



GLOBAL INVESTMENTS LIMITED

SGX Quarterly Report 31 December 2010

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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.

CONTENT

REVIEW OF GLOBAL INVESTMENTS LIMITED PERFORMANCE	3
INVESTMENT PORTFOLIO	5
BUSINESS OUTLOOK	7
INTERESTED PERSON TRANSACTIONS	9
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	11
STATEMENT OF FINANCIAL POSITION	12
CONSOLIDATED STATEMENT OF CASH FLOWS	13
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	14
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE COMPANY	15
ACCOUNTING POLICIES APPLICATION	16
DIVIDENDS	16
CHANGES IN SHARE CAPITAL	16
NET ASSET VALUE	17
EARNINGS PER SHARE	17
INTEREST BEARING LIABILITIES	18
SEGMENT REPORTING	18
BREAKDOWN OF REVENUE	21
AUDIT OR REVIEW	21
SUBSEQUENT EVENT	21
CONFIRMATION OF THE BOARD PURSUANT TO RULE 705(4) OF THE LISTING MANUAL	21



REVIEW OF GLOBAL INVESTMENTS LIMITED PERFORMANCE

PERFORMANCE REVIEW

QUARTER ENDED 31 DECEMBER 2010

For the quarter, Global Investments Limited (“GIL” or “the Company”) and its subsidiaries collectively referred as “the Group” recorded a net profit after tax of S\$3.0 million versus a loss after tax of S\$19.1 million for 4Q 09. This was mainly due to the sharp reduction in impairment on investments and higher revenue received in this quarter.

REVENUE

Revenue increased by 80.0% or S\$4.0 million to S\$9.0 million for this quarter from S\$5.0 million for 4Q 09 from higher interest margin income and foreign exchange gain. Interest income increased by 117.6% to S\$3.7 million for this quarter from S\$1.7 million for 4Q 09.

EXPENSES

Expenses decreased significantly by 76.3% to S\$5.7 million for this quarter from S\$24.0 million for 4Q 09. The impairment expense of S\$4.2 million for 4Q10 was significantly lower than the impairment charges of S\$19.2 million for 4Q 09. Other operating expenses also decreased to S\$0.5 million for this quarter from S\$3.8 million for 4Q 09. The higher other operating expenses for 4Q 09 was due to accrual of BOI claim of US\$0.9 million, Standard Chartered Bank’s Phase II strategic review fee of US\$223,000 and higher legal fee of US\$596,000 in 4Q 09 as against US\$37,000 in 4Q 10.

OTHER COMPREHENSIVE INCOME

For this quarter there was an increase in the available for sale financial assets revaluation reserve of S\$0.9 million compared to S\$1.1 million for 4Q 09.

However with the depreciation of the United States dollar against Singapore dollar, the foreign currency translation reserve suffered a loss of S\$3.1 million for this quarter compared to a loss of S\$1.1 million for 4Q 09.

YEAR ENDED 31 DECEMBER 2010

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2010, the Group recorded a profit after tax of S\$6.6 million versus a loss of S\$33.9 million for the year ended 31 December 2009. The improvement was mainly due to lower impairment charges of S\$10.4 million compared to S\$58.4 million incurred in 2009.

REVENUE

For the year ended 31 December 2010, revenue decreased to S\$24.6 million from S\$45.1 million for 2009 mainly due to substantially lower foreign exchange gains of S\$6.7 million as against S\$23.6 million for 2009. With the sale of Music Copyright assets in April 2009, there was no more royalty income received in this year.

EXPENSES

For the year ended 31 December 2010, expenses declined to S\$16.9 million compared to S\$75.8 million for 2009 largely due to lower impairment charges. Other operating expenses declined to S\$2.8 million from S\$8.9 million for 2009.

Finance costs also declined to S\$1.6 million from S\$5.2 million for 2009 with the repayment of certain banks’ borrowings.



STATEMENT OF FINANCIAL POSITION

AVAILABLE FOR SALE FINANCIAL ASSETS (“AFS”)

As at 31 December 2010, AFS increased to S\$24.9 million compared to S\$16.1 million in 2009 due to improvement in the share price of Fly Leasing Limited to US\$13.64 per share from US\$8.95 per share in 2009 and higher market quotes for Avoca VI M note and Avoca VII G note.

