

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 2014

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (1Q, 2Q & 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 4th quarter and full year ended 31 December 2014 are as follow:

GROUP	Note	4th Quarter (4Q) Ended 31 December			Full Year Ended 31 December		
		2014 \$'000	2013 \$'000 (restated)	+ / (-) %	2014 \$'000	2013 \$'000 (restated)	+ / (-) %
<u>Continuing operations</u>							
<u>Revenue</u>							
Tin mining and smelting revenue	A	204,045	130,882	55.9	743,364	628,875	18.2
Hotel revenue	B	–	–	NM	–	–	NM
Property revenue	C	5,069	5,010	1.2	21,392	31,650	(32.4)
Total revenue		209,114	135,892	53.9	764,756	660,525	15.8
<u>Other items of income/(loss)</u>							
Dividend income	D	3,358	688	388.1	8,193	1,806	353.7
Interest income		1,778	1,733	2.6	5,395	5,636	(4.3)
Fair value changes in investment properties	E	4,008	20,107	(80.1)	(4,021)	20,107	NM
Fair value changes in financial assets	F	1,133	(69)	NM	(1,367)	(1,303)	4.9
Other income	G	39,270	996	NM	36,460	95,251	(61.7)
		258,661	159,347	62.3	809,416	782,022	3.5
<u>Other items of expense</u>							
Employee benefits expense	H	(8,018)	(10,019)	(20.0)	(29,513)	(31,267)	(5.6)
Depreciation expense		(761)	(695)	9.5	(2,925)	(2,617)	11.8
Amortisation expense		(166)	(139)	19.4	(683)	(498)	37.1
Impairment (losses)/reversal	I	(1,230)	10,877	NM	(1,267)	(2,699)	(53.1)
Costs of tin mining and smelting	J	(189,449)	(113,303)	67.2	(686,533)	(564,100)	21.7
Finance costs	K	(3,824)	(4,393)	(13.0)	(29,748)	(23,976)	24.1
Other expenses	L	(14,204)	(3,717)	282.1	(35,651)	(32,019)	11.3
Exchange gains/(losses)	M	(2,948)	4,646	NM	(4,880)	455	NM
Total expenses		(220,600)	(116,743)	89.0	(791,200)	(656,721)	20.5
Share of results of equity-accounted associates and joint ventures	N	2,357	(5,139)	NM	14,866	(16,835)	NM
Profit before tax from continuing operations		40,418	37,465	7.9	33,082	108,466	(69.5)
Income tax (expense)/credit	O	(3,494)	(3,961)	(11.8)	(9,184)	40,879	NM
Profit after tax from continuing operations		36,924	33,504	10.2	23,898	149,345	(84.0)

NM – Not Meaningful

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 4th quarter and full year ended 31 December 2014 are as follow (Cont'd):

GROUP	Note	4th Quarter (4Q) Ended 31 December			Full Year Ended 31 December		
		2014 \$'000	2013 \$'000 (restated)	+ / (-) %	2014 \$'000	2013 \$'000 (restated)	+ / (-) %
Discontinued operations							
Loss after tax from discontinued operations	A/B	–	(15,826)	(100.0)	(7,704)	(22,741)	(66.1)
Profit for the period		36,924	17,678	108.9	16,194	126,604	(87.2)
Attributable to:							
Owners of the Company							
Profit after tax from continuing operations		36,979	23,061	60.4	20,548	141,018	(85.4)
Loss after tax from discontinued operations		–	(10,417)	(100.0)	(1,962)	(21,523)	(90.9)
Profit for the period attributable to owners of the Company		36,979	12,644	192.5	18,586	119,495	(84.4)
Non-controlling interests							
Profit/(Loss) after tax from continuing operations		(55)	10,443	NM	3,350	8,327	(59.8)
Loss after tax from discontinued operations		–	(5,409)	(100.0)	(5,742)	(1,218)	371.4
Profit/(Loss) for the period attributable to non-controlling interests		(55)	5,034	NM	(2,392)	7,109	NM

NM – Not Meaningful

Notes to the Income Statement:

- (A) Tin mining and smelting revenue for 4Q2014 and FY2014 were higher mainly due to higher sales volume. Following the decision by the Indonesian authorities not to allow PT Koba Tin an extension of the Contract of Work in Indonesia, Bemban Corporation Limited (“BCL”) group was classified as held for sale in December 2013. As PT MSC Indonesia (“PT MSC”) was sold in June 2014, its results, together with those of BCL group were reclassified as discontinued operations. The comparatives have been restated accordingly.
- (B) Arising from the joint venture between the Group and Far East Orchard Ltd and the sale of Rendezvous Grand Hotel Singapore to related entities of the Far East Organisation, the hospitality assets and business of the Group were reclassified as held for sale in June 2013, for which the comparatives have been restated accordingly.
- (C) Property revenue for 4Q2014 was comparable to 4Q2013. Property revenue was lower in FY2014 due to lower sales of development properties.
- (D) Dividend income for 4Q2014 and FY2014 was mainly from the Group’s investments in the various REIT units.
- (E) Net fair value gain in investment properties for 4Q2014 was from the properties in Singapore and Malaysia. The net fair value loss for FY2014 was mainly related to the residential properties in Singapore as a result of the property cooling measures implemented by the government.

