

SUNTEC REIT FINANCIAL RESULTS

For the 1st Quarter ended 31 March 2017



26 April 2017

● Agenda

- 03** Q1 17 Highlights
- 05** Financial Highlights
- 15** Office Portfolio Performance
- 22** Retail Portfolio Performance
- 29** Convention Performance
- 32** 9 Penang Road Development
- 34** FY 17 Focus
- 36** Unit Performance



Q1 17 HIGHLIGHTS

● Q1 17 Highlights

Q1 17 Distributable Income

S\$61.8 million

+3.1% YOY

Q1 17 DPU

2.425 cents

+2.3% YOY

Annualised yield

5.60%¹

Secured **S\$100** million

3.025%, 5-yr MTN

Completed 2017

refinancing needs

2.42%

All-In Financing Cost

Portfolio Occupancy

98.9% Office

98.0% Retail

Suntec City Mall

Footfall

+7.3% YOY

Note:

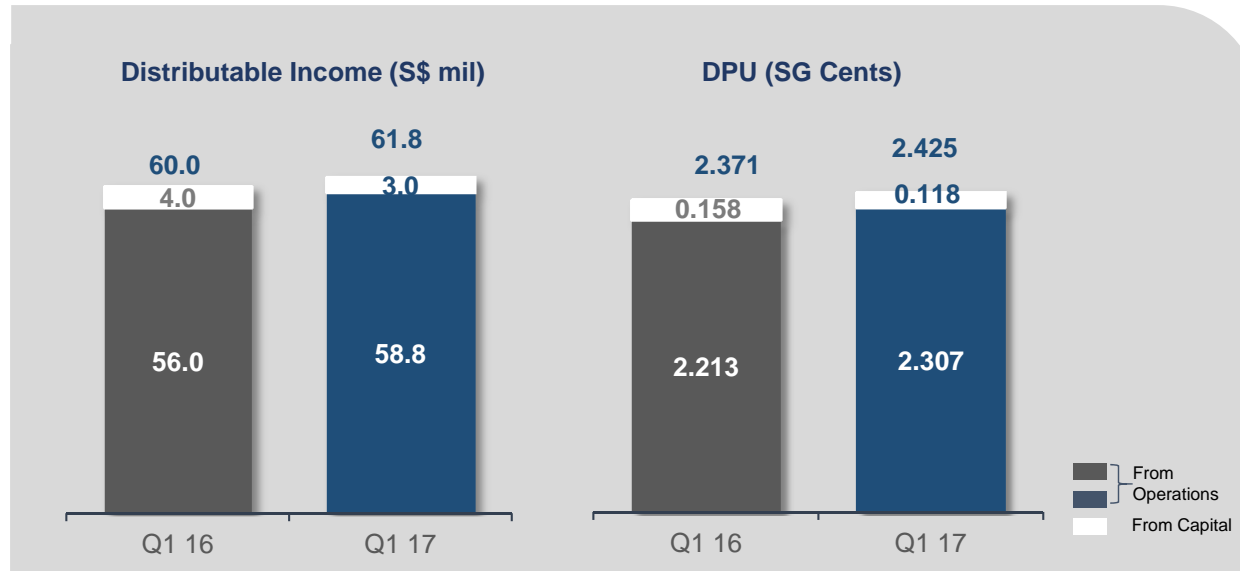
1. Based on 25/4/17 closing price of S\$1.755 per unit.





FINANCIAL HIGHLIGHTS

• Q1 17 Distributable Income up 3.1% y-o-y



Mainly due to:

- Higher contribution from 177 Pacific Highway
- Contribution from Southgate Complex

Financial Highlights

Distributable Income

\$61.8
million

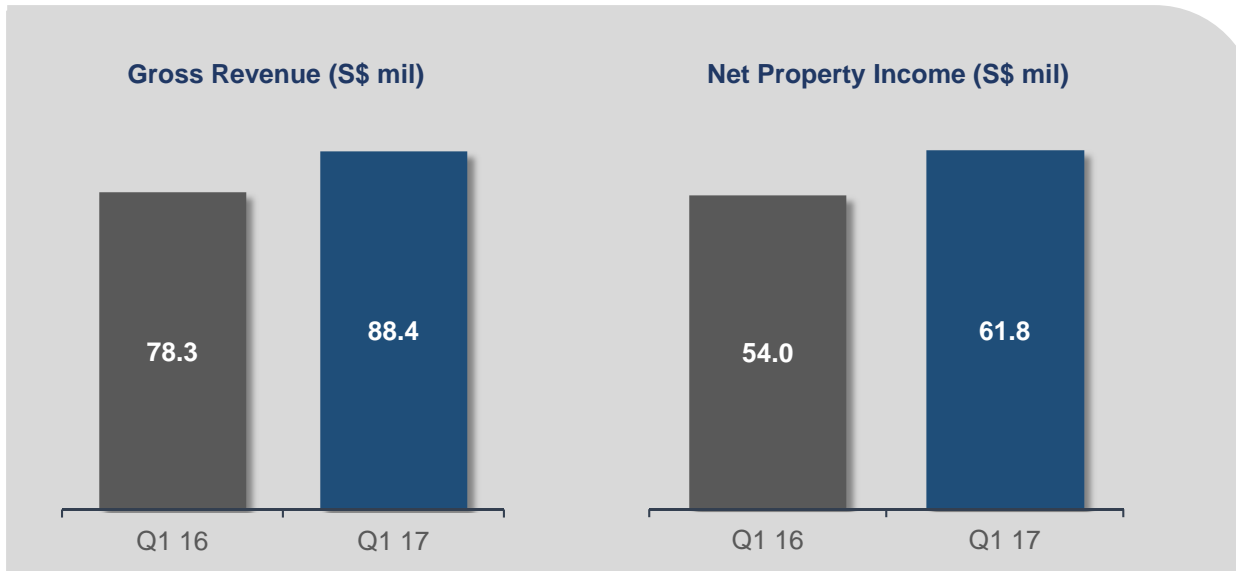
+3.1% y-o-y

Distribution Per Unit

2.425
cents

+2.3% y-o-y

• Q1 17 Gross Revenue up 12.9% y-o-y



Mainly due to:

- Rental contribution from 177 Pacific Highway

Financial Highlights

Gross Revenue

S\$88.4
million

+12.9% y-o-y

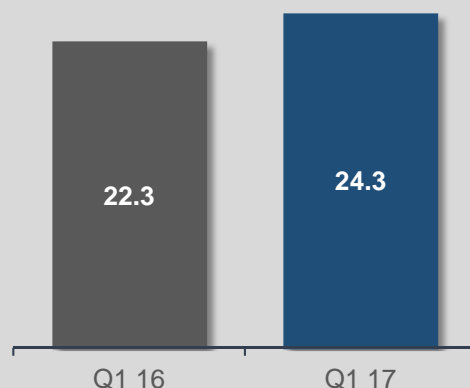
Net Property Income

S\$61.8
million

+14.6% y-o-y

● Performance of Joint Ventures

Income Contribution (S\$ mil)



