

SUNTEC REIT FINANCIAL RESULTS

For the 2nd Quarter and Half Year ended 30 June 2017



26 July 2017

• Agenda

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- 05 Financial Highlights
- 18 Office Portfolio Performance
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- 35 9 Penang Road
- 37 FY 17 Focus
- 39 Unit Performance



2Q 17 HIGHLIGHTS

● 2Q 17 Highlights

2Q 17 Distributable Income

S\$66.0 million

+4.3% YOY

2Q 17 DPU

2.493 cents

-0.3% YOY

Annualised yield

5.18%¹

Secured

S\$600 million

Loan facility

Total Debt outstanding

<20% due in 2018

All-in Financing Cost

2.41% p.a.

Portfolio Occupancy

98.7% Office

99.0% Retail

Suntec City Mall
Footfall (YTD)

+11.0% YOY

Note:

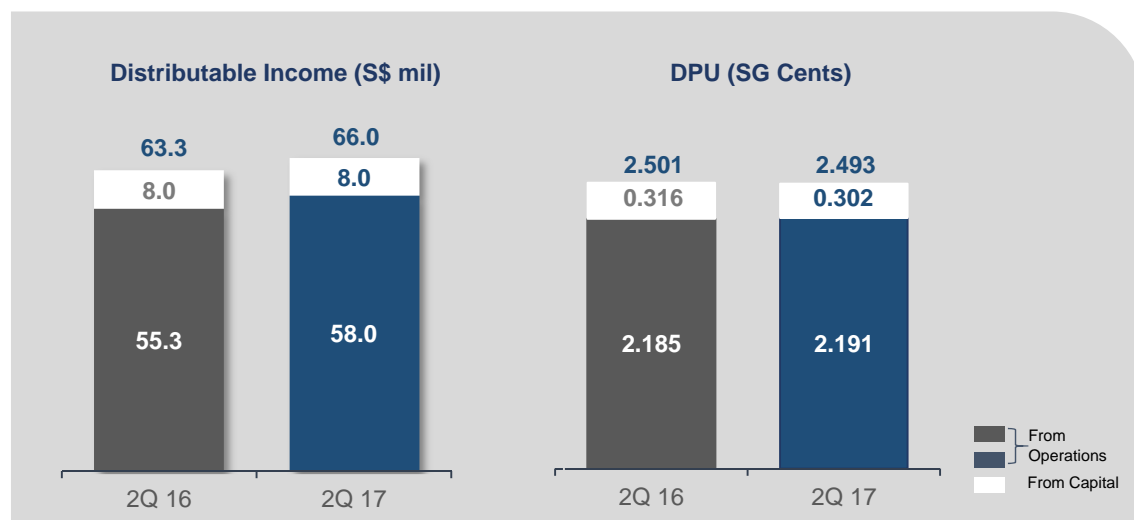
1. Based on 25/7/17 closing price of S\$1.93 per unit.





FINANCIAL HIGHLIGHTS

• 2Q 17 Distributable Income up 4.3% y-o-y



Mainly due to:

- Higher contribution from 177 Pacific Highway
- Contribution from Southgate Complex
- Partially offset by lower contribution from MBFC properties
- Lower DPU due to 95.7 million new units issued¹

Financial Highlights

Distributable Income

\$66.0
million

+4.3% y-o-y

Distribution Per Unit

2.493
cents

-0.3% y-o-y

DPU yield 5.18%¹

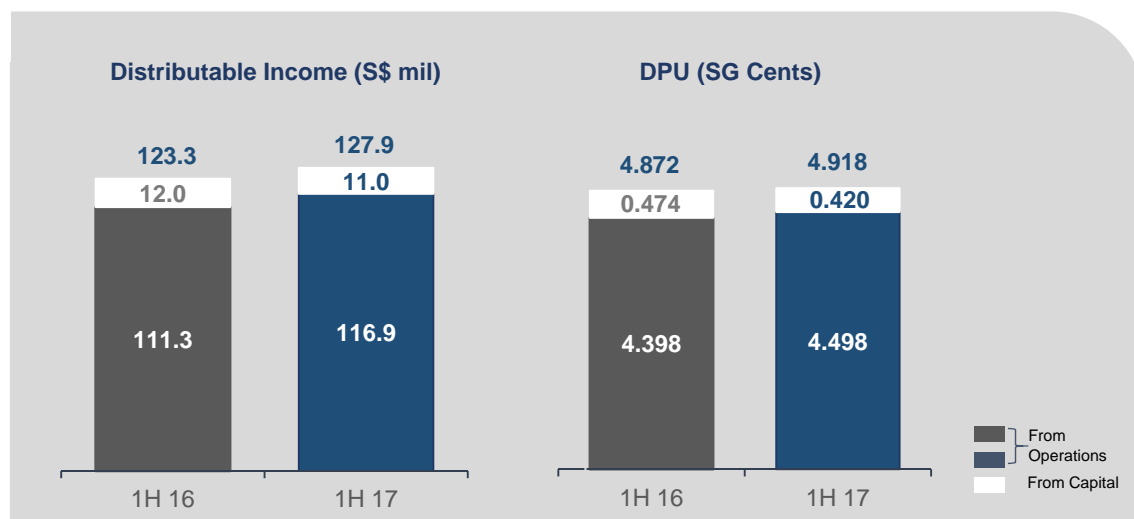
Note:

1. Based on 25/7/17 closing price of S\$1.93 per unit.

Note:

1. Relates to convertible bonds which were converted and subsequently new units issued on 29 May 2017.

• 1H 17 Distributable Income up 3.7% y-o-y



Mainly due to:

- Higher contribution from 177 Pacific Highway
- Contribution from Southgate Complex
- Partially offset by lower contribution from MBFC properties

Financial Highlights

Distributable Income

\$127.9
 million

+3.7% y-o-y

Distribution Per Unit

4.918
 cents

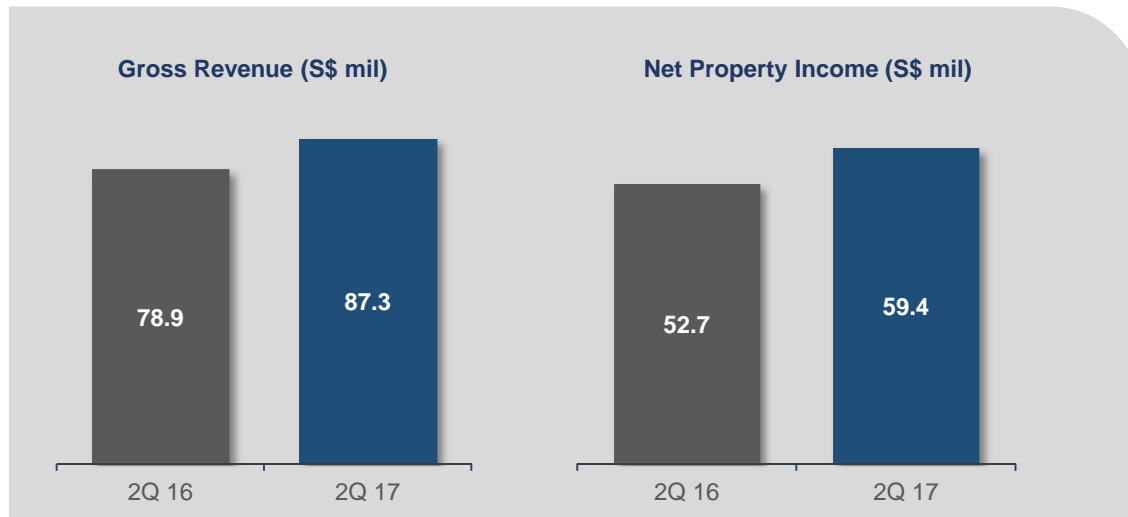
+0.9% y-o-y

DPU yield 5.14%¹

Note:

1. Based on 25/7/17 closing price of S\$1.93 per unit.

- 2Q 17 Gross Revenue up 10.6% y-o-y



Mainly due to:

- Rental contribution from 177 Pacific Highway
- Partially offset by lower retail contribution