Notes to the Income Statement (Cont'd):

- (F) These were mainly related to mark-to-market gains/losses from its trading securities.
- (G) Other income was mainly from the gain on disposal of the Straits Trading Building in 4Q2014. Other income in FY2013 related principally to the gain on disposal of WBL shares.
- (H) Employee benefits expense was lower for 4Q2014 and FY2014 mainly due to lower staff cost from property division.
- (I) The impairment in 4Q2014 and FY2014 relates mainly to investment in a joint venture. The reversal of impairment in 4Q2013 was related to investment in a joint venture as the estimated recoverable amount was much higher than previously anticipated. The impairment loss in FY2013 was mainly related to the impairment of investment securities.
- (J) The increase in costs of tin mining and smelting in 4Q2014 was due to higher sales volume reduced by write back of impairment of tin inventory.
- (K) Finance costs for 4Q2014 were lower due to interest savings relating to the buy back of medium term notes in 3Q2014. The increase in finance cost for FY2014 was mitigated by interest savings from the early repayment of a term loan in June 2013.
- (L) Other expenses were higher for 4Q2014 and FY2014 mainly due to provisions made for contractual obligations arising from discontinued operations and property management fee.
- (M) The exchange gains/losses were a result of the movements of US Dollar against the Malaysian Ringgit on the net US Dollar assets and liabilities of the resources operations.
- (N) The share of profits for 4Q2014 and FY2014 were mainly contributed by ARA Asset Management Limited ("ARA"). The losses in 4Q2013 and FY2013 related mainly to share of loss in Far East Hospitality Holdings Pte Ltd ("FEHH"), KMR, and WBL from February 2013 to March 2013. The entire stake in WBL was subsequently sold in 2Q2013.
- (O) The lower overall effective tax rate for 4Q2014 was mainly due to certain gains not subject to tax. The higher tax expense in FY2014 was mainly due to certain non tax-deductible expenses. The tax credit for FY2013 was mainly due to the write-back of tax provisions in relation to certain investment properties that were no longer required.

1(a)(ii) Statement of comprehensive income for the 4th quarter and full year ended 31 December 2014.

<u>GROUP</u>	4th Quarter (4Q) Ended 31 December		Full Year Ended 31 December	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
		(restated)		(restated)
Profit after tax	36,924	17,678	16,194	126,604
Items that will not be reclassified to profit or loss:				
Reversal of fair value changes on investment securities which became an associate	–	–	–	(23,338)
Net revaluation surplus on property, plant and equipment	1,326	516	1,326	516
Share of revaluation surplus on property, plant and equipment of associates	4,421	221	5,437	221
Items that may be reclassified subsequently to profit or loss:				
Net fair value changes in available-for-sale investment securities	20,668	(5,039)	24,422	(5,810)
Net fair value changes in cash flow hedges	(1,144)	(145)	(1,273)	(508)
Currency translation reserve	(796)	(11,555)	8,766	(29,598)
Share of reserves of associates and joint ventures	1,484	(4,130)	1,100	(474)
Share of reserves of an associate that transfer to profit or loss on disposal	–	–	–	(2,410)
Reversal of fair value changes on investment securities re-designated as marketable securities	–	–	1,050	–
Other comprehensive income/(expenses) after tax for the period	25,959	(20,132)	40,828	(61,401)
Total comprehensive income/(expenses) for the period	62,883	(2,454)	57,022	65,203
Total comprehensive income/(expenses) attributable to:				
Owners of the Company	61,032	(2,494)	54,736	64,688
Non-controlling interests	1,851	40	2,286	515
	62,883	(2,454)	57,022	65,203
Total comprehensive income/(expenses) attributable to:				
Owners of the Company				
Total comprehensive income after tax from continuing operations	61,032	5,217	50,895	86,797
Total comprehensive income/(expenses) after tax from discontinued operations	–	(7,711)	3,841	(22,109)
Total comprehensive income/(expenses) for the period attributable to owners of the Company	61,032	(2,494)	54,736	64,688

