

SUNTEC REIT FINANCIAL RESULTS

For the 4th Quarter and Financial Year ended 31 December 2016



25 January 2017

● Agenda

- 03** FY 16 Highlights
- 05** Financial Highlights
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- 44** FY 17 Focus
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FY16 HIGHLIGHTS

● FY16 Highlights

FY16 Distributable
Income

S\$253.7 million
+0.7% YOY

FY16 DPU

10.003 cents
5.94%¹ yield

177 Pacific Highway,
Sydney

01/8/16
practical completion

Portfolio Occupancy

98.6% Office
97.7% Retail

Secured refinancing

S\$670 million

Southgate Complex,
Melbourne

04/11/16
completed initial 25%
acquisition

All-In Financing Cost

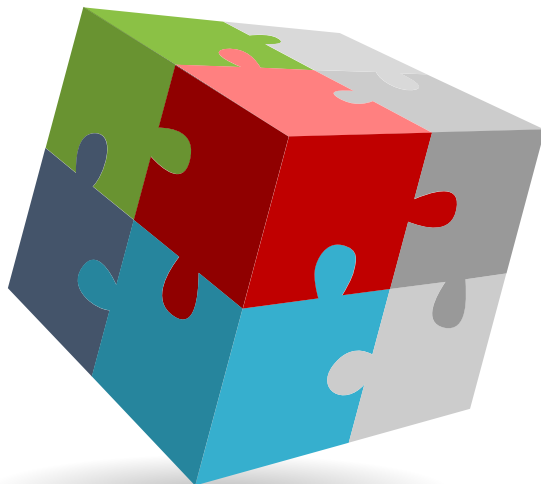
2.56%

AUM

S\$9.5 billion
With 6 prime assets in
Singapore & Australia

9 Penang Road

01/12/16
commenced
redevelopment



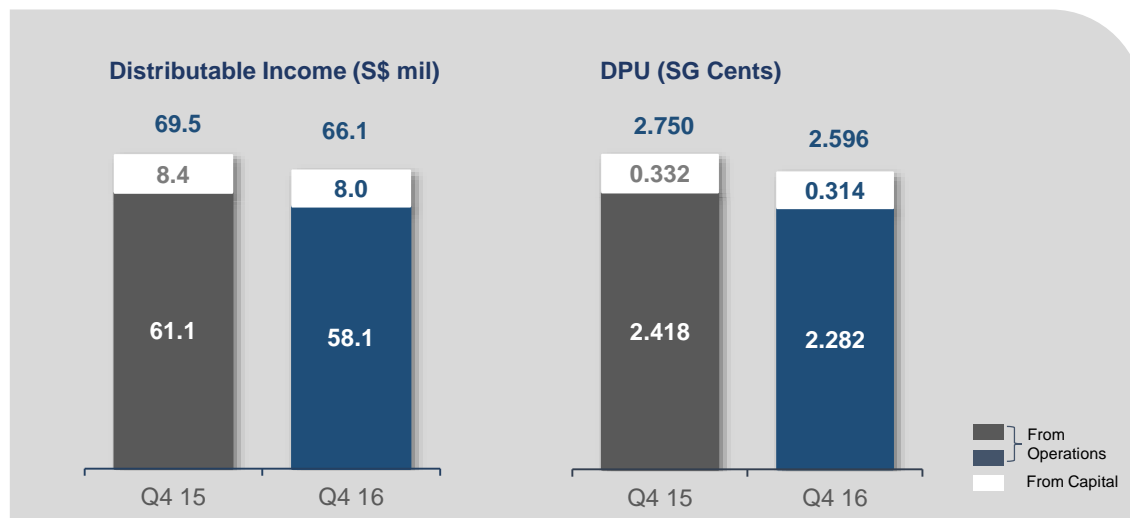
Note:

1. Based on 24/1/17 closing price of S\$1.685 per unit.



FINANCIAL HIGHLIGHTS

• Q4 16 Distributable Income down 4.9% y-o-y



Mainly due to:

- Divestment of Park Mall
- Cessation of income support for MBFC properties
- Offset by higher contribution from 177 Pacific Highway

Financial Highlights

Distributable Income

S\$66.1
million

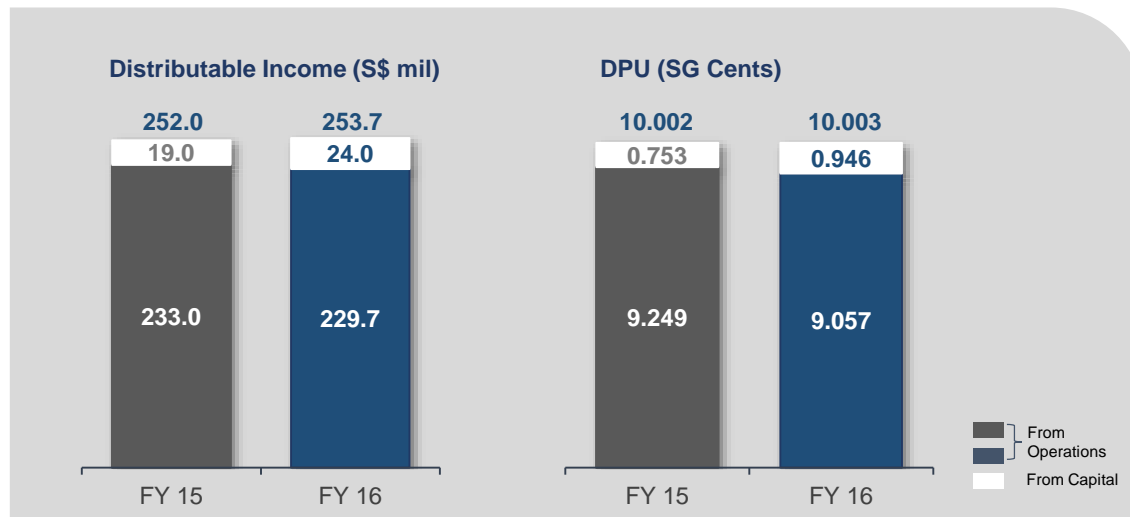
-4.9% y-o-y

Distribution Per Unit

2.596
cents

-5.6% y-o-y

• FY16 Distributable Income up 0.7% y-o-y



Mainly due to:

- Higher contribution from Suntec City mall
- Higher contribution from 177 Pacific Highway
- Capital distribution
- Offset by divestment of Park Mall, and cessation of income support for MBFC properties

Financial Highlights

Distributable Income

S\$253.7
million

+0.7% y-o-y

Distribution Per Unit

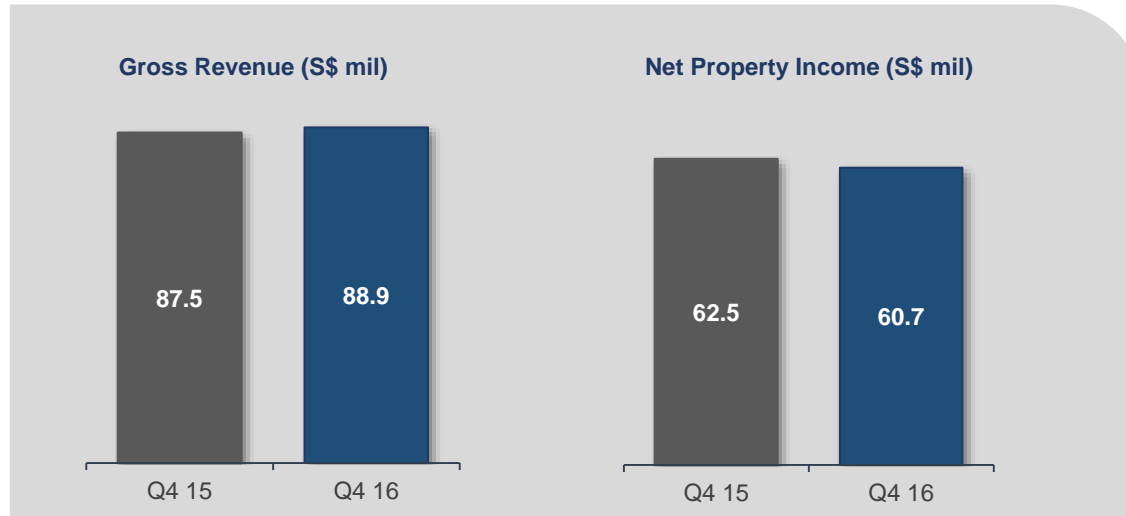
10.003
cents

DPU yield 5.94%¹

Note:

1. Based on 24/1/17 closing price of S\$1.685 per unit.

• Q4 16 Gross Revenue up 1.6% y-o-y



Mainly due to:

- Rental contribution from 177 Pacific Highway
- Offset by divestment of Park Mall and lower revenue from Suntec Singapore