LOANS AND RECEIVABLES (“L&R”)

As at 31 December 2010, L&R decreased to S\$64.6 million compared to S\$68.4 million in 2009 due to the redemption of Pepper Residential Securities Trust No. 5 and Cashflow Finance Solution Limited (previously known as Provident Cashflow Limited) and impairment of Seiza Series 2006-1 Trust (Warehouse) and Seiza Augustus Series 2007-1 Trust. This was offset by the additional investments in US RMBS.

CASH AND CASH EQUIVALENTS

The reduction in cash and cash equivalents to S\$20.1 million at end 2010 from S\$27.5 million at end 2009 was due to the investment in US RMBS.

NET ASSET PER SHARE

The Net Asset Value per Share of the Group as at 31 December 2010 improved to 31 cents, compared to 30 cents as at 31 December 2009.

INVESTMENT PORTFOLIO

GIL was incorporated in Bermuda on 24 April 2006 and was subsequently registered as a mutual fund company. GIL was formed to invest in a diversified group of assets and economic exposures around the world.

The Group's investment portfolio at 31 December 2010 comprised the following assets and economic exposures:

OPERATING LEASES

Fly Leasing Limited ("Fly Leasing")

Fly Leasing is a Bermuda-exempted company which has been listed on the New York Stock Exchange. It has a portfolio of commercial aircraft which are leased to commercial airlines. The Group holds 1,051,010 shares or 3.8% in Fly Leasing shares.

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

GIL owns 100% equity of GILAL 2 which owns two Boeing 757-200 aircrafts 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.

Class A membership interest in BBRNA ("BBRNA")

BBRNA is a United States limited liability company formed to aggregate a number of North American railcar investments. The Group has a 41.5% interest in BBRNA which owns a portfolio of railcars on lease in North America.

Ascendos Investments Limited ("Ascendos")

Ascendos Investments Limited is a Guernsey company that owns Ascendos Rail Leasing S.à r.l. The Group has a 40.56% interest in Ascendos which currently owns and leases a portfolio of 238 rail equipment, consisting of 3 passenger train fleets, over 30 locomotives, and 100 freight wagons in mainland Europe.

LOAN PORTFOLIO AND SECURITISATION ASSETS

Pepper Residential Securities Trust No. 6 ("PRS6")

PRS6 is a securitisation vehicle which holds Australian non-conforming residential mortgage loans originated by Pepper Homeloans Pty Limited. The Group has invested in the Class E Notes.

Seiza Series 2006-1 Trust ("Seiza Warehouse")

Seiza Warehouse is a securitisation vehicle which holds Australian non-conforming residential and commercial mortgages originated by Seiza Mortgage Company Pty Limited. The Group has invested in the Class F Notes, Class G Notes and Senior NIM Notes. Payment to the NIM Notes depends on available excess spread.

Seiza Augustus Series 2007-1 Trust ("Seiza Augustus")

Seiza Augustus is a securitisation vehicle which holds Australian non-conforming residential and commercial mortgage loans originated by Seiza Mortgage Company Pty Limited. The Group has invested in the Class G Notes and Class N Notes. Payment to the Class N Notes depends on available excess spread.

Newgate Funding 2006-3 Plc

GIL has invested in 50% of Mortgage Early Repayment Certificates ("MERCs") and Residual Certificates issued by Newgate Funding 2006-3 Plc which is a securitisation vehicle holding UK non-conforming mortgages originated by Mortgages Plc. The MERC payments come from prepayment penalties paid by borrowers in the mortgage pool. The Residual certificates are entitled to excess cash flow available after payment of interest due on all the notes in the capital structure, and after paying down the principal of certain classes of notes.

Avoca CLO VI Plc ("Avoca VI") Investment

Avoca VI is a European collateralised loan obligation ("CLO") vehicle which is secured by collateral consisting of European senior secured and second lien loans and managed by Avoca Capital Holdings ("Avoca"). The Group has invested in the subordinated note.



Avoca CLO VII Plc (“Avoca VII”) Investment

Avoca VII is a European CLO vehicle which is secured by collateral consisting of European senior secured, second lien, and mezzanine loans managed by Avoca. The Group has invested in the Class F notes and Class G note, the latter being the subordinated note.

US Residential Mortgage-Backed Securities (“US RMBS”)

GIL is invested in a portfolio of senior notes of US RMBS. Senior notes offer better structural protection and faster amortization compared to junior notes.

ALTERNATIVE ASSETS

The Group currently does not hold any investments in the Alternative Asset class.

