



# THE STRAITS TRADING COMPANY LIMITED

Company Registration No.: 188700008D

## The Straits Trading Group

### Financial Highlights

- Profit before tax rose significantly to \$536.8 million, benefitting from high tin prices, improved hotel and property earnings, stronger equity markets as well as substantial fair value surplus from the Group's investment properties.
- Excluding exceptional gains, the Group's full year profit before tax was higher at \$116.8 million in 2007 compared with \$84.8 million in 2006, due to better operational results from all core businesses except for the dividend income from the Group's financial investments.
- As a result, Net Asset Value per share rose from \$3.96 in December 2006 to \$5.62 in December 2007.

\$ million	Q4 2007	Q4 2006	+/(-) %	YTD 2007 (12 mths)	YTD 2006 (12 mths)	+/(-) %
Total Revenues	<b>382.2</b>	316.2	20.9	<b>1,109.3</b>	924.3	20.0
Profit Before Tax from continuing operations	<b>192.7</b>	112.1	72.0	<b>536.8</b>	224.5	139.1
Profit Before Tax and Exceptional gains	<b>42.9</b>	37.7	14.0	<b>116.8</b>	84.8	37.8
Profit Attributable to Equity Holders of the Company, net of tax	<b>184.4</b>	98.6	87.0	<b>485.0</b>	194.0	150.0

Earnings per Share	<b>56.6 cents</b>	30.3 cents		<b>148.8 cents</b>	57.9 cents	
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	As at 31.12.2007	As at 31.12.2006
Equity Attributable to Equity Holders of the Company	<b>\$1,831,487,000</b>	\$1,289,322,000
Net Asset Value per Share	<b>\$5.62</b>	\$3.96

N.B.: All in Singapore dollars.

**The Straits Trading Company Limited (Company Registration No. : 188700008D)****Fourth Quarter and Full Year Financial Statement And Dividend Announcements for the Period Ended 31 December 2007****PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

Certain comparative figures have been reclassified to conform with current period's presentation in line with the eXtensible Business Reporting Language (XBRL) format.

**1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

The unaudited results of the Group for the 4th quarter and full year ended 31 December 2007 are as follows :-

	4th Quarter (Q4)		Full Year Ended 31 December	
	2007 SGD ( '000)	2006 SGD ( '000)	2007 SGD ( '000)	2006 SGD ( '000)
<b><u>Revenues</u></b>				
Tin mining and smelting revenue	318,416	239,524	836,273	705,753
Hotel revenue	44,506	36,912	156,474	108,068
Property revenue	12,853	16,206	69,563	55,592
Proceeds from sale of trading securities	813	-	5,002	1,786
	<b>376,588</b>	<b>292,642</b>	<b>1,067,312</b>	<b>871,199</b>
<b><u>Other Items of Income</u></b>				
Dividend income	893	14,551	12,727	27,868
Interest income	2,650	2,882	9,505	9,558
Fair value changes of financial assets	1,422	7,125	16,326	10,445
Other income	669	(992)	3,392	5,269
Total Revenues	<b>382,222</b>	<b>316,208</b>	<b>1,109,262</b>	<b>924,339</b>
Exceptional gains, net	149,789	74,417	420,028	139,771
<b><u>Other Items of Expense</u></b>				
Employee benefits expense	(24,209)	(22,248)	(87,937)	(68,460)
Depreciation expense	(4,241)	(4,626)	(15,351)	(15,960)
Amortisation expense	(849)	(1,817)	(3,669)	(4,968)
Impairment reversal, net	-	6,051	-	6,051
Costs of tin mining and smelting	(297,710)	(200,516)	(730,622)	(611,785)
Costs of trading securities sold	(792)	-	(4,595)	(1,768)
Finance costs	(2,163)	(4,519)	(7,532)	(12,909)
Other expenses	(9,446)	(51,225)	(143,411)	(132,212)
Share of profit from equity-accounted associates	95	336	530	2,393
Share of profit from equity-accounted joint ventures	19	10	102	43
<b>Profit Before Tax from Continuing Operations</b>	<b>192,715</b>	<b>112,071</b>	<b>536,805</b>	<b>224,535</b>
Income Tax Expense	222	(12,857)	(39,569)	(26,662)
<b>Profit from Continuing Operations, net of tax</b>	<b>192,937</b>	<b>99,214</b>	<b>497,236</b>	<b>197,873</b>
<b>Profit Attributable to :</b>				
<b>Equity Holders of the Company, net of tax</b>	<b>184,406</b>	<b>98,588</b>	<b>484,957</b>	<b>194,018</b>
<b>Minority Interests, net of tax</b>	<b>8,531</b>	<b>626</b>	<b>12,279</b>	<b>3,855</b>
	<b>192,937</b>	<b>99,214</b>	<b>497,236</b>	<b>197,873</b>

- Exceptional gains, net comprise :

