



GLOBAL INVESTMENTS LIMITED¹

SGX Report for the Financial Year ended 31 December 2009

Investments in Global Investments Limited ("GIL") are not deposits with or other liabilities of ST Asset Management Ltd² ("STAM"), Temasek Holdings (Private) Limited ("Temasek") or any of STAM's related corporations³ and are subject to investment risk, including possible loss of income and capital invested. Neither STAM (manager of GIL), Temasek 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.

GIL was managed by two managers BBGIM (1 January 2009 to 25 November 2009) and STAM (25 November 2009 to 31 December 2009) in the financial year ended 31 December 2009. As such, the managers are individually responsible for the preparation and maintenance of accounting and other records for the respective periods that they are managers of GIL.

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

² On 25 November 2009 (Date of Appointment), ST Asset Management Ltd was appointed the manager of the Company, replacing the former manager, Babcock & Brown Global Investments Management Pty Limited ("BBGIM").

³ Related corporations as defined under Section 6 of the Singapore Companies Act (Chapter 50).

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REVIEW OF GLOBAL INVESTMENTS LIMITED PERFORMANCE

PERFORMANCE REVIEW

(I) Quarter ended 31 December 2009

For the quarter, Global Investments Limited (“GIL” or “the Company”) and its subsidiaries collectively referred to as “the Group” recorded a net loss after tax of S\$19.1 million. The result was due mainly to impairment losses recognised in respect of the Group’s investment in Seiza Series 2006-1 Trust (“Seiza Warehouse”) Senior NIM Note, Avoca VII CLO Class F Note and Provident Cashflow Limited totalling S\$19.2 million. The performance was further impacted by the provision of settlement sum of US\$0.9 million (S\$1.3 million) in respect of the claim made by Bank of Ireland (“Bol”) of approximately US\$2.3 million.

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

Impairment loss on investment in Seiza Series 2006-1 Trust (“Seiza Warehouse”) Senior NIM Note

The overall performance of the portfolio remains poor. As the excess spread will go towards meeting losses, the expected return from the discounted cash flow valuation has declined and resulted in an impairment loss of A\$8.6 million (S\$11.2 million) being recorded through impairment expense in the Statement of Comprehensive Income.

Impairment loss on investment in Avoca VII CLO Class F Note

The par value of underlying collateral continued to decrease due to defaults. The expected return from the discounted cash flow valuation has declined and resulted in an impairment loss of Euro1.9 million (S\$4.1 million) being recorded through impairment expense in the Statement of Comprehensive Income.

Impairment loss on investment in Provident Cashflow Limited (“PCL”)

PCL had commenced legal proceedings against the insurer as the insurer allegedly failed to indemnify PCL in relation to certain outstanding receivables. The insurer is denying liability and claiming to be entitled to be reimbursed for amounts it had paid to PCL in respect of certain receivables. In addition, the insurer has also sought to terminate the insurance policies with PCL. In light of the uncertainty in the recovery of the outstanding receivables, it is probable that there would be limited recovery from the fixed and floating charge over PCL’s assets and from the guarantors. Based on the above circumstances, an impairment expense of A\$3.5 million (S\$4.5 million) has been recorded in the Statement of Comprehensive Income.

Reversal of impairment loss on Avoca VI Subordinated Note and Avoca VII Class G Note

The impairment of the subordinated note in the Avoca VI investment and Avoca VII Class G Note has been further reduced this quarter by EUR0.47 million (S\$0.96 million) and EUR0.54 million (S\$1.1 million) respectively based on independent pricing quotes. 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.

Investment in Babcock & Brown Air Limited (“B&B Air”)

The share price of B&B Air during the quarter has declined and this has resulted in an amount of US\$0.7 million (S\$0.9 million) being recorded through equity in the available for sale financial assets revaluation reserve in line with International Accounting Standard 39 *Financial Instruments: Recognition and Measurement*.

Provision of Bank of Ireland Settlement Sum

As announced, BoI and the Company's subsidiary, BBSFF Music Copyright Holdings Limited ("BMCH") has entered into an amicable settlement by the payment of US\$0.9 million (the "Settlement Sum") by BMCH, representing a full and final settlement of all claims. The Settlement Sum has been provided in the 4Q 09 financial results.

Assets pledged or charged

The Company and its subsidiaries were parties to an amended and restated multicurrency revolving facility agreement with the Commonwealth Bank of Australia ("CBA") in June 2008 and certain assets were either pledged or charged in relation thereto in favour of CBA. The pledge or charge was not reported in 2008 financial statements. The facility with CBA was fully repaid in April 2009 and the Company is arranging for the full discharge of the pledges/charges.

Net foreign exchange gains

The net foreign exchange gains of S\$1.6 million have been recorded in the Statement of Comprehensive Income this quarter as a result of the further strengthening of the Australian dollar against United States dollar, the underlying currency of a number of the Group's investments. The gain is an accounting adjustment which does not affect cash economic income or dividend payable to Shareholders.

