

**The Straits Trading Company Limited (Company Registration No. : 188700008D)**

**Third Quarter and Nine Months Financial Statements Announcement for the Period Ended 30 September 2017**

**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 3<sup>rd</sup> quarter and nine months ended 30 September 2017 are as follow:

<b>GROUP</b>	Note	3 <sup>rd</sup> Quarter (3Q) Ended 30 September			Nine Months (9M) Ended 30 September		
		2017 \$'000	2016 \$'000	+ / (-) %	2017 \$'000	2016 \$'000	+ / (-) %
<b>Revenue</b>							
Tin mining and smelting	A	128,803	108,143	19.1	357,190	380,186	(6.0)
Property revenue		3,330	5,240	(36.5)	9,977	13,233	(24.6)
Total revenue		132,133	113,383	16.5	367,167	393,419	(6.7)
<b>Other items of income/(loss)</b>							
Dividend income	B	3,084	5,851	(47.3)	11,008	18,977	(42.0)
Interest income	C	5,976	3,000	99.2	12,856	9,392	36.9
Fair value changes in investment properties		2,002	–	NM	1,410	1,249	12.9
Fair value changes in financial assets		(183)	3,729	NM	7,958	9,405	(15.4)
Other income		1,767	2,477	(28.7)	3,301	3,429	(3.7)
		144,779	128,440	12.7	403,700	435,871	(7.4)
<b>Other items of expense</b>							
Employee benefits expense		(7,401)	(6,756)	9.5	(22,239)	(19,870)	11.9
Depreciation expense		(1,444)	(1,046)	38.0	(3,751)	(2,919)	28.5
Amortisation expense		(146)	(161)	(9.3)	(456)	(483)	(5.6)
Costs of tin mining and smelting	D	(116,877)	(96,465)	21.2	(322,526)	(341,125)	(5.5)
Finance costs	E	(6,229)	(4,525)	37.7	(16,531)	(14,402)	14.8
Other expenses		(5,983)	(7,121)	(16.0)	(22,526)	(18,993)	18.6
Exchange gains		2,071	1,067	94.1	6,592	9,169	(28.1)
Total expenses		(136,009)	(115,007)	18.3	(381,437)	(388,623)	(1.8)
Share of results of associates and joint ventures	F	7,718	7,901	(2.3)	33,318	14,398	131.4
<b>Profit before tax</b>		16,488	21,334	(22.7)	55,581	61,646	(9.8)
Income tax expense		(2,557)	(936)	173.2	(5,839)	(8,050)	(27.5)
<b>Profit after tax</b>		13,931	20,398	(31.7)	49,742	53,596	(7.2)
<b>Profit attributable to:</b>							
<b>Owners of the Company</b>		11,860	16,798	(29.4)	42,305	45,958	(7.9)
<b>Non-controlling interests</b>		2,071	3,600	(42.5)	7,437	7,638	(2.6)
		13,931	20,398	(31.7)	49,742	53,596	(7.2)

NM – Not meaningful

Notes to the Income Statement:

- (A) Higher tin mining and smelting revenue in 3Q2017 was due to higher sales volume of refined tin and higher tin prices.
- (B) Dividend income for 2017 was lower due to the decrease in short-term investment securities portfolio following the redemption of units in SRE Asian Asset Income Fund ("SAAIF") with effect from 1 June 2017.
- (C) The increase was due to a profit participating loan extended to a joint venture for the purchase of a property in Australia during the quarter.
- (D) The higher costs of tin mining and smelting in 3Q2017 were mainly due to higher production costs and operating expenses.
- (E) The increase in finance costs in 2017 was mainly due to the \$150 million, 3.73% fixed rate notes issued in July 2017.
- (F) The higher share of results of associates and joint ventures for 9M2017 was largely due to fair value gains from investment properties.