	4th Quarter (Q4)		Full Year Ended 31 December	
	2007 SGD (‘000)	2006 SGD (‘000)	2007 SGD (‘000)	2006 SGD (‘000)
(a) Net surplus on disposal of investment securities	23,128	9,197	29,247	27,267
(b) Impairment of investment securities	(972)	-	(972)	-
(c) Net surplus on disposal of a subsidiary	-	-	-	11,856
(d) Net surplus on disposal of minority interests of a subsidiary	-	908	-	908
(e) Net fair value changes of investment properties	121,503	64,099	383,586	71,056
(f) Net gain on disposal of properties	122	213	2,159	28,590
(g) Compensation award on land acquired	-	-	-	94
(h) Net tax refund from prior years’ assessments on gains from sale of investment securities	6,008	-	6,008	-
	<u>149,789</u>	<u>74,417</u>	<u>420,028</u>	<u>139,771</u>

- Impairment reversal, net comprise :

	4th Quarter (Q4)		Full Year Ended 31 December	
	2007 SGD (‘000)	2006 SGD (‘000)	2007 SGD (‘000)	2006 SGD (‘000)
(a) Reversal of impairment on hotel property	-	7,259	-	7,259
(b) Impairment on plant and equipment	-	(500)	-	(500)
(c) Impairment on goodwill	-	(708)	-	(708)
	<u>-</u>	<u>6,051</u>	<u>-</u>	<u>6,051</u>

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

Balance Sheets as at 31 December 2007

	<b>GROUP</b>		<b>COMPANY</b>	
	31 December 2007	31 December 2006	31 December 2007	31 December 2006
	SGD (‘000)	SGD (‘000)	SGD (‘000)	SGD (‘000)
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, plant and equipment	206,252	211,564	164	105
Investment properties	821,132	416,353	108,005	76,575
Goodwill on consolidation	24,089	23,249	-	-
Other intangible assets	12,336	10,356	-	-
Investments in subsidiaries	-	-	120,470	120,191
Investments in associates	11,516	18,908	3,585	3,585
Investments in joint ventures	317	204	-	-
Deferred tax assets	13,114	8,626	-	-
Other non-current receivables	-	-	79,445	75,920
Investment securities	434,065	304,128	301,776	212,106
Other non-current assets	4,922	1,321	-	-
<b>Total Non-Current Assets</b>	<b>1,527,743</b>	<b>994,709</b>	<b>613,445</b>	<b>488,482</b>
<b>Current Assets</b>				
Assets held for sale under FRS 105	-	7,020	-	-
Properties held for sale	12,806	23,681	-	-
Inventories	136,271	132,267	-	-
Income tax receivables	4,061	8,928	23	5
Trade receivables	93,910	47,105	324	1,073
Other receivables	37,818	39,047	381,493	381,147
Investment securities	92,328	69,236	-	-
Derivative financial instruments	170	835	-	-
Cash and cash equivalents	346,208	335,199	123,432	261,428
<b>Total Current Assets</b>	<b>723,572</b>	<b>663,318</b>	<b>505,272</b>	<b>643,653</b>
<b>Total Assets</b>	<b>2,251,315</b>	<b>1,658,027</b>	<b>1,118,717</b>	<b>1,132,135</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	265,928	265,928	265,928	265,928
Retained earnings	1,345,420	885,443	541,336	466,670
Other reserves	220,139	137,951	182,873	106,607
Equity, attributable to equity holders of the Company	1,831,487	1,289,322	990,137	839,205
Minority Interests	62,669	51,648	-	-
<b>Total Equity</b>	<b>1,894,156</b>	<b>1,340,970</b>	<b>990,137</b>	<b>839,205</b>
<b>Non-Current Liabilities</b>				
Provisions	5,244	6,056	-	-
Deferred tax liabilities	38,554	28,687	458	2,242
Borrowings	3,922	32	-	-
Other non-current liabilities	40,165	44,514	-	-
<b>Total Non-Current Liabilities</b>	<b>87,885</b>	<b>79,289</b>	<b>458</b>	<b>2,242</b>
<b>Current Liabilities</b>				
Provisions	38	36	-	-
Income tax payable	24,251	16,911	2,160	2,044
Trade payables	20,855	28,301	288	240
Other payables	49,900	39,645	125,597	288,334
Borrowings	171,345	148,831	-	-
Derivative financial instruments	2,885	4,044	77	70
<b>Total Current Liabilities</b>	<b>269,274</b>	<b>237,768</b>	<b>128,122</b>	<b>290,688</b>
<b>Total Liabilities</b>	<b>357,159</b>	<b>317,057</b>	<b>128,580</b>	<b>292,930</b>
<b>Total Equity and Liabilities</b>	<b>2,251,315</b>	<b>1,658,027</b>	<b>1,118,717</b>	<b>1,132,135</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.****Amount repayable in one year or less, or on demand**

<b>As at 31/12/2007</b>		<b>As at 31/12/2006</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
-	\$171,345,000	\$13,000	\$148,818,000

**Amount repayable after one year**

<b>As at 31/12/2007</b>		<b>As at 31/12/2006</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
-	\$3,922,000	\$32,000	-

**1 (c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Consolidated Cash Flow Statement for the 4th quarter and full year ended 31 December 2007

