



THE STRAITS TRADING COMPANY LIMITED

Company Registration No.: 188700008D
(A member of The Tecity Group)

The Straits Trading Group

Financial Highlights

- Group profit before tax fell from \$536.8 million in 2007 to \$73.9 million in 2008, as profit for 2007 included exceptional gains of \$420.0 million arising mainly from the revaluation of real estate. In contrast, 2008 saw an exceptional gains of \$51.4 million arising mainly from the disposal of its investment securities.
- During the first two quarters of 2008, the Group disposed of a significant portion of its investment portfolio, following a strategic review of its businesses. For 2008, notwithstanding the Group realised an exceptional gain of \$75.1 million on disposal of investment securities, the global financial crisis has resulted in a \$16.5 million fall in fair value of its remaining marketable securities.
- Excluding exceptional gains and fair value adjustments, the Group's pre-tax profit fell 62.6% from \$100.5 million in 2007 to \$37.6 million in 2008.
- Following the strategic review, the Group has decided to distribute up to \$2.50 special dividend per share to shareholders by April 2009. Consolidated net asset value per share fell from \$5.62 in 2007 to \$3.67 as at 31 December 2008.

\$ million	Q4 2008	Q4 2007	+ / (-) %	YTD 2008 (12 mths)	YTD 2007 (12 mths)	+ / (-) %
Total Revenues	224.8	382.2	(41.2)	1,250.1	1,109.3	12.7
(Loss)/Profit Before Tax from Continuing Operations	(38.4)	192.7	N.M.	73.9	536.8	(86.2)
(Loss)/Profit Before Tax, Exceptional items and Fair value changes of financial assets	(15.4)	41.5	N.M.	37.6	100.5	(62.6)
(Loss)/Profit Attributable to Equity Holders of the Company, net of tax	(31.1)	184.4	N.M.	57.6	485.0	(88.1)

(Loss)/Earnings per Share	(9.5) cents	56.6 cents		17.7 cents	148.8 cents	
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	As at 31.12.2008	As at 31.12.2007
Equity Attributable to Equity Holders of the Company	\$1,196,781,000	\$1,831,487,000
Net Asset Value per Share	\$3.67	\$5.62

N.B.: All in Singapore dollars.
N.M.: Not meaningful.

The Straits Trading Company Limited (Company Registration No. : 188700008D)
Fourth Quarter and Full Year Financial Statements and Dividend Announcements for the Period Ended 31 December 2008
PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS
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 2008 are as follows :-

	4th Quarter (Q4)		Full Year Ended 31 December	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<u>Revenue</u>				
Tin mining and smelting revenue	168,172	318,416	963,384	836,273
Hotel revenue	35,297	44,506	155,488	156,474
Property revenue	17,702	12,853	60,265	69,563
Proceeds from sale of trading securities	4,558	813	66,728	5,002
	225,729	376,588	1,245,865	1,067,312
<u>Other Items of Income</u>				
Dividend income	170	893	8,956	12,727
Interest income	1,481	2,650	8,496	9,505
Fair value changes of financial assets	(1,480)	1,422	(15,023)	16,326
Other income	(1,150)	669	1,809	3,392
Total Revenues	224,750	382,222	1,250,103	1,109,262
Exceptional (losses)/gains, net	(21,511)	149,789	51,363	420,028
<u>Other Items of Expense</u>				
Employee benefits expense	(21,809)	(24,209)	(89,122)	(87,937)
Depreciation expense	(5,148)	(4,241)	(16,908)	(15,351)
Amortisation expense	(1,305)	(849)	(4,141)	(3,669)
Impairment loss	(1,423)	-	(1,423)	-
Costs of tin mining and smelting	(155,642)	(297,710)	(882,602)	(730,622)
Costs of trading securities sold	(5,126)	(792)	(64,918)	(4,595)
Finance costs	(5,467)	(2,163)	(13,293)	(7,532)
Other expenses	(35,419)	(9,004)	(137,578)	(141,424)
Exchange losses	(6,885)	(442)	(13,287)	(1,987)
Share of (loss)/profit from equity-accounted associates	(3,441)	95	(4,356)	530
Share of profit from equity-accounted joint ventures	10	19	77	102
(Loss)/Profit Before Tax from Continuing Operations	(38,416)	192,715	73,915	536,805
Income tax expense	(2,501)	222	(20,095)	(39,569)
(Loss)/Profit from Continuing Operations, net of tax	(40,917)	192,937	53,820	497,236
(Loss)/Profit Attributable to :				
Equity Holders of the Company, net of tax	(31,089)	184,406	57,608	484,957
Minority Interests, net of tax	(9,828)	8,531	(3,788)	12,279
	(40,917)	192,937	53,820	497,236

