

AT&T INC.
Form 8-K
August 07, 2017

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported) August 7, 2017

AT&T INC.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

208 S. Akard St., Dallas, Texas

1-8610
(Commission
File Number)

43-1301883
(IRS Employer
Identification No.)

75202

(Address of Principal Executive Offices)

(Zip Code)

Registrant's telephone number, including area code (210) 821-4105

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.02 Termination of a Material Definitive Agreement.

As previously reported, on October 22, 2016, AT&T Inc. (AT&T) entered into a \$40 billion Term Loan Credit Agreement, among AT&T, the lenders named therein and JPMorgan Chase Bank, N.A., as agent, that was subsequently amended on November 15, 2016, which bifurcated the Term Loan Credit Agreement into a \$30 billion bridge loan (the Bridge Loan) and a \$10 billion term loan.

On June 21, 2017, the commitments under the Bridge Loan were reduced to \$21 billion as a result of AT&T receiving net cash proceeds from the sale of certain principal amounts of its 1.050% Global Notes due 2023, 1.800% Global Notes due 2026, 2.350% Global Notes due 2029, 3.150% Global Notes due 2036, 3.550% Global Notes due 2037 and Floating Rate Global Notes due 2023.

On August 7, 2017, AT&T received net cash proceeds from the sale of certain principal amounts of its 2.850% Global Notes due 2023, 3.400% Global Notes due 2024, 3.900% Global Notes due 2027, 4.900% Global Notes due 2037, 5.150% Global Notes due 2050, 5.300% Global Notes due 2058 and Floating Rate Global Notes due 2023. Following the issuance of the notes, the Bridge Loan terminated in its entirety.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AT&T INC.

Date: August 7, 2017

By: /s/ George B. Goeke
 George B. Goeke
 Senior Vice President and Treasurer

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 Citycon Oyj

| | |
|---------------------------|------------|
| | 2,528,457 |
| | 2,528,457 |
| | 5,904,662 |
| | 5,904,662 |
| | 5,904,662 |
| | 5,904,662 |
| France Common Stock | |
| | 5,904,662 |
| Mercialys SA | |
| | 25,702 |
| | 25,702 |
| | 809,218 |
| | 809,218 |
| Societe de La Tour Eiffel | |
| | 384,782 |
| | 384,782 |
| | 17,971,494 |
| | 17,971,494 |
| Unibail-Rodamco | |
| | 300,578 |
| | 300,578 |
| | 44,497,639 |

| | |
|------------------------------|-------------|
| | 44,497,639 |
| | 63,278,351 |
| | 63,278,351 |
| Netherlands Common Stock | |
| Corio NV | 116,780 |
| | 116,780 |
| | 5,339,032 |
| | 5,339,032 |
| Eurocommercial Properties NV | 357,401 |
| | 357,401 |
| | 11,923,319 |
| | 11,923,319 |
| Nieuwe Steen Investments NV | 1,136,730 |
| | 1,136,730 |
| | 17,713,040 |
| | 17,713,040 |
| VastNed Retail NV | 317,161 |
| | 317,161 |
| | 15,871,298 |
| | 15,871,298 |
| Wereldhave NV | 624,400 |
| | 624,400 |
| | 54,680,643 |
| | 54,680,643 |
| | 105,527,332 |
| | 105,527,332 |

United Kingdom Common Stock

British Land Co. Plc

1,367,200

1,367,200

10,830,965

10,830,965

Great Portland Estates Plc

945,400

945,400

3,534,048

3,534,048

Hammerson Plc

759,242

759,242

5,840,063

5,840,063

Land Securities Group Plc

1,902,400

1,902,400

25,190,975

25,190,975

Segro Plc

3,621,876

3,621,876

12,862,164

12,862,164

58,258,215

58,258,215

Hong Kong Common Stock

Agile Property Holdings Ltd.

7,000,000

| | |
|---------------------------------------|------------|
| | 7,000,000 |
| | 3,648,938 |
| | 3,648,938 |
| China Overseas Land & Investment Ltd. | 8,261,500 |
| | 8,261,500 |
| | 11,491,183 |
| | 11,491,183 |
| Hang Lung Properties Ltd. | 3,383,000 |
| | 3,383,000 |
| | 7,350,742 |
| | 7,350,742 |
| Hongkong Land Holdings Ltd. | 3,062,900 |
| | 3,062,900 |
| | 7,595,992 |
| | 7,595,992 |
| Link REIT (The) | 5,353,000 |
| | 5,353,000 |
| | 8,840,856 |
| | 8,840,856 |
| Sun Hung Kai Properties Ltd. | 590,000 |
| | 590,000 |
| | 4,917,809 |
| | 4,917,809 |
| | 43,845,520 |
| | 43,845,520 |
| Japan Common Stock | |

| | |
|---------------------------------------|------------|
| Frontier Real Estate Investment Corp. | 400 |
| | 400 |
| | 2,184,225 |
| | 2,184,225 |
| Japan Retail Fund Investment Corp. | 2,388 |
| | 2,388 |
| | 10,142,085 |
| | 10,142,085 |
| Mitsubishi Estate Co., Ltd. | 575,000 |
| | 575,000 |
| | 9,178,433 |
| | 9,178,433 |
| Mitsui Fudosan Co., Ltd. | 533,000 |
| | 533,000 |
| | 8,590,325 |
| | 8,590,325 |
| Nippon Building Fund, Inc. | 1,034 |
| | 1,034 |
| | 11,155,565 |
| | 11,155,565 |
| Nomura Real Estate Office Fund, Inc. | 900 |
| | 900 |
| | 5,738,555 |
| | 5,738,555 |
| | 46,989,188 |

| | |
|--------------------------|------------|
| New Zealand Common Stock | 46,989,188 |
| Goodman Property Trust | 9,050,000 |
| | 9,050,000 |
| | 5,024,378 |
| | 5,024,378 |
| | 5,024,378 |
| | 5,024,378 |

