

The Straits Trading Company Limited (Company Registration No. : 188700008D)
First Quarter Financial Statements Announcement for the Period Ended 31 March 2015

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 1st quarter ended 31 March 2015 are as follow:

<u>GROUP</u>	<u>Note</u>	1st Quarter (1Q) Ended		+ / (-)
		31 March		
		2015	2014	
		\$'000	\$'000	%
			(restated)	
<u>Continuing operations</u>				
<u>Revenue</u>				
Tin mining and smelting revenue	A	143,510	164,753	(12.9)
Property revenue	B	2,047	5,580	(63.3)
Total revenue		145,557	170,333	(14.5)
<u>Other items of income/(loss)</u>				
Dividend income	C	4,383	1,038	322.3
Interest income	D	1,965	1,076	82.6
Fair value changes in financial assets	E	(2,010)	598	NM
Other income	F	728	296	145.9
		150,623	173,341	(13.1)
<u>Other items of expense</u>				
Employee benefits expense		(7,101)	(7,021)	1.1
Depreciation expense		(771)	(710)	8.6
Amortisation expense		(183)	(149)	22.8
Costs of tin mining and smelting	G	(132,323)	(148,417)	(10.8)
Finance costs	H	(3,630)	(4,352)	(16.6)
Other expenses	I	(4,045)	(4,536)	(10.8)
Exchange losses	J	(3,655)	(1,979)	84.7
Total expenses		(151,708)	(167,164)	(9.2)
Share of results of associates and joint ventures	K	3,511	5,609	(37.4)
Profit before tax from continuing operations		2,426	11,786	(79.4)
Income tax expense	L	(503)	(2,097)	(76.0)
Profit after tax from continuing operations		1,923	9,689	(80.2)
<u>Discontinued operations</u>				
Loss after tax from discontinued operations	A	-	(1,346)	NM
Profit for the period		1,923	8,343	(77.0)

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 1st quarter ended 31 March 2015 are as follow (cont'd):

<u>GROUP</u>	<u>Note</u>	1st Quarter (1Q) Ended		+ / (-)
		31 March		
		2015	2014	
		\$'000	\$'000	%
			(restated)	
Attributable to:				
Owners of the Company				
Profit after tax from continuing operations		2,437	6,608	(63.1)
Loss after tax from discontinued operations		-	(718)	NM
Profit for the period attributable to owners of the Company		2,437	5,890	(58.6)
Non-controlling interests				
Profit after tax from continuing operations		(514)	3,081	NM
(Loss)/Profit after tax from discontinued operations		-	(628)	NM
Profit for the period attributable to non-controlling interest		(514)	2,453	NM

NM – Not Meaningful

Notes to the Income Statement:

- (A) Tin mining and smelting revenue for 1Q2015 was lower mainly due to lower average tin price. Average tin price for 1Q2015 decreased by 18.6% to USD18,400 per tonne compared with USD22,600 per tonne in 1Q2014. Bemban Corporation Limited group and PT MSC Indonesia were sold in June 2014 and their results in 2014 have been classified as discontinued operations.
- (B) Property revenue was lower as there was no rental revenue from Straits Trading Building in 1Q2015 after completion of the sale in December 2014.
- (C) Dividend income for 1Q2015 was mainly from the Group's investment in the various REIT units.
- (D) The higher interest income for 1Q2015 was mainly from bank deposits.
- (E) These related to mark-to-market losses from trading securities and forward currency hedges.
- (F) Other income for 1Q2015 was mainly gains from sales of a subsidiary and investment properties.
- (G) The decrease in costs of tin mining and smelting was mainly due to lower production costs. In light of the lower closing tin price, an unfavourable valuation adjustment of \$4.8 million was made against the carrying value of the tin inventory during 1Q2015.
- (H) Finance costs were lower due to interest savings relating to the buy back of medium term notes in 3Q2014.
- (I) Other expenses were lower due to lower professional fee in relation to corporate transactions and lower property related expenses.

Notes to the Income Statement (cont'd):

- (J) Exchange losses were a result of the movement of US Dollar against Malaysian Ringgit on the net US Dollar liabilities of the resources operations.
- (K) The share of results was mainly from ARA Asset Management Limited ("ARA"), Far East Hospitality Holdings Pte. Ltd. ("FEHH") and Redring Solder (M) Sdn. Bhd.. The lower share of results for 1Q2015 was due to foreign exchange translation losses recorded in FEHH due to weakening of AUD against SGD.
- (L) The higher overall effective tax rate for 1Q2015 was mainly due to certain non-tax deductible expenses.

