THE STRAITS TRADING COMPANY LIMITED

Company Registration No.: 188700008D

The Straits Trading Group

Financial Highlights

- Full year 2005 Group's profit before exceptional items rose 19.4% from $68.9 million in 2004 to $82.3 million. The improvement was partly attributable to the increase in shareholding of Malaysia Smelting Corporation Berhad from 40.0% to 63.3% between February 2005 to May 2005 and also due to the increase in property profit from the sale of more residential units at Gallop Gables as well as higher investment income, which had more than offset the lower profit on sale of trading securities and share of profit from associated companies.

- Net earnings for the year rose 26.5% to $70.0 million despite a higher taxation charge. The Group recorded net exceptional gains of $8.9 million arising from the disposal of investments and properties and the reversal of impairment loss on the Group's hotel property, despite the write-down in the capital value of two of the Group's commercial properties.

- The Group's net asset value per share rose from $2.87 to $3.45 per share due primarily to the adoption of the new financial reporting standard, namely, FRS 39 Financial Instruments : Recognition and Measurement and the net retention of current year's profit.

$ million	**Q4 2005**	Q4 2004	+/(-) %	**YTD 2005 (12 mths)**	YTD 2004 (12 mths)	+/(-) %
Total Revenues	**217.9**	69.3	214.6	**744.4**	237.7	213.2
Profit Before Exceptional Items	**13.9**	18.0	(22.8)	**82.3**	68.9	19.4
Profit/(Loss) Before Taxation	**24.4**	(18.7)	N.M.	**91.2**	60.3	51.1
Profit/(Loss) Attributable to Equity Holders of the Company	**24.1**	(16.6)	N.M.	**70.0**	55.3	26.5

Earnings/(Loss) per Share	**6.8 cents**	(4.7) cents		**19.6 cents**	15.5 cents	

	As at 31.12.2005	As at 31.12.2004 (Restated)
Equity Attributable to Equity Holders of the Company	**$1,229,443,000**	$1,021,554,000
Net Asset Value per Share	**$3.45**	$2.87

N.B.: All in Singapore dollars.
N.M.: Not meaningful.

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

Fourth Quarter and Full Year Financial Statement And Dividend Announcements for the Period Ended 31 December 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 4th quarter and full year ended 31 December 2005 are as follows :-

	4th Quarter (Q4)		Full Year Ended 31 December	
	2005	2004	**2005**	2004
	$'000	$'000	**$'000**	$'000
Revenues				
Tin mining and smelting revenue	**159,919**	-	**552,952**	-
Hotel revenue	**22,097**	19,197	**72,145**	65,178
Property revenue	**11,101**	15,426	**65,679**	54,735
Proceeds from sale of trading securities	**-**	32,381	**4,585**	101,671
Fair value changes of financial assets	**992**	-	**3,950**	-
Investment income, gross	**18,684**	2,051	**36,834**	15,584
Other revenues including interest income	**5,085**	201	**8,219**	520
Total Revenues	**217,878**	69,256	**744,364**	237,688
Costs and Expenses				
Employee benefits expenses	**(15,209)**	(7,754)	**(44,839)**	(28,293)
Depreciation and amortisation	**(6,546)**	(2,650)	**(18,565)**	(9,831)
Exchange losses	**(591)**	(271)	**(253)**	(29)
Cost of tin mining and smelting	**(148,505)**	-	**(501,970)**	-
Costs of trading securities sold	**-**	(25,339)	**(4,442)**	(81,102)
Impairment of financial assets	**(2,430)**	-	**(2,835)**	-
Other operating expenses	**(23,542)**	(18,717)	**(83,947)**	(61,707)
Total Costs and Expenses	**(196,823)**	(54,731)	**(656,851)**	(180,962)
Profit from Operations	**21,055**	14,525	**87,513**	56,726
Finance costs	**(4,535)**	(2,111)	**(14,350)**	(8,142)
Share of results of joint venture companies	**37**	(18)	**166**	1
Share of results of associated companies	**(2,651)**	5,617	**8,932**	20,313
Profit Before Exceptional Items	**13,906**	18,013	**82,261**	68,898
Exceptional items	**10,513**	(36,730)	**8,918**	(8,551)
Profit/(Loss) Before Taxation	**24,419**	(18,717)	**91,179**	60,347
Taxation	**(3,689)**	(2,901)	**(18,583)**	(10,235)
Profit/(Loss) for the period	**20,730**	(21,618)	**72,596**	50,112
Attributable to :				
Equity holders of the Company	**24,087**	(16,603)	**70,003**	55,319
Minority interests	**(3,357)**	(5,015)	**2,593**	(5,207)
	20,730	(21,618)	**72,596**	50,112