One Raffles Quay

Higher y-o-y due to one-offs in Q1 17

MBFC Properties

Lower y-o-y due to one-offs in Q1 16

Southgate

Acquisition of the initial 25% completed in Nov 2016

Financial Highlights

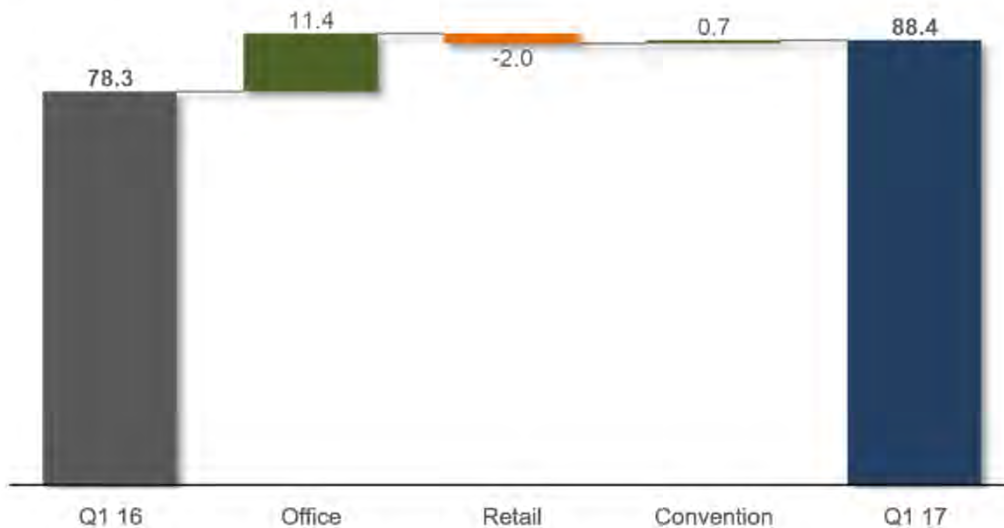
Q1 17

S\$24.3
million

+9.2% y-o-y

• Q1 17 Gross Revenue by Segment

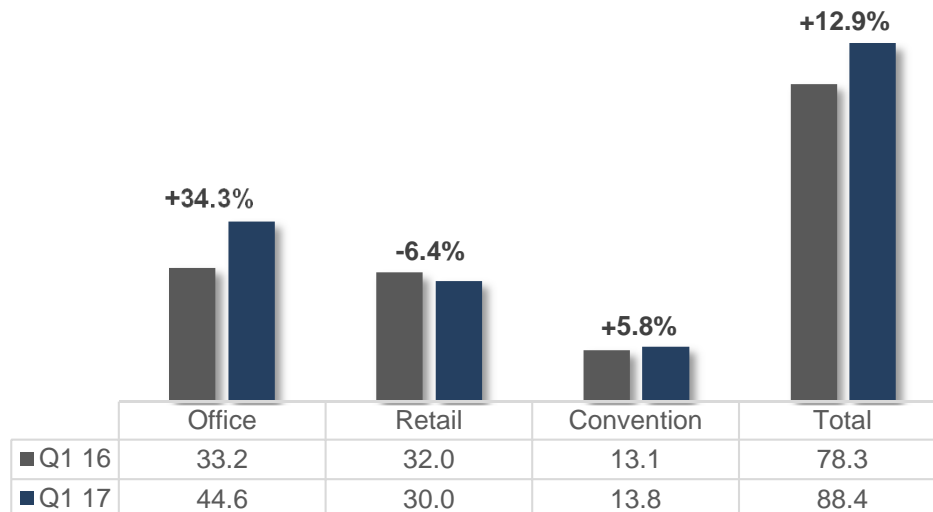
S\$ mil



- Contribution from 177 Pacific Highway partially offset by lower retail revenue

Office	S\$ mil
177 Pacific Highway	+10.71
Suntec City	+0.70
Park Mall	-0.01
UP	+11.40

S\$ mil

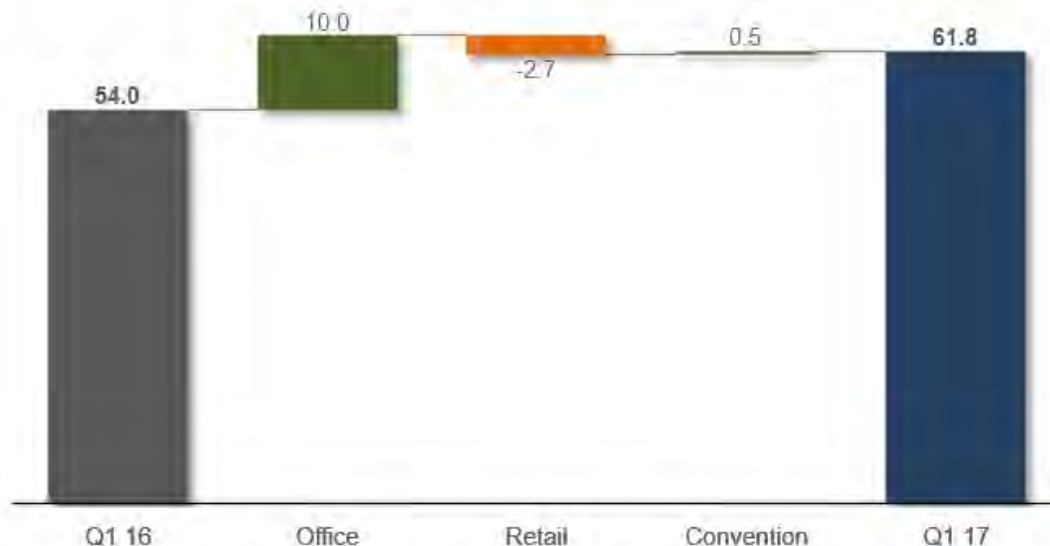


Retail	S\$ mil
Suntec Singapore	-1.45
Suntec City	-0.60
Park Mall	-0.01
DOWN	-2.06

- Higher convention revenue due to larger events held

• Q1 17 Net Property Income by Segment

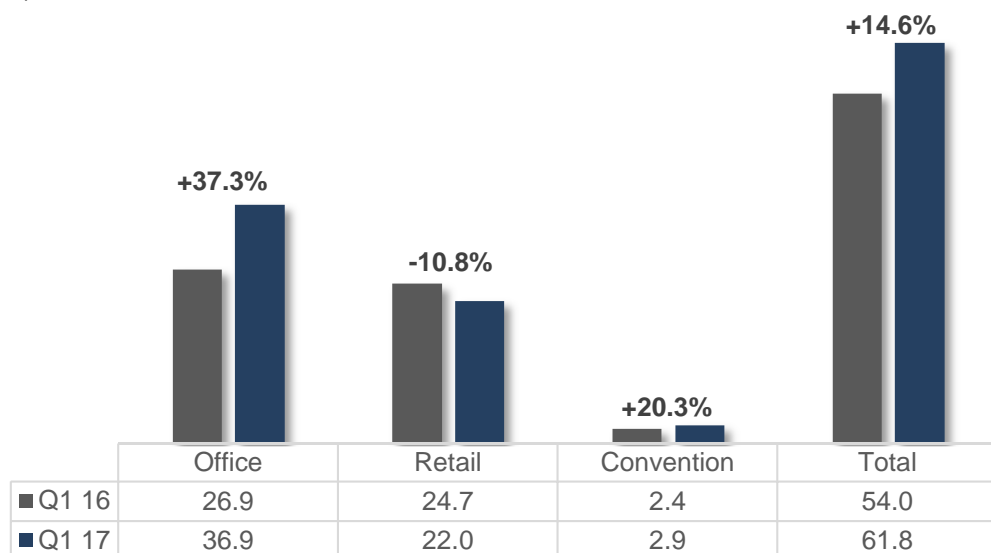
S\$ mil



- Higher office NPI due to completion of 177 Pacific Highway

Office	S\$ mil
177 Pacific Highway	+9.50
Suntec City	+0.70
Park Mall	-0.15
UP	+10.05

S\$ mil

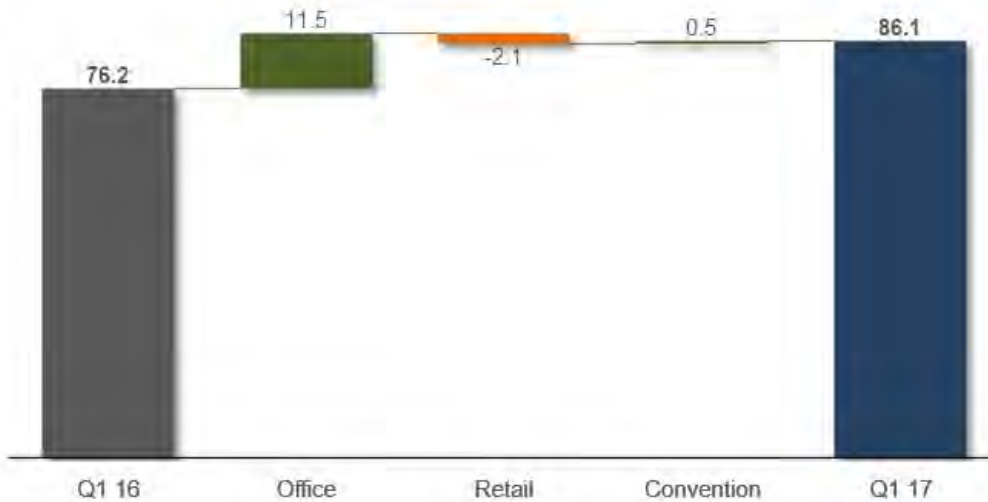


Retail	S\$ mil
Suntec Singapore	-1.54
Suntec City	-1.12
Park Mall	-0.01
DOWN	-2.67