- Exceptional (losses)/gains, net comprise :

	4th Quarter (Q4)		Full Year Ended 31 December	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
(a) Net surplus on disposal of investment securities	8,116	23,128	75,066	29,247
(b) Impairment of investment securities	(649)	(972)	(649)	(972)
(c) Impairment of investment in an associate	(14,530)	-	(14,530)	-
(d) Net gain on dilution of a subsidiary	-	-	73	-
(e) Net fair value changes of investment properties	(11,466)	121,503	(11,466)	383,586
(f) Revaluation deficit of hotel property	(1,040)	-	(1,040)	-
(g) Net (loss)/gain on disposal of properties	(1,942)	122	3,909	2,159
(h) Net tax refund from prior years' assessments	-	6,008	-	6,008
	<u>(21,511)</u>	<u>149,789</u>	<u>51,363</u>	<u>420,028</u>

- Impairment loss comprise :

	4th Quarter (Q4)		Full Year Ended 31 December	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
(a) Impairment of goodwill	(697)	-	(697)	-
(b) Impairment of plant and equipment	(726)	-	(726)	-
	<u>(1,423)</u>	<u>-</u>	<u>(1,423)</u>	<u>-</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 2008

	GROUP		COMPANY	
	31 December 2008	31 December 2007	31 December 2008	31 December 2007
	\$'000	\$'000	\$'000	\$'000
<u>ASSETS</u>				
<u>Non-Current Assets</u>				
Property, plant and equipment	310,166	206,252	295	164
Investment properties	813,813	821,132	105,424	108,005
Goodwill on consolidation	22,211	24,089	-	-
Other intangible assets	28,264	12,336	-	-
Investments in subsidiaries	-	-	121,034	120,470
Investments in associates	75,967	11,516	3,585	3,585
Investments in joint ventures	313	317	-	-
Deferred tax assets	13,860	13,114	-	-
Other non-current receivables	-	-	121,817	79,445
Investment securities	106,576	434,065	75,015	301,776
Other non-current assets	24,705	4,922	-	-
Total Non-Current Assets	1,395,875	1,527,743	427,170	613,445
<u>Current Assets</u>				
Assets held for sale under FRS 105	2,078	-	212	-
Properties held for sale	7,814	12,806	-	-
Inventories	111,044	136,271	-	-
Income tax receivables	7,031	4,061	164	23
Trade receivables	80,178	93,910	139	324
Other receivables	107,744	37,818	450,191	381,493
Marketable securities	6,073	92,328	-	-
Derivative financial instruments	1,980	170	-	-
Cash and cash equivalents	215,842	346,208	165,142	123,432
Total Current Assets	539,784	723,572	615,848	505,272
Total Assets	1,935,659	2,251,315	1,043,018	1,118,717
<u>EQUITY AND LIABILITIES</u>				
<u>Equity</u>				
Share capital	265,928	265,928	265,928	265,928
Retained earnings	565,472	1,329,125	87,760	525,041
Dividend reserve	325,897	16,295	325,897	16,295
Other reserves	39,484	220,139	2,575	182,873
Equity attributable to equity holders of the Company	1,196,781	1,831,487	682,160	990,137
Minority interests	52,349	62,669	-	-
Total Equity	1,249,130	1,894,156	682,160	990,137
<u>Non-Current Liabilities</u>				
Provisions	6,572	5,244	-	-
Deferred tax liabilities	54,364	38,554	1,682	458
Other non-current payables	-	-	106,382	-
Borrowings	247,565	3,922	180,545	-
Derivative financial instruments	4,934	-	2,218	-
Other non-current liabilities	32,131	40,165	-	-
Total Non-Current Liabilities	345,566	87,885	290,827	458
<u>Current Liabilities</u>				
Provisions	30	38	-	-
Income tax payables	14,326	24,251	-	2,160
Trade payables	19,804	20,855	436	288
Other payables	70,546	49,900	42,595	125,597
Borrowings	235,752	171,345	27,000	-
Derivative financial instruments	505	2,885	-	77
Total Current Liabilities	340,963	269,274	70,031	128,122
Total Liabilities	686,529	357,159	360,858	128,580
Total Equity and Liabilities	1,935,659	2,251,315	1,043,018	1,118,717