Financial Highlights

Gross Revenue

\$87.3
million

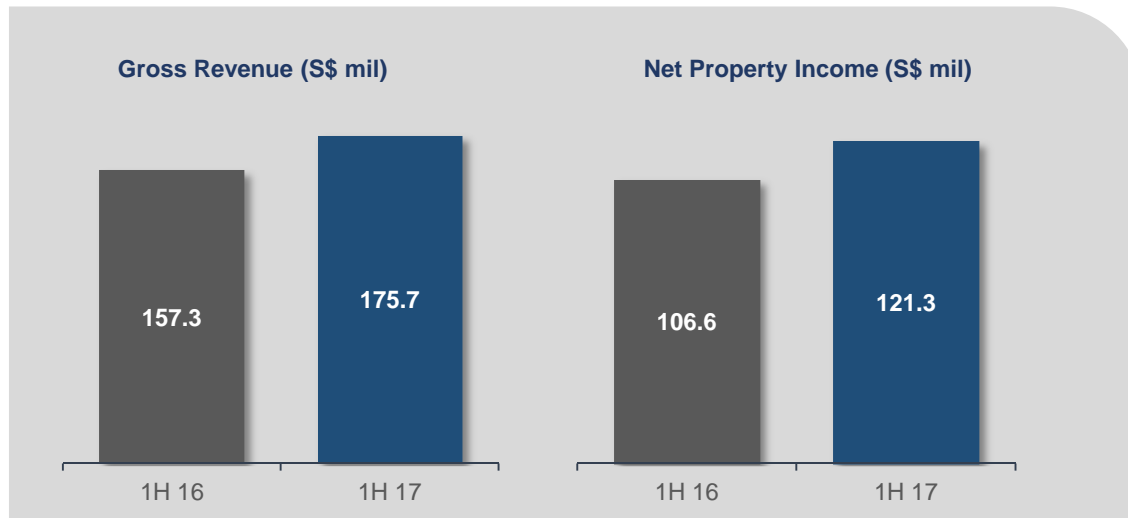
+10.6% y-o-y

Net Property Income

\$59.4
million

+12.8% y-o-y

- 1H 17 Gross Revenue up 11.7% y-o-y



Mainly due to:

- Rental contribution from 177 Pacific Highway
- Partially offset by lower retail contribution

Financial Highlights

Gross Revenue

\$S\$175.7
million

+11.7% y-o-y

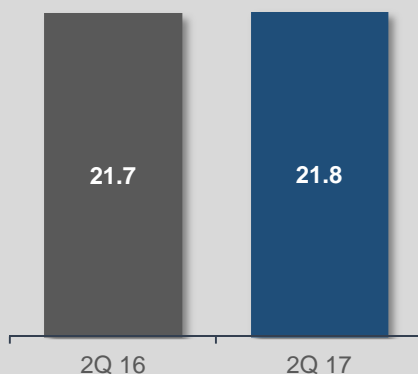
Net Property Income

\$S\$121.3
million

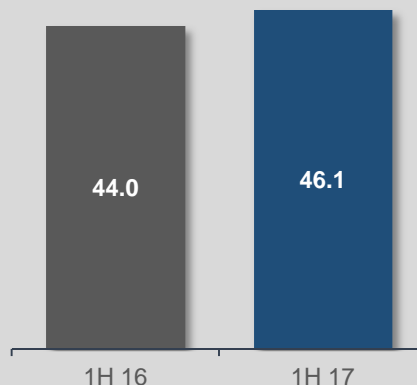
+13.7% y-o-y

● Performance of Joint Ventures

Income Contribution (\$\$ mil)



Income Contribution (\$\$ mil)



Financial Highlights

2Q 17

\$S\$21.8
million

+0.5% y-o-y

1H 17

\$S\$46.1
million

+4.9% y-o-y

One Raffles Quay

2Q 17: Lower y-o-y due to rental reversions

1H 17: Higher y-o-y due to one-offs in 1Q 17

MBFC

2Q 17 & 1H 17:

Lower y-o-y due to one-offs in 2016

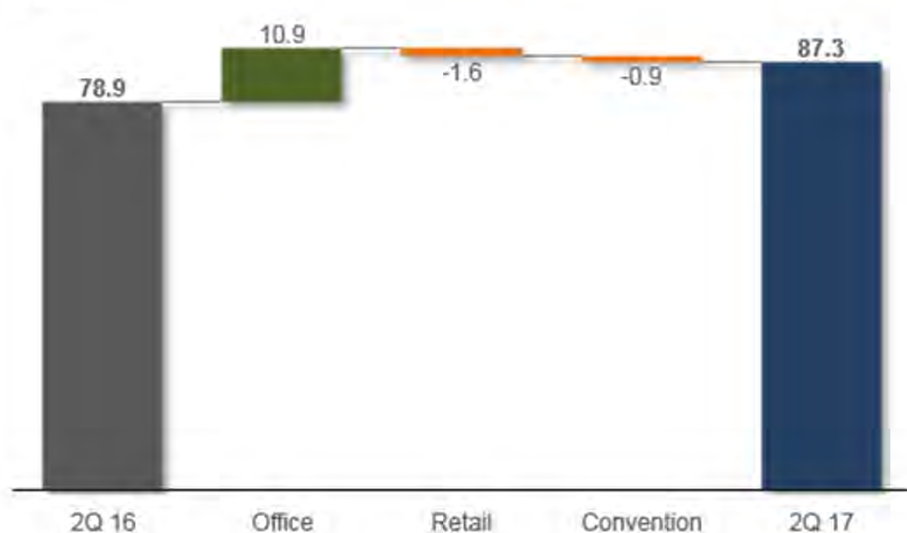
Southgate

2Q 17 & 1H 17:

Acquisition of the initial 25% interest completed on 4 Nov 2016

• 2Q 17 Gross Revenue by Segment

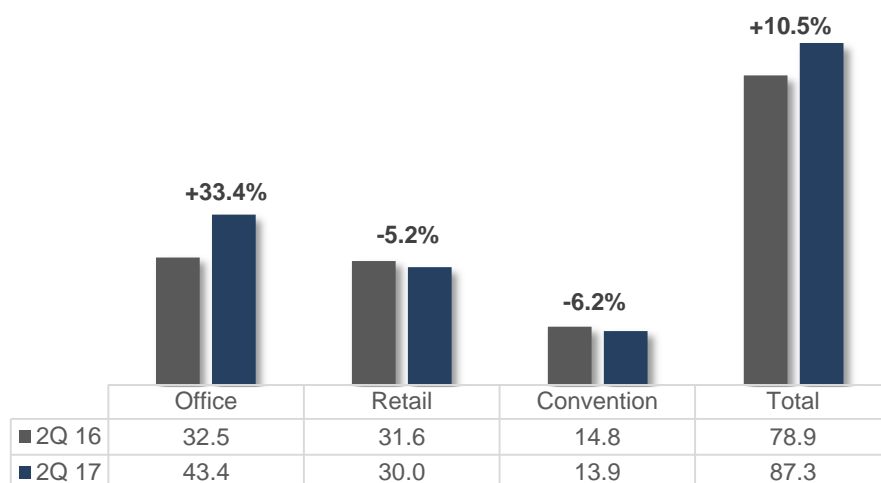
S\$ mil



- Higher contribution from office partially offset by lower retail revenue

Office	S\$ mil
177 Pacific Highway	+9.26
Suntec City	+1.63
Park Mall ¹	-0.02
UP	+10.87

S\$ mil



Retail	S\$ mil
Suntec Singapore	-1.31
Suntec City	-0.26
Park Mall ¹	-0.02
DOWN	-1.59

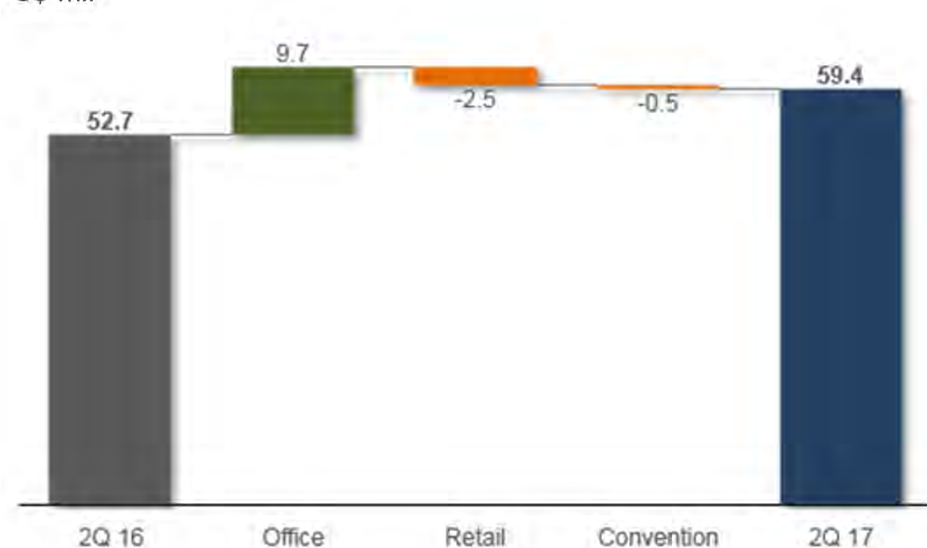
- Lower convention revenue due to lower exhibition and media revenue

Note:

- Due to reconciliation adjustments subsequent to the divestment in December 2015.