- Higher convention NPI due to larger events held

• Q1 17 Net Property Income & JV Contributions

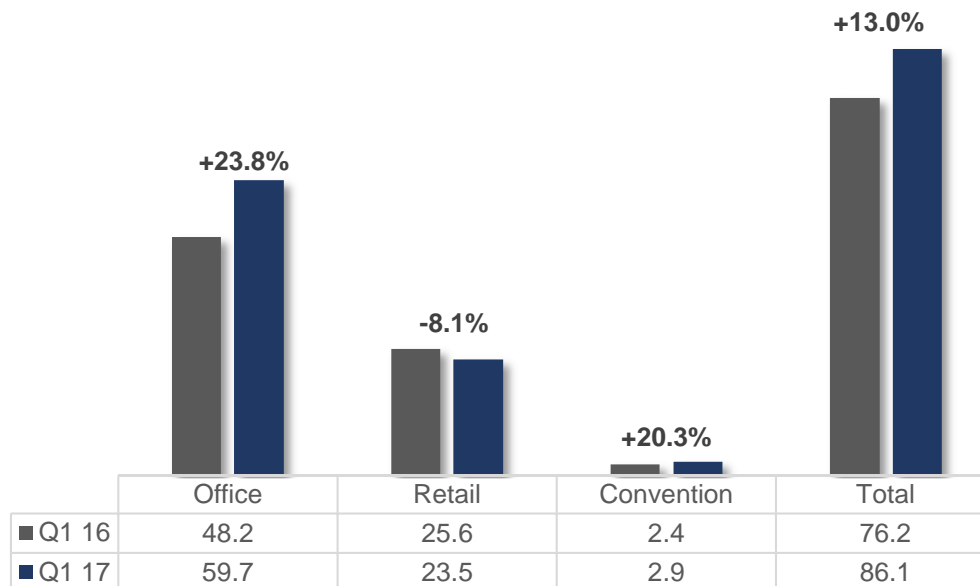
S\$ mil



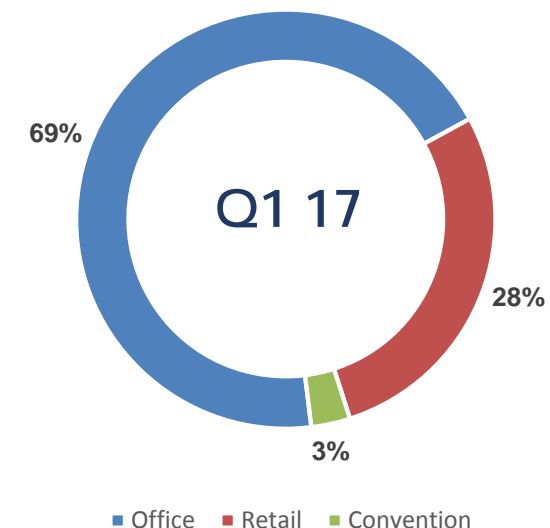
- Higher JV contributions mainly due to inclusion of Southgate Complex

Office	S\$ mil
ORQ	+1.99
Southgate	+1.37
MBFC properties	-1.91
Others	+10.05
UP	+11.50

S\$ mil



- Office portfolio accounts for 69% of NPI & Income



● Balance Sheet & Key Financial Indicators

Balance Sheet	31 Mar 2017
Total Assets	S\$9,097 mil
Total Liabilities	S\$3,504 mil
Net Assets Attributable to Unitholders	S\$5,470 mil
NAV Per Unit ¹	S\$2.145
Adjusted NAV Per Unit ²	S\$2.120

Key Financial Indicators	31 Mar 2017
Total Debt Outstanding (Group)	S\$3,335 mil
Debt-to-Asset Ratio	36.4%
Aggregate Leverage Ratio ¹	37.7%
All-in Financing Cost	2.42%
Interest Coverage Ratio	4.3x
% of Fixed / Hedged Debt	~65%

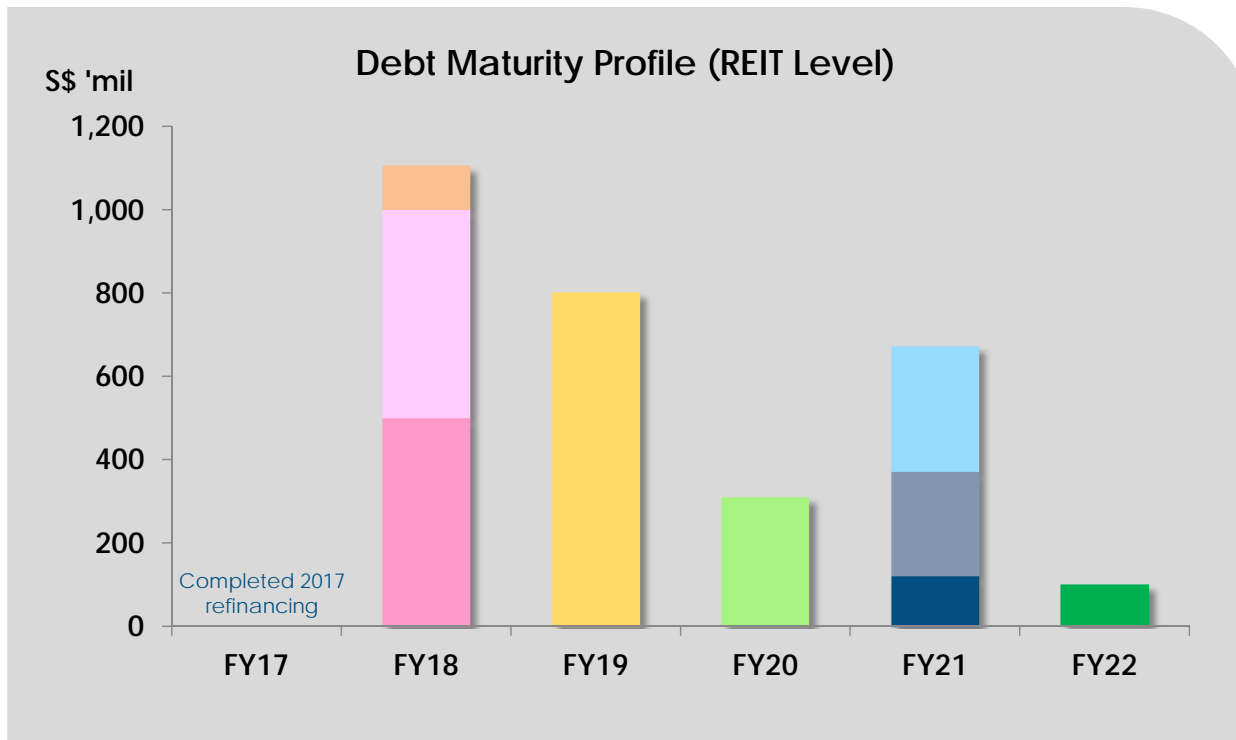
Notes:

1. Based on 2,550,602,002 units.
2. After DPU adjustment of 2.425 cents for the quarter ended 31 March 2017.

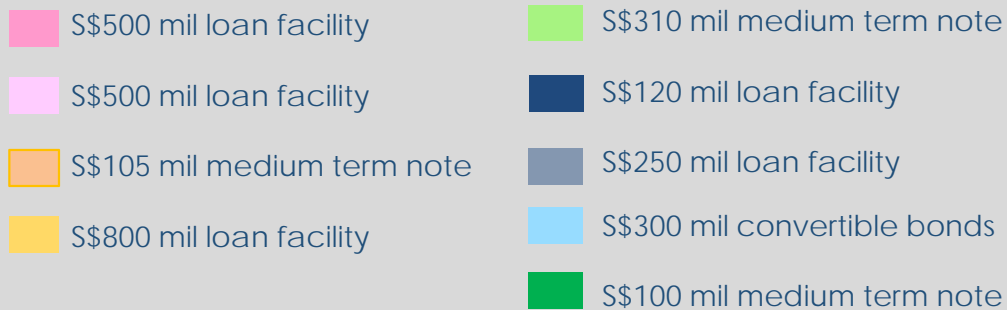
Note:

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.