**1(a)(ii) Statement of comprehensive income for the 3<sup>rd</sup> quarter and nine months ended 30 September 2017.**

<b>GROUP</b>	<b>3<sup>rd</sup> Quarter (3Q) Ended 30 September</b>		<b>Nine Months (9M) Ended 30 September</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Profit after tax</b>	<b>13,931</b>	20,398	<b>49,742</b>	53,596
<b>Items that will not be reclassified to profit or loss:</b>				
Share of revaluation surplus on property, plant and equipment of associates	–	–	<b>1,106</b>	536
Net fair value changes in equity securities carried at fair value through other comprehensive income ("FVOCI")	<b>190</b>	(5,405)	<b>25,446</b>	18,414
Share of net fair value changes in equity securities carried at FVOCI of associates	<b>5,959</b>	177	<b>16,950</b>	5,462
	<b>6,149</b>	(5,228)	<b>43,502</b>	24,412
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Net fair value changes in cash flow hedges	<b>473</b>	(696)	<b>(768)</b>	880
Currency translation reserve	<b>(3,817)</b>	1,143	<b>(5,298)</b>	(7,882)
Shares of reserves of associates and joint ventures	<b>(297)</b>	2,965	<b>(2,650)</b>	(684)
Realisation of foreign currency translation reserve to profit or loss	<b>459</b>	77	<b>(2,564)</b>	77
	<b>(3,182)</b>	3,489	<b>(11,280)</b>	(7,609)
<b>Other comprehensive income after tax for the period</b>	<b>2,967</b>	(1,739)	<b>32,222</b>	16,803
<b>Total comprehensive income for the period</b>	<b>16,898</b>	18,659	<b>81,964</b>	70,399
<b>Total comprehensive income attributable to:</b>				
<b>Owners of the Company</b>	<b>15,421</b>	15,668	<b>73,591</b>	60,693
<b>Non-controlling interests</b>	<b>1,477</b>	2,991	<b>8,373</b>	9,706
<b>Total comprehensive income for the period</b>	<b>16,898</b>	18,659	<b>81,964</b>	70,399

**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 2017

	Note	<b>GROUP</b>		Note	<b>COMPANY</b>	
		<b>30 Sep 2017</b>	31 Dec 2016		<b>30 Sep 2017</b>	31 Dec 2016
		\$'000	\$'000		\$'000	\$'000
<b>Assets</b>						
<b><u>Non-current assets</u></b>						
Property, plant and equipment		51,213	52,737		126	143
Investment properties	1	582,920	554,337		31,835	32,314
Goodwill		17,196	17,298		–	–
Other intangible assets		6,697	7,100		–	–
Subsidiaries		–	–		125,237	125,237
Associates and joint ventures	2	765,721	639,379		2,462	2,708
Deferred tax assets		6,220	3,731		–	–
Derivative financial instruments		1,045	551		–	–
Investment securities		256,821	256,179		–	–
Other non-current assets		965	970		–	–
<b>Total non-current assets</b>		<b>1,688,798</b>	<b>1,532,282</b>		<b>159,660</b>	<b>160,402</b>
<b><u>Current assets</u></b>						
Assets classified as held for sale		24,264	17,464		17,364	17,464
Development properties for sale		–	66		–	–
Inventories		128,752	119,554		–	–
Income tax receivables		4,210	3,611		–	–
Prepayments and accrued income		1,143	2,409		92	15
Trade related prepayments		12,161	13,685		–	–
Trade receivables	3	12,214	37,565		61	50
Other receivables		81,080	74,027	1a	998,016	837,184
Investment securities	3	54,889	112,548		–	–
Derivative financial instruments		–	313		–	–
Cash and short-term deposits		350,202	291,091	1b	215,925	99,374
<b>Total current assets</b>		<b>668,915</b>	<b>672,333</b>		<b>1,231,458</b>	<b>954,087</b>
<b>Total assets</b>		<b>2,357,713</b>	<b>2,204,615</b>		<b>1,391,118</b>	<b>1,114,489</b>
<b><u>Equity and liabilities</u></b>						
<b><u>Equity</u></b>						
Share capital		568,968	568,968		568,968	568,968
Retained earnings		850,076	832,222		64,018	73,372
Other reserves		(5,396)	(36,682)		(19,816)	(19,404)
<b>Equity attributable to owners of the Company</b>		<b>1,413,648</b>	<b>1,364,508</b>		<b>613,170</b>	<b>622,936</b>
Non-controlling interests		92,828	94,240		–	–
<b>Total equity</b>		<b>1,506,476</b>	<b>1,458,748</b>		<b>613,170</b>	<b>622,936</b>

