



Results for the Period 1 Apr 2005 – 30 Jun 2005

ARA Trust Management (Suntec) Limited

Agenda

- In brief
- Financial highlights
- Update on Portfolio Performance
- Unit performance

In Brief

Suntec REIT outperforms forecast; Office occupancy hitting 90%

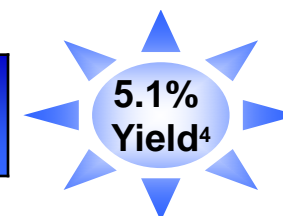
- **Year-to-date Distribution per unit (DPU) 5.2% above forecast**
 - Revenue & net property income exceed forecast at S\$33m & S\$24m respectively
 - Income available for distribution 4.9% above forecast for the quarter
- **Strong asset performance**
 - Office occupancy and rents strengthened further; Committed occupancy jumps to almost 90%
 - Continued double digit growth in retail rents from preceding levels
- **Strong organic growth**
 - Pushcarts increase from 8 to 31 in June quarter; Expects additional revenue in excess of S\$1 mil per annum
 - Creation of new Children & Infant zone in progress; New Happy Kidz zone opening before Christmas
- **Acquisition Strategy and Update**
 - Focusing on new growth corridors (namely Marina Bay Enclave and Civic & Cultural District)
 - Focusing on the strengthening office sector
 - Acquiring into a robust retail market
 - Asset enhancement opportunities

Financial highlights

Distribution Per Unit (DPU) Performance

Year-to-date : DPU Exceeds Forecast by 5.2%, Yield of 5.1%

	Actual DPU	Forecast ¹ DPU	Annualised Actual DPU
DPU : 9 Dec – 30 Jun 05^{2,3} (S\$ cents)	3.42	3.25	6.11
DPU : 1 Apr – 30 Jun 05 ² (S\$ cents)	1.56	1.49	6.26
DPU : 9 Dec – 31 Mar 05 ³ (S\$ cents)	1.86	1.76	6.00



Source: ARA Trust Management (Suntec) Limited ("ARATMS")

Notes:

1. Based on assumptions/forecasts stated in the Prospectus dated 29 November 2004
2. Based on 1,289,155,878 units in issue as at 30 June 2005 & 1,824,423 units issuable to the Manager on 28 July 2005 as partial satisfaction of management fee incurred for the period 1 April 2005 to 30 June 2005. Excludes 207,002,170 deferred units payable to Suntec City Development Pte Ltd over 6 equal installments, the first of which falls 42 months after 9 Dec 04.
3. Based on 1,287,469,464 units in issue as at 31 March 2005 & 1,686,414 units issuable to the Manager on 29 April 2005 as partial satisfaction of management fee incurred for the period 1 January 2005 to 31 March 2005. Excludes 207,002,170 deferred units payable to Suntec City Development Pte Ltd over 6 equal installments, the first of which falls 42 months after 9 Dec 04.
4. Based on the annualised DPU of 6.11 cents last traded price of \$1.19 as at 25 July 2005.

Distribution Per Unit of 1.56¢, 4.3% Higher Quarter-on-Quarter

Period: 1 Apr – 30 Jun 2005	Actual	Forecast ¹	Variance
Distribution income	S\$20.15 mil	S\$19.21 mil	+4.9%
Distribution per unit	1.56¢	1.49¢	+5.0%
Annualised distribution per unit ²	6.26¢	5.96¢	+5.0%
Annualised distribution yield ³	5.3%	5.0%	+6.0%

Source: ARA Trust Management (Suntec) Limited ("ARATMS")

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3. Based on the last traded price of \$1.19 as at 25 July 2005.

Financial Results : 1 Apr '05 – 30 Jun '05

For the period 1 Apr – 30 Jun 2005	Actual (S\$'000)	Forecast ¹ (S\$'000)	Variance (%)	
Revenue	33,097	33,091	0	• Revenue & net property income exceed forecast at S\$33m & S\$24m respectively
Less property expenses	(8,767)	(8,823)	(0.6)	
Net property income	24,330	24,268	0.3	
Less financing costs ²	(4,689)	(4,754)	(1.4)	• Income available for distribution is 4.9% higher than forecast
Less trust expenses ³	(3,108)	(3,048)	2.0	
Net income before tax²	16,533	16,466	4.1	• Property expenses 0.6% lower than forecast
Non-tax deductible (chargeable) items ²	3,616	2,746	31.7	
Taxable income	20,149	19,212	4.9	• Financing costs 1.4% lower than forecast
Income available for distribution³	20,149	19,212	4.9	
DPU (S\$ cents)	1.56	1.49	5.0	

Source: ARA Trust Management (Suntec) Limited ("ARATMS")

Notes:

1. Based on assumptions stated in the Prospectus dated 29 November 2004
2. Excludes a financial adjustment of S\$1.6 million due to the change in fair value that relates to the ineffective part of the 5-year interest rate hedge for S\$500mil of the debt. Such a financial adjustment has no impact on the distribution per unit.
3. Trust expenses including the Manager's fee, trustee fees and administrative fees

Balance Sheet

NAV per unit currently S\$1.06 per unit

Balance Sheet	30/06/05 (S\$'000)
Investment properties	2,280,000 ¹
Total assets	2,312,490
Total liabilities	728,382
Net assets	1,584,108
Unitholders' Funds	1,584,108
Total Units	1,497,982,471 ²
NAV per unit (S\$)	1.06 ³

- Investment properties have been revalued upwards by 5%
- 14.4% premium to adjusted NAV

Relevant per unit statistics

Net asset value (NAV) per unit	S\$1.06
Adjusted NAV per unit (excl. income available for distribution)	S\$1.04
Unit price as at 25 Jul 2005	S\$1.19
Premium to Adjusted NAV	14.4%

Source: ARATMS

Notes:

1. Properties in Suntec City have been revalued to S\$2.28 bil by Knight Frank Pte Ltd as at 1 May 2005.
2. Includes 1,824,423 units issuable to Manager on 28 Jul 05 as management fee incurred for the period Apr – Jun 05, and 207,002,170 deferred units payable to Suntec City Development over 6 equal installments, the first of which falls 42 months after 9 Dec 04
3. Includes DPU of S\$0.0156 payable to 1,290,980,301 units on 29 Aug 05 (excluding deferred units)

Suntec REIT units trade ex-distribution on 2 Aug 2005

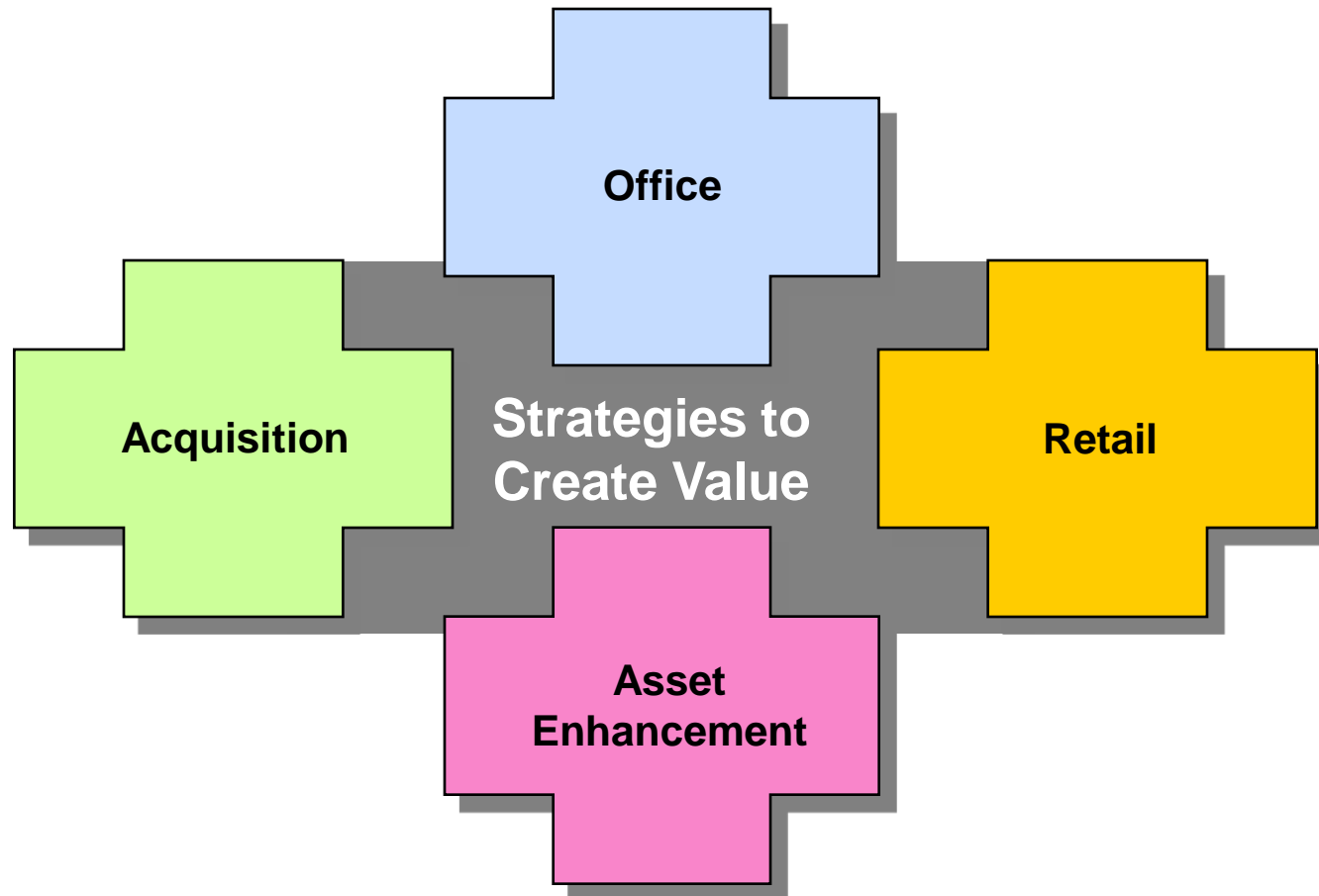
Distribution payment (for the period 1 Apr 05 to 30 Jun 05)

