



THE STRAITS TRADING COMPANY LIMITED

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

Financial Highlights

- For the 4th quarter 2010 ("4Q2010"), Group revenue increased by 60.4% to \$378.6 million from \$236 million for the 4th quarter 2009 ("4Q2009"). For the year ended 31 December 2010 ("FY2010"), Group revenue increased 41.5% to \$1.4 billion from \$971.6 million for the previous year ("FY2009"). This was contributed by higher business volume and higher tin prices from its resources operations.
- For 4Q2010, Group profit before tax and exceptional items was \$1.6 million, compared with a loss of \$1.6 million for 4Q2009. For FY2010, the profit was \$13.3 million, 43.7% lower than that of \$23.6 million for FY2009. This was mainly due to hospitality losses and lower contributions from development properties and financial assets.
- For 4Q2010, the Group recorded net exceptional items of \$45.0 million, 41.9% lower than the \$77.5 million for 4Q2009. The 2009 figures had been restated to include the gain on bargain purchase of \$26.6 million arising from resources' acquisition of KM Resources, Inc. For FY2010, the Group recorded net exceptional items of \$10.6 million, compared with \$163.8 million for FY2009. The 2010 figures included exceptional impairment provisions of \$95.2 million made in line with the Group's ongoing review of its non-tin assets and hospitality operations.
- For 4Q2010, Group profit before tax was \$46.6 million, 5.3% lower than the profit of \$49.2 million for 4Q2009 and 38.5% lower than the restated profit for 4Q2009. For FY2010, Group profit before tax was \$23.9 million, 87.3% lower than the restated profit of \$187.4 million for FY2009.
- After tax and non-controlling interests, the profit attributable to owners of the parent was \$51.6 million for 4Q2010, 2.2% higher than that for 4Q2009. For FY2010, the profit was \$28.2 million, 82.3% lower than that for FY2009. As at 31 December 2010, the equity attributable to owners of the parent had increased to \$1.15 billion and the net asset value per share had increased to \$3.52.

\$ million	4 th Quarter 2010	4 th Quarter 2009 (restated)	+ / (-) %	FY 2010	FY 2009 (restated)	+ / (-) %
Total Revenue	378.6	236.0	60.4	1,375.0	971.6	41.5
Profit/(loss) before tax and exceptional items	1.6	(1.6)*	197.7	13.3	23.6*	(43.7)
Exceptional items	45.0	77.5*	(41.9)	10.6	163.8*	(93.5)
Profit before tax	46.6	75.9	(38.5)	23.9	187.4	(87.3)
Profit attributable to owners of the parent	51.6	50.4	2.2	28.2	159.3	(82.3)

Earnings per share	15.8 cents	15.5 cents	2.2	8.6 cents	48.9 cents	(82.3)
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	As At 31 st December 2010	As At 31 st December 2009 (restated)
Equity attributable to owners of the parent	\$1,146,413,000	\$1,116,640,000
Net asset value per share	\$3.52	\$3.43

Notes: * The results for 4Q2009 and FY2009 have been re-stated to include the gain on bargain purchase of \$26.6 million. All in Singapore dollars.

The Straits Trading Company Limited (Company Registration No. : 188700008D)**Fourth Quarter and Full Year Financial Statements and Dividend Announcement for the Year Ended 31 December 2010****PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS****1(a)(i) An profit or loss (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

The unaudited results for the 4th quarter and full year ended 31 December 2010 are as follow:

<u>GROUP</u>	4th Quarter (Q4) Ended 31 December		Full Year Ended 31 December	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
		(restated)		(restated)
<u>Revenue</u>				
Tin mining and smelting revenue	311,341	186,305	1,159,286	755,239
Hotel revenue	42,151	35,886	146,675	127,861
Property revenue	18,847	10,179	52,760	61,722
Proceeds from sale of trading securities	–	–	–	7,074
	372,339	232,370	1,358,721	951,896
<u>Other items of income</u>				
Dividend income	2	–	5,082	4,373
Interest income	1,048	764	3,581	4,520
Fair value changes in financial assets	2,172	(648)	1,331	6,422
Other income/(loss)	3,040	3,531	6,265	4,434
Total revenues	378,601	236,017	1,374,980	971,645
Net exceptional gains	45,040	50,851	10,585	137,142
<u>Other items of expense</u>				
Employee benefits expense	(30,420)	(24,647)	(100,158)	(79,594)
Depreciation expense	(6,686)	(4,674)	(22,649)	(18,234)
Amortisation expense	(1,241)	(922)	(5,583)	(4,682)
Costs of tin mining and smelting	(277,716)	(161,577)	(1,053,649)	(679,970)
Cost of trading securities sold	–	–	–	(5,036)
Finance costs	(4,090)	(7,552)	(23,881)	(25,260)
Other expenses	(55,052)	(38,221)	(160,227)	(135,809)
Exchange gains/(losses)	214	(329)	2,676	(455)
Total expenses	(374,991)	(237,922)	(1,363,471)	(949,040)
Share of results of equity-accounted associates/ joint ventures				
- Profit/(loss) for the period/year	(2,023)	280	1,778	982
- Exceptional item +	–	26,639	–	26,639
	(2,023)	26,919	1,778	27,621
Profit before tax	46,627	75,865	23,872	187,368
Income tax expense #	(4,385)	(18,951)	(17,155)	(23,760)
Profit after tax	42,242	56,914	6,717	163,608
Profit/(Loss) attributable to:				
Owners of the parent	51,553	50,444	28,169	159,282
Non-controlling interests	(9,311)	6,470	(21,452)	4,326
	42,242	56,914	6,717	163,608

+ The exceptional item refers to the prior year adjustment relating to the gain on bargain purchase arising from the finalisation of the fair values of the assets and liabilities in respect of the December 2009 acquisition of KM Resources, Inc., in compliance with FRS 103.

The overall effective tax rate for the current year was higher than the statutory tax rate in Singapore mainly due to certain non-tax deductible expenses as well as losses incurred by certain subsidiaries which cannot be set off against taxable profits made by other companies within the Group.

1(a) (ii) Further details to the group profit or loss.**GROUP**

Net exceptional gains:

	4th Quarter (Q4) Ended 31 December		Full Year Ended 31 December	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
(a) Fair value changes in investment properties	76,235	43,498	101,925	107,390
(b) Impairment of investments in associates	(6,214)	(168)	(41,146)	(168)
(c) Impairment of mining assets	(9,108)	–	(23,884)	–
(d) Impairment of plant and equipment	(10,553)	(222)	(11,179)	(335)
(e) Impairment of goodwill	–	(1,706)	(13,188)	(2,016)
(f) Provision for onerous contracts	(5,927)	–	(5,927)	–
(g) (Development cost written off)/write back of unutilised upgrading provisions	–	(5,852)	3,278	(5,852)
(h) Revaluation deficit of properties	(1,279)	(685)	(1,279)	(685)
(i) Net gain on disposal/liquidation of subsidiaries and associates	1,552	1,589	1,426	1,458
(j) Net gain on disposal/(impairment) of investment securities	(6)	9,221	(404)	29,671
(k) Net gain on disposal of investment properties	340	5,176	963	7,679
	45,040	50,851	10,585	137,142

Note: Included under share of results of equity-accounted associates/joint ventures for 2009 was an exceptional item of \$26.6 million relating to the gain on bargain purchase arising from the finalisation of the fair values of the assets and liabilities in respect of the December 2009 acquisition of KM Resources, Inc., in compliance with FRS 103.

1(a)(iii) Statements of comprehensive income for the 4th quarter and full year ended 31 December 2010.