**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 2017 (cont'd)

	Note	GROUP		Note	COMPANY	
		30 Sep 2017	31 Dec 2016		30 Sep 2017	31 Dec 2016
		\$'000	\$'000		\$'000	\$'000
<b><u>Non-current liabilities</u></b>						
Provisions		8,841	8,644		–	–
Deferred tax liabilities		4,419	5,672		2,190	2,751
Borrowings	4	579,025	185,770	1b	149,672	–
Derivative financial instruments		1,608	374		–	–
Other non-current liabilities		463	1,265		–	–
<b>Total non-current liabilities</b>		<b>594,356</b>	<b>201,725</b>		<b>151,862</b>	<b>2,751</b>
<b><u>Current liabilities</u></b>						
Provisions		3,870	3,116		–	–
Income tax payable		3,320	13,426		89	75
Trade and other payables		81,729	92,445	1c	625,997	488,727
Borrowings	4	167,961	434,041		–	–
Derivative financial instruments		1	1,114		–	–
<b>Total current liabilities</b>		<b>256,881</b>	<b>544,142</b>		<b>626,086</b>	<b>488,802</b>
<b>Total liabilities</b>		<b>851,237</b>	<b>745,867</b>		<b>777,948</b>	<b>491,553</b>
<b>Total equity and liabilities</b>		<b>2,357,713</b>	<b>2,204,615</b>		<b>1,391,118</b>	<b>1,114,489</b>

Notes to Balance Sheets:

**Group**

- (1) The increase in investment properties was due to the acquisitions of residential buildings in Japan.
- (2) The increase in associates and joint ventures was due to a profit participating loan extended to a joint venture for the purchase of a property in Australia during the quarter.
- (3) The decreases were due to the exclusion of SAAIF's balance sheet as it ceased to be a subsidiary with effect from 1 June 2017.
- (4) The increase was due to long-term loans that were drawn down to refinance borrowings due within the next 12 months and the issuance of \$150 million, 3.73% fixed rate notes in July 2017.

**Company**

- (1a) The increase in other receivables was due to advances to subsidiaries.
- (1b) The increase was due to the issuance of \$150 million fixed rate notes in July 2017.
- (1c) The increase in trade and other payables was due to advances from subsidiaries.

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

As at 30/09/2017		As at 31/12/2016	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
65,791	102,170	340,518	93,523

**Amount repayable after one year:**

As at 30/09/2017		As at 31/12/2016	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
413,132	165,893	169,509	16,261

**Details of any collaterals:**

Secured borrowings are generally secured by mortgages on the subsidiaries' properties, other assets and shares held in subsidiaries.

**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 3<sup>rd</sup> quarter and nine months ended 30 September 2017

	3 <sup>rd</sup> Quarter (3Q) Ended 30 September		Nine Months (9M) Ended 30 September	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b><u>Cash flows from operating activities</u></b>				
Profit before tax	16,488	21,334	55,581	61,646
<b><u>Adjustments</u></b>				
Depreciation of property, plant and equipment	1,444	1,046	3,751	2,919
Amortisation of other intangible assets	146	161	456	483
Dividend income	(3,084)	(5,851)	(11,008)	(18,977)
Interest income	(5,976)	(3,000)	(12,856)	(9,392)
Finance costs	6,229	4,525	16,531	14,402
Currency realignment	(1,695)	(2,415)	(6,334)	(8,960)
Fair value changes in investment properties and financial assets	(1,819)	(3,729)	(9,368)	(10,654)
Net (gain)/loss on disposal of property, plant and equipment, investment properties, other intangible assets, associates and a joint venture	(193)	(710)	4,327	(728)
Negative goodwill from acquisition of subsidiaries	–	–	(198)	–
(Favourable)/unfavourable valuation adjustment on tin inventory	(125)	(252)	–	(5,855)
Impairment of receivables	–	6	–	188
Share of results of associates and joint ventures	(7,718)	(7,901)	(33,318)	(14,398)
<b>Operating cash flows before changes in working capital</b>	<b>3,697</b>	<b>3,214</b>	<b>7,564</b>	<b>10,674</b>
Decrease in development properties for sale	–	–	66	–
Increase in inventories	(5,486)	(10,133)	(9,882)	(12,513)
(Increase)/Decrease in short-term investment securities	(3,653)	9,438	71,299	27,837
Decrease/(Increase) in trade and other receivables	1,988	7,430	(57,544)	32,403
Increase/(Decrease) in trade and other payables	6,002	7,878	8,466	(31,205)
<b>Cash flows from operations</b>	<b>2,548</b>	<b>17,827</b>	<b>19,969</b>	<b>27,196</b>
Income taxes paid	(5,848)	(3,620)	(19,200)	(7,081)
Finance costs paid	(5,232)	(4,228)	(15,728)	(13,309)
Interest received	14,746	629	16,025	2,419
Dividend income from short-term investment securities	191	2,615	3,004	10,091
<b>Net cash flows from operating activities</b>	<b>6,405</b>	<b>13,223</b>	<b>4,070</b>	<b>19,316</b>