(II) Full Year 2009 Review

The Group's unaudited operating results for the full year 2009 are summarized below:-

	Group year ended 31 Dec 2009 S\$'000	Group year end 31 Dec 2008 S\$'000
Revenue	45,099	55,661
Expenses	(75,751)	(195,087)
Share of loss in equity accounted investments	-	(18,266)
Loss before tax	(30,652)	(157,692)
Income tax benefit/(expense)	(3,212)	1,137
Loss after tax	(33,864)	(156,555)

The Group's revenue for the year 2009 of S\$45.1 million was lower than the 2008 revenue of S\$55.7 million due mainly to lower interest income from the loans portfolio and securitisation assets and royalty income of S\$24.2 million and S\$5.8 million respectively, partially offset by the net foreign exchange gain of S\$23.6 million.

The Group's total expenses for the year 2009 were S\$75.8 million as compared to the year 2008 of S\$195.1 million. The lower expenses for 2009 were mainly due to the lower impairment loss of S\$78.3 million, lower finance costs of S\$11.2 million as a result of the reduced level of interest bearing loans. In addition, there was a net foreign exchange gain in 2009 of S\$23.6 million as compared to a net foreign exchange loss of S\$29.4 million in 2008.

The net foreign exchange gains or losses are accounting adjustments which do not affect cash economic income or dividend payable to Shareholders.

There was no share of loss in equity accounted investments in 2009 as the investments have been fully impaired.



On the business front, the Company disposed of the portfolio of music copyright assets, cancelled its corporate debt facility, disposed of its investment in the Paramount Mezzanine Loan and terminated the commercial paper program in February 2009 which the Ancora group has established. Subsequent to the sale of the Company's portfolio of music copyright assets which allowed the Company to further de-lever at the corporate level and to return to distributing cash economic income to the shareholders, the Company has reinstated dividend payments for 1st and 2nd half of the year.

After the change in manager to ST Asset Management Ltd ("STAM" or the "Manager") from 25 November 2009, a fresh review of the assets was carried out at the handover date as well as at year end and to date. The Company managed to resolve a dispute with Bol amicably and has arranged to terminate the lease of unused office space and will continue to monitor the remaining assets and to re-assess the governance and control environment following the change in the manager. This will continue to be the Company's focus for the first half of 2010.



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 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 Thomson Airways Limited (formerly known as 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 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 1,051,000 shares or 3.5% in 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.à.r.l. ("CBRail Group"), an operating lessor based in Luxembourg. The Group has a 35% interest in BBRIL which currently owns a portfolio of passenger train fleets, locomotives and freight wagons.

LOAN PORTFOLIO AND SECURITISATION ASSETS

Pepper Residential Securities Trust No.5 ("PRS5")

PRS5 is a securitisation vehicle which owns Australian non-conforming residential mortgage loans originated by Pepper Homeloans Pty Limited. The Group has invested in the Class E Note.

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

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



Provident Cashflow Limited (“PCL”)

PCL carries on a business of cashflow lending to its customers (“Borrowers”) for the purpose of purchasing inventory under credit buyer agreements and trade credit insurance in respect of such receivables has been obtained by PCL from an insurance company. BBSFF Securitisation Limited, a wholly owned subsidiary of the Company, granted a revolving purchase facility to PCL to enable PCL to fund the loans to the various Borrowers. The Borrowers are typically small to medium sized enterprises.

Seiza Series 2006-1 Trust (“Seiza Warehouse”)

Seiza is a warehouse vehicle which owns Australian residential and commercial mortgages originated by Seiza Mortgage Company Pty Limited. The Group has invested in the Class F Note, Class G Note and Senior NIM Note. Payment to the Senior NIM Note depends on available excess interest.

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

Seiza Augustus is a securitisation vehicle which owns Australian commercial and residential mortgage loans originated by Seiza Mortgage Company Pty Limited. The Group has invested in the Class G Note and Class N Note. Payment to the Class N Note depends on available excess interest.

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 Mortgage Early Repayment Certificates (MERC) and residual certificates issued by Newgate Funding 2006-3 plc which is a securitisation vehicle owning non-conforming mortgages originated by Mortgages plc. The MERC payments come from prepayment penalties paid by borrowers in the mortgage pool. The residual certificate is 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 VI CLO Investment (“Avoca VI”)

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 VII CLO Investment (“Avoca VII”)

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

ALTERNATIVE ASSETS

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

ECONOMIC OUTLOOK¹

Global growth is expected to remain subdued in 2010. Inflationary risks may return, driven by record low interest rates, excessive credit growth, and quantitative easing measures implemented during the financial crisis. Governments and central banks will gradually look to withdraw fiscal and monetary stimulus policies, and increased sovereign credit risks stemming from unsustainable debt levels in several economies will continue to induce market volatilities.