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 31 December 2014

	Note	GROUP		Note	COMPANY	
		31 Dec 2014	31 Dec 2013		31 Dec 2014	31 Dec 2013
		\$'000	\$'000		\$'000	\$'000
Assets						
Non-current assets						
Property, plant and equipment		35,737	34,403		244	305
Investment properties	1	399,763	849,910	1a	53,135	122,346
Goodwill		20,247	20,603		–	–
Other intangible assets		7,650	5,869		–	–
Subsidiaries		–	–		209,737	209,737
Associates and joint ventures		428,192	418,741		2,708	3,585
Deferred tax assets		1,550	1,828		–	–
Other non-current receivables		2,263	2,963		–	–
Investment securities	2	202,488	64,139		–	–
Other non-current assets	3	75,626	1,155		–	–
Total non-current assets		1,173,516	1,399,611		265,824	335,973
Current assets						
Assets/Disposal group classified as held for sale	4	46,836	48,391		–	–
Development properties for sale		237	334		–	–
Inventories		96,085	106,107		–	–
Income tax receivables		1,368	685		26	71
Prepayments and accrued income		1,365	3,137		1	67
Trade and other receivables		113,827	108,260	2a	558,079	585,720
Marketable securities	5	78,699	–		–	–
Cash and short-term deposits		480,170	274,333	3a	387,410	144,133
Total current assets		818,587	541,247		945,516	729,991
Total assets		1,992,103	1,940,858		1,211,340	1,065,964
Equity and liabilities						
Equity						
Share capital		568,968	568,968		568,968	568,968
Retained earnings		787,375	784,145		89,069	16,579
Other reserves	6	(1,596)	(31,295)		(8,174)	(7,121)
Reserve of disposal group classified as held for sale		250	(5,233)		–	–
Equity attributable to owners of the Company		1,354,997	1,316,585		649,863	578,426
Non-controlling interests	7	50,901	35,658		–	–
Total equity		1,405,898	1,352,243		649,863	578,426
Non-current liabilities						
Provisions		3,916	3,891		–	–
Deferred tax liabilities		6,051	6,857		3,291	3,270
Borrowings	8	243,276	297,490	4a	–	224,357
Derivative financial instruments		181	44		–	–
Other non-current liabilities		320	1,335		–	–
Total non-current liabilities		253,744	309,617		3,291	227,627

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 31 December 2014 (Cont'd)

	<u>Note</u>	GROUP		<u>Note</u>	COMPANY	
		31 Dec 2014	31 Dec 2013		31 Dec 2014	31 Dec 2013
		\$'000	\$'000		\$'000	\$'000
<u>Current liabilities</u>						
Liabilities directly associated with disposal group classified as held for sale		27	55,078		–	–
Provisions	9	28,134	15,543		23,477	15,543
Income tax payable		1,682	7,036		199	280
Trade and other payables	10	77,480	67,970	5a	534,510	244,088
Borrowings	11	222,996	132,474		–	–
Derivative financial instruments		2,142	897		–	–
Total current liabilities		332,461	278,998		558,186	259,911
Total liabilities		586,205	588,615		561,477	487,538
Total equity and liabilities		1,992,103	1,940,858		1,211,340	1,065,964

Notes to Balance Sheets:

Group

Non-current assets

- (1) The decrease in “investment properties” was mainly due to the disposal of the Straits Trading Building that was completed in December 2014, reclassification of certain investment properties as “assets held for sale” and lower value of investment properties as at 31 December 2014.
- (2) The increase in “investment securities” was mainly due to the acquisition of units in Suntec REIT.
- (3) The increase in “other non-current assets” was mainly initial payment made for the retail development in Chongqing.

Current assets

- (4) As at 31 December 2014, certain investment properties and assets of a subsidiary were reclassified to “assets held for sale”.
- (5) “Marketable securities” comprised a portfolio of fixed income and market securities.

Equity

- (6) The loss in “other reserves” reduced as a result of the reversal of AFS reserve upon realisation of FEHT units and increase in value of Suntec REIT units.
- (7) The increase in “non-controlling interests” was mainly due to the deconsolidation of the assets and liabilities of the Group’s Indonesian subsidiaries following the disposal of the Group’s interests in these subsidiaries that have a negative net worth. In addition, there were further contributions of capital by non-controlling shareholder of a subsidiary.

Notes to Balance Sheets (Cont'd):

Group (Cont'd)

Non-current liabilities

- (8) The decrease in "borrowings" was mainly due to the buy back of medium term notes by the Company which was refinanced by new credit facilities and reclassification of borrowings from long-term to short-term with repayment terms within one year.

Current liabilities

- (9) The increase in "provisions" was mainly due to provisions made for contractual obligations arising from discontinued operations.
- (10) The increase in "trade and other payables" was mainly due to amount owing to non-controlling shareholder of a subsidiary, reduced by settlement of trade payables.
- (11) The increase in "borrowings" was mainly due to reclassification of long-term borrowings to short-term borrowings with repayment terms within one year, and short-term borrowings drawn down by subsidiaries.

Company

Non-current assets

- (1a) The decrease in "investment properties" was due to the disposal of Straits Trading Building that was completed in December 2014.

Current assets

- (2a) The decrease in "trade and other receivables" related mainly to repayment of intercompany advances.
- (3a) The increase in "cash and short-term deposits" was due to proceeds from the disposal of Straits Trading Building and net intercompany advances from subsidiaries.

Non-current liabilities

- (4a) The decrease in "borrowings" was due to the buy back of medium term notes by the Company.

Current liabilities

- (5a) The increase in "trade and other payables" related mainly to intercompany advances.