**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 3<sup>rd</sup> quarter and nine months ended 30 September 2017  
(cont'd)

	3 <sup>rd</sup> Quarter (3Q) Ended 30 September		Nine Months (9M) Ended 30 September	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
<b><u>Cash flows from investing activities</u></b>				
Proceeds from disposal of property, plant and equipment, other intangible assets and investment properties	1,629	7,801	1,689	7,829
Proceeds from redemption of a debt instrument	36,412	–	36,412	–
Cost incurred on property, plant and equipment	(1,296)	(596)	(3,157)	(1,637)
Cost incurred on investment properties	(18,528)	(19,007)	(21,645)	(106,410)
Investment in an associate and a joint venture	(139,872)	–	(151,415)	(7,851)
Purchase of investment securities	(4,997)	–	(38,775)	(14,880)
Return of capital from associates	–	–	59,696	–
Payment for deferred mine exploration and evaluation expenditure, mine properties and other intangible assets	(33)	(356)	(143)	(1,001)
Net cash outflow on acquisition of subsidiaries	–	–	(2,212)	–
Net cash inflow from sale of a subsidiary	–	–	75,689	–
Dividend income from investment securities and associates	3,767	8,038	12,079	19,537
Currency realignment	(2,371)	(1,280)	(2,264)	1,335
<b>Net cash flows used in investing activities</b>	<b>(125,289)</b>	<b>(5,400)</b>	<b>(34,046)</b>	<b>(103,078)</b>
<b><u>Cash flows from financing activities</u></b>				
Dividend paid to shareholders	–	–	(24,486)	(16,324)
Dividend paid to non-controlling shareholders of subsidiaries	(1,175)	(782)	(3,678)	(843)
Repayment of loan to a non-controlling shareholder of a subsidiary	(1,197)	–	(1,597)	–
Net proceeds from issuance of shares by subsidiaries to non-controlling shareholders	85	500	1,805	10,494
Return of capital to non-controlling shareholders of a subsidiary	–	–	(1,161)	–
(Repayment)/Drawdown of short-term borrowings	(52,200)	75,119	(62,162)	15,675
Drawdown of long-term borrowings	39,813	17,476	274,113	94,901
Repayment of long-term borrowings	(20,673)	–	(241,313)	(2,068)
Proceeds from issuance of fixed rate notes	150,000	–	150,000	–
Currency realignment	(1,700)	3,960	(2,123)	7,878
<b>Net cash flows from financing activities</b>	<b>112,953</b>	<b>96,273</b>	<b>89,398</b>	<b>109,713</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(5,931)</b>	<b>104,096</b>	<b>59,422</b>	<b>25,951</b>
Effect of exchange rate changes on cash and cash equivalents	28	(257)	(311)	27
Cash and cash equivalents, beginning balance	356,105	161,464	291,091	239,325
<b>Cash and cash equivalents, ending balance</b>	<b>350,202</b>	<b>265,303</b>	<b>350,202</b>	<b>265,303</b>



Notes to the Cash Flow Statement:

(i) Third Quarter and Nine Months

Net cash inflow from operating activities for 3Q2017 was due to the receipt of interest income. Net cash inflow for 9M2017 was due to the sale of short-term investment securities.

Net cash outflow from investing activities for 2017 was due to the investment in an associate and a joint venture.

Net cash inflow from financing activities for 2017 was due to the issuance of the \$150 million fixed rate notes.