Amount (cents/unit)	1.56
Ex date	2 Aug 05
Books closure	4 Aug 05
Payment	29 Aug 05

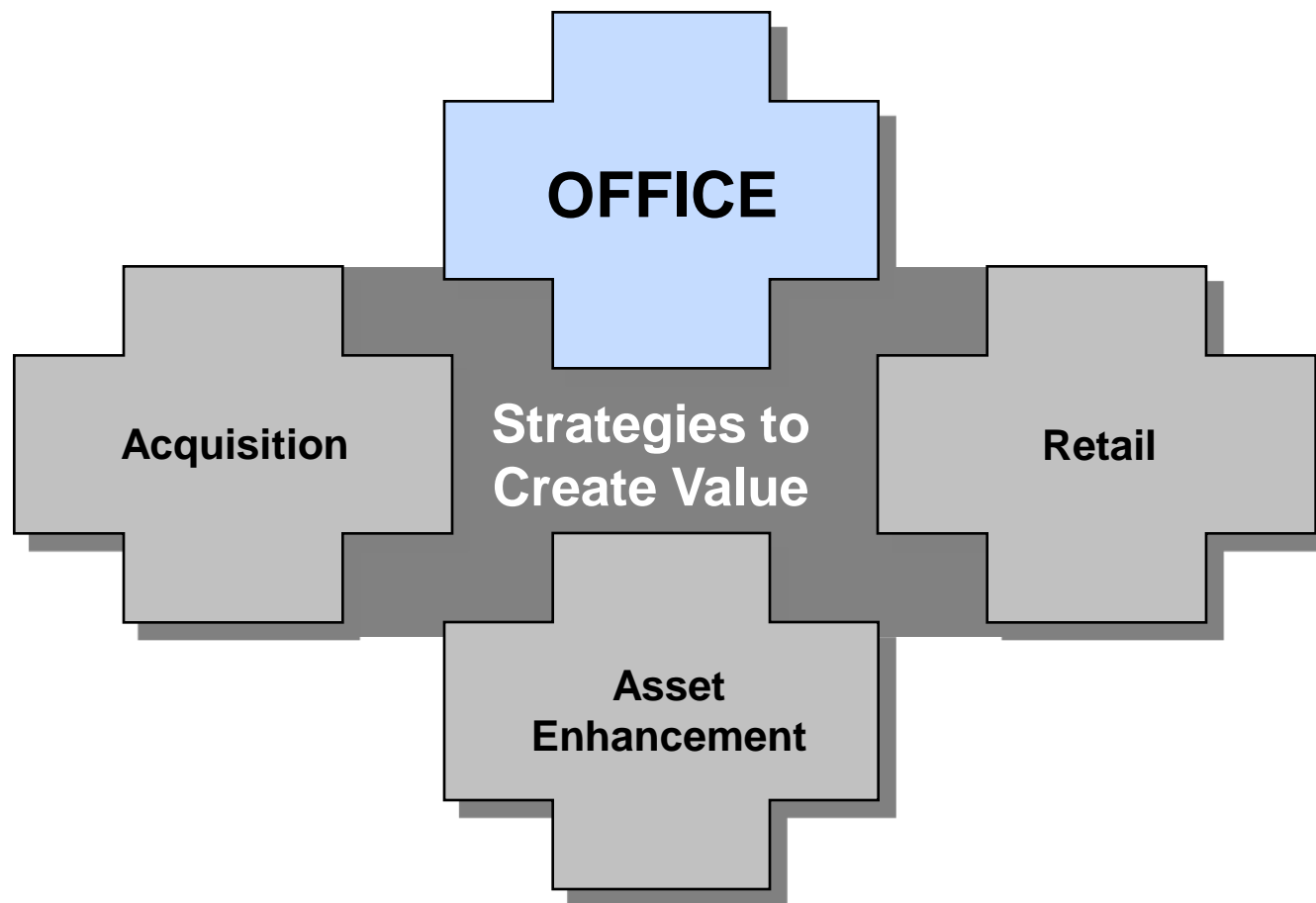
Source: ARATMS

Update on Portfolio Performance

Focus on Our Core Strategies and Goals

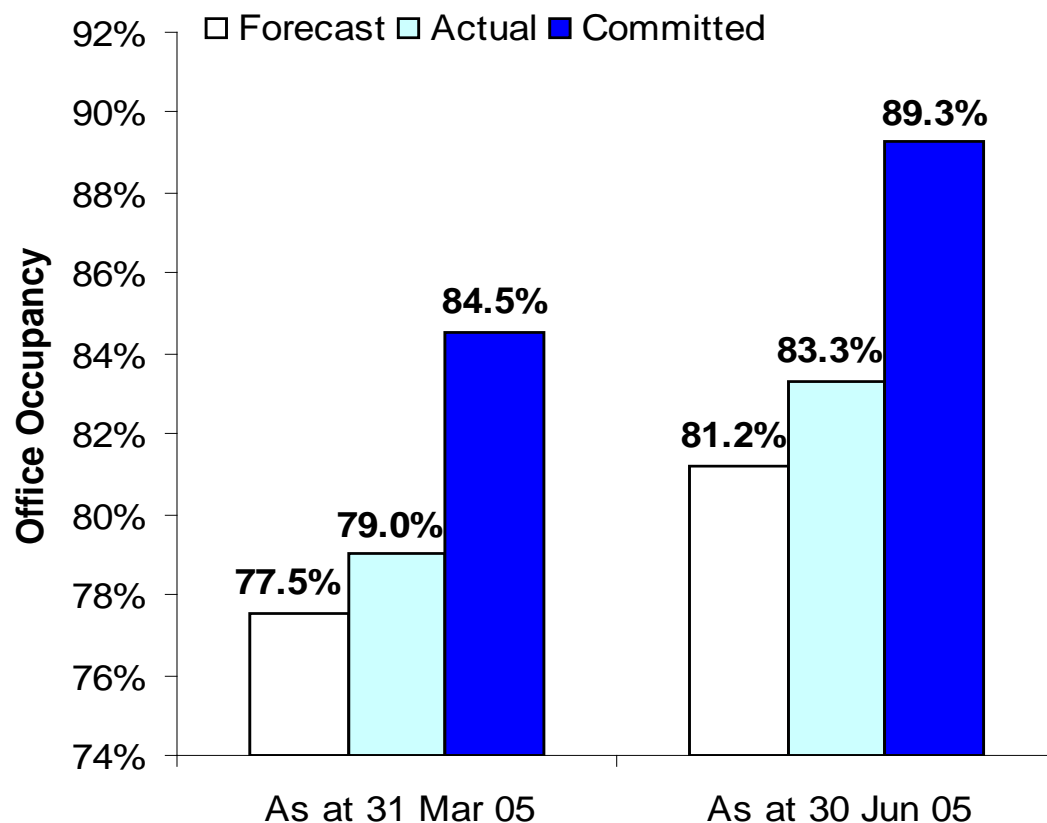


Update on Office Portfolio Performance



Improving Occupancy & Rental Rates

Office Occupancy Hitting 90%



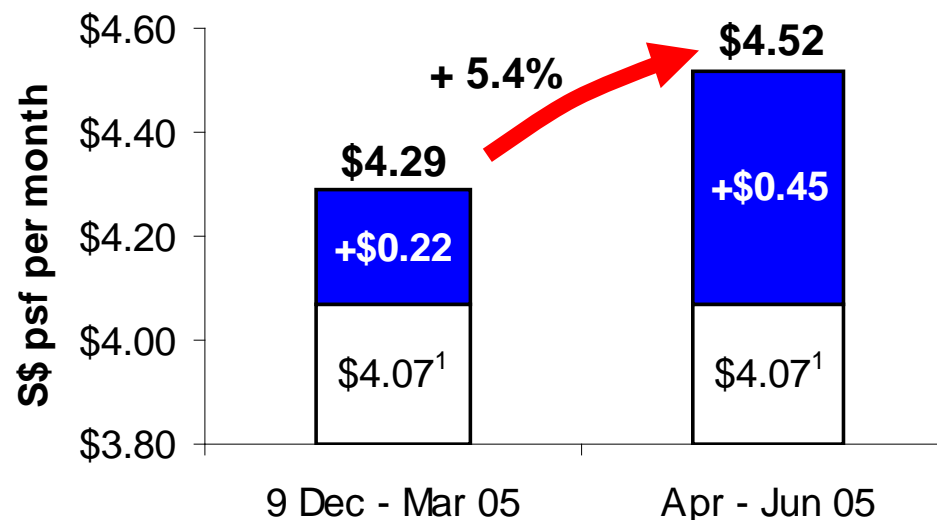
- Continued strong demand for office space at Suntec City lifts committed occupancy close to 90%
- Committed occupancy exceeds forecast by 8.1%

Improving Occupancy & Rental Rates

Achieved Office Rents Rises to S\$4.52 psf

- Achieved office rental rates 11.1% higher than average forecast rate of \$4.07¹ or 5.4% higher than previous period