- Exceptional Items comprise :-

	4th Quarter (Q4)		Full Year Ended 31 December	
	2005	2004	**2005**	2004
	$'000	$'000	**$'000**	$'000
(a) Net surplus on disposal of investments	**-**	-	**22,758***	38,017
(b) Reversal of impairment loss on investment in associated company	**1,116**	-	**-**	-
(c) Exchange loss on redemption of preference shares in associated company	**-**	-	**(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) Reversal/(Provision) for impairment on hotel property	**4,743**	(426)	**4,743**	(426)
(g) Reversal/(Provision) for impairment on property	**13,250**	-	**(31,750)**	-
(h) Provision for impairment on plant and equipment	**(70)**	-	**(70)**	-
(i) Net deficit on revaluation of properties	**(15,200)**	(36,304)	**(15,214)**	(39,977)
(j) Net gain on disposal of properties	**6,674**	-	**22,698**	-
	10,513	(36,730)	**8,918**	(8,551)

* Included net surplus on the divestment of the entire stake in Straits Lion Asset Management Limited in Q3 2005 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 31 December 2005

	GROUP		COMPANY	
	31 December 2005	31 December 2004	**31 December 2005**	31 December 2004
	$'000	$'000 (Restated)	**$'000**	$'000
Non-Current Assets				
Property, plant and equipment, net	**228,584**	163,119	**682**	1,465
Investment properties, net	**435,901**	877,545	**39,042**	41,748
Base inventory	**1,320**	-	**-**	-
Subsidiary companies, net	**-**	-	**603,614**	597,068
Joint venture companies, net	**457**	469	**-**	-
Associated companies, net	**14,210**	67,058	**1,123**	37,102
Investments, net	**334,068**	174,054	**250,234**	113,490
Mining rights, net	**5,048**	-	**-**	-
Management rights, net	**1,135**	1,309	**-**	-
Deferred tax assets	**1,166**	1,325	**-**	-
Goodwill on consolidation	**21,410**	-	**-**	-
Other non-current assets, net	**12,675**	20	**-**	-
	1,055,974	1,284,899	**894,695**	790,873
Current Assets				
Properties held for sale	**32,859**	45,531	**-**	-
Inventories	**168,671**	1,148	**-**	-
Marketable securities, net	**56,415**	40,961	**-**	-
Trade debtors, net	**29,648**	18,898	**756**	45
Other debtors	**44,171**	21,084	**350**	3,438
Other financial assets	**207**	-	**-**	-
Cash at bank and on deposit	**159,719**	55,980	**111,685**	40,145
	491,690	183,602	**112,791**	43,628
Non-current asset classified as held for sale	**358,250**	-	**-**	-
	849,940	183,602	**112,791**	43,628
Current Liabilities				
Borrowings	**(257,855)**	(270,000)	**-**	-
Trade creditors	**(14,467)**	(6,443)	**(510)**	(434)
Other creditors	**(36,451)**	(34,303)	**(3,295)**	(3,040)
Other financial liabilities	**(3,534)**	-	**-**	-
Provision for taxation	**(13,437)**	(6,225)	**(1,165)**	-
Provisions	**(37)**	-	**-**	-
	(325,781)	(316,971)	**(4,970)**	(3,474)
Liabilities directly associated with non-current asset classified as held for sale	**(220,000)**	-	**-**	-
	(545,781)	(316,971)	**(4,970)**	(3,474)
Net Current Assets/(Liabilities)	**304,159**	(133,369)	**107,821**	40,154
Non-Current Liabilities				
Borrowings	**(27,161)**	(108,000)	**-**	-
Provisions	**(5,999)**	-	**-**	-
Other non-current liabilities	**(26,462)**	(30,067)	**-**	-
Deferred tax liabilities	**(13,037)**	(9,452)	**(254)**	(151)
Other financial liabilities	**(1,611)**	-	**-**	-
	(74,270)	(147,519)	**(254)**	(151)
NET ASSETS	**1,285,863**	1,004,011	**1,002,262**	830,876
Equity attributable to equity holders of the Company				
Share capital	**356,400**	356,400	**356,400**	356,400
Reserves	**873,043**	665,154	**645,862**	474,476
	1,229,443	1,021,554	**1,002,262**	830,876
Minority Interest	**56,420**	(17,543)	**-**	-
TOTAL EQUITY	**1,285,863**	1,004,011	**1,002,262**	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 31/12/2005		As at 31/12/2004	
Secured	Unsecured	Secured	Unsecured
$328,012,000	$149,843,000	$270,000,000	$0

Amount repayable after one year

As at 31/12/2005		As at 31/12/2004	
Secured	Unsecured	Secured	Unsecured
$45,000	$27,116,000	$108,000,000	$0

Details of any collateral

The $328 million 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.