BUSINESS OUTLOOK¹

TARGETED ASSET CLASSES

Operating Lease Assets

The International Air Transport Association (“IATA”) has revised its 2010 profit forecast for the airline industry from US\$ 8.9 billion to US\$15.1 billion supported by better aircraft utilization and stronger market growth. Continued economic expansion outside Europe is expected to support this cyclical upturn taking into account the increased risk of recession in a number of European economies and a hike in jet fuel price levels next year. For 2011, IATA forecasts passenger and cargo traffic to rise 5.2% and 5.5% respectively but as new capacity returns to the market, fleet utilization is likely to come under downward pressure and the air transport industry profit is projected to slip to some extent. The outlook for aircraft lessors has improved since the worst period of the global financial crisis but challenges remain. A key risk is the thin buffer between the lease rates and the market cost of financing, rendering the margins vulnerable to interest rate increases.

According to the Association of American Railroads (the “AAR”) Rail Time Indicators report, total carloads of 14.8 million in 2010 for the US was the second lowest figure since the start of data-keeping by AAR in 1988. As a result, although rail transportation is expected to grow with possibly some upside in pricing in 2011, the need for spare capacity to be absorbed would likely cap this growth. The traffic of export coal is expected to grow due to the flooding in Australia but traffic of domestic coal is expected to be hampered by the low natural gas prices. The net result of which is coal traffic, which had accounted for the largest US carload traffic at 45.4% of the total in 2010, is expected to achieve only modest growth going forward.

With improvement in transportation volume of goods, the demand for leasing of locomotives had led to an increase in lease rates in Europe. The renewed rise in transport demand also led to increased demand for freight wagons. Currently freight wagons are in short supply, largely due to inspection requirements for wagons which had been out of service for a long time. The 2011 outlook for the passenger fleet is expected to be positive given the demand from operators in Europe.

Loan Portfolio and Securitisation Assets

The US housing market may continue to be weak despite signs of stronger economic growth as the unemployment rate is expected to take more than a year to return to a more normal level. Though sales for the past five months from August to December have been above the 4 million level with a 12.3% increase to 5.28 million in December from November, residential real-estate prices continued to fall. The S&P Case-Shiller 20-City home-price index has decreased consecutively for four months with the index in November showing month-on-month decline of 1.0%. On a year-on-year basis, the decline of 1.6% was the biggest 12-month decrease since December 2009. Home prices may remain under pressure due to elevated foreclosures. RealtyTrac (an online marketplace for foreclosure properties in the United States of America) in its Year-End US Foreclosure Market Report indicated that a record 2.9 million US properties received foreclosure filings in 2010.

The Australian housing market is expected to moderate further as a result of higher interest rates, although further rate hikes may be delayed due to the economic impact caused by the flood in Queensland. The House Price Index published by the Australian Bureau of Statistics indicated that the pace of housing price growth continued to remain weak in the fourth quarter. Recent data from the RP Data-Rismark Home Value Index also showed soft housing prices in the last three months of 2010. However, property prices should continue to be supported by the strengthening economy, falling unemployment, and tight housing supply.

Performance of the UK residential market continued to soften moderately in 2010. House prices in 2010 were 3.4% lower than that in 2009 and the risks of further declines should not be ruled out due to the economic uncertainty and the negative effects of higher taxes. However, house prices are expected to remain stable during 2011 as the UK monetary policy is expected to remain accommodative for some time. The low interest rate environment has reduced the mortgage debt service burden for borrowers, limiting the number of home repossessions and at the same time, increasing the affordability for new home buyers.

The performance of European leveraged loan market remained robust in 2010. With the current low interest rate environment and positive underlying company performance, the base outlook for 2011 is a benign default level in the 2-3% range. High level of repayments is expected to continue into 2011 as issuers tap the high yield capital market and refinance the existing loans.



Alternative Assets

The Group currently does not hold any investments in the Alternative Asset class.

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 in targeted asset classes that fit the investment objectives of the Company.

¹ Commentary sourced from various sources including independent financial institution economic reports.

INTERESTED PERSON TRANSACTIONS

(A) DIRECTORS

Directors in office as at the date of the report:

		Date of Appointment
Boon Swan Foo ¹	Chairman	25 November 2009
Tan Mui Hong ¹	Deputy Chairman	30 April 2010
Chan Pengee Adrian ²	Director	5 May 2009
Ronald Seah Lim Siang ²	Director	30 April 2010
Tan Kok Wee ²	Director	30 April 2010

¹ Upon the appointment of STAM as the New Manager for the Company on 25 November 2009, Boon Swan Foo was appointed to the Board of Directors as Manager Nominated Director and Chairman of the Board. Tan Mui Hong was previously appointed as alternate to Boon Swan Foo on 15 December 2009. On 30th April 2010, she was appointed as Deputy Chairman and Director.