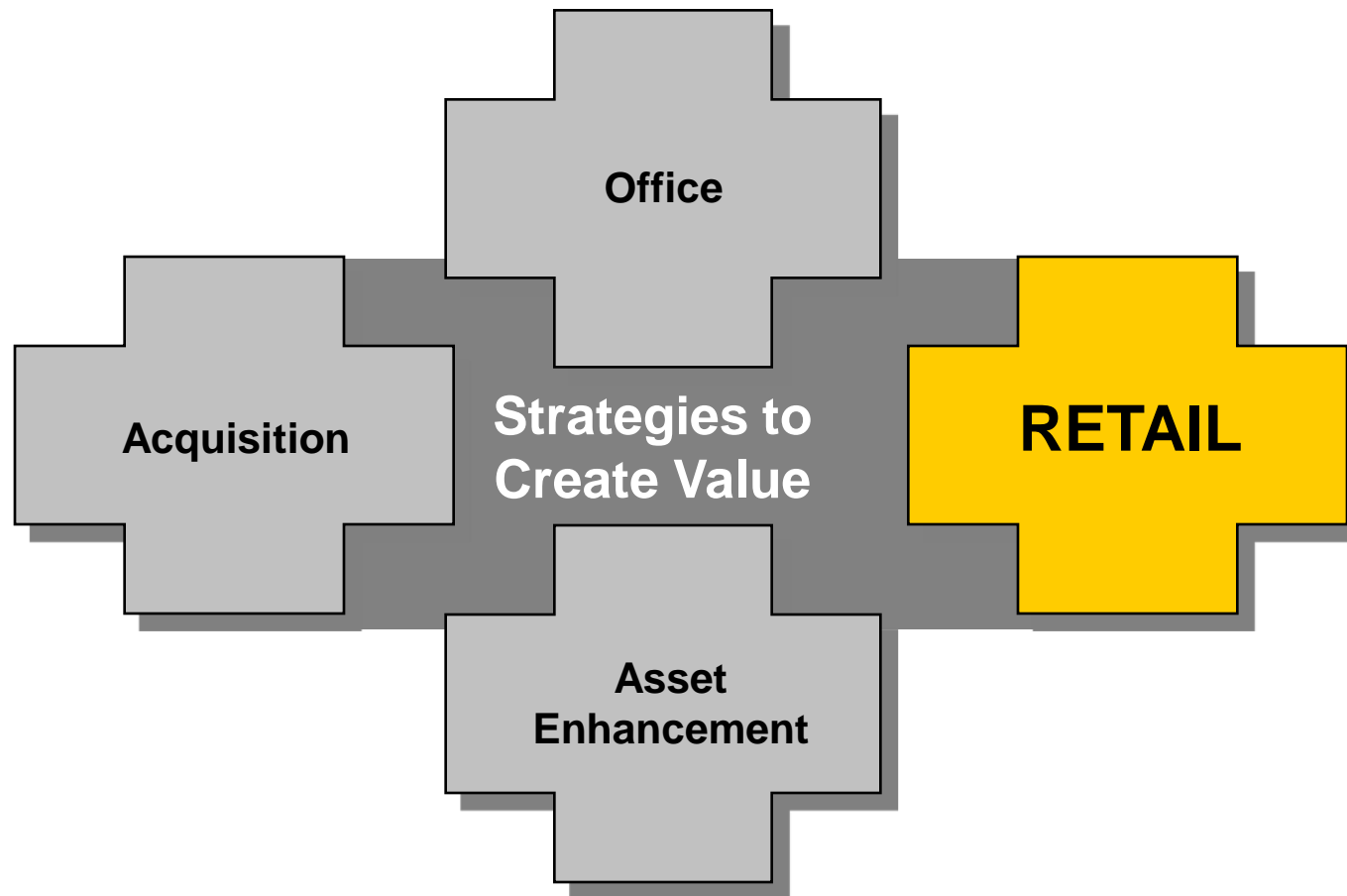
Actual Rate Achieved for New/Renewal Leases ²



Notes:

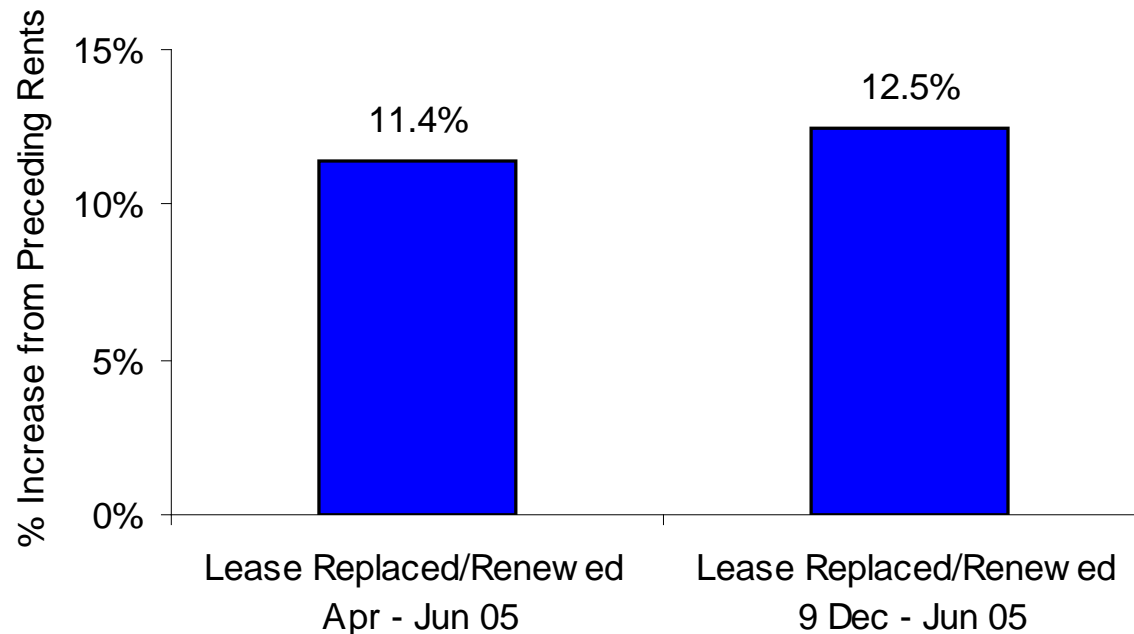
1. Avg Forecast Rate for FY05 computed as average monthly forecast office gross revenue for FY05 divided by average forecast leased area.
2. For new/renewal leases that came into effect during the period under review and as disclosed in the 2Q 2005 results presentation slides.

Update on Retail Portfolio Performance

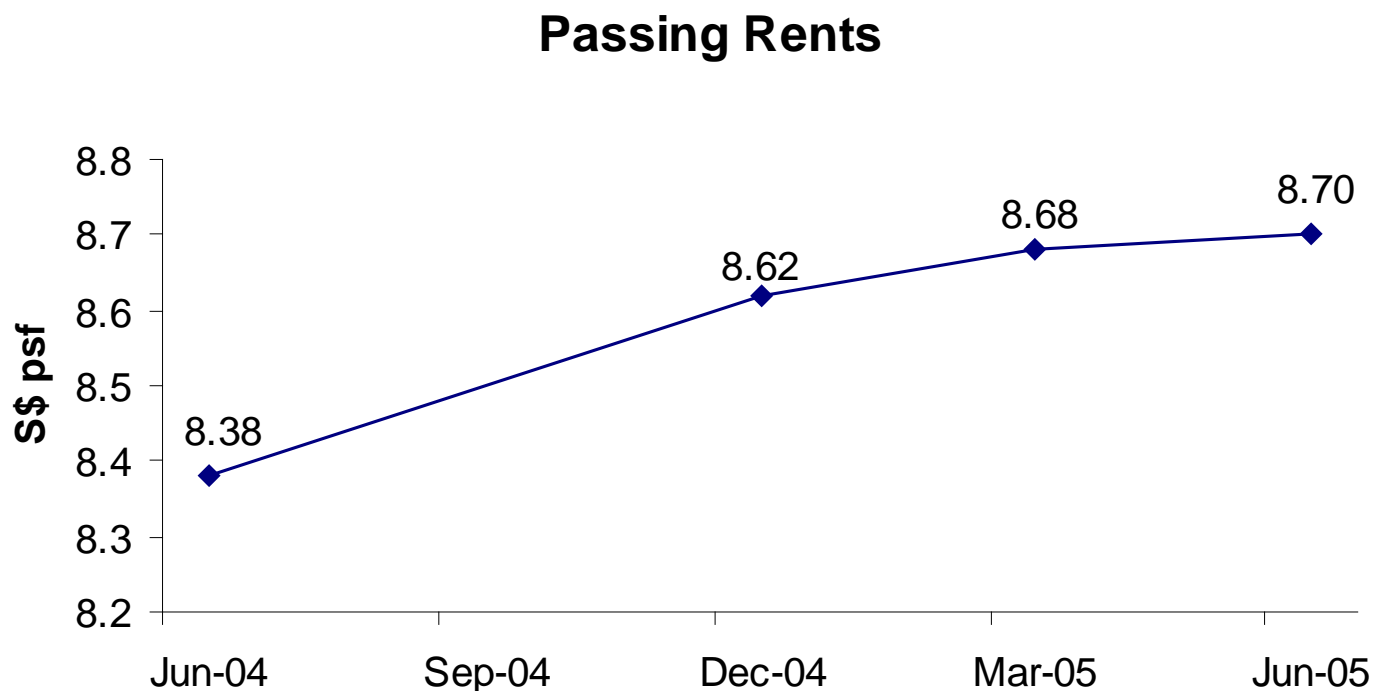


Continued Strong Growth in Retail Rental Rates

- Retail rental rates for renewals continue to enjoy double digit growth from preceding levels
- Rental rates for leases replaced/renewed year-to-date increased by 12.5%