The $57,000 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 4th quarter and the full year ended 31 December 2005

	4th Quarter (Q4)		Full Year Ended 31 December	
	2005	2004	**2005**	2004
	$'000	$'000	**$'000**	$'000
Cash flow from operating activities :-				
Profit from operations	**21,055**	14,525	**87,513**	56,726
Adjustments for :-				
Interest income	**(1,287)**	(179)	(4,048)	(419)
Investment income	**(18,684)**	(2,051)	(36,834)	(15,584)
Depreciation of property, plant and equipment	**5,372**	2,602	17,247	9,644
Gain on disposal of property, plant and equipment	**(249)**	(46)	(243)	(32)
Property, plant and equipment written off	**63**	2	137	31
Amortisation of mining rights	**1,055**	-	1,055	-
Amortisation of management rights	**46**	48	190	187
Amortisation of exploration and development cost	**73**	-	73	-
Changes in fair value on interest rate cap	**(39)**	-	(24)	-
(Write back)/Provision for mine reclamation cost	**(327)**	-	55	-
Write back for employee benefit	**(342)**	-	(368)	-
Operating profit before working capital changes	**6,736**	14,901	64,753	50,553
Decrease in properties held for sale	**611**	2,011	12,671	6,249
Increase in inventories	**(15,338)**	(253)	(50,782)	(131)
(Increase)/Decrease in marketable securities, net	**(1,094)**	24,902	(5,696)	69,467
Decrease/(Increase) in debtors	**32,940**	18,817	10,086	(12,056)
Increase in creditors	**7,838**	10,052	6,748	9,869
Cash generated from operations	**31,693**	70,430	37,780	123,951
Interest expense	**(4,016)**	(1,971)	(14,062)	(7,442)
Income tax (paid)/refund, net	**(5,730)**	(2,489)	(20,126)	915
Investment income	**18,684**	2,051	36,834	15,584
Dividends from associated companies	**-**	-	4,755	4,800
Interest income	**1,262**	179	3,767	419
Net cash flow from operating activities	**41,893**	68,200	48,948	138,227
Cash flow from investing activities :-				
Proceeds from sale of property, plant and equipment	**5,711**	55	13,580	79
Cost incurred on property, plant and equipment	**(9,615)**	(4,459)	(26,356)	(16,177)
Sale proceeds/capital repayment from investments	**-**	-	43,249	54,935
Purchase of investments	**(12)**	-	(10,637)	-
Purchase of management rights	**(61)**	-	(61)	-
Net cash flow from acquisition of a subsidiary company (see Note)	**(33)**	-	2,978	-
Proceeds/deposits received on sale of properties	**-**	6,626	40,368	7,209
Payment of deferred exploration and evaluation assets	**(1,317)**	-	(7,183)	-
Payment of shares in an associated company	**-**	-	(3,889)	-
Proceeds from redemption of preference shares in an associated company	**-**	-	6,207	-
Net cash flow (used in)/from investing activities	**(5,327)**	2,222	58,256	46,046
Cash flow from financing activities :-				
Increase in borrowings/(loan repayment), net	**7,042**	(37,480)	19,417	(137,740)
Increase in amount due to minority shareholder of a subsidiary company	**245**	-	4,850	5,184
Decrease/(Increase) in amount due from a joint venture company	**76**	3	178	(468)
Payment of dividends to minority shareholders of subsidiary companies	**(1,807)**	-	(5,663)	(120)
Payment of dividends to shareholders	**-**	-	(21,384)	(18,177)
Net cash flow from/(used in) financing activities	**5,556**	(37,477)	(2,602)	(151,321)
Net increase in cash and cash equivalents	**42,122**	32,945	104,602	32,952
Cash and cash equivalents at beginning of financial period	**119,780**	22,756	55,980	23,066
Effect of exchange rate changes on balances held in foreign currencies	**(2,183)**	279	(863)	(38)
Cash and cash equivalents at end of financial period	**159,719**	55,980	159,719	55,980
Cash and cash equivalents at end of financial period consist of :-				
Cash at bank and on deposit	**159,719**	55,980	159,719	55,980

