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**For Immediate Release
27 February 2015**

MEDIA RELEASE

STRAITS TRADING POSTS NET PROFIT OF \$18.6 MILLION IN FY2014

- **Successful transformation into an investment company with new business model**
- **Continued focus on executing strategy to deliver value from platforms of growth**

SINGAPORE, 27 February 2015 – The Straits Trading Company Limited (“Straits Trading” or “the Group”) announced today that it has posted a net profit of \$18.6 million for the financial year ended 31 Dec 2014 (“FY2014”), largely from the gain on the disposal of Straits Trading Building (“STB”) and contribution from ARA Asset Management Limited (“ARA”). FY2014 revenue was lower as the hospitality business was divested in the second half of 2013.

In December 2014, the Group completed the sale of STB to the Sun Venture Group for \$450 million. The monetisation of STB is in line with the Group’s strategy of redeploying its capital into potentially higher returning real estate opportunities, through Straits Real Estate Pte. Ltd. (“SRE”), its 89.5%-owned subsidiary that seeks out real estate related investments and opportunities globally.

SRE, which made its maiden acquisition of a retail development in Chongqing, China, for approximately RMB 668.4 million (approximately SGD141.6 million) in December 2014, will spend approximately RMB 100 million (approximately SGD 21.2 million) to fit out the mall which is expected to be operational by 3rd quarter 2016.

The Group has declared a dividend of 4 cents per share.

Ms. Chew Gek Khim, Straits Trading’s Executive Chairman said, “I am pleased to report good progress in executing on our platforms of growth. We will continue to focus on creating greater value through our real estate ecosystem and our stakes in the various businesses.”

Summary Of Results

\$ million	4 th Qtr 2014	4 th Qtr 2013	+/(-) %	FY 2014	FY 2013	+/(-) %
Revenue	209.1	154.4	35	764.8	802.8	(5)
Operating Profit	39.1	8.8	343	45.5	119.9	(62)
Profit before tax	40.4	29.9	35	25.4	93.3	(73)
Profit after tax	36.9	17.7	109	16.2	126.6	(87)
Profit attributable to owners of the Company ("Net Profit")	37.0	12.6	192	18.6	119.5	(84)

Earnings per share (In Singapore cents)	9.1	3.2	184	4.6	30.4	(85)
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	As At 31 st December 2014	As At 31 st December 2013
Equity attributable to owners of the Company	\$1,354,997,000	\$1,316,585,000
Net asset value per share	\$3.32	\$3.23

N.B.: All in Singapore dollars

Segmental Performance

Real Estate

Revenue for 4Q2014 was comparable to 4Q2013. For FY2014, revenue was lower than last year mainly due to lower sales of development properties.

Profit after tax and non-controlling interests from real estate operations was \$45.0 million and \$50.3 million for 4Q2014 and FY2014 respectively, primarily from the gain on the disposal of STB 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.

Profit after tax of \$0.8 million in 4Q2014 was mainly from the share of profit in Far East Hospitality Holdings ("FEHH").

The loss after tax of \$3.7 million for FY2014 was mainly due to the loss on the disposal of some Far East Hospitality Trust ("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.

Resources

Revenue for 4Q2014 and FY2014 was higher compared with 4Q2013 and FY2013 respectively mainly due to increase in sales quantity.

For 4Q2014, loss after tax and non-controlling interests was \$0.6 million mainly due to impairment in a joint venture. For FY2014, profit after tax and non-controlling interests was \$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.

Others

The loss for 4Q2014 was mainly due to provisions made for contractual obligations arising from discontinued operations. 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.

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About The Straits Trading Company Limited

Incorporated in 1887, The Straits Trading Company Limited ("Straits Trading") is an investment company with stakes in real estate, hospitality, resources and investments that span the Asia Pacific and Europe regions. It owns a 89.5% stake in Straits Real Estate Pte. Ltd., a co-investment vehicle that seeks out real estate related investments & opportunities globally. It also owns a 20.1% stake in SGX-listed ARA Asset Management Limited, one of the largest real estate fund managers in the region and has a 30% interest in Far East Hospitality Holdings, one of the largest hospitality operators in Asia Pacific. Straits Trading also engages in tin mining and smelting through its 54.8% owned subsidiary, Malaysia Smelting Corporation Berhad, that is dual listed on Bursa Malaysia and SGX-ST.

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For the full Straits Trading Financial Statements announcements, please visit our website www.stc.com.sg