	4th Quarter (Q4)		Full Year Ended 31 December	
	2007 SGD (‘000)	2006 SGD (‘000)	2007 SGD (‘000)	2006 SGD (‘000)
<b><u>Cash flows from operating activities</u></b>				
Profit before tax	192,715	112,071	536,805	224,535
<b>Adjustments</b>				
Depreciation of property, plant and equipment	4,241	4,626	15,351	15,960
Interest income	(2,650)	(2,882)	(9,505)	(9,558)
Interest expense	2,163	4,519	7,532	12,909
Dividend income	(893)	(14,551)	(12,727)	(27,868)
(Gain)/Loss on disposal of property, plant and equipment	(2)	33	(55)	(59)
Property, plant and equipment written off	361	145	372	817
Amortisation of mining rights	340	395	1,353	1,631
Amortisation of management rights	50	47	195	185
Amortisation of club membership	2	2	9	7
Amortisation of exploration and development cost	457	1,373	2,112	3,145
Amortisation of deferred income	(906)	965	(3,625)	(2,719)
Changes in fair value on held-for-trading financial assets	(1,422)	(7,125)	(16,326)	(10,445)
(Write back)/Provision for mine reclamation cost	(899)	472	110	953
Provision of employee benefits	141	1,368	2,393	2,150
(Write back)/Provision of doubtful debts	(3,596)	4,663	(4,025)	4,338
Exploration costs written off	586	3,869	586	4,471
Share of profit from associates	(95)	(336)	(530)	(2,393)
Share of profit from joint ventures	(19)	(10)	(102)	(43)
Net surplus on disposal of long term investment securities	(23,128)	(9,197)	(29,247)	(27,267)
Net surplus on disposal of a subsidiary	-	-	-	(11,856)
Net surplus on disposal of minority interests of a subsidiary	-	(908)	-	(908)
Net fair value changes of investment properties	(121,503)	(64,099)	(383,586)	(71,056)
Net gain on disposal of properties	(122)	(213)	(2,159)	(28,590)
Net tax refund from prior years’ assessments on gains from sale of investment securities	(6,008)	-	(6,008)	-
Compensation award on land acquired	-	-	-	(94)
Impairment of investment securities	972	-	972	-
Reversal of impairment on hotel property	-	(7,259)	-	(7,259)
Impairment on plant and equipment	-	500	-	500
Impairment on goodwill	-	708	-	708
<b>Operating cash flows before changes in working capital</b>	<b>40,785</b>	<b>29,176</b>	<b>99,895</b>	<b>72,194</b>
Decrease in properties held for sale	871	2,991	10,875	9,178
Decrease/(Increase) in inventories	7,329	13,806	(2,503)	36,404
Decrease/(Increase) in short term investment securities	385	(2,033)	(3,963)	(1,940)
(Increase)/Decrease in trade and other receivables	(20,133)	22,395	(37,567)	(29,948)
Increase/(Decrease) in trade and other payables	5,535	15,063	(4,020)	13,410
<b>Cash flows from operations</b>	<b>34,772</b>	<b>81,398</b>	<b>62,717</b>	<b>99,298</b>
Income taxes paid	(6,999)	(5,345)	(22,884)	(12,308)
Interest expense	(2,551)	(4,532)	(8,020)	(11,725)
Dividend income	893	14,551	12,727	27,868
Dividends from associates	-	-	8,005	15
Interest income	2,655	2,351	10,035	9,102
<b>Net cash flows from operating activities</b>	<b>28,770</b>	<b>88,423</b>	<b>62,580</b>	<b>112,250</b>

## Consolidated Cash Flow Statement for the 4th quarter and full year ended 31 December 2007 (cont'd)

	4th Quarter (Q4)		Full Year Ended 31 December	
	2007 SGD (‘000)	2006 SGD (‘000)	2007 SGD (‘000)	2006 SGD (‘000)
<b><u>Cash flows from investing activities</u></b>				
Proceeds from sale of properties, plant and equipment	936	23,027	10,186	446,188
Net cash flow from disposal of a subsidiary	-	-	-	17,270
Cost incurred on property, plant and equipment	(6,594)	(3,190)	(20,897)	(17,058)
Deposit paid on property, plant and equipment	(2,534)	-	(2,534)	-
(Adjustment)/Proceeds from sale of long term investment securities	(69)	16,598	8,128	69,726
Purchase of long term investment securities	(28,986)	(13)	(29,894)	(455)
Net cash outflow on acquisition of subsidiaries (see note)	-	-	(182)	-
Acquisition of minority interests	-	(52)	-	(46,063)
Proceeds from disposal of minority interests	-	32,480	-	32,480
Adjustment/(Payment) of deferred mine development and exploration expenditure	1,359	(633)	(5,582)	(1,833)
Cost incurred on investment properties	(2,853)	(1,059)	(9,089)	(1,398)
Purchase of mining rights	(871)	-	(871)	-
Purchase of club membership	-	-	-	(139)
Compensation award on land acquired	-	-	-	94
Subscription of shares in an associate	-	-	-	(2,473)
Net tax refund from prior years' assessments on gains from sale of investment securities	6,008	-	6,008	-
Payment for other asset	(3,450)	-	(3,450)	-
<b>Net cash flows (used in)/from investing activities</b>	<b>(37,054)</b>	<b>67,158</b>	<b>(48,177)</b>	<b>496,339</b>
<b><u>Cash flows from financing activities</u></b>				
Dividends paid to shareholders	-	-	(24,980)	(84,733)
Dividends paid to minority shareholders of subsidiaries	(521)	-	(1,327)	(2,589)
Increase in borrowings /(Loan repayment)	11,230	(28,279)	26,404	(248,153)
Decrease/(Increase) in amount due from a joint venture	14	(21)	155	40
Payment pursuant to selective capital reduction and related expenses	-	-	-	(90,690)
Proceeds from right issue by subsidiary	1,187	-	1,187	-
<b>Net cash flows from/(used in) financing activities</b>	<b>11,910</b>	<b>(28,300)</b>	<b>1,439</b>	<b>(426,125)</b>
Net increase in cash and cash equivalents	3,626	127,281	15,842	182,464
Effect of exchange rate changes on cash and cash equivalents	(3,937)	(4,711)	(4,833)	(6,984)
Cash and cash equivalents, cash flow statement, beginning balance	346,519	212,629	335,199	159,719
<b>Cash and cash equivalents, cash flow statement, ending balance</b>	<b>346,208</b>	<b>335,199</b>	<b>346,208</b>	<b>335,199</b>

