



GLOBAL INVESTMENTS LIMITED¹

SGX Quarterly Report 30 June 2009

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This 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.

Babcock & Brown Global Investments Management Pty Limited, as manager of GIL is entitled to fees for so acting. BBL and its related corporations, together with their 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.

¹ On 30 April 2009, the Company changed its name from Babcock & Brown Global Investments Limited to Global Investments Limited.

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REVIEW OF GLOBAL INVESTMENTS LIMITED PERFORMANCE

PERFORMANCE REVIEW

For the quarter the Group recorded a net profit after tax of S\$17.9 million. The result was due to unrealised foreign exchange gains and the gain on sale of the Music Copyright Assets. Other than for these items, the results were in line with internal projections.

The performance of the Group for the quarter has been impacted by the following factors:

- **Unrealised foreign exchange gains**

Unrealised foreign exchange gains of S\$16.1 million have been recorded in the Statement of Comprehensive Income this quarter predominantly as a result of the weakening of the United States dollar against the Australian dollar, the underlying currency of a number of the Group's investments. The adjustment is an unrealised accounting adjustment which does not affect cash economic income or dividends to Shareholders.

- **Gain on sale of the Group's portfolio of Music Copyright Assets**

BBSFF Music Copyright Holdings Limited ("BMCH"), a wholly owned subsidiary of the Company, sold its portfolio of Music Copyright Assets on 7 April 2009. The gross sale price for the Music Copyright Assets was US\$48.1 million which was negotiated on an arm's length commercial basis and resulted in a net accounting gain of S\$2.0 million in the Consolidated Statement of Comprehensive Income. The Bank of Ireland ("BOI") term facility, asset-specific debt which was secured against the Music Copyright Assets of US\$14.2 million and EUR\$10.3 million, was fully repaid and cancelled on sale of the assets resulting in a significant reduction to the Group's interest bearing liabilities.

In connection with the sale of the Music Copyright Assets, BOI has asserted that it is entitled to be paid certain break costs of approximately US\$2.1 million (S\$3.1 million) arising from the repayment of the term facility. Refer to the Contingencies note on page 15 for further information.

- **Repayment & cancellation of Corporate Debt Facility**

The Company fully repaid and cancelled its amended and restated multicurrency revolving facility with the Commonwealth Bank of Australia ("the facility") on 30 April 2009. The facility was repaid with the net proceeds from the sale of the Group's portfolio of Music Copyright Assets on 7 April 2009 together with principal receipts from the amortisation of the Group's securitisation assets resulting in a further reduction to the Group's interest bearing liabilities.

- **Reversal of impairment loss on the investment in B&B Air**

As a result of an increase in the share price of B&B Air at the end of the quarter there has been a US\$3.7 million (S\$5.4 million) reversal of the previously recorded impairment loss on the investment. In line with International Accounting Standard 39 *Financial Instruments: Recognition and Measurement*, the reversal has been recorded through equity in the available for sale financial assets revaluation reserve.

- **Reversal of impairment loss on securitisation investments**

The impairments of the subordinated notes in the Avoca VI and Avoca VII investments have been reduced this quarter by EUR0.3 million (S\$0.5 million) and EUR0.1 million (S\$0.3 million), respectively, based on independent pricing quotes and interest coupons received. In line with International Accounting Standard 39 *Financial Instruments: Recognition and Measurement*, the reversals have been recorded through equity in the available for sale financial assets revaluation reserve.

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 30 June 2009 comprised the following assets and economic exposures:

OPERATING LEASE ASSETS

Babcock & Brown Aircraft Lessor No. 2 ("BBAL 2")

The Group owns two Boeing 757-200 aircraft leased to Thomsonfly 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 managed or owned by the Babcock & Brown Group. The Group has a 41.5% interest in BBRNA which currently owns a portfolio of over 13,500 railcars on lease in North America.