	4th Quarter (Q4) Ended 31 December		Full Year Ended 31 December	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
<u>GROUP</u>				
Profit after tax	42,242	56,914	6,717	163,608
Other comprehensive income/(expense) :				
Net fair value changes in available-for-sale investment securities	2,775	15,861	(35,601)	66,161
Net fair value changes in cash flow hedges	6,731	(2,927)	6,027	(2,623)
Net revaluation surplus/(deficit) on property, plant and equipment	33,247	(3,222)	33,247	(6,002)
Currency translation reserve	(5,398)	1,940	(103)	28,305
Other comprehensive income after tax for the period	37,355	11,652	3,570	85,841
Total comprehensive income/(expense) for the period	79,597	68,566	10,287	249,449
Total comprehensive income/(expense) attributable to:				
Owners of the parent	87,924	63,790	36,198	245,822
Non-controlling interests	(8,327)	4,776	(25,911)	3,627
	79,597	68,566	10,287	249,449
<u>COMPANY</u>				
Profit/(Loss) after tax	(515)	(3,178)	10,393	17,255
Other comprehensive income/(expense) :				
Net fair value changes in available-for-sale investment securities	1,050	4,353	(13,558)	21,592
Net fair value changes in cash flow hedges	–	464	2,573	(360)
Net revaluation surplus on property, plant and equipment	18	–	18	–
Currency translation reserve	(770)	291	893	(485)
Other comprehensive income/(expense) after tax for the period	298	5,108	(10,074)	20,747
Total comprehensive income/(expense) for the period	(217)	1,930	319	38,002
Total comprehensive income/(expense) attributable to:				
Owners of the parent	(217)	1,930	319	38,002

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 2010

	Note	GROUP		COMPANY	
		31 December 2010	31 December 2009	31 December 2010	31 December 2009
		\$'000	\$'000	\$'000	\$'000
Assets			(restated)		
Non-current assets					
Property, plant and equipment		340,923	313,033	361	370
Investment properties		853,505	776,877	112,734	106,313
Goodwill on consolidation		22,425	35,052	–	–
Other intangible assets		34,119	30,359	–	–
Investments in subsidiaries		–	–	213,390	115,834
Investments in associates/ joint ventures	1	67,143	118,410	3,585	3,585
Deferred tax assets		10,722	10,584	–	–
Other non-current receivables		2,315	1,085	106,465	150,166
Investment securities		213,683	235,299	75,226	88,783
Other non-current assets		18,025	49,335	–	–
Total non-current assets		1,562,860	1,570,034	511,761	465,051
Current assets					
Assets of disposal group classified as held for sale	2	10,680	–	564	–
Development properties for sale		38,895	1,270	–	–
Inventories		171,215	157,608	–	–
Income tax receivables		11,107	16,384	11	155
Prepayments and accrued income		7,414	6,337	3	244
Trade receivables		71,448	65,129	20	21
Other receivables		67,182	76,766	149,266	357,405
Marketable securities		17	16	–	–
Derivative financial instruments		487	330	–	–
Cash and cash equivalents		71,597	56,194	1,103	8,934
Total current assets		450,042	380,034	150,967	366,759
Total assets		2,012,902	1,950,068	662,728	831,810
Equity and liabilities					
Equity					
Share capital		265,928	265,928	265,928	265,928
Retained earnings	1	746,405	724,754	108,890	105,015
Other reserves		135,253	125,958	13,248	23,322
Reserve of disposal group classified as held for sale	2	(1,173)	–	–	–
Equity attributable to owners of the parent		1,146,413	1,116,640	388,066	394,265
Non-controlling interests	1	47,190	73,390	–	–
Total equity		1,193,603	1,190,030	388,066	394,265
Non-current liabilities					
Provisions		13,165	6,478	–	–
Deferred tax liabilities		75,868	69,056	2,077	1,797
Other non-current payables		–	–	143,213	135,411
Borrowings		296,124	307,609	22,109	250,992
Derivative financial instruments		576	2,928	–	2,589
Other non-current liabilities		7,532	13,682	–	–
Total non-current liabilities		393,265	399,753	167,399	390,789

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 2010 (Cont'd)

	Note	GROUP		COMPANY	
		31 December 2010	31 December 2009	31 December 2010	31 December 2009
		\$'000	\$'000	\$'000	\$'000
			(restated)		
<u>Current liabilities</u>					
Liabilities directly associated with disposal group classified as held for sale	2	4,741	–	–	–
Provisions		2,986	1,957	–	–
Income tax payable		26,837	27,020	900	713
Trade payables		40,094	26,621	402	657
Other payables		69,693	65,493	105,961	45,386
Borrowings		281,683	233,106	–	–
Derivative financial instruments		–	6,088	–	–
Total current liabilities		426,034	360,285	107,263	46,756
Total liabilities		819,299	760,038	274,662	437,545
Total equity and liabilities		2,012,902	1,950,068	662,728	831,810