Passing Rents Continue to Grow Steadily



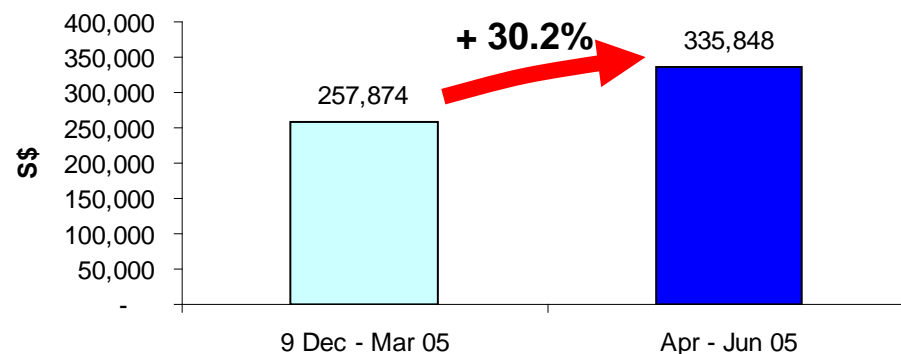
- Committed occupancy as at 30 June 2005 was 96.2% due to works-in-progress of the Happy Kidz zone

Advertising & Promotions

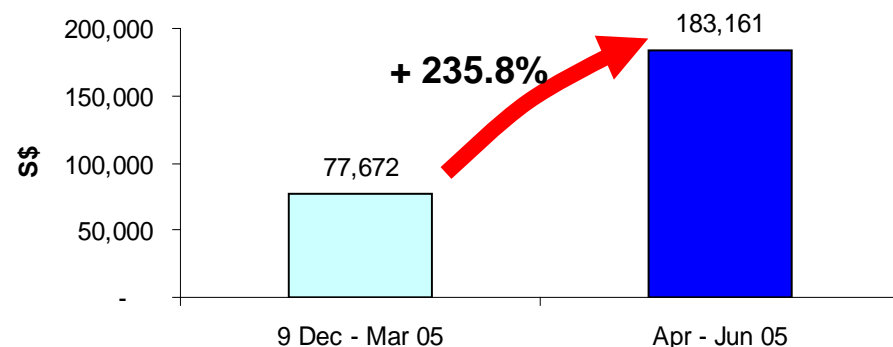
- A&P revenue from atrium rentals and media spaces rose 30.2% compared to the previous quarter
- Pushcarts revenue more than doubled compared to the previous quarter



Advertising & Promotion Revenue



Pushcarts Revenue



Pushcarts



Pushcart Calendar	Number of Pushcarts
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9 Dec 2005 (Date of listing)	Nil
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31 Mar 2005	8
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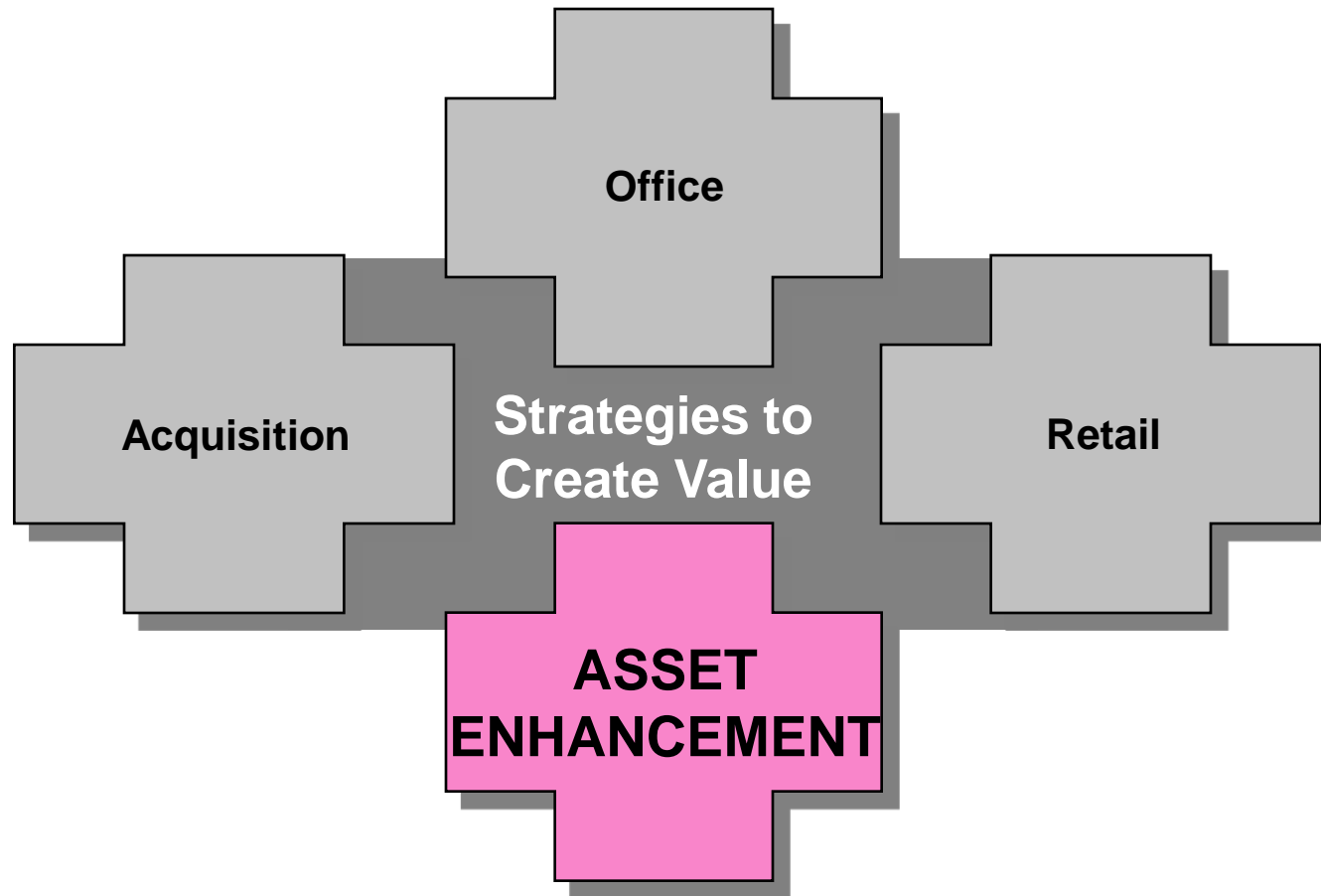
30 Jun 2005	31
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- Additional revenue from the 31 pushcarts ~ over S\$1 mil per annum
- Target number of pushcarts by year end ~ 42 pushcarts



Update on Asset Enhancement

Focus on Our Core Strategies and Goals



Project Fountain of Wealth

Management commissioned AC Nielsen to determine:

- Current positioning of Suntec City Mall
- Key customer segments
- Needs and expectations of shoppers

Survey findings completed in June 2005, thereby enabling management to review, evaluate, affirm and fine-tune its strategy on the Asset Enhancement plans



Understanding
the
Singaporean
shoppers at
Suntec City Mall

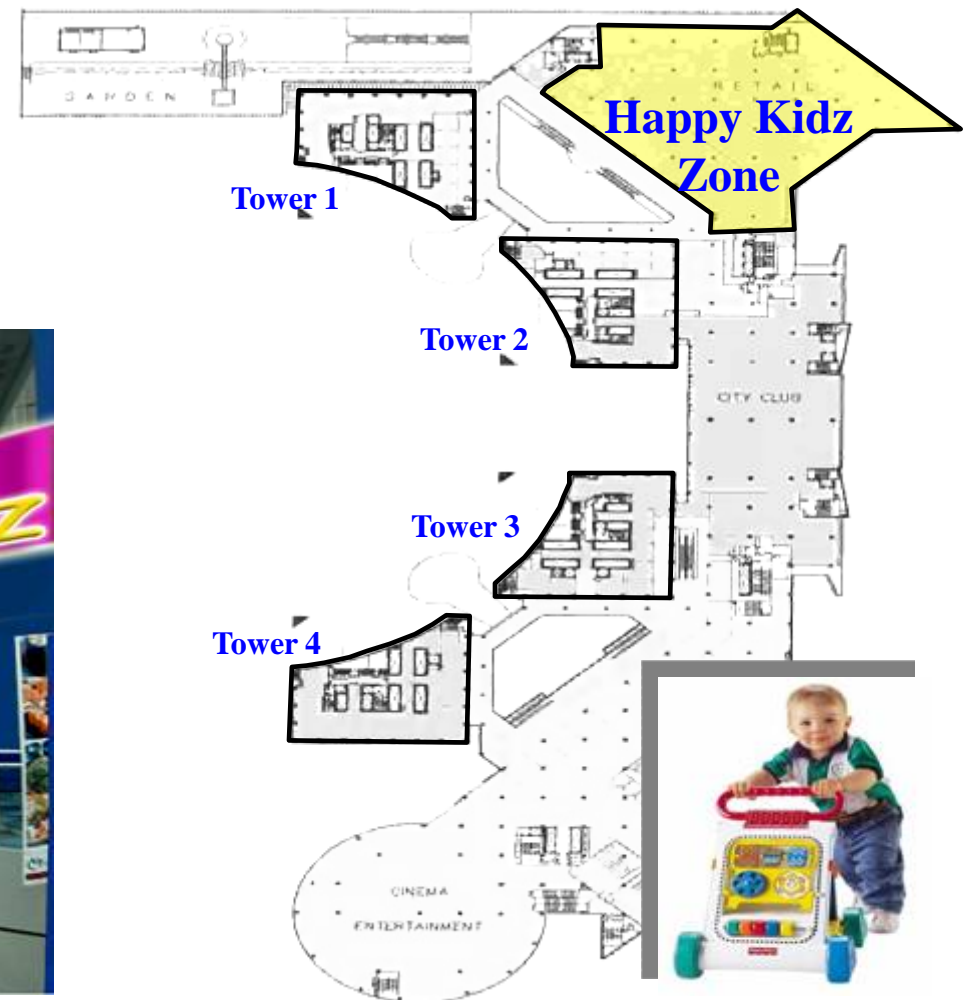


“Suntec City Mall leads on overall brand awareness”