Financial Highlights

Gross Revenue

S\$88.9
million

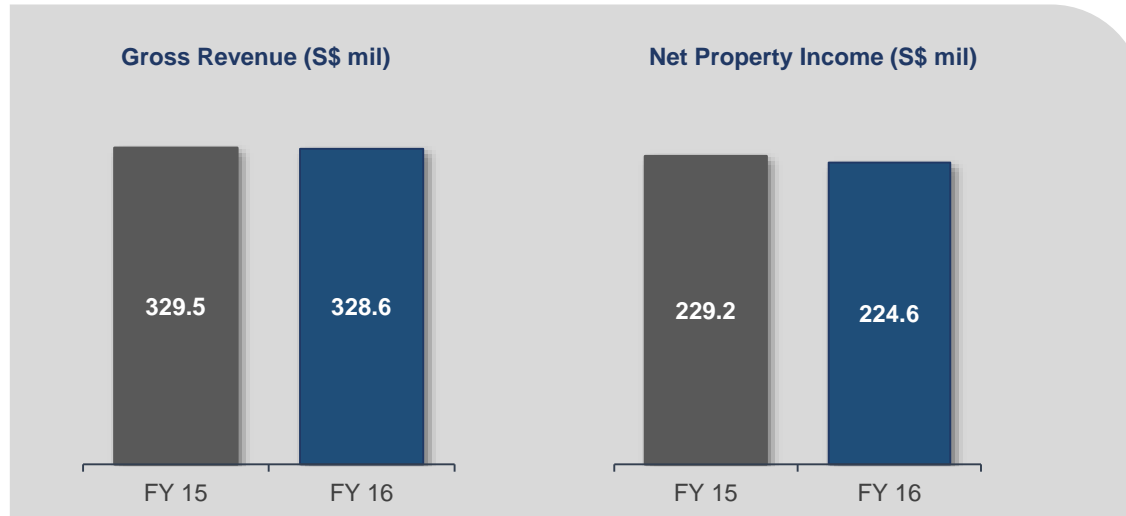
+1.6% y-o-y

Net Property Income

S\$60.7
million

-2.9% y-o-y

• FY16 Gross Revenue down 0.3% y-o-y



Mainly due to:

- Divestment of Park Mall and lower revenue from Suntec Singapore
- Offset by rental contribution from 177 Pacific Highway

Financial Highlights

Gross Revenue

S\$328.6
million

-0.3% y-o-y

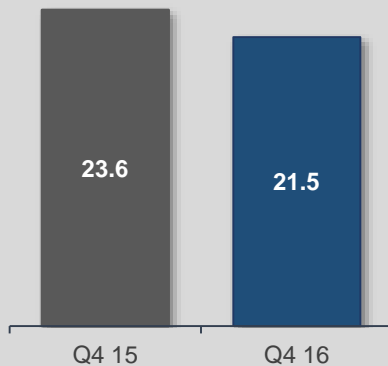
Net Property Income

S\$224.6
million

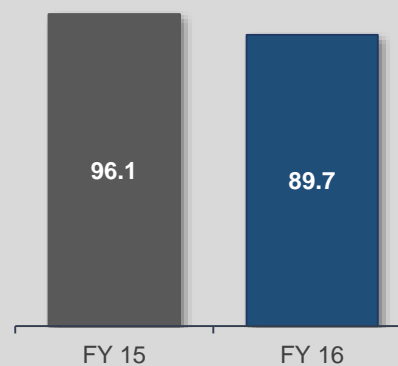
-2.0% y-o-y

● Performance of Joint Ventures

Income Contribution (S\$ mil)



Income Contribution (S\$ mil)



Financial Highlights

Q4 16

S\$21.5
million

-8.5% y-o-y

FY16

S\$89.7
million

-6.6% y-o-y

One Raffles Quay

Higher y-o-y due to better performance

MBFC

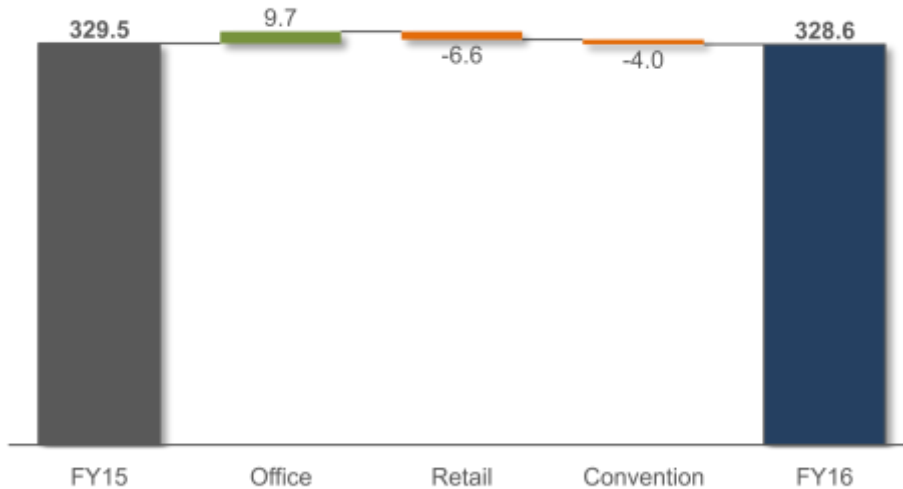
Lower y-o-y due to cessation of income support

Southgate

Acquisition of the initial 25% completed on 4 Nov 2016

● FY16 Gross Revenue by Segment

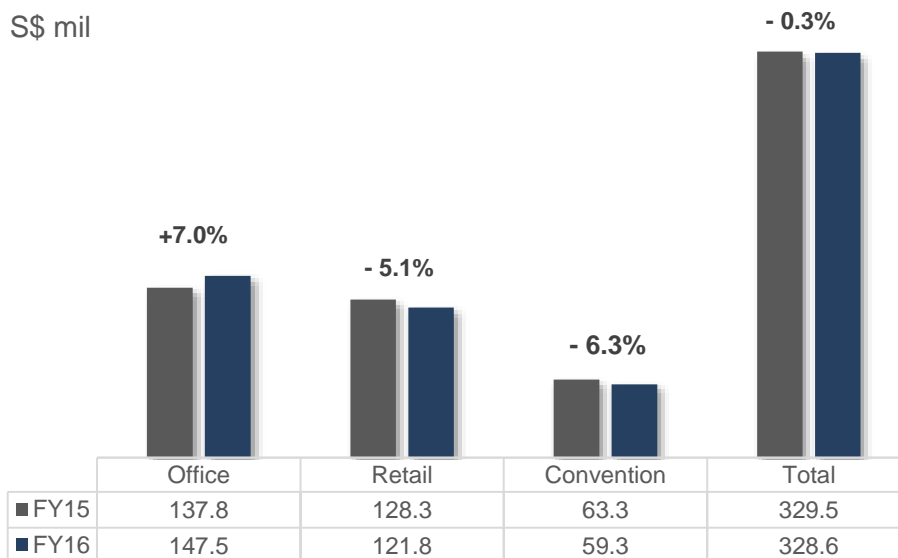
S\$ mil



- Divestment of Park Mall offset by contributions from 177 Pacific Highway & Suntec City

Office	S\$ mil
177 Pacific Highway	14.59
Suntec City	3.80
Park Mall	-8.72
UP	+9.68

S\$ mil

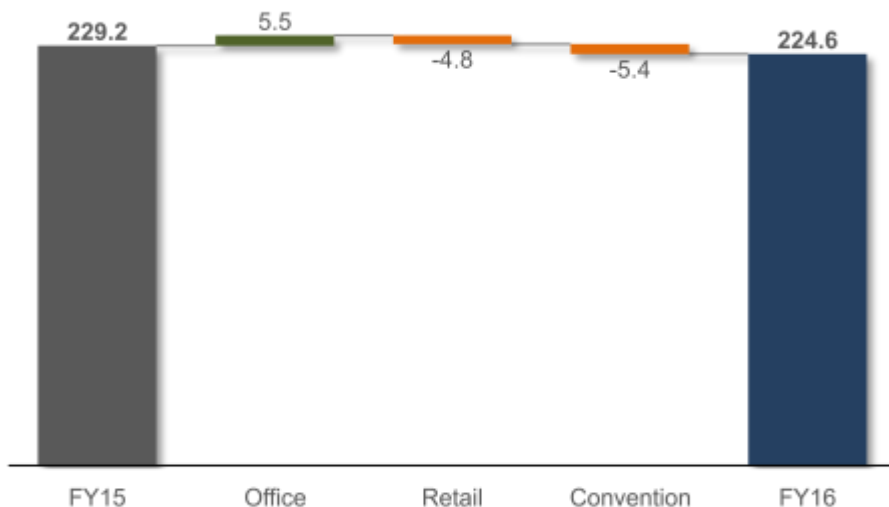


Retail	S\$ mil
Suntec City	11.44
Park Mall	-14.30
Suntec Singapore	-3.75
DOWN	-6.61

