



THE STRAITS TRADING COMPANY LIMITED

Company Registration No.: 188700008D

The Straits Trading Group

Financial Highlights

- Total revenues increased by 296.4% to \$175.1 million mainly due to the consolidation of Malaysia Smelting Corporation Berhad's (MSC) revenue into the Group's profit and loss account, after MSC became a subsidiary company.
- Net earnings for Q1 2006 rose 176.2% to \$42.9 million. The Group recorded net exceptional gains of \$29.1 million arising from the disposal of its investments in Killinghall (Malaysia) Berhad and its 51% interest in a subsidiary company.
- The Group's profit before exceptional items declined marginally by 3.1% from \$17.3 million in Q1 2005 to \$16.7 million in Q1 2006. Lower contributions from property operations and associated companies were mitigated by the increase in contributions from hotel operations and the fair value changes of financial assets.
- The Group's net asset value per share rose from \$3.45 to \$3.79 per share due primarily to the adoption of the new financial reporting standard, namely, FRS 40 Investment Property, increase in fair value on available-for-sale investments and the current period's profit.

\$ million	Q1 2006	Q1 2005	+/(-) %
Total Revenues	175.1	44.2	296.4
Profit Before Taxation	45.9	17.3	165.8
Profit Before Exceptional Items	16.7	17.3	(3.1)
Profit Attributable to Equity Holders of the Company	42.9	15.5	176.2

Earnings per Share	12.0 cents	4.4 cents	
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	As at 31.3.2006	As at 31.12.2005
Equity Attributable to Equity Holders of the Company	\$1,351,816,000	\$1,229,443,000
Net Asset Value per Share	\$3.79	\$3.45

N.B.: All in Singapore dollars.

The Straits Trading Company Limited (Company Registration No. : 188700008D)
First Quarter Financial Statement for the Period Ended 31 March 2006

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

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

The unaudited results of the Group for the 1st quarter ended 31 March 2006 are as follows :-

	1st Quarter (Q1)	
	2006 \$'000	2005 \$'000
Revenues		
Tin mining and smelting revenue	130,511	-
Hotel revenue	24,035	18,146
Property revenue	11,390	20,271
Proceeds from sale of trading securities	-	4,340
Investment income, gross	2,009	2,515
Fair value changes of financial assets	3,150	(1,377)
Other revenues including interest income	3,988	273
Total Revenues	175,083	44,168
Costs and Expenses		
Employee benefits expenses	(14,352)	(7,048)
Depreciation and amortisation	(4,155)	(2,482)
Exchange (losses)/gains	(1,983)	41
Cost of tin mining and smelting	(111,955)	-
Costs of trading securities sold	-	(4,190)
Other operating expenses	(22,534)	(18,388)
Total Costs and Expenses	(154,979)	(32,067)
Profit from Operations	20,104	12,101
Finance costs	(4,539)	(2,110)
Share of results of joint venture companies	46	43
Share of results of associated companies	1,114	7,230
Profit Before Exceptional Items	16,725	17,264
Exceptional items	29,131	(14)
Profit Before Taxation	45,856	17,250
Taxation	(1,444)	(1,688)
Profit for the period	44,412	15,562
Attributable to :		
Equity holders of the Company	42,938	15,548
Minority interests	1,474	14
	44,412	15,562

- Exceptional Items comprise :-

	<u>1st Quarter (Q1)</u>	
	2006	2005
	\$'000	\$'000
(a) Net surplus on disposal of investments	17,275	-
(b) Net surplus on disposal of a subsidiary company	11,856	-
(c) Net deficit on revaluation of oversea commercial investment property	-	(14)
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	29,131	(14)
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1(b)(i) A balance sheet (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 2006