² The directors are regarded as independent in accordance with the Singapore Code of Corporate Governance 2005.

Directors no longer in office as at the date of the report:

		Date of Appointment	Date of Resignation
Tara Leonard Railton	Deputy Chairman	25 October 2006	30 April 2010
Joel Peter Schaefer	Director	25 October 2006	30 April 2010
Nicholas James Douglas Campbell	Director	4 May 2009	30 April 2010
Sanjiv Misra	Director	8 May 2009	30 April 2010

(B) DIRECTORS REMUNERATION

The executive directors of GIL are 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 them in the conduct of the Company's business or in the discharge of their duties as a director.

With effect from 1 July 2009, in addition to the annual directorship fee of US\$50,000, the independent 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 Nominations and Governance Committee	US\$2,000 per member per annum

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. The total directors' fee for the year ended 31 December 2010 amounted to US\$223,914 (paid: US\$177,536, payable: US\$46,378).

Boon Swan Foo and Tan Mui Hong did not receive any directors' remuneration for the year 2010.

(C) THE MANAGER

At the special general meeting on 25 November 2009, shareholders approved the appointment of STAM as the sole and exclusive manager of the Company, in place of Babcock & Brown Global Investments Management Pty Limited ("BBGIM" or the "Former Manager") pursuant to the management agreement dated 24 September 2009.

Prior to STAM's appointment on 25 November 2009, BBGIM was appointed by the Company as the sole and exclusive manager pursuant to two management agreements dated 12 December 2006.

The following relationships and transactions with STAM and BBGIM are as follows:

	Group 2010 S\$'000	Group 2009 S\$'000
Transactions with STAM:-		
Base management fees	750	94
Fixed management fees	650	66
Reimbursement of expenses	319	120
Acquisition fee	161	-
Dividends	4	-
Transactions with BBGIM (up to 25th November 2009):-		
Base management fees	-	997
Management expense reimbursement	-	1,219
Non-designated services fees	-	84
Transitional services fees	-	63
Divestment fee	-	596
Dividends	-	185

	Group As at 31 December 2010 S\$'000	Company As at 31 December 2010 S\$'000	Group As at 31 December 2009 S\$'000	Company As at 31 December 2009 S\$'000
Balances with STAM:-				
Accrued base management fees	194	194	94	94
Accrued fixed management fees	164	164	66	66
Expense reimbursement ¹	98	98	120	120
Dividend	2	2	-	-
Total liabilities payable to the Manager	458	458	280	280

¹ The expense reimbursement relates to those costs are required to be reimbursed by the Company pursuant to the Management Agreement between the Company and the Manager.

During the year, 368,000 shares were issued to STAM in part settlement of 4Q09 and 1Q10 manager base fee.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group Quarter ended 31 Dec 10 S\$'000	Group Year to date 31 Dec 10 S\$'000	Group Quarter ended 31 Dec 09 S\$'000	Group Year to date 31 Dec 09 S\$'000
Revenue				
Distribution income	884	884	-	795
Dividend income	274	1,143	293	1,221
Interest income	3,692	10,317	1,746	10,466
Rental income	1,235	5,162	1,324	5,518
Net foreign exchange gains	2,644	6,746	1,588	23,601
Royalty income	-	-	-	1,357
Gain on sale of investment	-	-	-	2,141
Profit on redemption of loan	-	100	-	-
Other operating income	223	223	-	-
Total revenue	8,952	24,575	4,951	45,099
Expenses				
Management fees	(214)	(826)	(287)	(1,162)
Depreciation and amortisation	(336)	(1,405)	(353)	(2,050)
Finance costs	(364)	(1,580)	(425)	(5,202)
Impairment expenses	(4,232)	(10,352)	(19,171)	(58,425)
Other operating expenses	(536)	(2,780)	(3,772)	(8,912)
Total expenses	(5,682)	(16,943)	(24,008)	(75,751)
Profit / (loss) before tax	3,270	7,632	(19,057)	(30,652)
Income tax expense	(264)	(1,054)	(27)	(3,212)
Profit / (loss) after tax	3,006	6,578	(19,084)	(33,864)
Other comprehensive income / (loss)				
Available for sale financial assets revaluation reserve	863	10,663	1,373	11,540
Foreign currency translation reserve	(3,099)	(10,956)	(1,135)	(2,895)
Other comprehensive (loss) / income for the period after tax	(2,236)	(293)	238	8,645
Total comprehensive income / (loss) for the period attributable to shareholders	770	6,285	(18,846)	(25,219)
Basic earnings / (loss) per share (cents per share)	0.76	1.67	(4.86)	(8.62)
Diluted earnings / (loss) per share (cents per share)	0.76	1.67	(4.86)	(8.62)