- Lower Convention revenue due to one-off events in 2015

● FY16 Net Property Income by Segment

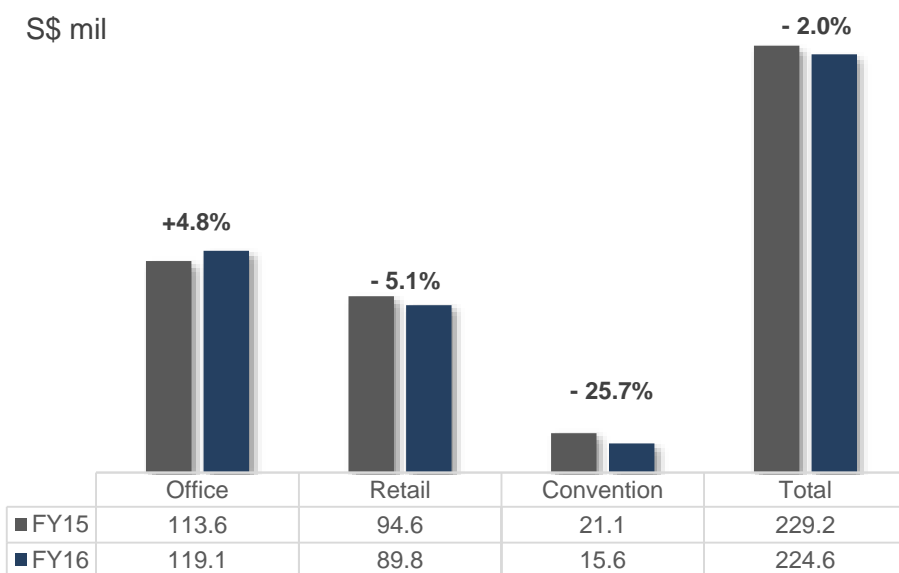
S\$ mil



- Higher Office NPI due to completion of 177 Pacific in FY16, offset by divestment of Park Mall

Office		S\$ mil
177 Pacific Highway		+13.10
Park Mall		-6.06
Suntec City		-1.50
UP		+5.54

S\$ mil

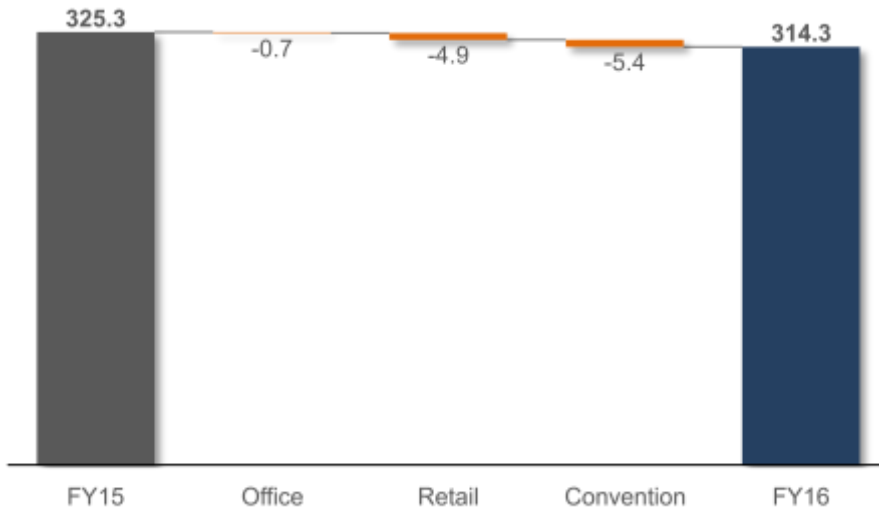


Retail		S\$ mil
Suntec City		+9.28
Park Mall		-9.89
Suntec Singapore		-4.16
DOWN		-4.77

- Lower Convention NPI due to one-off events in FY15

• FY16 Net Property Income & JV Contributions

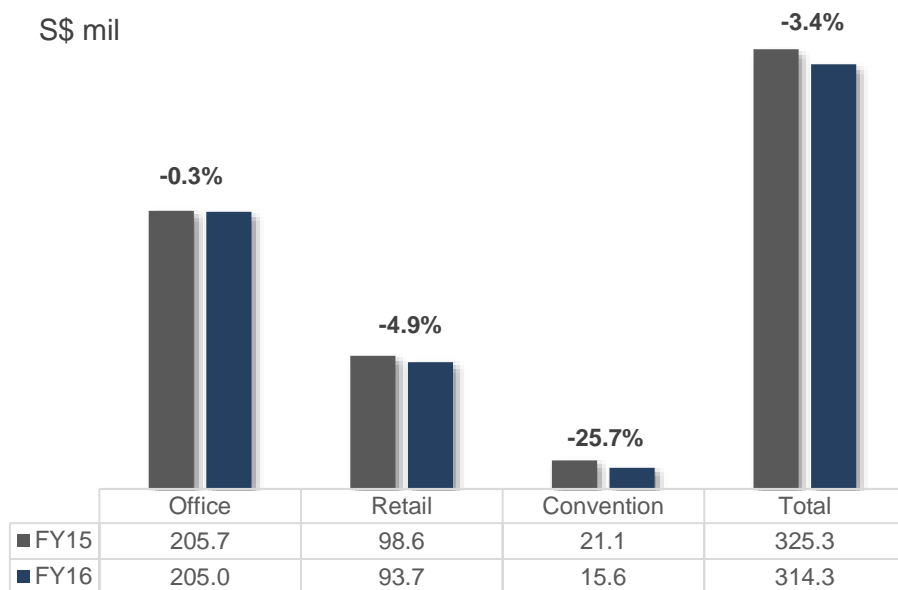
S\$ mil



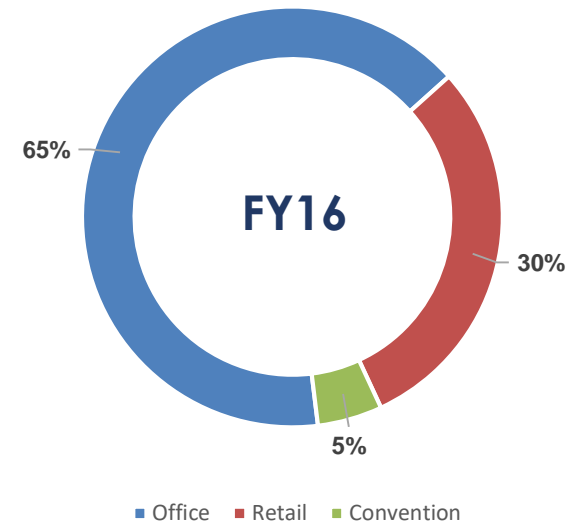
- Lower JV contributions due to cessation of MBFC properties' income support

Office	S\$ mil
MBFC properties	-11.19
ORQ	+3.02
Southgate	+1.93
Others	+5.54
DOWN	-0.70

S\$ mil



- Office portfolio accounts for 65% of NPI & Income



● Balance Sheet & Key Financial Indicators

Balance Sheet	31 Dec 2016
Total Assets	S\$9,093 mil
Total Liabilities	S\$3,500 mil
Net Assets Attributable to Unitholders	S\$5,469 mil
NAV Per Unit ¹	S\$2.147
Adjusted NAV Per Unit ²	S\$2.121

Notes:

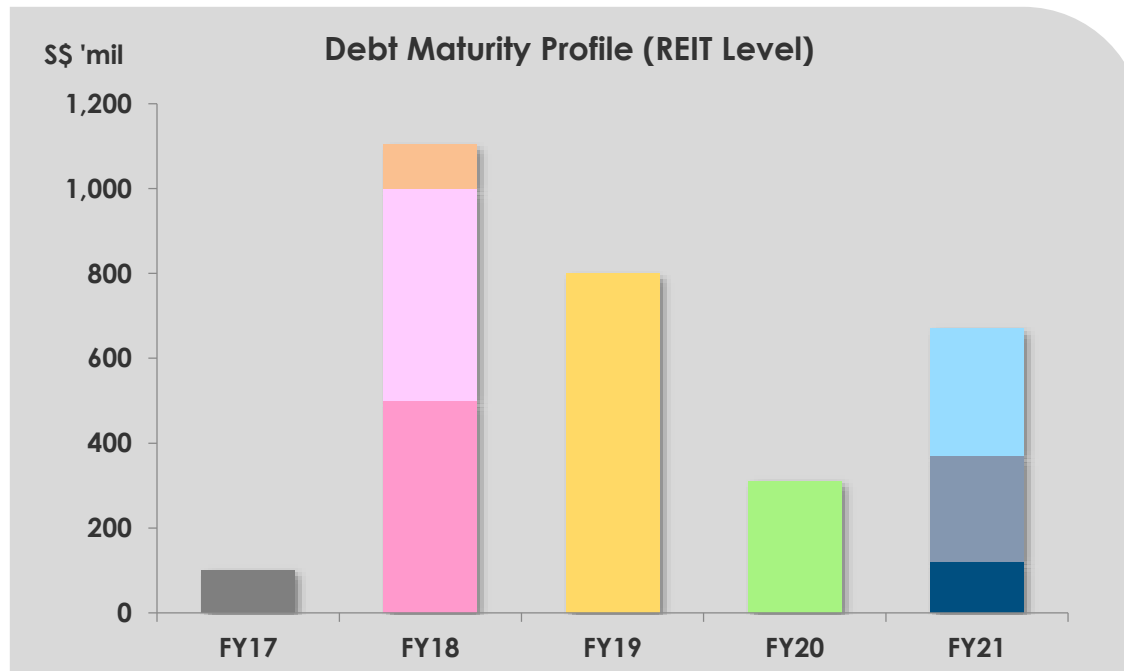
1. Based on 2,547,447,348 units.
2. After DPU adjustment of 2.596 cents for the quarter ended 31 December 2016.