Babcock & Brown Air Limited ("B&B Air")

Babcock & Brown Air Limited 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 Babcock & Brown Air Limited shares.

Investment in Babcock & Brown Rail Investments Limited ("CBRail")

Babcock & Brown Rail Investments Limited ("BBRIL") is a Guernsey company that owns CBRail Leasing S.a.r.l. ("CBRail Group"), an operating lessor based in Luxembourg. The Group has a 35% interest in BBRIL which currently owns a portfolio of 3 passenger train fleets, over 30 locomotives and 100 freight wagons.

LOAN PORTFOLIO AND SECURITISATION ASSETS

Pepper Securitisation No. 2 Investment ("Pepper 2")

Pepper 2 is a securitisation vehicle which owns Australian non-conforming residential mortgage loans originated by Pepper Home Loans Pty Limited. The Group has invested in the non-rated note and the senior net interest margin ("NIM") note. Subsequent to 30 June 2009, the Group's remaining investment in the senior NIM note was fully repaid.

Pepper Securitisation No. 3 Investment ("Pepper 3")

Pepper 3 is a securitisation vehicle which owns Australian non-conforming residential mortgage loans originated by Pepper Home Loans Pty Limited. The Group has invested in the non-rated note.

Provident Cashflow Limited ("PCL")

PCL is a revolving purchase facility provided to specialty inventory financier, Provident Cashflow Limited ("Provident"). Under the facility, the Group purchases loan receivables originated by Provident. The purchased loans are loans Provident has made to its customers, typically small to medium sized enterprises for the purpose of purchasing inventory.

Seiza Warehouse Note Investment ("Seiza")

Seiza is an investment in a warehouse vehicle which owns Australian residential and commercial mortgages managed and serviced by Pepper home Loans Pty Limited. The Group has invested in the Class F, Class G and NIM notes.

Seiza Augustus 2007-1 Trust (“Seiza Augustus”)

Seiza Augustus is a securitisation vehicle which owns Australian commercial and residential mortgage loans managed and serviced by Pepper Home Loans Pty Limited. The Group has invested in the Class G notes and NIM notes.

Mortgages plc Securitisation Investment (“Mortgages plc”)

Mortgages plc is a United Kingdom based originator of non-conforming residential mortgages. The Group has invested in 50% of two classes of certificates issued by Newgate Funding 2006-3 plc which is a securitisation vehicle owning non-conforming mortgages originated by Mortgages plc.

Avoca VI CLO Investment (“Avoca VI”)

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

Avoca VII CLO Investment (“Avoca VII”)

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

ALTERNATIVE ASSETS

Paramount Mezzanine Loan (“Paramount”)

At 30 June 2009, the Group had an investment in a secured subordinated loan to Royal Palm Paramount Bay LLC which was being used to fund the development of an ultra-luxury condominium development project in Miami Florida in the United States. On 15 July 2009, the Group disposed of its Paramount investment for cash proceeds of US\$75,000.

ECONOMIC OUTLOOK¹

The global economy is beginning to show signs of stabilisation with the rate of deterioration in the United States slowing, increased growth being seen in a number of developed countries, particularly in China and signs that consumer sentiment in many countries is progressively improving. Many economists are now predicting that while significant uncertainty remains, a global economic recovery will slowly begin to be seen in the second half of 2009.

United States (“US”)

Economic conditions in the US have begun to stabilise with the pace of contraction having slowed during the period. Reductions in business spending levels have moderated and general business confidence is showing signs of improvement. Consumer spending numbers have started to stabilise despite further increases in job losses during the period. On the housing front, continued tight credit conditions and high levels of unemployment have put further downward pressure on housing data however the rapid decline seen previously has eased. The Federal Reserve has continued its efforts to stimulate the economy and is expected to continue its security purchase program through the remainder of 2009.