• 2Q 17 Net Property Income by Segment

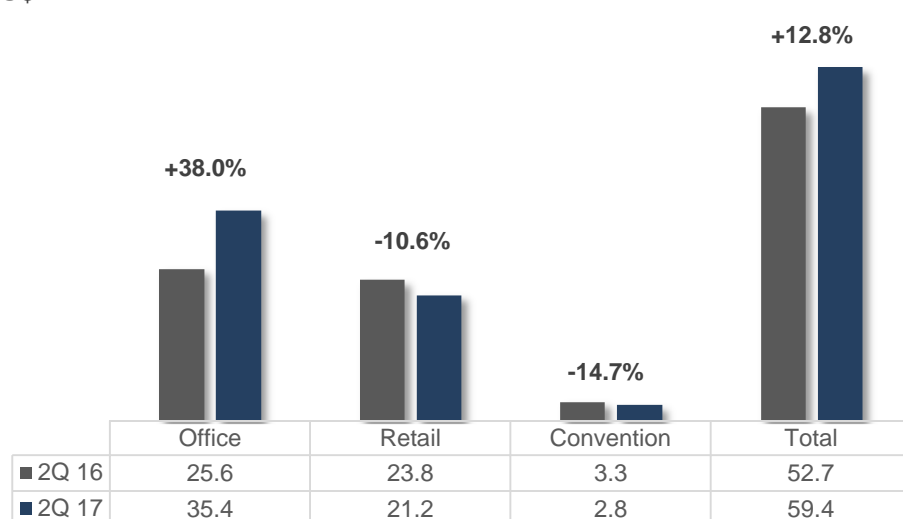
S\$ mil



- Higher NPI from office partially offset by lower retail NPI

Office		S\$ mil
177 Pacific Highway		+7.82
Suntec City		+1.86
Park Mall ¹		+0.06
UP		+9.74

S\$ mil



Retail		S\$ mil
Suntec Singapore		-1.19
Suntec City		-1.19
Park Mall ¹		-0.14
DOWN		-2.52

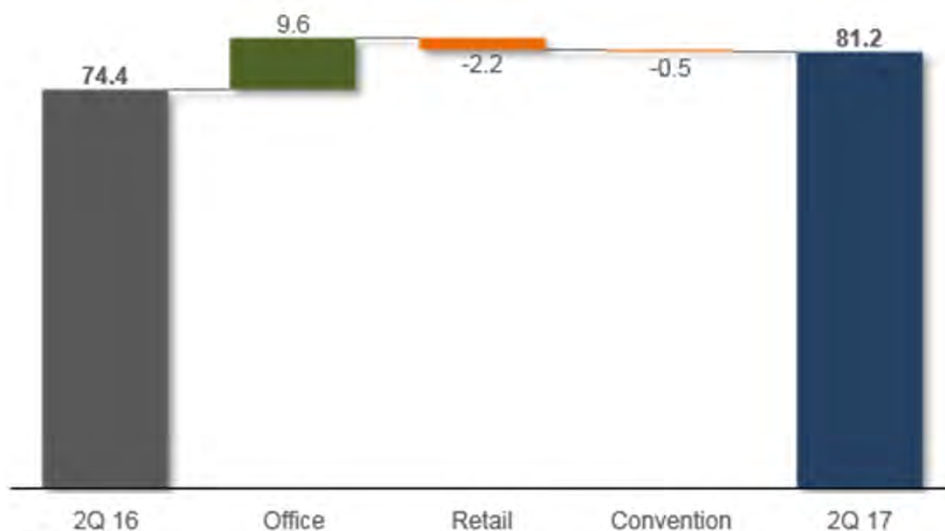
- Lower convention NPI due to lower exhibition and media revenue

Note:

- Due to reconciliation adjustments subsequent to the divestment in December 2015.

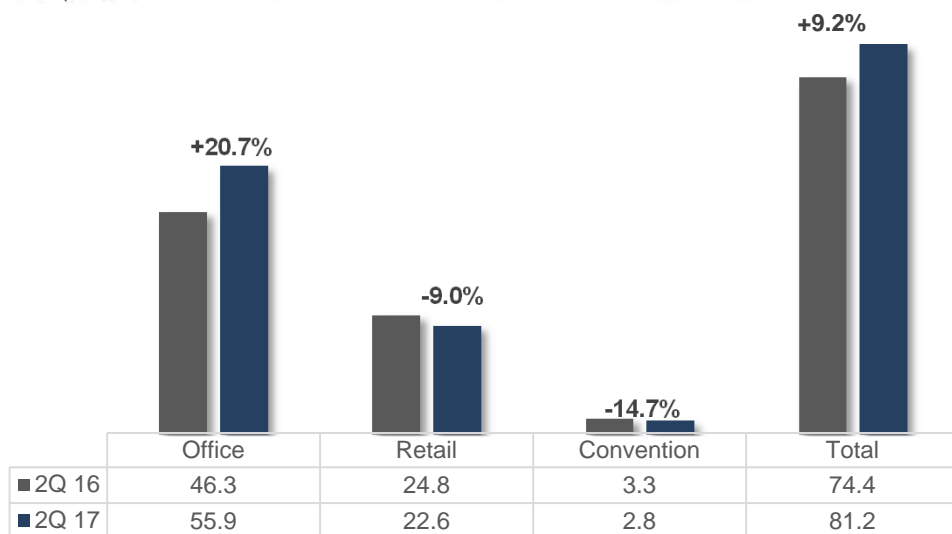
• 2Q 17 Net Property Income & JV Contributions

S\$ mil



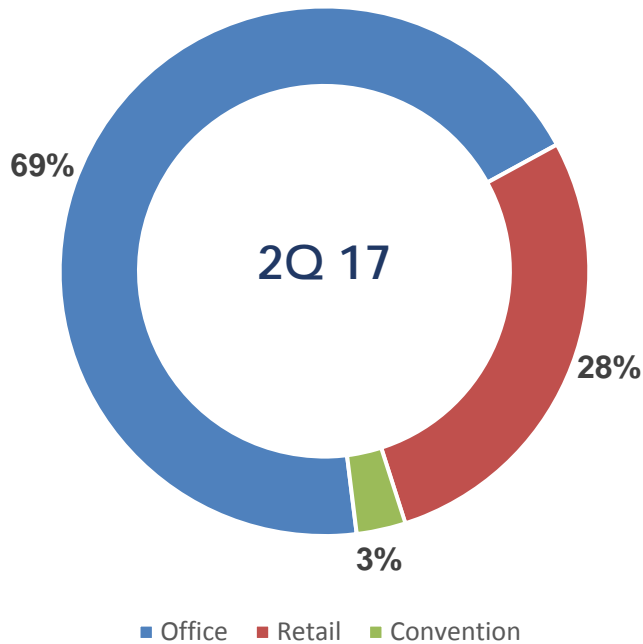
- Higher JV contributions mainly due to inclusion of Southgate Complex partially offset by MBFC properties

Office	S\$ mil
Southgate	+1.24
MBFC properties	-1.07
ORQ	-0.34
Others	+9.74
UP	+9.57