Key Financial Indicators	31 Dec 2016
Total Debt Outstanding (Group)	S\$3,335 mil
Debt-to-Asset Ratio	36.4%
Aggregate Leverage Ratio ¹	37.7%
All-in Financing Cost (Q4 FY16)	2.28%
Interest Coverage Ratio	4.0x
% of Fixed / Hedged Debt	~60%

Note:

1. "Aggregate Leverage Ratio" refers to the ratio of total borrowings (inclusive of proportionate share of borrowings of joint ventures) and deferred payments (if any) to the value of the Deposited Property.

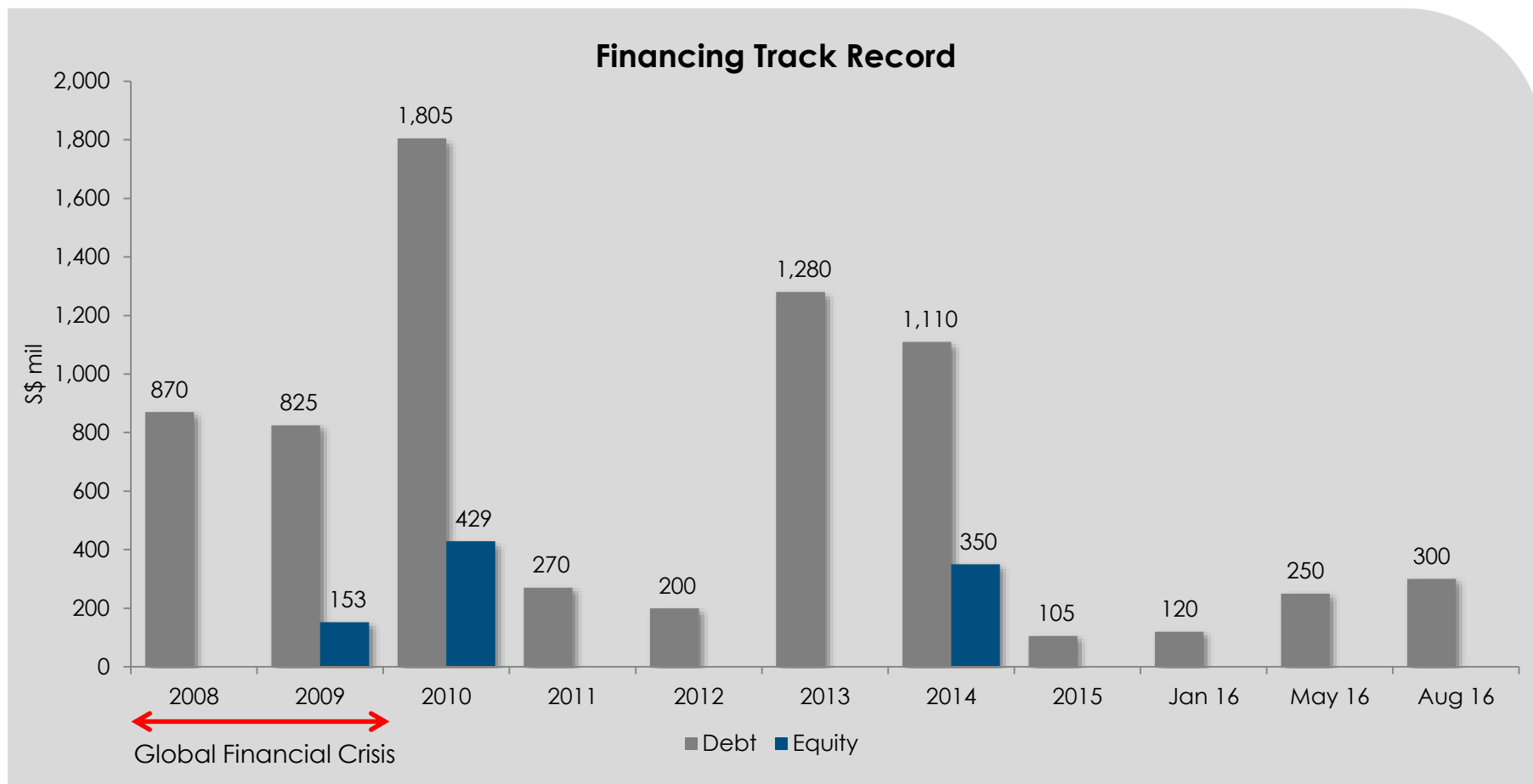
● Proactive Capital Management



- Raised S\$670 million of financing in 2016
- 2017 re-financing needs reduced to S\$100 mil or 3.4% of total borrowings



- **S\$8.1 billion of financing since 2008**



- **All-in financing cost maintained at 2.28% in 4Q FY16**

● Portfolio Valuation

Investment Properties	31 Dec 2015 (\$\$M)	31 Dec 2016 (\$\$M)	31 Dec 2016 (\$\$ psf)	YoY Variation	Cap Rate	Discount Rate
Suntec City Mall *	2,216.8	2,217.4	2,467	0.02%	5%	6.5%
Suntec City Office *	3,000	3,008	2,258	0.27%	4%	6.5%
177 Pacific Highway	371.8	553.4	1,284	48.8%	5.5% (2015: 6%)	7.125% (2015: 7.5%)
Suntec Convention (60.8%) *	189.3	201.2	510	6.3%	6.25%	6.5%
One Raffles Quay (1/3) *	1,263	1,273	2,870	0.79%	3.75%	6%
MBFC Properties (1/3) *	1,682	1,693	2,926	0.65%	3.75%	6%
Southgate Retail (25%)	-	29.5	1,114	-	5.5%	7.5%
Southgate Office (25%)	-	130.9	733	-	6.25%	7%
9 Penang Rd (30%) **	123.5	163.5	-	32.4%	-	-
Total	8,846.4	9,269.9				

* Cap rates and discount rates unchanged YoY.