1(a)(ii) Statement of comprehensive income for the 1st quarter ended 31 March 2015.

<u>GROUP</u>	1st Quarter (1Q) Ended 31 March	
	2015	2014
	\$'000	\$'000
		(restated)
Profit after tax	1,923	8,343
Items that may be reclassified subsequently to profit or loss:		
Net fair value changes in available-for-sale investment securities	(10,892)	(596)
Net fair value changes in cash flow hedges	780	670
Currency translation reserve	370	1,319
Share of reserves of associates	(1,566)	984
Other comprehensive income/(expenses) after tax for the period	(11,308)	2,377
Total comprehensive income/(expenses) for the period	(9,385)	10,720
Total comprehensive income/(expenses) attributable to:		
Owners of the Company	(8,220)	6,866
Non-controlling interests	(1,165)	3,854
	(9,385)	10,720
Total comprehensive income/(expenses) attributable to:		
Owners of the Company		
Total comprehensive income/(expenses) after tax from continuing operations	(8,220)	7,252
Total comprehensive income/(expenses) after tax from discontinued operations	-	(386)
Total comprehensive income/(expenses) for the period attributable to owners of the Company	(8,220)	6,866

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 March 2015

	Note	GROUP		Note	COMPANY	
		31 Mar 2015 \$'000	31 Dec 2014 \$'000		31 Mar 2015 \$'000	31 Dec 2014 \$'000
Assets						
Non-current assets						
Property, plant and equipment		34,780	35,737		230	244
Investment properties	1	344,814	399,763		51,997	53,135
Goodwill		19,814	20,247		–	–
Other intangible assets		7,521	7,650		–	–
Subsidiaries		–	–	1a	208,737	209,737
Associates and joint ventures		430,140	428,192		2,708	2,708
Deferred tax assets		1,619	1,550		–	–
Other non-current receivables		2,351	2,263		–	–
Investment securities		191,475	202,488		–	–
Derivative financial instruments		20	–		–	–
Other non-current assets		78,393	75,626		–	–
Total non-current assets		1,110,927	1,173,516		263,672	265,824
Current assets						
Assets/Disposal group classified as held for sale	2	59,805	46,836	1a	1,000	–
Development properties for sale		214	237		–	–
Inventories		98,062	96,085		–	–
Income tax receivables		2,996	1,368		–	26
Prepayments and accrued income		1,939	1,365		155	1
Trade and other receivables		109,978	113,827	2a	682,994	558,079
Marketable securities	3	120,521	78,699		–	–
Cash and short-term deposits		450,549	480,170	3a	297,675	387,410
Total current assets		844,064	818,587		981,824	945,516
Total assets		1,954,991	1,992,103		1,245,496	1,211,340
Equity and liabilities						
Equity						
Share capital		568,968	568,968		568,968	568,968
Retained earnings		773,488	787,375		73,859	89,069
Other reserves	4	(12,003)	(1,596)		(9,507)	(8,174)
Reserve of disposal group classified as held for sale		–	250		–	–
Equity attributable to owners of the Company		1,330,453	1,354,997		633,320	649,863
Non-controlling interests	5	62,136	50,901		–	–
Total equity		1,392,589	1,405,898		633,320	649,863
Non-current liabilities						
Provisions		3,866	3,916		–	–
Deferred tax liabilities		5,663	6,051		2,940	3,291
Borrowings	6	219,125	243,276		–	–
Derivative financial instruments		–	181		–	–
Other non-current liabilities		304	320		–	–
Total non-current liabilities		228,958	253,744		2,940	3,291

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 March 2015 (cont'd)

	Note	GROUP		Note	COMPANY	
		31 Mar 2015 \$'000	31 Dec 2014 \$'000		31 Mar 2015 \$'000	31 Dec 2014 \$'000
<u>Current liabilities</u>						
Liabilities directly associated with disposal group classified as held for sale	7	25,413	27		–	–
Provisions		28,019	28,134		23,286	23,477
Income tax payable		2,109	1,682		290	199
Trade and other payables		73,213	77,480	4a	569,336	534,510
Borrowings	8	186,002	222,996		–	–
Derivative financial instruments		2,364	2,142		–	–
Dividend payable		16,324	–		16,324	–
Total current liabilities		333,444	332,461		609,236	558,186
Total liabilities		562,402	586,205		612,176	561,477
Total equity and liabilities		1,954,991	1,992,103		1,245,496	1,211,340

Notes to Balance Sheets:

Group

Non-current assets

- (1) The decrease in investment properties was mainly due to reclassification of certain investment properties as assets held for sale.