Note 1: Included in investments in associates/joint ventures, retained earnings and non-controlling interests as at 31 December 2009 was a prior year adjustment in respect of the acquisition of KM Resources, Inc. The fair value of assets and liabilities of KM Resources, Inc. had not been finalised by the date of issue of the financial statement for the financial year ended 31 December 2009. The purchase price allocation assessment was completed during 2010 and, based on a valuation by a professional firm, a gain on bargain purchase of S\$26.6 million (RM65.0 million) from the acquisition of KM Resources, Inc. was recognised as a prior year adjustment in compliance with accounting standards.

Note 2: Assets, liabilities and reserve relating to two subsidiaries were re-designated as held for sale as the divestment is highly probable with sale completion expected within the next twelve months.

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

As at 31/12/2010		As at 31/12/2009	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
22,339	259,344	—	233,106

Amount repayable after one year:

As at 31/12/2010		As at 31/12/2009	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
214,741	81,383	250,992	56,617

Details of any collateral:

The \$214.7 million loan is secured by mortgages over the land and building at No. 9 Battery Road, Singapore and legal assignment of all rights, titles and interests under contracts in respect of the mortgaged properties. The loan is due in September 2014.

The \$22.3 million loan is secured by, inter alia, legal mortgages over the land and building erected on No.5 Chancery Lane, Singapore. The loan shall be repaid 6 months after issuance of Temporary Occupation Permit or 25 December 2011, whichever is earlier.

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 2010

	4th Quarter (Q4) Ended 31 December		Full Year Ended 31 December	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
		(restated)		(restated)
<u>Cash flows from operating activities</u>				
Profit before tax	46,627	75,865	23,872	187,368
<u>Adjustments</u>				
Depreciation of property, plant and equipment	6,686	4,674	22,649	18,234
Amortisation of intangible assets	1,241	922	5,583	4,682
Amortisation of deferred income	(906)	(906)	(3,625)	(3,625)
Dividend income	(2)	–	(5,082)	(4,373)
Interest income	(1,048)	(764)	(3,581)	(4,520)
Finance costs	4,090	7,552	23,881	25,260
Currency realignment	(5,841)	2,576	(2,953)	(2,529)
Fair value changes in investment properties and financial assets	(78,407)	(42,850)	(103,256)	(113,812)
Net gain on disposal of investments, properties, plant and equipment	(1,894)	(18,244)	(2,385)	(40,983)
Impairment of investments, goodwill, mining assets, properties, plant and equipment	27,160	2,781	91,080	3,204
Write off/(write back)/provisions for development/rehabilitation/exploration costs and other assets	3,481	4,142	(392)	5,772
Provision for onerous contracts	5,927	–	5,927	–
Provision for employee benefits and receivables	1,532	2,604	3,837	2,970
Share of loss/(profit) from equity-accounted associates/joint ventures	2,023	(26,919)	(1,778)	(27,621)
Operating cash flows before changes in working capital	10,669	11,433	53,777	50,027
(Increase)/Decrease in development properties for sale	(515)	–	(1,626)	6,523
Decrease/(Increase) in inventories	32,233	(50,648)	(13,067)	(45,029)
Decrease in marketable securities	–	–	–	5,020
(Increase)/Decrease in trade and other receivables	(12,157)	3,059	(26,425)	34,334
Increase in trade and other payables	9,315	19,652	6,476	15,080
Cash flow from/(used in) operations	39,545	(16,504)	19,135	65,955
Income taxes paid	(1,515)	(3,131)	(11,233)	(11,974)
Payment of finance costs	(4,515)	(7,385)	(25,150)	(28,160)
Interest received	1,028	1,088	3,493	4,914
Dividend income	2	–	5,082	4,373
Dividends from associates/ joint ventures	9	–	541	2,349
Net cash flows from/(used in) operating activities	34,554	(25,932)	(8,132)	37,457

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 2010 (cont'd)

