THE STRAITS TRADING COMPANY LIMITED

Company Registration No.: 188700008D

The Straits Trading Group

Financial Highlights

- The Group's profit before exceptional items rose 36.5% from $16.4 million in Q3 2004 to $22.4 million. The improvement was mainly attributable to the increase in property profit from the sale of more residential units at Gallop Gables, higher investment income and surplus arising from the fair valuation of trading securities, which had more than offset the loss incurred by associated companies.

- Loss attributable to equity holders of the Company at $9.2 million is due primarily to a $45 million provision arising from the recent announcement of the sale and leaseback of No. 18, 20 and 22 Cross Street at China Square Central.

- The Group's net asset value per share rose from $3.07 to $3.46 per share due primarily to the adoption of the new financial reporting standard, namely, FRS 39 Financial Instruments : Recognition and Measurement.

$ million	**Q3 2005**	Q3 2004	+/(-) %	**YTD 2005 (9 mths)**	YTD 2004 (9 mths)	+/(-) %
Total Revenues	**256.6**	61.1	320.0	**526.5**	168.4	212.6
Profit Before Exceptional Items	**22.4**	16.4	36.5	**68.4**	50.9	34.3
(Loss)/Profit Before Taxation	**(2.6)**	16.5	(115.8)	**66.8**	79.1	(15.6)
(Loss/)Profit Attributable to Equity Holders of the Company	**(9.2)**	14.1	(165.0)	**45.9**	71.9	(36.2)

(Loss)/Earnings per Share	**(2.6) cents**	4.0 cents		**12.9 cents**	20.2 cents	

	As at 30.9.2005	As at 31.12.2004
Equity Attributable to Equity Holders of the Company	**$1,233,840,000**	$1,094,369,000
Net Asset Value per Share	**$3.46**	$3.07

N.B.: All in Singapore dollars.

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

Third Quarter and Nine Months Financial Statement for the Period Ended 30 September 2005

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 3rd quarter and nine months ended 30 September 2005 are as follows :-

	3rd Quarter (Q3)		Nine Months Ended 30 September	
	2005 $'000	2004 $'000	**2005 $'000**	2004 $'000
Revenues				
Tin mining and smelting revenue	**207,802**	-	**393,033**	-
Property revenue	**21,023**	13,353	**54,578**	39,309
Hotel revenue	**15,998**	14,756	**50,048**	45,981
Proceeds from sale of trading securities	**245**	29,558	**4,585**	69,290
Fair value changes of financial assets	**4,061**	-	**2,958**	-
Investment income, gross	**5,924**	3,283	**18,150**	13,533
Other revenues including interest income	**1,540**	150	**3,134**	319
Total Revenues	**256,593**	61,100	**526,486**	168,432
Costs and Expenses				
Employee benefits expenses	**(8,869)**	(5,935)	**(29,630)**	(20,539)
Depreciation and amortisation	**(4,884)**	(2,417)	**(12,019)**	(7,181)
Exchange (losses)/gains	**(1,103)**	37	**338**	242
Cost of tin mining and smelting	**(191,793)**	-	**(353,465)**	-
Costs of trading securities sold	**(252)**	(26,845)	**(4,442)**	(55,763)
Impairment of financial assets	**-**	-	**(405)**	-
Other operating expenses	**(22,387)**	(13,681)	**(60,405)**	(42,990)
Total Costs and Expenses	**(229,288)**	(48,841)	**(460,028)**	(126,231)
Profit from Operations	**27,305**	12,259	**66,458**	42,201
Finance costs	**(4,009)**	(2,033)	**(9,815)**	(6,031)
Share of results of joint venture companies	**43**	19	**129**	19
Share of results of associated companies	**(900)**	6,196	**11,583**	14,696
Profit Before Exceptional Items	**22,439**	16,441	**68,355**	50,885
Exceptional items	**(25,039)**	37	**(1,595)**	28,179
(Loss)/Profit Before Taxation	**(2,600)**	16,478	**66,760**	79,064
Taxation	**(4,525)**	(2,328)	**(14,894)**	(7,334)
(Loss)/Profit for the period	**(7,125)**	14,150	**51,866**	71,730
Attributable to :				
Equity holders of the Company	**(9,164)**	14,102	**45,916**	71,922
Minority interests	**2,039**	48	**5,950**	(192)
	(7,125)	14,150	**51,866**	71,730