Note: Acquisition of Subsidiaries

- (a) The fair value of the identifiable assets and liabilities of the subsidiary as at the date of acquisition, in Q2 2007, was :

	<u>Recognised on acquisition</u> SGD (‘000)	<u>Carrying amount before combination</u> SGD (‘000)
Property, plant and equipment	2,279	2,279
Other payable	(1,975)	(1,975)
Net identifiable asset	304	<u>304</u>
Minority interests	(122)	
Total purchase consideration	<u>182</u>	
Cash outflow on acquisition :		
Cash paid	(182)	
Net cash at bank acquired	-	
Net cash outflow on acquisition	<u>(182)</u>	

- (b) The net cash effect arising from the acquisition of a subsidiary in Q4 2007 is nil.



**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Statements of Changes in Equity for the year ended 31 December 2007

**GROUP**

	Total equity SGD (‘000)	Equity, attributable to equity holders of the Company SGD (‘000)	Share capital SGD (‘000)	Retained earnings SGD (‘000)	AFS reserve SGD (‘000)	Hedging reserve SGD (‘000)	Revaluation reserve SGD (‘000)	Share option reserve SGD (‘000)	Translation reserve SGD (‘000)	Minority interests SGD (‘000)
<b>Opening balance at 1 January 2007</b>	1,340,970	1,289,322	265,928	885,443	148,869	(1,227)	927	33	(10,651)	51,648
Exchange adjustment	(627)	1,025	-	-	-	-	-	-	1,025	(1,652)
Net fair value changes on available-for-sale investments	122,724	123,486	-	-	123,486	-	-	-	-	(762)
Net fair value changes transferred to income statement	(44,007)	(44,007)	-	-	(44,007)	-	-	-	-	-
Net fair value changes on cash flow hedges	1,193	712	-	-	-	712	-	-	-	481
Impairment transferred to income statement	972	972	-	-	972	-	-	-	-	-
<b>Net income recognised directly in equity</b>	80,255	82,188	-	-	80,451	712	-	-	1,025	(1,933)
<b>Profit for the year</b>	497,236	484,957	-	484,957	-	-	-	-	-	12,279
<b>Total recognised income and expenses for the year</b>	577,491	567,145	-	484,957	80,451	712	-	-	1,025	10,346
Dividend on ordinary shares										
- 2nd interim dividend for 2006, paid	(9,516)	(9,516)	-	(9,516)	-	-	-	-	-	-
- Special dividend for 2006, paid	(9,516)	(9,516)	-	(9,516)	-	-	-	-	-	-
- 1st interim dividend for 2007, paid	(5,948)	(5,948)	-	(5,948)	-	-	-	-	-	-
Dividends to minority shareholders of a subsidiary	(1,327)	-	-	-	-	-	-	-	-	(1,327)
Minority interests arising from acquisition of a subsidiary	122	-	-	-	-	-	-	-	-	122
Shares issued to a minority shareholder by a subsidiary	49	-	-	-	-	-	-	-	-	49
Net increase arising from subscription of rights issue	1,831	-	-	-	-	-	-	-	-	1,831
<b>Closing balance at 31 December 2007</b>	<b>1,894,156</b>	<b>1,831,487</b>	<b>265,928</b>	<b>1,345,420</b>	<b>229,320</b>	<b>(515)</b>	<b>927</b>	<b>33</b>	<b>(9,626)</b>	<b>62,669</b>