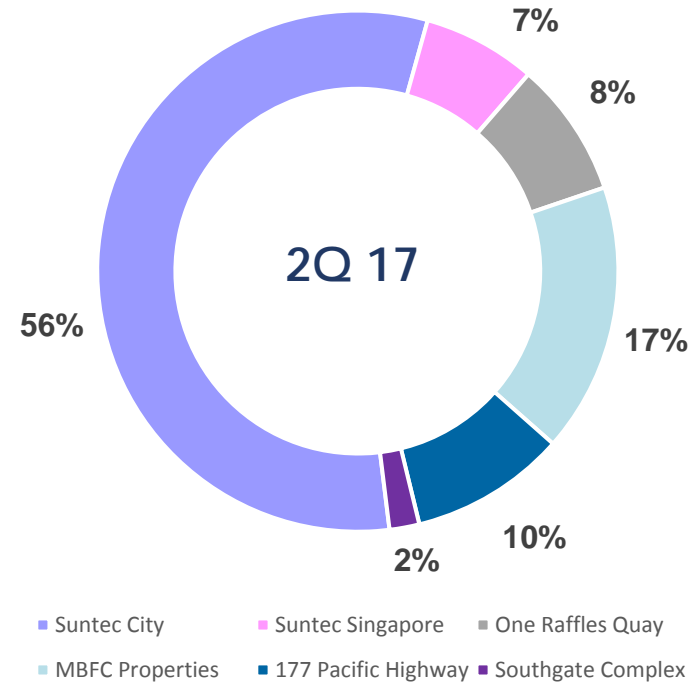
● NPI & Income Contribution from JVs

Contribution by Segment



- Office portfolio accounts for 69% of NPI & Income

Contribution by Asset



- Joint Ventures and 177 Pacific Highway account for 37% of NPI & Income

● Balance Sheet & Key Financial Indicators

Balance Sheet	30 Jun 2017
Total Assets	S\$9,092 mil
Total Liabilities	S\$3,356 mil
Net Assets Attributable to Unitholders	S\$5,614 mil
NAV Per Unit ¹	S\$2.119
Adjusted NAV Per Unit ²	S\$2.094

Notes:

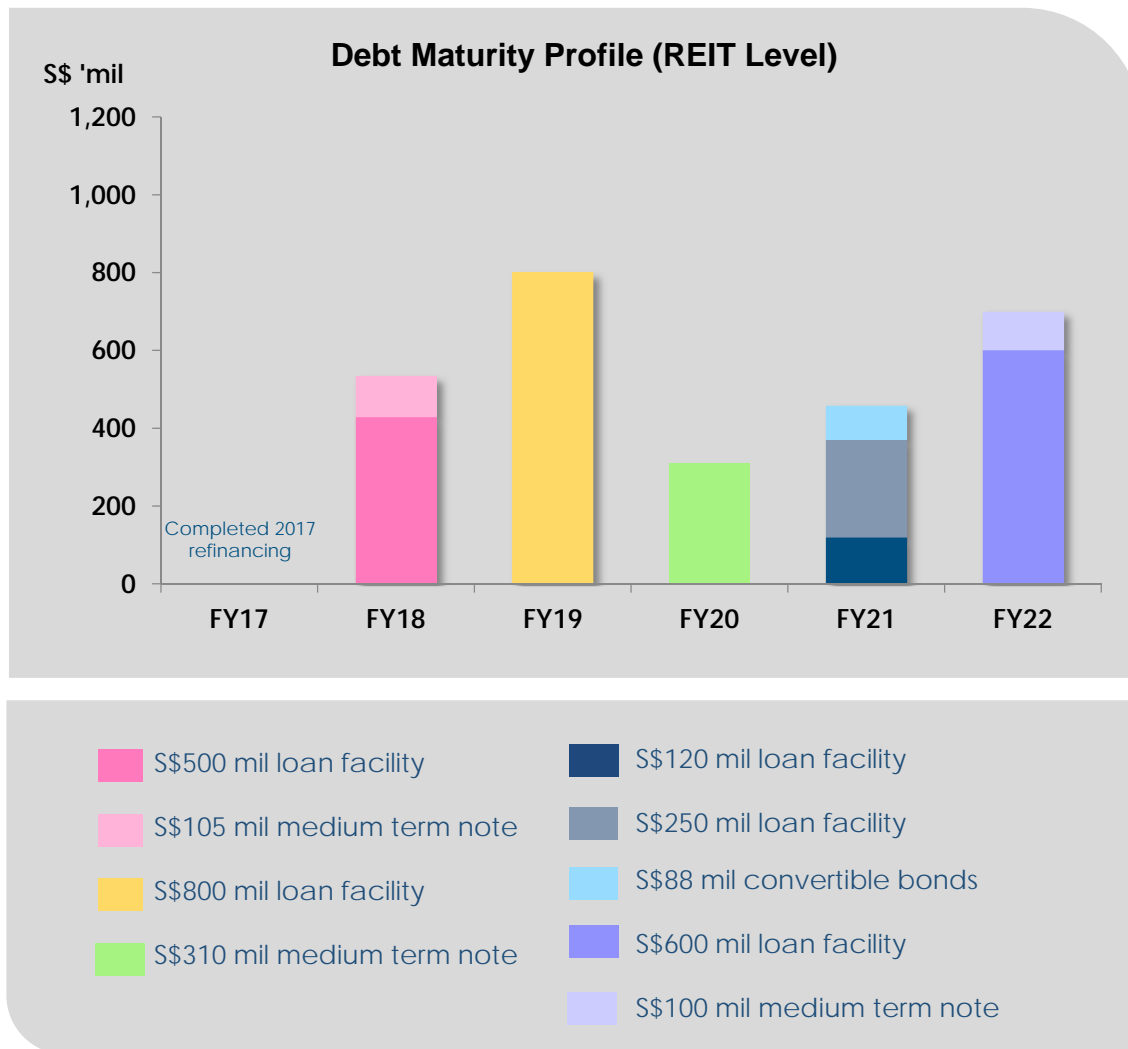
1. Based on 2,649,334,617 units.
2. After DPU adjustment of 2.493 cents for the quarter ended 30 June 2017.

Key Financial Indicators	30 Jun 2017
Total Debt Outstanding (Group)	S\$3,168 mil
Debt-to-Asset Ratio	34.7%
Aggregate Leverage Ratio ¹	36.1%
All-in Financing Cost	2.41% p.a.
Interest Coverage Ratio	4.2x
% of Fixed / Hedged Debt	~65%

Note:

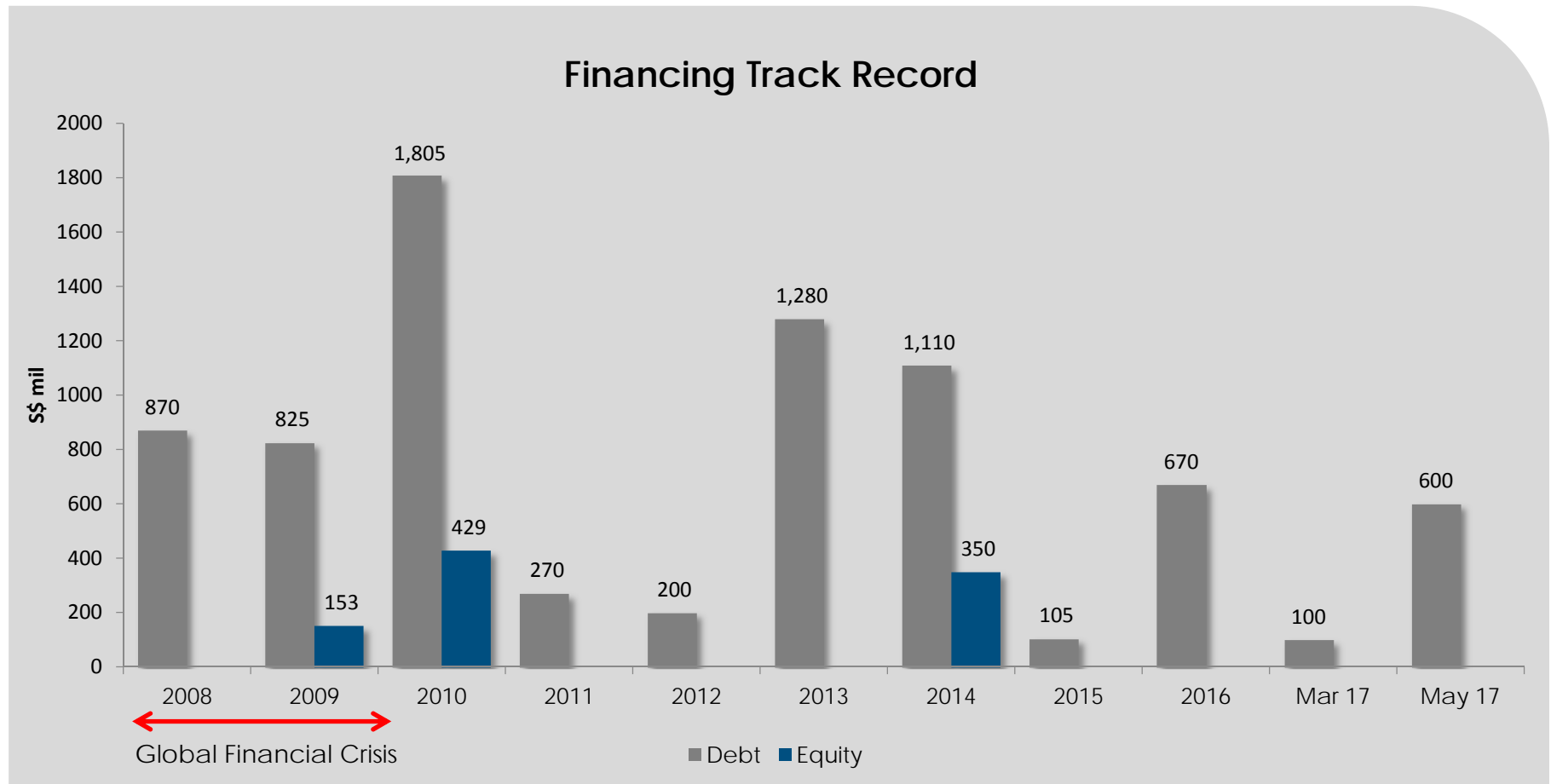
1. "Aggregate Leverage Ratio" refers to the ratio of total borrowings (inclusive of proportionate share of borrowings of joint ventures) and deferred payments (if any) to the value of the Deposited Property.

