

Financial Highlights

\$ million	3 rd Qtr 2012	3 rd Qtr 2011 (restated)	+ /(-) %	9M2012	9M2011 (restated)	+ /(-) %
Revenue	227.3	430.5	(47.2)	859.5	1,200.1	(28.4)
Earnings/(Loss) before interest and tax (EBIT)	3.8	37.3	(89.7)	(12.3)	133.7	(109.2)
Profit/(Loss) before tax	(2.5)	33.3	(107.5)	(31.4)	121.4	(125.9)
Profit/(Loss) after tax	(6.5)	28.2	(123.1)	(33.5)	99.6	(133.7)
Profit/(Loss) attributable to owners of the Company	(4.1)	20.3	(120.3)	(15.7)	77.3	(120.3)

Earnings/(Loss) per share (In Singapore cents)	(1.3) Cents	6.2 cents	N.M.	(4.8) cents	23.7 cents	N.M.
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	As At 30 th September 2012	As At 31 st December 2011 (restated)
Equity attributable to owners of the Company	\$1,178,357,000	\$1,168,402,000
Net asset value per share	\$3.62	\$3.59

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

Note: The comparatives had been restated to take into account the retrospective adjustments to the Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets.

- The Straits Trading Group reported a net loss of \$4.1 million for the third quarter ended 30 September 2012 (“3Q2012”) compared with a net profit of \$20.3 million for 3Q2011. For the nine months ended 30 September 2012 (“9M2012”), the net loss was \$15.7 million compared with a net profit of \$77.3 million in 9M2011. This was mainly due to net losses reported by resources and hospitality operations despite a profit from property operations.
- The Group’s revenue fell 47% q-o-q to \$227.3 million for 3Q2012 and 28% y-o-y to \$859.5 million for 9M2012. The decreases were mainly due to lower revenue from resources as a result of lower sales volume and lower average tin prices. Average market tin price for 3Q2012 fell by 22% to US\$19,300 per tonne compared with US\$24,800 per tonne in 3Q2011. Average market tin price for 9M2012 was US\$20,900 per tonne or 25% lower compared with US\$27,900 per tonne in 9M2011.
- The Group’s resources operations reported net loss of \$0.4 million and \$9.5 million for 3Q2012 and 9M2012 respectively, compared with a net profit of \$9.0 million and \$22.9 million for the comparative periods. While the operations in Malaysia are profitable, operations from PT Koba Tin reported losses mainly due to low production volume, high mine maintenance and rehabilitation costs, and lower average tin prices. As a result of higher closing tin prices in 3Q2012, reversal of inventories write down totalling RM17.7 million was recorded in 3Q2012, out of the RM38.5 million write down provided in 2Q2012.
- The Group’s hospitality operations reported net loss of \$3.7 million for 3Q2012 and \$14.1 million for 9M2012. Despite improved operating performance from owned hotels, the higher losses reflected the exchange translation loss of \$2.6 million transferred from translation reserve, the absence of fair value gains in investment property and weaker performance from the leased hotels.
- The Group’s property operations reported lower net profit of \$1.3 million for 3Q2012 and \$13.5 million for 9M2012, mainly because of lower fair value gains in investment properties in 2012.
- Net asset value as at 30 September 2012 was \$3.62 per share. The increase in fair value of its available-for-sale investment in WBL Corporation Ltd has more than offset the net loss reported for the period and the 4-cent dividend declared by the Company for the financial year ended 31 December 2011.

THE STRAITS TRADING COMPANY LIMITED

The Straits Trading Company Limited (Company Registration No. : 188700008D)
Third Quarter and Nine Months Financial Statements Announcement for the Period Ended 30 September 2012

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (1Q, 3Q & 3Q), HALF-YEAR AND FULL YEAR RESULTS

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

The unaudited results for the 3rd quarter and nine months ended 30 September 2012 are as follow:

GROUP	Note	3rd Quarter (3Q) Ended		Nine Months (9M) Ended	
		30 September		30 September	
		2012	2011	2012	2011
		\$'000	\$'000	\$'000	\$'000
			(restated) ^(a)		(restated) ^(a)
Revenue					
Tin mining and smelting revenue	A	175,900	368,333	714,410	1,025,728
Hotel revenue	B	39,269	39,671	115,220	113,632
Property revenue	C	12,102	22,541	29,809	60,690
Proceeds from sale of trading securities		–	–	14	–
		227,271	430,545	859,453	1,200,050
Other items of income					
Dividend income		2,305	2,305	4,611	4,611
Interest income		1,783	1,497	5,314	3,969
Fair value changes in investment properties	D	–	9,784	12,045	60,695
Fair value changes in financial assets		718	(621)	495	(306)
Other income		584	2,083	4,148	6,241
		232,661	445,593	886,066	1,275,260
Other items of expense					
Employee benefits expense		(25,887)	(25,156)	(73,836)	(76,966)
Depreciation expense		(7,096)	(5,219)	(18,564)	(15,521)
Amortisation expense		(1,118)	(2,779)	(6,397)	(7,841)
Impairment (losses)/reversal		–	2	(835)	313
Costs of tin mining and smelting	E	(160,545)	(337,017)	(696,648)	(917,484)
Cost of trading securities sold		–	–	(14)	–
Finance costs	F	(6,341)	(4,006)	(19,131)	(12,364)
Other expenses	G	(35,539)	(41,437)	(103,143)	(134,795)
Exchange gains		378	2,161	453	1,186
Total expenses		(236,148)	(413,451)	(918,115)	(1,163,472)
Share of results of equity-accounted associates and joint ventures	H	995	1,146	644	9,580
Profit/(Loss) before tax		(2,492)	33,288	(31,405)	121,368
Income tax expense	I	(4,026)	(5,126)	(2,106)	(21,798)
Profit/(Loss) after tax		(6,518)	28,162	(33,511)	99,570
Profit/(Loss) attributable to:					
Owners of the Company		(4,134)	20,316	(15,716)	77,330
Non-controlling interests		(2,384)	7,846	(17,795)	22,240
		(6,518)	28,162	(33,511)	99,570

(a) The comparative income statements for the 3rd quarter and nine months ended 30 September 2011 had been restated to take into account the retrospective adjustments to the Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets.

Notes to the Income Statement on page 2:

- (A) The decrease in tin mining and smelting revenue was mainly due to lower sales volume and lower average tin prices.
- (B) The marginal increase in hotel revenue to-date was mainly due to higher average room rates.
- (C) Property revenue decreased mainly because of lower development properties sales, and lower rental income as a result of the expiration of the master lease at No. 18, 20 and 22 Cross Street, Singapore on 29 March 2012.
- (D) The fair value changes in investment properties were mainly from the revaluation gains of the Good Class Bungalow properties at Cable and Nathan Road and the apartment units at The Holland Collection.
- (E) The decrease in costs of tin mining and smelting reflected lower sales volume and lower average tin prices. As a result of higher closing tin prices in 3Q2012, a RM17.7 million reversal of inventories write down adjustment was recorded in 3Q2012. In 9M2012, net write down totalling RM20.8 million was made against the carrying value of the tin inventory.
- (F) The increase in finance costs arose from the maiden issue of the Company's \$225 million 4.3% per annum fixed rate 5-year medium term notes in November 2011.
- (G) The lower other expenses to-date was mainly by resources and property operations.
- (H) Share of results of equity-accounted associates and joint ventures reflected the lower share of profit from the Group's jointly controlled Philippine entity, KM Resources Inc.
- (I) The tax expense for 3Q2012 was due to taxable profits made by certain subsidiaries, which could not be set off against losses incurred by other companies within the Group.

1(a)(ii) Statement of comprehensive income for the 3rd quarter and nine months ended 30 September 2012.

<u>GROUP</u>	3 rd Quarter (3Q) Ended 30 September		Nine Months (9M) Ended 30 September	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
		(restated) ^(a)		(restated) ^(a)
Profit/(Loss) after tax	(6,518)	28,162	(33,511)	99,570
Other comprehensive income/(expenses):				
Net fair value changes in available-for-sale investment securities	15,534	(21,220)	43,348	(59,500)
Net fair value changes in cash flow hedges	169	(2,776)	166	(1,618)
Currency translation reserve	(3,334)	(2,297)	(7,539)	(10,699)
Net revaluation surplus on property, plant and equipment	-	-	-	28
Other comprehensive income/(expenses) after tax for the period	12,369	(26,293)	35,975	(71,789)
Total comprehensive income/(expenses) for the period	5,851	1,869	2,464	27,781
Total comprehensive income/(expenses) attributable to:				
Owners of the Company	9,881	(6,301)	22,991	7,815
Non-controlling interests	(4,030)	8,170	(20,527)	19,966
	5,851	1,869	2,464	27,781

- (a) The comparative statements of comprehensive income for the 3rd quarter and nine months ended 30 September 2011 had been restated to take into account the retrospective adjustments to the Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets.