United Kingdom (“UK”)

Recent data has suggested that the pace of contraction in the UK economy has slowed with manufacturing and service sector output in particular beginning to stabilise leading to reduced declines in Gross Domestic Product. Retail spending, car purchases and consumer confidence have all improved during the period and indicators of improvements in the housing sector were evident with housing data remaining relatively flat during the second quarter of 2009. The weakness in banking lending and local credit conditions continued to negatively impact economic conditions although credit is progressively becoming more available. Unemployment has increased during the period albeit at lower levels than expected and further increases in unemployment are generally expected. The monetary policy committee has continued its program of asset purchases maintained the Bank Rate to 0.5% in order to meet the inflation target.

Mainland Europe

The outlook for Mainland Europe has improved slightly and economic activity is expected to decline less in the second half of 2009 as compared to the first half of the year. Consumer spending has appeared to stabilise and signs of general market confidence are evident. There has however been a further deterioration in the labour markets although the deterioration is expected to ease through the remainder of 2009 and into 2010. It is generally expected that price stability will be maintained over the medium term, thereby continuing to support the purchasing power of euro area households. The various stimulus packages and policy decisions around the euro area have supported growth however ongoing weakness in global financial markets continues to restrict growth. The Governing Council of the European Central Bank has held the official interest rate at 1.0% in light of the mix of positive and negative economic indicators at play in the euro zone. The low interest rate is expected to continue to provide price stability over the medium term, thereby supporting the purchasing power of Euro area households.

Australia

The Reserve Bank of Australia has maintained the official cash rate at 3.0% due to signs of stabilisation emerging in both the global and domestic economies. Consumer confidence levels have improved in Australia as evidenced by increases in retail sales which have been supported by the government stimulus initiatives and a lower interest rate environment. The housing market has shown signs of a rebound with increases in house prices being seen in most areas, higher construction volume and auction clearance rates improving. Export volumes have also increased principally as a result of the growth experienced in China. Unemployment has stabilised, however further increases are generally expected over the next 6 to 12 months. The general improvement in credit markets continued during the quarter and like many global share markets, the local share market had continued its upwards trend.

¹ Commentary sourced from independent financial institution economic reports.

BUSINESS OUTLOOK¹

The Company continues to work with the independent strategic adviser and has announced that it has resolved to change the manager of the Company and to engage with one candidate in negotiations for its appointment as the new manager of the Company. The Company has fully repaid its corporate debt facility and declared a dividend in respect of the first half of 2009.

TARGETED ASSET CLASSES

Operating Lease Assets

Commentators continue to be of the view that the outlook for the global aviation sector remains challenging. A number of airline operations have reduced fleet sizes and cut travel routes, particularly in the North American market. This has put pressure on aircraft values and lease rates, particularly for older generation aircraft. The previously seen strong increases in passenger traffic in Asia, the Middle East and Europe have started to moderate however AVITAS, Inc. continues to expect that air passenger traffic will continue to increase through to 2016. In addition, both airline manufacturers (Boeing and Airbus) have significant backlogs in terms of unfilled orders. This lack of supply is continuing to support strong lease rates and values, particularly for newer aircraft types.

The troubled US economy has placed pressure on the North American rail sector with railroad car traffic, asset values and rail car re-lease rates expected to be strained through 2009 and into 2010 with a recovery in the sector expected to be at least 12 months away.

The European rail leasing market is progressing positively driven by concessions given to market participants, government funding constraints and growth in rail passenger volume. An increased number of private operators are entering the market for both freight and passenger services and similarly, public rail companies are expanding their international activities. The political and user sentiment for rail in Europe remains very positive with high and rapidly increasing congestion in production, further increasing the back log for new freight car orders. Increased defaults are expected in the near term across the sector however the CBRail investment remains reasonably well positioned.

Loan Portfolio and Securitisation Assets

Economic conditions in Australia are showing signs of improvement however are expected to remain relatively soft over the short term. Despite this, there are few indications that there will be significant falls in house prices in the foreseeable future or dramatic rises in unemployment. The current historically low interest rate environment continues to provide relief to borrowers and this is expected to support property prices and loss / default levels.