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Pro Forma Condensed Combined Schedule of Investments for
 ING Clarion Global Real Estate Income Fund ("IGR") and
 ING Clarion Real Estate Income Fund ("IIA")
 As of December 31, 2008 (Unaudited)
 (continued)

| | Shares Held | | | Value | | Pro Forma IGR |
|---------------------------------------|-------------|---------|------------------|------------|-----------|------------------|
| | IGR | IIA | Pro Forma IGR | IGR | IIA | |
| Singapore Common Stock | | | | | | |
| Capitaland Ltd. | 500,000 | | 500,000 | 1,079,299 | | 1,079,299 |
| CapitaMall Trust | 8,000,000 | | 8,000,000 | 8,828,735 | | 8,828,735 |
| | | | | 9,908,034 | | 9,908,034 |
| United States Common Stock | | | | | | |
| BRE Properties, Inc. | 100,000 | | 100,000 | 2,798,000 | | 2,798,000 |
| BioMed Realty Trust, Inc. | 285,800 | 303,200 | 589,000 | 3,349,576 | 3,553,504 | 6,903,080 |
| Boston Properties, Inc. | | 23,400 | 23,400 | | 1,287,000 | 1,287,000 |
| Brandywine Realty Trust | | 462,553 | 462,553 | | 3,566,284 | 3,566,284 |
| CBL & Associates Properties, Inc. | | 90,000 | 90,000 | | 585,000 | 585,000 |
| Camden Property Trust | 688,100 | 166,400 | 854,500 | 21,565,054 | 5,214,976 | 26,780,030 |
| Cedar Shopping Centers, Inc. | | 50,000 | 50,000 | | 354,000 | 354,000 |
| Entertainment Properties Trust | | 20,000 | 20,000 | | 596,000 | 596,000 |
| Extra Space Storage, Inc. | 1,308,500 | 314,200 | 1,622,700 | 13,503,720 | 3,242,544 | 16,746,264 |
| Federal Realty Investment Trust | | 10,800 | 10,800 | | 670,464 | 670,464 |
| Hospitality Properties Trust | | 120,000 | 120,000 | | 1,784,400 | 1,784,400 |
| Health Care REIT, Inc. | 266,400 | | 266,400 | 11,242,080 | | 11,242,080 |
| Highwoods Properties, Inc. | 475,000 | | 475,000 | 12,996,000 | | 12,996,000 |
| Host Hotels & Resorts, Inc. | | 175,500 | 175,500 | | 1,328,535 | 1,328,535 |
| Kilroy Realty Corp. | | 87,600 | 87,600 | | 2,931,096 | 2,931,096 |
| Kimco Realty Corp. | 1,194,300 | 250,600 | 1,444,900 | 21,831,804 | 4,580,968 | 26,412,772 |
| Kite Realty Group Trust | | 130,000 | 130,000 | | 722,800 | 722,800 |
| Liberty Property Trust | 1,460,990 | 174,210 | 1,635,200 | 33,354,402 | 3,977,214 | 37,331,616 |
| Macerich Co, (The) | 1,156,900 | 100,000 | 1,256,900 | 21,009,304 | 1,816,000 | 22,825,304 |
| Mack-Cali Realty Corp. | | 145,000 | 145,000 | | 3,552,500 | 3,552,500 |
| National Retail Properties, Inc. | | 193,100 | 193,100 | | 3,319,389 | 3,319,389 |
| Nationwide Health Properties, Inc. | 885,900 | | 885,900 | 25,443,048 | | 25,443,048 |
| OMEGA Healthcare Investors, Inc. | 1,779,170 | 274,900 | 2,054,070 | 28,413,345 | 4,390,153 | 32,803,498 |
| ProLogis | | 145,000 | 145,000 | | 2,014,050 | 2,014,050 |
| Regency Centers Corp. | 498,800 | 77,900 | 576,700 | 23,293,960 | 3,637,930 | 26,931,890 |
| SL Green Realty Corp. | 425,735 | 131,500 | 557,235 | 11,026,536 | 3,405,850 | 14,432,386 |
| Senior Housing Properties Trust | | 216,000 | 216,000 | | 3,870,720 | 3,870,720 |
| Simon Property Group, Inc. | | 29,500 | 29,500 | | 1,567,335 | 1,567,335 |
| Sovran Self Storage, Inc. | 171,100 | 79,800 | 250,900 | 6,159,600 | 2,872,800 | 9,032,400 |