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

Balance sheets as at 30 September 2012

	Note	GROUP		COMPANY	
		30 Sep 2012	31 Dec 2011	30 Sep 2012	31 Dec 2011
		\$'000	\$'000	\$'000	\$'000
			(restated) ^(a)		(restated) ^(a)
Assets					
Non-current assets					
Property, plant and equipment	J	492,608	389,802	348	368
Investment properties		922,954	932,907	118,350	118,658
Goodwill		21,422	21,863	–	–
Other intangible assets		32,332	39,128	–	–
Investments in subsidiaries		–	–	195,190	212,390
Investments in associates and joint ventures	K	70,175	76,439	3,585	3,585
Deferred tax assets		10,710	8,487	–	–
Other non-current receivables		2,309	2,695	54,464	–
Investment securities	L	180,591	135,500	64,712	48,422
Other non-current assets		1,202	1,226	–	–
Total non-current assets		1,734,303	1,608,047	436,649	383,423
Current assets					
Development properties for sale		23,892	29,613	–	–
Inventories		119,334	121,162	–	–
Income tax receivables		7,438	4,513	–	19
Prepayments and accrued income		6,418	6,043	159	217
Trade and other receivables	M	138,643	182,109	175,455	166,172
Marketable securities		–	13	–	–
Derivative financial instruments		902	–	–	–
Cash and short-term deposits		191,181	313,323	117,558	173,441
Total current assets		487,808	656,776	293,172	339,849
Total assets		2,222,111	2,264,823	729,821	723,272
Equity and liabilities					
Equity					
Share capital		265,928	265,928	265,928	265,928
Retained earnings		760,618	789,370	170,997	173,767
Other reserves		151,811	113,104	644	(14,527)
Equity attributable to owners of the Company		1,178,357	1,168,402	437,569	425,168
Non-controlling interests		74,739	97,723	–	–
Total equity		1,253,096	1,266,125	437,569	425,168
Non-current liabilities					
Provisions		14,687	14,102	–	–
Deferred tax liabilities		71,338	70,979	962	925
Borrowings		536,915	520,190	224,076	223,907
Derivative financial instruments		197	354	–	–
Other non-current liabilities		1,826	2,631	–	–
Total non-current liabilities		624,963	608,256	225,038	224,832

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

Balance sheets as at 30 September 2012 (Cont'd)

	Note	GROUP		COMPANY	
		30 Sep 2012 \$'000	31 Dec 2011 \$'000 (restated) ^(a)	30 Sep 2012 \$'000	31 Dec 2011 \$'000 (restated) ^(a)
<u>Current liabilities</u>					
Provisions		9,009	8,450	–	–
Income tax payable		15,789	26,164	501	787
Trade and other payables	N	109,786	140,907	66,713	72,485
Borrowings		208,966	214,750	–	–
Derivative financial instruments		502	171	–	–
Total current liabilities		344,052	390,442	67,214	73,272
Total liabilities		969,015	998,698	292,252	298,104
Total equity and liabilities		2,222,111	2,264,823	729,821	723,272

- (a) The comparative balance sheets as at 31 December 2011 had been restated to take into account the retrospective adjustments to the Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets.

Notes:

- (J) The increase in property, plant and equipment was mainly due to the acquisition of Rendezvous Grand Hotel Melbourne in September 2012 and refurbishment of certain hotels.
- (K) The decrease in investments in associates and joint ventures was due to deemed disposal of a foreign associate, following the Group's loss of significant influence in this company, impairment provision as well as currency translation of foreign associates and joint ventures.
- (L) The increase in investment securities was mainly due to higher market price of the quoted investment securities.
- (M) The decrease in trade and other receivables was due to receipts from investment properties sold in FY2011 and lower resources revenue in the current period.
- (N) The decrease in trade and other payables reflected increased payments.

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

As at 30/9/2012		As at 31/12/2011	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	208,966	-	214,750

Amount repayable after one year:

As at 30/9/2012		As at 31/12/2011	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
293,928	242,987	236,563	283,627

Details of any collaterals:

Secured borrowings are collateralised by:

- mortgage of the borrowing companies' properties and/or
- assignment of all rights, titles and interest under contracts in respect of the mortgaged properties or
- fixed and floating charge over all assets in respect of and the business conducted on the mortgaged properties

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

Consolidated cash flow statement for the 3rd quarter and nine months ended 30 September 2012

