



The Straits Trading Company Limited

Company Registration No.: 188700008D
(A Member of The Tecity Group)

RESPONSE TO QUESTION RAISED BY SGX ON THE 2011 ANNUAL REPORT OF THE COMPANY

SGX Question:

For the purpose of complying with Listing Rule 1207(10), please note that:-

- (a) "Absence of evidence to the contrary" disclaimer is NOT allowed in the opinion;
- (b) The Board and the Audit Committee must opine whether the internal controls are adequate to address all 3 areas of risks (i.e. financial, operational and compliance risks). "In its current business environment", "business operations" without mention of all the 3 risks areas are not acceptable.
- (c) Both the Board and the AC must provide the opinion; "The Board and the AC believes" is not acceptable.

We note that the confirmation provided in your annual report is not consistent with some of the guidelines stated above. Hence, please provide a clean opinion that is in compliance with Listing Rule 1207(10).

Company's Response to SGX Question:

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by management, various Board Committees and the Board, the Audit Committee and the Board are of the opinion that the Group's internal controls, addressing financial, operational and compliance risks, were adequate as at 31 December 2011.

BY ORDER OF THE BOARD

Sng Kiat Huang (Ms)
Secretary

23 April 2012
Singapore

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

About The Straits Trading Company Limited

Incorporated in 1887, The Straits Trading Company Limited is one of the oldest public listed companies in Singapore, with business interests and investments spanning the Asia Pacific region. Through its dual-listed subsidiary on Bursa Malaysia and SGX-ST, Malaysia Smelting Corporation Berhad, Straits Trading engages in tin mining and smelting, and resource investments. Straits Trading owns properties and hotels and its property business, which includes property investments, development and management primarily in Singapore and Malaysia is driven by its subsidiary, Straits Developments Private Limited. Its hotel business under the trading name of Rendezvous Hospitality Group includes ownership, operations and management of its stable of hotels in the Asia Pacific region under the Rendezvous brand. It also holds a significant stake in WBL Corporation, a technology, automotive distribution, property development, and engineering and distribution company listed on the main board of the Singapore Stock Exchange.