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

As at 31/12/2008		As at 31/12/2007	
Secured	Unsecured	Secured	Unsecured
-	\$235,752,000	-	\$171,345,000

Amount repayable after one year

As at 31/12/2008		As at 31/12/2007	
Secured	Unsecured	Secured	Unsecured
\$180,545,000	\$67,020,000	-	\$3,922,000

Details of any collateral

The \$180.5 million secured loan is secured by, inter alia, legal mortgages over the land and building to be erected on No. 9 Battery Road, Singapore, which are owned by the Company and a subsidiary. The loan is repayable within 3 years from 23 September 2008.

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 2008

	4th Quarter (Q4)		Full Year Ended 31 December	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<u>Cash flows from operating activities</u>				
(Loss)/Profit before tax	(38,416)	192,715	73,915	536,805
<u>Adjustments</u>				
Depreciation of property, plant and equipment	5,148	4,241	16,908	15,351
Interest income	(1,481)	(2,650)	(8,496)	(9,505)
Finance costs	5,467	2,163	13,293	7,532
Dividend income	(170)	(893)	(8,956)	(12,727)
(Gain)/Loss on disposal of property, plant and equipment	-	(2)	17	(55)
Property, plant and equipment written off	-	361	221	372
Amortisation of mining rights	278	340	1,302	1,353
Amortisation of management rights	39	50	186	195
Amortisation of club membership	2	2	9	9
Amortisation of exploration and development cost	986	457	2,644	2,112
Amortisation of deferred income	(906)	(906)	(3,625)	(3,625)
Changes in fair value of financial assets	1,480	(1,422)	15,023	(16,326)
Provision/(Write back) for mine rehabilitation	357	(899)	1,354	110
Provision for severance benefit	1,256	141	1,705	2,393
Impairment/(Reversal) of doubtful receivables	187	(3,596)	169	(4,025)
Bad debt directly written off	12	6	19	15
Exploration costs written off	257	586	288	586
Share of loss/(profit) from equity-accounted associates	3,441	(95)	4,356	(530)
Share of profit from equity-accounted joint ventures	(10)	(19)	(77)	(102)
Net surplus on disposal of investment securities	(8,116)	(23,128)	(75,066)	(29,247)
Net gain on dilution of a subsidiary	-	-	(73)	-
Net fair value changes of investment properties	11,466	(121,503)	11,466	(383,586)
Net loss/(gain) on disposal of properties	1,942	(122)	(3,909)	(2,159)
Revaluation deficit of hotel property	1,040	-	1,040	-
Impairment of investment in an associate	14,530	-	14,530	-
Net tax refund from prior years' assessments	-	(6,008)	-	(6,008)
Impairment of investment securities	649	972	649	972
Impairment of plant and equipment	726	-	726	-
Impairment of goodwill	697	-	697	-
Operating cash flows before changes in working capital	861	40,791	60,315	99,910
Decrease in properties held for sale	1,844	871	4,992	10,875
Decrease/(Increase) in inventories	26,502	7,329	25,381	(2,503)
Decrease/(Increase) in marketable securities	5,034	385	62,537	(3,963)
Decrease/(Increase) in trade and other receivables	28,467	(20,133)	(53,017)	(37,567)
(Decrease)/Increase in trade and other payables	(11,119)	5,529	18,473	(4,035)
Cash flows from operations	51,589	34,772	118,681	62,717
Income taxes paid	(6,498)	(6,999)	(23,832)	(22,884)
Interest paid	(6,492)	(2,551)	(14,316)	(8,020)
Dividend income	170	893	8,956	12,727
Dividends from associates	-	-	15	8,005
Interest received	1,183	2,655	8,185	10,035
Net cash flows from operating activities	39,952	28,770	97,689	62,580