STATEMENT OF FINANCIAL POSITION

	Group As at 31 Dec 10 S\$'000	Group As at 31 Dec 09 S\$'000	Company As at 31 Dec 10 S\$'000	Company As at 31 Dec 09 S\$'000
Non current assets				
Aircraft	32,793	37,294	-	-
Investment in subsidiaries	-	-	89,862	97,803
Loans and receivables	64,596	68,373	-	-
	<u>97,389</u>	<u>105,667</u>	<u>89,862</u>	<u>97,803</u>
Current assets				
Cash and cash equivalents ¹	20,149	27,499	8,501	19,511
Available for sale financial assets	24,900	16,096	-	-
Intercompany receivables	-	-	26,239	8,430
Other assets	1,029	268	56	67
	<u>46,078</u>	<u>43,863</u>	<u>34,796</u>	<u>28,008</u>
Total assets	<u>143,467</u>	<u>149,530</u>	<u>124,658</u>	<u>125,811</u>
Liabilities				
Interest bearing liabilities	18,662	22,317	-	-
Other liabilities	2,985	7,826	2,838	6,424
Total liabilities	<u>21,647</u>	<u>30,143</u>	<u>2,838</u>	<u>6,424</u>
Net assets attributable to shareholders	<u>121,820</u>	<u>119,387</u>	<u>121,820</u>	<u>119,387</u>
Equity				
Share capital	393,922	393,844	393,922	393,844
Available for sale financial assets revaluation reserve	21,159	10,496	-	-
Translation reserve	(46,201)	(35,245)	(48,835)	(37,770)
Accumulated losses	(247,060)	(249,708)	(223,267)	(236,687)
Total Equity	<u>121,820</u>	<u>119,387</u>	<u>121,820</u>	<u>119,387</u>
Net assets per share (S\$ per share)	0.31	0.30	0.31	0.30

¹Cash and cash equivalents of the Group as at 31 December 2009 includes US\$3.0 million (S\$4.2 million) of restricted cash as the lender bank had asserted its security interest on the amount. Following the amicable settlement with the bank, this amount has been released to the Company in 1Q 10.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Group Quarter ended 31 Dec 10 S\$'000	Group Year to date 31 Dec 10 S\$'000	Group Quarter ended 31 Dec 09 S\$'000	Group Year to date 31 Dec 09 S\$'000
Cash flows from operating activities				
Operating costs	(638)	(6,277)	(2,323)	(13,577)
Interest income	1,923	9,215	2,637	11,503
Distribution income	-	-	-	795
Dividend income	274	1,143	293	1,221
Rental income	1,235	5,175	1,338	5,575
Royalty income	-	-	-	3,027
Income Tax Paid	(264)	(1,054)	(58)	(705)
Net cash inflow from operating activities	2,530	8,202	1,887	7,839
Cash flows from investing activities				
Net sale of intangible assets	-	-	-	67,245
Purchase of financial assets	-	(16,475)	-	-
Return of capital from financial assets	223	223	-	-
Loan repayments received	2,150	10,964	1,754	16,312
Disposal of loans and receivables assets	-	-	-	110
Net cash inflow / (outflow) from investing activities	2,373	(5,288)	1,754	83,667
Cash flows from financing activities				
Net repayments of borrowings	(458)	(1,859)	(456)	(143,240)
Borrowing costs paid	(359)	(1,561)	(453)	(4,103)
Dividends paid	-	(5,892)	-	(7,854)
Net cash outflow from financing activities	(817)	(9,312)	(909)	(155,197)
Net increase / (decrease) in cash and cash equivalents	4,086	(6,398)	2,732	(63,691)
Cash and cash equivalents at beginning of period / year	16,204	27,499	20,574	80,224
Effects of exchange rate changes on cash and cash equivalents	(141)	(952)	(12)	6,761
Unrestricted cash and cash equivalents at end of year	20,149	20,149	23,294	23,294
Restricted cash and cash equivalents	-	-	4,205	4,205
Cash and cash equivalents at end of year	20,149	20,149	27,499	27,499