(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 30 September 2017**

**GROUP**

	Total equity	Equity attributable to owners of the Company	Share capital	Retained earnings	FVOCI reserve	Hedging reserve	Revaluation reserve	Translation reserve	Non-controlling interests
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance at 1 January 2017</b>	1,458,748	1,364,508	568,968	832,222	(10,178)	(672)	24,044	(49,876)	94,240
Total comprehensive income for the period	81,964	73,591	–	42,305	40,335	(788)	1,106	(9,367)	8,373
<b><u>Contributions by and distributions to owners</u></b>									
Dividend on ordinary shares	(24,486)	(24,486)	–	(24,486)	–	–	–	–	–
Dividend to non-controlling interests	(3,417)	–	–	–	–	–	–	–	(3,417)
Contribution of capital by non-controlling interests	1,805	–	–	–	–	–	–	–	1,805
Return of capital to non-controlling interests	(1,161)	–	–	–	–	–	–	–	(1,161)
<b>Total contributions by and distributions to owners</b>	<b>(27,259)</b>	<b>(24,486)</b>	<b>–</b>	<b>(24,486)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(2,773)</b>
<b><u>Changes in ownership interests in subsidiaries</u></b>									
Disposal of a subsidiary	(6,977)	–	–	–	–	–	–	–	(6,977)
Increase in ownership in a subsidiary	–	35	–	35	–	–	–	–	(35)
<b>Total changes in ownership interests in subsidiaries</b>	<b>(6,977)</b>	<b>35</b>	<b>–</b>	<b>35</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(7,012)</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>(34,236)</b>	<b>(24,451)</b>	<b>–</b>	<b>(24,451)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(9,785)</b>
<b>Closing balance at 30 September 2017</b>	<b>1,506,476</b>	<b>1,413,648</b>	<b>568,968</b>	<b>850,076</b>	<b>30,157</b>	<b>(1,460)</b>	<b>25,150</b>	<b>(59,243)</b>	<b>92,828</b>

**Statements of changes in equity for the period ended 30 September 2017 (cont'd)**
**GROUP** (cont'd)

	Total equity	Equity attributable to owners of the Company	Share capital	Retained earnings	AFS reserve	FVOCI reserve	Hedging reserve	Revaluation reserve	Translation reserve	Non-controlling interests
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance at 1 January 2016 (As previously stated)</b>	1,370,213	1,297,164	568,968	782,253	(23,922)	–	(1,811)	15,578	(43,902)	73,049
Effect of adoption of FRS 109	(3,409)	(1,859)	–	(1,286)	23,922	(24,495)	–	–	–	(1,550)
<b>Opening balance at 1 January 2016 (As restated)</b>	1,366,804	1,295,305	568,968	780,967	–	(24,495)	(1,811)	15,578	(43,902)	71,499
Total comprehensive income for the period	70,399	60,693	–	45,958	–	21,958	109	536	(7,868)	9,706
<b>Contributions by and distributions to owners</b>										
Dividend on ordinary shares	(16,324)	(16,324)	–	(16,324)	–	–	–	–	–	–
Dividend to non-controlling interests	(782)	–	–	–	–	–	–	–	–	(782)
Contribution of capital by non-controlling interests	10,494	–	–	–	–	–	–	–	–	10,494
<b>Total contributions by and distributions to owners</b>	(6,612)	(16,324)	–	(16,324)	–	–	–	–	–	9,712
<b>Changes in ownership interests in subsidiaries</b>										
Dilution of ownership interests in subsidiaries that do not result in a loss of control	–	(94)	–	(94)	–	–	–	–	–	94
<b>Total changes in ownership interests in subsidiaries</b>	–	(94)	–	(94)	–	–	–	–	–	94
<b>Total transactions with owners in their capacity as owners</b>	(6,612)	(16,418)	–	(16,418)	–	–	–	–	–	9,806
<b>Others</b>										
Share of associate's realisation of revaluation reserve	–	–	–	438	–	–	–	(438)	–	–
<b>Total others</b>	–	–	–	438	–	–	–	(438)	–	–
<b>Closing balance at 30 September 2016</b>	<b>1,430,591</b>	<b>1,339,580</b>	<b>568,968</b>	<b>810,945</b>	<b>–</b>	<b>(2,537)</b>	<b>(1,702)</b>	<b>15,676</b>	<b>(51,770)</b>	<b>91,011</b>