	GROUP		COMPANY	
	31 March 2006 \$'000	31 December 2005 \$'000	31 March 2006 \$'000	31 December 2005 \$'000
Non-Current Assets				
Property, plant and equipment, net	214,241	219,355	115	646
Investment properties, net	351,793	435,901	68,353	39,042
Base inventory	1,317	1,320	-	-
Investments in subsidiary companies, net	-	-	119,877	119,877
Amounts due from subsidiary companies, net	-	-	366,006	483,737
Joint venture companies, net	434	457	-	-
Associated companies, net	15,294	14,210	1,123	1,123
Investments, net	364,094	334,068	251,196	250,234
Mining rights, net	4,501	5,048	-	-
Management rights, net	1,030	1,135	-	-
Deferred tax assets	5,402	1,166	-	-
Goodwill on consolidation	21,321	21,410	-	-
Other financial assets	73	45	-	-
Other non-current assets, net	12,026	12,630	-	-
	991,526	1,046,745	806,670	894,659
Current Assets				
Properties held for sale	31,463	32,859	-	-
Inventories	141,014	168,671	-	-
Marketable securities, net	59,648	56,415	-	-
Trade debtors, net	38,578	29,648	375	756
Other debtors	30,418	29,333	452	341
Tax recoverables	15,133	14,838	-	9
Other financial assets	726	207	-	-
Cash at bank and on deposit	387,803	159,719	162,468	111,685
	704,783	491,690	163,295	112,791
Assets classified as held for sale	9,206	367,479	36	36
	713,989	859,169	163,331	112,827
Current Liabilities				
Borrowings	(116,435)	(257,855)	-	-
Trade creditors	(11,486)	(14,467)	(520)	(510)
Other creditors	(32,931)	(36,451)	(3,394)	(3,295)
Other financial liabilities	(1,400)	(3,534)	-	-
Provision for taxation	(15,333)	(13,437)	(1,591)	(1,165)
Provisions	(35)	(37)	-	-
Dividend payable	(13,036)	-	(13,036)	-
	(190,656)	(325,781)	(18,541)	(4,970)
Liabilities directly associated with assets classified as held for sale	-	(220,000)	-	-
	(190,656)	(545,781)	(18,541)	(4,970)
Net Current Assets	523,333	313,388	144,790	107,857
Non-Current Liabilities				
Borrowings	(27,010)	(27,161)	-	-
Provisions	(6,071)	(5,999)	-	-
Other non-current liabilities	(45,358)	(26,462)	-	-
Deferred tax liabilities	(19,892)	(13,037)	(1,746)	(254)
Other financial liabilities	-	(1,611)	-	-
	(98,331)	(74,270)	(1,746)	(254)
NET ASSETS	1,416,528	1,285,863	949,714	1,002,262
Equity attributable to equity holders of the Company				
Share capital	356,400	356,400	356,400	356,400
Reserves	995,416	873,043	593,314	645,862
	1,351,816	1,229,443	949,714	1,002,262
Minority Interest	64,712	56,420	-	-
TOTAL EQUITY	1,416,528	1,285,863	949,714	1,002,262

(Certain comparative figures have been adjusted to conform with current period's presentation.)

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

As at 31/3/2006		As at 31/12/2005	
Secured	Unsecured	Secured	Unsecured
\$11,000	\$116,424,000	\$328,012,000	\$149,843,000

Amount repayable after one year

As at 31/3/2006		As at 31/12/2005	
Secured	Unsecured	Secured	Unsecured
\$40,000	\$26,970,000	\$45,000	\$27,116,000

Details of any collateral

The \$51,000 secured borrowing is secured by a motor vehicle acquired under a finance lease.