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

As at 31/12/2014		As at 31/12/2013	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
80,004	142,992	–	132,474

Amount repayable after one year:

As at 31/12/2014		As at 31/12/2013	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
219,030	24,246	25,152	272,338

Details of any collaterals:

Secured borrowings are collateralised by:

- mortgage of the borrowing companies' properties and assignment of all rights, titles and interest under contracts in respect of the mortgaged properties or
- charge on securities and/or cash held by certain subsidiaries of the Company

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 4th quarter and full year ended 31 December 2014

	4 th Quarter (4Q) Ended 31 December		Full Year Ended 31 December	
	2014 \$'000	2013 \$'000 (restated)	2014 \$'000	2013 \$'000 (restated)
<u>Cash flows from operating activities</u>				
Profit before tax from continuing operations	40,418	37,465	33,082	108,466
Loss before tax from discontinued operations	–	(7,560)	(7,704)	(15,169)
Profit before tax	40,418	29,905	25,378	93,297
<u>Adjustments</u>				
Depreciation of property, plant and equipment	761	834	2,957	13,525
Amortisation of intangible assets	166	139	683	498
Dividend income	(3,358)	(688)	(8,193)	(1,806)
Interest income	(1,778)	(1,658)	(5,395)	(5,669)
Finance costs	3,824	4,766	29,748	27,161
Currency realignment	(2,741)	(4,451)	114	(7,090)
Fair value changes in investment properties and financial assets	(5,141)	(20,039)	5,388	(18,805)
Net gain on disposal of investments, property, plant and equipment and investment properties	(38,683)	(3,746)	(28,291)	(102,640)
Impairment/(reversal of impairment) losses of investments, property, plant and equipment	1,230	(10,877)	1,267	2,699
Write off/Provision for liabilities, exploration costs and other assets	8,287	2,320	12,087	6,062
Provision for employee benefits and receivables	348	5,449	2,325	8,374
Share of results of equity-accounted associates and joint ventures	(2,357)	5,139	(14,866)	16,835
Operating cash flows before changes in working capital	976	7,093	23,202	32,441
Decrease in development properties for sale	111	12	97	5,709
Decrease/(Increase) in inventories	1,149	(32,924)	9,839	(37,376)
(Increase)/Decrease in marketable securities	(13,084)	–	(64,033)	13,678
Decrease/(Increase) in trade and other receivables	42,915	37,255	(10,339)	67,558
Decrease in trade and other payables	(6,554)	(9,967)	(13,690)	(15,297)
Cash flow from/(used in) operations	25,513	1,469	(54,924)	66,713
Income taxes paid	(3,321)	(3,574)	(15,562)	(12,829)
Payment of finance costs	(3,326)	(7,115)	(28,310)	(25,784)
Interest received	1,949	1,365	3,860	5,044
Dividend income	1,230	–	1,385	1,118
Net cash flows from/(used in) operating activities	22,045	(7,855)	(93,551)	34,262

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 4th quarter and full year ended 31 December 2014
(cont'd)

	4 th Quarter (4Q) Ended 31 December		Full Year Ended 31 December	
	2014 \$'000	2013 \$'000 (restated)	2014 \$'000	2013 \$'000 (restated)
<u>Cash flows from investing activities</u>				
Proceeds from disposal of property, plant and equipment and investment properties	441,851	22	459,362	70,803
Cost incurred on property, plant and equipment	(1,590)	(1,674)	(6,507)	(38,834)
Cost incurred on investment properties	–	(2,468)	(4,171)	(6,271)
Initial payment on a property	(74,285)	–	(74,285)	–
Proceeds from disposal of investment securities	–	1	47,287	1
Purchase of investment securities	–	–	(180,887)	(1,573)
Payment for deferred mine development and exploration expenditure and other intangible assets	(732)	(122)	(2,024)	(601)
Proceeds from disposal of hospitality assets and operations	–	163,240	–	380,240
Net cash outflow on acquisition of a subsidiary	–	–	(186)	–
Net cash inflow from disposal of subsidiaries	–	–	208	–
Proceeds from disposal of shares in an associate	–	–	–	508,779
Additional shares in associate and joint venture	–	(274,371)	–	(286,937)
Shareholder's loan to an associate	–	(60,000)	(11,910)	(60,000)
Proceeds from partial return of capital from associates	410	–	1,287	–
Payment for mine closure deposit	–	–	–	(12,071)
Dividend income from investment securities, associates and joint ventures	3,710	2,964	27,834	13,096
Net cash flows from/(used in) investing activities	369,364	(172,408)	256,008	566,632
<u>Cash flows from financing activities</u>				
Dividends paid to shareholders	–	–	(16,324)	(212,975)
Loan from a non-controlling shareholder of a subsidiary	–	–	20,950	–
Loan to an associate	–	(57,348)	–	(66,348)
Net proceeds from issuance of shares by a subsidiary to a non-controlling shareholder	2,800	100	4,900	100
Drawdown/(Repayment) of short-term borrowings	(15,069)	(3,907)	51,990	(38,585)
Drawdown of long-term borrowings	–	–	220,000	22,298
Repayment of long-term borrowings	(1,932)	(2,524)	(232,707)	(227,602)
Net cash flows (used in)/from financing activities	(14,201)	(63,679)	48,809	(523,112)
Net increase/(decrease) in cash and cash equivalents	377,208	(243,942)	211,266	77,782
Effect of exchange rate changes on cash and cash equivalents	(1,211)	(337)	(948)	(1,595)
Cash and cash equivalents, beginning balance	108,675	518,633	274,354	198,167
Cash and cash equivalents, ending balance	484,672	274,354	484,672	274,354
Cash and cash equivalents comprise the following:				
Cash and short-term deposits	480,170	274,333	480,170	274,333
Disposal group classified as held for sale	4,502	21	4,502	21
	484,672	274,354	484,672	274,354

Notes to the Cash Flow Statement:

(i) Fourth Quarter

Net cash inflow from operating activities for 4Q2014 was \$22.0 million mainly due to receipts from trade and other receivables, reduced by purchase of marketable securities.