Consolidated Cash Flow Statement for the 4th quarter and full year ended 31 December 2008 (cont'd)

	4th Quarter (Q4)		Full Year Ended 31 December	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
<u>Cash flows from investing activities</u>				
Proceeds from disposal of properties, plant and equipment	114	936	203	10,186
Cost incurred on property, plant and equipment	(11,486)	(6,594)	(64,156)	(20,897)
Deposit paid on property, plant and equipment	(159)	(2,534)	(159)	(2,534)
Proceeds/(Adjustment) from disposal of investment securities	22,804	(69)	155,199	8,128
Purchase of investment securities	(31)	(28,986)	(675)	(29,894)
Net cash outflow on acquisition of a subsidiary	-	-	-	(182)
Adjustment/(Payment) of deferred mine development and exploration expenditure	2,620	1,359	(9,425)	(5,582)
Cost incurred on investment properties	(3,326)	(2,853)	(10,792)	(9,089)
Purchase of mining rights	(5,360)	(871)	(12,269)	(871)
Purchase of shares in associates	(472)	-	(74,276)	-
Net tax refund from prior years' assessments	-	6,008	-	6,008
Payment for insurance scheme	(525)	(3,450)	(1,784)	(3,450)
Minority interests arising from acquisition of subsidiaries	76	-	76	-
Net cash flows from/(used in) investing activities	4,255	(37,054)	(18,058)	(48,177)
<u>Cash flows from financing activities</u>				
Dividends paid to shareholders	-	-	(511,659)	(24,980)
Dividends paid to minority shareholders of subsidiaries	(2,774)	(521)	(4,274)	(1,327)
Increase in borrowings	32,684	11,230	308,850	26,404
Decrease in amount due from a joint venture	51	14	134	155
Proceeds from right issue by a subsidiary	-	1,187	-	1,187
Proceeds from share placement by a subsidiary	-	-	1,227	-
Net cash flows from/(used in) financing activities	29,961	11,910	(205,722)	1,439
Net increase/(decrease) in cash and cash equivalents	74,168	3,626	(126,091)	15,842
Effect of exchange rate changes on cash and cash equivalents	(9,657)	(3,937)	(4,275)	(4,833)
Cash and cash equivalents, beginning balance	151,331	346,519	346,208	335,199
Cash and cash equivalents, ending balance	215,842	346,208	215,842	346,208

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 capitalisation 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 2008

GROUP

	Total equity S'000	Equity attributable to equity holders of the Company S'000	Share capital S'000	Retained earnings S'000	Dividend reserve S'000	AFS reserve S'000	Hedging reserve S'000	Revaluation reserve S'000	Share option reserve S'000	Translation reserve S'000	Minority interests S'000
Opening balance at 1 January 2008	1,894,156	1,831,487	265,928	1,329,125	16,295	229,320	(515)	927	33	(9,626)	62,669
Exchange adjustment	(33,782)	(28,999)	-	-	-	-	-	-	-	(28,999)	(4,783)
Exchange loss transferred to income statement	169	169	-	-	-	-	-	-	-	169	-
Net fair value changes on available-for- sale investment securities	(153,738)	(152,130)	-	-	-	(152,130)	-	-	-	-	(1,608)
Net fair value changes transferred to income statement	(73,420)	(73,420)	-	-	-	(73,420)	-	-	-	-	-
Reversal of fair value changes on investment securities which became an associate	8,802	6,442	-	-	-	6,442	-	-	-	-	2,360
Net fair value changes on cash flow hedges	(2,245)	(2,214)	-	-	-	-	(2,214)	-	-	-	(31)
Impairment transferred to income statement	(186)	(186)	-	-	-	(186)	-	-	-	-	-
Net revaluation surplus on properties due to change in accounting policy	70,113	69,566	-	-	-	-	-	69,566	-	-	547

Statements of Changes in Equity for the year ended 31 December 2008 (cont'd)