The general economic backdrop in the UK remains troubled. House prices have started to stabilise however the general consensus is that further declines are likely to be seen albeit not at the levels seen in 2008 and the early part of 2009. Despite the low interest rate environment, borrowers are expected to be further pressured as a result of the weak macro-economic conditions and consequently borrower defaults are expected to increase.

Market conditions for European leverage loans have shown signs of stabilisation. Default expectations remain at 15-20% of the market over the next 12-18 months in light of the weak global macro economic conditions and difficult credit markets.

Alternative Assets

The market for single obligor structured loans has reduced considerably as credit conditions in this area of the market have weakened significantly over the last 12 to 18 months.

¹ Commentary sourced from independent financial institution economic reports.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group Quarter ended 30 Jun 09 S\$'000	Group Year to date 30 Jun 09 S\$'000	Group Quarter ended 30 Jun 08 S\$'000	Group Year to date 30 Jun 08 S\$'000
Revenue				
Distribution income	282	475	-	-
Dividend income	306	627	715	1,449
Interest income	2,669	6,058	9,463	19,800
Rental income	1,383	2,832	1,292	2,619
Guarantee fee income	-	-	-	1,630
Net foreign exchange gains / (losses)	16,069	15,779	3,287	5,593
Royalty income	(360)	1,357	1,737	3,522
Gain on sale of investment	2,031	2,031	-	-
Other operating income	-	-	2,210	2,872
Total revenue	22,380	29,159	18,704	37,485
Expenses				
Management fees	(284)	(607)	(909)	(1,940)
Depreciation and amortisation	(414)	(1,328)	(883)	(1,790)
Finance costs	(1,800)	(4,240)	(3,949)	(9,128)
Impairment expense	382	(33,942)	(22,772)	(32,683)
Other operating expenses	(2,202)	(3,716)	(939)	(1,909)
Total expenses	(4,318)	(43,833)	(29,452)	(47,450)
Share of loss in equity accounted investment	-	-	(1,477)	(2,223)
Profit / (loss) before tax	18,062	(14,674)	(12,225)	(12,188)
Income tax expense	(162)	(2,922)	(311)	(273)
Profit / (loss) after tax	17,900	(17,596)	(12,536)	(12,461)
Other comprehensive income / (loss)				
Available for sale financial assets revaluation reserve	6,358	6,580	8,178	10,536
Equity accounting reserve	-	-	10,312	424
Foreign currency translation reserve	(7,599)	1,398	(4,727)	(17,752)
Other comprehensive income / (loss) for the period after tax	(1,241)	7,978	13,763	(6,792)
Total comprehensive income / (loss) for the period attributable to shareholders	16,659	(9,618)	1,227	(19,253)
Basic earnings / (loss) per share (cents per share)	4.56	(4.48)	(3.22)	(3.20)
Diluted earnings / (loss) per share (cents per share)	4.56	(4.48)	(3.21)	(3.19)

STATEMENT OF FINANCIAL POSITION

	Group As at 30 Jun 09 S\$'000	Group As at 31 Dec 08 S\$'000	Company As at 30 Jun 09 S\$'000	Company As at 31 Dec 08 S\$'000
Assets				
Cash and cash equivalents ¹	29,467 ²	80,224	21,634	64,788
Available for sale financial assets	13,490	13,604	-	-
Loans and receivables	90,095	94,572	-	-
Aircraft	39,251	39,699	-	-
Investment in subsidiary	-	-	132,826	143,584
Equity accounted investments	-	22,081	-	-
Intangible assets – music copyright assets	-	69,776	-	-
Deferred tax assets	-	2,477	-	-
Other assets	236	972	-	709
Total assets	172,539	323,405	154,460	209,081
Liabilities				
Interest bearing liabilities	24,007	157,978	-	-
Intercompany payable	-	-	6,017	46,185
Other liabilities	9,618	9,041	9,529	6,510
Total liabilities	33,625	167,019	15,546	52,695
Net assets attributable to shareholders	138,914	156,386	138,914	156,386
Shareholders equity	138,914	156,386	138,914	156,386
Net assets per share (\$ per share)	0.35	0.40	0.35	0.40