	4th Quarter (Q4) Ended 31 December		Full Year Ended 31 December	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
<u>Cash flows from investing activities</u>				
Proceeds from disposal of property, plant and equipment and investment properties	5,704	41,752	48,920	172,412
Cost incurred on property, plant and equipment	(678)	(1,819)	(18,654)	(4,167)
Proceeds from disposal of investment securities	–	–	–	50,334
Purchase of investment securities	–	–	–	(73,547)
Cost incurred on investment properties	(534)	(12,152)	(3,073)	(41,056)
Payment of deferred mine development and exploration expenditure	(8,270)	(1,941)	(16,063)	(14,458)
Net cash (outflow)/inflow on acquisition of a subsidiary	–	–	(1,470)	1,219
Proceeds from disposal of shares in an associate	913	–	7,254	–
Payment for insurance scheme	–	(3,178)	–	(3,178)
Additional shares in associates	–	(301)	(2,847)	(583)
Acquisition of non-controlling interest	–	–	–	(5,081)
Net cash flows (used in)/from investing activities	(2,865)	22,361	14,067	81,895
<u>Cash flows from financing activities</u>				
Dividends paid to shareholders	–	–	(6,518)	(325,897)
Dividend paid to non-controlling shareholders of a subsidiary	–	–	(196)	–
(Repayment)/Drawdown of short term borrowings	(6,944)	19,276	62,982	30,593
Drawdown of term loans	642	–	244,121	153,533
Repayment of term loans	(3,187)	(101,854)	(290,301)	(122,649)
Pledge of security deposits for banker guarantees	–	(16,483)	–	(16,483)
Loan to an associate	–	(1,085)	–	(1,085)
Proceeds from issuance of shares by subsidiaries	–	–	–	478
Net cash flows (used in)/from financing activities	(9,489)	(100,146)	10,088	(281,510)
Net increase/(decrease) in cash and cash equivalents	22,200	(103,717)	16,023	(162,158)
Effect of exchange rate changes on cash and cash equivalents	(249)	167	(400)	2,510
Cash and cash equivalents, beginning balance	49,866	159,744	56,194	215,842
Cash and cash equivalents, ending balance	71,817	56,194	71,817	56,194
Cash and cash equivalents comprise the following:				
Cash and cash equivalents of the Group	71,597	56,194	71,597	56,194
Disposal group classified as held for sale	220	–	220	–
	71,817	56,194	71,817	56,194

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 2010

GROUP

	Total Equity \$'000	Equity attributable to owners of the parent \$'000	Share capital \$'000	Retained earnings \$'000	AFS reserve \$'000	Hedging reserve \$'000	Revaluation reserve \$'000	Share option reserve \$'000	Capital reserve \$'000	Translation reserve \$'000	Reserve of disposal group classified as held for sale \$'000	Non- controlling interests \$'000
Balance at 31 December 2009 as previously reported	1,163,391	1,097,260	265,928	705,374	76,179	(4,652)	64,460	84	—	(10,113)	—	66,131
Prior year adjustment (Note)	26,639	19,380	—	19,380	—	—	—	—	—	—	—	7,259
Opening balance at 1 January 2010 as restated	1,190,030	1,116,640	265,928	724,754	76,179	(4,652)	64,460	84	—	(10,113)	—	73,390
Total comprehensive income/(expense) for the year	10,287	36,198	—	28,169	(35,708)	4,862	32,788	—	—	6,087	—	(25,911)
Dividend on ordinary shares												
- Dividend for 2009	(6,518)	(6,518)	—	(6,518)	—	—	—	—	—	—	—	—
Dividend to non- controlling shareholders of subsidiary	(196)	—	—	—	—	—	—	—	—	—	—	(196)
Changes in ownership interests in subsidiaries that do not result in a loss of control	—	93	—	—	—	—	—	—	93	—	—	(93)
Reserve attributable to disposal group classified as held for sale	—	—	—	—	—	—	—	—	—	1,173	(1,173)	—
Closing balance at 31 December 2010	1,193,603	1,146,413	265,928	746,405	40,471	210	97,248	84	93	(2,853)	(1,173)	47,190

Note: Please refer to note 1 on page 6 for explanation.