GROUP

	Total equity \$'000	Equity attributable to equity holders of the Company \$'000	Share capital \$'000	Retained earnings \$'000	Dividend reserve \$'000	AFS reserve \$'000	Hedging reserve \$'000	Revaluation reserve \$'000	Share option reserve \$'000	Translation reserve \$'000	Minority interests \$'000
Net income recognised directly in equity	(184,287)	(180,772)	-	-	-	(219,294)	(2,214)	69,566	-	(28,830)	(3,515)
Profit for the year	53,820	57,608	-	57,608	-	-	-	-	-	-	(3,788)
Total recognised income and expenses for the year	(130,467)	(123,164)	-	57,608	-	(219,294)	(2,214)	69,566	-	(28,830)	(7,303)
Dividend on ordinary shares											
-2nd interim for 2007, paid	(16,295)	(16,295)	-	-	(16,295)	-	-	-	-	-	-
- Special dividend, paid	(488,846)	(488,846)	-	(488,846)	-	-	-	-	-	-	-
- 1st interim dividend for 2008, paid	(6,518)	(6,518)	-	(6,518)	-	-	-	-	-	-	-
- Special dividend, proposed #	-	-	-	(325,897)	325,897	-	-	-	-	-	-
Dividends to minority shareholders of subsidiaries	(4,274)	-	-	-	-	-	-	-	-	-	(4,274)
Minority interests arising from acquisition of subsidiaries	76	-	-	-	-	-	-	-	-	-	76
Shares issued to a minority shareholder by a subsidiary	2	-	-	-	-	-	-	-	-	-	2
Net increase arising from placement of shares to a minority shareholder	1,047	-	-	-	-	-	-	-	-	-	1,047
Fair value of options issued by a subsidiary	249	117	-	-	-	-	-	-	117	-	132
Closing balance at 31 December 2008	1,249,130	1,196,781	265,928	565,472	325,897	10,026	(2,729)	70,493	150	(38,456)	52,349

This relates to the special dividend of \$1.00 per share approved by the Company's shareholders at an extraordinary general meeting held on 19 December 2008 and after the expiry of the 21-day statutory period which ended on 12 January 2009. Payments will be made in two instalments, in March 2009 and April 2009.

Statements of Changes in Equity for the year ended 31 December 2008 (cont'd)

GROUP

	Total equity \$'000	Equity attributable to equity holders of the Company \$'000	Share capital \$'000	Retained earnings \$'000	Dividend reserve \$'000	AFS reserve \$'000	Hedging reserve \$'000	Revaluation reserve \$'000	Share option reserve \$'000	Translation reserve \$'000	Minority interests \$'000
Opening balance at 1 January 2007	1,340,970	1,289,322	265,928	866,411	19,032	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 investment securities	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	-	-	-	-	-
Net income recognised directly in equity	80,255	82,188	-	-	-	80,451	712	-	-	1,025	(1,933)
Profit for the year	497,236	484,957	-	484,957	-	-	-	-	-	-	12,279
Total recognised income and expenses for the year	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)	-	-	-	-	-	-	-
- 2nd interim dividend for 2007, proposed	-	-	-	(16,295)	16,295	-	-	-	-	-	-

Statements of Changes in Equity for the year ended 31 December 2008 (cont'd)

GROUP

	Total equity S'000	Equity attributable to equity holders of the Company S'000	Share capital S'000	Retained earnings S'000	Dividend reserve S'000	AFS reserve S'000	Hedging reserve S'000	Revaluation reserve S'000	Share option reserve S'000	Translation reserve S'000	Minority interests S'000
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 by minority shareholders	1,831	-	-	-	-	-	-	-	-	-	1,831
Closing balance at 31 December 2007	1,894,156	1,831,487	265,928	1,329,125	16,295	229,320	(515)	927	33	(9,626)	62,669

Statements of Changes in Equity for the year ended 31 December 2008 (cont'd)