Note: Acquisition of Subsidiary Companies

The fair values of the identifiable assets and liabilities of the subsidiary companies as at the date of acquisitions were :

	Recognised on acquisitions $'000	Carrying amount before combinations $'000
Property, plant and equipment	58,889	54,641
Base inventory	1,320	1,320
Associated companies	5,301	5,301
Investments	488	488
Mining rights	6,070	-
Other non-current assets	5,211	5,170
Inventories	124,820	118,137
Other current assets	43,990	43,628
Cash and cash equivalent	51,781	51,781
	297,870	280,466
Other current liabilities	(130,607)	(130,470)
Deferred tax liabilities	(4,851)	(2,320)
Other non-current liabilities	(19,883)	(19,883)
	(155,341)	(152,673)
Net identifiable assets	142,529	127,793
Goodwill arising on acquisitions	21,400	
	163,929	
Interest previously accounted as associated company	(48,741)	
Minority interests	(66,499)	
Exchange adjustment	(1,304)	
Total purchase considerations	47,385	
Cash inflow on acquisitions :		
Cash paid	(47,385)	
Net cash acquired at bank of the subsidiary companies acquired	50,363	
Net cash inflow on acquisitions	2,978	

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 December 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	Share based payment reserve $'000	Revenue 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	-	-	603,939	737,969	(17,543)	1,076,826
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	-	-	-
FRS 16 (revised)										
Reversal of revaluation surplus for properties under development	-	(72,815)	-	-	-	-	-	(72,815)	-	(72,815)
As restated	356,400	76,443	(17,862)	-	63,850	-	614,979	737,410	(17,543)	1,076,267
Exchange adjustment revaluation	-	-	(1,766)	-	-	-	-	(1,766)	(3,459)	(5,225)
Exchange loss transferred to profit and loss account	-	-	1,646	-	-	-	-	1,646	-	1,646
Share of reserves movement of associated companies	-	-	-	-	-	-	245	245	-	245
Profit for 2005	-	-	-	-	-	-	70,003	70,003	2,593	72,596
Net fair value changes on available-for-sale investments	-	-	-	-	106,911	-	-	106,911	(100)	106,811
Net fair value changes transferred to profit and loss account	-	-	-	-	(20,493)	-	-	(20,493)	-	(20,493)
Net fair value changes on cash flow hedges	-	-	-	-	(2,112)	-	-	(2,112)	(1,853)	(3,965)

Statements of Changes in Equity for the period ended 31 December 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	Share based payment reserve $'000	Revenue reserve $'000	**Total reserves** $'000	Minority interests $'000	**Total equity** $'000
Capital injection by minority interest of subsidiary companies	-	-	-	-	-	-	-	-	11,760	11,760
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	66,499	66,499
Dividend on minority shareholders of subsidiary companies	-	-	-	-	-	-	-	-	(5,663)	(5,663)
Net revaluation surplus on subsidiary acquired	-	1,147	-	-	-	-	1,403	2,550	4,144	6,694
Fair value of options issued by a subsidiary company	-	-	-	-	-	33	-	33	42	75
Dividend on ordinary shares										
- 2nd interim dividend for 2004, paid	-	-	-	-	-	-	(14,256)	(14,256)	-	(14,256)
- 1st interim dividend for 2005, paid	-	-	-	-	-	-	(7,128)	(7,128)	-	(7,128)
At 31 December 2005	**356,400**	**77,590**	**(17,982)**	**-**	**148,156**	**33**	**665,246**	**873,043**	**56,420**	**1,285,863**

Statements of Changes in Equity for the period ended 31 December 2005 (cont'd)