Net cash inflow from investing activities for 4Q2014 was \$369.4 million mainly due to receipt from completion of sale of the Straits Trading Building, reduced by initial payment made for the retail development in Chongqing.

Net cash outflow from financing activities for 4Q2014 was \$14.2 million mainly from the repayment of short-term facilities.

(ii) Full Year

Net cash outflow from operating activities for FY2014 was \$93.6 million mainly due to purchase of marketable securities, increase in receivables from resources and settlement of trade payables.

Net cash inflow from investing activities for FY2014 was \$256.0 million mainly due to payment received upon completion of sale for the Straits Trading Building, dividend income from the Group's investment in securities, associates and joint ventures, and proceeds from disposal of investment securities. This was reduced by initial payment made for the retail development in Chongqing and purchase of units in Suntec REIT.

Net cash inflow from financing activities for FY2014 was \$48.8 million mainly due to the drawdown of new credit facilities and loan from a non-controlling shareholder of a subsidiary, reduced by buy back of medium term notes by the Company and dividend paid to shareholders of the Company in 2Q2014.

(iii) Significant non-cash transactions

There were no material non-cash transactions other than those disclosed in the cash flow statement.

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 31 December 2014

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	Reserve of disposal group classified as held for sale \$'000	Non- controlling interests \$'000
Opening balance at 1 January 2014	1,352,243	1,316,585	568,968	784,145	(6,924)	(363)	1,893	(25,901)	(5,233)	35,658
Total comprehensive income/(expenses) for the period	57,022	54,736	–	18,586	26,026	(1,004)	6,182	(703)	5,649	2,286
<u>Contributions by and distributions to owners</u>										
Dividend on ordinary shares										
- Interim dividend for FY2013	(16,324)	(16,324)	–	(16,324)	–	–	–	–	–	–
Contribution of capital by non-controlling interests	4,900	–	–	–	–	–	–	–	–	4,900
Total contributions by and distributions to owners	(11,424)	(16,324)	–	(16,324)	–	–	–	–	–	4,900
Total transactions with owners in their capacity as owners	(11,424)	(16,324)	–	(16,324)	–	–	–	–	–	4,900
<u>Others</u>										
Reserve attributable to disposal group classified as held for sale	–	–	–	–	–	–	–	(761)	761	–
Disposal of disposal group classified as held for sale	7,940	–	–	927	–	–	–	–	(927)	7,940
Disposal of a subsidiary	–	–	–	41	–	–	(41)	–	–	–
Acquisition of a subsidiary	117	–	–	–	–	–	–	–	–	117
	8,057	–	–	968	–	–	(41)	(761)	(166)	8,057
Closing balance at 31 December 2014	1,405,898	1,354,997	568,968	787,375	19,102	(1,367)	8,034	(27,365)	250	50,901

Statements of changes in equity for the period ended 31 December 2014 (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	Translation reserve \$'000	Reserve of disposal group classified as held for sale \$'000	Non- controlling interests \$'000
Opening balance at 1 January 2013	1,171,078	1,136,035	265,928	721,821	23,262	(18)	132,319	(7,277)	–	35,043
Total comprehensive income/(expenses) for the period	65,203	64,688	–	119,495	(30,186)	(345)	508	(24,784)	–	515
<u>Contributions by and distributions to owners</u>										
Dividend on ordinary shares										
- Special interim dividend for FY2013	(197,199)	(197,199)	–	(197,199)	–	–	–	–	–	–
- Interim dividend for FY2012	(15,776)	(15,776)	–	(15,776)	–	–	–	–	–	–
Shares issuance	303,040	303,040	303,040	–	–	–	–	–	–	–
Contribution of capital by non-controlling interests	100	–	–	–	–	–	–	–	–	100
Unclaimed dividends written back	13	13	–	13	–	–	–	–	–	–
Total contributions by and distributions to owners	90,178	90,078	303,040	(212,962)	–	–	–	–	–	100
Total transactions with owners in their capacity as owners	90,178	90,078	303,040	(212,962)	–	–	–	–	–	100
<u>Others</u>										
Reclassification arising from disposal group classified as held for sale	25,784	25,784	–	155,791	–	–	(130,007)	–	–	–
Reserve attributable to disposal group classified as held for sale	–	–	–	–	–	–	(927)	6,160	(5,233)	–
Total others	25,784	25,784	–	155,791	–	–	(130,934)	6,160	(5,233)	–
Closing balance at 31 December 2013	1,352,243	1,316,585	568,968	784,145	(6,924)	(363)	1,893	(25,901)	(5,233)	35,658