** Carrying value reflected. The valuation based on Gross Development Value was \$280.5M as of 24 Nov 2016.



OFFICE PORTFOLIO PERFORMANCE

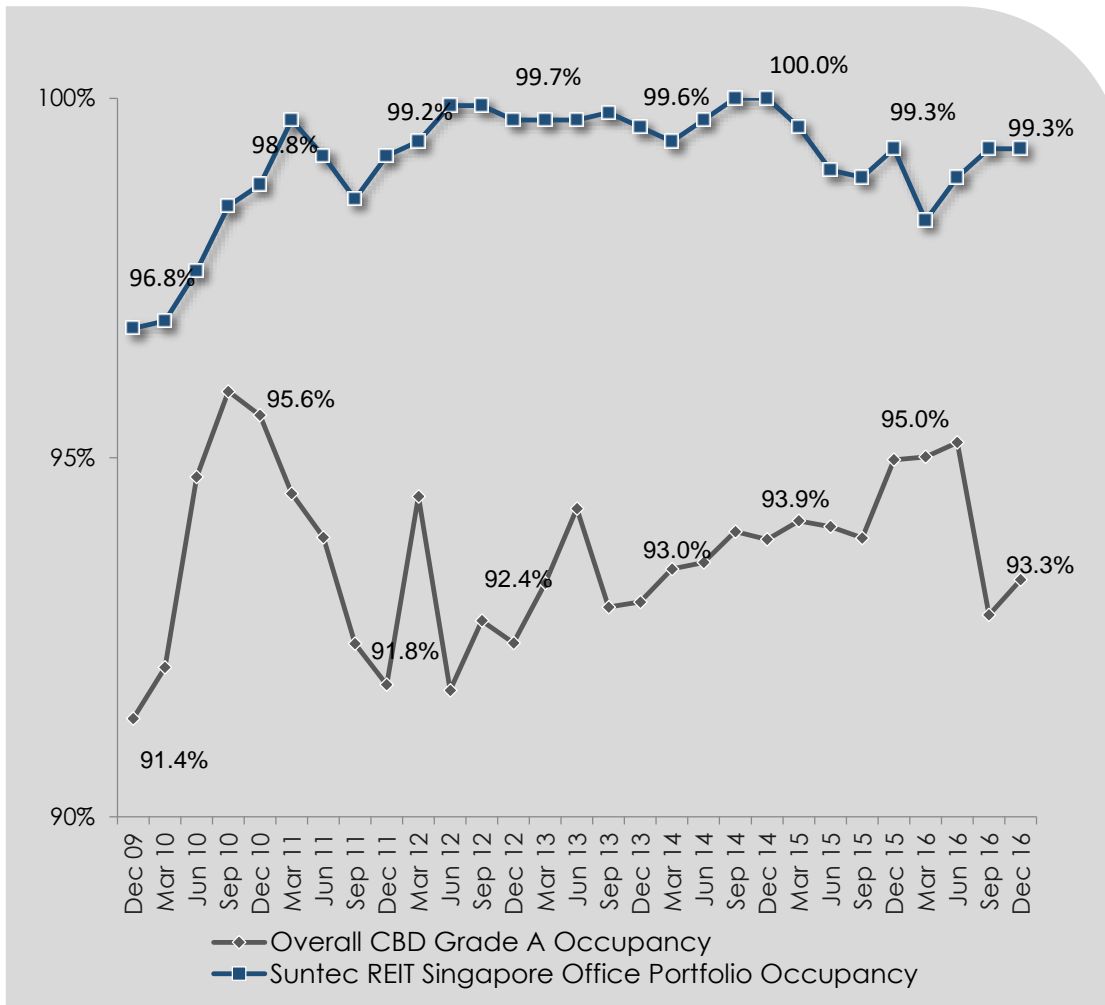
Office Portfolio Summary

Office Portfolio	Suntec City Office	One Raffles Quay (1/3)	MBFC Towers 1 & 2 (1/3)	SG Office Portfolio	177 Pacific Highway	Southgate Complex (25%)	AUS Office Portfolio	Total Office Portfolio
NLA (sq ft)	~1.3 mil	~444,000	~548,000	~2.3 mil	~431,000	~178,000	~610,000	~2.9 mil
Committed Occupancy (%)	98.9 (FY16) 99.3 (FY15)	100 (FY16) 99.8 (FY15)	99.8 (FY16) 99.3 (FY15)	99.3 (FY16) 99.3 (FY15)	100.0 (FY16) - (FY15)	86.1 (FY16) - (FY15)	95.9 (FY16) - (FY15)	98.6 (FY16) 99.4 (FY15)
Gross Revenue (\$ mil)	132.7 (FY16) 128.9 (FY15)	-	-	132.7 (FY16) 128.9 (FY15)	14.6 (FY16) - (FY15)	-	-	147.3 (FY16) 128.9 (FY15)
Net Property Income (\$ mil)	105.5 (FY16) 107.0 (FY15)	-	-	105.5 (FY16) 107.0 (FY15)	13.1 (FY16) - (FY15)	-	13.1 (FY16) - (FY15)	118.6 (FY16) 107.0 (FY15)
Income Contribution from JVs ^{1,2} (\$ mil)	-	29.2 (FY16) 26.1 (FY15)	54.8 (FY16) 66.0 (FY15)	84.0 (FY16) 92.1 (FY15)	-	1.9 (FY16) - (FY15)	1.9 (FY16) - (FY15)	85.9 (FY16) 92.1 (FY15)
% Contribution ³	52% (FY16) 54% (FY15)	14% (FY16) 13% (FY15)	27% (FY16) 33% (FY15)	93% (FY16) 100% (FY15)	6% (FY16) - (FY15)	1% (FY16) - (FY15)	7% (FY16) - (FY15)	100% (FY16) 100% (FY15)

Note:

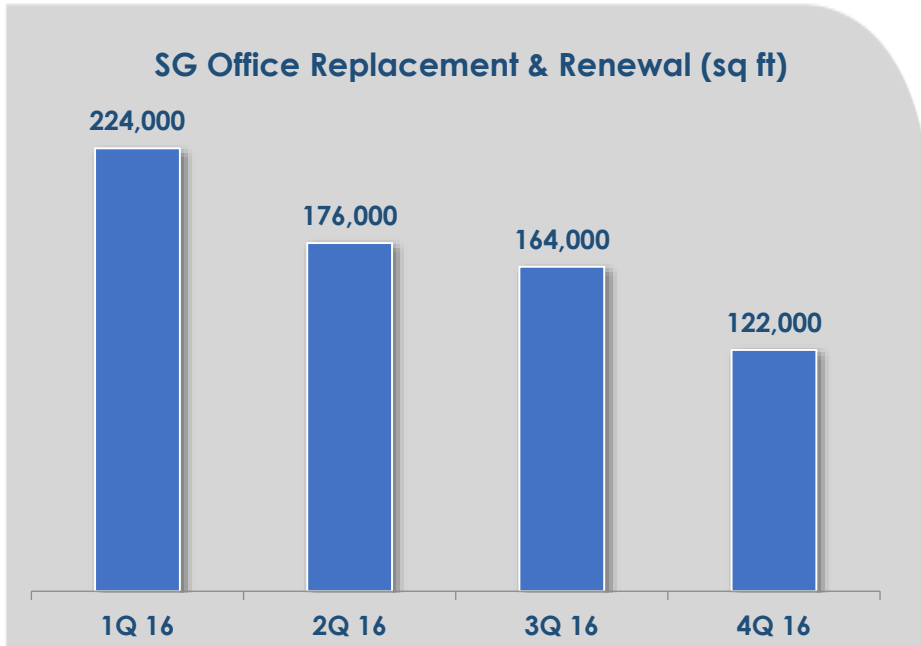
- Refers to One Raffles Quay, MBFC Properties & Southgate Complex
- Total Income contribution from MBFC is based on approx. 93% split between office and 7% retail
- Refers to net property income and income contribution from JVs

• Singapore Office Portfolio



- Achieved committed occupancy of 99.3% versus overall CBD Grade A occupancy of 93.3% in 4Q 2016
- Average rent secured for the quarter was S\$8.65 psf/mth versus overall CBD rent of S\$8.54 psf/mth
- Singapore office market expected to remain under pressure, given the supply coming onstream

● Proactive Leasing Strategy



FY 2016

Total leases signed in 2016 **686,000 sq ft**

% of new leases **39%**

Portfolio Occupancy (as at 31 Dec) **99.3%**

Tenant retention ratio¹ **77.6%²**

Note:

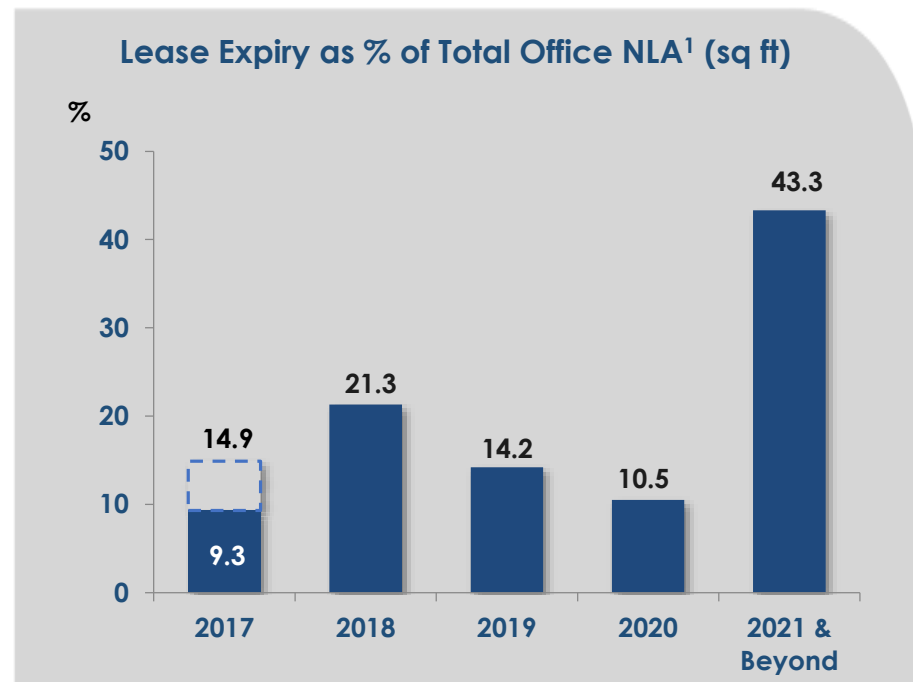
1. Tenant retention ratio = Net lettable area renewed in FY2016 divided by total net lettable area due for renewal in FY2016
2. Including replacement of 2 anchor tenants space, the retention ratio for FY2016 was 65.4%.