COMPANY

	Total equity \$'000	Equity attributable to equity holders of the Company \$'000	Share capital \$'000	Retained earnings \$'000	Dividend reserve \$'000	AFS reserve \$'000	Hedging reserve \$'000	Revaluation reserve \$'000	Translation reserve \$'000
Opening balance at 1 January 2008	990,137	990,137	265,928	525,041	16,295	183,925	-	-	(1,052)
Exchange adjustment	(2,339)	(2,339)	-	-	-	-	-	-	(2,339)
Fair value changes on available-for-sale investment securities	(130,997)	(130,997)	-	-	-	(130,997)	-	-	-
Fair value changes transferred to income statement	(44,878)	(44,878)	-	-	-	(44,878)	-	-	-
Net fair value changes on cash flow hedges	(2,213)	(2,213)	-	-	-	-	(2,213)	-	-
Net revaluation surplus on properties due to change in accounting policy	129	129	-	-	-	-	-	129	-
Net income recognised directly in equity	(180,298)	(180,298)	-	-	-	(175,875)	(2,213)	129	(2,339)
Profit for the year	383,980	383,980	-	383,980	-	-	-	-	-
Total recognised income and expenses for the year	203,682	203,682	-	383,980	-	(175,875)	(2,213)	129	(2,339)
Dividend on ordinary shares									
-2nd interim dividend for 2007, paid	(16,295)	(16,295)	-	-	(16,295)	-	-	-	-
-Special dividend, paid	(488,846)	(488,846)	-	(488,846)	-	-	-	-	-
-1st interim dividend for 2008, paid	(6,518)	(6,518)	-	(6,518)	-	-	-	-	-
-Special dividend, proposed #	-	-	-	(325,897)	325,897	-	-	-	-
Closing balance at 31 December 2008	682,160	682,160	265,928	87,760	325,897	8,050	(2,213)	129	(3,391)

See footnote on page 8.

Statements of Changes in Equity for the year ended 31 December 2008 (cont'd)

COMPANY

	Total equity S'000	Equity attributable to equity holders of the Company S'000	Share capital S'000	Retained earnings S'000	Dividend reserve S'000	AFS reserve S'000	Translation reserve S'000
Opening balance at 1 January 2007	839,205	839,205	265,928	447,638	19,032	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	-
Net income recognised directly in equity	76,266	76,266	-	-	-	76,086	180
Profit for the year	99,646	99,646	-	99,646	-	-	-
Total recognised income and expenses for the year	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)	-	-	-
-2nd interim dividend for 2007, proposed	-	-	-	(16,295)	16,295	-	-
Closing balance at 31 December 2007	990,137	990,137	265,928	525,041	16,295	183,925	(1,052)

- 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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	31 December 2008 '000	31 December 2007 '000
Total number of ordinary shares in issue	325,897	325,897

There were no treasury shares as at 31 December 2008.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

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 2007 except for the following:-

(a) Change in accounting policy on 31 December 2008

Adoption of revaluation model under Financial Reporting Standard (FRS) 16 – Property, Plant and Equipment, to better reflect the Group’s financial position for properties to be carried at valuation instead of at cost. This has resulted in an increase in equity as at 31 December 2008 of \$70.1 million at Group. This is after adjusting for the related deferred taxes. In accordance with FRS 16, the change in accounting policy has been applied prospectively with no impact to the 2008 income statement.

(b) Early adoption of the amendments to FRS 40 – Investment Property on 31 December 2008

Land under development for future use as investment property has been reclassified from Property, Plant and Equipment previously carried at cost to Investment Property at fair value. This has resulted in a \$68.9 million fair value gain included in the income statement at Group level. After adjusting for the related deferred tax of \$12.4 million, this has increased the Group’s 2008 earnings per share by 17.3 cents.

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 impact of the changes in accounting policies in accordance with FRS 16 and Amendments to FRS 40 are stated in paragraph 4.

The adoption of the new Interpretations of Financial Reporting Standards (INT FRS), which became effective for the financial year beginning on or after 1 January 2008, 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	
	2008	2007	2008	2007
Basic and Diluted (Loss)/Earnings per share for the period based on Group (loss)/profit attributable to Equity Holders of the Company :-	(9.5) cents	56.6 cents	17.7 cents	148.8 cents

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares 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 2008	31 December 2007
The Group	\$3.67	\$5.62
The Company	\$2.09	\$3.04

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

Group profit before tax fell from \$536.8 million in 2007 to \$73.9 million in 2008, as profit for 2007 included exceptional gains of \$420.0 million arising mainly from the revaluation of real estate. In contrast, 2008 saw an exceptional gains of \$51.4 million arising mainly from the disposal of its investment securities.