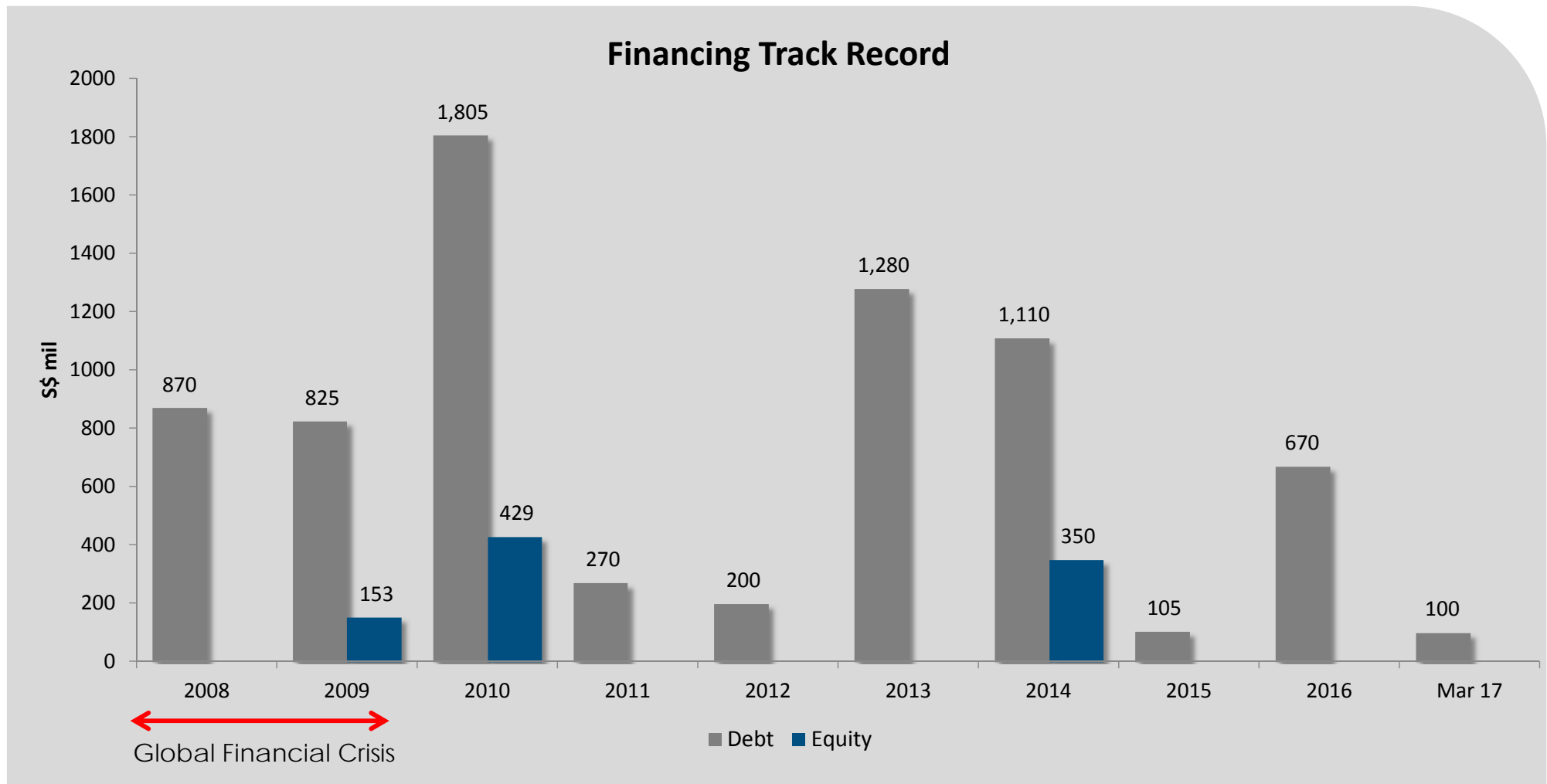
● Proactive Capital Management



- Secured S\$100 mil 5-yr 3.025% medium term notes
- Completed 2017 refinancing needs
- Looking into early re-financing of 2018 loans
- Weighted average debt to maturity - 2.56 years