United States (“US”)

The nascent US economic recovery continued into the last quarter of 2009. Key economic indicators like industrial production, durable good orders and retail spending have come in ahead of expectations, likely due to strong gains over the low base established in late 2008. The unemployment rate has stayed elevated after peaking in October 2009, although recent trends in average weekly job claims point towards marginal improvements in the labour market over the short term. Corporate earnings have surprised on the upside due to aggressive cost-cutting initiatives, although headline revenue growth has yet to recover. After months of positive gains, housing indicators have become more uncertain, indicating the impact of the homebuyer tax credit may be waning and home prices will not see meaningful gains over the near- to medium-term. Significant economic slack also persists, as capacity utilization remains at record lows. High unemployment, a weak housing market and economic slack will continue to weigh on the fragile economy and keep growth sluggish, and the Federal Reserve is expected to remain accommodative and maintain the Fed Funds rate at between 0% and 0.25%.

United Kingdom (“UK”)

The UK has remained a laggard in the global recovery, and the economic outlook for the country remains poor, with household and public debt levels at record highs. Due to concerns over unemployment and home prices, much of the liquidity created from lower interest rates has been saved or used to repay debt, resulting in dampened consumer spending. Manufacturing data has remained weak, and the sector has only reversed a small fraction of the decline experienced over the recession. Weakness in the Sterling has also yet to translate into any improvements in the UK’s net trade position. The Bank of England has maintained its quantitative easing programme which has kept bond yields low and encouraged gains in equity and bond markets. Investor sentiment has deteriorated. Political uncertainty remains high, with elections likely to take place in May 2010 and neither the Labour nor Conservative Party outlining a clear fiscal plan to reign in the deficit.

Europe

Growth in the Euro area has come in ahead of expectations, underpinned by strong recoveries in Germany and France. The strong rise in orders since spring 2009, the still-low level of production, and the improvement in leading indicators suggest output in the Eurozone will continue to improve. Although the Eurozone’s domestic consumer is better positioned with relatively higher accumulated savings, high unemployment will likely continue to weigh on consumer spending, dampening the recovery and causing the Eurozone to lag behind the US and Asia. In spite of government policies to keep workers in their jobs, unemployment is still expected to climb. The growth differential among Eurozone countries will likely persist. Germany and France will lead the recovery, while countries plagued by worsening fiscal deficits - including Greece, Spain, Ireland and Portugal - are expected to lag. These countries will have to consolidate their fiscal accounts, limiting room for any policy stimulus to spur growth.

¹ Commentary sourced from independent financial institution economic reports.

Australia

Australia has been one of the few countries that has avoided recession. Its exposure to fast-growing emerging economies, especially China, continues to drive its growth. Although the Reserve Bank of Australia (RBA) has withdrawn its accommodative monetary policy, growth has remained strong, supported by a resilient labour market and buoyant home prices. The RBA has taken the lead among central banks in hiking rates, but may proceed more cautiously in 2010 as the rate hikes gradually dampen consumer spending and cause the Australian dollar to appreciate.

BUSINESS OUTLOOK ¹

TARGETED ASSET CLASSES

Operating Lease Assets

The International Air Transport Association (“IATA”) believes that the worst is over but the global aviation industry is still facing tough times ahead. In 2009, passenger and cargo yields plummeted by 12% and 15% respectively. While IATA projects passenger traffic to increase by 4.5% and air cargo by 7% in 2010, it forecasts no improvement in passenger yields and cargo yields to improve marginally by 0.9%. Passenger and cargo yields are not expected to recover due to excess capacity and lower corporate activities. The outlook for aircraft lessors continues to be challenged as a result of tight credit markets, falling aircraft values and in rise airline failures.

The rail car leasing industry in the US is not expected to recover in the near future due to weak demand for electricity and coal. Together with an anticipated surplus of coal rail cars, renewal rates as well as residual values for coal rail cars are expected to continue to be weak.

Starting in 2010, European rail operators are allowed to open international passenger rail routes in all EU countries. While the liberalisation of the European rail market is positive for the rail leasing industry, the slowdown in economic activity has led to a lower than expected demand for leasing of rail equipments. Progress in new service offers from operators is expected to continue to be slow and this will lead to later than expected award of tenders to the operators and a consequent deferment of any new lease commitments for passenger rail equipments. Demand for freight cars is likely to remain muted as freight volumes remain low and there is a large number of unutilised freight cars.

Loan Portfolio and Securitisation Assets

The Australian housing market which has been relatively strong in 2009 may moderate as interest rates are raised and government stimulus is withdrawn. However, the strong demand of housing and improving economic conditions should provide support to property prices.