## Statements of Changes in Equity for the year ended 31 December 2007 (cont'd)

**GROUP**

	Total equity SGD ( <sup>'000</sup> )	Equity, attributable to equity holders of the Company SGD ( <sup>'000</sup> )	Share capital SGD ( <sup>'000</sup> )	Retained earnings SGD ( <sup>'000</sup> )	AFS reserve SGD ( <sup>'000</sup> )	Hedging reserve SGD ( <sup>'000</sup> )	Revaluation reserve SGD ( <sup>'000</sup> )	Share option reserve SGD ( <sup>'000</sup> )	Translation reserve SGD ( <sup>'000</sup> )	Minority interests SGD ( <sup>'000</sup> )
<b>Opening balance at 1 January 2006</b>	1,320,550	1,264,130	356,400	776,376	149,609	(1,453)	1,147	33	(17,982)	56,420
Exchange adjustment	(6,259)	(3,690)	-	-	-	-	-	-	(3,690)	(2,569)
Exchange loss transferred to income statement	11,021	11,021	-	-	-	-	-	-	11,021	-
Impairment of plant and equipment	(220)	(220)	-	-	-	-	(220)	-	-	-
Net fair value changes on available-for-sale investment securities	45,024	45,061	-	-	45,061	-	-	-	-	(37)
Net fair value changes transferred to income statement	(45,801)	(45,801)	-	-	(45,801)	-	-	-	-	-
Net fair value changes on cash flow hedges	1,270	226	-	-	-	226	-	-	-	1,044
<b>Net income recognised directly in equity</b>	5,035	6,597	-	-	(740)	226	(220)	-	7,331	(1,562)
<b>Profit for the year</b>	197,873	194,018	-	194,018	-	-	-	-	-	3,855
<b>Total recognised income and expenses for the year</b>	202,908	200,615	-	194,018	(740)	226	(220)	-	7,331	2,293
Reduction of share capital pursuant to selective capital reduction and related expenses	(90,690)	(90,690)	(90,472)	(218)	-	-	-	-	-	-
Dividend on ordinary shares										
- 2nd interim dividend for 2005, paid	(13,036)	(13,036)	-	(13,036)	-	-	-	-	-	-
- Special dividend for 2005, paid	(65,179)	(65,179)	-	(65,179)	-	-	-	-	-	-
- 1st interim dividend for 2006, paid	(6,518)	(6,518)	-	(6,518)	-	-	-	-	-	-
Dividends to minority shareholders of a subsidiary	(2,589)	-	-	-	-	-	-	-	-	(2,589)
Acquisition of minority interests	(11,730)	-	-	-	-	-	-	-	-	(11,730)
Minority interests on disposal of a subsidiary	7,254	-	-	-	-	-	-	-	-	7,254
<b>Closing balance at 31 December 2006</b>	1,340,970	1,289,322	265,928	885,443	148,869	(1,227)	927	33	(10,651)	51,648

## Statements of Changes in Equity for the year ended 31 December 2007 (cont'd)

**COMPANY**

	<b>Total equity SGD (‘000)</b>	<b>Equity, attributable to equity holders of the Company SGD (‘000)</b>	<b>Share capital SGD (‘000)</b>	<b>Retained earnings SGD (‘000)</b>	<b>AFS reserve SGD (‘000)</b>	<b>Translation reserve SGD (‘000)</b>
<b>Opening balance at 1 January 2007</b>	839,205	839,205	265,928	466,670	107,839	(1,232)
Exchange adjustment	180	180	-	-	-	180
Fair value changes on available-for-sale investment securities	104,557	104,557	-	-	104,557	-
Fair value changes transferred to income statement	(29,443)	(29,443)	-	-	(29,443)	-
Impairment transferred to income statement	972	972	-	-	972	-
<b>Net income recognised directly in equity</b>	76,266	76,266	-	-	76,086	180
<b>Profit for the year</b>	99,646	99,646	-	99,646	-	-
<b>Total recognised income and expenses for the year</b>	175,912	175,912	-	99,646	76,086	180
Dividend on ordinary shares						
- 2nd interim dividend for 2006, paid	(9,516)	(9,516)	-	(9,516)	-	-
- Special dividend for 2006, paid	(9,516)	(9,516)	-	(9,516)	-	-
- 1st interim dividend for 2007, paid	(5,948)	(5,948)	-	(5,948)	-	-
<b>Closing balance at 31 December 2007</b>	<b>990,137</b>	<b>990,137</b>	<b>265,928</b>	<b>541,336</b>	<b>183,925</b>	<b>(1,052)</b>

	<b>Total equity SGD (‘000)</b>	<b>Equity, attributable to equity holders of the Company SGD (‘000)</b>	<b>Share capital SGD (‘000)</b>	<b>Retained earnings SGD (‘000)</b>	<b>AFS reserve SGD (‘000)</b>	<b>Translation reserve SGD (‘000)</b>
<b>Opening balance at 1 January 2006</b>	1,031,980	1,031,980	356,400	544,367	131,681	(468)
Exchange adjustment	(764)	(764)	-	-	-	(764)
Fair value changes on available-for-sale investment securities	37,567	37,567	-	-	37,567	-
Fair value changes transferred to income statement	(61,409)	(61,409)	-	-	(61,409)	-
<b>Net expense recognised directly in equity</b>	(24,606)	(24,606)	-	-	(23,842)	(764)
<b>Profit for the year</b>	7,254	7,254	-	7,254	-	-
<b>Total recognised income and expenses for the year</b>	(17,352)	(17,352)	-	7,254	(23,842)	(764)
Reduction of share capital pursuant to selective capital reduction and related expenses	(90,690)	(90,690)	(90,472)	(218)	-	-
Dividend on ordinary shares						
- 2nd interim dividend for 2005, paid	(13,036)	(13,036)	-	(13,036)	-	-
- Special dividend for 2005, paid	(65,179)	(65,179)	-	(65,179)	-	-
- 1st interim dividend for 2006, paid	(6,518)	(6,518)	-	(6,518)	-	-
<b>Closing balance at 31 December 2006</b>	<b>839,205</b>	<b>839,205</b>	<b>265,928</b>	<b>466,670</b>	<b>107,839</b>	<b>(1,232)</b>

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Not applicable.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at 31 December 2006, as well as adoption of various relevant new or revised Financial Reporting Standard (FRS) and Interpretations to FRS (INT FRS) which become effective for the financial year beginning on or after 1 January 2007.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The adoption of the new or revised FRS or INT FRS does not have any material financial impact on the Group and the Company.

