

ANNOUNCEMENT

INCORPORATION OF SUBSIDIARY

The Company wishes to announce that it has today, through Straits Real Estate Pte. Ltd., incorporated a new subsidiary, SRE Venture 1 Pte. Ltd. ("**SRE Venture 1**"), in Singapore. The principal activity of SRE Venture 1 is that of investment holding.

The initial issued and paid-up share capital of SRE Venture 1 is SGD1, comprised in one ordinary share. Accordingly, the book value and net tangible asset value of the share of SRE Venture 1 is SGD1.

The incorporation of SRE Venture 1 is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the financial year ending 31 December 2014.

None of the directors or substantial shareholders of the Company have any interest, direct or indirect, in the above incorporation other than through their respective shareholdings in the Company.

By Order of the Board

Aldric Tan Jee Wei
Company Secretary
The Straits Trading Company Limited

8 April 2014
Singapore

ABOUT THE STRAITS TRADING COMPANY LIMITED

Incorporated in 1887 as a tin smelting company, The Straits Trading Company Limited today has stakes in real estate, hospitality, resources and investments that span the Asia Pacific region. It owns a 89.5% stake in Straits Real Estate, a co-investment vehicle that seeks out real estate related investments & opportunities. It also owns a 20.1% stake in SGX-listed ARA Asset Management Limited, one of the largest real estate fund managers in the region and has a 30% interest in Far East Hospitality Holdings, one of the largest hospitality operators in Asia Pacific. Straits Trading also engages in tin mining and smelting through its 54.8% owned subsidiary, Malaysia Smelting Corporation Berhad, that is dual listed on Bursa Malaysia and SGX-ST.