- Exceptional Items comprise :-

	3rd Quarter (Q3)		Nine Months Ended 30 September	
	2005	2004	**2005**	2004
	$'000	$'000	**$'000**	$'000
(a) Net surplus on disposal of investments	**22,723***	89	**22,758**	38,017
(b) Provision for impairment on investment in associated company	**(1,116)**	-	**(1,116)**	-
(c) Exchange loss on redemption of preference shares in associated company	**(1,646)**	-	**(1,646)**	-
(d) Net surplus on dilution of interest in associated company	-	-	**7,399***	-
(e) Potential tax liability from prior years' sale of investments	-	-	-	(6,165)
(f) Provision for impairment on property	**(45,000)**	-	**(45,000)**	-
(g) Net deficit on revaluation of oversea commercial investment property	-	(52)	**(14)**	(3,673)
(h) Net gains on disposal of properties	-	-	**16,024**	-
	(25,039)	37	**(1,595)**	28,179

* In relation to the divestment of the entire stake in Straits Lion Asset Management Limited, which was formerly associated company of the Company until interest dilution occurred in Q2 2005.

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 30 September 2005

	GROUP		COMPANY	
	30 September 2005	31 December 2004	**30 September 2005**	31 December 2004
	$'000	$'000	**$'000**	$'000
Non-Current Assets				
Property, plant and equipment, net	**212,688**	155,824	**1,421**	1,465
Investment properties, net	**450,741**	877,545	**41,748**	41,748
Base inventory	**1,344**	-	**-**	-
Subsidiary companies, net	**-**	-	**616,554**	597,068
Joint venture companies, net	**496**	469	**-**	-
Associated companies, net	**19,945**	67,058	**1,123**	37,102
Investments, net	**296,378**	174,054	**224,749**	113,490
Properties under development, net	**73,333**	80,110	**-**	-
Management rights, net	**1,179**	1,309	**-**	-
Deferred tax assets	**1,211**	1,325	**-**	-
Goodwill on consolidation	**25,625**	-	**-**	-
Other non-current assets, net	**8,813**	20	**-**	-
	1,091,753	1,357,714	**885,595**	790,873
Current Assets				
Properties held for sale	**33,471**	45,531	**-**	-
Inventories	**153,333**	1,148	**-**	-
Marketable securities, net	**55,321**	40,961	**-**	-
Trade debtors, net	**61,088**	18,898	**1,464**	45
Other debtors	**42,932**	21,084	**920**	3,438
Other financial assets	**437**	-	**-**	-
Cash at bank and on deposit	**119,780**	55,980	**88,797**	40,145
	466,362	183,602	**91,181**	43,628
Non-current asset classified as held for sale	**345,000**	-	**-**	-
	811,362	183,602	**91,181**	43,628
Current Liabilities				
Short-term loans	**(247,179)**	(270,000)	**-**	-
Trade creditors	**(20,070)**	(6,443)	**(419)**	(434)
Other creditors	**(37,975)**	(34,303)	**(3,857)**	(3,040)
Provision for taxation	**(11,674)**	(6,225)	**(638)**	-
	(316,898)	(316,971)	**(4,914)**	(3,474)
Liabilities directly associated with non-current asset classified as held for sale	**(220,000)**	-	**-**	-
	(536,898)	(316,971)	**(4,914)**	(3,474)
Net Current Assets/(Liabilities)	**274,464**	(133,369)	**86,267**	40,154
Non-Current Liabilities				
Long-term loans	**(30,737)**	(108,000)	**-**	-
Other non-current liabilities	**(30,381)**	(30,067)	**-**	-
Deferred tax liabilities	**(16,012)**	(9,452)	**(165)**	(151)
	(77,130)	(147,519)	**(165)**	(151)
NET ASSETS	**1,289,087**	1,076,826	**971,697**	830,876
Equity attributable to equity holders of the Company				
Share capital	**356,400**	356,400	**356,400**	356,400
Reserves	**877,440**	737,969	**615,297**	474,476
	1,233,840	1,094,369	**971,697**	830,876
Minority Interest	**55,247**	(17,543)	**-**	-
TOTAL EQUITY	**1,289,087**	1,076,826	**971,697**	830,876

(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 30/9/2005		As at 31/12/2004	
Secured	Unsecured	Secured	Unsecured
$328,000,000	$139,179,000	$270,000,000	$0

Amount repayable after one year

As at 30/9/2005		As at 31/12/2004	
Secured	Unsecured	Secured	Unsecured
$0	$30,737,000	$108,000,000	$0

Details of any collateral

The secured loans are secured by, inter alia, legal mortgages over the land and buildings erected on No. 18, 20 and 22 Cross Street and No. 3 Pickering Street, China Square Central, Singapore and debentures over all the assets of the borrowing subsidiary companies. The $220 million loan secured over No. 18, 20 and 22 Cross Street will be repaid upon the completion of the sale of the property expected to take place in Q1 2006.