During the first two quarters of 2008, the Group disposed of a significant portion of its investment portfolio, following a strategic review of its businesses. For 2008, notwithstanding the Group realised an exceptional gain of \$75.1 million on disposal of investment securities, the global financial crisis has resulted in a \$16.5 million fall in fair value of its remaining marketable securities.

Excluding exceptional gains and fair value adjustments, the Group's pre-tax profit fell 62.6% from \$100.5 million in 2007 to \$37.6 million in 2008.

Following the strategic review, the Group has decided to distribute up to \$2.50 special dividend per share to shareholders by April 2009. Consolidated net asset value per share fell from \$5.62 in 2007 to \$3.67 as at 31 December 2008.

Segmental review

Metals and mineral resources

Revenue of Malaysia Smelting Corporation Berhad (MSC) increased from RM1.9 billion in 2007 to RM2.3 billion in 2008 due to higher average tin prices in 2008. Although MSC managed to achieve an operating profit, it reported a net loss of RM43.5 million in 2008 as both tin prices and sales volume fell drastically in Q4 2008 as a result of the sharp and sudden collapse in global demand.

MSC's results were also adversely affected by the impairment adjustment made to some of its mining assets as well as foreign exchange translation losses on its US dollar borrowings as a result of the ringgit weakening against US dollars.

Hotel investment and management

Hotel revenue was marginally lower in 2008. Lower F&B sales at Rendezvous Observation City in Perth had more than outweighed revenue contributed by the new Marquee Hotel in Perth and higher occupancy and room rates in Singapore, Melbourne and Adelaide. The weakened Australian and New Zealand dollars have also affected overall revenue.

Property operations

Property revenue fell 13.4% from \$69.6 million in 2007 to \$60.3 million in 2008 as fewer residential units were sold in Singapore in 2008. Rental income has improved with higher rates for new/renewal leases and rental from the new bungalows at Cable Road.

Financial investments

In line with the strategic review, the Group has disposed of most of its financial investments. Consequently, dividend income has fallen from \$12.7 million in 2007 to \$9.0 million in 2008.

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

The full year results ended 31 December 2008 are consistent with the prospect statement disclosed in the 2008 3rd quarter financial statements announcement made on 11 November 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

With the drastic slow down of the world economy towards the end of 2008, coupled with the higher uncertain market conditions and hence tin prices, its 2009 performance remains a challenge.

In view of the financial crisis, MSC is continuing its major cost rationalisation programme to improve operating efficiency at its plants. It is currently working on various alternatives to reduce overall gearing and to match future funding requirements.

Hotel investment and management

Operating conditions are expected to be further affected by the global financial crisis as both corporate and leisure travels slow down. This was apparent in the hotel's Q4 2008 results. Hotels generally see lower room yield and F&B sales during this difficult time.

The fall in hotel revenue is anticipated to be somewhat mitigated by contributions from the Group's new hotels in Kuala Lumpur and Christchurch in the coming 12 months.

Management is taking pro-active measures to further reduce operating costs during this downturn. Given the prime locations of our hotels in key gateway cities and our efficient cost structure, the hotel businesses would be able to cope with the current crisis. Our long term strategy to further expand the hotel management operations remains intact.

Property operations

The Group's property rental income is expected to pick up towards the end of 2009 when construction of the flagship Straits Trading Building is scheduled to complete. In the meantime, the Group continues its efforts to dispose of its non-core property assets and expands its property development business.

Contingent Liabilities

Since the Company's last announcement on 11 November 2008 of its Q3 interim financial statements, there was no new development on the outstanding material litigation against its subsidiary, MSC.

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
<i>Dividend Type</i>	Cash
<i>Dividend Amount per Share (in cents)</i>	2 cents per ordinary share (one-tier tax)
<i>Tax Rate</i>	N.A.

The directors do not recommend the payment of a second interim dividend for the year ended 31 December 2008.

Also refer to paragraph 16 on special dividends.