## Statements of changes in equity for the period ended 30 September 2017 (cont'd)

**COMPANY**

	Total equity	Equity attributable to owners of the Company	Share capital	Retained earnings	Revaluation reserve	Translation reserve
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance at 1 January 2017</b>	622,936	622,936	568,968	73,372	203	(19,607)
Total comprehensive income for the period	14,720	14,720	–	15,132	–	(412)
<u>Contributions by and distributions to owners</u>						
Dividend on ordinary shares	(24,486)	(24,486)	–	(24,486)	–	–
<b>Total transactions with owners in their capacity as owners</b>	(24,486)	(24,486)	–	(24,486)	–	–
<b>Closing balance at 30 September 2017</b>	<b>613,170</b>	<b>613,170</b>	<b>568,968</b>	<b>64,018</b>	<b>203</b>	<b>(20,019)</b>

	Total equity	Equity attributable to owners of the Company	Share capital	Retained earnings	Revaluation reserve	Translation reserve
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance at 1 January 2016</b>	637,139	637,139	568,968	86,250	202	(18,281)
Total comprehensive income for the period	631	631	–	341	–	290
<u>Contributions by and distributions to owners</u>						
Dividend on ordinary shares	(16,324)	(16,324)	–	(16,324)	–	–
<b>Total transactions with owners in their capacity as owners</b>	(16,324)	(16,324)	–	(16,324)	–	–
<b>Closing balance at 30 September 2016</b>	<b>621,446</b>	<b>621,446</b>	<b>568,968</b>	<b>70,267</b>	<b>202</b>	<b>(17,991)</b>

**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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.**

	<b>30 September 2017</b>	31 December 2016
Total number of ordinary shares in issue	<b>408,095,772</b>	408,095,772

There were no treasury shares as at 30 September 2017 and 31 December 2016.

**1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings 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 2016.

**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 FRS that are effective for the financial period beginning 1 January 2017:

Amendments to FRS 7 Disclosure Initiative  
 Amendments to FRS 12 Recognition of Deferred Tax Assets for Unrealised Losses  
 Improvements to FRSs (December 2016)  
 - Amendments to FRS 112 Disclosure of interests in other entities

The adoption of these FRSs did not have any significant financial impact on the financial position or performance of the Group.

**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 <sup>rd</sup> Quarter (3Q) Ended 30 September		Nine Months (9M) Ended 30 September	
	<b>2017</b>	2016	<b>2017</b>	2016
Basic and diluted earnings per share for the period based on Group's profit attributable to owners of the Company	<b>2.9 cents</b>	4.1 cents	<b>10.4 cents</b>	11.3 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:	<b>30 September 2017</b>	31 December 2016
The Group	<b>\$3.46</b>	\$3.34
The Company	<b>\$1.50</b>	\$1.53

**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 3Q2017 operating results by business segments and comparatives for 3Q2016 and the 9M2017 operating results by business segments and comparatives for 9M2016.

**3Q2017 Operating Segment Results**

	<b>Resources</b>	<b>Real Estate</b>	<b>Hospitality</b>	<b>Others</b>	<b>Elimination</b>	<b>Consolidated</b>
	<b>\$'000</b>	<b>(Note)</b> <b>\$'000</b>	<b>(Note)</b> <b>\$'000</b>	<b>(Note)</b> <b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue</b>						
External revenue	128,803	3,330	–	–	–	132,133
Inter-segment revenue	–	23	–	–	(23)	–
Total revenue	128,803	3,353	–	–	(23)	132,133
<b>Segment results</b>						
Operating profit/(loss)	5,113	7,605	465	(186)	–	12,997
Fair value changes in investment properties	–	2,002	–	–	–	2,002
Finance costs	(1,195)	(3,863)	–	(1,171)	–	(6,229)
Share of results of associates and joint ventures	(203)	7,729	192	–	–	7,718
Profit/(Loss) before tax	3,715	13,473	657	(1,357)	–	16,488
Income tax expense	(1,305)	(1,016)	(57)	(179)	–	(2,557)
Profit/(Loss) after tax	2,410	12,457	600	(1,536)	–	13,931
<b>Profit/(Loss) attributable to:</b>						
Owners of the Company	1,298	11,498	600	(1,536)	–	11,860
Non-controlling interests	1,112	959	–	–	–	2,071
	2,410	12,457	600	(1,536)	–	13,931