- 6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	4th Quarter (Q4)		Full Year Ended 31 December	
	2007	2006	2007	2006
Basic and Diluted Earnings per share for the period based on Group profit attributable to Equity Holders of the Company :-	56.6 cents	30.3 cents	148.8 cents	57.9 cents

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**

**(a) current financial period reported on; and**

**(b) immediately preceding financial year.**

Net asset value per share based on issued share capital at the end of :-	31 December 2007	31 December 2006
The Group	\$5.62	\$3.96
The Company	\$3.04	\$2.58

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

**(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Overall review**

The Group's core businesses comprise (a) metals and mineral resources, (b) hotel investment and management, (c) property operations and (d) financial investments.

Profit before tax rose significantly to \$536.8 million, benefitting from high tin prices, improved hotel and property earnings, stronger equity markets as well as substantial fair value surplus from the Group's investment properties.

Excluding exceptional gains, the Group's full year profit before tax was higher at \$116.8 million in 2007 compared with \$84.8 million in 2006, due to better operational results from all core businesses despite a lower dividend income from the Group's financial investments.

**Segmental review**

**Metals and mineral resources**

Net earnings of Malaysia Smelting Corporation Berhad (MSC) increased from RM41.5 million in 2006 to RM67.4 million in 2007 despite disruptions in MSC's Indonesian operations in H1 2007 and its 75%-owned subsidiary PT Koba Tin only resumed export of tin metal in May 2007 and small-scale mining in August 2007. The improvement was attributable mainly to strong tin prices and the results of the cost rationalization programme of PT Koba Tin.

### Hotel investment and management

Hotel revenue increased 44.8% from \$108.1 million in 2006 to \$156.5 million in 2007 as a number of new hotels were added to the Group in H2 2006, namely the three Marque hotels in Australia and the Rendezvous Hotel, Auckland.

Hotel profit in 2007 also increased with higher average room rates in Perth and Singapore. This was partially offset by the loss incurred by the hotel in Auckland due to lower occupancy.

### Property operations

Property revenue increased 25.1% from \$55.6 million in 2006 to \$69.6 million in 2007 as the Group sold more units at Gallop Gables condominium during the year in view of the strong property market in Singapore. Higher rental rates for new/renewal leases have also improved revenue.

### Financial investments

Profit from the sale of trading securities in 2007 was minimal. The Group however benefited from the buoyant equity markets and recorded an increase in fair value on its trading portfolio, amounted to \$17.5 million in 2007 compared with \$10.9 million in 2006.

On the other hand, dividend income from the Group's financial investments fell sharply from \$27.9 million in 2006 to \$12.7 million in 2007, largely due to the divestment of the Group's holding in Raffles Holding Limited in Q4 2006 and lower special dividend payouts by some of the companies which the Group has interest in.

### Exceptional gains

The substantial net exceptional gains of \$420.0 million in 2007 were mainly from:

- (a) recognition of fair value surplus of \$383.6 million from the revaluation of the Group's investment properties.
- (b) net surplus of \$29.2 million, arising mainly from the deemed disposal of the Group's long term investment in Sime Darby Berhad and Golden Hope Plantations Bhd in Q4 2007 following the merger of three listed group of companies, Sime Darby, Golden Hope Plantations and Kumpulan Guthrie.
- (c) net surplus from sale of some land plots in Malaysia.
- (d) net tax refund from prior years' assessments on gains from sale of long term investment securities by a subsidiary.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The 4th quarter and full year results ended 31 December 2007 are consistent with the prospects statement disclosed in the circular to shareholders dated 3 February 2008.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Metals and mineral resources

On 29 January 2008, MSC announced that the local police force in Bangka, Indonesia had asked PT Koba Tin to stop receiving tin ore from its sub-contractors and to cease production of tin ingots. This was to facilitate the police to carry out investigations following allegations that two of PT Koba Tin's appointed sub-contractors had been mining in a forest area within PT Koba Tin's contract of work area where mining is prohibited. PT Koba Tin's internal control measures and investigations have, however, confirmed that all production from its appointed sub-contractors have been derived from mining activities carried out within the contract of work area and outside the forest area.

Subject to early resolution to the current investigation on PT Koba Tin and barring any further unforeseen circumstances, MSC should continue to contribute positively in the light of the current high tin prices.

Hotel investment and management

The additions to the Group's hotel management portfolio such as Christchurch (New Zealand), Kuala Lumpur (Malaysia), Guilin (China), Fujairah (United Arab Emirates) and Shanghai (China) are scheduled to commence operations in 2008/2009 and are expected to contribute positively.