(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
<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.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

(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 Tuesday, 28 April 2009 at 10.00 a.m.

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

The directors do not recommend the payment of a second interim dividend for the year ended 31 December 2008.

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 2008

2008 Business Segments

	Resources S'000	Hotel S'000	Property S'000	Securities Trading S'000	Investment Holding S'000	Corporate/ Others S'000	Elimination S'000	Consolidated S'000
Segment Revenue								
Revenue from external	963,384	155,488	60,265	66,728	-	-	-	1,245,865
Inter-segment revenue	-	-	1,010	-	-	-	(1,010)	-
Other items of income	3,748	-	3,625	(15,265)	7,754	4,376	-	4,238
Total Revenues	967,132	155,488	64,900	51,463	7,754	4,376	(1,010)	1,250,103
Segment result	25,179	8,698	14,931	(15,841)	7,528	4,441	-	44,936
Unallocated expenses								(3,389)
Profit from operations								41,547
Impairment loss	(1,423)							(1,423)
Exceptional (losses)/gains, net	(14,457)	(1,040)	(7,557)		74,417			51,363
Finance costs	(11,505)		(50)			(1,738)		(13,293)
Share of (loss)/profit from equity-accounted Associates	(5,437)		1,081					(4,356)
Share of profit from equity-accounted joint ventures		77						77
Profit Before Tax from Continuing Operations								73,915
Income tax expense								(20,095)
Profit from Continuing Operations, net of tax								53,820
Attributable to :								
Equity Holders of Company, net of tax								57,608
Minority Interests, net of tax								(3,788)
								53,820

2008 Geographical Segments

	Singapore S'000	Malaysia S'000	Indonesia S'000	Australia S'000	Corporate/ Others S'000	Elimination S'000	Consolidated S'000
Segment Revenue							
Revenue and income from external	147,415	970,891	50	109,833	21,914	-	1,250,103
Inter-segment revenue	772	339	931	-	-	(2,042)	-
Total Revenues	148,187	971,230	981	109,833	21,914	(2,042)	1,250,103

Segment Revenue and Results for the year ended 31 December 2008 (cont'd)

2007 Business Segments

	Resources	Hotel	Property	Securities Trading	Investment Holding	Corporate/ Others	Elimination	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment Revenue								
Revenue from external	836,273	156,474	69,563	5,002	-	-	-	1,067,312
Inter-segment revenue	-	-	953	-	-	-	(953)	-
Other items of income	(41)	-	3,625	20,181	10,145	8,040	-	41,950
Total Revenues	836,232	156,474	74,141	25,183	10,145	8,040	(953)	1,109,262
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	Malaysia	Indonesia	Australia	Corporate/ Others	Elimination	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment Revenue							
Revenue and income 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)	-
Total Revenues	136,389	834,334	167,599	110,464	22,933	(162,457)	1,109,262

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.

	2008 \$'000	2007 \$'000	+ or (-) %
(a) Total revenues reported for first half year	671,440	457,114	46.9
(b) Profit after tax before deducting minority interests reported for first half year	73,590	293,361*	(74.9)
(c) Total revenues reported for second half year	578,663	652,148	(11.3)
(d) (Loss)/Profit after tax before deducting minority interests reported for second half year	(19,770)*	203,875*	N.M.

* Included net fair value changes on investment properties.

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 (excluding Special Dividends referred below)

	Latest Full Year (\$'000)	Previous Full Year (\$'000)
Ordinary	6,518	22,243
Total:	6,518	22,243

A special dividend of \$1.50 per share (\$488.8 million) was paid on 31 July 2008, following the approval by the Company's shareholders at an extraordinary general meeting (EGM) held on 13 June 2008, and the expiry of the 21-day statutory period on 7 July 2008.

A special dividend of \$1.00 per share (\$325.9 million) will be payable in 2 instalments on 6 March 2009 (80 cents) and 30 April 2009 (20 cents), following the approval by the Company's shareholders at an EGM held on 19 December 2008, and the expiry of the 21-day statutory period on 12 January 2009.

BY ORDER OF THE BOARD

Emily Teo (Ms)
Secretary

24 February 2009
Singapore

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