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 3rd quarter and the nine months ended 30 September 2005

	3rd Quarter (Q3)		Nine Months Ended 30 September	
	2005 $'000	2004 $'000	**2005 $'000**	2004 $'000
Cash flow from operating activities :-				
Profit from operations	**27,305**	12,259	**66,458**	42,201
Adjustments for :-				
Interest income	**(1,320)**	(108)	**(2,761)**	(240)
Investment income	**(5,924)**	(3,283)	**(18,150)**	(13,533)
Depreciation of property, plant and equipment	**4,836**	2,372	**11,875**	7,042
Loss on disposal of property, plant and equipment	**2**	11	**6**	14
Property, plant and equipment written off	**74**	1	**74**	29
Amortisation of management rights	**48**	45	**144**	139
Changes in fair value on interest rate cap	**1**	-	**15**	-
Provision for mine reclamation cost	**545**	-	**382**	-
Write back for employee benefit	**(375)**	-	**(26)**	-
Operating profit before working capital changes	**25,192**	11,297	**58,017**	35,652
Decrease in properties held for sale	**5,901**	1,319	**12,060**	4,238
(Increase)/Decrease in inventories	**(10,142)**	(82)	**(35,444)**	122
(Increase)/Decrease in marketable securities, net	**(3,991)**	26,076	**(4,602)**	44,565
Increase in debtors	**(24,176)**	(30,772)	**(22,854)**	(30,873)
Increase/(Decrease) in creditors	**3,836**	(1,139)	**(1,090)**	(183)
Cash (used in)/generated from operations	**(3,380)**	6,699	**6,087**	53,521
Interest expense	**(4,424)**	(1,742)	**(10,046)**	(5,471)
Income tax (paid)/refund, net	**(9,294)**	(1,509)	**(14,396)**	3,404
Investment income	**5,924**	3,283	**18,150**	13,533
Dividends from associated companies	**2,345**	3,444	**4,755**	4,800
Interest income	**1,153**	108	**2,505**	240
Net cash flow (used in)/from operating activities	**(7,676)**	10,283	**7,055**	70,027
Cash flow from investing activities :-				
Proceeds from sale of property, plant and equipment	**31**	5	**63**	24
Purchase of property, plant and equipment	**(2,200)**	(1,156)	**(12,561)**	(3,746)
Sale proceeds/capital repayment from investments	**42,984**	87	**43,249**	54,935
Purchase of investments	**(2,036)**	-	**(10,625)**	-
Expenditures incurred on properties under development	**(1,754)**	(1,627)	**(4,180)**	(7,972)
Net cash flow from acquisition of a subsidiary company (see Note)	-	-	**28,580**	-
Acquisition of additional interest in a subsidiary company	**-**	-	**(25,569)**	-
Proceeds/deposits received on sale of properties	**40,289**	583	**48,174**	583
Payment of deferred exploration and evaluation assets	**(4,891)**	-	**(5,866)**	-
Payment of shares in an associated company	**(3,889)**	-	**(3,889)**	-
Proceeds from redemption of preference shares in an associated company	**6,207**	-	**6,207**	-
Net cash flow from/(used in) in investing activities	**74,741**	(2,108)	**63,583**	43,824
Cash flow from financing activities :-				
Increase in repayment/(borrowings of loans), net	**(24,204)**	(19,520)	**12,375**	(100,260)
Increase in amount due to minority shareholder of a subsidiary company	**466**	1,470	**4,605**	5,184
Decrease/(Increase) in amount due from a joint venture company	**98**	40	**102**	(471)
Payment of dividends to minority shareholders of subsidiary companies	**(3,856)**	-	**(3,856)**	(120)
Payment of dividends to shareholders	**(7,128)**	(6,772)	**(21,384)**	(18,177)
Net cash flow used in financing activities	**(34,624)**	(24,782)	**(8,158)**	(113,844)
Net increase/(decrease) in cash and cash equivalents	**32,441**	(16,607)	**62,480**	7
Cash and cash equivalents at beginning of financial period	**87,028**	39,270	**55,980**	23,066
Effect of exchange rate changes on balances held in foreign currencies	**311**	93	**1,320**	(317)
Cash and cash equivalents at end of financial period	**119,780**	22,756	**119,780**	22,756
Cash and cash equivalents at end of financial period consist of :-				
Cash at bank and on deposit	**119,780**	22,756	**119,780**	22,756