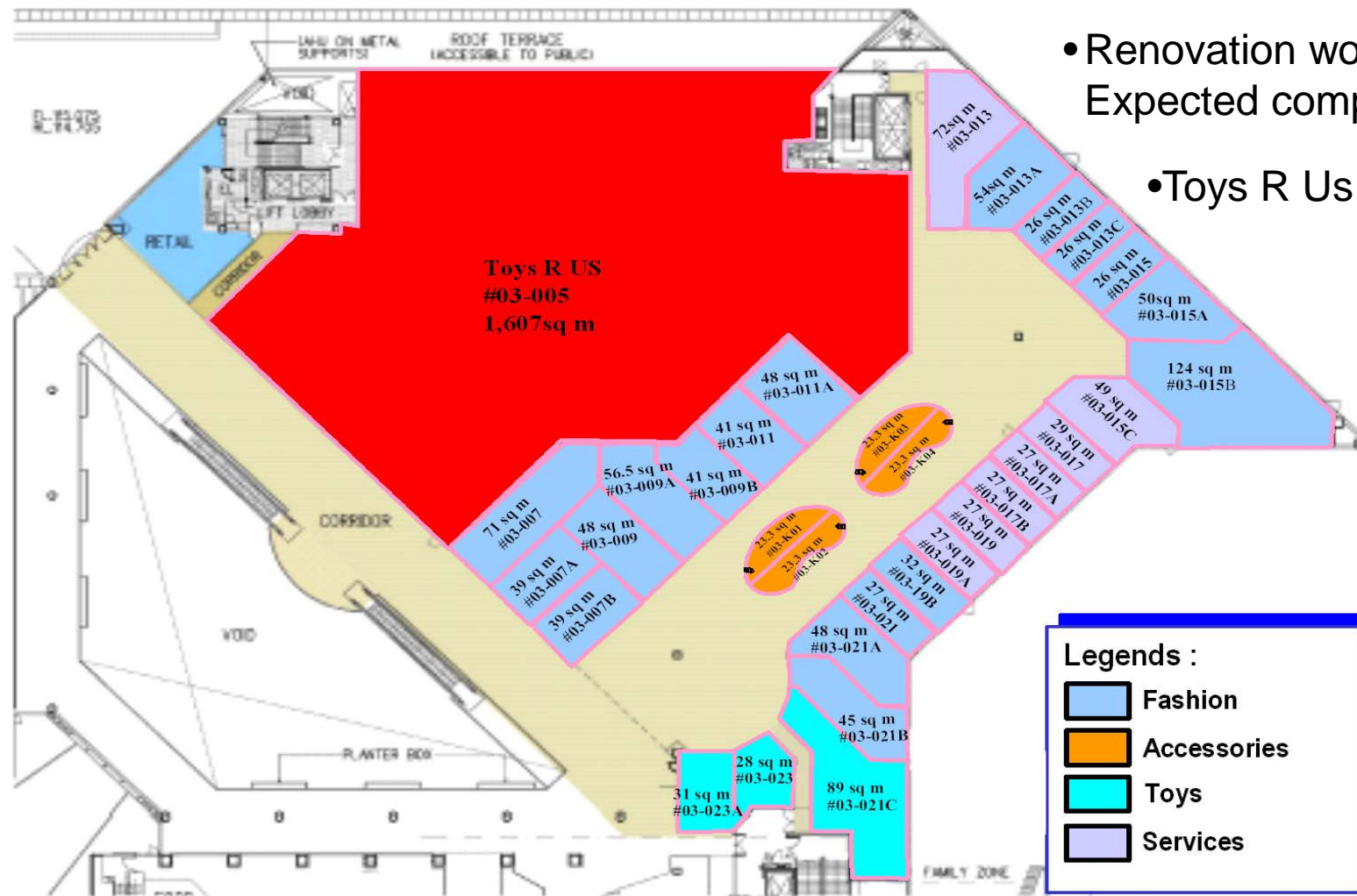
Update – Children & Infant Zone

Creation of New Happy Kidz Zone

- Re-positioning of 39,317 sq ft of gross retail space for higher retail yield (3rd floor of the Tropics zone) in progress



Layout of New Happy Kidz Zone



- Renovation works in progress;
Expected completion by Sep 2005
- Toys R Us as anchor tenant

Legends :

- Fashion
- Accessories
- Toys
- Services

Update – Children & Infant Zone

Preparing for Launch of New Happy Kidz Zone



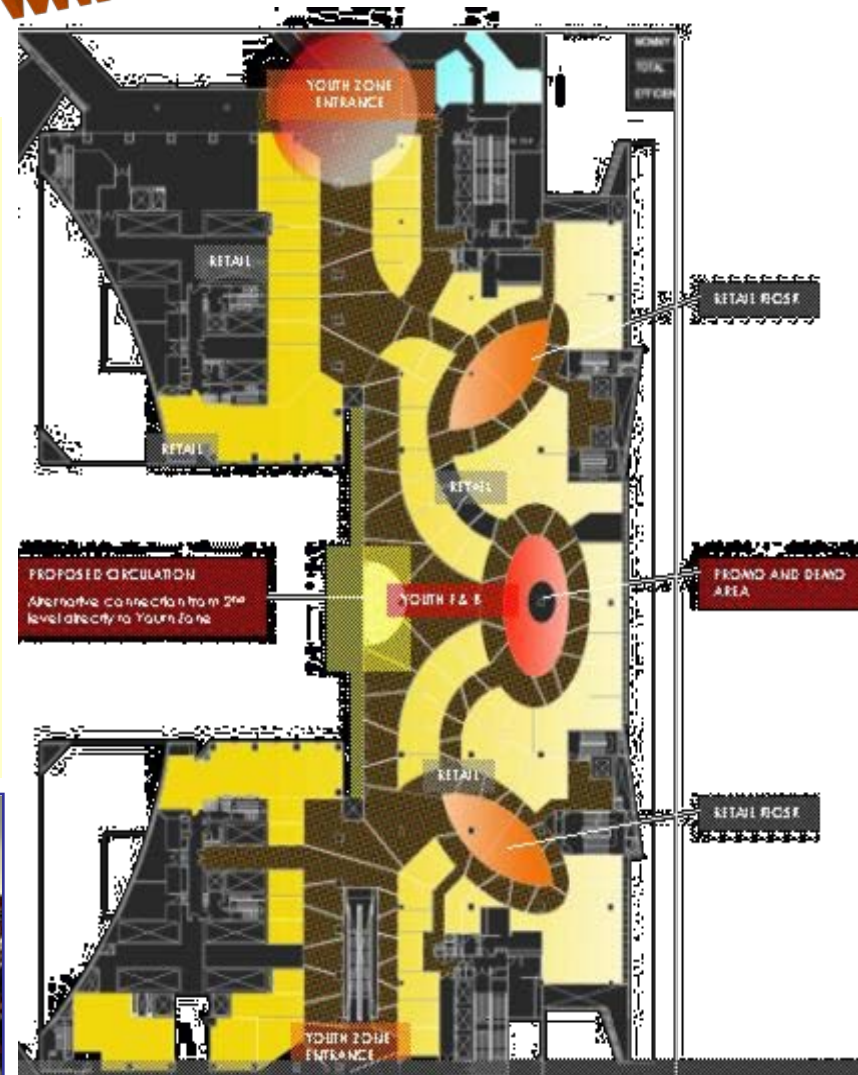
- Active marketing efforts underway
- Successfully signed 1st shop tenant at above \$15 psf
- Launch of zone before Christmas
- New zone expected to generate an additional revenue of ~S\$3 mil per annum

Proposed New Youth Zone

Proposed Trade Mix



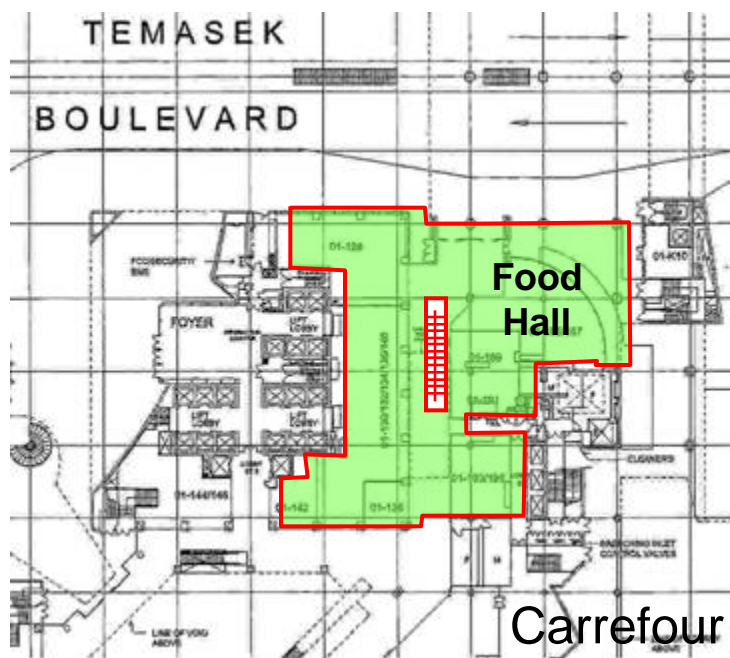
- Youth Apparels & Accessories**
 - Streetwear
 - Fashion Accessories
- Lifestyle**
 - Music, handphones
 - Gifts & collectibles
 - Stationery & Toys
 - Cafes