GROUP

	Issued 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 1 January 2004									
As previously reported	356,400	154,650	(15,045)	2,634	-	567,195	709,434	(12,211)	1,053,623
Effect of adopting :									
FRS 16 (revised)									
Reversal of revaluation surplus for properties under development	-	(72,815)	-	-	-	-	(72,815)	-	(72,815)
As restated	356,400	81,835	(15,045)	2,634	-	567,195	636,619	(12,211)	980,808
Cost adjustment to investment properties	-	108	-	-	-	-	108	-	108
Net deficit on revaluation of residential properties	-	(5,500)	-	-	-	-	(5,500)	-	(5,500)
Exchange adjustment	-	-	(2,817)	-	-	-	(2,817)	(5)	(2,822)
Share of reserves movement of associated companies	-	-	-	-	-	(398)	(398)	-	(398)
Profit for 2004	-	-	-	-	-	55,319	55,319	(5,207)	50,112
Dividend to minority shareholders of a subsidiary company	-	-	-	-	-	-	-	(120)	(120)
Dividend on ordinary shares									
- 2nd interim dividend for 2003, paid	-	-	-	-	-	(11,405)	(11,405)	-	(11,405)
- 1st interim dividend for 2004, paid	-	-	-	-	-	(6,772)	(6,772)	-	(6,772)
At 31 December 2004	**356,400**	**76,443**	**(17,862)**	**2,634**	**-**	**603,939**	**665,154**	**(17,543)**	**1,004,011**

Statements of Changes in Equity for the period ended 31 December 2005 (cont'd)

COMPANY

	Issued capital $'000	Revaluation reserve $'000	Exchange translation reserve $'000	Fair value reserve $'000	Revenue reserve $'000	**Total equity** $'000
At 1 January 2005						
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)
As restated	356,400	29,076	-	63,970	445,270	894,716
Exchange adjustment	-	-	(468)	-	-	(468)
Net deficit on revaluation of properties	-	(3,066)	-	-	-	(3,066)
Profit for 2005	-	-	-	-	64,753	64,753
Fair value changes on available-for-sale investments	-	-	-	96,075	-	96,075
Net fair value changes transferred to profit and loss account	-	-	-	(28,364)	-	(28,364)
Dividend on ordinary shares						
- 2nd interim dividend for 2004, paid	-	-	-	-	(14,256)	(14,256)
- 1st interim dividend for 2005, paid	-	-	-	-	(7,128)	(7,128)
At 31 December 2005	**356,400**	**26,010**	**(468)**	**131,681**	**488,639**	**1,002,262**
At 1 January 2004	356,400	31,143	-	-	415,043	802,586
Net deficit on revaluation of properties	-	(2,067)	-	-	-	(2,067)
Profit for 2004	-	-	-	-	48,534	48,534
Dividend on ordinary shares						
- 2nd interim dividend for 2003, paid	-	-	-	-	(11,405)	(11,405)
- 1st interim dividend for 2004, paid	-	-	-	-	(6,772)	(6,772)
At 31 December 2004	**356,400**	**29,076**	**-**	**-**	**445,400**	**830,876**

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 for the 4th quarter and the full year ended 31 December 2005 have not been audited but have been reviewed by the Company's auditors in accordance with the Singapore Statement of Auditing Practice 11, Review of Interim Financial Information.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Review Report by the Auditors, Ernst & Young, Certified Public Accountants, Singapore :-

"We have been engaged by The Straits Trading Company Limited (the "Company") to review the interim financial information for the fourth quarter and year ended 31 December 2005.

Appendix 7.2 of the Singapore Exchange Securities and Trading Limited Listing Manual ("Listing Manual") requires the preparation of interim financial information to be in compliance with the relevant provisions thereof. The accompanying financial information comprise the balance sheet of the Company and the consolidated balance sheet of the Company and its subsidiaries (the "Group") as at 31 December 2005, the statements of changes in equity of the Company and of the Group and statements of income and cash flows of the Group for the fourth quarter and year ended on that date (collectively, the "financial information"). The financial information reviewed by us are those set out in paragraphs 1, 6 and 7 of this announcement. The interim financial information is the responsibility of, and has been approved by, the Company's directors. Our responsibility is to issue a report, solely for the use of the directors, on the financial information based on our review.

We conducted our review in accordance with the Singapore Statement of Auditing Practice 11, Review of Interim Financial Information. A review of interim financial information consists principally of applying analytical procedures to the financial data and making inquiries of, and having discussions with, persons responsible for financial and accounting matters. It is substantially less in scope than an audit in accordance with Singapore Standards on Auditing and does not provide assurance that we would become aware of any or all significant matters that might be identified in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that there are any material modifications that should be made to the accompanying interim financial information for it to be in accordance with Appendix 7.2 of the Listing Manual."