Statements of changes in equity for the year ended 31 December 2010 (cont'd)

GROUP

	Total Equity \$'000	Equity attributable to owners of the parent \$'000	Share capital \$'000	Retained earnings \$'000	AFS reserve \$'000	Hedging reserve \$'000	Revaluation reserve \$'000	Share option reserve \$'000	Translation reserve \$'000	Non- controlling interests \$'000
Opening balance at 1 January 2009	1,249,130	1,196,781	265,928	891,369	10,026	(2,729)	70,493	150	(38,456)	52,349
Total comprehensive income/(expense) for the year	249,449	245,822	—	159,282	66,153	(1,923)	(6,033)	—	28,343	3,627
Dividend on ordinary shares										
- Special dividend	(325,897)	(325,897)	—	(325,897)	—	—	—	—	—	—
Adjustment of share-based payments	(140)	(66)	—	—	—	—	—	(66)	—	(74)
Capital injection by non- controlling interest of a subsidiary	67	—	—	—	—	—	—	—	—	67
Acquisition of non- controlling interests	17,421	—	—	—	—	—	—	—	—	17,421
Closing balance at 31 December 2009 as restated	1,190,030	1,116,640	265,928	724,754	76,179	(4,652)	64,460	84	(10,113)	73,390

Statements of changes in equity for the year ended 31 December 2010 (cont'd)

COMPANY

	Total equity \$'000	Equity attributable to owners of the parent \$'000	Share capital \$'000	Retained earnings \$'000	AFS reserve \$'000	Hedging reserve \$'000	Revaluation reserve \$'000	Translation reserve \$'000
Opening balance at 1 January 2010	394,265	394,265	265,928	105,015	29,642	(2,573)	129	(3,876)
Total comprehensive income/(expense) for the year	319	319	—	10,393	(13,558)	2,573	18	893
Dividend on ordinary shares								
- Dividend for 2009	(6,518)	(6,518)	—	(6,518)	—	—	—	—
Closing balance at 31 December 2010	388,066	388,066	265,928	108,890	16,084	—	147	(2,983)

	Total equity \$'000	Equity attributable to owners of the parent \$'000	Share capital \$'000	Retained earnings \$'000	AFS reserve \$'000	Hedging reserve \$'000	Revaluation reserve \$'000	Translation reserve \$'000
Opening balance at 1 January 2009	682,160	682,160	265,928	413,657	8,050	(2,213)	129	(3,391)
Total comprehensive income/(expense) for the year	38,002	38,002	—	17,255	21,592	(360)	—	(485)
Dividend on ordinary shares								
- Special dividend	(325,897)	(325,897)	—	(325,897)	—	—	—	—
Closing balance at 31 December 2009	394,265	394,265	265,928	105,015	29,642	(2,573)	129	(3,876)

- 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 2010	31 December 2009
	'000	'000
Total number of ordinary shares in issue	325,897	325,897

There were no treasury shares as at 31 December 2010 and 31 December 2009.

- 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.**

These figures had 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 had 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 2009, except for the adoption of new/revised Financial Reporting Standards (FRSs) and Interpretations to FRSs applicable for the financial period beginning 1 January 2010 and the early adoption of INT FRS115 Agreements for the Construction of Real Estate.

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.**

FRS 103 (revised 2009) and FRS 27 (amended)

FRS 103 (revised 2009) and FRS 27 (amended) became effective for the Group's financial statements for the year ended 31 December 2010. FRS 103 (revised 2009) introduces significant changes to the accounting for business combination, both at the acquisition date and post acquisition, and requires greater use of fair values. The amendments will mainly impact the accounting for transaction costs, step acquisitions, goodwill and non-controlling interests (previously minority interests).

The amended FRS 27 requires accounting for changes in ownership interests by the Group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the Group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with gain or loss recognised in the profit or loss.

The revised FRS 103 and amended FRS 27 will be applied prospectively and therefore there will be no adjustments made to prior period financial statements.

The effects of the adoption of the revised FRS 27 resulted in \$0.09million recognised directly in equity from the change in ownership interest in subsidiaries without loss of control.

INT FRS 115

INT FRS 115 clarifies when revenue and related expenses from a sale of real estate unit should be recognised if an agreement between a developer and buyer is reached before the construction of real estate is completed. INT FRS 115 determines that contracts which do not classify as construction contracts in accordance with FRS 11 can only be accounted for using the percentage of completion method if the entity continuously transfers to the buyer control and the significant risks and rewards of ownership of the work in progress in its current state as construction progresses.