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Changes in shareholders' equity of the Group for the quarter and year ended 31 Dec 2010	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 2010	393,844	10,496	(35,245)	(249,708)	119,387
Total comprehensive income / (loss)	-	9,800	(7,857)	3,572	5,515
Issuance of shares to manager	78	-	-	-	78
Dividend for the period	-	-	-	(1,965)	(1,965)
Total equity at 30 September 2010	393,922	20,296	(43,102)	(248,101)	123,015
Total comprehensive income / (loss) for the quarter	-	863	(3,099)	3,006	770
Dividend for the period	-	-	-	(1,965)	(1,965)
Total equity at 31 December 2010	393,922	21,159	(46,201)	(247,060)	121,820

Changes in shareholders' equity of the Group for the quarter and year ended 31 Dec 2009	Share capital S\$'000	Available for sale financial assets revaluation reserve S\$'000	Con- solidation reserve S\$'000	Translation reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Total equity at the 1 January 2009	393,844	(1,044)	(57,745)	(32,350)	(146,319)	156,386
Total comprehensive income / (loss)	-	10,167	-	(1,760)	(14,780)	(6,373)
Dividend for the period	-	-	-	-	(7,854)	(7,854)
Total equity at the 30 September 2009	393,844	9,123	(57,745)	(34,110)	(168,953)	142,159
Total comprehensive income / (loss) for the quarter	-	1,373	-	(1,135)	(19,084)	(18,846)
Transfer of reserves to retained earnings ¹	-	-	57,745	-	(57,745)	-
Dividend for the period	-	-	-	-	(3,926)	(3,926)
Total equity at 31 December 2009	393,844	10,496	-	(35,245)	(249,708)	119,387

¹ The consolidation reserve represents the difference between the carrying value of the investments in subsidiaries in the Company accounts and the book values of the underlying net assets of the subsidiaries at the date the commonly controlled subsidiaries were acquired. The difference is included in equity and can be presented either as part of retained earnings or in a separate reserve. Prior to 2009, this was presented as a separate reserve. In 2009, this was transferred to be included as part of retained earnings. This transfer does not have an impact to the net assets attributable to shareholders.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE COMPANY

Changes in shareholders' equity of the Company for the quarter and year ended 31 Dec 2010	Share capital S\$'000	Translation reserves S\$'000	Retained earnings S\$'000	Total S\$'000
Total equity at 1 January 2010	393,844	(37,770)	(236,687)	119,387
Total comprehensive (loss) / income	-	(8,055)	13,570	5,515
Issuance of shares to the manager	78	-	-	78
Dividend for the period	-	-	(1,965)	(1,965)
Total equity at 30 September 2010	393,922	(45,825)	(225,082)	123,015
Total comprehensive (loss) / income for the quarter	-	(3,010)	3,780	770
Dividend for the period	-	-	(1,965)	(1,965)
Total equity at 31 December 2010	393,922	(48,835)	(223,267)	121,820

Changes in shareholders' equity of the Company for the quarter and year ended 31 Dec 2009	Share capital S\$'000	Translation reserves S\$'000	Retained earnings S\$'000	Total S\$'000
Total equity at 1 January 2009	393,844	(35,019)	(202,439)	156,386
Total comprehensive income / (loss)	-	(1,682)	(4,691)	(6,373)
Dividend for the period	-	-	(7,854)	(7,854)
Total equity at 30 September 2009	393,844	(36,701)	(214,984)	142,159
Total comprehensive (loss) / income for the quarter	-	(1,069)	(17,777)	(18,846)
Dividend for the period	-	-	(3,926)	(3,926)
Total equity at 31 December 2009	393,844	(37,770)	(236,687)	119,387

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

A final dividend of 0.5 cents per share declared for the period 1 July 2010 to 31 December 2010 amounting to S\$1.97 million was paid on 31 January 2011.

The 2010 interim dividend of 0.5 cents per share in respect of the period from 1 January 2010 to 30 June 2010 amounting to S\$1.97 million was paid on 15 September 2010.

The Company paid a final dividend of 1.0 cents for the period 1 July 2009 to 31 December 2009 amounting to S\$3.93 million on 25 February 2010.

