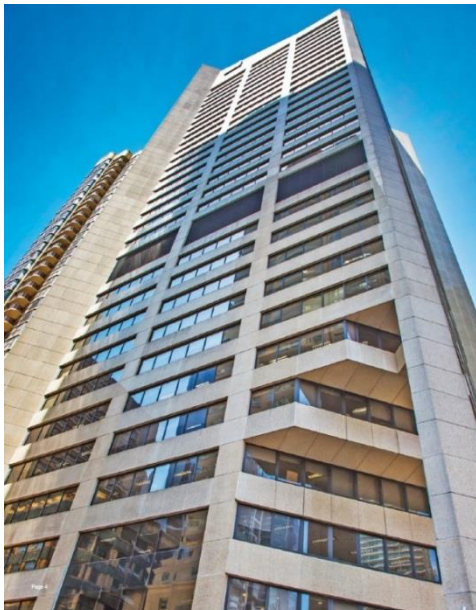


MEDIA RELEASE

STRAITS REAL ESTATE INVESTS S\$122.7MILLION IN AN OFFICE BUILDING IN SYDNEY

- *Quality asset in good location with potential for value enhancement*
- *Existing leases ensure stability of income*
- *Redeployment of capital aligned with Straits Real Estate's strategy to tap higher returning opportunities*



Picture of 320 Pitt Street, Sydney, Australia

SINGAPORE, 6 June 2017 - The Straits Trading Company Limited ("**Straits Trading**" or "**the Group**"), a diversified investment company with interests in real estate, hospitality and resources, today announced that its subsidiary, Straits Real Estate Pte. Ltd. ("**Straits Real Estate**") is investing approximately AUD119.0 million (approximately SGD122.7 million¹) for a share of an office building located at 320 Pitt Street in Sydney, Australia (the "**Property**").

ABOUT THE PROPERTY

320 Pitt Street is a 32-storey office building with a total net lettable area of 29,159 square metres that is strategically situated between various transport nodes. It is within walking distance from Central Rail Station, and the upcoming George Street light rail system and Pitt Street Metro station. It is also located within close proximity to Chinatown and Pitt Street

Mall, which offers ample lifestyle and food & beverage amenities.

The Property was built in 1989 and underwent upgrades to the mechanical and hydraulic systems in 2010 and the lift cars in 2016. Moreover, the Property has the potential to be repositioned as a core investment through an asset enhancement program.

Mr Desmond Tang, CEO of Straits Real Estate, said *"The investment in 320 Pitt Street is very much aligned with Straits Real Estate's strategy of redeploying capital into potentially higher return real estate opportunities. We see value in this property as it gives us a healthy stream of income via the building's existing leases."*

¹ Conversion of amount from AUD into SGD in this Announcement is based on a rate of exchange of SGD1.00:AUD0.97 as at 5 June 2017 and is provided for reference purposes only

Mr Tang added, "Beyond that, we also see its potential to be repositioned as a core investment through an asset enhancement programme similar to 114 William Street, which we successfully divested last November, shortly after its enhancement initiatives. This shows that our strategy of seeking out investments that offer immediate cashflow and value-adding proposition works."

ABOUT THE TRANSACTION

Straits Real Estate has, through its subsidiary, SRE Australia 2 Pte. Ltd., subscribed for a 26% interest in the unit capital of 320P Trust and approximately AUD119.0 million (approximately SGD122.7 million) of notes issued by 320P Trust. As part of the deal, SRE Australia 2 Pte. Ltd. will be part of a consortium, comprising funds managed by ARA Asset Management Limited, to acquire the office building on 320 Pitt Street, Sydney, through a sale and purchase agreement with Propertylink Fund Management Pty Ltd as trustee of 320 Pitt Street Trust.

The acquisition is conditional upon, among others, satisfactory due diligence of the Property and Australia Foreign Investment Review Board approval.

Note: This Media Release should be read in conjunction with the announcement released by The Straits Trading Company Limited vis SGX on 6 June 2017.

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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 an 89.5% stake in Straits Real Estate, a co-investment vehicle that seeks out real estate related investments & opportunities globally. It also owns a 20.95% stake in 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, an established international hospitality owner and operator. 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 announcement, please visit our website: www.stc.com.sg