The Singapore Accounting Standard Council has issued an Accompanying Note with INT FRS 115, which mandates application of percentage of completion method of revenue recognition for pre-completion contracts for sale of Singapore residential property.

INT FRS 115 policy has been applied retrospectively. Consequently, gross profit of \$0.8 million was recorded and there is no impact to the prior years.

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	
	2010	2009 (restated)	2010	2009 (restated)
Basic earnings per share for the period based on Group profit attributable to owners of the parent :-	15.8 cents	15.5 cents	8.6 cents	48.9 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 2010	31 December 2009
The Group	\$3.52	\$3.43 (restated)
The Company	\$1.19	\$1.21

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.**

Segmental review

Resources

For the financial year ended 31 December 2010 ("FY2010"), the revenue of the Malaysia Smelting Corporation Berhad ("MSC") Group increased by 53.5% to \$1.2 billion from \$755.2 million for the previous corresponding year ("FY2009"). This was contributed by higher business volume and higher tin prices.

The Group reported an operating profit of \$41.0 million for FY2010, an increase of 85.4% from \$22.1 million for FY2009.

In line with the MSC Group's on-going review of its non-tin assets, the Group fully divested its investment in BCD Resources NL and made exceptional impairment provisions of \$73.0 million for its non-tin investments and assets in 2010.

The MSC Group recorded a pre-tax loss of \$41.1 million for FY2010, compared with a pre-tax profit of \$38.3 million for FY2009, which had been restated to include the \$26.6 million gain on bargain purchase arising from the acquisition of KM Resources, Inc in 2009.

Hospitality

For FY2010, the Group's hospitality operations reported a 14.7% increase in revenue to \$146.7 million from \$127.9 million for FY2009. This was contributed by higher average occupancy rates.

The Group reported an operating loss of \$20.2 million for FY2010, compared with the loss of \$7.8 million for FY2009. The higher average occupancy rates were offset by lower average room rates arising from greater competition especially in Australia and New Zealand. Total expenses were also higher.

In line with the on-going review of its hospitality operations, the Group made exceptional impairment provisions of \$21.0 million in respect of its hospitality assets, goodwill and lease obligations. This resulted in the Group's hospitality operations recording a pre-tax loss of \$41.1 million for FY2010, compared with the pre-tax loss of \$13.8 million for FY2009.

Property

For FY2010, the Group's property operations reported revenue of \$52.8 million, 14.5% lower than the revenue of \$61.7 million for FY2009. The higher rental income from commercial properties in 2010 was partially offset by the lower sale of development properties.

Pre-tax profit of \$113.3 million for FY2010 was 15.9% lower than the pre-tax profit of \$134.7 million for FY2009. This was partially contributed by lower fair value gains from a smaller investment property portfolio after the divestment of some non-core properties in 2009.

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

Not applicable.

- 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.**

Resources

In the light of the high metal prices and and barring any unforeseen circumstances, the Board expects the Group's resources operations to report satisfactory performance for the current year.

Hospitality

The Group's hospitality operations continue to be challenging in an increasingly competitive market environment. Ongoing review and continuing improvement of its entire hospitality operations, including refurbishments and refinement of product standards, are expected to result in an improvement in performance in the current year.

Property

Rental income from the Straits Trading Building and the quality of its property portfolio continue to underpin the Group's property operations. The Group can be expected to seize new opportunities in development properties as they arise. Barring unforeseen circumstances, the Group expects its property operations to be satisfactory for the current year.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

<i>Name of Dividend</i>	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.

(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>	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.

(c) Date payable

4 May 2011

(d) Books closure date

19 to 20 April 2011, both dates inclusive.

(d) Annual General Meeting

The Annual General Meeting of the Company will be held at the Sky Garden (Level 21), 9 Battery Road, Straits Trading Building, Singapore 049910 on Thursday, 28 April 2011 at 2.30 pm.