Proposed New Food Hall

Spicing up Suntec

Local and international specialty eateries & food kiosks



Proposed New Digital World Zone

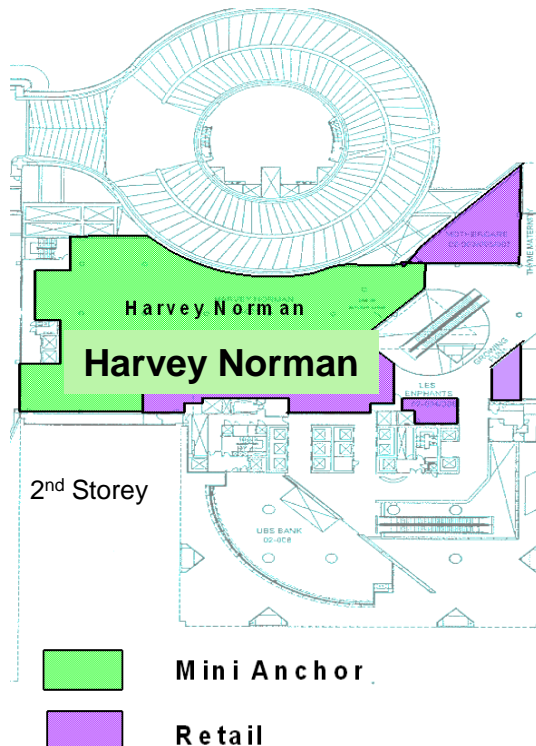
Suggested Trade Mix

Electronics

- Home entertainment systems, audio/visual equipment, cameras, handphones, computer peripherals & accessories

Others

- Sporting goods, Music/ VCDs, books & stationery



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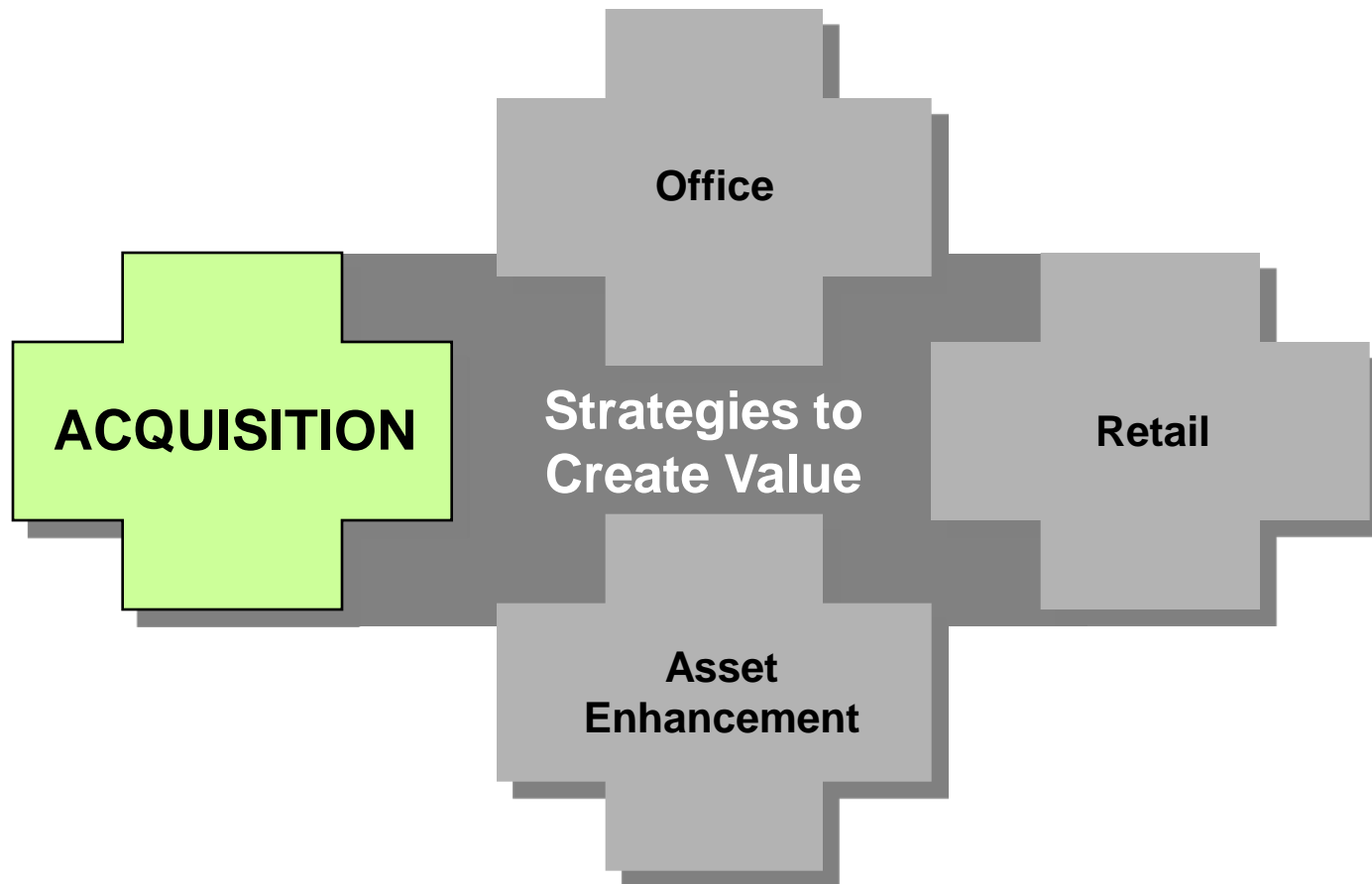
2ND STOREY PART PLAN (1)
SCALE 1:750
DATE: 30/03/2005

Overview of New Initiatives

New initiatives are scheduled to be implemented over a period of 1-2 years and are expected to increase rent significantly

Youth Zone		Average Rent	Annual Rent	<div>↑ 74%</div>
Current NLA	34,065 sq ft	\$6.77 psf/month	\$2.7 mil	
Proposed NLA	30,000 sq ft	\$13.00 psf/month	\$4.7 mil	
Food Hall		Average Rent	Annual Rent	<div>↑ 75%</div>
Current NLA	8,873 sq ft	\$11.28 psf/month	\$1.2 mil	
Proposed NLA	8,873 sq ft	\$20.00 psf/month	\$2.1 mil	
Digital World		Average Rent	Annual Rent	<div>↑ 75%</div>
Current NLA	7,464 sq ft	\$8.77 psf/month	\$0.8 mil	
Proposed NLA	5,900 sq ft	\$20.00 psf/month	\$1.4 mil	

Focus on Our Core Strategies and Goals



Growth through Acquisitions

Proactive Efforts to Deliver Yield Accretive Acquisitions

Strategy #1

**Focusing on the New Growth Corridors
(Marina Bay Enclave and Civic & Cultural District)**

Strategy #2

Focusing on the Strengthening Office Sector

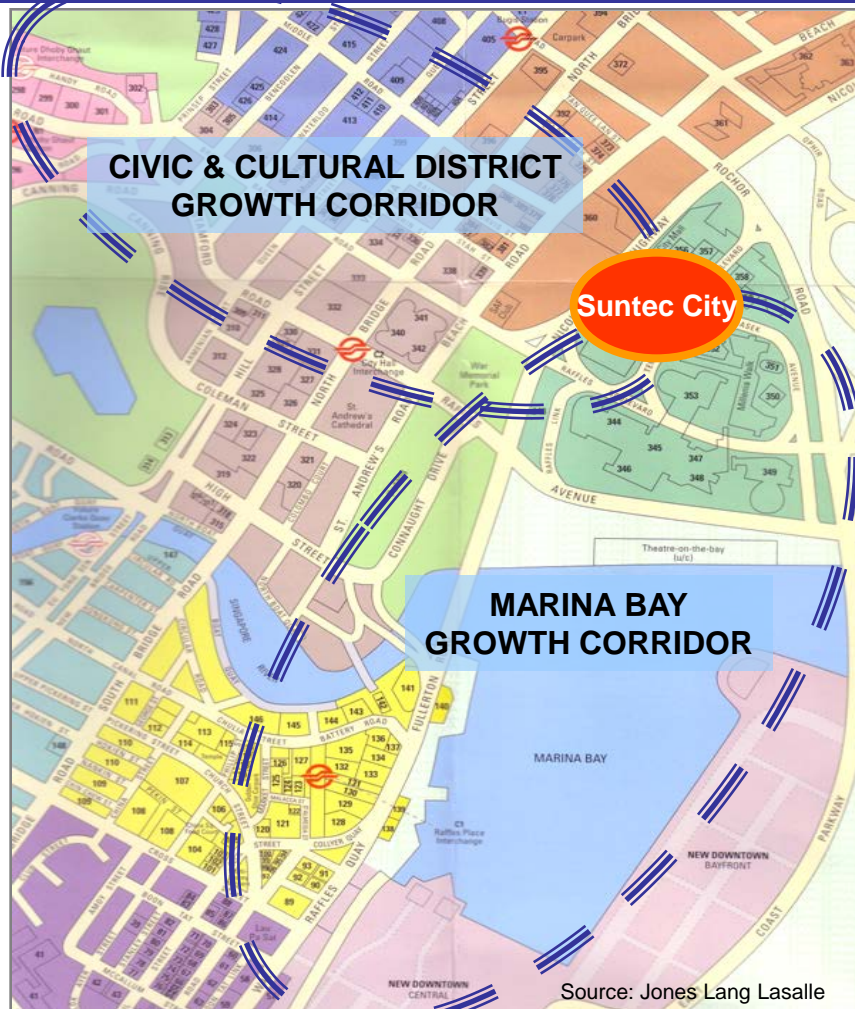
Strategy #3

Acquiring into a Robust Retail Market

Strategy #4

Asset Enhancement Opportunities

Marina Bay and Civic & Cultural District



Source: Jones Lang Lasalle

Civic & Cultural District Corridor

New developments will feature along Civic Cultural District corridor from Bras Basah Road to Suntec City to Marina Bay. The opening of **Singapore Management University**, **Nanyang Academy Of Fine Arts** and the **National Library** is expected to increase the catchment of young adults in the area. Businesses are gearing up for the spike in consumer traffic.