	3 rd Quarter (3Q) Ended 30 September		Nine Months (9M) Ended 30 September	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<u>Cash flows from operating activities</u>				
Profit/(Loss) before tax	(2,492)	33,288	(31,405)	121,368
<u>Adjustments</u>				
Depreciation of property, plant and equipment	7,096	5,219	18,564	15,521
Amortisation of intangible assets	1,118	2,779	6,397	7,841
Amortisation of deferred income	–	(907)	(906)	(2,719)
Dividend income	(2,305)	(2,305)	(4,611)	(4,611)
Interest income	(1,783)	(1,497)	(5,314)	(3,969)
Finance costs	6,341	4,006	19,131	12,364
Currency realignment	103	2,400	(2,193)	(6,724)
Fair value changes in investment properties and financial assets	(718)	(9,163)	(12,540)	(60,389)
Net (gain)/loss on disposal of investments, property, plant and equipment and investment properties	(293)	(351)	1,891	271
(Reversal)/Impairment of investments and plant and equipment	–	(2)	835	(313)
Write off/Provisions for rehabilitation/exploration costs and other assets	2,350	8,728	4,084	14,136
Provision for onerous contracts	–	–	784	–
Provision for employee benefits and receivables	3,177	1,998	4,239	10,062
Share of results of equity-accounted associates and joint ventures	(995)	(1,146)	(644)	(9,580)
Operating cash flows before changes in working capital	11,599	43,047	(1,688)	93,258
Decrease/(Increase) in development properties for sale	4,513	(1,127)	5,721	(793)
(Increase)/Decrease in inventories	(16,097)	20,200	1,267	16,143
Decrease in marketable securities	–	–	14	–
(Increase)/Decrease in trade and other receivables	(4,265)	13,746	25,907	(22,125)
(Decrease)/Increase in trade and other payables	(10,362)	2,053	(27,776)	3,238
Cash flow (used in)/from operations	(14,612)	77,919	3,445	89,721
Income taxes paid	(5,238)	(6,042)	(19,399)	(9,755)
Payment of finance costs	(3,696)	(3,752)	(14,416)	(12,695)
Interest received	1,864	1,453	5,335	3,201
Dividend income	2,313	2,305	4,619	4,658
Net cash flows (used in)/from operating activities	(19,369)	71,883	(20,416)	75,130
<u>Cash flows from investing activities</u>				
Proceeds from disposal of property, plant and equipment and investment properties	311	5,994	40,708	20,190
Cost incurred on property, plant and equipment	(108,724)	(9,434)	(126,954)	(16,005)
Cost incurred on investment properties	(7,863)	(7,503)	(10,637)	(40,424)
Proceeds from disposal of investment securities	–	–	1,586	–
Increase in deferred mine development and exploration expenditure and other intangible assets	(1,204)	(2,865)	(3,625)	(9,892)
Net cash inflow on disposal of disposal group classified as held for sale	–	–	–	3,616
Additional shares in associates and joint venture	–	–	(510)	(1,948)
Net cash flows used in investing activities	(117,480)	(13,808)	(99,432)	(44,463)

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

Consolidated cash flow statement for the 3rd quarter and nine months ended 30 September 2012 (cont'd)

	3 rd Quarter (3Q) Ended 30 September		Nine Months (9M) Ended 30 September	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<u>Cash flows from financing activities</u>				
Dividends paid to shareholders	–	–	(13,036)	(6,518)
Dividends paid to non-controlling shareholders of a subsidiary	–	(1,665)	(2,457)	(2,083)
Repayment of short term borrowings	(15,290)	(67,939)	(37,520)	(41,910)
Drawdown of long term borrowings	59,652	17,092	59,652	43,321
Repayment of long term borrowings	–	(7,755)	(6,566)	(19,298)
Release of security deposits for banker guarantees	–	–	–	16,909
Net proceeds from issuance of shares by subsidiary to non-controlling shareholders	–	–	–	41,964
Net cash flows from/(used in) financing activities	44,362	(60,267)	73	32,385
Net (decrease)/increase in cash and cash equivalents	(92,487)	(2,192)	(119,775)	63,052
Effect of exchange rate changes on cash and cash equivalents	(1,140)	1,243	(3,554)	(618)
Cash and cash equivalents, beginning balance	283,621	135,200	313,323	71,817
Cash and cash equivalents, ending balance	189,994	134,251	189,994	134,251
Cash and cash equivalents comprise the following:				
Cash and short-term deposits	166,230	108,886	166,230	108,886
Amounts reserved for the development of new mines	24,951	25,365	24,951	25,365
Bank overdrafts	(1,187)	–	(1,187)	–
	189,994	134,251	189,994	134,251

Included in cash and cash equivalents of the Group, is an amount of S\$25 million (2011: S\$25 million) reserved for the development of new mines through the selective acquisitions of suitable mining concessions or leases, as well as mining projects and assets primarily in Malaysia, Indonesia and other countries.