1(c) A cash flow statement (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 2006

	1st Quarter (Q1)	
	2006 \$'000	2005 \$'000
Cash flow from operating activities :-		
Profit from operations	20,104	12,101
Adjustments for :-		
Interest income	(1,661)	(253)
Investment income	(2,009)	(2,515)
Depreciation of property, plant and equipment	3,642	2,434
Loss on disposal of property, plant and equipment	1	1
Property, plant and equipment written off	26	-
Amortisation of mining rights	417	-
Amortisation of management rights	46	48
Amortisation of exploration and development cost	50	-
Changes in fair value on interest rate cap	6	(30)
Provision for mine reclamation	241	-
Provision for employee benefit	488	-
Write off capitalised exploration costs	356	-
Operating profit before working capital changes	21,707	11,786
Decrease in properties held for sale	1,396	5,100
Decrease in inventories	27,657	144
(Increase)/Decrease in marketable securities, net	(3,233)	260
(Increase)/Decrease in debtors	(13,834)	3,695
Decrease in creditors	(5,795)	(8,680)
Cash generated from operations	27,898	12,305
Interest expense	(3,829)	(2,110)
Income tax paid, net	(1,968)	(146)
Investment income	2,009	2,515
Dividends from associated companies	-	2,348
Interest income	1,709	253
Net cash flow from operating activities	25,819	15,165
Cash flow from investing activities :-		
Proceeds from sale of property, plant and equipment	3,231	14
Proceed received on sale of property	390,000	-
Net cash flow from disposal of a subsidiary company (see note)	17,270	-
Cost incurred on property, plant and equipment	(3,758)	(2,739)
Sale proceed from investments	51,646	-
Purchase of investments	-	(1,310)
Net cash flow from acquisition of a subsidiary company (see note)	-	29,752
Proceeds/deposits received on sale of properties	-	524
Payment of deferred mine development and exploration expenditure	(269)	-
Cost incurred on investment properties	(68)	-
Net cash flow from investing activities	458,052	26,241
Cash flow from financing activities :-		
Loan repayment, net	(253,570)	-
Increase in amount due to minority shareholder of a subsidiary company	-	4,410
Decrease/(Increase) in amount due from a joint venture company	69	(37)
Payment of dividend to minority shareholder of a subsidiary company	(1,643)	-
Net cash flow (used in)/from financing activities	(255,144)	4,373
Net increase in cash and cash equivalents	228,727	45,779
Cash and cash equivalents at beginning of financial period	159,719	55,980
Effect of exchange rate changes on balances held in foreign currencies	(643)	151
Cash and cash equivalents at 31 March	387,803	101,910
Cash and cash equivalents at 31 March consist of :-		
Cash at bank and on deposit	387,803	101,910

Note :

(a) Disposal of a subsidiary company

The values of assets and liabilities of the subsidiary company recorded in the consolidated financial statements as at 1 January 2006, and the cash flow effect of the disposal were :

	\$'000
Property, plant and equipment	7
Investment property	120,000
Trade and other debtors	414
Cash at bank and on deposit	348

	120,769
Borrowings	(108,000)
Trade and other creditors	(1,264)
Amount due to :	
- holding company	(13,312)
- minority shareholder	(12,997)
Minority interests	7,254

	(7,550)
Net surplus on disposal	11,856

Net consideration	4,306
Repayment of amount due from subsidiary company	13,312
Net cash at bank and on deposit in the subsidiary company disposed	(348)

Net cash inflow from disposal of a subsidiary company	17,270
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(b) The net cash effect arising from the acquisition of a subsidiary company during the current period is nil.

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 capitalization 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 2006