Current assets

- (2) As at 31 March 2015, certain investment properties and assets of a subsidiary were reclassified to assets held for sale.
- (3) Marketable securities comprised a portfolio of fixed income and listed securities.

Equity

- (4) The loss in other reserves increased mainly due to decrease in value of Suntec REIT units.
- (5) The increase in non-controlling interests was mainly due to further contributions of capital by non-controlling shareholder of a subsidiary.

Non-current liabilities

- (6) The decrease in borrowings was mainly due to repayment of long-term borrowings.

Current liabilities

- (7) As at 31 March 2015, liabilities of a subsidiary were reclassified to liabilities held for sale.
- (8) The decrease in borrowings was mainly due to reclassification of certain borrowings to liabilities held for sale and repayment of short-term borrowings.

Notes to Balance Sheets (cont'd):

Company

Current assets

- (1a) As at 31 March 2015, investment in a subsidiary was reclassified to assets held for sale.
- (2a) The increase in trade and other receivables was related to intercompany advances.
- (3a) The decrease in cash and short-term deposits was due to net intercompany advances to subsidiaries.

Current liabilities

- (4a) The increase in trade and other payables was 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 31/03/2015		As at 31/12/2014	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
45,300	140,702	80,004	142,992

Amount repayable after one year:

As at 31/03/2015		As at 31/12/2014	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
219,125	-	219,030	24,246

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 1st quarter ended 31 March 2015

	1 st Quarter (1Q) Ended 31 March	
	2015 \$'000	2014 \$'000 (restated)
<u>Cash flows from operating activities</u>		
Profit before tax from continuing operations	2,426	11,786
Loss before tax from discontinued operations	–	(1,346)
Profit before tax	2,426	10,440
<u>Adjustments</u>		
Depreciation of property, plant and equipment	771	730
Amortisation of intangible assets	183	149
Dividend income	(4,383)	(1,038)
Interest income	(1,965)	(1,076)
Finance costs	3,630	4,352
Currency realignment	(1,742)	1,309
Fair value changes in financial assets	2,010	(598)
Net gain on disposal of property, plant and equipment, investment properties and a subsidiary	(654)	(97)
Unfavourable valuation adjustment on tin inventory	4,767	–
(Write back)/provision for employee benefits and receivables	30	(51)
Share of results of associates and joint ventures	(3,511)	(5,609)
Operating cash flows before changes in working capital	1,562	8,511
Decrease/(Increase) in development properties for sale	23	(6)
(Increase)/Decrease in inventories	(6,742)	13,430
Increase in marketable securities	(42,733)	–
Decrease/(Increase) in trade and other receivables	4,305	(27,382)
Decrease in trade and other payables	(4,019)	(549)
Cash flow used in operations	(47,604)	(5,996)
Income taxes paid	(2,311)	(2,199)
Payment of finance costs	(3,244)	(4,283)
Interest received	1,192	636
Dividend income	1,759	–
Net cash flows used in operating activities	(50,208)	(11,842)
<u>Cash flows from investing activities</u>		
Proceeds from disposal of property, plant and equipment and investment properties	36,670	8,173
Cost incurred on property, plant and equipment	(756)	(1,700)
Cost incurred on investment properties	(119)	(2,986)
Increase in deferred mine development and exploration expenditure	(214)	(255)
Net cash outflow from disposal of a subsidiary	(377)	–
Proceeds from partial return of capital from an associate	–	877
Dividend income from investment securities, associates and joint ventures	3,076	4,873
Net cash flows from investing activities	38,280	8,982

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 1st quarter ended 31 March 2015 (cont'd)

	1 st Quarter (1Q) Ended 31 March	
	2015 \$'000	2014 \$'000 (restated)
<u>Cash flows from financing activities</u>		
Loan from a non-controlling shareholder of a subsidiary	–	20,950
Net proceeds from issuance of shares by a subsidiary to a non-controlling shareholder	12,400	–
Drawdown/(repayment) of short-term borrowings	(9,926)	2,888
Repayment of long-term borrowings	(23,681)	(1,840)
Net cash flows (used in)/from financing activities	(21,207)	21,998
Net (decrease)/increase in cash and cash equivalents		
Effect of exchange rate changes on cash and cash equivalents	(863)	493
Cash and cash equivalents, beginning balance	484,672	274,354
Cash and cash equivalents, ending balance	450,674	293,985
Cash and cash equivalents comprise the following:		
Cash and short-term deposits	450,549	293,910
Disposal group classified as held for sale	125	75
	450,674	293,985

Notes to the Cash Flow Statement:

(i) First Quarter

Net cash outflow from operating activities for 1Q2015 was \$50.2 million mainly due to purchase of marketable securities and settlement of trade and other payables.

