

**Isetan (Singapore) Limited**

Company Registration No. 197001177H

(Incorporated in the Republic of Singapore)

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**Queries from the Singapore Exchange Limited ("SGX") on the Annual Report for the Financial Year Ended 31 December 2013.**

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The Board of Isetan (Singapore) Limited ("the Company") would like to provide the following information in response to the queries from the SGX regarding the disclosure of information relating to paragraphs 9.3 and 11.3 of the Code of Corporate Governance 2012 (the "Code"):

**SGX query (1)**

Paragraph 9.3 of the Code states that the Company should name and disclose the remuneration of at least the top five key management personnel (who are not directors or the Chief Executive Officer ("CEO")) in bands of S\$250,000. Companies need only show the applicable bands. There should be a breakdown (in percentage or dollar terms) of each key management personnel's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives. In addition, the Company should disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO).

As required under Listing Rule 1207(12), please make disclosure as recommended in the Code in relation to the disclosure of the aggregate remuneration paid to the top five key management personnel (who are not directors or the CEO) or otherwise disclose and explain any deviation from the recommendation.

**The Company's response**

The Company would like to clarify that it has not disclosed the aggregate remuneration paid to the top five key management personnel (who are not directors or the Managing Director) in light of the industry's competition for talent, the confidentiality of staff remuneration matters and so as not to hamper the Company's efforts to retain and nurture its talent pool.

**SGX query (2)**

Paragraph 11.3 of the Code states that the Board also should comment on the company's Annual Report on whether it has received assurance from the CEO and the Chief Financial Officer ("CFO") (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and (b) regarding the effectiveness of the Company's risk management and internal control systems.

As required under Listing Rule 710, please make disclosure as recommended in the Code of Corporate Governance 2012 (the “Code”) or otherwise explain the reason(s) for the deviation from the Code.

**The Company's response**

The Company wishes to clarify that the Board has received assurances from the Managing Director (who assumes the role of CEO) and Senior Management (who assumes the role of CFO) that:

- (a) the financial records of the Company have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and
- (b) the Company's risk management and internal control systems are effective.

By Order of the Board

Lun Chee Leong  
Company Secretary

23 April 2014