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| | | | | | | |
|---|------------|-----------|------------|-------------|-------------|-------------|
| Taubman Centers, Inc. | | 13,700 | 13,700 | | 348,802 | 348,802 |
| UDR, Inc. | 858,100 | 198,100 | 1,056,200 | 11,833,199 | 2,731,799 | 14,564,998 |
| Verde Realty (a)(c) | 712,120 | | 712,120 | 11,749,980 | | 11,749,980 |
| Ventas, Inc. | | 21,920 | 21,920 | | 735,854 | 735,854 |
| Weingarten Realty Investors | | 85,000 | 85,000 | | 1,758,650 | 1,758,650 |
| Total United States Common Stock | 12,266,915 | 4,089,883 | 16,356,798 | 259,569,608 | 70,416,617 | 329,986,225 |
| Total Common Stock | | | | 711,606,037 | 770,416,617 | 782,022,654 |
| United States Preferred Stock | | | | | | |
| Alexandria Real Estate Equities, Inc., Series C | 450,000 | | 450,000 | 8,986,500 | | 8,986,500 |
| Apartment Investment & Management Co., Series U | 80,500 | | 80,500 | 1,114,925 | | 1,114,925 |
| Apartment Investment & Management Co., Series Y | 400,000 | | 400,000 | 5,500,000 | | 5,500,000 |
| Apartment Investment & Management Co., Series V | 400,000 | 80,000 | 480,000 | 5,496,000 | 1,099,200 | 6,595,200 |
| Associated Estates Realty Corp. | 174,000 | | 174,000 | 2,844,900 | | 2,844,900 |
| BioMed Realty Trust, Inc., Series A | 400,000 | 80,000 | 480,000 | 5,648,000 | 1,129,600 | 6,777,600 |
| CBL & Associates Properties, Inc., Series C | | 51,000 | 51,000 | | 408,000 | 408,000 |
| Cedar Shopping Centers, Inc. | 207,700 | 65,000 | 272,700 | 2,882,876 | 902,200 | 3,785,076 |
| Corporate Office Properties Trust, Series J | | 200,000 | 200,000 | | 3,478,000 | 3,478,000 |
| Digital Realty Trust, Inc., Series B | 125,000 | | 125,000 | 1,853,750 | | 1,853,750 |
| Duke Realty Corp., Series M | 200,800 | | 200,800 | 2,188,720 | | 2,188,720 |
| Eagle Hospitality Properties Trust | 121,700 | | 121,700 | 391,728 | | 391,728 |
| Entertainment Properties Trust, Series D | 400,000 | | 400,000 | 5,000,000 | | 5,000,000 |
| First Industrial Realty Trust, Inc. | | 50,000 | 50,000 | | 500,000 | 500,000 |
| Glimcher Realty Trust, Series G | 430,700 | 85,000 | 515,700 | 2,683,261 | 529,550 | 3,212,811 |
| Glimcher Realty Trust, Series F | | 20,000 | 20,000 | | 135,000 | 135,000 |
| Health Care REIT, Inc., Series F | 520,000 | | 520,000 | 9,620,000 | | 9,620,000 |
| Host Hotels & Resorts, Inc., Series E | 905,600 | | 905,600 | 15,576,320 | | 15,576,320 |
| Innkeepers USA Trust, Series C | 210,000 | 122,600 | 332,600 | 367,500 | 214,550 | 582,050 |
| iStar Financial, Inc., Series I | 765,000 | | 765,000 | 2,776,950 | | 2,776,950 |
| iStar Financial, Inc., Series F | | 150,000 | 150,000 | | 570,000 | 570,000 |
| LTC Properties, Inc., Series F | 1,000,000 | | 1,000,000 | 21,000,000 | | 21,000,000 |

Pro Forma Condensed Combined Schedule of Investments for
 ING Clarion Global Real Estate Income Fund ("IGR") and
 ING Clarion Real Estate Income Fund ("IIA")
 As of December 31, 2008 (Unaudited)
 (continued)

| | Shares Held | | | Value | | |
|---|-------------|-----------|------------------|-------------|------------|------------------|
| | IGR | IIA | Pro Forma IGR | IGR | IIA | Pro Forma IGR |
| LaSalle Hotel Properties, Series G | 520,000 | | 520,000 | 6,240,000 | | 6,240,000 |
| LaSalle Hotel Properties, Series E | 523,200 | 76,800 | 600,000 | 6,744,048 | 989,952 | 7,734,000 |
| LaSalle Hotel Properties, Series D | 200,000 | | 200,000 | 2,260,000 | | 2,260,000 |
| LaSalle Hotel Properties, Series B | | 170,000 | 170,000 | | 2,210,000 | 2,210,000 |
| Mid-America Apartment Communities, Inc., Series H | 200,000 | | 200,000 | 4,348,000 | | 4,348,000 |
| National Retail Properties, Inc., Series C | 137,100 | 118,600 | 255,700 | 2,262,150 | 1,956,900 | 4,219,050 |
| OMEGA Healthcare Investors, Inc., Series D | 120,000 | | 120,000 | 2,271,600 | | 2,271,600 |
| PS Business Parks, Inc., Series O | 320,000 | 80,000 | 400,000 | 5,440,000 | 1,360,000 | 6,800,000 |
| Public Storage, Series I | | 129,000 | 129,000 | | 2,844,450 | 2,844,450 |
| Public Storage, Series M | 360,000 | | 360,000 | 6,660,000 | | 6,660,000 |
| Public Storage, Series K | 320,000 | 80,000 | 400,000 | 7,040,000 | 1,760,000 | 8,800,000 |
| SL Green Realty Corp., Series C | 192,500 | 80,000 | 272,500 | 2,827,825 | 1,175,200 | 4,003,025 |
| SL Green Realty Corp., Series D | 200,000 | | 200,000 | 3,020,000 | | 3,020,000 |
| Strategic Hotels & Resorts, Inc., Series B | 400,000 | 120,000 | 520,000 | 1,740,000 | 522,000 | 2,262,000 |
| Strategic Hotels & Resorts, Inc., Series C | 363,600 | 90,900 | 454,500 | 1,545,300 | 386,325 | 1,931,625 |
| Strategic Hotels & Resorts, Inc. (b) | 275,000 | | 275,000 | 1,185,937 | | 1,185,937 |
| Taubman Centers, Inc., Series G | 142,600 | | 142,600 | 2,210,300 | | 2,210,300 |
| Taubman Centers, Inc., Series H | 373,500 | | 373,500 | 5,976,000 | | 5,976,000 |
| W2007 Grace Acquisition I, Inc., Series C | 337,500 | 50,500 | 388,000 | 421,875 | 63,125 | 485,000 |
| Total Preferred Stock | | | | 156,124,465 | 22,234,052 | 178,358,517 |
| Mortgage Related Securities (f) CS First Boston Mortgage Securities Corp. | | | | | | |
| Series 2002-CP3, Class J, 6.00%, 07-15-35 (b) | | 2,000,000 | 2,000,000 | | 180,000 | 180,000 |
| Series 2002 CP3, Class K, 6.00%, 07-15-35 (b) | | 3,500,000 | 3,500,000 | | 273,000 | 273,000 |
| | | 2,000,000 | 2,000,000 | | 136,000 | 136,000 |