Marina Bay Enclave

Marina Bay, with the **Integrated Resort**, **Singapore Flyer**, **Collyer Quay Lifestyle Hub** and the **Business Financial Centre** will anchor Singapore as the premier place to work and live. There will be more jobs opportunities, increased demand for office space and increased patronage of retail centres



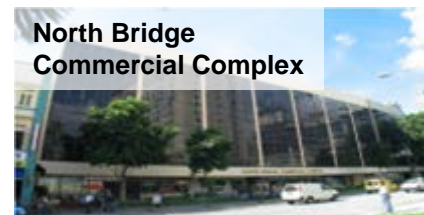
Illustration: URA

Taking Advantage of Changing City Landscape

Strategy #1 Focusing on New Growth Corridors

Marina Bay & Civic & Cultural District Growth Corridors

Identifying Acquisitions in New Growth Corridors



Acquiring into a Recovering Office Market

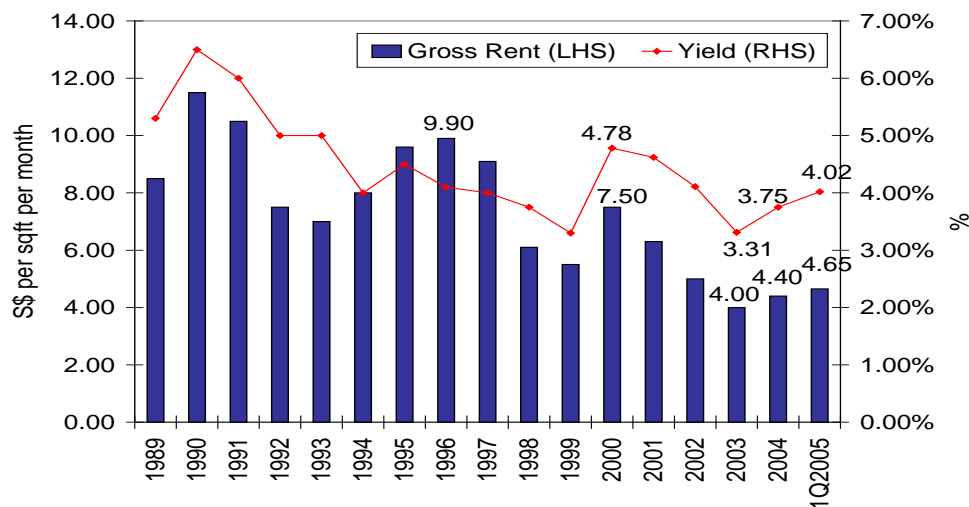
Strengthening office property sector is underpinned by

- ↑ Clear signs that the office property market recovery is firmly underway
- ↑ Positive experience with Suntec City Office
- ↑ Office property market at an early stage of a sustainable up-cycle
- ↑ Recovery observed to be spreading to Prime Grade B office space

Strategy #2 Focusing on the Office Sector

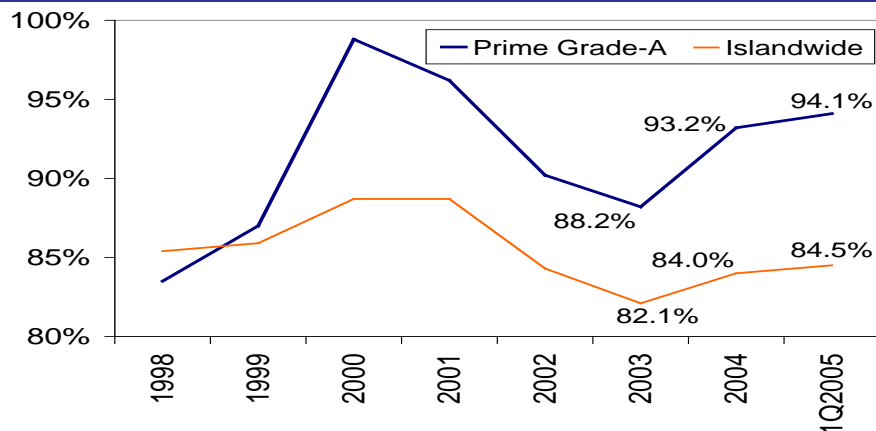
Clear Signs that Market Recovery Firmly Underway

Rising Rentals



- Rentals and occupancies on the uptrend since middle of 2004 after 11 quarters of consecutive decline
- Prime office rents continued to rise to \$4.70 per sq ft in 2Q 2005 from \$4.65 per sq ft in 1Q 2005.
- Similarly, the average rent for Prime Grade A office space increased from \$4.80 per sq ft in 1Q 2005 to \$4.90 per sq ft in 2Q 2005.
- The islandwide occupancy also continued to improve with incremental space needs mainly from occupiers' expansion within the same building. At the end of 2Q 2005, the islandwide occupancy was estimated to be 85.5%, up from 82.6% a year ago and 84.5% over preceding quarter.

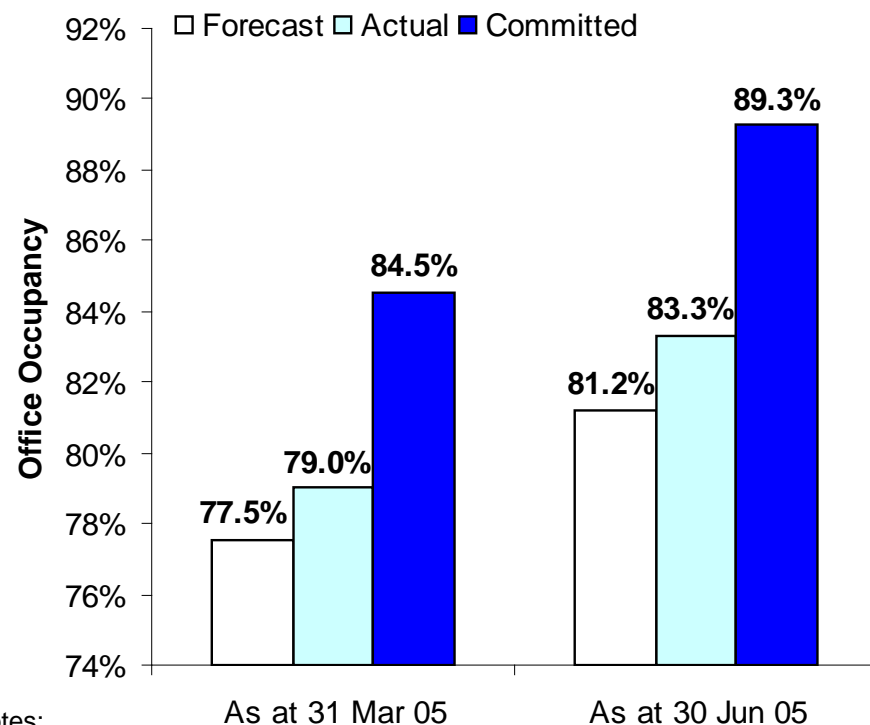
Rising Occupancy



Strategy #2 Focusing on the Office Sector

Confidence in Office Market Reinforced by Positive Experience at Suntec

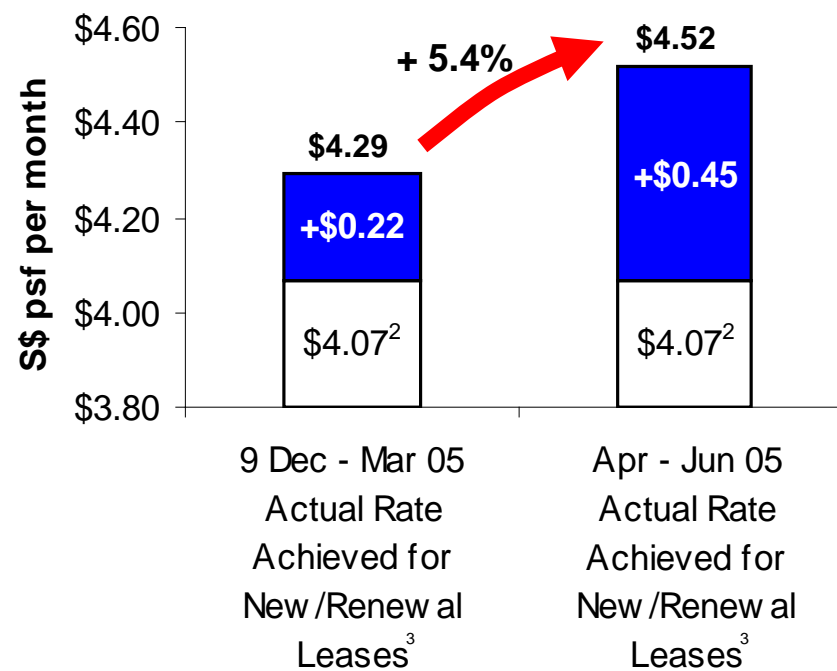
- Actual occupancy higher than forecast¹; Committed occupancy close to 90%



Notes:

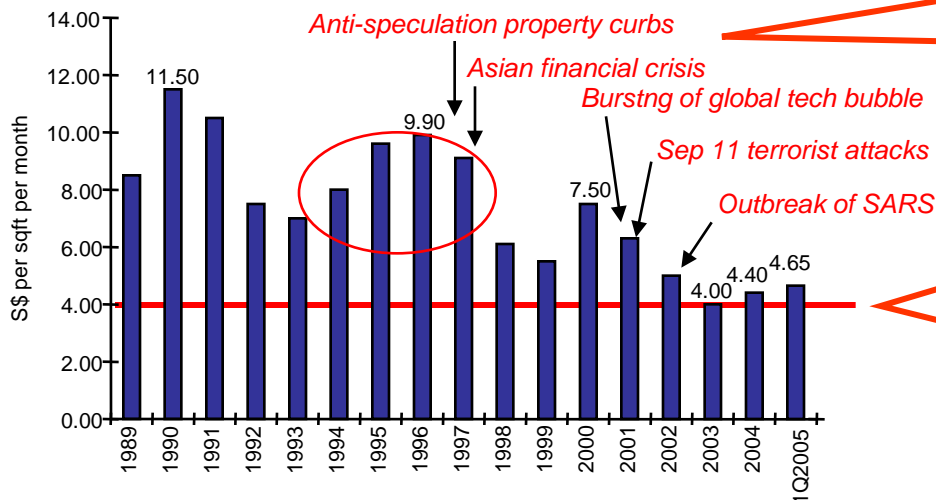
- Forecast based on assumptions stated or assumptions used to derive the forecast/projection as stated in the Prospectus dated 29 Nov 04.
- Avg Forecast Rate for FY05 computed as average monthly forecast office gross revenue for FY05 divided by average forecast leased area.
- For new/renewal leases that came into effect during the period under review and as disclosed in the 2Q 2005 results presentation slides.