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 period ended 30 September 2012

GROUP

	Total Equity \$'000	Equity attributable to owners of the Company \$'000	Share capital \$'000	Retained earnings \$'000	AFS reserve \$'000	Hedging reserve \$'000	Revaluation reserve \$'000	Translation reserve \$'000	Non- controlling interests \$'000
Closing balance at 31 December 2011 as previously reported	1,260,147	1,162,424	265,928	783,370	(30,551)	(25)	144,316	(614)	97,723
Effect of adoption of the Amendments to FRS 12 (refer to item 5)	5,978	5,978	–	6,000	–	–	–	(22)	–
Opening balance at 1 January 2012 as restated	1,266,125	1,168,402	265,928	789,370	(30,551)	(25)	144,316	(636)	97,723
Total comprehensive income/(expenses) for the period	2,464	22,991	–	(15,716)	43,319	90	–	(4,702)	(20,527)
<u>Contributions by and distributions to owners</u>									
Dividends on ordinary shares	(13,036)	(13,036)	–	(13,036)	–	–	–	–	–
Dividends to non-controlling shareholders of a subsidiary	(2,457)	–	–	–	–	–	–	–	(2,457)
Total contributions by and distributions to owners	(15,493)	(13,036)	–	(13,036)	–	–	–	–	(2,457)
Total transactions with owners in their capacity as owners	(15,493)	(13,036)	–	(13,036)	–	–	–	–	(2,457)
Closing balance at 30 September 2012	1,253,096	1,178,357	265,928	760,618	12,768	65	144,316	(5,338)	74,739

Statements of changes in equity for the period ended 30 September 2012 (cont'd)

GROUP (cont'd)

	Total Equity \$'000	Equity attributable to owners of the Company \$'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
Closing balance at 31 December 2010 as previously reported	1,193,603	1,146,413	265,928	746,405	40,471	210	97,248	84	93	(2,853)	(1,173)	47,190
Effect of adoption of the Amendments to FRS 12 (refer to item 5)	4,601	4,601	-	4,595	-	-	-	-	-	6	-	-
Opening balance at 1 January 2011 as restated	1,198,204	1,151,014	265,928	751,000	40,471	210	97,248	84	93	(2,847)	(1,173)	47,190
Total comprehensive income/(expenses) for the period	27,781	7,815	-	77,330	(59,500)	(883)	28	-	-	(9,157)	(3)	19,966
<u>Contributions by and distributions to owners</u>												
Dividends on ordinary shares	(6,518)	(6,518)	-	(6,518)	-	-	-	-	-	-	-	-
Dividends to non- controlling shareholders of a subsidiary	(2,083)	-	-	-	-	-	-	-	-	-	-	(2,083)
Total contributions by and distributions to owners	(8,601)	(6,518)	-	(6,518)	-	-	-	-	-	-	-	(2,083)
<u>Changes in ownership interests in subsidiaries</u>												
Changes in ownership interests in subsidiaries that do not result in a loss of control	41,964	(2,284)	-	(3,895)	-	(57)	(1,456)	-	(93)	2,969	248	44,248
Disposal of subsidiaries	(724)	928	-	84	-	-	-	(84)	-	-	928	(1,652)
Total changes in ownership interests in subsidiaries	41,240	(1,356)	-	(3,811)	-	(57)	(1,456)	(84)	(93)	2,969	1,176	42,596
Total transactions with owners in their capacity as owners	32,639	(7,874)	-	(10,329)	-	(57)	(1,456)	(84)	(93)	2,969	1,176	40,513
Closing balance at 30 September 2011 as restated	1,258,624	1,150,955	265,928	818,001	(19,029)	(730)	95,820	-	-	(9,035)	-	107,669

Statements of changes in equity for the period ended 30 September 2012 (cont'd)

COMPANY

	Total equity \$'000	Equity attributable to owners of the Company \$'000	Share capital \$'000	Retained earnings \$'000	AFS reserve \$'000	Revaluation reserve \$'000	Translation reserve \$'000
Closing balance at 31 December 2011 as previously reported	423,951	423,951	265,928	172,528	(10,716)	175	(3,964)
Effect of adoption of the Amendments to FRS 12 (refer to item 5)	1,217	1,217	–	1,239	–	–	(22)
Opening balance at 1 January 2012 as restated	425,168	425,168	265,928	173,767	(10,716)	175	(3,986)
Total comprehensive income/(expenses) for the period	25,437	25,437	–	10,266	16,292	–	(1,121)
<u>Contributions by and distributions to owners</u>							
Dividends on ordinary shares	(13,036)	(13,036)	–	(13,036)	–	–	–
Total transactions with owners in their capacity as owners	(13,036)	(13,036)	–	(13,036)	–	–	–
Closing balance at 30 September 2012	437,569	437,569	265,928	170,997	5,576	175	(5,107)