Statements of changes in equity for the period ended 31 December 2014 (cont'd)

COMPANY

	Total equity \$'000	Equity attributable to owners of the Company \$'000	Share capital \$'000	Retained earnings \$'000	Revaluation reserve \$'000	Translation reserve \$'000
Opening balance at 1 January 2014	578,426	578,426	568,968	16,579	202	(7,323)
Total comprehensive income/(expenses) for the period	87,761	87,761	–	88,814	6	(1,059)
<u>Contributions by and distributions to owners</u>						
Dividend on ordinary shares - Interim dividend for FY2013	(16,324)	(16,324)	–	(16,324)	–	–
Total transactions with owners in their capacity as owners	(16,324)	(16,324)	–	(16,324)	–	–
Closing balance at 31 December 2014	649,863	649,863	568,968	89,069	208	(8,382)

	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
Opening balance at 1 January 2013	431,941	431,941	265,928	161,537	9,577	191	(5,292)
Total comprehensive income/(expenses) for the period	56,407	56,407	–	68,004	(9,577)	11	(2,031)
<u>Contributions by and distributions to owners</u>							
Dividend on ordinary shares - Special interim dividend for FY2013	(197,199)	(197,199)	–	(197,199)	–	–	–
- Interim dividend for FY2012	(15,776)	(15,776)	–	(15,776)	–	–	–
Shares issuance	303,040	303,040	303,040	–	–	–	–
Unclaimed dividends written back	13	13	–	13	–	–	–
Total transactions with owners in their capacity as owners	90,078	90,078	303,040	(212,962)	–	–	–
Closing balance at 31 December 2013	578,426	578,426	568,968	16,579	–	202	(7,323)

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 2014	31 December 2013
Total number of ordinary shares in issue	408,095,772	408,095,772

There were no treasury shares as at 31 December 2014 and 31 December 2013.

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 2013.

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") and Interpretations ("INT FRS") that are effective for the financial period beginning 1 January 2014:

Revised FRS 27 Separate Financial Statements

Revised FRS 28 Investments in Associates and Joint Ventures

FRS 110 Consolidated Financial Statements

FRS 111 Joint Arrangements

FRS 112 Disclosure of Interests in Other Entities

Amendments to FRS 32 Offsetting Financial Assets and Financial Liabilities

Amendments to FRS 36 Recoverable Amount Disclosures for Non-Financial Assets

Amendments to FRS 39 Novation of Derivatives and Continuation of Hedge Accounting

Amendments to FRS 110, FRS 112 and FRS 27: Investment Entities

Amendments to FRS 110, FRS 111 and FRS 112 Consolidated Financial Statements, Joint Arrangements and Disclosure of Interest in Other Entities: Transition Guidance

The Group does not expect any significant financial impact on its financial position or performance from the adoption of these FRSs.

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.

	4 th Quarter (4Q) Ended 31 December		Full Year Ended 31 December	
	2014	2013 (restated)	2014	2013 (restated)
Basic and diluted earnings per share from continuing operations attributable to owners of the Company:	9.1 cents	5.8 cents	5.0 cents	35.9 cents
Basic and diluted earnings per share for the period based on Group profit attributable to owners of the Company:	9.1 cents	3.2 cents	4.6 cents	30.4 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 2014	31 December 2013
The Group	\$3.32	\$3.23
The Company	\$1.59	\$1.42

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 4Q2014 operating results by business segments and comparables for 4Q2013 and the FY2014 operating results by business segments and comparables for FY2013.

4Q2014 Operating Segment Results

	Resources	Real Estate	Hospitality	Others	Elimination	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
External revenue	204,045	5,069	-	-	-	209,114
Inter-segment revenue	-	14	-	-	(14)	-
Total revenue	204,045	5,083	-	-	(14)	209,114
Segment results						
Operating profit/(loss)	6,197	40,000	513	(7,603)	-	39,107
Fair value changes in investment properties	-	4,008	-	-	-	4,008
Impairment (losses)/reversal	(1,230)	-	-	-	-	(1,230)
Finance costs	(1,871)	(1,953)	-	-	-	(3,824)
Share of results of equity-accounted associates and joint ventures	(1,306)	3,245	418	-	-	2,357
Profit/(Loss) before tax	1,790	45,300	931	(7,603)	-	40,418
Income tax (expense)/credit	(2,433)	(305)	(87)	(669)	-	(3,494)
Profit/(Loss) after tax	(643)	44,995	844	(8,272)	-	36,924
Profit/(Loss) attributable to:						
Owners of the Company	(559)	44,966	844	(8,272)	-	36,979
Non-controlling interests	(84)	29	-	-	-	(55)
	(643)	44,995	844	(8,272)	-	36,924

Note:

Real Estate - This comprises the property portfolio, investments in Straits Real Estate Pte. Ltd. ("SRE"), Suntec REIT units and ARA Asset Management Limited ("ARA").

Hospitality - This comprises the investments in Far East Hospitality Holdings Pte Ltd ("FEHH") and Far East Hospitality Trust ("FEHT").

Others - This comprises Group-level corporate and treasury services.