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
FRS 102	Share Based Payment

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

FRS 39

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 reserve	Revenue reserve	Total
	$'000	$'000	$'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 $72.3 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.

FRS 103

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 $2.6 million, as at 1 January 2005, was adjusted to opening revenue reserve.

FRS 102

The adoption of FRS 102 by a foreign subsidiary has no financial effect for the Group as at 1 January 2005 as the stock options were issued during the financial year ended 31 December 2005.

FRS 16 (revised)
Pursuant to FRS 40, Investment Property, FRS 16, Property, Plant and Equipment applies to a property that is being constructed or developed for future use as investment property until construction or development is complete. In view of this guidance, the Group has decided to reclassify its Properties Under Development stated at Directors' valuation to Property, Plant and Equipment and carry at cost. The effects on the previous year's comparatives with respect to the net profit is nil and the carrying value and the opening revaluation reserve of the Properties Under Development is reduced by $72.8 million respectively at 1 January 2004 and 1 January 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.

	4th Quarter (Q4)		Full Year Ended 31 December	
	2005	2004	**2005**	2004
Basic and Diluted Earnings/(Loss) per share for the period based on Group profit attributable to Equity Holders of the Company :-	**6.8 cents**	(4.7) cents	**19.6 cents**	15.5 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 December 2005	31 December 2004
Net asset value per share based on issued share capital at the end of :-		
The Group	**$3.45**	$2.87 (Restated)
The Company	**$2.81**	$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) metals and mineral resources, (b) hotel management and investment, (c) property investment and development and (d) financial investments.

In 2005, the Group's profit before exceptional items rose 19.4% from $68.9 million in 2004 to $82.3 million despite lower contributions from associated companies and insignificant contribution from the trading of the Group's marketable securities. The improvement was due mainly to (a) the impact of increased shareholding in Malaysia Smelting Corporation Berhad (MSC) from 40.0% in 2004 to 63.3% in 2005; (b) better property results and (c) increase in dividend payouts from some of the Group's long term investments.

In 2005, the Group reported net exceptional gain of $8.9 million despite the provision of $31.8 million for the leaseback of No. 18, 20 and 22 Cross Street and a write-down of $15.2 million in the capital value of Straits Trading Building in Singapore since the building is in the process of redevelopment. The gains were derived mainly from the disposal of the Group's interest in Straits Lion Asset Management Limited (SLAM) and the sale of bungalow lots at the Cable / Nathan Road site as well as the reversal of impairment loss on the Group's hotel property in Singapore. The Group's net attributable earnings rose to $70.0 million in 2005 from $55.3 million in 2004.

Segmental review

Metals and mineral resources

The Group's operation in the metals and mineral resources sector is currently undertaken by its subsidiary, MSC. In 2005, MSC recorded a 8.7% decline in revenue from RM1,862 million in 2004 to RM1,700 million in 2005 due mainly to lower tin prices which fell from the average of around US$8,500 per tonne in 2004 to around US$7,300 per tonne in 2005 as a result of significant surplus of tin generated over the last few quarters. Therefore, despite the increase in MSC shareholding in 2005, earnings contribution from MSC increased only slightly in 2005.

Hotel management and investment

Hotel revenue increased from $65.2 million in 2004 to $72.1 million in 2005. The Group's hotels, except for Adelaide and Perth, have generally done well in 2005 with rises in both occupancies and room rates. The Group has also added 4 hotels to its portfolio in 2005, namely Rendezvous Sanctuary in Broome, Rendezvous Baohong in Sanya, Rendezvous Reef Resort in Port Douglas and Rendezvous Hotel (former Duxton Hotel) in Melbourne.

Property investment and development

Property revenue rose from $54.7 million in 2004 to $65.7 million in 2005 as 18 units in Gallop Gables were sold in 2005 compared with 10 units in 2004. In addition, the Group's China Square Central has also reported higher occupancies and rentals during the year.

Financial investments

The Group reported hardly any sale of trading securities in 2005. Dividend income from the Group's investments, on the other hand, rose from $15.6 million in 2004 to $36.8 million in 2005 with special payouts from some of the long term investments.

Associated companies

Associated companies' contribution fell from $20.3 million in 2004 to $8.9 million in 2005 as MSC is now a subsidiary of the Group and SLAM was disposed of in 3rd quarter 2005. Johan Kekal Sdn Bhd also recorded lower profit contribution due to the increase in construction costs on the residential properties at Federal Hill, Kuala Lumpur.