¹ Cash and cash equivalents for the Group as at 31 December 2008 included S\$60.3 million of short-term deposits used to support cash-backed letters of credit in connection with the Ancora commercial paper program ("the program"). There were no short-term deposits used to support cash-backed letters of credit in connection with the program at 30 June 2009 as the program was terminated during February 2009.

² Cash and cash equivalents of the Group at 30 June 2009 includes US\$3.0 million (S\$4.3 million) of restricted cash. Refer to the Contingencies note on page 15 for further information.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Group Quarter ended 30 Jun 09 S\$'000	Group Year to date 30 Jun 09 S\$'000	Group Quarter ended 30 Jun 08 S\$'000	Group Year to date 30 Jun 08 S\$'000
Cash flows from operating activities				
Operating costs	(8,371)	(10,188)	(588)	(1,424)
Interest income	3,177	6,354	8,750	19,091
Guarantee fee income	-	-	818	1,840
Distribution income	282	475	1,860	3,251
Dividend income	244	501	572	1,159
Rental income	481	986	438	858
Royalty income	-	3,027	-	2,678
Net cash inflow from operating activities	(4,187)	1,155	11,850	27,453
Cash flows from investing activities				
Investment in equity accounted investments	-	-	(2,748)	(3,062)
Net Sale / (Purchase) of intangible assets	67,245	67,245	(9)	(2,155)
Purchase of financial assets	-	-	(12,732)	(25,003)
Loan repayments received	6,819	13,214	35,218	54,469
Net cash inflow from investing activities	74,064	80,459	19,729	24,249
Cash flows from financing activities				
Net (repayments of) / proceeds from borrowings	(80,873)	(141,395)	(3,687)	(49,394)
Borrowing costs paid	(234)	(2,217)	(6,180)	(10,478)
Dividends paid	-	-	-	(23,258)
Net cash outflow from financing activities	(81,107)	(143,612)	(9,867)	(83,130)
Net increase / (decrease) in cash and cash equivalents	(11,230)	(61,998)	21,712	(31,428)
Cash and cash equivalents at beginning of period	31,343	80,224	72,036	126,471
Effects of exchange rate changes on cash and cash equivalents	5,013	6,900	2,104	809
Unrestricted cash and cash equivalents at end of period	25,126	25,126	95,852	95,852
Restricted cash and cash equivalents	4,341	4,341	-	-
Cash and cash equivalents at end of period	29,467	29,467	95,852	95,852

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Changes in shareholders' equity of the Group for the quarter ended 30 Jun 2009	Share capital S\$'000	Available for sale financial assets revaluation reserve S\$'000	Con-solidation reserve S\$'000	Translation reserves S\$'000	Retained earnings S\$'000	Total S\$'000	Group Quarter ended 30 Jun 08 S\$'000
Total equity at the beginning of the period	393,844	(822)	(57,745)	(23,353)	(181,815)	130,109	290,338
Total comprehensive income / (loss) for the period	-	6,358	-	(7,599)	17,900	16,659	1,227
Transactions with equity holders in their capacity as equity holders: Issue of share capital – reinvestment of management fees	-	-	-	-	-	-	1,013
Dividend for the period	-	-	-	-	(7,854)	(7,854)	(20,327)
Total equity at the end of the period	393,844	5,536	(57,745)	(30,952)	(171,769)	138,914	272,251