4Q2013 Operating Segment Results

	Resources	Real Estate	Hospitality	Others	Elimination	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
External revenue	136,617	5,010	12,784	-	-	154,411
Inter-segment revenue	-	14	-	-	(14)	-
Total revenue	136,617	5,024	12,784	-	(14)	154,411
Segment results						
Operating profit/(loss)	8,193	(3,544)	1,624	2,553	-	8,826
Fair value changes in investment properties	-	20,107	-	-	-	20,107
Impairment (losses)/reversal	10,877	-	-	-	-	10,877
Finance costs	(1,523)	(277)	(374)	(2,592)	-	(4,766)
Share of results of equity-accounted associates and joint ventures	(1,441)	1,122	(4,820)	-	-	(5,139)
Profit/(Loss) before tax	16,106	17,408	(3,570)	(39)	-	29,905
Income tax (expense)/credit	(3,870)	(2,183)	(6,234)	60	-	(12,227)
Profit/(Loss) after tax	12,236	15,225	(9,804)	21	-	17,678
Profit/(Loss) attributable to:						
Owners of the Company	7,202	15,225	(9,804)	21	-	12,644
Non-controlling interests	5,034	-	-	-	-	5,034
	12,236	15,225	(9,804)	21	-	17,678

FY2014 Operating Segment Results

	Resources	Real Estate <small>(Note)</small>	Hospitality <small>(Note)</small>	Others <small>(Note)</small>	Elimination	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
External revenue	743,364	21,392	-	-	-	764,756
Inter-segment revenue	-	57	-	-	(57)	-
Total revenue	743,364	21,449	-	-	(57)	764,756
Segment results						
Operating profit/(loss)	17,166	42,311	(2,616)	(11,313)	-	45,548
Fair value changes in investment properties	-	(4,021)	-	-	-	(4,021)
Impairment (losses)/reversal	(1,267)	-	-	-	-	(1,267)
Finance costs	(6,915)	(4,322)	-	(18,511)	-	(29,748)
Share of results of equity-accounted associates and joint ventures	(970)	16,340	(504)	-	-	14,866
Profit/(Loss) before tax	8,014	50,308	(3,120)	(29,824)	-	25,378
Income tax (expense)/credit	(8,679)	(442)	(623)	560	-	(9,184)
Profit/(Loss) after tax	(665)	49,866	(3,743)	(29,264)	-	16,194
Profit/(Loss) attributable to:						
Owners of the Company	1,299	50,294	(3,743)	(29,264)	-	18,586
Non-controlling interests	(1,964)	(428)	-	-	-	(2,392)
	(665)	49,866	(3,743)	(29,264)	-	16,194

Note:

Real Estate - This comprises the property portfolio, investments in Straits Real Estate Pte. Ltd. ("SRE"), Suntec REIT units and ARA Asset Management Limited ("ARA").

Hospitality - This comprises the investments in Far East Hospitality Holdings Pte Ltd ("FEHH") and Far East Hospitality Trust ("FEHT").

Others - This comprises Group-level corporate and treasury services.

FY2013 Operating Segment Results

	Resources	Real Estate	Hospitality	Others	Elimination	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
External revenue	645,226	31,650	125,881	-	-	802,757
Inter-segment revenue	-	58	140	-	(198)	-
Total revenue	645,226	31,708	126,021	-	(198)	802,757
Segment results						
Operating profit	28,399	6,562	2,765	82,159	-	119,885
Fair value changes in investment properties	-	20,107	-	-	-	20,107
Impairment (losses)/reversal	(2,699)	-	-	-	-	(2,699)
Finance costs	(6,676)	(7,140)	(2,904)	(10,441)	-	(27,161)
Share of results of equity-accounted associates and joint ventures	(7,663)	1,652	(7,783)	(3,041)	-	(16,835)
Profit/(Loss) before tax	11,361	21,181	(7,922)	68,677	-	93,297
Income tax (expense)/credit	(11,075)	50,548	(5,540)	(626)	-	33,307
Profit/(Loss) after tax	286	71,729	(13,462)	68,051	-	126,604
Profit/(Loss) attributable to:						
Owners of the Company	(6,823)	71,729	(13,462)	68,051	-	119,495
Non-controlling interests	7,109	-	-	-	-	7,109
	286	71,729	(13,462)	68,051	-	126,604

Group

FY2014 vs FY2013

Revenue

The Group reported higher revenue for 4Q2014 mainly from resources on the back of higher sales volume. For FY2014, revenue was lower as the hospitality business was divested in the second half of 2013.

Results

The Group reported a profit after tax and non-controlling interests of \$37.0 million and \$18.6 million for 4Q2014 and FY2014 respectively. It was largely from the gain on the disposal of Straits Trading Building and contribution from ARA Asset Management Limited ("ARA"). The profit for FY2014 was reduced by (a) costs relating to the buy back of medium term notes, (b) fair value losses, and (c) disposal and mark-to-market losses on Far East Hospitality Trust ("FEHT") units.

For FY2013, the profit was mainly from the disposal gain on WBL shares and tax write-back.

Resources

The Group's resources revenue for 4Q2014 and FY2014 was higher compared with 4Q2013 and FY2013 respectively mainly due to increase in sales quantity.