• Proactive Capital Management



- Secured S\$600 mil 5-yr loan facility
- S\$212 million of CBs converted/redeemed
- <20% total loans due in 2018
- Weighted average debt to maturity extended to 2.96 years

- **S\$8.8 billion of financing since 2008**



- **All-in financing cost of 2.41% p.a. for 2Q 17**



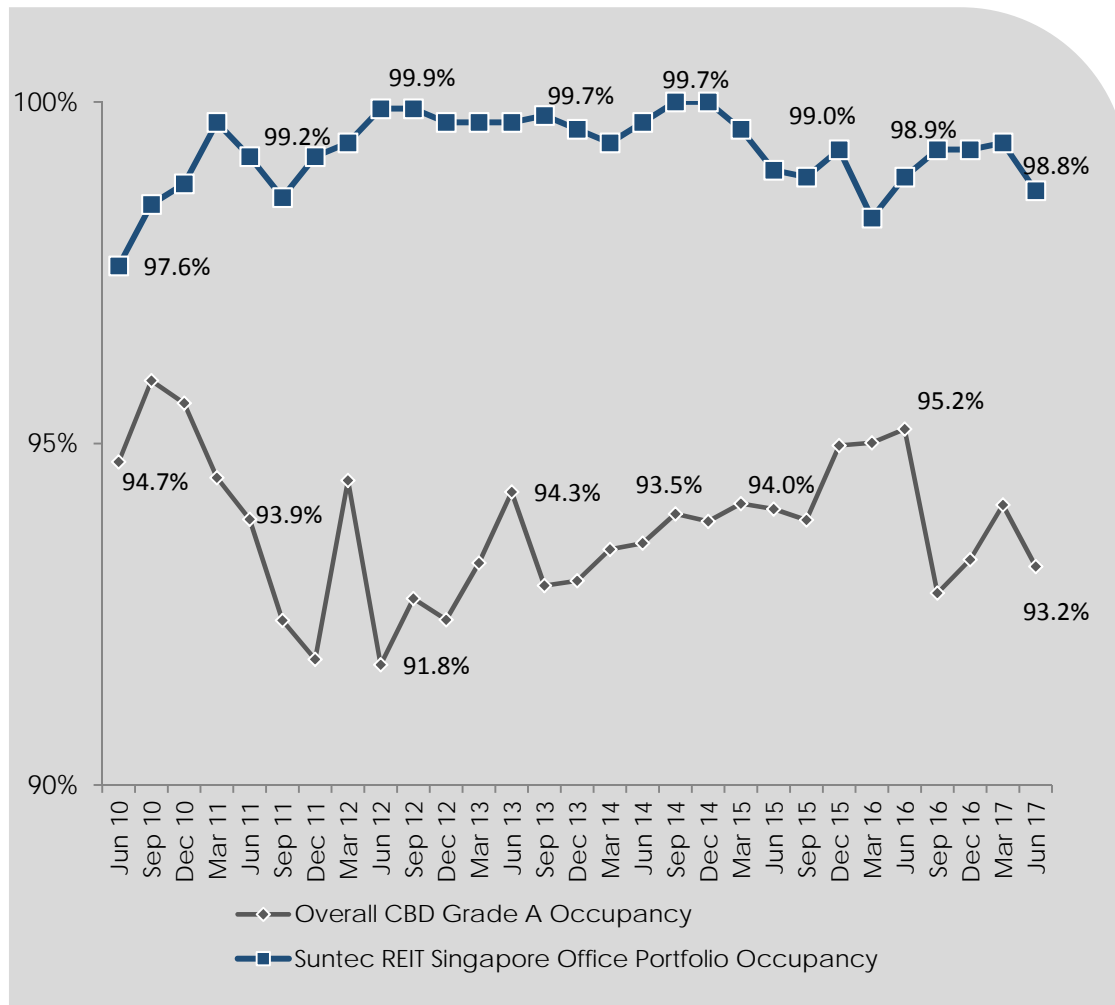
• Office Portfolio Summary

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 (%)	97.9 (2Q 17) 98.1 (2Q 16)	100 (2Q 17) 99.6 (2Q 16)	100 (2Q 17) 100 (2Q 16)	98.8 (2Q 17) 98.9 (2Q 16)	100.0 (2Q 17) - (2Q 16)	93.5 (2Q 17) - (2Q 16)	98.1 (2Q 17) - (2Q 16)	98.7 (2Q 17) 98.9 (2Q 16)
Gross Revenue (\$ mil)	34.1 (2Q 17) 32.5 (2Q 16)	-	-	34.1 (2Q 17) 32.5 (2Q 16)	9.3 (2Q 17) - (2Q 16)	-	9.3 (2Q 17) - (2Q 16)	43.4 (2Q 17) 32.5 (2Q 16)
Net Property Income (\$ mil)	27.6 (2Q 17) 25.7 (2Q 16)	-	-	27.6 (2Q 17) 25.7 (2Q 16)	7.8 (2Q 17) - (2Q 16)	-	7.8 (2Q 17) - (2Q 16)	35.4 (2Q 17) 25.7 (2Q 16)
Income Contribution from JVs ^{1,2,3} (\$ mil)	-	6.8 (2Q 17) 7.1 (2Q 16)	12.5 (2Q 17) 13.5 (2Q 16)	19.3 (2Q 17) 20.6 (2Q 16)	-	1.2 (2Q 17) - (2Q 16)	1.2 (2Q 17) - (2Q 16)	20.5 (2Q 17) 20.6 (2Q 16)
% Contribution ⁴	49% (2Q 17) 56% (2Q 16)	12% (2Q 17) 15% (2Q 16)	22% (2Q 17) 29% (2Q 16)	83% (2Q 17) 100% (2Q 16)	14% (2Q 17) - (2Q 16)	3% (2Q 17) - (2Q 16)	17% (2Q 17) - (2Q 16)	100% (2Q 17) 100% (2Q 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. 83% split between office and 17% retail
4. Refers to net property income and income contribution from JVs

