



(Incorporated in the Republic of Singapore)
Company Registration No. 196700511H

CLARIFICATION OF MEDIA REPORTS

Far East Orchard Limited (the “**Company**”) would like to refer to reports in various media on its hospitality management business. Mr Arthur Kiong, the Chief Executive Officer of Far East Hospitality was quoted as saying that the hospitality management business would double in size over the next few years and alluded to a target of 17 hotels and 17 serviced residences by 2017. Mr Kiong also alluded to other business opportunities overseas. The Company would like to clarify that these are only aspirations rather than goals, set by its hospitality management arm.

With regard to statements about the expansion of its hospitality management business, the Company would like to reiterate that as stated in its Circular dated 19 June 2012, it will explore other hospitality businesses beyond Singapore and grow regionally. The Company is currently exploring several opportunities in the region and there is no certainty that these discussions will lead to any material transactions. The Company will make any necessary announcements as and when it is appropriate.

Shareholders are advised to refrain from taking any action in respect of their shares in the Company which may be prejudicial to their interests and to exercise caution when dealing with shares in the Company. In the event that Shareholders wish to deal in the shares of the Company, they are advised to seek their own advice and/or consult their own stockbrokers.

BY ORDER OF THE BOARD

Chloe Kho Kim Suan
Company Secretary
19 October 2012