GROUP

	Attributable to equity holders of the Company								
	Share capital \$'000	Revaluation reserve \$'000	Exchange translation reserve \$'000	Fair value reserve \$'000	Share-based payment reserve \$'000	Revenue reserve \$'000	Total reserves \$'000	Minority interests \$'000	Total equity \$'000
At 31 December 2005 as previously reported	356,400	77,590	(17,982)	148,156	33	665,246	873,043	56,420	1,285,863
Effect of adopting :									
<u>FRS 40</u>									
Transfer of revaluation reserve arising from investment properties to revenue reserve	-	(76,443)	-	-	-	76,443	-	-	-
Net revaluation surplus arising from properties reclassified to investment properties	-	-	-	-	-	32,446	32,446	-	32,446
At 1 January 2006 as restated	356,400	1,147	(17,982)	148,156	33	774,135	905,489	56,420	1,318,309
Exchange adjustment	-	-	(3,354)	-	-	-	(3,354)	(392)	(3,746)
Exchange loss transferred to profit and loss account	-	-	10,977	-	-	-	10,977	-	10,977
Profit for 1st quarter	-	-	-	-	-	42,938	42,938	1,474	44,412
Net fair value changes on available-for-sale investments	-	-	-	76,568	-	-	76,568	(13)	76,555
Net fair value changes transferred to profit and loss account	-	-	-	(25,400)	-	-	(25,400)	-	(25,400)
Net fair value changes on cash flow hedges	-	-	-	1,234	-	-	1,234	1,612	2,846
Minority interest on disposal of a subsidiary company	-	-	-	-	-	-	-	7,254	7,254
Dividend to minority shareholders of subsidiary company	-	-	-	-	-	-	-	(1,643)	(1,643)
Dividend on ordinary shares - 2nd interim dividend for 2005, payable	-	-	-	-	-	(13,036)	(13,036)	-	(13,036)
At 31 March 2006	356,400	1,147	(10,359)	200,558	33	804,037	995,416	64,712	1,416,528

Statements of Changes in Equity for the period ended 31 March 2006 (cont'd)

GROUP

	Attributable to equity holders of the Company								
	Share capital \$'000	Revaluation reserve \$'000	Exchange translation reserve \$'000	Reserve on consolidation \$'000	Fair value reserve \$'000	Revenue reserve \$'000	Total Reserves \$'000	Minority interests \$'000	Total equity \$'000
At 31 December 2004 as previously reported	356,400	149,258	(17,862)	2,634	-	603,939	737,969	(17,543)	1,076,826
FRS 16 (revised)									
Reversal of revaluation surplus for properties under development	-	(72,815)	-	-	-	-	(72,815)	-	(72,815)
At 31 December 2004 as restated	356,400	76,443	(17,862)	2,634	-	603,939	665,154	(17,543)	1,004,011
Effect of adopting :									
FRS 39									
Net fair value changes on available-for-sale investments	-	-	-	-	63,191	-	63,191	-	63,191
Net fair value changes on cash flow hedges	-	-	-	-	659	-	659	-	659
Net fair value changes on held-for-trading investments	-	-	-	-	-	8,536	8,536	-	8,536
Impairment on investments	-	-	-	-	-	(130)	(130)	-	(130)
FRS 103									
Transfer of reserve on consolidation to revenue reserve	-	-	-	(2,634)	-	2,634	-	-	-
At 1 January 2005 as restated	356,400	76,443	(17,862)	-	63,850	614,979	737,410	(17,543)	1,076,267
Exchange adjustment	-	-	314	-	-	-	314	(56)	258
Share of reserves movement of associated companies	-	-	-	-	-	245	245	-	245
Profit for 1st quarter	-	-	-	-	-	15,548	15,548	14	15,562
Net fair value changes on available-for-sale investments	-	-	-	-	12,826	-	12,826	-	12,826
Net fair value changes on cash flow hedges	-	-	-	-	277	-	277	-	277
Minority interest arising from acquisition of a subsidiary	-	-	-	-	-	-	-	79,274	79,274
Dividend on ordinary shares									
- 2nd interim dividend for 2004, payable	-	-	-	-	-	(14,256)	(14,256)	-	(14,256)
Net revaluation surplus on subsidiary company acquired	-	1,147	-	-	-	1,403	2,550	-	2,550
At 31 March 2005	356,400	77,590	(17,548)	-	76,953	617,919	754,914	61,689	1,173,003

Statements of Changes in Equity for the period ended 31 March 2006 (cont'd)

