



Stamford Tyres Corporation Ltd
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UPDATE ON USE OF DIVIDEND RECEIVED FROM TYRE PACIFIC (HK) LTD

The Board of Directors of Stamford Tyres Corporation Limited (the "Company") wishes to announce that the Company will utilize another US\$4 million from the US\$14.2 million dividend received out of the net proceeds from the disposal of 40% interest in the issued share capital of SRITP Limited, a British Virgin Islands Company, by Tyre Pacific (HK) Ltd, ("TPHK"), a joint venture company in which the Company owns 50% interest (the "Disposal Proceeds"), for investment in its 40% Joint Venture in India with Sumitomo Rubber Asia (Tyre) Pte Ltd, Falken Tyres India Private Limited, ("FTI") for purposes of capital injection.

The Group has utilized the Disposal Proceeds for the following to-date:-

	US\$ 'million
Balance of net dividend from TPHK (@ July 2012)	10.2
Less: Capital injection into FTI	(4.0)
Balance of net Disposal Proceeds remaining	<u>6.2</u>

The Company will make further announcements via SGXNET when the remaining Disposal Proceeds are materially disbursed.

By Order of the Board

Lo Swee Oi
Company Secretary
20 December 2012