| | | | | |
|--|------------|------------|-----------|-----------|
| Series 2003-C5, Class K, 5.23%, 12-15-36 (b) | | | | |
| Series 2003-C5, Class L, 5.23%, 12-15-36 (b) | 2,000,000 | 2,000,000 | 100,000 | 100,000 |
| Credit Suisse Mortgage Capital Certificates | | | | |
| Series 2007-C2, Class N, 5.19%, 1-15-49 (b) | 1,250,000 | 1,250,000 | 32,500 | 32,500 |
| DLJ Commercial Mortgage Corp. Series 1998-CF1, Class B7, 6.41%, 02-18-31 (b) | 2,600,000 | 2,600,000 | 104,000 | 104,000 |
| GS Mortgage Securities Trust Commercial Mortgage Pass-Trough Certificates | | | | |
| Series 2006-GG6, Class P, 5.23%, 04-10-38 (b) | 1,000,000 | 1,000,000 | 15,000 | 15,000 |
| J.P. Morgan Chase Commercial Mortgage Securities Corp. Series 2002-C3, Class J, 5.06%, 07-12-35 (b) | 3,250,000 | 3,250,000 | 35,100 | 35,100 |
| Lehman Brothers Commercial Conduit Mortgage Trust | | | | |
| Series 2007-C3, Class J, 6.13%, 7/15/17 (b) | 1,000,000 | 1,000,000 | 35,000 | 35,000 |
| Wachovia Bank Commercial Mortgage Trust | | | | |
| Series 2003-C4, Class L, 4.93%, 04-15-35 (b) | 3,668,000 | 3,668,000 | 271,432 | 271,432 |
| Series 2003-C7, Class L, 5.44%, 10-15-35 (b) | 4,000,000 | 4,000,000 | 236,400 | 236,400 |
| Series 2003-C8, Class K, 5.03%, 11-15-35 (b) | 3,800,000 | 3,800,000 | 252,700 | 252,700 |
| Total Mortgage Related Securities | | | 1,671,132 | 1,671,132 |
| Corporate Bonds | | | | |
| Ash-ton Woods U S A LLC, 9.50%, 10/1/2015 (e) | 1,650,000 | 1,650,000 | 247,500 | 247,500 |
| Investment Companies United Kingdom | | | | |
| ING UK Real Estate Income Trust Ltd. + | 15,495,600 | 15,495,600 | 5,012,731 | 5,012,731 |
| ProLogis European Properties | 547,200 | 547,200 | 2,441,638 | 2,441,638 |
| Total Investment Companies | | | 7,454,369 | 7,454,369 |
| Purchased Options (a) | | | | |
| Brazil | 438,400 | 438,400 | 464,343 | 464,343 |

Brascan Residential Properties
SA

| | | | | |
|-----------------------|---------|---------|---------|---------|
| India Unitech Ltd. | 518,800 | 518,800 | 432,866 | 432,866 |
|-----------------------|---------|---------|---------|---------|

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Pro Forma Condensed Combined Schedule of Investments for
 ING Clarion Global Real Estate Income Fund ("IGR") and
 ING Clarion Real Estate Income Fund ("IIA")
 As of December 31, 2008 (Unaudited)
 (continued)

| | Shares Held | | | Value | | |
|---|-------------|------------|------------------|---------------|--------------|------------------|
| | IGR | IIA | Pro Forma IGR | IGR | IIA | Pro Forma IGR |
| Total Purchased Options | | | | 897,209 | | 897,209 |
| Rights (a) | | | | | | |
| Hong Kong China Overseas Land & Investment Ltd. | 330,460 | | 330,460 | 123,985 | | 123,985 |
| Short Term Investments | | | | | | |
| The Bank of New York Cash Reserve Fund | 71,612,711 | 24,290,477 | 95,903,188 | 71,612,711 | 24,290,477 | 95,903,188 |
| Total Investments | | | | 947,818,776 | 118,859,778 | 1,066,678,554 |
| Other Assets less Liabilities | | | | 8,706,053 | 1,333,514 | 10,039,567 |
| Preferred shares, at redemption value | | | | (370,000,000) | (50,000,000) | (420,000,000) |
| Net Assets Applicable to Common Shares (d) | | | | 586,524,829 | 70,193,292 | 656,718,121 |

Footnotes:

(a) Non income producing security.

(b) Securities are exempt from registration under Rule 144A of the Securities Act of 1993. These securities are considered illiquid and may be resold in transactions that are

exempt from registration, normally to qualified institutional buyers. At December 31, 2008, the securities amounted to \$14,204,658 or 2.4% of net assets for IGR and

\$1,671,132 or 2.4% of net assets for IIA.

(c) Fair valued pursuant to guidelines approved by the board.

(d) Portfolio percentages are calculated based on Net Assets Applicable to Common Shares.

(e) Bond is in default and did not meet its covenants. Bond is still traded by brokers and is valued using input from broker bids at December 31, 2008.

(f) In January and February 2009, the Trust disposed of all of its mortgage related and corporate bond investments.

+ Investments in companies considered to be an affiliate of the Trust (such companies are defined as "Affiliated Companies" in Section 2(a)(3) of the Investment Company Act of 1940 were as follows:

Affiliate

| | G r o s s Additions | G r o s s Reductions | D i v i d e n d Income |
|---|------------------------|-------------------------|---------------------------|
| ING UK Real Estate Income Trust Ltd. | \$-- | \$-- | \$1,630,018 |

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Pro Forma Condensed Combined Schedule of Investments for
 ING Clarion Global Real Estate Income Fund ("IGR") and
 ING Clarion Real Estate Income Fund ("IIA")
 As of December 31, 2008 (Unaudited)
 (continued)

Information on the tax components of net assets as of December 31, 2008, for ING Clarion Global Real Estate Income Fund is as follows:

| Cost of Investments for Tax | Gross Tax Unrealized | Gross Tax Unrealized | Net Tax Unrealized Depreciation | Net Tax Unrealized Depreciation on Swap Contracts and Foreign Currency | Undistributed Long-Term Capital Gains/ Temporary Differences | Undistributed Long-Term Capital Gains/ Temporary Differences Capital Loss) |
|-----------------------------------|-------------------------|-----------------------------|---------------------------------------|--|--|---|
| Purposes Appreciation | | Depreciation on Investments | | | | |
| \$1,448,861,119 | \$42,807,569 | \$(543,849,912) | \$(501,042,343) | \$ (4,088,272) | \$ (495,177) | \$ (169,421,725) |

