



FAR EAST ORCHARD LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 196700511H)

MEDIA RELEASE

**FAR EAST ORCHARD SIGNS MOU WITH THE STRAITS TRADING
COMPANY LIMITED TO EXPAND ITS HOSPITALITY BUSINESS BEYOND
SINGAPORE**

26 November 2012 Singapore – Far East Orchard Limited (“FEOrchard” or the “Company”) has signed a non-binding memorandum of understanding (MOU) with The Straits Trading Company Limited (“STC”) to explore the proposed acquisition of STC’s entire hospitality management business (which includes the trade mark rights to the “Rendezvous” and “Marque” brands). STC’s hospitality management business currently operates hotels in Singapore, Australia, New Zealand and China. As part of the proposed transaction, STC will have the right to subscribe up to 20% of the share capital of the enlarged hospitality management company of FEOrchard.

Under the MOU, FEOrchard will also be exploring a proposed acquisition from STC and/or its subsidiaries of a 50% interest in three hotels in Australia, namely Rendezvous Studio Hotel Perth Central, Rendezvous Grand Hotel Melbourne and Rendezvous Hotel Perth, (together with the transactions in relation to the hospitality management business, the “Proposed Transactions”).

Commenting on the MOU, FEOrchard’s Group Chief Executive Officer and Managing Director, Mr Lucas Chow said: *“We are pleased to announce the signing of our first MOU since the EGM in July, where we received strong endorsement from our shareholders supporting our restructuring. If the Proposed Transactions are to proceed, it will allow FEOrchard to grow our hospitality management business beyond Singapore and also create a platform to operate a portfolio of third party hospitality assets. This expanded portfolio will consist of more than 30 hotels and service residences under 5 distinct brands and more than 6,000 rooms under management with a regional footprint across Australia, New Zealand, China, Malaysia and Singapore.”*

The Company is currently evaluating the Proposed Transactions and the structure of the Proposed Transactions. The Proposed Transactions are also subject to satisfactory due diligence, relevant valuations being carried out, the receipt of the requisite approvals, and definitive agreements being negotiated, finalised and executed by the parties. As no definitive agreements have been executed yet, there can be no assurance that the Proposed

Transactions will proceed. FEOrchard will provide further details in subsequent announcements in accordance with the Listing Rules at the appropriate times.

Shareholders of the Company 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 the shareholders wish to deal in the shares of the Company, they are advised to seek their own advice and/or consult their own stockbrokers.

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Note: This media release is to be read in conjunction with the Company's announcement released on the SGXnet on the same date.

About Far East Orchard Limited

Far East Orchard Limited, a member of Far East Organization, Singapore's largest private property developer, is an established developer that has delivered a number of successful residential, commercial and hospitality developments. Today, it has a diversified portfolio focusing on property development, hospitality real estate development and management and healthcare real estate space.

As a vertically integrated hospitality operator, Far East Orchard also has the unique capability of developing its own hospitality properties and managing a significant hospitality business. These may be standalone hospitality properties or come under the Company's distinctive "Village", "Oasia" or "Quincy" hospitality brands. The Company operates Singapore's largest hospitality portfolio comprising eight hotels and nine serviced residences, as well as the Sri Tiara Residences in Kuala Lumpur, Malaysia.

Far East Orchard also owns a portfolio of purpose-built medical suites in Novena Medical Center and Novena Specialist Center, which is located in Singapore's premier Novena medical hub. It intends to be the premier private owner, operator and landlord of healthcare space in Singapore.

Issued for and on behalf of Far East Orchard Limited

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