The residential market in the UK is showing signs of stabilisation. Generally, the average house prices have stabilised in recent months and certain areas have even registered a rebound. However further declines should not be ruled out although the general consensus anticipates for flat housing price movement in 2010. Despite the low interest rate environment, borrowers are expected to be further pressured due to the tough overall economic conditions and consequently defaults are expected to remain high.

Market conditions for European leveraged loans have improved as secondary loan prices continued to increase this quarter. With the improvement in economic outlook and credit conditions, high yield issuers are increasingly able to refinance their debt. However, further rating downgrades on loan issuers in 2010 are expected. Defaults are expected to remain elevated in the short term but are expected to decline by the end of 2011.

Alternative Assets

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

Summary

Against this economic and business backdrop, the Company will continue to actively manage its assets and the associated risk with the view to enhance returns to shareholders. The Company will also seek investment opportunities in targeted asset classes that fit the investment objectives and risk profile of the Company.

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



INTERESTED PERSON TRANSACTIONS

(A) DIRECTORS

The following persons were directors of GIL during the financial year:

Directors currently in office as at the date of the report:

		Date of Appointment
Boon Swan Foo ¹	Chairman	25 November 2009
Tara Leonard Railton ²	Deputy Chairman	25 October 2006
Joel Peter Schaefer ²	Director	25 October 2006
Nicholas James Douglas Campbell ²	Director	4 May 2009
Chan Pengee Adrian ²	Director	5 May 2009
Sanjiv Misra ²	Director	8 May 2009
Tan Mui Hong ¹	Alternate Director to Boon Swan Foo	15 December 2009

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. Ms Tan Mui Hong was appointed Alternate Director to Boon Swan Foo on 15 December 2009.

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
Dilhan Pillay Sandrasegara ¹	Director	25 October 2006	25 November 2009
Lee Soon Kie ¹	Director	25 October 2006	25 November 2009
Sylvia Wiggins ²	Director	12 March 2007	5 January 2009
Daniel J Brickman ²	Director	9 September 2008	5 January 2009
Julian Blackley ²	Director	25 February 2009	25 November 2009
Philip Mackey ²	Director	6 April 2009	25 November 2009

¹ The directors are regarded as independent in accordance with the Singapore Code of Corporate Governance 2005.

² Sylvia Wiggins, Daniel J Brickman, Julian Blackley and Philip Mackay were Manager Appointed Directors. From 12 March 2007 to 20 May 2008, Sylvia Wiggins was on the Board of Directors as an Alternate Director to James Fantaci and from 21 May 2008 to 24 November 2008, Ms Wiggins held the position of Chairman. Philip Mackey was appointed as Manager Appointed Director and Chairman from 6 April 2009 to 25 November 2009.

(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.



Prior to 1 July 2009, Tara Leonard Railton, Joel Peter Schaefer, Nicholas James Douglas Campbell, Chan Pengee Adrian and Sanjiv Misra are each entitled to an annual directorship fee of US\$50,000 per annum, paid quarterly in arrears. The fees would be pro-rated if the appointment is during the financial year.

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
Deputy Chairman of the GIL Board	US\$5,000 per annum
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
Directorship of all Cayman Islands subsidiary companies	US\$5,000 per director 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. A total of US\$148,327 has been paid and US\$75,250 is payable by GIL in respect of the year ended 31 December 2009.

Dilhan Pillay Sandrasegara and Lee Soon Kie did not receive any directors' remuneration for the year 2009.

(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 during the year exist:

	Group 2009 S\$'000	Group 2008 S\$'000
Transactions with STAM:-		
Base management fees	94	-
Fixed fees	66	-
Reimbursement of expenses	120	-
Transactions with BBGIM:-		
Base management fees	997	2,756
Management expense reimbursement	1,219	-
Non-designated services fees	84	-
Transitional services fees	63	-
Retention sum	389	-
Acquisition fee	-	39
Divestment fee	596	-
Debt raising fee	-	245
Dividends	185	643



	Group As at 31 December 2009 S\$'000	Company As at 31 December 2009 S\$'000	Group As at 31 December 2008 S\$'000	Company As at 31 December 2008 S\$'000
Balances with STAM:-				
Accrued base management fees	94	94	-	-
Accrued fixed fees	66	66	-	-
Expense reimbursement ¹	120	120	-	-
Balances with BBGIM:-				
Accrued base management fees	-	-	335	335
Expense reimbursement ¹	-	-	2,000	2,000
Total liabilities payable to the Manager	280	280	2,335	2,335

¹ The expense reimbursement relates to those costs which have been paid or are payable by the Manager on behalf of the Company and are required to be reimbursed by the Company pursuant to the management agreements between the Company and the Manager.