	Group 2010	Group 2009
Ordinary shares		
Interim Dividend		
Dividends per Share (cents)	0.5	2.0
Dividends paid/declared (\$'000)	1,965	7,854
Final Dividend		
Dividends per Share (cents)	0.5	1.0
Dividends paid/declared (\$'000)	1,965	3,926

For the financial year ended 31st December 2010, the Company has obtained the Inland Revenue Authority of Singapore's confirmation that it is tax resident of Singapore. Dividends paid in 2010 are exempt from tax when received in the hands of Shareholders. Should the Company remain as tax resident of Singapore for financial year 2011 onwards, all dividends paid by the Company will continue to enjoy tax exemption.

CHANGES IN SHARE CAPITAL

There was no change in share capital during the quarter ended 31 December 2010. During the 2Q 2010, 368,000 shares were issued in part settlement of 4Q 09 and 1Q 10 manager base fee. Following the issuance of these shares, the issued and paid up share capital of the Company is 393,006,086 ordinary shares.

On 30th December 2010, the Company announced a proposed renounceable non-underwritten rights issue up to 157,202,434 new ordinary shares in the capital of the Company at an issue price of S\$0.138 for each rights share, on the basis of two rights shares for every five existing ordinary shares.

NET ASSET VALUE

	Group As at 31 Dec 10	Group As at 31 Dec 09	Company As at 31 Dec 10	Company As at 31 Dec 09
Net asset value				
Total net asset value (S\$'000)	121,820	119,387	121,820	119,387
Total number of ordinary shares on issue used in calculation of net asset value per share ('000)	393,006	392,638	393,006	392,638
Net asset value per ordinary share (S\$ per share)	0.31	0.30	0.31	0.30

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.

EARNINGS PER SHARE

	Group Quarter ended 31 Dec 10	Group Year to date 31 Dec 10	Group Quarter ended 31 Dec 09	Group Year to date 31 Dec 09
Basic earnings / (loss) per share				
Earnings / (Loss) used in calculation of basic earnings / (loss) per share (S\$'000)	3,006	6,578	(19,084)	(33,864)
Weighted average number of shares on issue used in calculation of basic earnings / (loss) per share ('000)	393,006	392,840	392,638	392,638
Basic earnings / (loss) per share (cents per share)	0.76	1.67	(4.86)	(8.62)
Diluted earnings / (loss) per share				
Diluted earnings / (loss) used in calculation of diluted earnings / (loss) per share (\$'000)	3,006	6,578	(19,084)	(33,864)
Weighted average number of shares on issue used in calculation of diluted earnings / (loss) per share ('000)	393,006	392,960	392,638	392,638
Diluted earnings / (loss) per share (cents per share) ¹	0.76	1.67	(4.86)	(8.62)

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.

INTEREST BEARING LIABILITIES

	Group as at 31 Dec 10 S\$'000	Group as at 31 Dec 09 S\$'000
Term loans	18,662	22,317
Total interest bearing liabilities	18,662	22,317
Amount repayable in one year or less, or on demand	1,889	1,918
Amount repayable after one year	16,773	20,399
Total interest bearing liabilities	18,662	22,317
Amount secured	18,662	22,317
Amount unsecured	-	-
Total interest bearing liabilities	18,662	22,317

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

SEGMENT REPORTING

The principal activity of the Group during the year was the investment in diversified assets and economic exposures around the world.

Description of segments

The Board considers the Group from both an asset class and geographic perspective and has identified nine reportable segments. The asset classes consist of Operating Lease Assets, Loan Portfolio and Securitisation Assets and Alternative Assets. These asset classes are disaggregated into the geographical segments of the United Kingdom and Europe, the United States and Australia. Geographical segment is assessed by reference to currency.

Although the Alternative Assets segment does not meet the quantitative thresholds required by IFRS 8 at 31 December 2010, the Group has concluded that this segment should be reported, as financial information on this segment continues to be reported to the Board.