Information on the tax components of net assets as of December 31, 2008, for ING Clarion Real Estate Income Fund is as follows:

| Cost of Investments for Tax | Gross Tax Unrealized | Gross Tax Unrealized | Net Tax Unrealized Depreciation on | Undistributed Long-Term Capital Gains/ Temporary Differences | Undistributed Long-Term Capital Gains/ Temporary Differences Capital Loss) |
|-----------------------------------|-------------------------|-----------------------------|---|--|---|
| Purposes Appreciation | | Depreciation on Investments | | | |
| \$199,700,991 | \$4,031,105 | \$(84,872,318) | \$(80,841,213) | \$ (25,322) | \$ (34,605,261) |

See Notes to Pro Forma Condensed Combined Financial Statements.

Pro Forma Condensed Combined Statement of Assets and Liabilities for
 ING Clarion Global Real Estate Income Fund ("IGR") and
 ING Clarion Real Estate Income Fund ("IIA")
 As of December 31, 2008 (Unaudited)

| | IGR | IIA | Adjustments | Pro Forma IGR |
|--|---------------|--------------|-------------|------------------|
| Assets: | | | | |
| Investments in unaffiliated securities, at value* | 942,806,045 | 118,859,778 | | 1,061,665,823 |
| Investments in affiliated securities, at value** | 5,012,731 | - | | 5,012,731 |
| Foreign cash (cost \$2,475,862) | 2,475,110 | - | | 2,475,110 |
| Dividends and interest receivable | 10,171,336 | 1,423,564 | | 11,594,900 |
| Dividend withholding reclaims receivable | 1,132,338 | - | | 1,132,338 |
| Other assets | 130,667 | 84,082 | | 214,749 |
| Total assets | 961,728,227 | 120,367,424 | | -1,082,095,651 |
| Liabilities: | | | | |
| Unrealized depreciation on swap contract | 4,089,680 | - | | 4,089,680 |
| Management fee payable | 457,360 | 60,425 | | 517,785 |
| Dividends payable-preferred shares | 156,013 | 25,322 | | 181,335 |
| Accrued expenses and other liabilities | 500,345 | 88,399 | 314,000 | 902,744 |
| Total liabilities | 5,203,398 | 174,146 | 314,000 | 5,691,544 |
| Preferred Shares, at redemption value | 370,000,000 | 50,000,000 | | 420,000,000 |
| Net assets: | | | | |
| Net assets applicable to common shares | 586,524,829 | 70,193,278 | 314,000 | 656,404,107 |
| Capital: | | | | |
| Common Shares, \$0.001 per value per share | 104,202 | 15,013 | | 119,215 |
| Additional paid-in capital | 1,261,468,144 | 185,650,061 | 314,000 | 1,446,804,205 |
| Distributions in excess of net investment income | (9,312,152) | (25,322) | | (9,337,474) |
| Accumulated net realized loss on investments, | (169,364,409) | (34,605,261) | | (203,969,670) |
| swap contracts and foreign currency transactions | | | | |
| Net unrealized depreciation on investments, | (496,370,956) | (80,841,213) | | (577,212,169) |
| swap contracts and foreign currency denominated assets and liabilities | | | | |
| Net assets applicable to common shares | 586,524,829 | 70,193,278 | 314,000 | 656,404,107(1) |

Net asset value applicable to common shares

(based on common shares outstanding)

| | | | | | |
|----|------|----|------|----|------|
| \$ | 5.63 | \$ | 4.68 | \$ | 5.63 |
|----|------|----|------|----|------|

Market price

| | | | | |
|----|------|----|------|-----|
| \$ | 3.98 | \$ | 3.51 | N/A |
|----|------|----|------|-----|

*Cost for unaffiliated securities

| | |
|---------------|-------------|
| 1,412,595,314 | 199,700,991 |
|---------------|-------------|

1,612,296,305

**Cost for affiliated securities

| | |
|------------|---|
| 27,506,146 | - |
|------------|---|

27,506,146

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| | | | |
|---------------------------|-------------|------------------------|----------------|
| Common shares outstanding | 104,201,527 | 15,012,818 (2,542,337) | 116,672,008(2) |
|---------------------------|-------------|------------------------|----------------|

- (1) Reflects the charge for estimated reorganization expenses of \$314,000 of which \$279,000 was attributable to IGR, \$35,000 attributable to IIA.
- (2) Reflects the capitalization adjustments giving the effect of the transfer of shares of IGR which IIA shareholders will receive as if the Reorganization had taken place on December 31, 2008. The foregoing should not be relied upon to reflect the number of shares of IGR that actually will be received on or after such date.

See Notes to Pro Forma Condensed Combined Financial Statements.

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Pro Forma Condensed Combined Statement of Operations for
 ING Clarion Global Real Estate Income Fund (“IGR”)
 and
 ING Clarion Real Estate Fund (“IIA”)
 For the Twelve Months Ended December 31, 2008 (Unaudited)