	Total equity \$'000	Equity attributable to owners of the Company \$'000	Share capital \$'000	Retained earnings \$'000	AFS reserve \$'000	Revaluation reserve \$'000	Translation reserve \$'000
Closing balance at 31 December 2010 as previously reported	388,066	388,066	265,928	108,890	16,084	147	(2,983)
Effect of adoption of the Amendments to FRS 12 (refer to item 5)	1,143	1,143	–	1,137	–	–	6
Opening balance at 1 January 2011 as restated	389,209	389,209	265,928	110,027	16,084	147	(2,977)
Total comprehensive income/(expenses) for the period	8,243	8,243	–	31,899	(22,457)	28	(1,227)
<u>Contributions by and distributions to owners</u>							
Dividends on ordinary shares	(6,518)	(6,518)	–	(6,518)	–	–	–
Total transactions with owners in their capacity as owners	(6,518)	(6,518)	–	(6,518)	–	–	–
Closing balance at 30 September 2011 as restated	390,934	390,934	265,928	135,408	(6,373)	175	(4,204)

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.

	30 September 2012	31 December 2011
	'000	'000
Total number of ordinary shares in issue	325,897	325,897

There were no treasury shares as at 30 September 2012 and 31 December 2011.

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.

Except as disclosed in item 5 below, 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 2011.

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 Group adopted the following revised Financial Reporting Standards (“FRS”) that are effective for the financial period beginning 1 January 2012:

Amendments to FRS 107 Disclosures – Transfers of Financial Assets
Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets

The Amendments to FRS 107 Disclosures – Transfers of Financial Assets is a disclosure standard. It will have no impact on the financial position and financial performance of the Group.

Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets

The Amendments to FRS 12 apply to the measurement of deferred tax liabilities and assets arising from investment properties measured using the fair value model under FRS 40 Investment Property, including investment property acquired in a business combination and subsequently measured using the fair value model. For the purposes of measuring deferred tax, the Amendments introduce a rebuttable presumption that the carrying amount of an investment property measured at fair value will be recovered entirely through sale. The presumption can be rebutted if the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits over time, rather than through sale.

Upon adoption of the Amendments to FRS 12 by the Group and Company with effect from 1 January 2012, there is a presumption that the carrying amount of an investment property measured at fair value will be recovered entirely through sale. The change in accounting policy has been applied retrospectively and the effects are as follows:

	31 December 2011			31 December 2010		
	As previously reported	Effect of Amendments to FRS 12	Restated	As previously reported	Effect of Amendments to FRS 12	Restated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Balance Sheets</u>						
<u>Group</u>						
Deferred tax liabilities	76,957	(5,978)	70,979	75,868	(4,601)	71,267
Retained earnings	783,370	6,000	789,370	746,405	4,595	751,000
Other reserves	113,126	(22)	113,104	135,253	6	135,259
<u>Company</u>						
Deferred tax liabilities	2,142	(1,217)	925	2,077	(1,143)	934
Retained earnings	172,528	1,239	173,767	108,890	1,137	110,027
Other reserves	(14,505)	(22)	(14,527)	13,248	6	13,254

The adoption of Amendments to FRS 12 resulted in \$1.7 million and \$2.3 million reversal of deferred tax expenses in the income statement for 3rd quarter and nine months ended 30 September 2011 respectively.

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.**

	3 rd Quarter (3Q) Ended 30 September		Nine Months (9M) Ended 30 September	
	2012	2011 (restated)	2012	2011 (restated)
Basic and diluted earnings/(loss) per share for the period based on Group profit/(loss) attributable to owners of the Company:	(1.3) cents	6.2 cents	(4.8) cents	23.7 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:	30 September 2012	31 December 2011 (restated)
The Group	\$3.62	\$3.59
The Company	\$1.34	\$1.30

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.**

The following tables summarise the 3Q2012 operating results by business segments and comparables for 3Q2011 and the 9M2012 operating results by business segments and comparables for 9M2011.