Note: Acquisition of Subsidiary Company

The attributable assets and liabilities of the subsidiary company acquired are as follows :-

		$'000
Property, plant and equipment		53,955
Base inventory		1,305
Associated companies		5,238
Investments		482
Other non-current assets		2,846
Net current assets		81,351
Non-current liabilities		(21,700)
		123,477
Less:	Interest previously accounted for as associated company	(44,351)
	Minority interests	(70,247)
Adjusted attributable net assets		8,879
Goodwill on acquisition		12,904
Cash Consideration		21,783
Less :	Consideration not yet paid	(1,172)
	Net cash at bank of the subsidiary company acquired	(50,363)
Net cash inflow from acquisition of the subsidiary company at 31 March 2005		(29,752)
Consideration paid in Q2 2005		1,172
		(28,580)

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 2005

GROUP

	Attributable to equity holders of the Company									
	Issued capital $'000	Revaluation reserve $'000	Exchange translation reserve $'000	Reserve on consolidation $'000	Fair value reserve $'000	Revenue reserve $'000	Dividend reserve $'000	**Total reserves** $'000	Minority interests $'000	**Total equity** $'000
At 1 January 2005										
As previously reported	356,400	149,258	(17,862)	2,634	-	589,683	14,256	737,969	(17,543)	1,076,826
Effect of adopting :										
<u>FRS 39</u>										
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)
<u>FRS 103</u>										
Transfer of reserve on consolidation to revenue reserve	-	-	-	(2,634)	-	2,634	-	-	-	-
As restated	356,400	149,258	(17,862)	-	63,850	600,723	14,256	810,225	(17,543)	1,149,082
Exchange adjustment	-	-	282	-	-	-	-	282	7	289
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	-	-	-	-	202	-	-	202	-	202
Minority interest arising from acquisition of a subsidiary	-	-	-	-	-	-	-	-	70,247	70,247
Dividend on ordinary shares										
- 2nd interim dividend for 2004, payable	-	-	-	-	-	-	(14,256)	(14,256)	-	(14,256)
At 31 March 2005	356,400	149,258	(17,580)	-	76,878	616,516	-	825,072	52,725	1,234,197

Statements of Changes in Equity for the period ended 30 September 2005 (cont'd)

GROUP

	Attributable to equity holders of the Company									
	Issued capital $'000	Revaluation reserve $'000	Exchange translation reserve $'000	Reserve on consolidation $'000	Fair value reserve $'000	Revenue reserve $'000	Dividend reserve $'000	**Total reserves** $'000	Minority interests $'000	**Total equity** $'000
Exchange adjustment	-	-	2,777	-	-	-	-	2,777	1,453	4,230
Revaluation reserve transferred to profit and loss account	-	(10,401)	-	-	-	-	-	(10,401)	-	(10,401)
Profit for 2nd quarter	-	-	-	-	-	39,532	-	39,532	3,897	43,429
Net fair value changes on available-for-sale investments	-	-	-	-	20,694	-	-	20,694	(99)	20,595
Net fair value changes transferred to profit and loss account	-	-	-	-	(95)	-	-	(95)	-	(95)
Net fair value changes on cash flow hedges	-	-	-	-	(422)	-	-	(422)	-	(422)
Capital injection by minority shareholder of a subsidiary company	-	-	-	-	-	-	-	-	11,760	11,760
Acquisition of additional interest in a subsidiary company	-	-	-	-	-	-	-	-	(13,371)	(13,371)
Dividend on ordinary shares - 1st interim dividend for 2005, proposed	-	-	-	-	-	(7,128)	7,128	-	-	-
At 30 June 2005	356,400	138,857	(14,803)	-	97,055	648,920	7,128	877,157	56,365	1,289,922
Exchange adjustment	-	-	1,149	-	-	-	-	1,149	679	1,828
Exchange loss transferred to profit and loss account	-	-	1,646	-	-	-	-	1,646	-	1,646
Loss for 3rd quarter	-	-	-	-	-	(9,164)	-	(9,164)	2,039	(7,125)
Net fair value changes on available-for-sale investments	-	-	-	-	36,557	-	-	36,557	20	36,577
Net fair value changes transferred to profit and loss account	-	-	-	-	(22,775)	-	-	(22,775)	-	(22,775)
Net fair value changes on cash flow hedges	-	-	-	-	(2)	-	-	(2)	-	(2)
Dividends to minority shareholders of subsidiary companies	-	-	-	-	-	-	-	-	(3,856)	(3,856)
Dividend on ordinary shares - 1st interim dividend for 2005, paid	-	-	-	-	-	-	(7,128)	(7,128)	-	(7,128)
At 30 September 2005	**356,400**	**138,857**	**(12,008)**	**-**	**110,835**	**639,756**	**-**	**877,440**	**55,247**	**1,289,087**