| | IGR | IIA | Adjustments | Pro Forma IGR (1) |
|---|--------------------|-------------------|--------------------------|-------------------------|
| Investment Income: | | | | |
| Dividends (net of foreign withholding taxes) | 128,917,012 | 14,796,930 | | 143,713,942 |
| Dividends from affiliate | 1,630,018 | - | | 1,630,018 |
| Interest | 125,418 | 2,355,877 | | 2,481,295 |
| | 130,672,448 | 17,152,807 | - | 147,825,255 |
| Expenses (2): | | | | |
| Management fees | 16,670,275 | 1,998,826 | | 18,669,101 |
| Auction agent fees-preferred shares | 1,839,477 | 217,782 | | 2,057,259 |
| Printing and mailing fees | 627,941 | 113,621 | | 741,562 |
| Administration fees | 408,508 | 60,812 | (20,047) (5) | 449,273 |
| Custodian fees | 304,193 | 18,604 | | 322,797 |
| Transfer agent fees | 301,638 | 42,103 | (9,286) (5) (135,313) | 334,455 |
| Legal fees | 203,776 | 135,313 | (6) | 203,776 |
| Insurance fees | 178,071 | 21,365 | (21,365) (6) | 178,071 |
| Trustees’ fees and expenses | 128,925 | 47,892 | | 176,817 |
| NYSE listing fee | 90,715 | 23,750 | (7,465) (5) | 107,000 |
| Audit fees | 68,230 | 44,350 | (44,350) (6) | 68,230 |
| Rating agency fees | 12,200 | 12,200 | | 24,400 |
| Interest expense on line of credit | 2,252 | 6,057 | | 8,309 |
| Miscellaneous expenses | 23,648 | 22,667 | (21,315) (7) | 25,000 |
| Total Expenses | 20,859,849 | 2,765,342 | (259,141) | 23,366,050(3)(4) |
| Management fees waived | (4,903,022) | (570,119) | | (5,473,141) |
| Net expenses | 15,956,827 | 2,195,223 | (259,141) | 17,892,909 |
| Net Investment Income | 114,715,621 | 14,957,584 | 259,141 | 129,932,346 |
| Net Realized and Unrealized Gain (Loss) | | | | |
| on Investments, Swap Contracts, and Foreign Currency Transactions | | | | |
| Net realized gain (loss) on: | | | | |

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| | | | |
|-------------------------------|--------------|--------------|-----------------|
| Investments | (75,269,604) | (26,662,204) | (101,931,808) |
| Swap contracts | (2,293,027) | (915,034) | (3,208,061) |
| Foreign currency transactions | (1,045,335) | - | (1,045,335) |
| Total Net Realized Loss | (78,607,966) | (27,577,238) | - (106,185,204) |

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Pro Forma Condensed Combined Statement of Operations for
 ING Clarion Global Real Estate Income Fund and
 ING Clarion Global Real Estate Fund
 For the Twelve Months Ended December 31, 2008 (Unaudited)

(continued)

| | | | | |
|---|-----------------|---------------|-----------|-----------------|
| Net change in unrealized appreciation / depreciation on: | | | | |
| Investments | (973,243,450) | (81,083,077) | | (1,054,326,527) |
| Swap contracts | (2,406,243) | 148,410 | | (2,257,833) |
| Foreign currency denominated assets and liabilities | (106,393) | | | (106,393) |
| Total Net Change in Unrealized Appreciation / Depreciation | (975,756,086) | (80,934,667) | - | (1,056,690,753) |
| Net Loss on Investments, Swap Contracts and Foreign Currency Transactions | (1,054,364,052) | (108,511,905) | - | (1,162,875,957) |
| Dividends and Distributions on Preferred Shares from | | | | |
| Net Investment Income | - | (1,322,091) | | (1,322,091) |
| Capital Gains | (25,955,111) | (1,635,209) | | (27,590,320) |
| Dividends and Distributions on Preferred Shares | (25,955,111) | (2,957,300) | - | (28,912,411) |
| Net Decrease in Net Assets Applicable to common shares resulting from | | | | |
| Operations | (965,603,542) | (96,511,621) | (259,141) | (1,061,856,022) |

- (1) Income, expenses, realized losses, unrealized depreciation, and dividends and distributions to preferred shares for the combined fund represent such items as if the combination was consummated on January 1, 2008. After the restructuring, the Acquiring Fund will not have any leverage.
- (2) The information for Pro Forma IGR presented in the Fees and Expenses Table in the Combined Proxy Statement / Prospectus is presented on a pro forma basis to omit the effects of leverage (including interest expense and

other leverage related to income and expenses). As a result, information presented above for Pro Forma IGR (which include the impact of leverage associated with preferred stock outstanding throughout 2008) do not correspond to the fees and expenses of this Pro Forma Condensed Combined Statement of Operations.

(3) Does not reflect the elimination of the repurchase offer expenses specific to IIA.

(4) The Pro Forma Condensed Combined Statement of Operations excludes non-recurring aggregate estimated

Reorganization expenses of \$314,000 of which \$279,000 was attributable to IGR, \$35,000 and was attributable to IIA, respectively.

(5) Such expenses are charged on a tiered fee schedule with break points at various asset levels. The combined funds

(pro forma IGR) will qualify for a lower fee than the existing funds can obtain individually.

(6) Represents services provided to IIA which will not be required after IIA combines with

IGG. The services will

still be performed for the combined fund (pro forma IGR).

(7) Miscellaneous organizational and operational expenses associated with maintaining separate legal structures.

See Notes to Pro Forma Condensed Combined Financial Statements.

Notes to Pro Forma Condensed Combined Financial Statements
ING Clarion Global Real Estate Income Fund
(Unaudited)

NOTE 1 — Basis of Combination:

The Boards of Trustees of ING Clarion Real Estate Income Fund ("IIA") and ING Clarion Global Real Estate Income Fund ("IGR" and, together with IIA, each, a "Fund" and collectively, the "Funds") at a meeting held on February 5, 2009 each approved the following: (a) a proposed tax-free reorganization in which IGR will merge with IIA and shareholders of IIA will receive newly issued common shares as beneficial interest of IGR ("IGR Common Shares") (the "Reorganization"). Pursuant to the Reorganization, subject to approval by the shareholders of IIA, IIA will merge with and into IGR Merger Subsidiary ("Merger Subsidiary"), a direct wholly owned subsidiary of IGR and shareholders of IIA will receive IGR Common Shares (the "Exchange"). IIA will then terminate its registration under the Investment Company Act of 1940. Following the Exchange, Merger Subsidiary will dissolve under Delaware law and be liquidated into IGR.