Changes in shareholders' equity of the Group for the half year ended 30 Jun 2009	Share capital S\$'000	Available for sale financial assets revaluation reserve S\$'000	Con-solidation reserve S\$'000	Translation reserves S\$'000	Retained earnings S\$'000	Total S\$'000	Group Half year ended 30 Jun 08 S\$'000
Total equity at the beginning of the period	393,844	(1,044)	(57,745)	(32,350)	(146,319)	156,386	309,382
Total comprehensive income / (loss) for the period	-	6,580	-	1,398	(17,596)	(9,618)	(19,253)
Transactions with equity holders in their capacity as equity holders: Issue of share capital – reinvestment of management fees	-	-	-	-	-	-	2,449
Dividend for the period	-	-	-	-	(7,854)	(7,854)	(20,327)
Total equity at the end of the period	393,844	5,536	(57,745)	(30,952)	(171,769)	138,914	272,251

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE COMPANY

Changes in shareholders' equity of the Company for the quarter ended 30 June 2009	Share capital S\$'000	Translation reserves S\$'000	Retained earnings S\$'000	Total S\$'000	Company Quarter ended 30 Jun 08 S\$'000
Total equity at the beginning of the period	393,844	(25,723)	(238,012)	130,109	349,980
Total comprehensive income / (loss) for the period	-	(7,808)	24,467	16,659	(15,875)
Transactions with equity holders in their capacity as equity holders:					
Issue of share capital – reinvestment of management fees	-	-	-	-	1,013
Dividend for the period	-	-	(7,854)	(7,854)	(20,327)
Total equity at the end of the period	393,844	(33,531)	(221,399)	138,914	314,791

Changes in shareholders' equity of the Company for the half year ended 30 June 2009	Share capital S\$'000	Translation reserves S\$'000	Retained earnings S\$'000	Total S\$'000	Company Half year ended 30 Jun 08 S\$'000
Total equity at the beginning of the period	393,844	(35,019)	(202,439)	156,386	338,589
Total comprehensive income / (loss) for the period	-	1,488	(11,106)	(9,618)	(5,920)
Transactions with equity holders in their capacity as equity holders:					
Issue of share capital – reinvestment of management fees	-	-	-	-	2,449
Dividend for the period	-	-	(7,854)	(7,854)	(20,327)
Total equity at the end of the period	393,844	(33,531)	(221,399)	138,914	314,791

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, except as set out below:

Changes in Accounting Policy

The Group has changed its accounting policy relating to segment reporting as a result of the new accounting standard, IFRS 8 *Operating Segments*, which became operative for the annual reporting period commencing on 1 January 2009.

Segment Reporting

The Group has applied IFRS 8 *Operating Segments* from 1 January 2009. IFRS 8 requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in an increase in the number of reportable segments presented, as the previously reported geographical segments of United Kingdom and Europe, the United States and Australia are now by asset class; Operating Lease Assets, Loan Portfolio and Securitisation Assets and Alternative Assets.

Operating segments are now reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker, which is the Board of Directors of the Company (the "Board").

Comparatives for 2008 have been restated.

Refer to the Global Investments Limited 30 June 2009 Condensed Consolidated Interim Financial Information Report to review the Segment Reporting note.

DIVIDENDS

On 4 June 2009 the Company declared a 2009 interim dividend of 2.00 cents per Share in respect of the period from 1 January 2009 to 30 June 2009. The 2009 interim dividend is expected to be paid on 20 August 2009.

The Company did not pay a final dividend in respect of the half year ended 31 December 2008. The 2008 interim dividend of 5.20 cents per Share in respect of the period from 1 January 2008 to 30 June 2008 was paid on 5 September 2008.

	Interim dividend 2009	Final dividend 2008
Ordinary shares		
Dividends per Share (cents)	2.00	-
Dividends paid/declared (\$'000)	7,854	-

As the Company was incorporated in Bermuda and is not resident in Singapore for tax purposes, dividends paid by the Company will be regarded as foreign-source income for Singaporean tax resident recipients.

Foreign dividends are subject to Singapore income tax when received in Singapore by corporate shareholders.

Foreign dividends received by foreign investors with no permanent establishment in Singapore are generally not subject to Singapore income tax.

