISSUE

As at 23 October 2012, the Company had invested the full amount of the net proceeds of S\$35.01 million from the Rights Issue in listed equities.

NET ASSET VALUE

| | Group As at 31 Dec 12 | Group As at 31 Dec 11 | Company As at 31 Dec 12 | Company As at 31 Dec 11 |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Total net asset value (S\$'000) | 190,084 | 149,505 | 190,084 | 149,505 |
| Total number of ordinary shares on issue used in calculation of net asset value per share ('000) | 825,313 | 550,209 | 825,313 | 550,209 |
| Net asset value per ordinary share (S\$ per share) | 0.230 | 0.272* | 0.230 | 0.272* |

Net asset value per ordinary share is derived by dividing the net assets as disclosed in the statement of financial position of the Group and the Company by the number of ordinary shares on issue as at the end of the accounting period.

* 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.

EARNINGS PER SHARE

| | Group Quarter ended 31 Dec 12 | Group Year to date 31 Dec 12 | Group Quarter ended 31 Dec 11 (restated) | Group Year to date 31 Dec 11 (restated) |
|---|-------------------------------------|------------------------------------|---|--|
| Basic earnings per share | | | | |
| Earnings used in calculation of basic earnings per share (S\$'000) | 4,626 | 19,057 | 2,033 | 12,212 |
| Weighted average number of shares on issue used in calculation of basic earnings per share ('000) | 825,313 | 752,052 | 562,435 | 534,070 |
| Basic earnings per share (cents per share) | 0.56 | 2.53 | 0.36 | 2.29 |
| Diluted earnings per share | | | | |
| Diluted earnings used in calculation of diluted earnings per share (S\$'000) | 4,626 | 19,057 | 2,033 | 12,212 |
| Weighted average number of shares on issue used in calculation of diluted earnings per share ('000) | 825,313 | 752,052 | 562,435 | 534,070 |
| Diluted earnings per share (cents per share) ¹ | 0.56 | 2.53 | 0.36 | 2.29 |

¹ In future period, shares may be issued to the Manager in lieu of management fees otherwise payable in cash. This will have a dilutive effect on Earnings per Share.

In April 2012, the Company issued and allotted 275,104,260 new ordinary shares in the capital of the Company pursuant to a renounceable non-underwritten Rights Issue on the basis of one Rights Share for every two existing ordinary shares in the capital of the Company. The Rights Shares were offered at S\$0.128 per share and represented a discount to the fair value of existing shares. The number of shares used for prior period calculation of earnings per share was adjusted for the discounted Rights Issue in order to provide a comparable basis for the current year. An adjustment factor of 1.022 was applied based on the Company's share price of S\$0.138 per share on 12 March 2012, the last day on which the existing ordinary shares were traded together with the rights to exercise the Rights Shares on the Singapore Exchange Securities Trading Limited, and the theoretical ex-rights price at that date of S\$0.135 per share. In addition, the impact of the issuance of Rights Shares had also resulted in an adjustment to the prior period comparable.

INTEREST BEARING LIABILITIES

| | Group as at 31 Dec 12 S\$'000 | Group as at 31 Dec 11 S\$'000 |
|--|--|--|
| Term loans | 14,037 | 16,964 |
| Total interest bearing liabilities | 14,037 | 16,964 |
| Amount repayable in one year or less, or on demand | 14,037 | 2,057 |
| Amount repayable after one year | - | 14,907 |
| Total interest bearing liabilities | 14,037 | 16,964 |
| Amount secured | 14,037 | 16,964 |
| Amount unsecured | - | - |
| Total interest bearing liabilities | 14,037 | 16,964 |

The term loans are secured against the two Boeing 757-200 aircraft leased to Thomson Airways Limited and the shares in Fly Leasing Limited.

SEGMENT REPORTING

The Board has determined the operating segments of the Group from an asset class perspective namely operating lease assets, loan portfolio and securitization assets, Asia listed equities and bonds. The operating segment for Asia listed equities and bonds are two new segments identified during the year.

For the financial year ended 31 December 2012, geographical classification is assessed by reference to the country of exposure instead of the currency exposure of the assets. The comparative figures for the year ended 31 December 2011 have been reclassified to conform with the current classification.