Prior to 2009, the Company has issued 9,230,308 ordinary shares to BBGIM through its nominee, AGSO Property Pty Ltd as trustee for Babcock & Brown Prime Broking Trust. No shares have been issued to BBGIM during the period 1 January 2009 to 25 November 2009.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group quarter ended 31 Dec 09 S\$'000	Group year ended 31 Dec 09 S\$'000	Group quarter ended 31 Dec 08 S\$'000	Group year ended 31 Dec 08 S\$'000
Revenue				
Distribution income	-	795	-	-
Dividend income	293	1,221	775	2,962
Interest income	1,746	10,466	6,120	34,652
Rental income	1,324	5,518	1,402	5,354
Guarantee fee income	-	-	-	1,630
Net foreign exchange gains	1,588	23,601	-	-
Royalty income	-	1,357	1,836	7,108
Gain on sale of investment	-	2,141	-	-
Other operating income	-	-	725	3,955
Total revenue	4,951	45,099	10,858	55,661
Expenses				
Management fees	(287)	(1,162)	(354)	(2,827)
Depreciation and amortisation	(353)	(2,050)	(911)	(3,605)
Finance costs	(425)	(5,202)	(3,148)	(16,355)
Net foreign exchange losses	-	-	(15,799)	(29,426)
Impairment expense	(19,171)	(58,425)	(90,372)	(136,718)
Other operating expenses	(3,772)	(8,912)	(3,521)	(6,156)
Total expenses	(24,008)	(75,751)	(114,105)	(195,087)
Share of loss in equity accounted investment	-	-	(13,756)	(18,266)
Loss before tax	(19,057)	(30,652)	(117,003)	(157,692)
Income tax benefit / (expense)	(27)	(3,212)	819	1,137
Loss after tax	(19,084)	(33,864)	(116,184)	(156,555)
Other comprehensive income/(loss)				
Available for sale financial assets revaluation reserve	1,373	11,540	14,798	19,713
Equity accounting reserve	-	-	7,065	5,869
Foreign currency translation reserve	(1,135)	(2,895)	(342)	(5,037)
Other comprehensive income for the period after tax	238	8,645	21,521	20,545
Total comprehensive loss for the period attributable to shareholders	(18,846)	(25,219)	(94,663)	(136,010)
Basic loss per share (cents per share)	(4.86)	(8.62)	(29.62)	(40.11)
Diluted loss per share (cents per share)	(4.86)	(8.62)	(29.62)	(40.11)



STATEMENT OF FINANCIAL POSITION

	Group As at 31 Dec 09 S\$'000	Group As at 31 Dec 08 S\$'000	Company As at 31 Dec 09 S\$'000	Company As at 31 Dec 08 S\$'000
Assets¹				
Cash and cash equivalents ²	27,499	80,224	19,511	64,788
Available for sale financial assets	16,096	13,604	-	-
Loans and receivables	68,373	94,572	-	-
Aircraft	37,294	39,699	-	-
Investment in subsidiary	-	-	97,803	143,584
Equity accounted investments	-	22,081	-	-
Intangible assets – music copyright assets	-	69,776	-	-
Deferred tax assets	-	2,477	-	-
Intercompany receivable	-	-	8,430	-
Other assets	268	972	67	709
Total assets	149,530	323,405	125,811	209,081
Liabilities				
Interest bearing liabilities ¹	22,317	157,978	-	-
Intercompany payable	-	-	-	46,185
Other liabilities	7,826	9,041	6,424	6,510
Total liabilities	30,143	167,019	6,424	52,695
Net assets attributable to shareholders	119,387	156,386	119,387	156,386
Shareholders equity	119,387	156,386	119,387	156,386
Net assets per share (S\$ per share)	0.30	0.40	0.30	0.40

¹ The Company and its subsidiaries were parties to an amended and restated multicurrency revolving facility agreement with the Commonwealth Bank of Australia (“CBA”) in June 2008 and certain assets were either pledged or charged in relation thereto in favour of CBA. The pledge or charge was not reported in 2008 financial statements. The facility with CBA was fully repaid in April 2009 and the Company is arranging for the full discharge of the pledges/charges.

² Cash and cash equivalents of the Group as at 31 December 2009 includes US\$3.0 million (S\$4.2 million) of restricted cash. Refer to the Contingencies note on page 27 for further information. Cash and cash equivalents for the Group as at 31 December 2008 includes S\$60.3 million of short-term deposits used to support cash-backed letters of credit in connection with the Ancora commercial paper program. There were no short-term deposits used to support cash-backed letters of credit in connection with the program at 31 December 2009 as the program was terminated in February 2009.