- **\$8.2 billion of financing since 2008**



- **All-in financing cost of 2.42% for 1Q FY17**



OFFICE PORTFOLIO PERFORMANCE

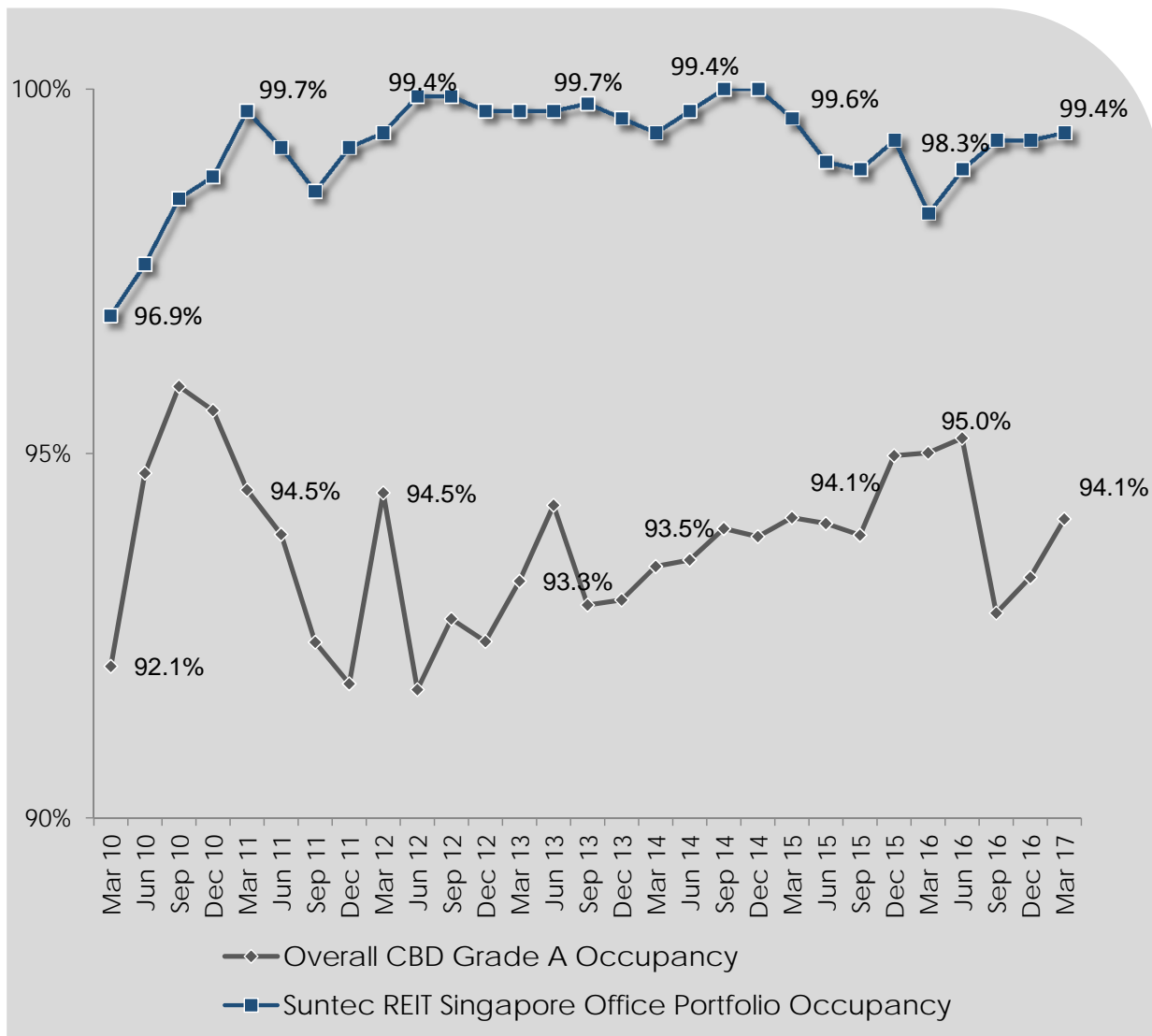
Office Portfolio Summary

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 (%)	99.0 (Q1 17) 97.5 (Q1 16)	100 (Q1 17) 99.8 (Q1 16)	99.8 (Q1 17) 99.3 (Q1 16)	99.4 (Q1 17) 98.3 (Q1 16)	100.0 (Q1 17) - (Q1 16)	89.7 (Q1 17) - (Q1 16)	97.0 (Q1 17) - (Q1 16)	98.9 (Q1 17) 98.3 (Q1 16)
Gross Revenue (\$ mil)	33.9 (Q1 17) 33.2 (Q1 16)	-	-	33.9 (Q1 17) 33.2 (Q1 16)	10.7 (Q1 17) - (Q1 16)	-	10.7 (Q1 17) - (Q1 16)	44.6 (Q1 17) 33.2 (Q1 16)
Net Property Income (\$ mil)	27.5 (Q1 17) 26.8 (Q1 16)	-	-	27.5 (Q1 17) 26.8 (Q1 16)	9.5 (Q1 17) - (Q1 16)	-	9.5 (Q1 17) - (Q1 16)	37.0 (Q1 17) 26.8 (Q1 16)
Income Contribution from JVs ^{1,2,3} (\$ mil)	-	8.9 (Q1 17) 6.9 (Q1 16)	12.5 (Q1 17) 14.4 (Q1 16)	21.4 (Q1 17) 21.3 (Q1 16)	-	1.4 (Q1 17) - (Q1 16)	1.4 (Q1 17) - (Q1 16)	22.8 (Q1 17) 21.3 (Q1 16)
% Contribution ⁴	46% (Q1 17) 56% (Q1 16)	15% (Q1 17) 14% (Q1 16)	21% (Q1 17) 30% (Q1 16)	82% (Q1 17) 100% (Q1 16)	16% (Q1 17) - (Q1 16)	2% (Q1 17) - (Q1 16)	18% (Q1 17) - (Q1 16)	100% (Q1 17) 100% (Q1 16)

Note:

1. Refers to One Raffles Quay, MBFC Properties & Southgate Complex
2. Total Income contribution from MBFC is based on approx. 92% split between office and 8% retail
3. Total Income contribution from Southgate Complex is based on approx. 76% split between office and 24% retail
4. Refers to net property income and income contribution from JVs

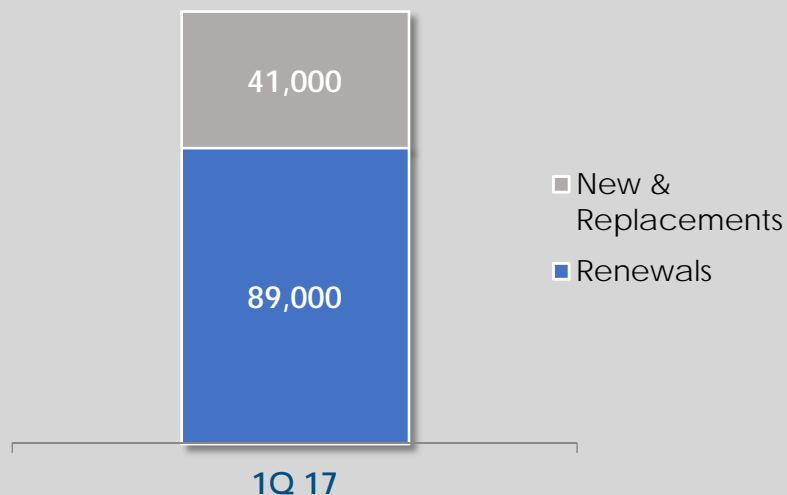
● Singapore Office Portfolio



- Achieved committed occupancy of 99.4% versus overall CBD Grade A occupancy of 94.1% in 1Q 2017
- Average rent secured for the quarter was S\$8.66 psf/mth versus overall CBD rent of S\$8.44 psf/mth
- Singapore office market expected to remain under pressure, given the supply coming onstream

● Proactive Leasing Strategy

Office Portfolio Work Done (sq ft)



1Q 17

Total leases signed in 1Q 17	130,000 sq ft
% of new leases	31%
Portfolio Occupancy (as at 31 Mar)	98.9%
Tenant retention ratio ¹	75.3%

Note:

1. Tenant retention ratio = Net lettable area renewed for leases due in in FY2017 divided by total net lettable area due for renewal in FY2017

Tenants secured in 1Q 17 include:



ChemOne

Conversant



JCDecaux

JTi

kotra
Korea Trade-Investment
Promotion Agency

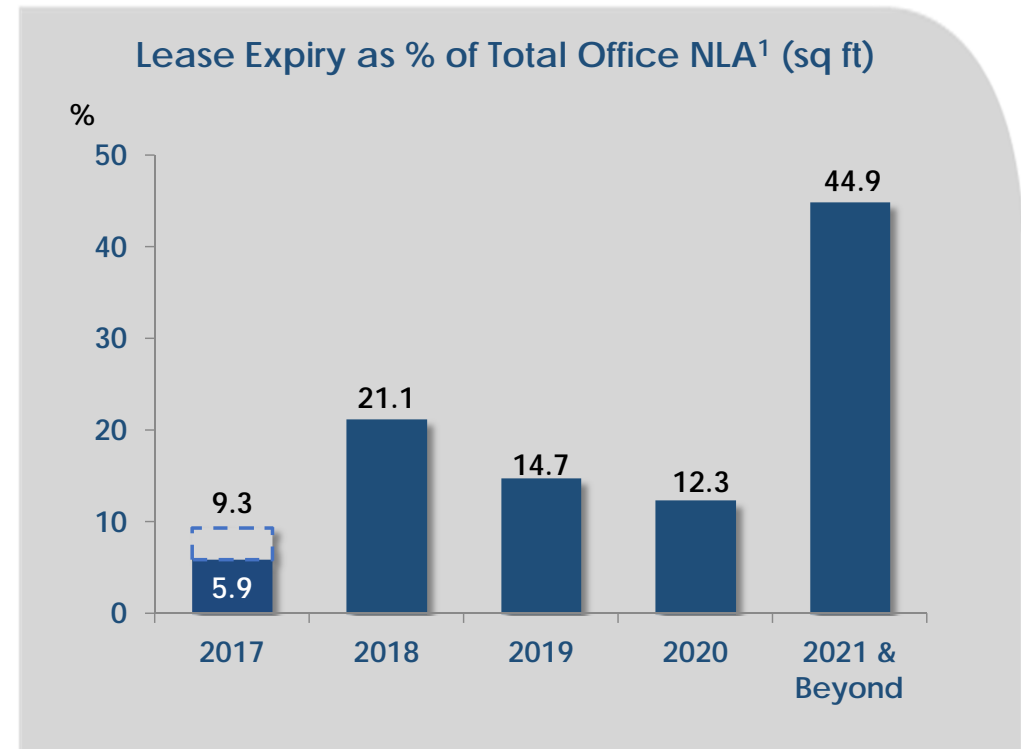
servicenow

Stena Bulk
INNOVATION & PERFORMANCE



● FY17 Office Expiring Leases Reduced to 5.9%

Expiry Profile As at 31 Mar 17	Net Lettable Area ¹	
	Sq ft	% of Total
FY 2017	174,210	5.9%
FY 2018	618,328	21.1%
FY 2019	432,116	14.7%
FY 2020	359,985	12.3%
FY 2021 & Beyond	1,314,953	44.9%



- Balance of office leases expiring in FY 2017 reduced to 5.9%
- Portfolio WALE: 4.02 years
 - Singapore Portfolio: 3.14 years
 - Australia Portfolio: 7.45 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 (Office).