**3Q2016 Operating Segment Results**

	<b>Resources</b>	<b>Real Estate</b>	<b>Hospitality</b>	<b>Others</b>	<b>Elimination</b>	<b>Consolidated</b>
	<b>\$'000</b>	<b>(Note)</b> <b>\$'000</b>	<b>(Note)</b> <b>\$'000</b>	<b>(Note)</b> <b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue</b>						
External revenue	108,143	5,240	–	–	–	113,383
Inter-segment revenue	–	64	–	–	(64)	–
Total revenue	108,143	5,304	–	–	(64)	113,383
<b>Segment results</b>						
Operating profit	6,131	10,282	403	1,142	–	17,958
Finance costs	(798)	(3,719)	–	(8)	–	(4,525)
Share of results of associates and joint ventures	236	6,023	1,642	–	–	7,901
Profit before tax	5,569	12,586	2,045	1,134	–	21,334
Income tax credit/(expense)	167	(678)	(56)	(369)	–	(936)
Profit after tax	5,736	11,908	1,989	765	–	20,398
<b>Profit attributable to:</b>						
Owners of the Company	3,100	10,944	1,989	765	–	16,798
Non-controlling interests	2,636	964	–	–	–	3,600
	5,736	11,908	1,989	765	–	20,398

## Note:

Real Estate – This comprises the property portfolio, investments in Straits Real Estate Pte. Ltd. (“SRE”), Suntec REIT 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.



**9M2017 Operating Segment Results**

	<b>Resources</b>	<b>Real Estate</b>	<b>Hospitality</b>	<b>Others</b>	<b>Elimination</b>	<b>Consolidated</b>
		(Note)	(Note)	(Note)		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue</b>						
External revenue	357,190	9,977	–	–	–	367,167
Inter-segment revenue	–	71	–	–	(71)	–
<b>Total revenue</b>	<b>357,190</b>	<b>10,048</b>	<b>–</b>	<b>–</b>	<b>(71)</b>	<b>367,167</b>
<b>Segment results</b>						
Operating profit/(loss)	15,378	20,916	2,344	(1,254)	–	37,384
Fair value changes in investment properties	–	1,410	–	–	–	1,410
Finance costs	(3,364)	(11,608)	–	(1,559)	–	(16,531)
Share of results of associates and joint ventures	(34)	32,923	429	–	–	33,318
<b>Profit/(Loss) before tax</b>	<b>11,980</b>	<b>43,641</b>	<b>2,773</b>	<b>(2,813)</b>	<b>–</b>	<b>55,581</b>
Income tax expense	(3,759)	(1,073)	(169)	(838)	–	(5,839)
<b>Profit/(Loss) after tax</b>	<b>8,221</b>	<b>42,568</b>	<b>2,604</b>	<b>(3,651)</b>	<b>–</b>	<b>49,742</b>
<b>Profit/(Loss) attributable to:</b>						
Owners of the Company	4,442	38,910	2,604	(3,651)	–	42,305
Non-controlling interests	3,779	3,658	–	–	–	7,437
	<b>8,221</b>	<b>42,568</b>	<b>2,604</b>	<b>(3,651)</b>	<b>–</b>	<b>49,742</b>