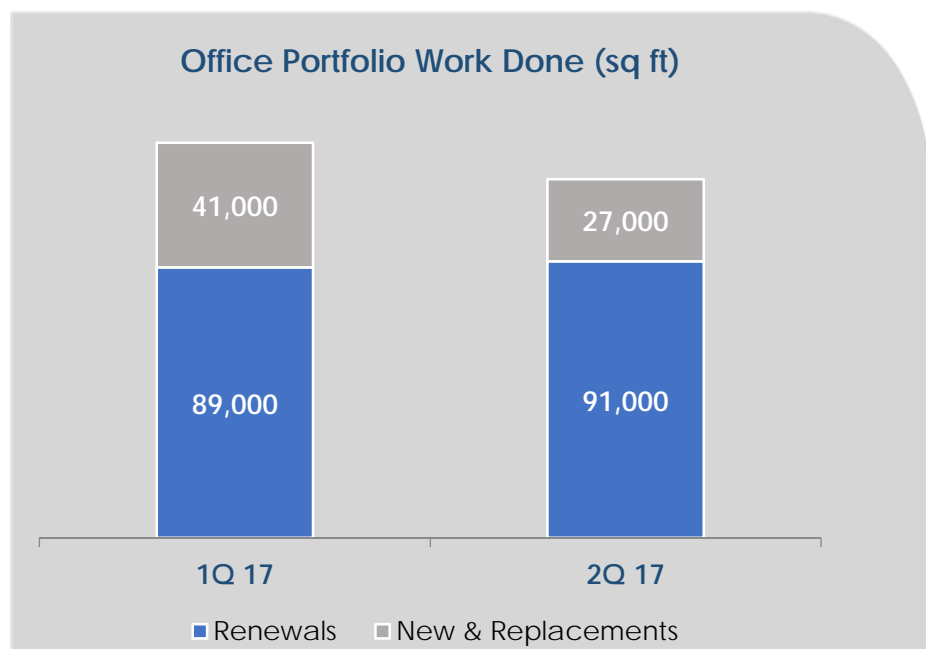
• Singapore Office Portfolio



- Achieved committed occupancy of 98.8% versus overall CBD Grade A occupancy of 93.2% in 2Q 17
- Average rent secured for the quarter was S\$8.89 psf/mth versus overall CBD rent of S\$8.49 psf/mth
- Singapore office market expected to remain under pressure, given the secondary stock coming on stream

Source: JLL, ARATMS

• Proactive Leasing Strategy



2Q 17

Total leases signed in 2Q 17 118,000 sq ft

% of new leases 23%

Portfolio Occupancy
(as at 30 June) 98.7%

Tenant retention ratio¹ 74%

Note:

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

Tenants secured in 2Q 17 include:



GIBSON DUNN



HELICONIA



ThirdRock

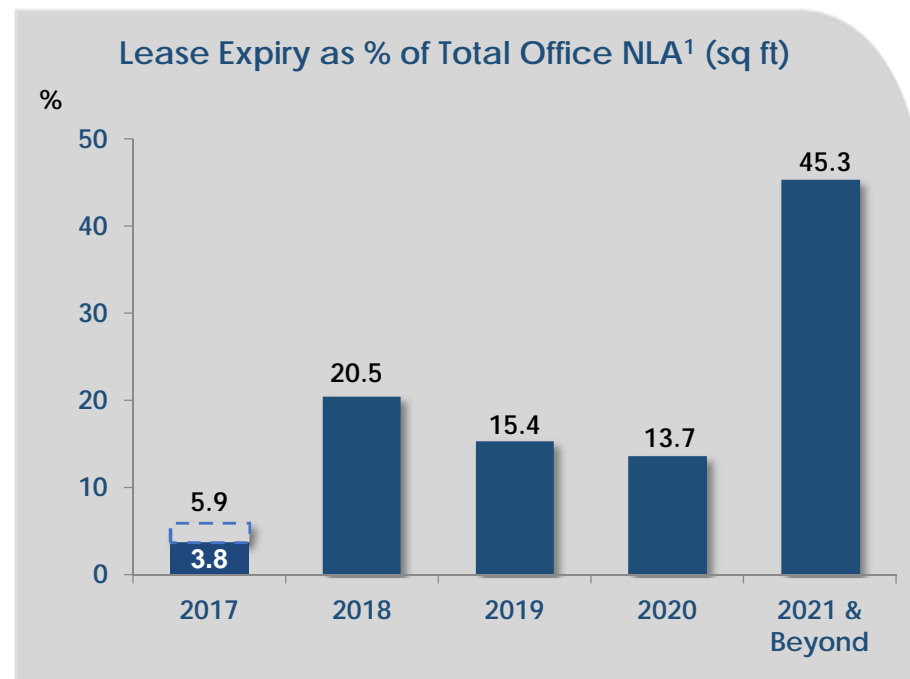


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• FY17 Office Expiring Leases Reduced to 3.8%

Expiry Profile As at 30 Jun 17	Net Lettable Area ¹	
	Sq ft	% of Total
FY 2017	112,068	3.8%
FY 2018	602,016	20.5%
FY 2019	450,799	15.4%
FY 2020	401,914	13.7%
FY 2021 & Beyond	1,327,019	45.3%



- Balance of office leases expiring in FY 2017 reduced to 3.8%
- In final negotiations for 20.8% of leases expiring in FY 2018
- Portfolio WALE: 3.85 years
 - Singapore Portfolio: 2.98 years
 - Australia Portfolio: 7.19 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



- To-date: Committed occupancy of **98.0%**
- Leases secured for the quarter at an average rent of **S\$8.79 psf/mth, +1.5% q-o-q**
- Retention rate of **75%** for FY 2017 lease expiries
- FY 2017 lease expiries **reduced** from 10.0% to **6.1% of NLA**
- In **final negotiations** for 23.3% of leases expiring in FY 2018

● Australia Portfolio



177 Pacific Highway, Sydney



Southgate Complex, Melbourne

- Sydney and Melbourne office markets continue to be on upward trend
- Committed Occupancy:
 - 177 Pacific Highway ➔ Maintained 100%
 - Southgate Complex ➔ Achieved 93.5% (+3.8% q-o-q)
- Australia portfolio underpinned by embedded annual rent escalations and long lease terms



RETAIL PORTFOLIO PERFORMANCE

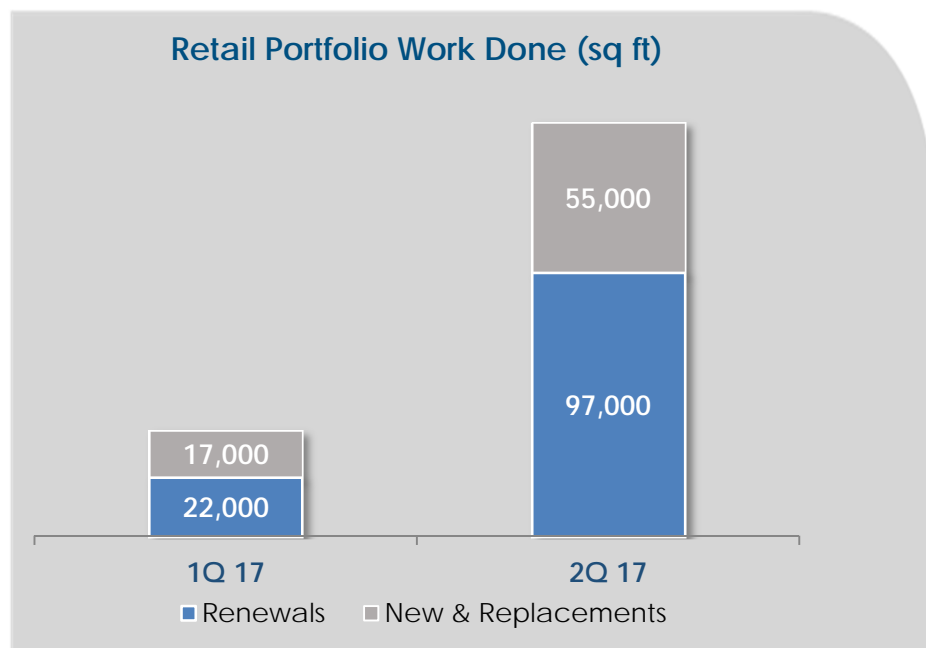
• Retail Portfolio Summary

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 (%)	99.3 (2Q 17) 97.5 (2Q 16)	99.5 (2Q 17) 99.5 (2Q 16)	99.3 (2Q 17) 97.7 (2Q 16)	88.2 (2Q 17) - (2Q 16)	88.2 (2Q 17) - (2Q 16)	99.0 (2Q 17) 97.7 (2Q 16)
Gross Revenue (\$\$ mil)	30.0 (2Q 17) 31.6 (2Q 16)	-	30.0 (2Q 17) 31.6 (2Q 16)	-	-	30.0 (2Q 17) 31.6 (2Q 16)
Net Property Income (\$\$ mil)	21.2 (2Q 17) 23.6 (2Q 16)	-	21.2 (2Q 17) 23.6 (2Q 16)	-	-	21.2 (2Q 17) 23.6 (2Q 16)
Income Contribution from JVs ^{1,2,3} (\$\$ mil)	-	1.1 (2Q 17) 1.0 (2Q 16)	1.1 (2Q 17) 1.0 (2Q 16)	0.3 (2Q 17) - (2Q 16)	0.3 (2Q 17) - (2Q 16)	1.4 (2Q 17) 1.0 (2Q 16)
% Contribution ⁴	94% (2Q 17) 96% (2Q 16)	5% (2Q 17) 4% (2Q 16)	99% (2Q 17) 100% (2Q 16)	1% (2Q 17) - (2Q 16)	1% (2Q 17) - (2Q 16)	100% (2Q 17) 100% (2Q 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. 83% split between office and 17% retail
4. Refers to net property income and income contribution from JVs

