

ANNOUNCEMENT

ARBITRATION AWARD MADE AGAINST RENDEZVOUS HOTELS INTERNATIONAL PRIVATE LIMITED

1. Introduction

The Straits Trading Company Limited (the “**Company**”) refers to its announcements dated 15 September 2010, 23 September 2010 and 22 November 2010 in connection with a claim brought by Taragon Capital Malaysia Sdn. Bhd (“**Taragon**”) against the Company’s wholly owned subsidiary Rendezvous Hotels International Private Limited (“**RHI**”), in relation to an agreement for lease dated 8 March 2007 entered into between RHI and Taragon, and as amended by a supplemental agreement dated 20 November 2007 (“**Contract**”).

2. Arbitration Award

Following conclusion of the arbitration between RHI and Taragon, the arbitral tribunal had on 28 June 2013, ruled in favour of Taragon on certain matters (the “**Arbitration Award**”).

The Arbitration Award is not likely to have a material impact on the financial standing of the Company for the financial year ending 31 December 2013.

3. Indemnity by the Company

The Company also refers to its announcement dated 20 June 2013 in relation to its joint venture with Far East Orchard Limited (“**20 June Announcement**”). *Unless otherwise defined, all capitalised terms used but not defined in this paragraph 3 shall have the meanings ascribed to them in the 20 June Announcement.*

Under the terms of the RHI SPA, the Company has covenanted with the JVCo, with effect from and including RHI SPA Completion, to indemnify the JVCo against, and to pay to the JVCo, the amount of the Arbitration Award. Further details of such an obligation on the Company are set out in section 6.2 of Schedule 1 to the 20 June Announcement.

By Order of the Board

Aldric Tan Jee Wei
Company Secretary
The Straits Trading Company Limited

1 July 2013
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 subsidiary, Malaysia Smelting Corporation Berhad, listed on Bursa Malaysia with a secondary listing on SGX-ST, 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 hospitality division, Rendezvous Hospitality Group, manages and operates a stable of hotels in Asia Pacific under the Rendezvous brand.