The Exchange will be accounted for as a tax-free merger of investment companies. The unaudited pro forma condensed combined schedule of investments and condensed combined statement of assets and liabilities reflect the financial position of the Funds at December 31, 2008. The unaudited pro forma condensed combined statement of operations reflects the results of operations of the Funds for the twelve months ended December 31, 2008. These statements have been derived from the books and records of the Funds utilized in calculating daily net asset value at the dates indicated above in conformity with accounting principles generally accepted in the United States of America. As of December 31, 2008, all the securities held by IIA comply with the compliance guidelines and/or investment restrictions of IGR. The historical cost of investment securities will be carried forward to the surviving entity. The fiscal year ends for the Funds is December 31.

The accompanying pro forma condensed combined financial statements should be read in conjunction with the historical financial statements of the Funds included or incorporated by reference in their respective Statements of Additional Information. Such pro forma condensed combined financial statements are presented for information only and may not necessarily be representative of what the actual combined financial statements would have been had the Exchange occurred on December 31, 2008. Following the Exchange, IGR will be the accounting survivor.

If the Reorganization is completed, the costs associated with the Reorganization, including the costs associated with the shareholder meeting, will be borne directly by the respective Fund incurring the expense or allocated between the Funds based on the Boards' assessment of the function of the expense as appropriate. The estimated expenses of the Reorganization are \$314,000 in the aggregate of which, on a preliminary basis, approximately \$35,000 is attributable to IIA and approximately \$279,000 is attributable to IGR.

NOTE 2—Valuation:

Equity investments traded on a national securities exchange or the NASDAQ Global Market System are valued at the last reported sale price that day or the NASDAQ official closing price, if applicable. Equity investments traded on a national exchange for which there were no sales on that day and equity investments traded on over-the-counter ("OTC") markets for which market quotations are readily available are valued at the last available bid price. Effective September 4, 2007, exchange traded options are valued at the mean between the last bid and ask prices at the close of the options market in which the options trade and previously were valued at the last sales price as of the close of options trading on applicable exchanges. Options traded in the OTC market are valued at the last asked price (options written) and the last bid price (options purchased). Swap agreements are valued based upon quoted fair valuations received daily by the Fund from a pricing service or counterparty. Financial futures contracts are traded on exchanges and are valued at their last sale price. Investments in open-end investment companies are valued at their net asset

value each business day. Short-term securities may be valued at amortized cost.

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In the event that application of these methods of valuation results in a price for an investment which is deemed not to be representative of the market value of such investment, the investment will be valued by, under the direction of or in accordance with a method approved by the Fund's Board of Trustees (the "Board") as reflecting fair value ("Fair Value Assets"). When determining the price for Fair Value Assets, the investment advisor and/or sub-advisor shall seek to determine the price that the Fund might reasonably expect to receive from the current sale of that asset in an arms-length transaction. Fair value determinations shall be based upon all available factors that the advisor and/or sub-advisor deems relevant. The pricing of all Fair Value Assets shall be subsequently reported to the Board or a committee thereof.

Generally, trading in foreign securities is substantially completed each day at various times prior to the close of business on the NYSE. The values of such securities used in computing the net assets of the Fund are determined as of such times. Foreign currency exchange rates will be determined as of the close of business on the NYSE. Occasionally, events affecting the values of such securities and such exchange rates may occur between the times at which they are determined and the close of business on the NYSE that may not be reflected in the computation of the Fund's net assets. If events (for example, a company announcement, market volatility or a natural disaster) occur during such periods that are expected to materially affect the value of such securities, those securities may be valued at their fair value as determined in good faith by the Fund's Board or by the investment advisor using a pricing service and/or procedures approved by the Fund's Board.

NOTE 3 — Capital Shares:

The pro forma net asset value per share assumes the issuance of shares of IGR that would have been issued at December 31, 2008 in connection with the proposed Reorganization. The number of shares assumed to be issued is equal to the net asset value of shares of IIA, as of December 31, 2008, divided by the net asset value per share of the shares of IGR as of December 31, 2008. The pro forma number of shares outstanding for the combined fund consists of the following at December 31, 2008:

| Total Outstanding IGR Shares Pre-Combination | Additional Shares Assumed Issued In IIA Reorganization | Total Outstanding IGR Shares Post-Combination |
|--|--|---|
| 104,201,527 | 12,470,481 | 116,672,008 |

NOTE 4—Pro Forma Operating Expenses:

The pro forma condensed combined statement of operations for the twelve-month period ending December 31, 2008, as adjusted, giving effect to the Exchange reflects changes in expenses of IGR as if the Exchange was consummated on January 1, 2008. Although it is anticipated that there will be an elimination of certain duplicative expenses because of the Exchange, the actual amount of such expenses cannot be determined because it is not possible to predict the cost of future operations.

NOTE 5—Federal Income Taxes:

IGR and IIA each have elected to be taxed as a "regulated investment company" under the Internal Revenue Code of 1986, as amended (the "Code"). If the Exchange is consummated, IGR would seek to continue to qualify as a regulated investment company, if such qualification is in the best interests of its shareholders, by complying with the provisions available to certain investment companies, as defined in applicable sections of the Code, and to make distributions of taxable income sufficient to relieve it from all, or substantially all, U.S. federal income taxes. In addition, IIA will make any required income or capital gain distributions prior to consummation of this Exchange, in accordance with provisions of the Code relating to tax-free mergers of investment companies.

IGR will succeed to capital loss carryforwards (and unrealized built-in losses) of IIA which will be subject to the limitations described below. IIA has capital loss carryforwards (and unrealized built-in losses) that, in the absence of the Reorganization, would generally be available to offset its capital gains. If, however, the Reorganization occurs, then IIA will undergo an "ownership change" for U.S. federal income tax purposes (because IIA is significantly

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smaller than IGR) and, accordingly, IGR's use of IIA's capital loss carryforwards (and certain unrealized built-in losses) will be significantly limited by the operation of the tax loss limitation rules of the Code. The Code generally limits the amount of IIA's pre-ownership-change losses that may be used to offset post-ownership-change gains to a specific "annual loss limitation amount" (generally the product of (i) the fair market value, with certain adjustments, of the stock of IIA immediately prior to the Reorganization and (ii) a rate established by the IRS (for example, the rate is 3.52% for March 2009)). Subject to certain limitations, any unused portion of these losses may be available in subsequent years.