Proactive Leasing Strategy



2Q 17	
Total leases signed in 2Q 17	152,000 sq ft
% of new leases	36%
Portfolio Occupancy (as at 31 Mar)	99.0%
Tenant retention ratio ¹	73%

Note:

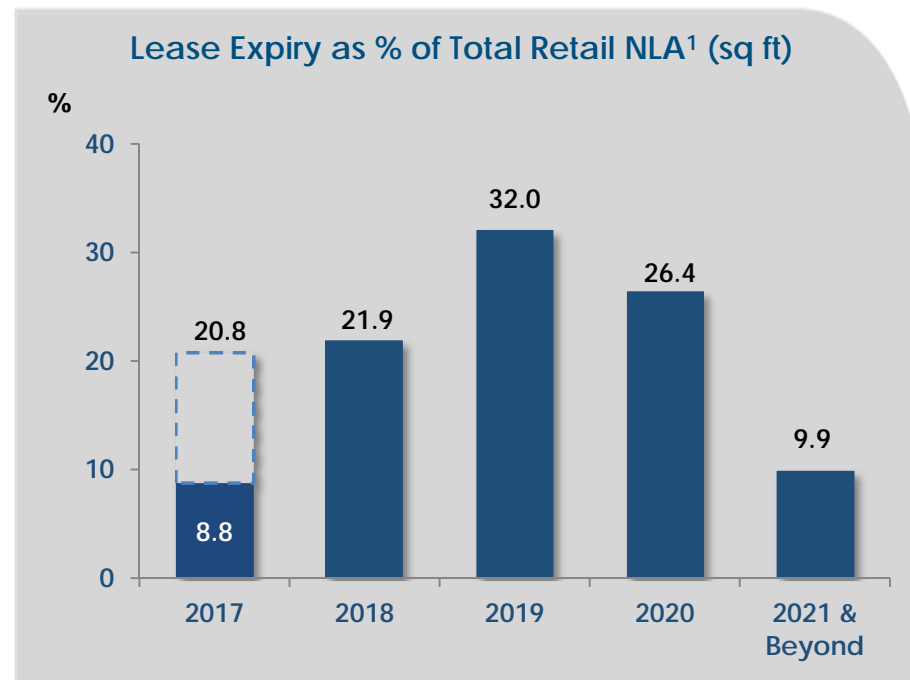
1. Tenant retention ratio = Net lettable area renewed for leases due in in FY2017 divided by total net lettable area due for renewal in FY2017

Tenants secured in 2Q 17 include:



• Retail Lease Expiry Profile

Expiry Profile As at 30 Jun 17	Net Lettable Area ¹	
	Sq ft	% of Total
FY 2017	81,805	8.8%
FY 2018	202,525	21.9%
FY 2019	296,604	32.0%
FY 2020	244,553	26.4%
FY 2021 & Beyond	91,873	9.9%



- Retail leases expiring in FY 2017 reduced to 8.8%
- Portfolio WALE: 2.30 years
 - Singapore Portfolio: 2.19 years
 - Australia Portfolio: 6.56 years

Note:

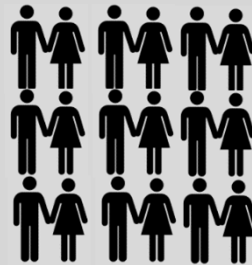
1. Assumes one third of total retail net lettable area of Marina Bay Link Mall , 60.8% interest in Suntec Singapore and 25% in Southgate Complex (Retail).

- Suntec City Mall

Improved operational performance



Committed Occupancy
99.3%
+0.9% q-o-q



YTD Footfall
+11.0% YOY



YTD Tenants sales per sq ft
+5.3% YOY



• Suntec City Marcom & Atrium Events

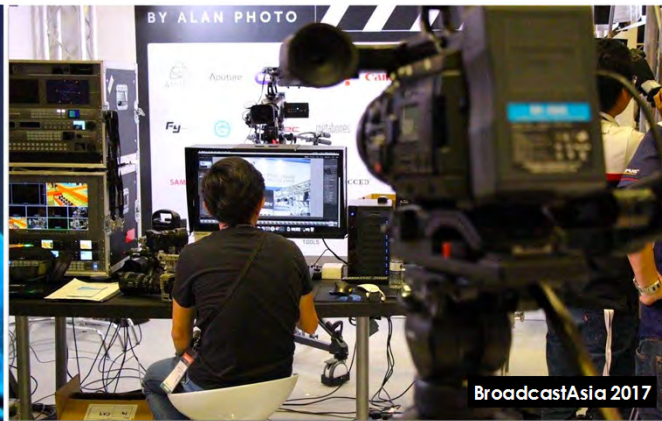




- 340 events held in 2Q 17



Santana Transmogrify Tour



BroadcastAsia 2017



TechInAsia 2017



Consumer Electronics Exhibition



USANA Asia Pacific Convention

Awards & Accolades



*12th consecutive World Travel Awards for
Asia's Leading Meetings & Conference Centre*

● Events in 2Q 17

WHITE COLLAR BOXING™ SINGAPORE
29 APRIL 2017 | SUNTEC SINGAPORE CONVENTION & EXHIBITION CENTRE

EVENT BENEFICIARY: **Children's Surgical Centre** WWW.CSC.ORG

Participants:
 SOPHIE WHEATLEY, PAUL GORIN, DARREN RILEY, AMY BOWLER, DANIEL O'CONNOR, OWEN LEWIS, OLLIE WOOD, LEE McNALLY, JUERGEN ROSENBERGER, LEON UPTON, GURU VISHWANATH, GABRIELA OXBY, RANDALL SULLIVAN, STUART HODGES, MARC BAUMBACK, ARJAN DE BOER, GEORGE HOBDEN, AMELIA MATHESON, JASON FORSYTH, BEN TAYLOR-ROBINSON

Sponsors: San Miguel, locowise, iEXCHANGE, TravelCue, WWCBA

Hashtags and Website: #IPPCBSG, f/VANDABOXING, @VANDABOXINGCLUB, @VANDABOXING, WWW.VANDABOXING.COM



- Events in 3Q 17



18 - 21 JULY 2017, SUNTEC SINGAPORE
WORLD ENGINEERS SUMMIT
APPLIED ENERGY SYMPOSIUM & FORUM





9 PENANG ROAD

- 9 Penang Road



Piling works (for earth retaining wall) in progress
Development works on schedule to complete by end 2019