Refurbishment is currently being carried out at (a) the Rendezvous hotels in Auckland and Port Douglas and (b) the Marque hotels in Sydney and Brisbane, which should lift room rates once completed in 2008. Revenue will further increase with availability of more rooms at the hotel in Broome after the completion of refurbishment in 2007 and higher occupancy and room rates from the newly refurbished rooms at the hotel in Melbourne.

Outlook for the hotel industry in Singapore and the region remains strong, which augurs well for the Group hotels' performance.

### Property operations

The Singapore property leasing market continues to be strong. With the increase in rentals and rise in capital values, the Group will continue to benefit from these favourable conditions.

The completion of the redevelopment of Straits Trading Building, Singapore in 2009 will significantly raise the Group's rental income. Other major property development activities that the Group may undertake include:

1. the redevelopment of Rendezvous Observation City Hotel in Perth, Australia into a mixed development consisting of a boutique hotel, high-end residential apartments and retail/commercial areas.
2. the development, construction and leasing of a hotel-cum-retail complex on Oversea-Chinese Banking Corporation Limited (OCBC)'s existing Specialists' Centre and Hotel Phoenix site. As announced on 10 January 2008, the Company is currently in advanced discussions with OCBC on this redevelopment project.

### Financial investments

Activities from the trading of securities are expected to remain low and dividend income will likely remain at current levels.

### Overall earnings

Barring any unforeseen circumstances, the Group expects its core operations to continue contributing positively in 2008. However, any significant fair value surplus from the Group's investment properties is unlikely to recur in the current year.

### Contingent Liabilities

Since the Company's last announcement on 9 November 2007 of its Q3 interim financial statement, there was no new development on the following outstanding material litigation against its subsidiary, MSC :

- (a) A claim from a party against MSC and three others, seeking a declaration that the award for the sale of 100% issued shares of Rahman Hydraulic Tin Sdn. Bhd. (RHT) to MSC pursuant to an open tender process, be declared null and void. The party also filed an injunction to restrain the Administrator of RHT from proceeding with the sale. Both the claim and the injunction were dismissed by the High Court with costs. The party had filed an appeal on 8 March 2005 and no date has been fixed for hearing.
- (b) A statement of claim for RM45 million plus interest at 8% per annum and legal costs was filed against MSC for an alleged breach of a Share Subscription Agreement made between the Plaintiff and MSC. The breach was in fact committed by the Plaintiff, entitling MSC to terminate the agreement. MSC had filed its Statement of Defence on 18 November 2005 disputing liability. To-date, the Plaintiff had not proceeded further on the case.



- (c) On 7 February 2006, MSC received a statement of claim from a system provider for RM1.28 million plus interest at 8% per annum and legal costs for alleged cost overruns in the implementation of an Enterprise Resource Planning System. The claim came after more than a year following the completion of the implementation. On 7 March 2006, MSC had filed its Statement of Defence disputing liability.

## 11. Dividend

### (a) Current Financial Period Reported On

*Any dividend declared for the current financial period reported on?*

Yes.

<i>Name of Dividend</i>	First Interim	Second Interim
<i>Dividend Type</i>	Cash	Cash
<i>Dividend Amount per Share (in cents)</i>	2.5 cents per ordinary share less tax	5 cents per ordinary share (one-tier tax)
<i>Tax Rate</i>	27% (Malaysian tax)	N.A.

### (b) Corresponding Period of the Immediately Preceding Financial Year

*Any dividend declared for the corresponding period of the immediately preceding financial year?*

Yes.

<i>Name of Dividend</i>	First Interim	Second Interim	Special
<i>Dividend Type</i>	Cash	Cash	Cash
<i>Dividend Amount per Share (in cents)</i>	2 cents per ordinary share (one-tier tax)	4 cents per ordinary share less tax	4 cents per ordinary share less tax
<i>Tax Rate</i>	N.A.	27% (Malaysian tax)	27% (Malaysian tax)

### (c) Date payable

#### Second Interim Dividend

The Directors have declared a second interim dividend of one-tier tax exempt dividend of 5 cents per share in respect of the year ended 31 December 2007, payable on 6 May 2008 to those shareholders on the share register on 23 April 2008.

**(d) Books closure date**

Second Interim Dividend

The share register of the Company will be closed from 22 April and 23 April 2008, both dates inclusive, for the preparation of warrants. Registrable transfers received by the Company's Registrars, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.), at 8 Cross Street, #11-00 PWC Building, Singapore 048424, up to 5.00 p.m. on 21 April 2008 will be registered before entitlements to the dividend are determined.

**(e) Annual General Meeting**

The Annual General Meeting of the Company will be held at Straits Ballroom, Level 2, Rendezvous Hotel, Singapore, 9 Bras Basah Road, Singapore 189559, on Thursday, 24 April 2008 at 3.00 p.m.