Net cash inflow from investing activities for 1Q2015 was \$38.3 million mainly due to receipt from completion of sale of investment properties and dividend income.

Net cash outflow from financing activities for 1Q2015 was \$21.2 million mainly from the repayment of borrowings, reduced by further contributions of capital by a non-controlling shareholder of a subsidiary.

(ii) 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 March 2015

GROUP

	Total Equity	Equity attributable to owners of the Company	Share capital	Retained earnings	AFS reserve	Hedging reserve	Revaluation reserve	Translation reserve	Reserve of disposal group classified as held for sale	Non- controlling interests
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance at 1 January 2015	1,405,898	1,354,997	568,968	787,375	19,102	(1,367)	8,034	(27,365)	250	50,901
Total comprehensive income/(expenses) for the period	(9,385)	(8,220)	–	2,437	(10,709)	426	–	(78)	(296)	(1,165)
<u>Contributions by and distributions to owners</u>										
Dividend for FY 2014, payable	(16,324)	(16,324)	–	(16,324)	–	–	–	–	–	–
Contribution of capital by non-controlling interests	12,400	–	–	–	–	–	–	–	–	12,400
Total contributions by and distributions to owners	(3,924)	(16,324)	–	(16,324)	–	–	–	–	–	12,400
Total transactions with owners in their capacity as owners	(3,924)	(16,324)	–	(16,324)	–	–	–	–	–	12,400
<u>Others</u>										
Reserve attributable to disposal group classified as held for sale	–	–	–	–	–	–	–	(46)	46	–
Total others	–	–	–	–	–	–	–	(46)	46	–
Closing balance at 31 March 2015	1,392,589	1,330,453	568,968	773,488	8,393	(941)	8,034	(27,489)	–	62,136

Statements of changes in equity for the period ended 31 March 2015 (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 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	10,720	6,866	–	5,890	(1,472)	327	–	2,121	–	3,854
<u>Contributions by and distributions to owners</u>										
Dividend for FY 2013, payable	(16,324)	(16,324)	–	(16,324)	–	–	–	–	–	–
Total contributions by and distributions to owners	(16,324)	(16,324)	–	(16,324)	–	–	–	–	–	–
Total transactions with owners in their capacity as owners	(16,324)	(16,324)	–	(16,324)	–	–	–	–	–	–
<u>Others</u>										
Reserve attributable to disposal group classified as held for sale	–	–	–	–	–	–	–	(214)	214	–
Total others	–	–	–	–	–	–	–	(214)	214	–
Closing balance at 31 March 2014	1,346,639	1,307,127	568,968	773,711	(8,396)	(36)	1,893	(23,994)	(5,019)	39,512

Statements of changes in equity for the period ended 31 March 2015 (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 2015	649,863	649,863	568,968	89,069	208	(8,382)
Total comprehensive income/(expenses) for the period	(219)	(219)	–	1,114	–	(1,333)
<u>Contributions by and distributions to owners</u>						
Dividend for FY 2014, payable	(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 March 2015	633,320	633,320	568,968	73,859	208	(9,715)

	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	5,553	5,553	–	5,334	–	219
<u>Contributions by and distributions to owners</u>						
Dividend for FY 2013, payable	(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 March 2014	567,655	567,655	568,968	5,589	202	(7,104)

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 March 2015	31 December 2014
Total number of ordinary shares in issue	408,095,772	408,095,772

There were no treasury shares as at 31 March 2015 and 31 December 2014.

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 2014.

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 new and revised Financial Reporting Standards ("FRS") that are effective for the financial period beginning 1 January 2015:

Amendments to FRS 19 Defined Benefit Plans: Employee Contributions

Improvements to FRSs (January 2014)

Improvements to FRSs (February 2014)

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.

	1 st Quarter Ended 31 March	
	2015	2014 (restated)
Basic and diluted earnings per share from continuing operations attributable to owners of the Company	0.6 cents	1.6 cents
Basic and diluted earnings per share for the period based on Group profit attributable to owners of the Company	0.6 cents	1.4 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 March 2015	31 December 2014
The Group	\$3.26	\$3.32
The Company	\$1.55	\$1.59

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 1Q2015 operating results by business segments and comparables for 1Q2014.