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

The full year results ended 31 December 2005 are consistent with the prospect statement disclosed in the 2005 3rd quarter financial statements announcement made on 11 November 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.

Metals and mineral resources

Unless tin prices strengthen from the current level, it may be difficult for MSC to maintain the level of earnings achieved in 2005 in view of the high fuel prices. The Group is also currently evaluating potential investments in other metals and mineral resources sector. However, most of these are medium term projects, earnings are only expected in the next 3-5 years.

Hotel management and investment

Hotel performance will be stronger especially from the hotels in Singapore, Brisbane, Sydney and Shanghai. The late additions in Melbourne and Broome will provide additional contributions to the hotel business.

Property investment and development

With the sale of No. 18, 20 and 22 Cross Street and the redevelopment of Straits Trading Building, the Group's property rental income will be lower in 2006. Potential earnings could come from the sale of the Group's residential properties.

Financial investments

The Group's long term investments will continue to generate a stable stream of dividend income. However, as already reported in the results of 2005, profit from reduced securities trading activities will be low. The Group disposed of its entire interest in Killinghall (Malaysia) Berhad in January 2006 and will report an extraordinary gain of $17.3 million in 1st quarter financial statements.

Associated companies

Associate earnings will be immaterial in 2006 as (a) MSC and SLAM have ceased to be associated companies of the Group and (b) the residential project of Johan Kekal in Malaysia is near completion.

Contingent Liabilities

Outstanding material litigations against a subsidiary, Malaysia Smelting Corporation (MSC) :

1. On 10 October 2005, MSC received a claim to seek compensation for RM45 million damage from a party as well as interest and cost of litigation.

   The party alleged that MSC has breached an agreement by willfully interfering and preventing the issuance of renewal of mining lease to the party. MSC maintains that it is entitled to terminate the agreement as the party fails to discharge his obligations under the agreement. MSC considers the suit brought against it as frivolous and vexatious and through its solicitors has filed its statement of defence on 18 November 2005. To date, the plaintiff has not proceeded further and the case remains status quo.

2. On 7 February 2006, MSC received a claim by a software vendor for RM1.28 million outstanding payment for cost overrun of consultant time and software cost, with interest and cost of litigation.

   MSC strongly denied this claim, which came after a lapse of more than a year following the completion of the software implementation, and through its solicitors, will accordingly file its statement of defence.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	First Interim	Second Interim	Special
Dividend Type	Cash	Cash	Cash
Dividend Amount per Share (in cents)	2 cents per ordinary share (one-tier tax)	4 cents per ordinary share (one-tier tax)	20 cents per ordinary share (one-tier tax)
Tax Rate	N.A.	N.A.	N.A.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of Dividend	← First Interim	→	Second Interim
Dividend Type	Cash	Cash	Cash
Dividend Amount per Share (in cents)	0.5 cents per ordinary share (less tax)	1.5 cents per ordinary share (one-tier tax)	4.0 cents per ordinary share (one-tier tax)
Par value of shares	$1.0	$1.0	$1.0
Tax Rate	20%	N.A.	N.A.

(c) Date payable

Second Interim Dividend

The Directors have declared a second interim dividend of a one-tier tax exempt dividend of 4 cents per share in respect of the year ended 31 December 2005, payable on 9 May 2006 to those shareholders on the share register on 26 April 2006.

Special Dividend

The Directors recommended payment of a special dividend of one-tier tax exempt dividend of 20 cents per share, payable on 1 June 2006 to those shareholders on the share register on 24 May 2006, if sanctioned at the forthcoming Annual General Meeting.

(d) Books closure date

Second Interim Dividend

The share register of the Company will be closed from 25 April and 26 April 2006, both dates inclusive, for the preparation of warrants. Registrable transfers received by the Company's Registrars, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), at 8 Cross Street, #11-00 PWC Building, Singapore 048424, up to 5.00 p.m. on 24 April 2006 will be registered before entitlements to the dividend are determined.

Special Dividend

If payment of the special dividend is sanctioned at the Annual General Meeting, the share register of the Company will be closed from 23 May and 24 May 2006, both dates inclusive, for the preparation of warrants. Registrable transfers received by the Company's Registrars, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), at 8 Cross Street, #11-00 PWC Building, Singapore 048424, up to 5.00 p.m. on 22 May 2006 will be registered before entitlements to the dividend are determined.