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 2010

<u>2010 Operating Segments</u>	Resources \$'000	Hospitality \$'000	Property \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
Revenue						
External revenue	1,159,286	146,675	52,760	–	–	1,358,721
Inter-segment revenue	–	274	463	–	(737)	–
Dividend income	–	–	–	5,082	–	5,082
Interest income	2,705	812	60	4	–	3,581
Fair value changes of financial assets	1,333	–	–	(2)	–	1,331
Other income	2,471	74	3,718	2	–	6,265
Total Revenue	1,165,795	147,835	57,001	5,086	(737)	1,374,980
Segment results						
Operating profit/(loss)	40,961	(20,217)	11,295	3,351	–	35,390
Exceptional gains/(losses)	(72,982)	(20,973)	104,666	(126)	–	10,585
Finance costs	(10,667)	–	(2,803)	(10,411)	–	(23,881)
Share of results from equity-accounted associates / joint ventures	1,541	101	136	–	–	1,778
Profit/(Loss) before tax	(41,147)	(41,089)	113,294	(7,186)	–	23,872
Income tax expense						(17,155)
Profit after tax						6,717
Profit/(Loss) attributable to :						
Owners of the parent						28,169
Non-controlling interests						(21,452)
						6,717

2010 Geographical Information

	Singapore \$'000	Malaysia \$'000	Indonesia \$'000	Australia \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
Segment Revenue							
Revenue and income from external parties	85,382	1,158,307	9,360	100,986	20,945	–	1,374,980
Inter-segment revenue	625	546	175,418	–	–	(176,589)	–
Total Revenue	86,007	1,158,853	184,778	100,986	20,945	(176,589)	1,374,980

Segment revenue and results for the year ended 31 December 2010 (cont'd)

2009 Operating Segments (restated)	Resources \$'000	Hospitality \$'000	Property \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
Revenue						
External revenue	755,239	127,861	61,722	7,074	–	951,896
Inter-segment revenue	–	127	1,169	–	(1,296)	–
Dividend income	–	–	–	4,373	–	4,373
Interest income	2,722	469	967	362	–	4,520
Fair value changes of financial assets	(1,791)	–	–	8,213	–	6,422
Other income	391	47	3,634	362	–	4,434
Total Revenue	756,561	128,504	67,492	20,384	(1,296)	971,645
Segment results						
Operating profit/(loss)	22,094	(7,826)	21,006	12,591	–	47,865
Exceptional gains/(losses)	(416)	(6,051)	114,069	29,540	–	137,142
Finance costs	(10,528)	–	(796)	(13,936)	–	(25,260)
Share of results from equity-accounted associates / joint ventures						
- Profit for the year	526	64	392	–	–	982
- Exceptional item	26,639	–	–	–	–	26,639
Profit/(Loss) before tax	38,315	(13,813)	134,671	28,195	–	187,368
Income tax expense						(23,760)
Profit after tax						163,608
Profit attributable to :						
Owners of the parent						159,282
Non-controlling interests						4,326
						163,608

2009 Geographical Information

	Singapore \$'000	Malaysia \$'000	Indonesia \$'000	Australia \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
Segment Revenue							
Revenue and income from external parties	106,220	752,829	5,764	89,833	16,999	–	971,645
Inter-segment revenue	1,119	246	148,858	–	–	(150,223)	–
Total Revenue	107,339	753,075	154,622	89,833	16,999	(150,223)	971,645

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 item 8.

15. A breakdown of revenue and profit after tax.

	2010	2009	+ or (-)
	\$'000	\$'000	%
(a) <i>Total revenue reported for first half year</i>	637,047	438,864	45.2
(b) <i>Profit after tax before deducting non-controlling interests reported for first half year</i>	4,712	34,066	(86.2)
(c) <i>Total revenue reported for second half year</i>	737,933	532,781	38.5
(d) <i>Profit after tax before deducting non-controlling interests reported for second half year</i>	2,005	129,542*	(98.5)

* 2009 figures have been restated as a result of prior year adjustment.

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)

	<i>Latest Full Year (\$'000)</i>	<i>Previous Full Year (\$'000)</i>
<i>Ordinary</i>	6,518	6,518
<i>Total:</i>	6,518	6,518

A special dividend of \$1.00 per share (\$325.9 million) was paid in 2 installments 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

Sng Kiat Huang (Ms)

Secretary

28 February 2011

Singapore

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