CONSOLIDATED STATEMENT OF CASH FLOWS

	Group quarter ended 31 Dec 2009 S\$'000	Group year ended 31 Dec 2009 S\$'000	Group quarter ended 31 Dec 2008 S\$'000	Group year ended 31 Dec 2008 S\$'000
Cash flows from operating activities				
Operating costs	(2,323)	(13,577)	(1,522)	(3,376)
Interest income	2,637	11,503	7,253	34,889
Guarantee fee income	-	-	-	1,840
Distribution income	-	795	349	5,519
Dividend income	293	1,221	775	2,962
Rental income	1,338	5,575	1,415	5,353
Royalty income	-	3,027	-	5,671
Income tax paid	(58)	(705)	(152)	(637)
Net cash inflow from operating activities	1,887	7,839	8,118	52,221
Cash flows from investing activities				
Investment in equity accounted investments	-	-	-	(3,078)
Net sale / (purchase) of intangible assets	-	67,245	-	(2,368)
Purchase of financial assets	-	-	-	(25,974)
Loan repayments received	1,754	16,312	9,696	75,149
Disposal of loans and receivables assets	-	110	-	-
Net cash inflow from investing activities	1,754	83,667	9,696	43,729
Cash flows from financing activities				
Net repayments of borrowings	(456)	(143,240)	(5,766)	(60,163)
Borrowing costs paid	(453)	(4,103)	(2,882)	(16,867)
Dividends paid	-	(7,854)	-	(43,585)
Net cash outflow from financing activities	(909)	(155,197)	(8,648)	(120,615)
Net (decrease) / increase in cash and cash equivalents	2,732	(63,691)	9,166	(24,665)
Unrestricted cash and cash equivalents at beginning of year / period	20,574	80,224	82,486	126,471
Effects of exchange rate changes on cash and cash equivalents	(12)	6,761	(11,428)	(21,582)
Unrestricted cash and cash equivalents at end of year/period	23,294	23,294	80,224	80,224
Restricted cash and cash equivalents ¹	4,205	4,205	-	-
Cash and cash equivalents at end of year / period	27,499	27,499	80,224	80,224

¹Subsequent to the year end, the cash of US\$3.0 million (S\$4.2 million) is no longer restricted. Refer to "Subsequent Event" note 28 for further details.



CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Changes in shareholders' equity of the Group for the quarter ended 31 Dec 2009	Share capital S\$'000	Available for sale financial assets revaluation reserve S\$'000	Consolidation reserve S\$'000	Translation reserves S\$'000	Retained earnings S\$'000	Total S\$'000	Group Quarter ended 31 Dec 08 S\$'000
Total equity at the beginning of the period	393,844	9,123	(57,745)	(34,110)	(168,953)	142,159	250,157
Total comprehensive income/(loss) for the period	-	1,373	-	(1,135)	(19,084)	(18,846)	(94,663)
Transfer of reserves to retained earnings ¹	-	-	57,745	-	(57,745)	-	-
Transactions with equity holders in their capacity as equity holders:							
Issue of share capital – reinvestment of management fees	-	-	-	-	-	-	892
Dividend for the period	-	-	-	-	(3,926)	(3,926)	-
Total equity at the end of the period	393,844	10,496	-	(35,245)	(249,708)	119,387	156,386

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 account. 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.



CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Changes in shareholders' equity of the Group for the year ended 31 Dec 2009	Share capital S\$'000	Available for sale financial assets revaluation reserve S\$'000	Consolidation reserve S\$'000	Translation reserves S\$'000	Retained earnings S\$'000	Total S\$'000	Group year ended 31 Dec 08 S\$'000
Total equity at the beginning of the year	393,844	(1,044)	(57,745)	(32,350)	(146,319)	156,386	309,382
Total comprehensive income/(loss) for the year	-	11,540	-	(2,895)	(33,864)	(25,219)	(136,010)
Transfer of reserves to retained earnings ¹	-	-	57,745	-	(57,745)	-	-
Transactions with equity holders in their capacity as equity holders:							
Issue of share capital – reinvestment of management fees	-	-	-	-	-	-	3,341
Dividend for the year	-	-	-	-	(11,780)	(11,780)	(20,327)
Total equity at the end of the year	393,844	10,496	-	(35,245)	(249,708)	119,387	156,386

¹ Refer to note on page 17.



STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE COMPANY

Changes in shareholders' equity of the Company for the quarter ended 31 Dec 2009	Share capital S\$'000	Translation reserves S\$'000	Retained earnings S\$'000	Total S\$'000	Company quarter ended 31 Dec 08 S\$'000
Total equity at the beginning of the period	393,844	(36,701)	(214,984)	142,159	324,966
Total comprehensive loss for the period	-	(1,069)	(17,777)	(18,846)	(169,472)
Transactions with equity holders in their capacity as equity holders:					
Issue of share capital – reinvestment of management fees	-	-	-	-	892
Dividend for the period	-	-	(3,926)	(3,926)	-
Total equity at the end of the period	393,844	(37,770)	(236,687)	119,387	156,386

Changes in shareholders' equity of the Company for the year ended 31 Dec 2009	Share capital S\$'000	Translation reserves S\$'000	Retained earnings S\$'000	Total S\$'000	Company year ended 31 Dec 08 S\$'000
Total equity at the beginning of the Year	393,844	(35,019)	(202,439)	156,386	338,589
Total comprehensive loss for the year	-	(2,751)	(22,468)	(25,219)	(165,217)
Transactions with equity holders in their capacity as equity holders:					
Issue of share capital – reinvestment of management fees	-	-	-	-	3,341
Dividend for the year	-	-	(11,780)	(11,780)	(20,327)
Total equity at the end of the year	393,844	(37,770)	(236,687)	119,387	156,386

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 Company 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 in respect of Segment Reporting have been restated to conform with the current year's presentation.