(e) Annual General Meeting

The Annual General Meeting of the Company will be held at 65 Chulia Street, #33-01 OCBC Centre, Singapore 049513, on Thursday, 27 April 2006 at 11.30 a.m.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Segment Revenue and Results for the year ended 31 December 2005

2005 Business Segments	Resources $'000	Hotel $'000	Property $'000	Securities Trading $'000	Fair Value Changes of Financial Assets $'000	Investment Holding $'000	Corporate/ Others $'000	Elimination $'000	Consolidated $'000
Segment Revenue									
Revenue from external	552,952	72,145	65,679	6,864	3,950	34,555	-	-	736,145
Allocation of fair value change of financial assets	104	-	24	3,822	(3,950)	-	-	-	-
Inter-segment revenue	-	-	640	-	-	-	-	(640)	-
Other revenues	6,282	-	-	-	-	-	1,937	-	8,219
Total revenues	559,338	72,145	66,343	10,686	-	34,555	1,937	(640)	744,364
Segment result	18,127	2,475	29,593	2,472	-	34,259	1,937	-	88,863
Unallocated expenses									(1,350)
Profit from operations									87,513
Finance costs									(14,350)
Share of results of joint venture companies		166							166
Share of results of associated companies	3,785		2,793				2,354		8,932
Profit before exceptional items									82,261
Exceptional items		4,673	(24,266)			22,758	5,753		8,918
Profit before taxation									91,179
Taxation									(18,583)
Profit for the year									72,596
Attributable to :									
Equity holders of the Company									70,003
Minority interests									2,593
									72,596

2005 Geographical Segments	Singapore $'000	Malaysia $'000	Australia $'000	Corporate/ Others $'000	Elimination $'000	Consolidated $'000
Segment Revenue						
Revenue from external	115,287	563,664	59,314	6,099	-	744,364
Inter-segment revenue	53	-	742	-	(795)	-
Total revenues	115,340	563,664	60,056	6,099	(795)	744,364

Segment Revenue and Results for the year ended 31 December 2005 (cont'd)

2004 Business Segments

	Hotel $'000	Property $'000	Securities Trading $'000	Investment Holding $'000	Corporate/ Others $'000	Elimination $'000	Consolidated $'000
Segment Revenue							
Revenue from external	65,178	54,735	104,812	12,443	-	-	237,168
Allocation of fair value change of financial assets	-	-	-	-	-	-	-
Inter-segment revenue	-	528	-	-	-	(528)	-
Other revenues	-	-	-	-	520	-	520
Total revenues	65,178	55,263	104,812	12,443	520	(528)	237,688
Segment result	3,385	20,173	22,436	12,163	520	-	58,677
Unallocated expenses							(1,951)
Profit from operations							56,726
Finance costs							(8,142)
Share of results of joint venture companies	1						1
Share of results of associated companies		5,427			14,886		20,313
Profit before exceptional items							68,898
Exceptional items	(426)	(39,977)		31,852			(8,551)
Profit before taxation							60,347
Taxation							(10,235)
Profit for the year							50,112
Attributable to :							
Equity holders of the Company							55,319
Minority interests							(5,207)
							50,112

2004 Geographical Segments

	Singapore $'000	Malaysia $'000	Australia $'000	Corporate/ Others $'000	Elimination $'000	Consolidated $'000
Segment Revenue						
Revenue from external	173,194	6,391	57,668	435	-	237,688
Inter-segment revenue	36	-	769	-	(805)	-
Total revenues	173,230	6,391	58,437	435	(805)	237,688

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to paragraph 8.

15. A breakdown of revenues and profit after tax.

		2005 **$'000**	2004 $'000	+ or (-) %
(a)	*Total revenues reported for first half year*	**270,996**	107,332	152
(b)	*Profit after tax before deducting minority interests reported for first half year*	**58,991**	57,580	2
(c)	*Total revenues reported for second half year*	**473,368**	130,356	263
(d)	*Profit/(Loss) after tax before deducting minority interests reported for second half year*	**13,605**	(7,468)*	N.M.

* After $37 million write-downs of asset values in Q4 2004.

N.M. Not meaningful.

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details)

	Latest Full Year (S$'000)	*Previous Full Year* (S$'000)
Ordinary	92,664#	21,028
Total:	92,664#	21,028

\# Including special dividend of 20 cents per share (totalling $71.28 million) payable on 1 June 2006, if sanctioned at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD
Emily Teo (Ms)
Secretary

23 February 2006
Singapore