Statements of Changes in Equity for the period ended 30 September 2005 (cont'd)

GROUP

	Attributable to equity holders of the Company									
	Issued capital $'000	Revaluation reserve $'000	Exchange translation reserve $'000	Reserve on consolidation $'000	Fair value reserve $'000	Revenue reserve $'000	Dividend reserve $'000	**Total reserves** $'000	Minority interests $'000	**Total equity** $'000
At 1 January 2004	356,400	154,650	(15,045)	2,634	-	555,790	11,405	709,434	(12,211)	1,053,623
Exchange adjustment	-	-	(853)	-	-	-	-	(853)	1	(852)
Share of reserves movement of associated companies	-	-	-	-	-	70	-	70	-	70
Profit for 1st quarter	-	-	-	-	-	18,664	-	18,664	(136)	18,528
Dividend on ordinary shares - 2nd interim dividend for 2003, payable	-	-	-	-	-	-	(11,405)	(11,405)	-	(11,405)
At 31 March 2004	356,400	154,650	(15,898)	2,634	-	574,524	-	715,910	(12,346)	1,059,964
Exchange adjustment	-	-	(4,578)	-	-	-	-	(4,578)	(62)	(4,640)
Share of reserves movement of associated companies	-	-	-	-	-	14	-	14	-	14
Profit for 2nd quarter	-	-	-	-	-	39,156	-	39,156	(104)	39,052
Dividend to minority shareholders of a subsidiary company	-	-	-	-	-	-	-	-	(120)	(120)
Dividend on ordinary shares - 1st interim dividend for 2004, proposed	-	-	-	-	-	(6,772)	6,772	-	-	-
At 30 June 2004	356,400	154,650	(20,476)	2,634	-	606,922	6,772	750,502	(12,632)	1,094,270
Exchange adjustment	-	-	887	-	-	-	-	887	18	905
Share of reserve movement of associated company	-	-	-	-	-	(64)	-	(64)	-	(64)
Profit for 3rd quarter	-	-	-	-	-	14,102	-	14,102	48	14,150
Dividend on ordinary shares - 1st interim dividend for 2004, paid	-	-	-	-	-	-	(6,772)	(6,772)	-	(6,772)
At 30 September 2004	**356,400**	**154,650**	**(19,589)**	**2,634**	**-**	**620,960**	**-**	**758,655**	**(12,566)**	**1,102,489**

Statements of Changes in Equity for the period ended 30 September 2005 (cont'd)

