



**Incorporated in the Republic of Singapore
Company Registration No.: 198303359D**

DIVESTMENT OF A SUBSIDIARY

Creative Technology Ltd (“Creative”) today announced that it has divested its entire equity interest in MLK Industry Limited (“Subsidiary”), a 60% owned subsidiary incorporated in Hong Kong to its joint venture partner that owns the remaining 40% equity interest in the company. The Subsidiary was involved previously in the trading of computer peripheral products but the company had been inactive since 2007 and Creative does not have any future business plan for this Subsidiary.

The US\$0.2 million cash consideration received by Creative from this divestment is arrived based on a willing buyer, willing seller basis and had taken into account Creative’s share of the Subsidiary’s net asset value that amounts to US\$0.2 million. This transaction is not expected to have any material impact on the net tangible asset or earnings per share of Creative for the financial year ending 30 June 2014.

None of the Directors or controlling shareholders of Creative have any interest, direct or indirect, in the above transaction.

Ng Keh Long
Company Secretary

25 June 2014