

For Immediate Release
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MEDIA RELEASE

STRAITS TRADING MAKES GOOD PROGRESS FROM PLATFORMS OF GROWTH

SINGAPORE, 14 August 2014 – The Straits Trading Company Limited announced today that it has posted a profit after tax and non-controlling interests from ongoing businesses of \$10.0¹ million (excluding exceptional items) for the first half of 2014 (“1H2014”) against a loss of \$17.1² million (excluding exceptional items) in 1H2013. The improved performance was principally due to contributions from investments in its associates, Far East Hospitality Holdings (“FEHH”) and ARA Asset Management (“ARA”). After exceptional items, the Group posted a profit attributable to owners of the Company of \$0.1 million for 1H2014.

Ms Chew Gek Khim, Executive Chairman of Straits Trading said, *“Our strategy of building platforms for growth and sustainable earnings is proving to be successful, as evinced by the improved underlying performance across our operating businesses. As we capitalise on these capabilities, we will continue to seize new opportunities by creating additional value through these platforms.”*

Summary of Results

\$ million	2Q2014	2Q2013	+ / (-) %	1H2014	1H2013	+ / (-) %
Revenue	173.1	263.7	(34)	343.4	499.1	(31)
Operating Profit/(Loss)	(3.9)	80.4	N.M.	5.3	98.0	(95)
Profit/(Loss) before tax	(9.4)	68.9	N.M.	1.0	75.3	(99)
Profit/(Loss) after tax	(11.1)	67.3	N.M.	(2.8)	69.4	N.M.
Profit/(Loss) attributable to owners of the Company before EI	4.1	(16.8)	N.M.	10.0	(17.1)	N.M.
EI (“Exceptional Items”)	(9.9)	86.5	N.M.	(9.9)	86.5	N.M.
Profit/(Loss) attributable to owners of the Company after EI	(5.8)	69.7	N.M.	0.1	69.4	(100)
Earnings/(Loss) per share (in Singapore cents)	(1.4)	17.7	N.M.	0.0	17.9	(100)

N.M.: Not meaningful

	As At 30 th June 2014	As At 31 st December 2013
Equity attributable to owners of the Company	\$1,320,447,000	\$1,316,585,000
Net asset value per share	\$3.24	\$3.23

¹Excludes (i) disposal and mark-to-market losses on Far East Hospitality Trust (“FEHT”) units of \$5.5 million and (ii) costs suffered by the resources business as a result of the exit from Indonesia of \$4.4 million

²Excludes net gain of \$86.5 million from the disposal of WBL shares

Outlook

The Group is focused on executing its strategies to deliver results from its various newly created engines of growth.

Real Estate

As part of a continuous review of its capital allocation, the Group had decided to re-deploy some funds into Suntec REIT units which is complementary to the Group's real estate eco-system.

The Group's plans to monetise its property portfolio are ongoing and the proceeds will be redeployed into new real estate opportunities.

Straits Real Estate Pte. Ltd. ("SRE") has committed US\$80 million to seed and sponsor a development fund to invest in development projects in Southeast Asia and Australia. It continues to explore and assess real estate investment opportunities throughout Asia Pacific.

ARA will continue to provide a steady stream of recurring income and its property fund management expertise can also be leveraged within the Group's real estate ecosystem.

Hospitality

FEHH has expanded its footprint into Europe, with the acquisition of a 50% interest in four hotel properties. It has further extended its reach in Australia with the acquisition of two buildings in the central business districts of Sydney and Brisbane slated for hotel conversion through Toga Far East Hotels ("TFE Hotels"), its 50-50 joint venture with the Toga group. These acquisitions will provide further scale and enable FEHH to create new growth platforms.

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About The Straits Trading Company Limited

Incorporated in 1887, The Straits Trading Company Limited 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.

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For the full STC Financial Statements, please visit our website: www.stc.com.sg