Tenants secured in 4Q 16 include:



● FY17 Office Expiring Leases Reduced to 9.3%

Expiry Profile As at 31 Dec 16	Net Lettable Area ¹	
	Sq ft	% of Total
FY 2017	271,325	9.3%
FY 2018	623,125	21.3%
FY 2019	415,238	14.2%
FY 2020	307,750	10.5%
FY 2021 & Beyond	1,267,492	43.3%



- Balance of office leases expiring in FY 2017 reduced to 9.3%
- Portfolio WALE: 4.10 years
 - Singapore Portfolio: 3.22 years
 - Australia Portfolio: 7.63 years

Note:

1. Assumes one third of total office net lettable area of One Raffles Quay and Marina Bay Financial Centre Office Towers 1 and 2 and 25% interest in Southgate Complex

• Suntec City Office maintained high occupancy

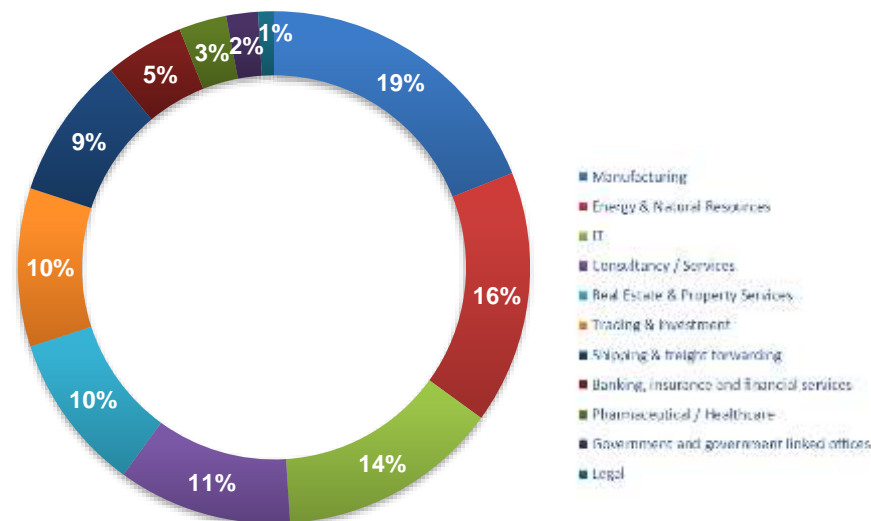


- Committed occupancy maintained at **98.9%** as at 31 Dec16
- Leases secured for the quarter at an average rent of **S\$8.52 psf/mth**
- Retention rate of 80%¹ for FY2016
- **<4%** of total lettable area expiring in 2017 are leases more than 20,000 sq ft

Note:

1. Including replacement of 2 anchor tenants space, the retention ratio for FY2016 was 61%.

Diversified tenant mix for 2017 lease expiries



- **Approx. 50%** of the leases in the Manufacturing, Energy & Natural Resources sectors are in **advanced negotiation**
- **<15%** from **Banking, Insurance and Financial Services** and **Shipping and Freight Forwarding** sectors

● 177 Pacific Highway, North Sydney

- Demonstrated execution and development capabilities
- Received practical completion on 1 Aug 2016
- All tenants expected to move in by Jan 2017
- 100% occupied with WALE of > 8 years

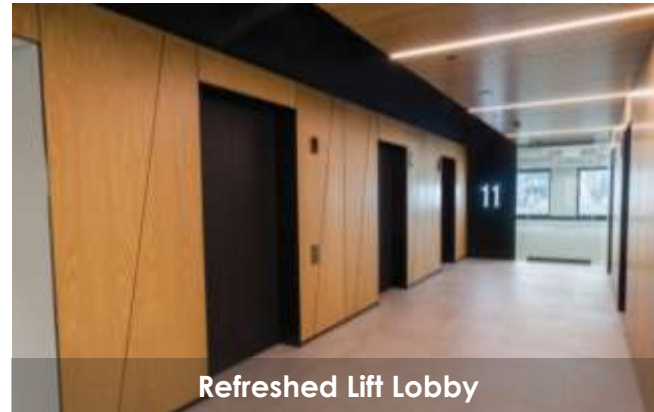


Construction stage



Practical completion received in Aug '16

• Southgate Complex, Melbourne



- Increased presence in Australia with initial acquisition of 25% interest
- Committed office occupancy of 86.1% as at 31 Dec 16
- **Approx. 7% of leases** with Heads of Agreement signed
- Embark on **office refurbishment** to capitalise on the strengthening Melbourne office market



RETAIL PORTFOLIO PERFORMANCE

Retail Portfolio Summary

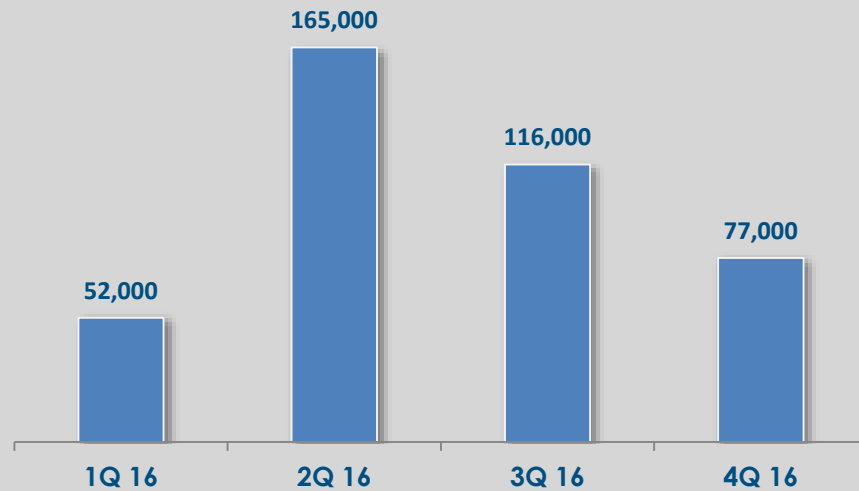
Retail Portfolio	Suntec City Mall	Marina Bay Link Mall (1/3)	SG Retail Portfolio	Southgate Complex (25%)	AUS Retail Portfolio	Total Retail Portfolio
NLA (sq ft)	~0.9mil	~30,000	~0.93mil	~30,000	~30,000	~1.0 mil
Committed Occupancy	97.9 (FY16) 98 (FY15)	97.4 (FY16) 100 (FY15)	97.9 (FY16) 97.9 (FY15)	89.0 (FY16) - (FY15)	89.0 (FY16) -(FY15)	97.7 (FY16) - (FY15)
Gross Revenue (\$\$ mil)	121.5 (FY16) 113.8 (FY15)	-	121.5 (FY16) 113.8 (FY15)	-	-	121.5 (FY16) 113.8 (FY15)
Net Property Income (\$\$ mil)	89.0 (FY16) 83.9 (FY15)	-	89.0 (FY16) 83.9 (FY15)	-	-	89.0 (FY16) 83.9 (FY15)
Income Contribution from JVs ^{1,2} (\$\$ mil)	-	3.9 (FY16) 4.0 (FY15)	3.9 (FY16) 4.0 (FY15)	-	-	3.9 (FY16) 4.0 (FY15)
% Contribution ³	96% (FY16) 94% (FY15)	4% (FY16) 6% (FY15)	100% (FY16) 100% (FY15)	-	-	100% (FY16) 100% (FY15)

Note:

1. Refers to One Raffles Quay, MBFC Properties & Southgate Complex
2. Total Income contribution from MBFC Properties is based on approx. 93% split between office and 7% retail
3. Refers to net property income and income contribution from JVs

• Proactive Leasing Strategy

SG Retail Replacement & Renewal (sq ft)



FY 2016

Total leases signed in 2016 410,000 sq ft

% of new leases 30%

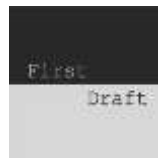
Portfolio Occupancy (as at 31 Dec) 97.9%

Tenant retention ratio¹ 79.0%

Note:

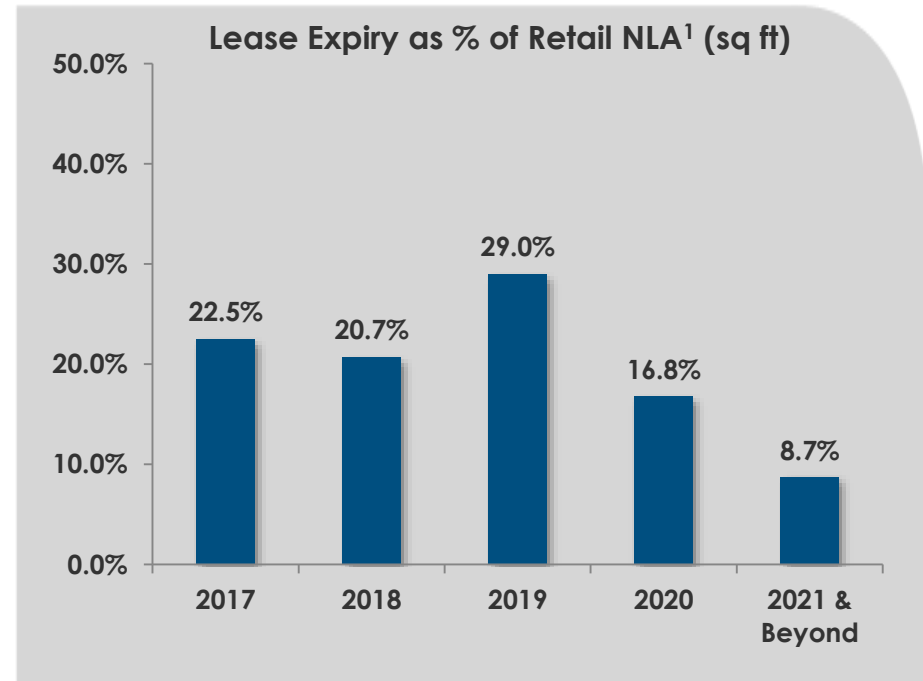
1. Tenant retention ratio = Net lettable area renewed in FY2016 divided by total net lettable area due for renewal in FY2016