COMPANY

	Share capital \$'000	Revaluation reserve \$'000	Exchange translation reserve \$'000	Fair value reserve \$'000	Revenue reserve \$'000	Total \$'000
At 31 December 2005 as previously reported	356,400	26,010	(468)	131,681	488,639	1,002,262
FRS 40						
Transfer of reserve arising from investment properties to revenue reserve	-	(26,010)	-	-	26,010	-
Net revaluation surplus arising from properties reclassified to investment properties	-	-	-	-	27,477	27,477
At 1 January 2006 as restated	356,400	-	(468)	131,681	542,126	1,029,739
Exchange adjustment	-	-	(25)	-	-	(25)
Fair value changes on available-for-sale investments	-	-	-	49,756	-	49,756
Net fair value changes transferred to profit and loss account	-	-	-	(41,498)	-	(41,498)
Profit for 1st quarter	-	-	-	-	44,436	44,436
Cancellation of subsidiaries' indebtedness	-	-	-	-	(119,658)	(119,658)
Dividend on ordinary shares - 2nd interim dividend for 2005, payable	-	-	-	-	(13,036)	(13,036)
At 31 March 2006	356,400	-	(493)	139,939	453,868	949,714
	Share capital \$'000	Revaluation reserve \$'000	Exchange translation reserve \$'000	Fair value reserve \$'000	Revenue reserve \$'000	Total \$'000
At 31 December 2004 as previously reported	356,400	29,076	-	-	445,400	830,876
Effect of adopting FRS 39 :						
Fair value changes on available- for-sale investments	-	-	-	63,970	-	63,970
Impairment on investments	-	-	-	-	(130)	(130)
At 1 January 2005 as restated	356,400	29,076	-	63,970	445,270	894,716
Profit for 1st quarter	-	-	-	-	4,392	4,392
Fair value changes on available- for-sale investments	-	-	-	11,177	-	11,177
Dividend on ordinary shares - 2nd interim dividend for 2004, payable	-	-	-	-	(14,256)	(14,256)
At 31 March 2005	356,400	29,076	-	75,147	435,406	896,029

- 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 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.**

The selective capital reduction, which involved the cancellation of 30,503,000 ordinary shares in the Company under section 78G of the Companies Act (Cap. 50), became effective on 24 April 2006. After the selective capital reduction, the total number of issued ordinary shares in the Company was reduced from 356,400,000 to 325,897,000.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have 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.**

The Group has 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 2005, except for the early adoption of Financial Reporting Standard (FRS) 40 – Investment Property.

The impact of the change in accounting policy is as follows:-

The adoption of FRS 40 has resulted in an increase in equity as at 1 January 2006 of \$32.4 million at Group level. This is after adjusting for the related deferred taxes. In accordance with the transitional provisions, there is no restatement of the Q1 2005 profit and loss account of the Group and the Company.

Further, in accordance with the transitional provisions of FRS 40, the revaluation reserve of \$76.4 million, as at 1 January 2006, arising from investment properties, was adjusted to opening revenue reserve.

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.**

Please refer to paragraph 4.

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.**

	1st Quarter (Q1)	
	2006	2005
Basic and Diluted Earnings per share for the period based on Group profit attributable to Equity Holders of the Company :-	12.0 cents	4.4 cents

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**

(a) current financial period reported on; and

(b) immediately preceding financial year.

	31 March 2006	31 December 2005
Net asset value per share based on issued share capital at the end of :-		
The Group	\$3.79	\$3.45
The Company	\$2.66	\$2.81

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.

Overall review

The Group's core businesses comprise (a) metals and mineral resources, (b) hotel management and investment, (c) property operations and (d) investment holding and trading.

In Q1 2006, the Group's net attributable profit increased 176% from \$15.5 million to \$42.9 million year-on-year, due primarily to the \$29.1 million exceptional gain from the divestment of the Group's investment in Killinghall (Malaysia) Berhad and its 51% interest in Straits Eastern Square Private Limited which owns the 3 Pickering Street property. The gain arising from the changes in the fair value of the financial assets has also contributed to the increase in profit.

