

ANNOUNCEMENT

INCREASE IN SHAREHOLDING IN JHT TMK AND COMPLETION OF INVESTMENT IN RESIDENTIAL PROPERTIES IN CENTRAL OSAKA, JAPAN

All capitalised terms used but not defined in this Announcement shall have the meanings ascribed to them in the announcements by The Straits Trading Company Limited (the “**Company**”) dated 27 May 2016, in relation to the acquisition of associated company (the “**First Announcement**”), and 31 May 2016, in relation to the investment in residential properties in Central Osaka, Japan (the “**Second Announcement**”).

The Board of Directors of the Company (the “**Board**”) refers to the First Announcement and wishes to announce that its subsidiaries, SRE Luxe 1 Pte. Ltd. and SRE Luxe 2 Pte. Ltd. (through its branch in Japan), have respectively subscribed for 4,990 preferred shares and 5,010 preferred shares in JHT TMK (the “**Preferred Shares Subscription**”). The Board also refers to the Second Announcement and is pleased to announce that the Transaction has been completed today.

The details of the Preferred Shares Subscription, which is payable in cash, are as follows:

<u>Subscriber</u>	<u>Number of Preferred Shares Subscribed</u>	<u>Percentage of Issued Preferred Shares</u>	<u>Subscription Amount</u>
SRE Luxe 1 Pte. Ltd.	4,990	49.9%	JPY1,147,700,000
SRE Luxe 2 Pte. Ltd, Japan Branch	5,010	50.1%	JPY1,152,300,000

Following the Preferred Shares Subscription, JHT TMK is a subsidiary of the Company. The subscription amount was arrived at taking into account the latest book value of the assets being acquired.

As at 24 June 2016, the book value and the net tangible asset value of the preferred shares subscribed for pursuant to the Preferred Shares Subscription is JPY2,100,065,119.

The Preferred Shares Subscription is not expected to have any material impact on the net tangible assets and earnings per share of the Company and its subsidiaries for the financial year ending 31 December 2016.

None of the Directors or controlling shareholders of the Company have any interest, direct or indirect, in the Preferred Shares Subscription 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

24 June 2016
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 an investment company with 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.