Tenants secured in 4Q 16 include:



Retail Lease Expiry Profile

Expiry Profile As at 31 Dec 16	Net Lettable Area ¹	
	Sq ft	% of Total
FY 2017	209,486	22.5%
FY 2018	192,270	20.7%
FY 2019	270,418	29.0%
FY 2020	156,133	16.8%
FY 2021 & Beyond	80,872	8.7%



- Retail leases expiring in FY 2017 at 22.5%
- Portfolio WALE: 2.37 years
 - Singapore Portfolio: 2.26 years
 - Australia Portfolio: 6.68 years

Note:

- Assumes one third of total retail net lettable area of One Raffles Quay, Marina Bay Link Mall , 60.8% interest in Suntec Singapore and 25% in Southgate Complex Retail

• Suntec City Mall

As at 31 Dec 2016

Committed Occupancy	Improved to 97.9%
Overall Committed Rent ¹	Improved to \$11.20 psf/mth
Retention Rate	79%

Note:
1. On a stabilized basis

24.8 million



Year 2011 (Pre-AEI)

34.3 million

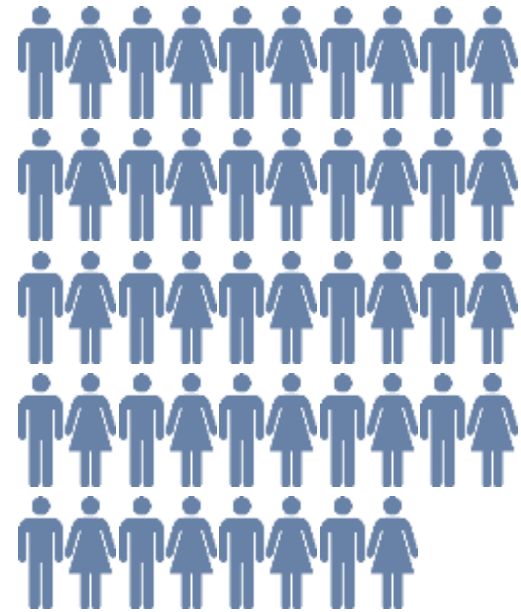
+38.3%



Year 2015

39.9 million

+16.1%



Year 2016

- Suntec City Mall – New Brands



● Suntec City Mall – New Brands



● Suntec City Mall – Marcom Events



• Suntec City Countdown Party 2016



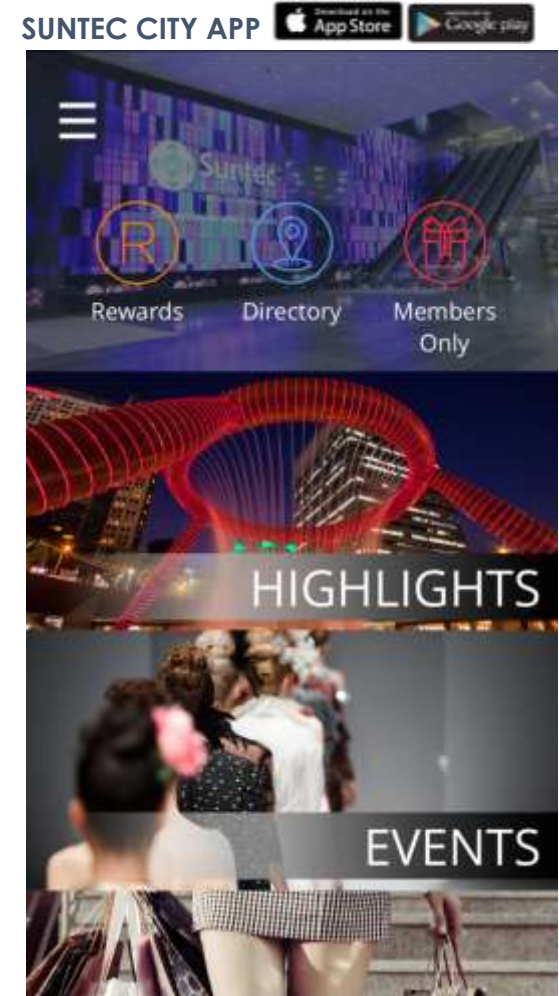
• Suntec Rewards – Over 70,000 members



With deeper **understanding** of shoppers through effective **engagement** & **analytics**, we can drive shopper **stickiness** with increased **frequency** of visits and **spending** per visit.



- More than **70,000** members since launch
- **Winner** of the Loyalty & Engagement Awards 2016
 - Loyalty Programme of the Year (Silver)
 - Best Loyalty Programme – Retailer (Bronze)
- Suntec City's digital platform to bring together the community of retailers, shoppers, PMEBs, tourists and MICE delegates.





CONVENTION PERFORMANCE

● Over 1,400 events held in 2016



Awards & Accolades

- ***"Asia's Leading Meetings & Conference Centre"*** - World Travel Awards
- ***"Best Convention & Exhibition Centre"*** - TTG Asia
- ***"Convention & Exhibition Centre in Singapore"*** - CEI Asia
- ***"Best Corporate MICE Venue"*** - HRM



• Suntec Singapore – 2017 events



First-in-Singapore events



Partnership for
nature and people

BIRDLIFE WORLD CONGRESS 2017
9-14 OCTOBER 2017 | SUNTEC SINGAPORE





9 Penang Road

● 9 Penang Road

30% interest in new Grade A commercial building (formerly known as Park Mall)

NLA

- Office
- Retail
- Towers 1 & 2: Approx. 352,000 sq ft
- Approx. 15,000 sq ft

No. of Floors

- Office
- Retail
- 8 (Levels 3 to 10)
- 1 (Level 1)

Project Schedule

- Premises taken back on 30 Sep 16 for redevelopment works
- Demolition works commenced on 1 Dec 16
- Target to complete by end 2019

Development cost

- Approx. S\$800 mil

Land Lease

- Obtained approval for extension to 99 years

*Joint venture between Haiyi Holdings Pte. Ltd.,
Singhaiyi Group Ltd. and Suntec REIT*



Artist's impression

- 9 Penang Road



View from Penang Road

Artist's impression

● 9 Penang Road

Retail and walkway →



Green Open Space at eastern corner →



● 9 Penang Road



Entrance from Fort Canning Road



Vehicle Drop-off at Office Lobby 2nd Storey



southgate

FY17 FOCUS

● FY17 Focus

Office

- Proactive management to maintain high occupancy
- Strengthen office proposition

Retail

- Proactive management to improve occupancy, rent, tenancy mix, shopper experience, footfall & tenant sales

Convention

- Target new and first time events to Singapore and optimise the mix of event types
- Entrench market leadership through innovative new services

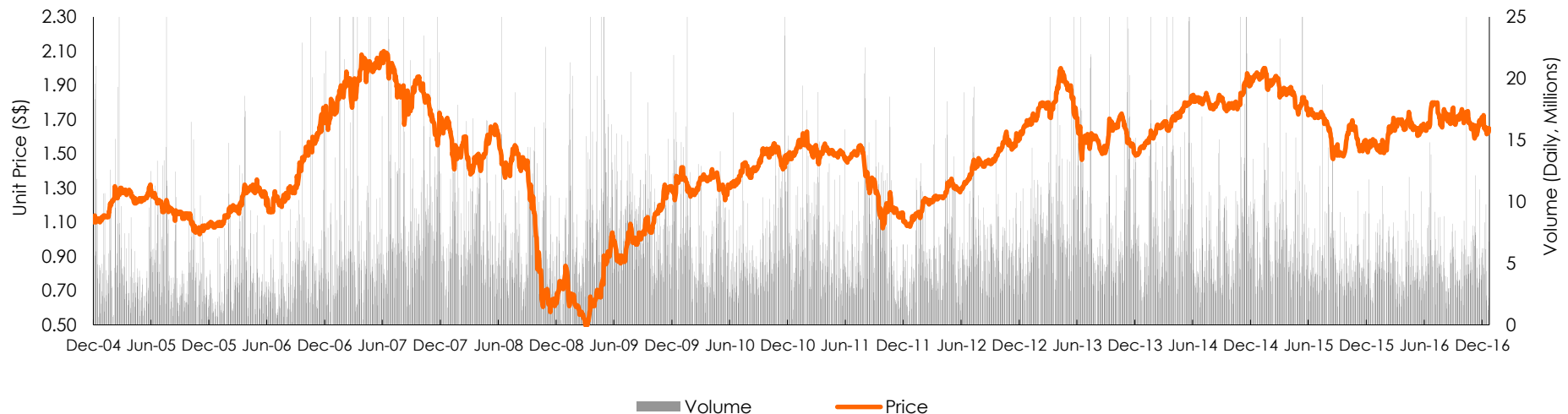




UNIT PERFORMANCE

• Unit Performance

- FY2016 DPU of **10.003 cents**
- Trading yield of **6.06%**¹
- Market Capitalisation of S\$4.2 billion¹ as at 31 December 2016
- **39th largest company**² on SGX