3Q2012 Operating Segment Results

	Resources	Hospitality	Property	Others	Elimination	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
External revenue	175,900	39,269	12,102	–	–	227,271
Inter-segment revenue	–	55	14	–	(69)	–
Total revenue	175,900	39,324	12,116	–	(69)	227,271
Segment results						
Operating profit/(loss)	998	(2,993)	3,189	1,660	–	2,854
Finance costs	(1,835)	(271)	(1,642)	(2,593)	–	(6,341)
Share of results of equity-accounted associates and joint ventures	969	–	26	–	–	995
Profit/(Loss) before tax	132	(3,264)	1,573	(933)	–	(2,492)
Income tax expense	(2,918)	(446)	(249)	(413)	–	(4,026)
Profit/(Loss) after tax	(2,786)	(3,710)	1,324	(1,346)	–	(6,518)
Profit/(Loss) attributable to:						
Owners of the Company	(402)	(3,710)	1,324	(1,346)	–	(4,134)
Non-controlling interests	(2,384)	–	–	–	–	(2,384)
	(2,786)	(3,710)	1,324	(1,346)	–	(6,518)

3Q2011 Operating Segment Results

	Resources	Hospitality	Property	Others	Elimination	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
			(restated)			(restated)
Revenue						
External revenue	368,333	39,671	22,541	–	–	430,545
Inter-segment revenue	–	75	15	–	(90)	–
Total revenue	368,333	39,746	22,556	–	(90)	430,545
Segment results						
Operating profit/(loss)	22,302	(2,816)	5,242	1,634	–	26,362
Fair value changes in investment properties	–	–	9,784	–	–	9,784
Impairment (losses)/reversal	2	–	–	–	–	2
Finance costs	(2,720)	(87)	(1,048)	(151)	–	(4,006)
Share of results of equity-accounted associates and joint ventures	1,034	45	67	–	–	1,146
Profit/(Loss) before tax	20,618	(2,858)	14,045	1,483	–	33,288
Income tax expense	(3,768)	(609)	(462)	(287)	–	(5,126)
Profit/(Loss) after tax	16,850	(3,467)	13,583	1,196	–	28,162
Profit/(Loss) attributable to:						
Owners of the Company	9,004	(3,467)	13,583	1,196	–	20,316
Non-controlling interests	7,846	–	–	–	–	7,846
	16,850	(3,467)	13,583	1,196	–	28,162

9M2012 Operating Segment Results

	Resources	Hospitality	Property	Others	Elimination	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Revenue</u>						
External revenue	714,410	115,220	29,809	14	–	859,453
Inter-segment revenue	–	180	44	–	(224)	–
Total revenue	714,410	115,400	29,853	14	(224)	859,453
<u>Segment results</u>						
Operating profit/(loss)	(21,101)	(14,060)	8,177	2,856	–	(24,128)
Fair value changes in investment properties	–	(113)	12,158	–	–	12,045
Impairment (losses)/reversal	(835)	–	–	–	–	(835)
Finance costs	(6,169)	(340)	(4,841)	(7,781)	–	(19,131)
Share of results of equity-accounted associates and joint ventures	378	–	266	–	–	644
Profit/(Loss) before tax	(27,727)	(14,513)	15,760	(4,925)	–	(31,405)
Income tax (expense)/credit	392	423	(2,246)	(675)	–	(2,106)
Profit/(Loss) after tax	(27,335)	(14,090)	13,514	(5,600)	–	(33,511)
<u>Profit/(Loss) attributable to:</u>						
Owners of the Company	(9,540)	(14,090)	13,514	(5,600)	–	(15,716)
Non-controlling interests	(17,795)	–	–	–	–	(17,795)
	(27,335)	(14,090)	13,514	(5,600)	–	(33,511)

9M2011 Operating Segment Results

	Resources	Hospitality	Property	Others	Elimination	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		(restated)	(restated)			(restated)
<u>Revenue</u>						
External revenue	1,025,728	113,632	60,690	–	–	1,200,050
Inter-segment revenue	–	218	81	–	(299)	–
Total revenue	1,025,728	113,850	60,771	–	(299)	1,200,050
<u>Segment results</u>						
Operating profit/(loss)	59,948	(11,115)	11,690	2,621	–	63,144
Fair value changes in investment properties	–	3,700	56,995	–	–	60,695
Impairment (losses)/reversal	(9)	326	–	(4)	–	313
Finance costs	(8,307)	(129)	(3,471)	(457)	–	(12,364)
Share of results of equity-accounted associates and joint ventures	9,244	130	206	–	–	9,580
Profit/(Loss) before tax	60,876	(7,088)	65,420	2,160	–	121,368
Income tax expense	(15,766)	(1,734)	(3,794)	(504)	–	(21,798)
Profit/(Loss) after tax	45,110	(8,822)	61,626	1,656	–	99,570
<u>Profit/(Loss) attributable to:</u>						
Owners of the Company	22,870	(8,822)	61,626	1,656	–	77,330
Non-controlling interests	22,240	–	–	–	–	22,240
	45,110	(8,822)	61,626	1,656	–	99,570