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

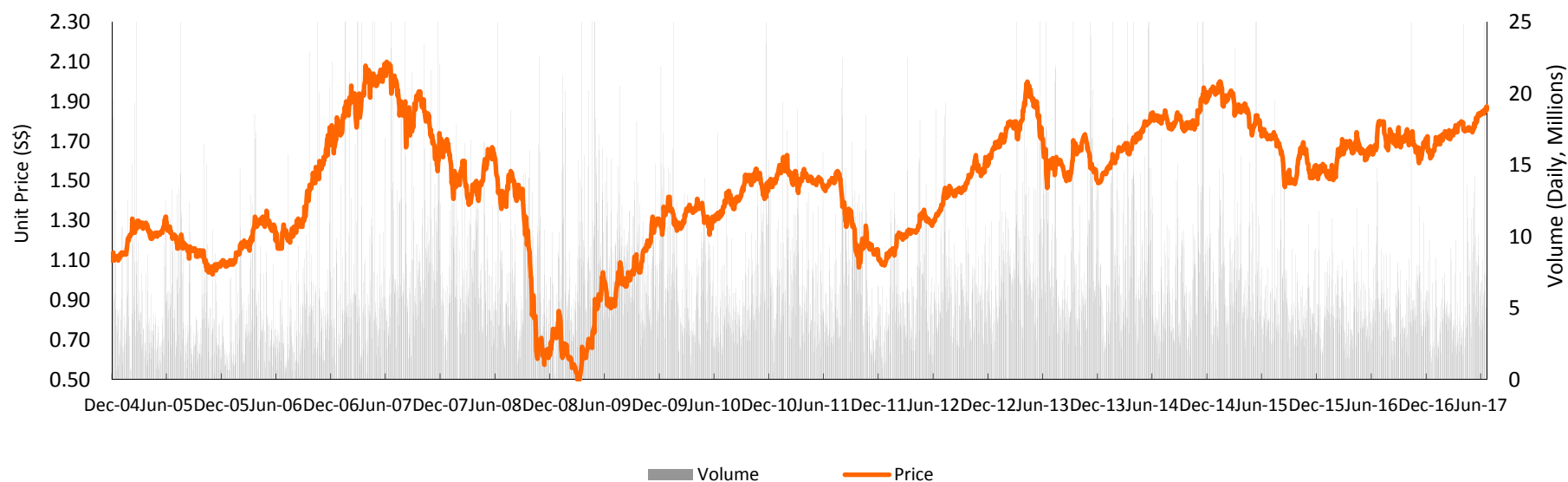




UNIT PERFORMANCE

● Unit Performance

- 2Q 17 DPU of **2.493 cents**
- Trading yield of **5.35%**¹
- Market Capitalisation of **S\$4.9 billion**¹ as at 30 June 2017
- **4th largest REIT** ² on SGX

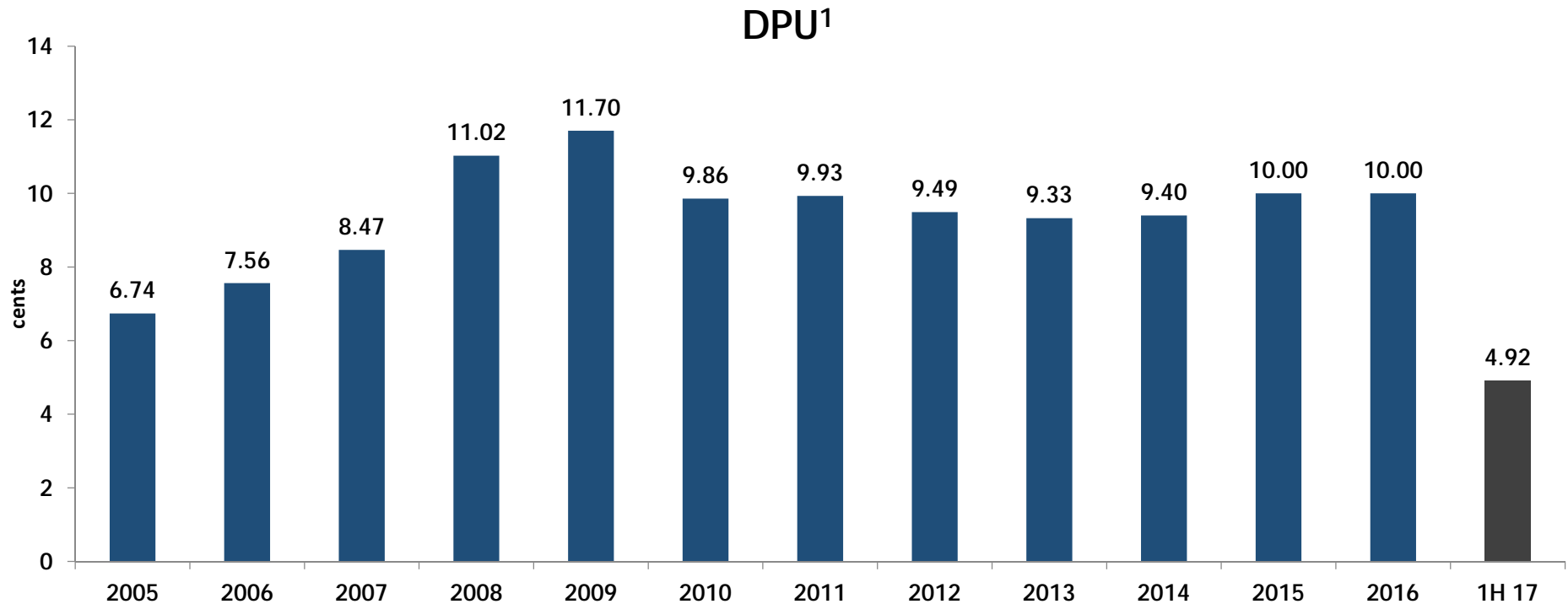


Notes:

1. Based on the share price of S\$1.87 as at 30 June 2017.
2. Based on the market capitalisation as at 30 June 2017.

Source: ARATMS

● Delivering Stable, Sustainable DPU



- **12-years track record of delivering stable returns** throughout the property market cycle
- 1H 17 annualised DPU of 9.918 cents

Note:

1. Based on calendar year

- Established Track Record

2Q 17 DPU ————— 2.493 cents

Total DPU since IPO ————— 118.4 cents

Total Return for IPO Unitholders ————— 205.4%



- **Distribution Timetable**

Distribution Payment	
Distribution Period	1 April – 30 June 2017
Amount (cents/unit)	2.493

Ex-date	1 Aug 2017
Books closure date	3 Aug 2017
Payment date	29 Aug 017

Source: ARATMS

THANK YOU



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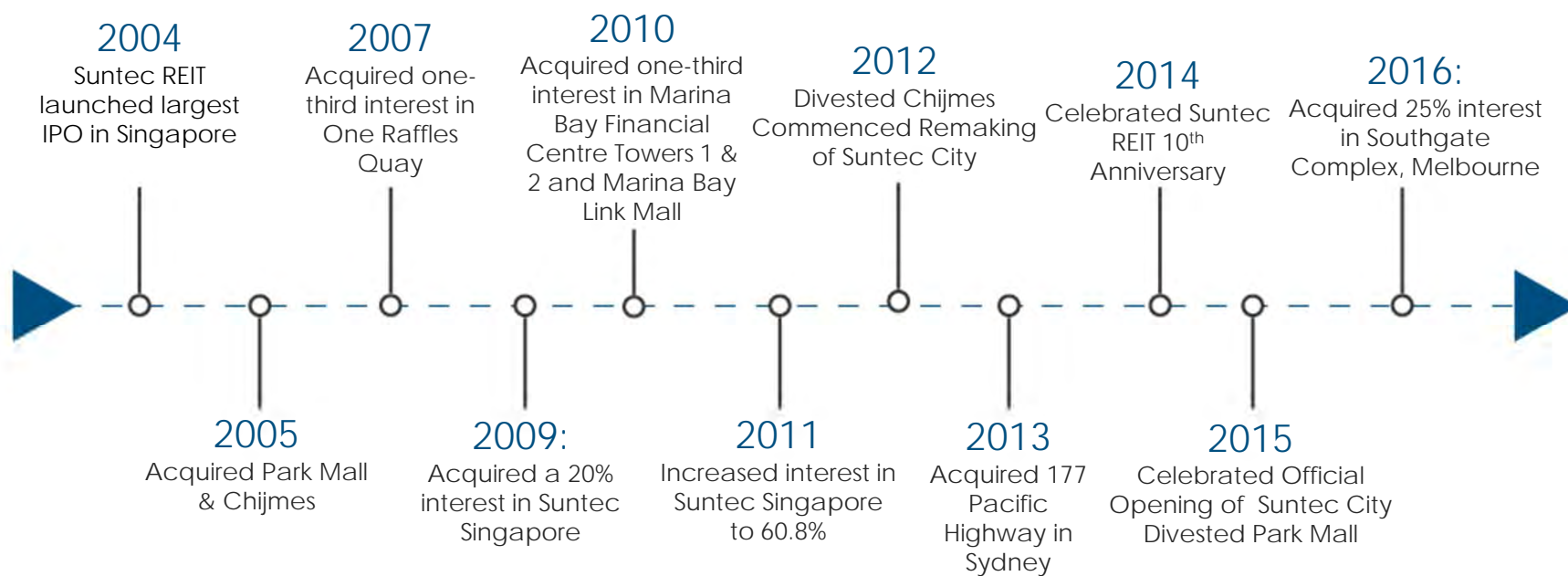
● About Suntec REIT

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 30 June 2017 versus results achieved for the quarter ended 30 June 2016. It should be read in conjunction with Paragraph 8 of Suntec REIT's financial results for the quarter ended 30 June 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.