Critical Accounting Judgement

In the SGX Quarterly Report 30 September 2009, the Company has highlighted that it has made a critical accounting judgement around control. International Accounting Standards state that control exists when an entity has the power, directly or indirectly to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In the case of special purpose entities, it is sometimes difficult to determine whether control exists and as a result, four additional indicators of control over a special purpose entity have been released by the International Accounting Standards Board ("IASB"). The Company has considered the fundamental accounting principles of control as well as each of these indicators and has determined that it does not control any of the special purpose entities in which it has invested.

Seiza Augustus Series 2007-1 Trust

In respect of the Group's investments in the Seiza Augustus Series 2007-1 Trust as highlighted in the SGX Quarterly Report 30 September 2009, the Group is of the view that it does not control the above special purpose entity as it is not exposed to the majority of the residual rewards and residual risks as there are classes of note holders which sit subordinate to the note held by the Group. In addition, the special purpose entity is not engaged in activities solely on behalf of the Group and the Group has no decision making power at the special purpose entity.

Seiza Series 2006-1 Trust (Warehouse)

The critical accounting judgement around control in respect of the Group's investment in Seiza Series 2006-1 Trust (Warehouse) arose following a restructuring of the investment. Under the restructured waterfall, the Senior NIM note is not expected to receive cashflow until a certain threshold amount is received by the Junior NIM noteholders and the

Originator. Upon review, the Group is of the view that it does not control the above special purpose entity as it is not exposed to the majority of the residual rewards and residual risks as there are classes of note holders which sit subordinate to the note held by the Group. In addition, the special purpose entity is not engaged in activities solely on behalf of the Group and the Group has no decision making power at the special purpose entity.

DIVIDENDS

A final dividend of 1.00 Singapore cents per share declared for the period 1 July 2009 to 31 December 2009 amounting to S\$3.93 million is expected to be paid on 25 February 2010.

The 2009 interim dividend of 2.00 cents per share in respect of the period from 1 January 2009 to 30 June 2009 was paid on 20 August 2009 and amounted to S\$7.85 million.

The Company did not pay a final dividend in respect of the half year ended 31 December 2008.

	Group 2009	Group 2008
Ordinary shares		
Interim Dividend		
Dividends per Share (cents)	2.00	5.20
Dividends paid/declared (S\$'000)	7,854	20,327
Final Dividend		
Dividends per Share (cents)	1.00	-
Dividends declared (S\$'000)	3,926	-

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 were no changes in share capital during the quarter ended 31 December 2009.

The total shares on issue at 31 December 2009 and 31 December 2008 was 392,638,086.

NET ASSET VALUE

	Group As at 31 Dec 09	Group As at 31 Dec 08	Company As at 31 Dec 09	Company As at 31 Dec 08
Net asset value				
Total net asset value (S\$'000)	119,387	156,386	119,387	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 (S\$ per share)	0.30	0.40	0.30	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 31 Dec 09	Group year ended 31 Dec 09	Group quarter ended 31 Dec 08	Group year ended 31 Dec 08
Basic loss per share				
Loss used in calculation of basic loss per share (S\$'000)	(19,084)	(33,864)	(116,184)	(156,555)
Weighted average number of shares on issue used in calculation of basic loss per share ('000)	392,638	392,638	392,281	390,282
Basic loss per share (cents per share)	(4.86)	(8.62)	(29.62)	(40.11)
Diluted loss per share				
Diluted loss used in calculation of diluted loss per share (S\$'000)	(19,084)	(33,864)	(116,184)	(156,555)
Weighted average number of shares on issue used in calculation of diluted loss per share ('000)	392,638	392,638	394,060	390,999
Diluted loss per share (cents per share) ¹	(4.86)	(8.62)	(29.62)	(40.11)

¹ Diluted loss per share is capped at the value of Basic loss per share each period.