• Suntec City Office Maintained High Occupancy



- Committed occupancy improved to **99.0%** as at 31 Mar 17
- Leases secured for the quarter at an average rent of **S\$8.66 psf/mth**
- Retention rate of **76%** for FY 2017 lease expiries
- FY 2017 lease expiries **reduced** from 16.4% to **10.0% of NLA**

• Southgate Complex, Melbourne



- Committed office occupancy **improved to 89.7%** as at 31 Mar 17
- **Additional 2%** of leases with Heads of Agreement signed
- Heads of Agreement signed in Q4 16 **fully committed**



RETAIL PORTFOLIO PERFORMANCE

Retail Portfolio Summary

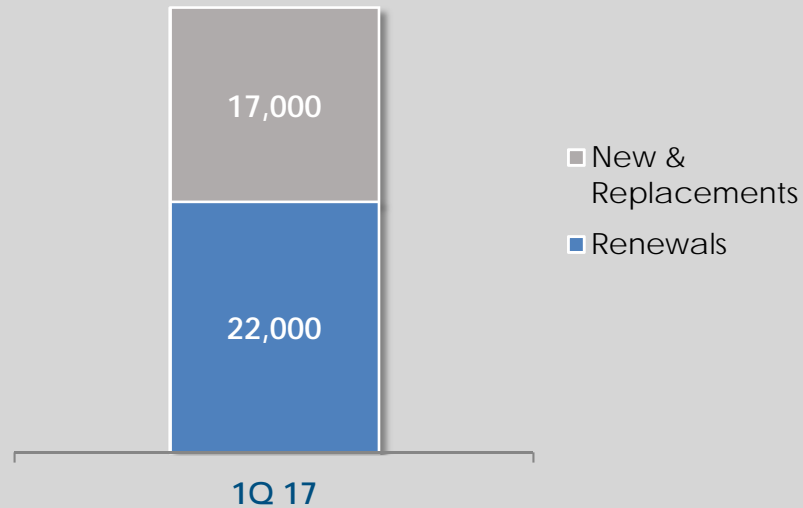
Retail Portfolio	Suntec City Mall	Marina Bay Link Mall (1/3)	SG Retail Portfolio	Southgate Complex (25%)	AUS Retail Portfolio	Total Retail Portfolio
NLA (sq ft)	~0.9mil	~30,000	~0.93mil	~30,000	~30,000	~1.0 mil
Committed Occupancy (%)	98.4 (Q1 17) 98.7 (Q1 16)	97.4 (Q1 17) 98.1 (Q1 16)	98.3 (Q1 17) 98.6 (Q1 16)	88.4 (Q1 17) - (Q1 16)	88.4 (Q1 17) - (Q1 16)	98.0 (Q1 17) 98.6 (Q1 16)
Gross Revenue (\$ mil)	30.0 (Q1 17) 32.0 (Q1 16)	-	30.0 (Q1 17) 32.0 (Q1 16)	-	-	30.0 (Q1 17) 32.0 (Q1 16)
Net Property Income (\$ mil)	22.0 (Q1 17) 24.7 (Q1 16)	-	22.0 (Q1 17) 24.7 (Q1 16)	-	-	22.0 (Q1 17) 24.7 (Q1 16)
Income Contribution from JVs ^{1,2,3} (\$ mil)	-	1.1 (Q1 17) 0.9 (Q1 16)	1.1 (Q1 17) 0.9 (Q1 16)	0.4 (Q1 17) - (Q1 16)	0.4 (Q1 17) - (Q1 16)	1.5 (Q1 17) 0.9 (Q1 16)
% Contribution ⁴	93% (Q1 17) 96% (Q1 16)	5% (Q1 17) 4% (Q1 16)	98% (Q1 17) 100% (Q1 16)	2% (Q1 17) - (Q1 16)	2% (Q1 17) - (Q1 16)	100% (Q1 17) 100% (Q1 16)

Note:

1. Refers to MBFC Properties & Southgate Complex
2. Total Income contribution from MBFC is based on approx. 92% split between office and 8% retail
3. Total Income contribution from Southgate Complex is based on approx. 76% split between office and 24% retail
4. Refers to net property income and income contribution from JVs

• Proactive Leasing Strategy

Retail Portfolio Work Done (sq ft)



1Q 17

Total leases signed in 1Q 17 39,000 sq ft

% of new leases 44.0%

Portfolio Occupancy
(as at 31 Mar) 98.0%

Tenant retention ratio¹ 72.6%

Note:

1. Tenant retention ratio = Net lettable area renewed for leases due in in FY2017 divided by total net lettable area due for renewal in FY2017

Tenants secured in 1Q 17 include:



Chomel
Accessories for every Woman

mizu
aesthetic clinic

Lincoln Richmond®
electric USA

PULS
TCM CLINIC

REEBONZ

SPLICE RETAIL & BARBERSHOP

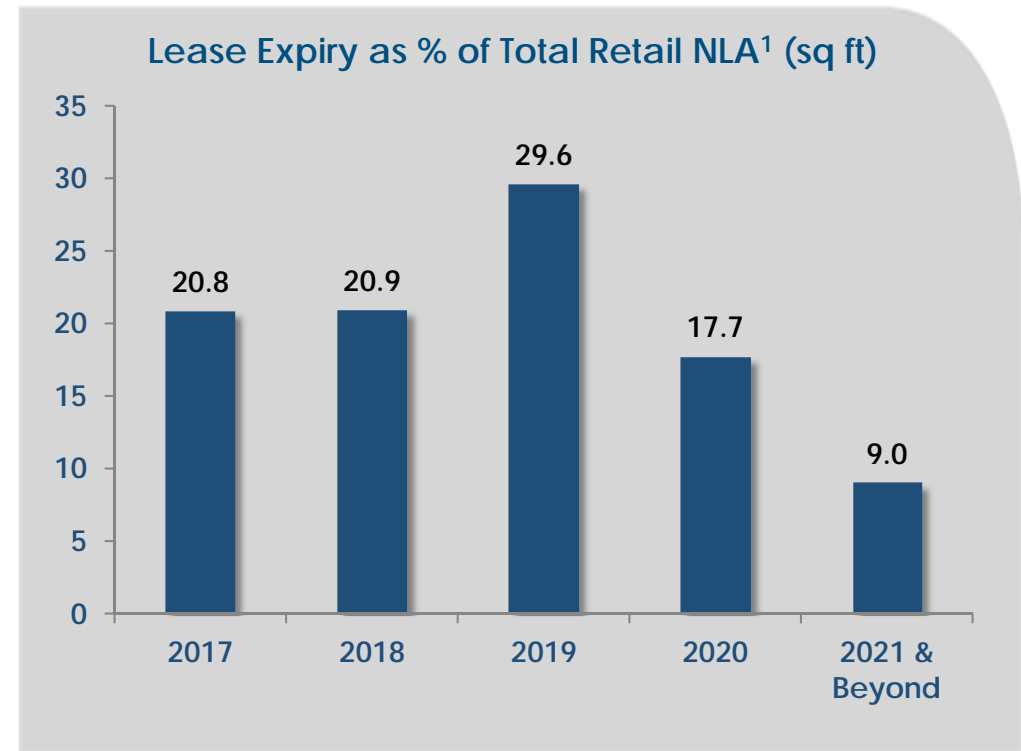
THUMB COFFEE

TOKUTOKUYA From Japan

WINDSORILL PIES
Artisanal Pies and Tarts

Retail Lease Expiry Profile

Expiry Profile As at 31 Mar 17	Net Lettable Area ¹	
	Sq ft	% of Total
FY 2017	192,830	20.8%
FY 2018	193,619	20.9%
FY 2019	273,583	29.6%
FY 2020	164,266	17.7%
FY 2021 & Beyond	83,420	9.0%



- Retail leases expiring in FY 2017 reduced to 20.8%
- Portfolio WALE: 2.27 years
 - Singapore Portfolio: 2.16 years
 - Australia Portfolio: 6.64 years

Note:

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

Improved operational performance

Committed Occupancy

98.4%

+0.5% q-o-q

Footfall

+7.3% YOY

Tenants sales per sq ft

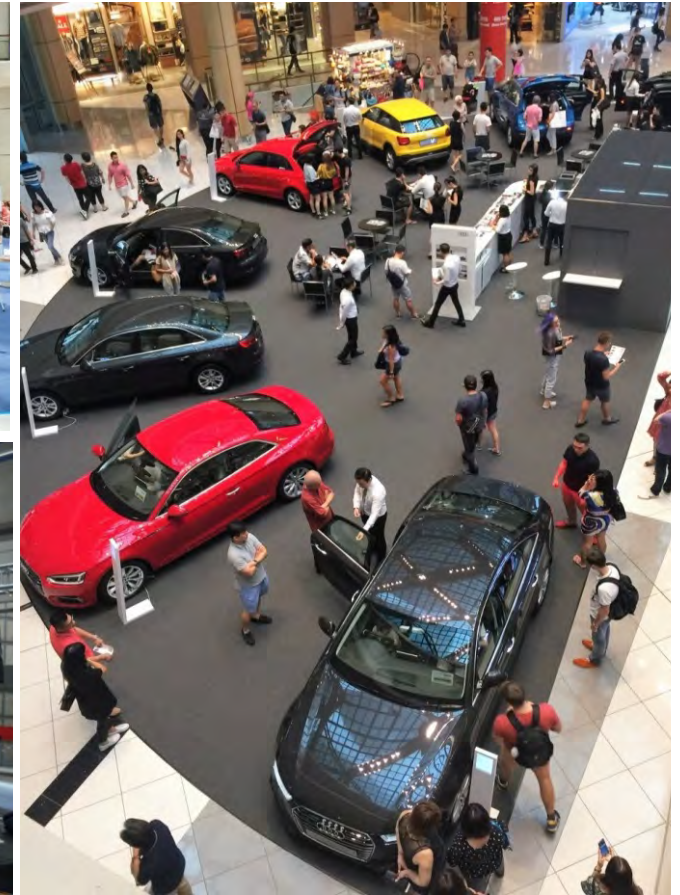
+4.3% YOY



• Suntec City Mall – New Store Openings



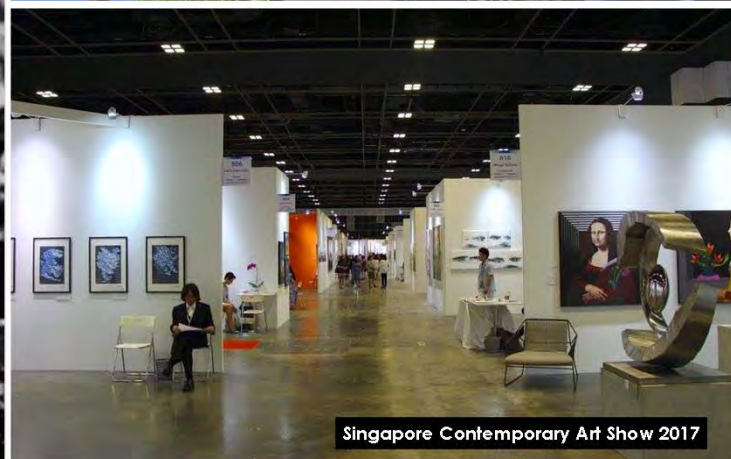
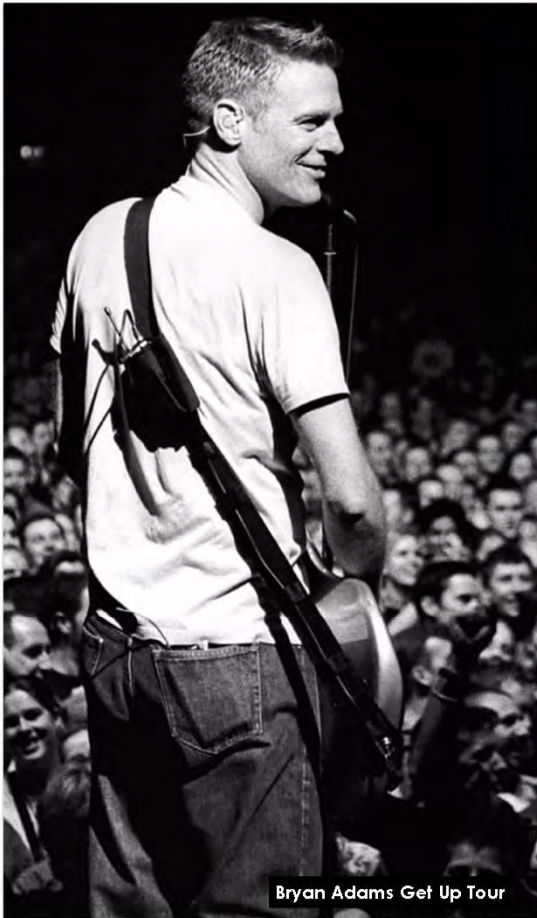
• Suncity Marcom & Atrium Events





CONVENTION PERFORMANCE

• Over 350 events held in Q1 17



Awards & Accolades



Best Convention & Exhibition Centre
CEI Editors' Choice



Exhibition Excellence Award
for Top Asian Venue
Exhibition Showcase Magazine



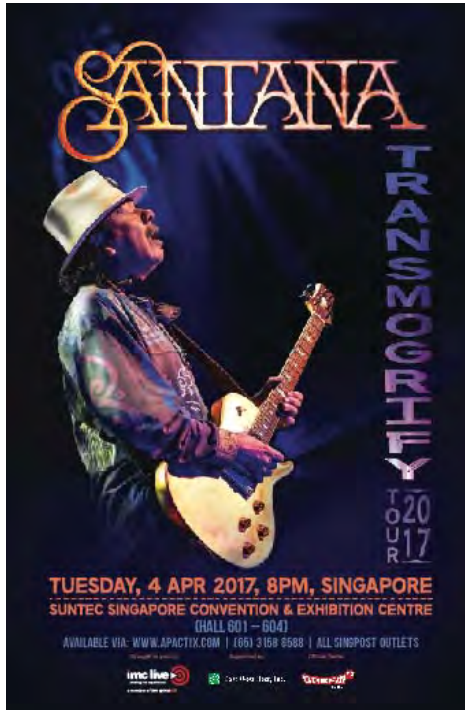
NS Mark (Gold)
Ministry of Defence



SINGAPORE
GOOD
DESIGN

Special Mention
"The Big Picture"
SG Mark 2017

- Events in Q2 17



Broadcast Asia 2017

The 22nd International Digital Multimedia & Entertainment Technology Exhibition & Conference



seamless
PAYMENTS • E-COMMERCE • RETAIL

SINGAPORE INK SHOW 2017
SUNTEC CONVENTION & EXHIBITION CENTRE HALL 404



9 PENANG ROAD

● 9 Penang Road – Development works on track

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

Total 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
- Obtained Building Plan approval on 31 March 17
- Target to complete by end 2019

Development cost

- Approx. S\$800 mil

Land Lease

- Extended to fresh 99 years from 2016

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



Artist's impression



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

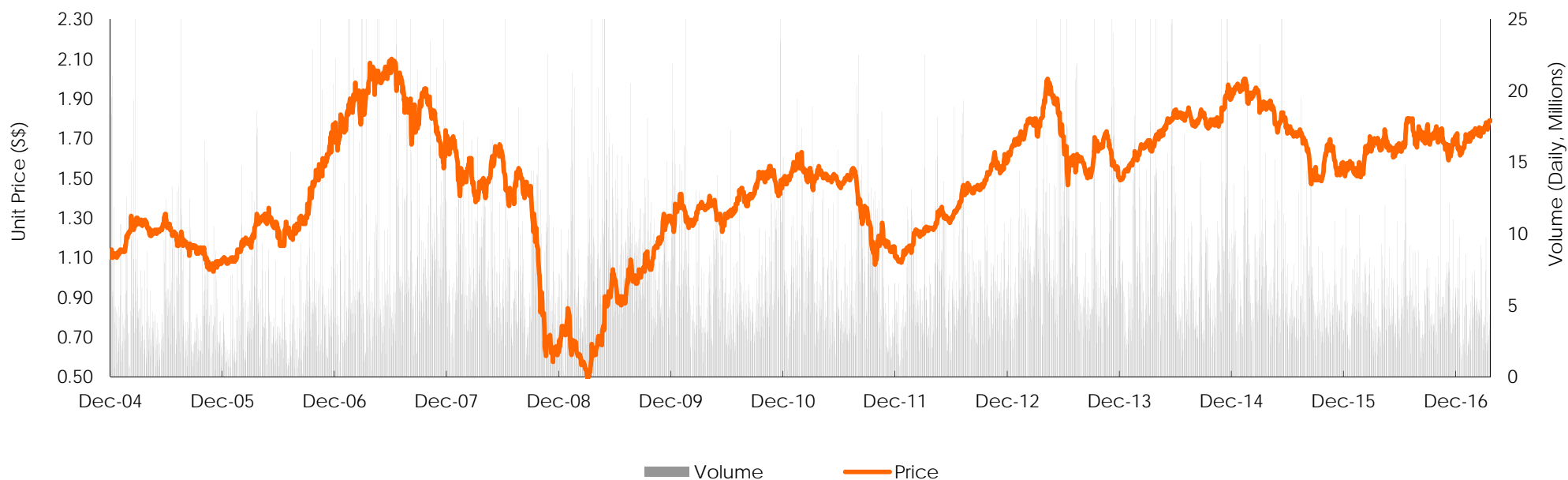




UNIT PERFORMANCE

Unit Performance

- Q1 17 DPU of **2.425 cents**
- Trading yield of **5.49%**¹
- Market Capitalisation of S\$4.6 billion¹ as at 31 March 2017
- **4th largest REIT** ² on SGX