Resources

The Group's resources revenue decreased by 52% q-o-q to \$175.9 million and fell 30% y-o-y to \$714.4 million due to lower sales volume and lower average tin prices. Average market tin price for 3Q2012 fell by 22% to US\$19,300 per tonne compared with US\$24,800 per tonne in 3Q2011. Average market tin price for 9M2012 was US\$20,900 per tonne or 25% lower compared with US\$27,900 per tonne in 9M2011.

The Group's resources operations reported a net loss of \$0.4 million for 3Q2012, compared with a net profit of \$9.0 million for 3Q2011. For 9M2012, resources operations reported net loss of \$9.5 million compared with net profit of \$22.9 million for 9M2011, mainly due to lower sales volume and lower average tin prices.

PT Koba Tin reported losses in 2012 mainly due to low production volume, high mine maintenance and rehabilitation costs and lower average tin prices. The Butterworth tin smelting operations reported lower profits in 2012 mainly due to lower volume and lower tin prices. At Rahman Hydraulic Tin, Perak, tin mining operations continued to be profitable despite lower tin prices in 2012 due to an improvement in mine production.

As a result of higher closing tin prices in 3Q2012, a RM17.7 million reversal of inventories write down adjustment was recorded in 3Q2012, out of the RM38.5 million write down provided in 2Q2012.

Hospitality

The Group's hospitality revenue for 3Q2012 was comparable with 3Q2011, and was marginally higher at \$115.2 million for 9M2012.

The Group's hospitality operations reported net loss of \$3.7 million for 3Q2012 and \$14.1 million for 9M2012. Despite improved operating performance from owned hotels, the higher losses reflected the exchange translation loss of \$2.6 million transferred from translation reserve, the absence of fair value gains in investment property and weaker performance from the leased hotels.

Property

The Group's property revenue was 46% q-o-q lower at \$12.1 million for 3Q2012 and 51% y-o-y lower at \$29.8 million for 9M2012. This was because of lower development properties sales, and lower rental revenue as a result of the expiration of the master lease at No. 18, 20 and 22 Cross Street, Singapore on 29 March 2012.

Property operations reported lower net profit of \$1.3 million for 3Q2012 and \$13.5 million for 9M2012. This was mainly because of lower fair value gains in investment properties in 2012.

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

No prospect statement was disclosed in the second quarter 2012 financial results announcement made on 14 August 2012.

- 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

The operating environment continues to be difficult and challenging due to weaker demand and low prices for commodities arising from the prevailing global economic uncertainties including debt concerns and economic problems in Europe, and slower growth in China.

Due to continuing losses at PT Koba Tin and having evaluated the available options, PT Koba Tin has decided to suspend its entire mining and smelting operations to minimize further losses pending the renewal of Contract of Work (“CoW”).

Malaysia Smelting Corporation Berhad (“MSC”) has announced that it has entered into a strategic alliance agreement (“SAA”) with Optima Synergy Resources Limited (“OSRL”) that would allow the latter to subscribe up to 60% equity interest in Bemban Corporation Limited (“BCL”), the penultimate holding company of PT Koba Tin, upon PT Koba Tin obtaining the approval for the CoW extension. This will dilute MSC’s effective interest in PT Koba Tin from 75% to 30%.

The transaction is in line with the Indonesian government’s new policy for greater local participation both in the ownership and management of mining companies.

In the event the CoW is not renewed, MSC Group would review the group assets in Indonesia and, to the extent required, make appropriate provisions and adjustments.

Hospitality

Refurbishment works are in progress at the Rendezvous hotels in Melbourne and Scarborough, Perth. The acquisition of Rendezvous Grand Hotel Melbourne was completed in September 2012.

Property

Continued government policies in the last two years have dampened sentiment in certain segments of the Singapore residential market. The Group will seize new opportunities in properties as they arise.

The Group has commenced redevelopment work on its remaining Good Class Bungalows (“GCB”) land plots.

- 11. Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared for the third quarter ended 30 September 2012.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company did not seek and does not have a general mandate from shareholders pursuant to Rule 920 of the Listing Manual.

14. Negative confirmation pursuant to Rule 705(5).

The Board of Directors of the Company hereby confirms that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the third quarter 2012 financial results to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Sng Kiat Huang (Ms)

Secretary

14 November 2012

Singapore

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