UNAUDITED FINANCIAL REPORT
For the quarter and year ended 31 December 2012



| | Operating Lease Assets | | Loan Portfolio and Securitisation Assets | | | | Asia Listed Equities | Bonds | | Others ¹ (mainly Singapore) | Total |
|---|------------------------|-----------------------|--|-----------------------|-------------------|----------------|----------------------|----------------|-------------------|--|----------|
| | Europe S\$'000 | United States S\$'000 | Europe S\$'000 | United States S\$'000 | Australia S\$'000 | Others S\$'000 | Asia S\$'000 | Europe S\$'000 | Singapore S\$'000 | S\$'000 | S\$'000 |
| 2012 | | | | | | | | | | | |
| Group for the year ended 31 December 2012 | | | | | | | | | | | |
| Total segment revenue from continuing activities | 4,722 | 3,070 | 1,662 | 2,242 | 4,651 | 1,574 | 800 | 67 | 97 | (520) | 18,365 |
| Segment profit/(loss) from continuing activities before tax | 8,789 | 3,057 | 1,662 | 2,242 | 4,649 | 1,574 | 800 | 67 | 97 | (3,385) | 19,552 |
| Other segment items | | | | | | | | | | | |
| Interest income | - | - | 1,623 | 1,376 | 3,775 | 1,574 | - | 24 | 113 | 287 | 8,772 |
| Finance cost | (1,150) | - | - | - | - | - | - | - | - | (15) | (1,165) |
| Reversal of impairment in associated company | 4,936 | - | - | - | - | - | - | - | - | - | 4,936 |
| Depreciation and amortisation | (1,286) | - | - | - | - | - | - | - | - | - | (1,286) |
| Share of profit of associated company (net of tax) | 1,654 | - | - | - | - | - | - | - | - | - | 1,654 |
| Other non-cash revenue/(expenses) | - | (5) | 40 | - | 876 | - | (3) | - | - | (808) | 100 |
| As at 31 December 2012 | | | | | | | | | | | |
| Total segment assets | 33,307 | 13,232 | 9,109 | 12,341 | 36,880 | 22,478 | 39,963 | 2,793 | 10,773 | 24,606 | 205,482 |
| Total segment liabilities | (14,064) | - | - | - | - | - | - | - | - | (1,334) | (15,398) |

¹ Relates to corporate function and the assets comprise mainly uninvested cash and cash equivalents.

UNAUDITED FINANCIAL REPORT
For the quarter and year ended 31 December 2012



| | Operating Lease Assets | | Loan Portfolio and Securitisation Assets | | | | Others ¹ (mainly Singapore) | Total |
|---|------------------------|-----------------------|--|-----------------------|-------------------|----------------|--|---------|
| | Europe S\$'000 | United States S\$'000 | Europe S\$'000 | United States S\$'000 | Australia S\$'000 | Others S\$'000 | S\$'000 | S\$'000 |
| 2011 | | | | | | | | |
| Group for the year ended 31 December 2011 | | | | | | | | |
| Total segment revenue from continuing activities | 5,926 | 1,055 | 4,249 | 2,363 | 6,251 | 544 | 67 | 20,455 |
| Segment profit/(loss) from continuing activities before tax | 3,249 | 1050 | 2,298 | 2,363 | 5,980 | 544 | (2,582) | 12,902 |
| Other segment items | | | | | | | | |
| Interest income | - | - | 1,734 | 1,271 | 6,251 | 544 | 66 | 9,866 |
| Finance cost | (1,300) | - | - | - | - | - | (25) | (1,325) |
| Impairment | - | - | (1,772) | - | - | - | - | (1,772) |
| Depreciation and amortisation | (1,297) | - | - | - | - | - | - | (1,297) |
| Other non-cash revenue/(expenses) | - | - | (169) | - | (269) | - | 56 | (382) |
| As at 31 December 2011 | | | | | | | | |
| Total segment assets | 31,910 | 17,039 | 8,295 | 24,200 | 32,725 | 10,654 | 42,612 | 167,435 |
| Total segment liabilities | 16,989 | - | - | 19 | - | - | 922 | 17,930 |

¹ Relates to corporate function and the assets comprise mainly uninvested cash and cash equivalents.

BREAKDOWN OF REVENUE

| | Group S\$'000 |
|--|--------------------------|
| <hr/> | |
| Financial period from 1 January to 30 June 2012 (unaudited) | |
| Total revenue for the financial period from 1 January to 30 June 2012 | 6,931 |
| Operating profit after tax for the financial period from 1 January to 30 June 2012 | 9,310 |
| | |
| Financial period from 1 July to 31 December 2012 (unaudited) | |
| Total revenue for the financial period from 1 July to 31 December 2012 | 11,434 |
| Operating profit after tax for the financial period from 1 July to 31 December 2012 | 9,747 |
| | |
| Financial year from 1 January to 31 December 2012 (unaudited) | |
| Total revenue for the financial period from 1 January to 31 December 2012 | 18,365 |
| Operating profit after tax for the financial period from 1 January to 31 December 2012 | 19,057 |
| <hr/> | |
| <hr/> | |
| | Group S\$'000 |
| Financial period from 1 January to 30 June 2011 (unaudited) | |
| Total revenue for the financial period from 1 January to 30 June 2011 | 14,583 |
| Operating loss after tax for the financial period from 1 January to 30 June 2011 | 11,628 |
| | |
| Financial period from 1 July to 31 December 2011 (unaudited) | |
| Total revenue for the financial period from 1 July to 31 December 2011 | 5,872 |
| Operating profit after tax for the financial period from 1 July to 31 December 2011 | 584 |
| | |
| Financial year from 1 January to 31 December 2011 (unaudited) | |
| Total revenue for the financial period from 1 January to 31 December 2011 | 20,455 |
| Operating profit after tax for the financial period from 1 January to 31 December 2011 | 12,212 |
| <hr/> | |

AUDIT OR REVIEW

The figures in this report have not been audited or reviewed.

CONFIRMATION OF THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

On behalf of the Board of Directors of Global Investments Limited, we, the undersigned hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the quarter and year ended 31 December 2012 to be false or misleading in any material respect.

On behalf of the Board of Directors

Boon Swan Foo
Chairman
7 February 2013

Tan Mui Hong
Deputy Chairman
7 February 2013