**12. If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**  
**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

**13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Segment Revenue and Results for the year ended 31 December 2007

2007 Business Segments

	Resources SGD ( '000)	Hotel SGD ( '000)	Property SGD ( '000)	Securities Trading SGD ( '000)	Investment Holding SGD ( '000)	Corporate/ Others SGD ( '000)	Elimination SGD ( '000)	Consolidated SGD ( '000)
Segment Revenue								
Revenue from external	836,273	156,474	69,563	5,002	-	-	-	1,067,312
Inter-segment revenue	-	-	953	-	-	-	(953)	-
Other income	(41)	-	3,625	20,181	10,145	8,040	-	41,950
<b>Total Revenues</b>	<b>836,232</b>	<b>156,474</b>	<b>74,141</b>	<b>25,183</b>	<b>10,145</b>	<b>8,040</b>	<b>(953)</b>	<b>1,109,262</b>
Segment result	56,573	10,223	21,388	19,788	9,802	8,011	-	125,785
Unallocated expenses								(2,108)
Profit from operations								123,677
Exceptional gains, net	1,084		384,661		34,283			420,028
Finance costs	(7,532)							(7,532)
Share of profit from equity-accounted associates	493		37					530
Share of profit from equity-accounted joint ventures		102						102
Profit Before Tax from Continuing Operations								536,805
Income Tax Expense								(39,569)
Profit from Continuing Operations, net of tax								497,236
Attributable to :								
Equity holders of Company, net of tax								484,957
Minority interests, net of tax								12,279
								497,236

2007 Geographical Segments

	Singapore SGD ( '000)	Malaysia SGD ( '000)	Indonesia SGD ( '000)	Australia SGD ( '000)	Corporate/ Others SGD ( '000)	Elimination SGD ( '000)	Consolidated SGD ( '000)
Segment Revenue							
Revenue from external	135,189	834,089	6,587	110,464	22,933	-	1,109,262
Inter-segment revenue	1,200	245	161,012	-	-	(162,457)	-
<b>Total Revenues</b>	<b>136,389</b>	<b>834,334</b>	<b>167,599</b>	<b>110,464</b>	<b>22,933</b>	<b>(162,457)</b>	<b>1,109,262</b>

## Segment Revenue and Results for the year ended 31 December 2007 (cont'd)

**2006 Business Segments**

	Resources SGD ( '000)	Hotel SGD ( '000)	Property SGD ( '000)	Securities Trading SGD ( '000)	Investment Holding SGD ( '000)	Corporate/ Others SGD ( '000)	Elimination SGD ( '000)	Consolidated SGD ( '000)
Segment Revenue								
Revenue from external	705,753	108,068	55,592	1,786	-	-	-	871,199
Inter-segment revenue	-	-	794	-	-	-	(794)	-
Other income	3,733	-	2,713	13,514	25,315	7,865	-	53,140
<b>Total Revenues</b>	<b>709,486</b>	<b>108,068</b>	<b>59,099</b>	<b>15,300</b>	<b>25,315</b>	<b>7,865</b>	<b>(794)</b>	<b>924,339</b>
Segment result	25,774	5,867	13,034	12,771	25,177	8,006	-	90,629
Unallocated expenses								(1,443)
Profit from operations								89,186
Exceptional gains, net	1,306		98,434		27,267	12,764		139,771
Impairment (losses)/reversal, net	(1,278)	7,329						6,051
Finance costs	(11,127)		(1,782)					(12,909)
Share of profit from equity-accounted associates	305		2,088					2,393
Share of profit from equity-accounted joint ventures		43						43
Profit Before Tax from Continuing Operations								224,535
Income Tax Expense								(26,662)
Profit from Continuing Operations, net of tax								197,873
Attributable to :								
Equity holders of Company, net of tax								194,018
Minority interests, net of tax								3,855
								197,873

**2006 Geographical Segments**

	Singapore SGD ( '000)	Malaysia SGD ( '000)	Indonesia SGD ( '000)	Australia SGD ( '000)	Corporate/ Others SGD ( '000)	Elimination SGD ( '000)	Consolidated SGD ( '000)
Segment Revenue							
Revenue from external	120,897	713,226	1,421	80,110	8,685	-	924,339
Inter-segment revenue	793	566	274,918	-	-	(276,277)	-
<b>Total Revenues</b>	<b>121,690</b>	<b>713,792</b>	<b>276,339</b>	<b>80,110</b>	<b>8,685</b>	<b>(276,277)</b>	<b>924,339</b>

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to paragraph 8.

15. A breakdown of revenues and profit after tax.

	2007 SGD ('000)	2006 SGD ('000)	+ or (-) %
(a) Total revenues reported for first half year	457,114	388,643	17.6
(b) Profit after tax before deducting minority interests reported for first half year	293,361*	66,508	341.1
(c) Total revenues reported for second half year	652,148	535,696	21.7
(d) Profit after tax before deducting minority interests reported for second half year	203,875*	131,365*	55.2

\* Included net fair value increase on investment properties consequent to the adoption of FRS 40 on 1 January 2006.

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details)

	Latest Full Year (\$'000)	Previous Full Year (\$'000)
Ordinary	22,243	25,550 <sup>#</sup>
Total:	22,243	25,550 <sup>#</sup>

<sup>#</sup> Included special dividend of 4 cents per share (totalling \$9.516 million, net of 27% tax) paid on 1 June 2007.

**17. Responsibility Statement.**

The Directors of the Company (including those who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors of the Company has been to ensure through reasonable enquires that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

**BY ORDER OF THE BOARD**

**Emily Teo (Ms)**

**Secretary**

16 February 2008

Singapore

This Announcement will be available at the Company's website at <http://www.stc.com.sg/>