Foreign-sourced dividends received by individuals in Singapore (whether resident or otherwise) are exempt from Singapore income tax unless these dividends are received via partnerships.

Neither Singapore nor Bermuda currently imposes withholding tax on dividends paid to non-Singapore or non-Bermudan tax resident shareholders.

CHANGES IN SHARE CAPITAL

There was no change in share capital during the quarter ended 30 June 2009. The total shares on issue at 30 June 2009 was 392,638,086. The total shares on issue at 31 December 2008 was 392,638,086.

NET ASSET VALUE

	Group As at 30 Jun 09 S\$'000	Group As at 31 Dec 08 S\$'000	Company As at 30 Jun 09 S\$'000	Company As at 31 Dec 08 S\$'000
Net asset value				
Total net asset value (\$'000)	138,914	156,386	138,914	156,386
Total number of ordinary shares on issue used in calculation of net asset value per share ('000)	392,638	392,638	392,638	392,638
Net asset value per ordinary share (\$ per share)	0.35	0.40	0.35	0.40

Net asset value per ordinary share is derived by dividing the net assets as disclosed in the balance sheet of the Group by the number of ordinary shares on issue as at the end of the accounting period.

EARNINGS PER SHARE

	Group Quarter ended 30 Jun 09 S\$'000	Group Year to date 30 Jun 09 S\$'000	Group Quarter ended 30 Jun 08 S\$'000	Group Year to date 30 Jun 08 S\$'000
Basic earnings / (loss) per share				
Earnings / (Loss) used in calculation of basic earnings / (loss) per share (S\$'000)	17,900	(17,596)	(12,536)	(12,461)
Weighted average number of shares on issue used in calculation of basic earnings / (loss) per share ('000)	392,638	392,638	389,498	388,966
Basic earnings / (loss) per share (cents per share)	4.56	(4.48)	(3.22)	(3.20)
Diluted earnings / (loss) per share				
Diluted earnings / (loss) used in calculation of diluted earnings / (loss) per share (\$'000)	17,900	(17,596)	(12,536)	(12,461)
Weighted average number of shares on issue used in calculation of diluted earnings / (loss) per share ('000)	392,638	392,638	390,907	390,200
Diluted earnings / (loss) per share (cents per share)	4.56	(4.48)	(3.21)	(3.19)

INTEREST BEARING LIABILITIES

	Group As at 30 Jun 09 S\$'0000	Group As at 31 Dec 08 S\$'0000
Term loans ¹	24,007	66,212
Commercial paper notes ²	-	91,766
Total interest bearing liabilities	24,007	157,978
Amount repayable in one year or less, or on demand	1,939	95,380
Amount repayable after one year	22,068	62,598
Total interest bearing liabilities	24,007	157,978
Amount secured	24,007	157,978
Amount unsecured	-	-
Total interest bearing liabilities	24,007	157,978

¹ The balance of the term loans has decreased during the quarter ended 30 June 2009 due to the full repayment and cancellation of the Bank of Ireland facility in connection with the sale of the Group's Music Copyright Assets on 7 April 2009 and the Company's corporate facility on 30 April 2009.

² Under the LC Procurement Agreement dated 27 October 2006, between GIL and the Ancora Group, GIL agreed to procure letters of credit from a bank rated A1+ by Standard & Poor's to support the commercial paper program which the Ancora group established. There was no commercial paper on issue at 30 June 2009 as a result of the termination of the commercial paper program in February 2009 in line with the acquisition of the Ancora securitisation assets by a wholly owned subsidiary of GIL.

AUDIT OR REVIEW

The financial information set out from pages 8 to 16 of this report has been extracted from the interim financial report that has been reviewed in accordance with Singapore Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity."

The extract of the review report dated 14 August 2009 on the interim financial report of the Company and its subsidiaries for the period ended 30 June 2009 is attached to this announcement on page 18.