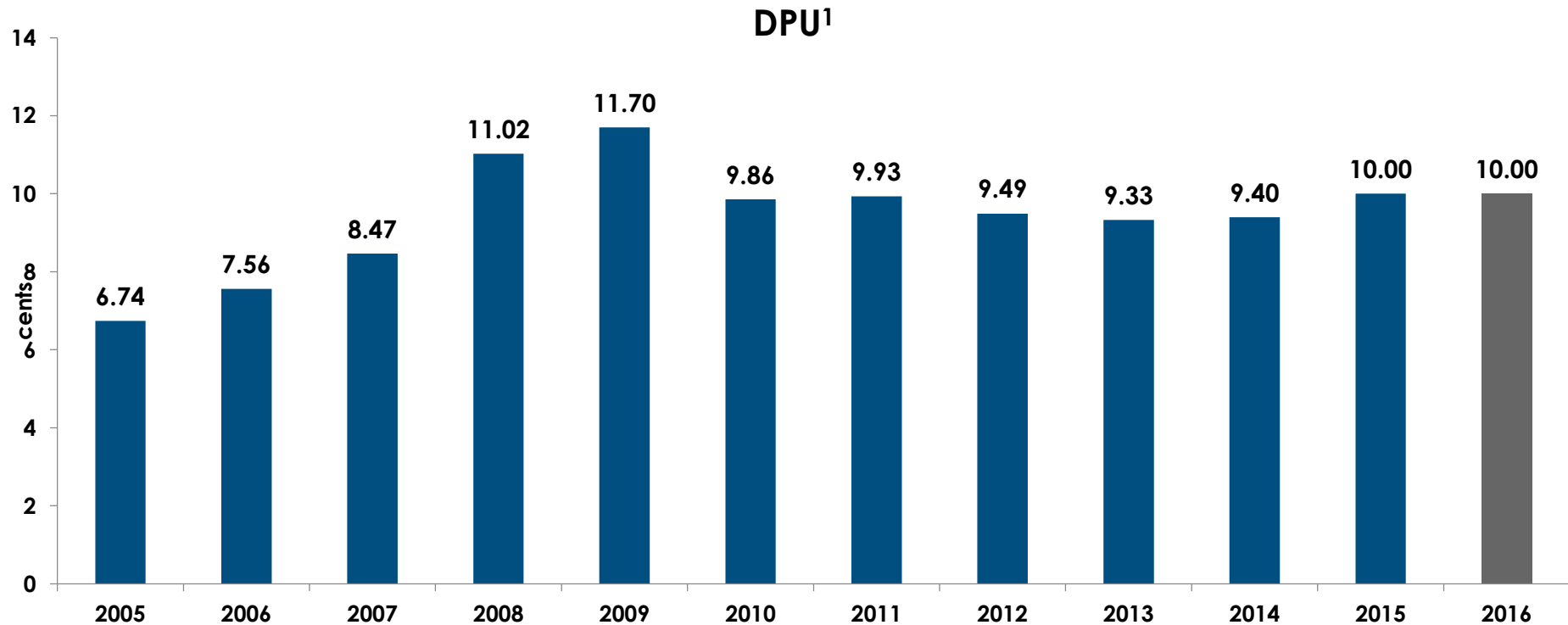


Notes:

1. Based on the share price of S\$1.65 as at 31 December 2016.
2. Based on the market capitalisation as at 31 December 2016.

Source: ARATMS

● Delivering Stable, Sustainable DPU



- **12-years track record** of **delivering stable returns** throughout the property market cycles
- FY16 DPU of 10.003 cents

Note:

1. Based on calendar year

- Established Track Record

FY 16 DPU ————— 10.003 cents

Total DPU since IPO ————— 113.5 cents

Total Return for IPO Unitholders ————— 178.5%



- **Distribution Timetable**

Distribution Payment	
Distribution Period	1 October – 31 December 2016
Amount (cents/unit)	2.596

Ex-date	1 February 2017
Books closure date	3 February 2017
Payment date	28 February 2017

THANK YOU



● Contact

Ng Ee San

Director, Finance
eesanng@ara.com.hk

Chan Kong Leong

Chief Executive Officer
kongleongchan@ara.com.hk

Melissa Chow

Manager, Investor Relations
melissachow@ara.com.hk

#16-02 Suntec Tower 4
6 Temasek Boulevard
Singapore 038986

Tel: +65 6835 9232
Fax: +65 6835 9672

www.suntecreit.com
www.ara-asia.com



• About Suntec REIT

6 QUALITY ASSETS STRATEGICALLY LOCATED IN SINGAPORE & AUSTRALIA

SINGAPORE

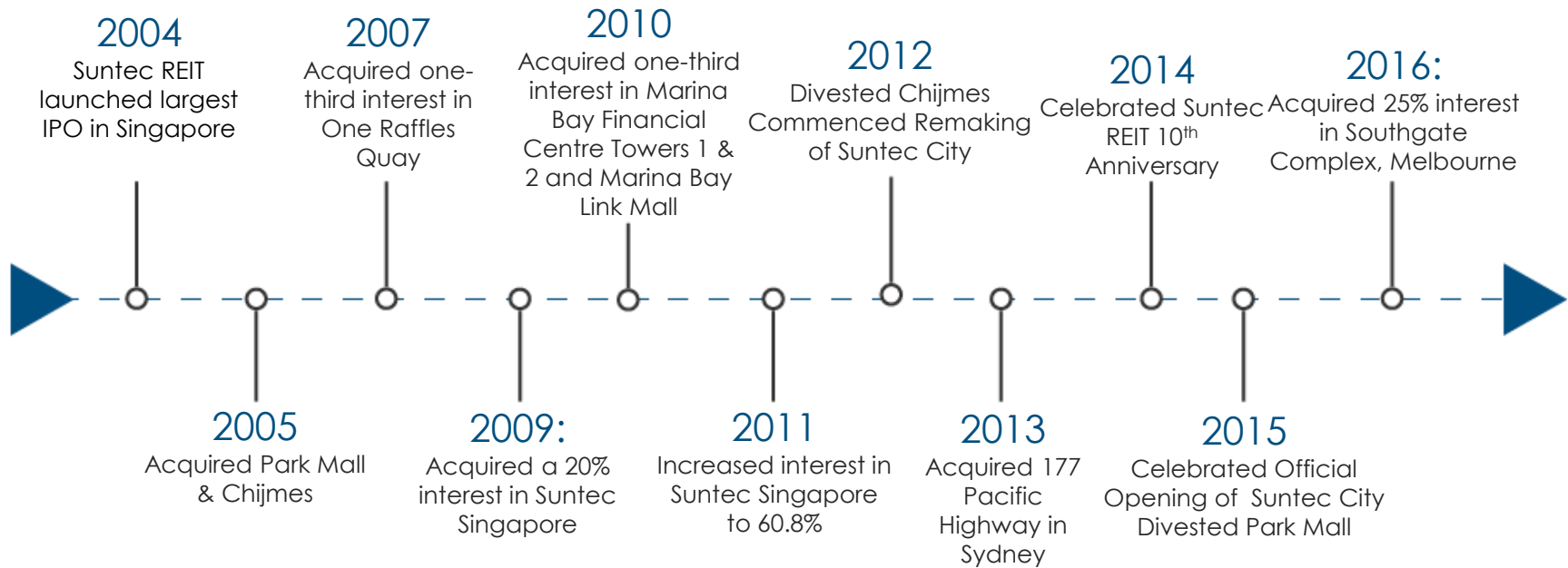
SYDNEY

MELBOURNE



- Listed on **9 Dec 2004** on the SGX-ST
- High quality **office** assets, complemented by **retail** and **convention** components
- **4** properties in Singapore, **1** property in Sydney & **1** property in Melbourne

• Milestones



● Disclaimer

This presentation is focused on the comparison of actual results for the quarter ended 31 December 2016 versus results achieved for the quarter ended 31 December 2015. It should be read in conjunction with Paragraph 8 of Suntec REIT's financial results for the quarter ended 31 December 2016 announced on SGXNET.

The information included in this release does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for units in Suntec REIT ("**Units**") in Singapore or any other jurisdiction.

This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in the expected levels of occupancy rates, property rental income, changes in operating expenses, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Past performance is not necessarily indicative of future performance. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of Suntec REIT. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.

IMPORTANT NOTICE

1. The value of Units and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, ARA Trust Management (Suntec) Limited (as the manager of Suntec REIT) (the "Manager") or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.
2. Investors should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.
3. The past performance of Suntec REIT is not necessarily indicative of the future performance of Suntec REIT.