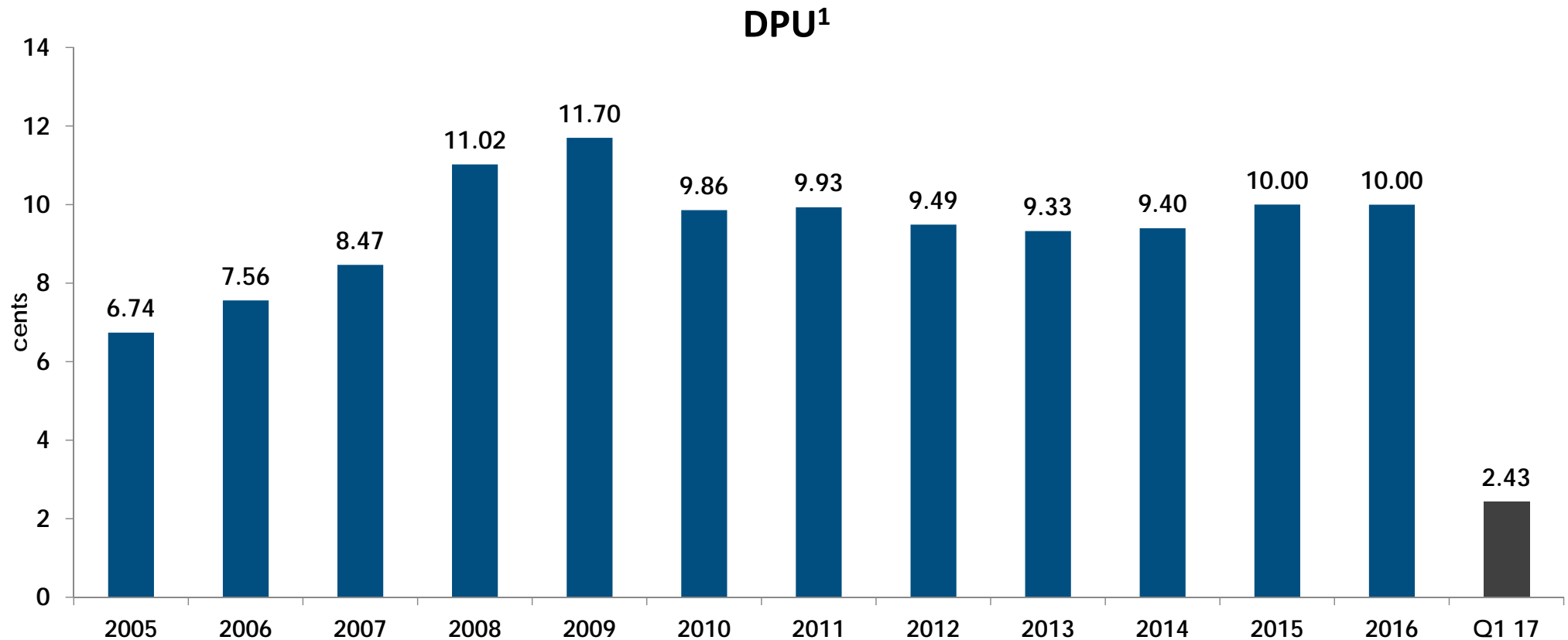


Notes:

1. Based on the share price of S\$1.79 as at 31 March 2017.
2. Based on the market capitalisation as at 31 March 2017.

Source: ARATMS

● Delivering Stable, Sustainable DPU



- **12-years track record** of **delivering stable returns** throughout the property market cycle
- Q1 17 annualised DPU of 9.835 cents

Note:

1. Based on calendar year

● Established Track Record

Q1 17 DPU ————— 2.425 cents

Total DPU since IPO ————— 115.9 cents

Total Return for IPO Unitholders ————— 194.9%



● Distribution Timetable

Distribution Payment	
Distribution Period	1 January – 31 March 2017
Amount (cents/unit)	2.425

Ex-date	3 May 2017
Books closure date	5 May 2017
Payment date	30 May 2017

THANK YOU



● Contact

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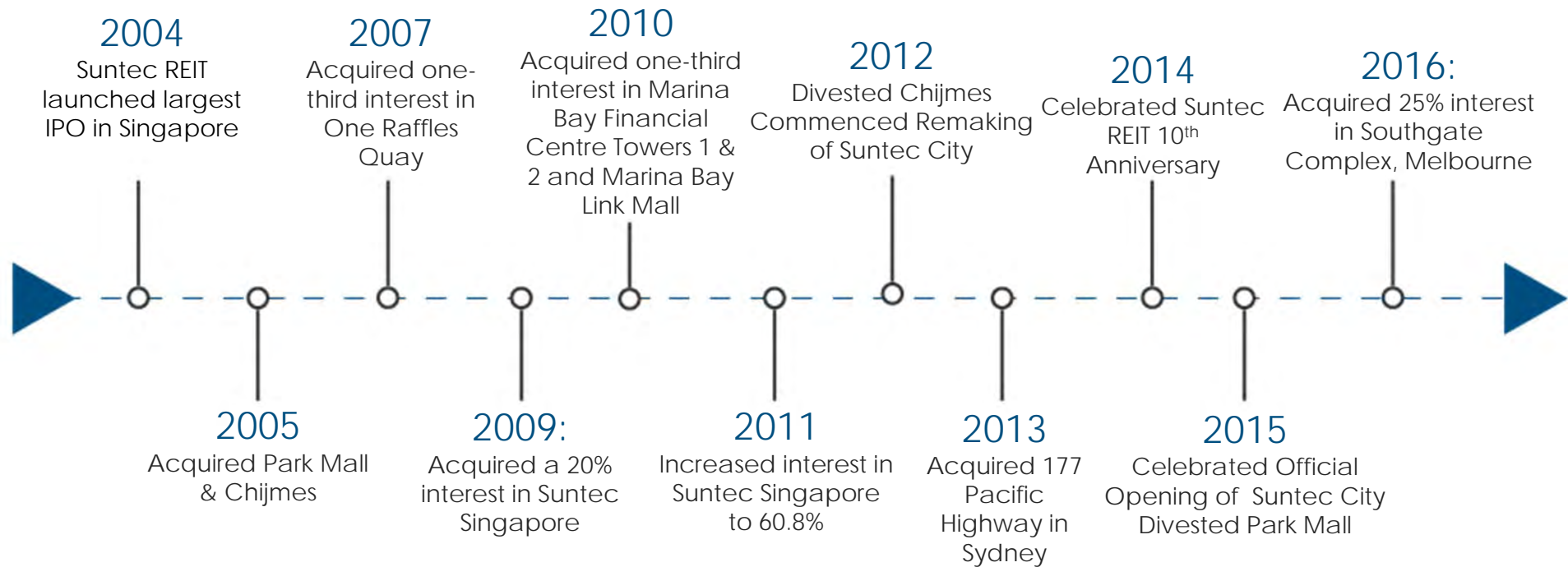
• About Suntec REIT

6 QUALITY ASSETS STRATEGICALLY LOCATED IN SINGAPORE & AUSTRALIA



- 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



● 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.

● Disclaimer

This presentation is focused on the comparison of actual results for the quarter ended 31 March 2017 versus results achieved for the quarter ended 31 March 2016. It should be read in conjunction with Paragraph 8 of Suntec REIT's financial results for the quarter ended 31 March 2017 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.