**9M2016 Operating Segment Results**

	<b>Resources</b>	<b>Real Estate</b>	<b>Hospitality</b>	<b>Others</b>	<b>Elimination</b>	<b>Consolidated</b>
		(Note)	(Note)	(Note)		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue</b>						
External revenue	380,186	13,233	–	–	–	393,419
Inter-segment revenue	–	193	–	–	(193)	–
<b>Total revenue</b>	<b>380,186</b>	<b>13,426</b>	<b>–</b>	<b>–</b>	<b>(193)</b>	<b>393,419</b>
<b>Segment results</b>						
Operating profit	28,893	27,785	626	3,097	–	60,401
Fair value changes in investment properties	–	1,249	–	–	–	1,249
Finance costs	(3,268)	(11,093)	–	(41)	–	(14,402)
Share of results of associates and joint ventures	(10,006)	20,599	3,805	–	–	14,398
<b>Profit before tax</b>	<b>15,619</b>	<b>38,540</b>	<b>4,431</b>	<b>3,056</b>	<b>–</b>	<b>61,646</b>
Income tax expense	(4,948)	(2,120)	(169)	(813)	–	(8,050)
<b>Profit after tax</b>	<b>10,671</b>	<b>36,420</b>	<b>4,262</b>	<b>2,243</b>	<b>–</b>	<b>53,596</b>
<b>Profit attributable to:</b>						
Owners of the Company	5,794	33,659	4,262	2,243	–	45,958
Non-controlling interests	4,877	2,761	–	–	–	7,638
	<b>10,671</b>	<b>36,420</b>	<b>4,262</b>	<b>2,243</b>	<b>–</b>	<b>53,596</b>

Note:

Real Estate – This comprises the property portfolio, investments in Straits Real Estate Pte. Ltd. (“SRE”), Suntec REIT 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.

### **Group**

The Group reported profit after tax and non-controlling interests of \$11.9 million and \$42.3 million for 3Q2017 and 9M2017 respectively, largely contributed by its real estate segment.

### **Resources**

The Group's resources revenue for 3Q2017 was higher on the back of higher sales volume of refined tin and higher tin prices. Revenue for 9M2017 was comparable to the previous corresponding period excluding the impact of the weaker Malaysian Ringgit ("RM") against the Singapore Dollar.

The resources segment recorded a profit after tax and non-controlling interests of \$1.3 million and \$4.4 million for 3Q2017 and 9M2017 respectively. Operating profits was impacted by foreign exchange loss, higher production costs and operating expenses.

The results for 9M2016 included favourable tin inventory adjustment, foreign exchange gains and share of losses from a joint venture arising from the provision for prior year tax liabilities. Excluding these non-operational items and in RM terms, the adjusted pre-tax profit of Malaysia Smelting Corporation Berhad increased by 3% from 9M2016.

### **Real Estate**

The Group's real estate revenue for 2017 was lower compared with 2016 mainly due to the absence of rental income from the office building in Australia after completion of the sale in November 2016.

The segment reported higher profit after tax and non-controlling interests in 2017 mainly due to fair value gains from investment properties.

### **Hospitality**

The hospitality segment recorded a profit after tax of \$0.6 million and \$2.6 million for 3Q2017 and 9M2017 respectively. The profits in 2017 were mainly from fair value gains and dividend income from the Group's holdings in Far East Hospitality Trust units. The profit in 9M2016 included gain on sale of a hotel.

**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 2017 financial results announcement made on 14 August 2017.

**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.**

On 29 September 2017, the Group completed the acquisition of a freehold 6-storey rental residential property in Tokyo, Japan as part of its broader strategic plan to incorporate a bigger portfolio of income-producing residential assets in well-located cities in the Greater Osaka and Greater Tokyo area.

On 20 October 2017, the Group completed the sale of Wisma Straits Trading, an office building in Kuala Lumpur, Malaysia. This is in line with its strategy of redeploying capital from its existing property portfolio into potentially higher return real estate opportunities.

Malaysia Smelting Corporation Berhad, the Group's 54.8%-owned resources arm, continues to face challenging market conditions as the foreign exchange, global commodity and metal prices in resources sectors are still volatile. However, it will continue to focus on operational efficiencies to seek to mitigate these challenges.

Far East Hospitality Holdings Pte. Ltd. ("FEHH"), the Group's 30%-owned hospitality arm plans to continue to grow its businesses by increasing the number of management contracts, acquiring strategic assets, and divesting properties to recycle capital for re-deployment towards higher yielding growth opportunities.

**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 2017.

**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 2017 financial results to be false or misleading in any material aspect.

**15. Confirmation of Undertakings from Directors and Executive Officers pursuant to Rule 720(1) of the Listing Manual**

The Company has procured undertakings from all its Directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**  
**Aldric Tan Jee Wei**  
**Secretary**

10 November 2017  
Singapore

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