COMPANY

	Issued capital $'000	Revaluation reserve $'000	Fair value reserve $'000	Revenue reserve $'000	Dividend reserve $'000	**Total equity** $'000
At 1 January 2005						
As previously reported	356,400	29,076	-	431,144	14,256	830,876
Effect of adopting FRS 39 :						
Fair value changes on available-for-sale investments	-	-	63,970	-	-	63,970
Impairment on investments	-	-	-	(130)	-	(130)
As restated	356,400	29,076	63,970	431,014	14,256	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
Profit for 2nd quarter	-	-	-	17,011	-	17,011
Fair value changes on available-for-sale investments	-	-	28,159	-	-	28,159
Net fair value changes on cash flow hedges	-	-	31	-	-	31
Dividend on ordinary shares - 1st interim dividend for 2005, proposed	-	-	-	(7,128)	7,128	-
At 30 June 2005	356,400	29,076	103,337	445,289	7,128	941,230
Profit for 3rd quarter	-	-	-	36,831	-	36,831
Fair value changes on available-for-sale investments	-	-	31,223	-	-	31,223
Net fair value changes transferred to profit and loss account	-	-	(30,428)	-	-	(30,428)
Net fair value changes on cash flow hedges	-	-	(31)	-	-	(31)
Dividend on ordinary shares - 1st interim dividend for 2005, paid	-	-	-	-	(7,128)	(7,128)
At 30 September 2005	**356,400**	**29,076**	**104,101**	**482,120**	**-**	**971,697**
At 1 January 2004	356,400	31,143	-	403,638	11,405	802,586
Profit for 1st quarter	-	-	-	4,409	-	4,409
Dividend on ordinary shares - 2nd interim dividend for 2003, payable	-	-	-	-	(11,405)	(11,405)
At 31 March 2004	356,400	31,143	-	408,047	-	795,590
Profit for 2nd quarter	-	-	-	31,978	-	31,978
Dividend on ordinary shares - 1st interim dividend for 2004, proposed	-	-	-	(6,772)	6,772	-
At 30 June 2004	356,400	31,143	-	433,253	6,772	827,568
Profit for 3rd quarter	-	-	-	7,029	-	7,029
Dividend on ordinary shares - 1st interim dividend for 2004, paid	-	-	-	-	(6,772)	(6,772)
At 30 September 2004	**356,400**	**31,143**	**-**	**440,282**	**-**	**827,825**

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.

Not applicable.

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 2004, except for the adoption of the following new Financial Reporting Standards (FRS) which become effective for the financial year beginning on or after 1 January 2005.

FRS 39	Financial Instruments: Recognition and Measurement
FRS 103	Business Combinations

The impact of the changes in accounting policies are as follows:-

<u>FRS 39</u>
In accordance with the transitional provision of FRS 39, the effect of recognition, derecognition and measurement of financial instruments, for periods prior to 1 January 2005, is not restated. Consequently, the comparative figures for 2004 have not been restated. On 1 January 2005, the following transitional adjustments were made.

	Fair value <u>reserve</u> $'000	Revenue <u>reserve</u> $'000	<u>Total</u> $'000
Fair Valuation of :-			
Investments	63,289	-	63,289
Marketable securities	(98)	8,536	8,438
Impairment of :-			
Investments	-	(130)	(130)
Hedge Accounting :-			
Cash flow hedges	659	-	659
	63,850	8,406	72,256

The adoption of FRS 39 has resulted in an increase in equity as at 1 January 2005 of $72.256 million. This is after adjusting for the related deferred taxes. In accordance with the transitional adjustment rules, there is no restatement of the Q1 2004 profit and loss account of the Group and the Company.

<u>FRS 103</u>
FRS 103 requires goodwill acquired in a business combination to be measured at cost and subject to impairment. Further, in accordance with the transitional provisions of FRS 103, the reserve on consolidation of $2.634 million, as at 1 January 2005, was adjusted to opening revenue reserve.

As reported in the 2005 2nd quarter financial statements, Malaysia Smelting Corporation Berhad (MSC) had become a subsidiary of the Group. Management has taken steps to initiate a fair value exercise of MSC. The Group has preliminarily assessed the fair value of MSC's assets and liabilities to approximate their book values. Any fair value adjustment will be reflected at the end of the year 2005.

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.

	3rd Quarter (Q3)		Nine Months Ended 30 September	
	2005	2004	**2005**	2004
Basic and Diluted (Loss)/Earnings per share for the period based on Group profit attributable to Equity Holders of the Company :-	**(2.6) cents**	4.0 cents	**12.9 cents**	20.2 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.

	30 September 2005	31 December 2004
Net asset value per share based on issued share capital at the end of :-		
The Group	**$3.46**	$3.07
The Company	**$2.73**	$2.33

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) mineral and resources, (b) property, (c) hotel and (d) financial investments.

In Q3 2005, the Group's profit before exceptional items rose 36.5% from $16.4 million in Q3 2004 to $22.4 million. The improvement was mainly due to better property results and positive contributions from the surplus arising from the fair valuation of trading securities which had more than offset the loss incurred by associated companies.