CONTINGENCIES

Contingent Liabilities

In connection with the sale of the Music Assets, Bank of Ireland ("BOI"), the lender to BBSFF Music Copyright Holdings Limited ("BMCH") has asserted that it is entitled to be paid certain break costs of approximately US\$2.1 million (S\$3.1 million) arising from the repayment of the corresponding asset-level debt facility. The Company rejects this assertion. No provision in relation to BOI's claim has been recognised at 30 June 2009.

The Company has agreed with BOI the release of all but US\$3.0 million (S\$4.3 million) of the net proceeds received upon the sale of the Music Assets over which BOI asserted a security interest. Whilst this sum is included in the balance of Cash and cash equivalents at 30 June 2009 it is not readily available. The Company continues to liaise with BOI on this issue.

SUBSEQUENT EVENTS

- **Change of Company Secretary and Registered Office**

On 3 July 2009 the Company announced the appointment of Ms Anne-Bennett-Smith as its Company Secretary and ISIS Fund Services Ltd as its Administrator. These appointments were effective 1 July 2009 and take over such roles from Ms Sasha Castle and Citi Hedge Fund Services, Ltd respectively.

As a result of these appointments, the Company's registered office and principal place of business changed to the following:

Penboss Building, 2nd Floor
50 Parliament Street
Hamilton, HM12, Bermuda

- **Disposal of Paramount Mezzanine Loan ("Paramount") Investment**

On 15 July 2009 the Company announced that it had finalised an agreement to dispose of the Group's investment in Paramount for consideration of US\$75,000. The Group's investment in Paramount has been acquired by the senior lenders to the Paramount project, namely Corus Bank, N.A. and iStar Tara LLC.

At 30 June 2009 the Group's investment in Paramount was recorded in the financial report at nil. The proceeds from the disposal of the Company's interest has therefore resulted in an accounting gain on sale of US\$75,000.

- **Repayment of Senior NIM Note in Pepper Securitisation No. 2 Investment ("Pepper 3")**

On 15 July 2009 the Group received payment in full for its remaining investment in the Pepper 2 senior NIM note. This repayment was anticipated as discussed in the 2008 Annual Report.

- **Update on the GIL Strategic Review**

On 7 August 2009 the Company announced that it had resolved to change the manager of the Company and to engage with one candidate in negotiations for its appointment as the new manager of the Company.

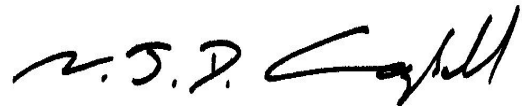
CONFIRMATION OF THE BOARD PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

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 ended 30 June 2009 to be false or misleading in any material respect.

On behalf of the Board of Directors



Phil Mackey
Chairman
14 August 2009



Nicholas Campbell
Director
14 August 2009

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Reg. No.: T09LL0001D

**TO THE SHAREHOLDERS AND BOARD OF DIRECTORS OF
GLOBAL INVESTMENTS LIMITED (“COMPANY”) AND ITS SUBSIDIARIES (“GROUP”)**

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2009**

Introduction

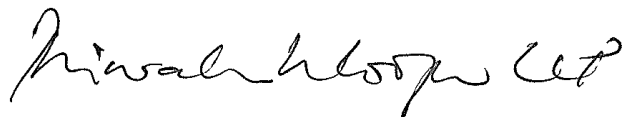
We have reviewed the accompanying condensed statement of financial position of the Company as of 30 June 2009 and the related condensed statements of changes in equity of the Company for the three-month period and six-month period then ended, the consolidated condensed statement of financial position of the Group as of 30 June 2009 and the related consolidated condensed statements of comprehensive income, changes in equity and cash flows of the Group for the three-month period and six-month period then ended, and other explanatory notes (“interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard (“IAS”) 34, “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standard on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.



PricewaterhouseCoopers LLP
Public Accountants and Certified Public Accountants

Singapore, 14 August 2009