



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

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## UPDATE ON THE USE OF PROCEEDS

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*Unless otherwise defined herein, all capitalised terms used herein have the meanings ascribed to them in the Shareholders' Circular dated 19 June 2012.*

Further to the completion of restructuring of Far East Orchard Limited (formerly known as Orchard Parade Holdings Limited) (the "**Company**") involving the REIT and the Asset Swap Transactions on 27 August 2012, the Board of Directors wishes to announce that out of the proceeds of S\$716.5 million raised from the sale of the Hospitality Assets pursuant to the REIT Transaction, the Company has utilised the proceeds as follows:

- (i) S\$356.4 million to discharge the then existing encumbrances over the Hospitality Assets;
- (ii) S\$58.7 million as part consideration for the Asset Swap Acquisition;
- (iii) S\$9.1 million for the stamp duty chargeable on the Asset Swap Acquisition; and
- (iv) S\$1.0 million for the professional and other fees and expenses incurred by the Company in connection with the Transactions.

The balance of the proceeds of S\$291.3 million will be used (i) for the payment of the Special Dividend which amounts to approximately S\$45.3 million, and (ii) for working capital and to fund the future business needs of the Company and its subsidiaries. The application of the balance of the proceeds will be announced as and when the balance proceeds are materially disbursed.

BY ORDER OF THE BOARD

Chloe Kho Kim Suan  
Company Secretary

20 November 2012