For 4Q2014, the loss after tax and non-controlling interests was \$0.6 million mainly due to impairment in a joint venture. For FY2014, resources recorded a profit after tax and non-controlling interests of \$1.3 million on the back of profitable operations at Butterworth and Rahman Hydraulic.

For FY2013, the loss was mainly due to impairment and losses at joint ventures.

Real Estate

The Group's real estate revenue for 4Q2014 was comparable to 4Q2013. For FY2014, real estate revenue was lower than last year mainly due to lower sales of development properties.

Real estate operations reported a profit after tax and non-controlling interests of \$45.0 million and \$50.3 million for 4Q2014 and FY2014 respectively. The profit for 4Q2014 and FY2014 was primarily from the gain on the disposal of Straits Trading Building that was completed in December 2014 and contributions from ARA.

For FY2013, the profit was primarily from the tax write-back and fair value gains.

Hospitality

Revenue from the hospitality business was recognised in 4Q2013 and FY2013 before the business was divested in the second half of 2013.

The profit after tax of \$0.8 million recorded in 4Q2014 was mainly from the share of profit in FEHH.

The hospitality business recorded a loss after tax of \$3.7 million for FY2014 mainly due to the loss on the disposal of some FEHT units.

For FY2013, the loss was mainly due to the hospitality business that has been disposed and the Group's share of losses in FEHH.

Others

The loss for 4Q2014 was mainly due to provisions made for contractual obligations arising from discontinued operations. The loss after tax for FY2014 was due to corporate costs, medium term notes buy back expenses and contractual obligations arising from discontinued operations.

For FY2013, the profit was mainly due to gains from the disposal of WBL shares.

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 third quarter 2014 financial results announcement made on 14 November 2014.

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.

The Group is now focused on executing its strategies to deliver results from its various newly created platforms of growth.

In December 2014, the Group completed the sale of Straits Trading Building to the Sun Venture Group for \$450 million. The proceeds will be redeployed into Straits Real Estate Pte. Ltd. ("SRE") as and when projects are identified and approved.

In December 2014, SRE made its maiden acquisition of a retail development in Chongqing, China for approximately RMB 668.4 million (approximately SGD141.6 million). SRE will undertake asset enhancement initiatives costing approximately RMB 100 million (approximately SGD21.2 million) to fit out the mall and expects it to be operational by 3rd quarter 2016.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	4 cents per ordinary share (one-tier tax)
Tax Rate	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.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	4 cents per ordinary share (one-tier tax)
Tax Rate	N.A.

(c) Date payable

8 May 2015

(d) Books closure date

Notice is hereby given that the Share Transfer Books and the Register of Members of the Company will be closed on 23 April 2015 for the purpose of determining shareholders' entitlement to the interim dividend payable on 8 May 2015. Duly completed transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road #02-00, Singapore 068898, up to 5.00 p.m. on 22 April 2015 will be registered to determine shareholders' entitlements to the interim dividend. In respect of shares held in securities accounts with The Central Depository (Pte) Limited ("CDP"), the interim dividend will be paid by the Company to CDP, which will in turn distribute the dividend entitlement to the holders of such shares in accordance with its practice.

(e) Annual General Meeting

The Annual General Meeting of the Company will be held at the Symphony Rooms 2 and 3, Level 2, Rendezvous Hotel Singapore, 9 Bras Basah Road, Singapore 189559 on Thursday, 30 April 2015 at 11.00 a.m.

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

Not applicable.

- 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).**

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- 15. 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.**

Please refer to item 8 for the segmented revenue and results of the various businesses of the Group.

2014 Geographical Information

	Singapore \$'000	Malaysia \$'000	Australia \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
Segment Revenue						
Revenue from external parties	18,615	746,141	–	–	–	764,756
Inter-segment revenue	–	–	–	–	–	–
Total revenue	18,615	746,141	–	–	–	764,756

2013 Geographical Information

	Singapore \$'000	Malaysia \$'000	Australia \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
Segment Revenue						
Revenue from external parties	46,433	630,717	86,102	39,505	–	802,757
Inter-segment revenue	1,918	–	–	–	(1,918)	–
Total revenue	48,351	630,717	86,102	39,505	(1,918)	802,757

- 16. 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.

17. A breakdown of revenue and profit after tax for continuing operations are as follows:

	2014	2013	+ / (-)
	\$'000	\$'000	%
		(restated)	
(a) Total revenue reported for first half year	343,396	353,973	(3.0)
(b) Profit after tax before deducting non-controlling interests reported for first half year	4,918	80,470	(93.9)
(c) Total revenue reported for second half year	421,360	306,552	37.5
(d) Profit after tax before deducting non-controlling interests reported for second half year	18,980	68,875	(72.4)

18. 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

	Latest Full Year (\$'000)	Previous Full Year (\$'000)
Ordinary	16,324	16,324
Special	-	197,199
Total:	16,324	213,523

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director or substantial shareholder of the Company.

BY ORDER OF THE BOARD
Aldric Tan Jee Wei
Secretary

27 February 2015
Singapore

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