Segmental review

Metals and mineral resources

The Group's general offer for Malaysia Smelting Corporation Bhd's (MSC) shares was only closed on 13 April 2005. In Q1 2005, our effective shareholding in MSC averaged only around 42.8% vis-à-vis 63.3% currently. As MSC is now a subsidiary, its revenue was consolidated into the Group's profit and loss account. As a result, the Group's revenue increased substantially from \$44.2 million in Q1 2005 to \$175.1 million in Q1 2006.

At MSC level, however, its net earnings fell from RM18.7 million in Q1 2005 to RM9.8 million in Q1 2006 due to higher fuel costs and lower production volume during the reported period.

Hotel management and investment

Hotel revenue increased 32% from \$18.1 million in Q1 2005 to \$24.0 million in Q1 2006. All hotels performed within the Group's expectations and achieved higher contributions compared to Q1 2005 except for the Rendezvous Observation City Hotel in Perth.

Although the Perth hotel managed to improve its room rates, results were adversely affected by the increase in security payroll and building maintenance costs. On the other hand, the results of the hotel in Singapore improved significantly with average room rates rising from \$90.3 in Q1 2005 to \$131.4 in Q1 2006 on the back drop of strong occupancy.

Property operations

Property revenue fell 44% from \$20.3 million in Q1 2005 to \$11.4 million in Q1 2006 as the latter saw the sale of only two units of Gallop Gables condominium compared with seven units in the former. In addition, Straits Trading Building, Singapore had been vacated since February 2006 and hence the loss of rental income.

Investment holding and trading

Similar to Q1 2005, there were hardly any activities in the Group's trading portfolio. For the Group's long term investments, dividend income was also 20% lower from \$2.5 million in Q1 2005 to \$2.0 million in Q1 2006 in the absence of any special dividend paid during the reported period by some of the Group's investee companies.

Associated companies

Earnings contribution from associated companies fell substantially from \$7.2 million in Q1 2005 to \$1.1 million in Q1 2006 as Straits Lion Asset Management Limited and MSC were no longer the Group's associated companies. The former was disposed of last year and the latter has become our subsidiary. In addition, as reported previously, the residential project of Johan Kekal is almost completed and most of the earnings have already been recognised in the previous years.

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

Not applicable.

- 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.**

Metals and mineral resources

Earnings from MSC are expected to be lower in 2006 despite the recent rise in tin prices because of lower operating margins due to rising fuel costs and lower production volume. The Group has taken certain initiatives to reduce its operating costs in Indonesia in order to improve profitability.

Hotel management and investment

Hotel profit is expected to rise with the four new hotel management contracts secured in 2005, giving the Group a portfolio of 11 hotels under its management. This year, we are looking at adding at least two more hotels in the Rendezvous portfolio.

Property operations

In Q1 2006, we have completed the sale of 18, 20 and 22 Cross Street and our interest in 3 Pickering Street, and vacated Straits Trading Building for the re-development plan. Consequently, for the remaining of 2006, rental incomes are expected to be significantly lower. Overall, depending on the amount of profit realised from the sale of the Group's development properties, property earnings may still be lower.

Investment holding and trading

Activities from our trading portfolio will remain low. Dividend incomes from our long term investments will likely be lower compared to last year as the Group had received a number of special dividends last year from some of its major investments.

Overall, the Group is confident that the operations will remain profitable in 2006. However, the results for Q2 2006 may be lower compared with Q1 2006 since the forward quarter is unlikely to see the level of exceptional gains achieved in Q1 2006.

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 1st quarter ended 31 March 2006.

BY ORDER OF THE BOARD

Emily Teo (Ms)
Secretary

9 May 2006
Singapore