1Q2015 Operating Segment Results

	Resources	Real Estate	Hospitality	Others	Elimination	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
External revenue	143,510	2,047	–	–	–	145,557
Inter-segment revenue	–	14	–	–	(14)	–
Total revenue	143,510	2,061	–	–	(14)	145,557
Segment results						
Operating profit/(loss)	264	1,126	298	857	–	2,545
Finance costs	(1,696)	(1,934)	–	–	–	(3,630)
Share of results of associates and joint ventures	274	3,320	(83)	–	–	3,511
Profit/(Loss) before tax	(1,158)	2,512	215	857	–	2,426
Income tax (expense)/credit	(363)	(296)	(56)	212	–	(503)
Profit/(Loss) after tax	(1,521)	2,216	159	1,069	–	1,923
Profit/(Loss) attributable to:						
Owners of the Company	(1,039)	2,248	159	1,069	–	2,437
Non-controlling interests	(482)	(32)	–	–	–	(514)
	(1,521)	2,216	159	1,069	–	1,923

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.

1Q2014 Operating Segment Results

	Resources	Real Estate	Hospitality	Others	Elimination	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
External revenue	164,753	5,580	–	–	–	170,333
Inter-segment revenue	–	14	–	–	(14)	–
Total revenue	164,753	5,594	–	–	(14)	170,333
Segment results						
Operating profit/(loss)	9,105	1,033	1,365	(2,320)	–	9,183
Finance costs	(1,516)	(282)	–	(2,554)	–	(4,352)
Share of results of associates and joint ventures	(10)	3,419	2,200	–	–	5,609
Profit/(Loss) before tax	7,579	4,170	3,565	(4,874)	–	10,440
Income tax (expense)/credit	(2,248)	(30)	(232)	413	–	(2,097)
Profit/(Loss) after tax	5,331	4,140	3,333	(4,461)	–	8,343
Profit/(Loss) attributable to:						
Owners of the Company	2,828	4,190	3,333	(4,461)	–	5,890
Non-controlling interests	2,503	(50)	–	–	–	2,453
	5,331	4,140	3,333	(4,461)	–	8,343

Group

1Q2015 vs 1Q2014

Revenue

The Group reported lower revenue for 1Q2015 mainly due to resources on the back of lower average tin price.

Results

The Group reported a profit after tax and non-controlling interests of \$2.4 million for 1Q2015. The lower profit was mainly due to losses incurred in the resources segment due to lower tin prices.

Resources

The Group's resources revenue was lower compared with 1Q2014 mainly due to lower average tin price in 1Q2015. Average tin price for 1Q2015 decreased by 18.6% to USD18,400 per tonne compared with USD22,600 per tonne in 1Q2014.

For 1Q2015, the loss after tax and non-controlling interests was \$1.0 million. The operation at Butterworth was negatively impacted by an unfavourable valuation adjustment of \$4.8 million on tin inventory due to the lower closing tin price and higher foreign exchange translation losses. The operation at Rahman Hydraulic continues to be profitable.

For 1Q2014, the contributions reflected the profitable operations at Butterworth and Rahman Hydraulic.

Real Estate

The Group's real estate revenue for 1Q2015 was lower compared with 1Q2014 as there was no revenue from Straits Trading Building after completion of the sale in December 2014. The segment recorded a profit after tax and non-controlling interests of \$2.2 million for 1Q2015 compared with \$4.2 million for 1Q2014.

Hospitality

The hospitality segment was negatively impacted by foreign exchange translation losses, resulting in a lower profit after tax of \$0.2 million for 1Q2015.

For 1Q2014, the profit after tax of \$3.3 million included dividend income from Far East Hospitality Trust units and contributions from Far East Hospitality Holdings Pte. Ltd..

Others

The profit after tax for 1Q2015 was \$1.1 million compared with the loss of \$4.5 million for 1Q2014 mainly due to lower corporate costs and interest expense.

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 2014 full year financial results announcement made on 27 February 2015.

- 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.**

Straits Trading's real estate investment arm, Straits Real Estate Pte. Ltd. ("SRE"), through its subsidiary, SRE Capital Pte. Ltd., has established a new open-ended fund called SRE Asian Asset Income Fund ("SAAIF") on 1 April 2015. SRE has committed initial seed capital of S\$130 million to SAAIF with a plan to raise additional capital from accredited investors globally.

- 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/recommendeded, a statement to that effect.**

No dividend has been declared for the first quarter ended 31 March 2015.

- 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 first quarter 2015 financial results to be false or misleading in any material aspect.

BY ORDER OF THE BOARD
Aldric Tan Jee Wei
Secretary

15 May 2015
Singapore

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