	Operating Lease Assets			Loan Portfolio and Securitisation Assets			Alternative Assets			Other	Total
	UK and Mainland Europe S\$'000	United States S\$'000	Australia S\$'000	UK and Mainland Europe S\$'000	United States S\$'000	Australia S\$'000	UK and Mainland Europe S\$'000	United States S\$'000	Australia S\$'000	S\$'000	
2010											
Group for the year ended 31 December 2010											
Total segment revenue from continuing activities	884	6,527	-	1,577	553	14,098	-	-	-	936	24,575
Segment profit / (loss) from continuing activities before tax	884	3,497	-	1,408	553	3,597	-	-	-	(2,307)	7,632
Other segment items											
Interest income	-	-	-	2,140	553	7,570	-	-	-	54	10,317
Finance cost	-	(1,551)	-	-	-	-	-	-	-	(29)	(1,580)
Depreciation and amortisation	-	(1,405)	-	-	-	-	-	-	-	-	(1,405)
Impairment expense	-	-	-	2	-	(10,354)	-	-	-	-	(10,352)
Other non-cash revenue / (expenses)	-	(19)	-	(608)	-	6,414	-	-	-	(240)	5,547
As at 31 December 2010											
Total segment assets	-	51,311	-	13,000	13,781	44,330	-	-	-	21,045	143,467
Total segment liabilities	-	18,697	-	45	-	13	-	-	-	2,892	21,647

The Board assesses the performance of the operating segments based on the measure of segment profit / (loss) from continuing activities before income tax. This measure is currently the same as (loss) / profit before income tax from continuing operations.

	Operating Lease Assets			Loan Portfolio and Securitisation Assets			Alternative Assets			Other		Total S\$'000
	UK and Mainland Europe S\$'000	United States S\$'000	Australia S\$'000	UK and Mainland Europe S\$'000	United States S\$'000	Australia S\$'000	UK and Mainland Europe S\$'000	United States S\$'000	Australia S\$'000	S\$'000		
2009												
Group for the year ended 31 December 2009												
Total segment revenue from continuing activities	750	6,739	-	1,001	-	26,854	3,801	1,931	3	4,020	45,099	
Segment (loss) / profit from continuing activities before tax	726	(22,818)	(117)	(6,965)	-	983	2,466	(1,079)	3	(3,851)	(30,652)	
Other segment items												
Interest income	-	-	-	1,128	-	8,510	-	256	-	572	10,466	
Finance cost	-	(1,798)	-	-	-	(1,386)	(592)	(592)	-	(834)	(5,202)	
Depreciation and amortisation	-	(1,502)	-	-	-	-	(274)	(274)	-	-	(2,050)	
Impairment expense	-	(26,160)	-	(7,942)	-	(24,323)	-	-	-	-	(58,425)	
Other non-cash revenue / (expenses)	-	(46)	-	(150)	-	18,343	2,204	(1,301)	3	648	19,701	
As at 31 December 2009												
Total segment assets	-	50,681	-	10,914	-	60,370	-	-	-	27,565	149,530	
Total segment liabilities	-	22,362	-	24	-	-	32	1,301	-	6,424	30,143	

BREAKDOWN OF REVENUE

	Group S\$'000
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Financial period from 1 January to 30 June 2010 (unaudited)	
Total revenue for the financial period from 1 January to 30 June 2010	7,067
Operating loss after tax for the financial period from 1 January to 30 June 2010	(6,783)
Financial period from 1 July to 31 December 2010 (unaudited)	
Total revenue for the financial period from 1 July to 31 December 2010	17,508
Operating profit after tax for the financial period from 1 July to 31 December 2010	13,361
Financial year from 1 January to 31 December 2010 (unaudited)	
Total revenue for the financial period from 1 January to 31 December 2010	24,575
Operating profit after tax for the financial period from 1 January to 31 December 2010	6,578

	Group S\$'000
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Financial period from 1 January to 30 June 2009 (reviewed)	
Total revenue for the financial period from 1 January to 30 June 2009	29,159
Operating loss after tax for the financial period from 1 January to 30 June 2009	(17,596)
Financial period from 1 July to 31 December 2009 (unaudited)	
Total revenue for the financial period from 1 July to 31 December 2009	15,940
Operating loss after tax for the financial period from 1 July to 31 December 2009	(16,268)
Financial year from 1 January to 31 December 2009 (unaudited)	
Total revenue for the financial period from 1 January to 31 December 2009	45,099
Operating loss after tax for the financial period from 1 January to 31 December 2009	(33,864)

AUDIT OR REVIEW

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

SUBSEQUENT EVENT

On 10th February 2011, the Company sold its investment in Newgate Funding 2006-3 Residual series for £1.25 million. As the investment has been fully impaired, the entire cash proceeds will be reflected as income in 1Q 2011 report.

CONFIRMATION OF THE BOARD PURSUANT TO RULE 705(4) 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 2010 to be false or misleading in any material respect.

On behalf of the Board of Directors

Boon Swan Foo
Chairman
15 February 2011

Tan Mui Hong
Deputy Chairman
15 February 2011