Due to the operation of these tax loss limitation rules if the Reorganization occurs, it is possible that shareholders of IIA will receive taxable distributions earlier than they would have in the absence of the Reorganization. The actual effect of the loss limitation rules on a shareholder of IIA will, however, depend upon many variables, including (a) whether, in the absence of the Reorganization, IIA generates sufficient capital gains against which to utilize its capital loss carryforwards prior to their expiration (and certain realized built-in losses), in excess of what would have been the "annual loss limitation amount" had the Reorganization occurred, (b) the timing and amount of future capital gains recognized by IGR if the Reorganization occurs, and (c) the timing of a historic IIA shareholder's disposition of his or her shares (the tax basis of which might, depending on the facts, reflect that shareholder's share of IIA's capital losses). Shareholders of IIA are urged to consult their own tax advisors in this regard.

The identified cost of investments for IGR and IIA is substantially the same for both financial accounting and federal income tax purposes. The tax cost of investments will remain unchanged for the combined entity.

NOTE 6—Pro Forma Calculation:

The accompanying pro forma condensed combined financial statements include pro forma calculations that are based on estimates and as such may not necessarily be representative of the actual combined fund financial statements.

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APPENDIX C

PROXY VOTING POLICIES AND PROCEDURES

For the ING Clarion RES-Advised Funds

As of January 31, 2008

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PROXY VOTING POLICIES AND PROCEDURES

As of January 31, 2008

Proxy voting is an important right of shareholders, and reasonable care and diligence must be undertaken to ensure that such rights are properly and timely exercised. When ING Clarion Real Estate Securities ("ING CRES") has discretion to vote the proxies of its clients, it will vote those proxies in the best interest of its clients and in accordance with these policies and procedures.

ING CRES has engaged Risk Metrics Group ("RMG") to provide services with respect to proxy voting, including the tracking of proxies received for clients, providing notice to ING CRES concerning dates votes are due, the actual casting of ballots and recordkeeping. It is important to recognize that the ability for RMG and ING CRES to process proxy voting decisions in a timely manner is contingent in large part on the custodian banks holding securities for ING CRES clients. On a daily basis, ING CRES provides RMG with a list of securities held in each account over which ING CRES has voting authority. In addition, ING CRES provides RMG with its proxy voting guidelines.

Voting decisions remain within the discretion of ING CRES. On a daily basis, ING CRES reviews an online system maintained by RMG in order to monitor for upcoming votes. When a pending vote is identified, the appropriate analyst reviews the ballots, along with supplemental information about the vote provided by RMG and—if available—other research providers employed by ING CRES. The analyst makes the voting decision. If the analyst votes in contravention of the ING CRES proxy voting guidelines, the analyst's decision must be approved by a senior member of the investment team based on completion of the applicable form containing an explanation documented by the analyst outlining the voting rationale. The Chief Compliance Officer must ensure that the appropriate approval has been received and evidence such review by signature.

Except as otherwise noted, operation of the proxy voting process is coordinated by trade settlement operations. Compliance is responsible for oversight of and testing of the process. As noted above, RMG provides recordkeeping services, including retaining a copy of each proxy statement received and each vote cast. This information is available to ING CRES upon request.

For the accounts over which ING CRES maintains proxy voting authority, ING CRES will vote proxies in accordance with its proxy voting guidelines. ING CRES may, in certain circumstances, voluntarily adhere to guidelines established by its clients if doing so can be accomplished within the proxy voting process through RMG as described above. Otherwise, ING CRES will not accept proxy voting authority to the extent clients wish to impose voting guidelines different from those of ING CRES. As the responsibility for proxy voting is defined at the outset of the client relationship (and documented in the Investment Management Agreement), ING CRES does not anticipate any confusion on the part of its clients in this respect.

ING CRES will identify any conflicts that exist between the interests of ING CRES and its clients. This examination will include a review of the relationship of ING CRES with the companies comprising the firm's investable universe to determine if the issuer is a client of ING CRES or has some other relationship with the firm. If a material conflict exists, Clarion will determine whether voting in accordance with its voting guidelines is in the best interests of its clients (or particular affected clients). ING CRES will also determine whether it is appropriate to disclose the conflict to the affected clients and, except in the case of clients that are subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA Clients"), will give the clients the opportunity to vote their proxies themselves. In the case of ERISA Clients, if the Investment Management Agreement reserves to the ERISA Client the authority to vote proxies when ING CRES determines it has a material conflict that affects its best judgment as an ERISA fiduciary, ING CRES will give the ERISA Client the opportunity to vote the proxies themselves.

ING CRES will maintain files relating to its proxy voting procedures in an easily accessible place. Records will be maintained and preserved for five years from the end of the fiscal year during which the last entry was made on a record, with records for the first two years kept on site. These files will include (1) copies

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of the proxy voting policies and procedures and any amendments thereto, (2) a copy of any document Clarion created that was material to making a decision how to vote proxies or that memorializes that decision, and (3) a copy of each written client request for information on how Clarion voted such client's proxies and a copy of any written response to any (written or oral) client request for information on how ING CRES voted its proxies.

Clients may contact the Chief Compliance Officer, William Zitelli, via e-mail at william.zitelli@ingclarion.com or telephone (610) 995-8935, to obtain a copy of these policies and procedures (and, if desired, the firm's proxy voting guidelines) or to request information on the voting of such client's proxies. A written response will list, with respect to each voted proxy that the client has inquired about, (1) the name of the issuer, (2) the proposal voted upon, and (3) how ING CRES voted the client's proxy.

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