In Q3 2005, the Group reported a total exceptional loss of $25.0 million due mainly to the $45.0 million provision arising from the sale and leaseback of No. 18, 20 and 22 Cross Street. This was to account for expenses to upgrade and reposition the property as well as the worst-case rental shortfall under the leaseback arrangement for the next six years. This provision was partially offset by surplus from the disposal of the Group's interest in Straits Lion Asset Management Limited (SLAM). With this exceptional loss, the Group reported a net loss of $9.2 million in Q3 2005 compared with net earnings of $14.1 million in Q3 2004.

For the nine months ended September 2005, net earnings fell 36.2% from $71.9 million in the corresponding period in 2004 to $45.9 million. The lower earnings were due to (a) significantly lower profit on sale of trading securities and (b) the exceptional loss in Q3 2005.

Segmental review

In Q3 2005, MSC recorded a 4.1% decline in revenue from RM486.0 million in Q3 2004 to RM465.9 million due mainly to lower tin prices which fell from around US$9,000 per tonne in Q3 2004 to below US$7,000 per tonne currently as a result of excess supply of tin over the last few quarters. Therefore, despite the increase in MSC shareholding from 40.0% in Q3 2004 to 63.3% currently, earning contributions from MSC increased only slightly in Q3 2005.

Property revenue rose 57.4% from $13.4 million in Q3 2004 to $21.0 million in Q3 2005 as more units in Gallop Gables were sold in the current quarter. In addition, the Group's China Square Central also reported higher occupancies and rentals during this period.

Hotel revenue increased 8.4% from $14.8 million in Q3 2004 to $16.0 million in Q3 2005. All the Group's hotels, except for Adelaide and Perth, performed well with rises in occupancy and room rates. The performance of the Perth hotel was affected by lower revenue and margin from the entertainment complex. The Singapore and the Shanghai hotels continue to perform strongly.

The sale of trading securities in Q3 2005 is insignificant. Dividend income from the Group's investments rose from $3.3 million in Q3 2004 to $5.9 million in Q3 2005 with special payouts from some of the long term investments.

Associated companies, however, reported a negative contribution of $0.9 million in Q3 2005 mainly due to the revision of costs apportionment on those residential units at Federal Hill which were sold previously by Johan Kekal Sendirian Berhad.

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

The 9-month results ended 30 September 2005 are broadly in line with the prospect statement disclosed in the 2005 2nd quarter financial statements announcement made on 5 August 2005.

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.

For the remaining 2005, extending probably to the first half of 2006, earning contributions from MSC are expected to be affected by lower tin prices, which have fallen from its peak of above US$10,000 per tonne in mid-2004 to below US$7,000 currently. In addition, costs of MSC's Indonesia operations are expected to rise with high fuel prices and the removal of government subsidy on fuel in Indonesia. However, the oversupply situation of tin is unlikely to persist. Lower tin prices, and in some cases strengthening currencies in Asia, are starting to cut production and pressure on producers is also being intensified by much higher fuel costs. Hence, profit margins from the tin operations will be lower in the immediate future, nevertheless, the Group remains positive on the long term outlook of the tin industry.

On 29 September 2005, the Group announced the sale of No. 18, 20 and 22 Cross Street, and the arrangement to lease the property back for six years. Completion of this transaction is expected to be Q1 2006. Therefore, property income is expected to fall in 2006. In addition, rentals from the Straits Trading Building, Singapore will cease because of the plan to redevelop the building.

Hotel and tourism industry in the region is expected to continue its momentum for improvement. The Group is actively looking to expand in China, Australia and New Zealand. Appropriate strategies have been put in place to manage yields. All existing hotels in Australia and China are expected to continue to perform well, benefiting from the popularity of these cities for both commercial and leisure activities. In October 2005, the Group has opened two new hotels, namely, Rendezvous Baohong Hotel in Hainan, China and Rendezvous Sanctuary Resort in Broome, Australia.

The Group's long-term investments will continue to generate a stable stream of dividend income. However, as already reflected in the accounts so far this year, profit from securities trading will not be significant.

Going forward, associate earnings will be immaterial as (a) MSC and SLAM have ceased to be associated companies of the Group during this year and (b) the residential project at Federal Hill in Kuala Lumpur, Malaysia is near completion.

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 2005.

BY ORDER OF THE BOARD
Emily Teo (Ms)
Secretary

11 November 2005
Singapore