In future periods, 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 2009 S\$'000	Group as at 31 Dec 2008 S\$'000
Term loans ¹	22,317	66,212
Commercial paper notes ²	-	91,766
Total interest bearing liabilities ³	22,317	157,978
Amount repayable in one year or less, or on demand	1,918	95,380
Amount repayable after one year	20,399	62,598
Total interest bearing liabilities	22,317	157,978
Amount secured	22,317	157,978
Amount unsecured	-	-
Total interest bearing liabilities	22,317	157,978

¹ The term loans are secured against the two Boeing 757-200 aircraft leased to Thomson Airways Limited (formerly known as Thomsonfly Limited), the shares in Babcock & Brown Air Limited and the music copyright catalogues held by the Group. As at 31 December 2009, the balance of the term loans has decreased 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 Ancora Group, GIL has agreed to procure letters of credit from a bank rated A1+ by Standard & Poor's to support the commercial paper program which Ancora group has established. There was no commercial paper on issue at 31 December 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. The Company and its subsidiaries were parties to an amended and restated multicurrency revolving facility agreement with the Commonwealth Bank of Australia ("CBA") in June 2008 and certain assets were either pledged or charged in relation thereto in favour of CBA. The facility with CBA was fully repaid in April 2009 and the Company is arranging for the full discharge of the pledges/charges.

³ Interest bearing liabilities of the Group as at 31 December 2008 includes accrued interest of S\$0.7 million.

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 2009, the Group has concluded that this segment should be reported, as financial information on this segment continues to be reported to the Board.

UNAUDITED FINANCIAL REPORT
For the quarter and year ended 31 December 2009



	Operating Lease Assets			Loan Portfolio and Securitisation Assets			Alternative Assets				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	Other ¹ 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	

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

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 2009



	Operating Lease Assets			Loan Portfolio and Securitisation Assets			Alternative Assets				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	Other S\$'000	
2008											
Group for the year ended 31 December 2008											
Total segment revenue from continuing activities	-	12,270	-	6,109	1,169	17,579	3,554	8,013	2,773	4,194	55,661
Segment (loss)/profit from continuing activities before tax	(12,654)	(61,451)	-	(45,724)	1,160	(15,217)	(7,490)	(17,278)	2,773	(1,811)	(157,692)
Other segment items											
Interest income	-	-	-	6,109	1,169	17,579	-	4,459	1,244	4,092	34,652
Finance cost	(124)	(1,872)	-	(464)	-	(10,649)	(1,413)	(1,413)	-	(420)	(16,355)
Depreciation and amortisation	-	(1,457)	-	-	-	-	(1,074)	(1,074)	-	-	(3,605)
Impairment expense	-	(63,089)	-	(45,474)	-	(5,956)	-	(22,199)	-	-	(136,718)
Other non-cash expenses	(1,491)	(36)	-	(5,895)	-	(16,097)	(8,646)	(498)	-	(3,374)	(36,037)
As at 31 December 2008											
Total segment assets	-	74,740	-	17,715	-	150,593	34,888	37,941	-	7,528	323,405
Total segment liabilities	-	28,326	-	-	-	91,922	21,472	21,472	-	3,827	167,019



BREAKDOWN OF REVENUE

	Group S\$'000
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)

	Group S\$'000
Financial period from 1 January to 30 June 2008 (reviewed)	
Total revenue for the financial period from 1 January to 30 June 2008	31,892
Operating loss after tax for the financial period from 1 January to 30 June 2008	(12,461)
Financial period from 1 July to 31 December 2008 (unaudited)	
Total revenue for the financial period from 1 July to 31 December 2008	23,769
Operating loss after tax for the financial period from 1 July to 31 December 2008	(144,094)
Financial year from 1 January to 31 December 2008 (unaudited)	
Total revenue for the financial period from 1 January to 31 December 2008	55,661
Operating loss after tax for the financial period from 1 January to 31 December 2008	(156,555)

AUDIT OR REVIEW

The figures in this report have not been audited or reviewed by the external auditor, PricewaterhouseCoopers LLP.

CONTINGENCIES

Contingent Liabilities

As announced in the 30 September 2009 SGX report, no provision has been recognised in relation to the Bank of Ireland ("BoI") claim on the break costs of approximately US\$2.3 million (S\$3.4 million) which is in connection with the sale of the music copyright assets in April 2009 by the Company's subsidiary, BBSFF Music Copyright Holdings Limited ("BMCH").

Subsequently, the Company has announced on 26 January 2010 that BMCH has entered into an amicable settlement with BoI. The agreed full and final settlement amount of US\$0.9 million has been included in the 4th quarter 2009 financial results. Refer to "Subsequent Event" note on page 28 for further details.

SUBSEQUENT EVENT

The Company has announced on 24 August 2009 that Bol had asserted a continuing security interest over the sum of US\$3 million from the sale proceeds of the music copyright assets by the Company's subsidiary, BBSFF Music Copyright Holdings Limited ("BMCH"). Following the amicable settlement with Bol by the payment of US\$0.9 million by BMCH and representing a full and final settlement of all claims, Bol has released all their rights to the balance of US\$2.1 million.