- Achieved office rental rates 11.1% higher than average forecast rate of \$4.07² or 5.4% higher than previous period



Office Property Market at an Early Stage of a Sustainable Property Up-Cycle

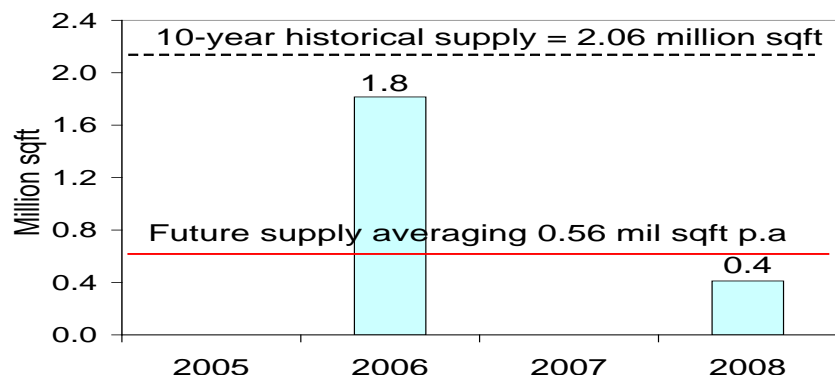
Rising Rentals



- Up-cycle in 1994 lasted 3-4 years which ended prematurely with the introduction of anti-speculation property curbs by the government in late 1996 and the onset of the Asian financial crisis in 1997

- Recovery coming off a 20-year low rental rate of \$4 psf
 - Plunge in office rentals due to weak economic conditions triggered by a series of negative systematic events, and government restructuring measures to make the Singapore economy more competitive

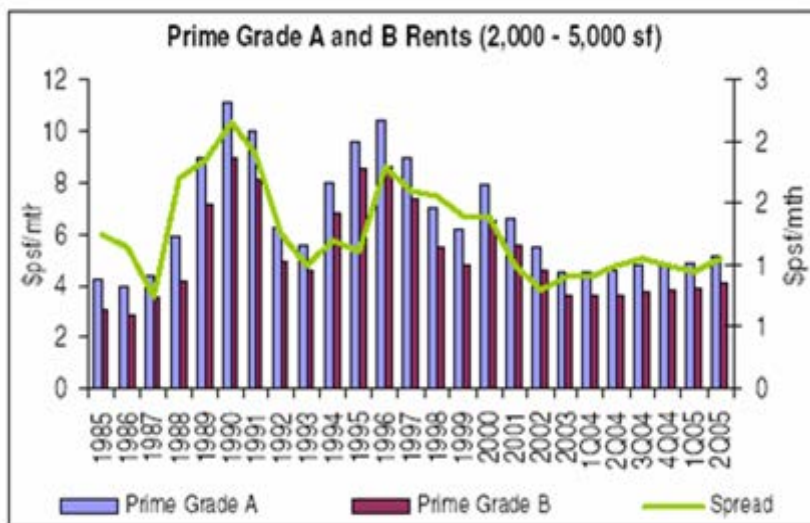
Limited Office Supply (2005-2008)



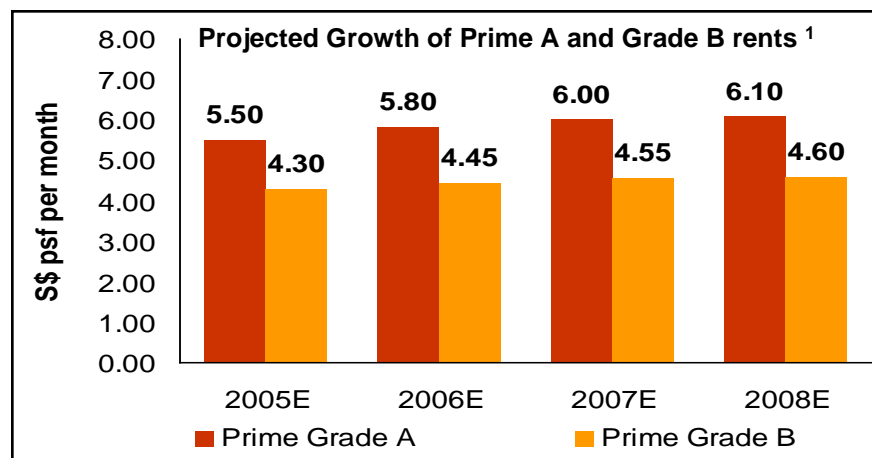
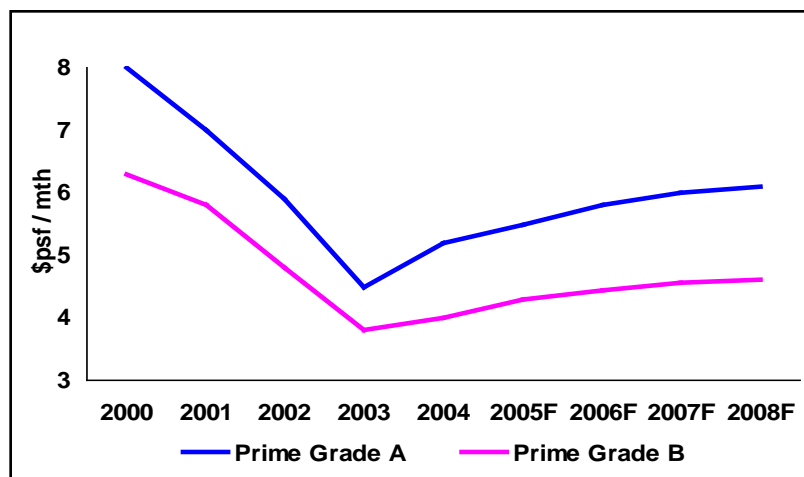
- Longer sustained recovery likely due to
 - Gradual pace in recovery from a low base
 - Limited supply of new office space up to 2008/2009
 - Demand of ~1.2 mil sq ft p.a. is expected to outstrip supply of 0.56 sq ft p.a.
 - Revitalised Marina Bay with the Integrated Resort and Business Financial Centre expected to anchor Singapore as a premier place to work and live, thereby creating more jobs and demand for office space

Strategy #2 Focusing on the Office Sector

Recovery Spreading to Prime Grade B Office Space



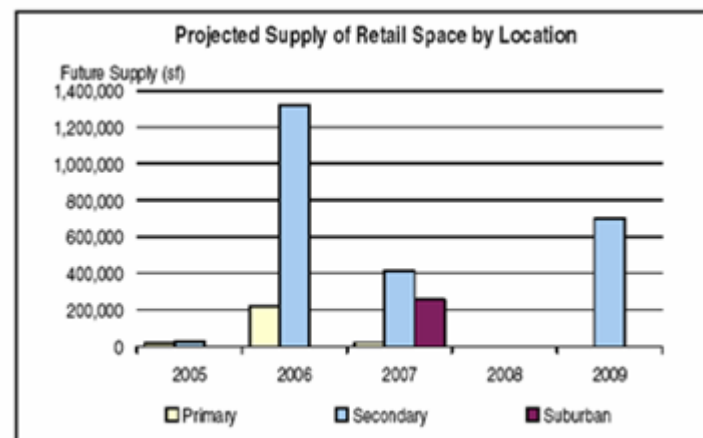
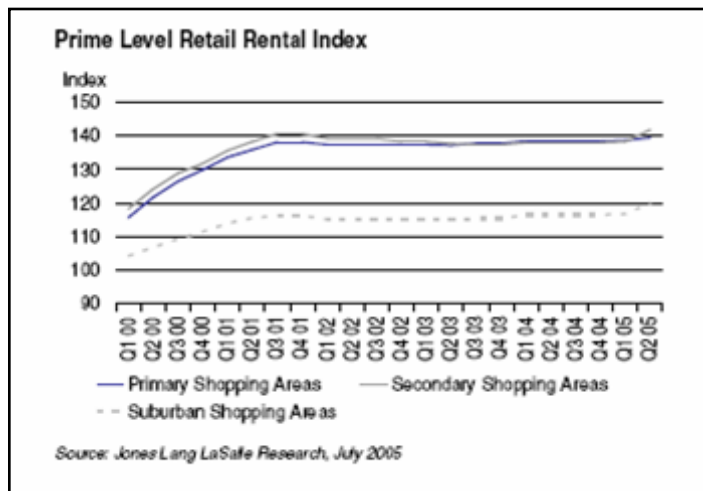
- Prime Grade A and B rents **highly correlated**; average spread of S\$1.34 psf between Prime Grade A and B rents over the past 20 years
- Prime Grade A rents usually lead a market upturn, with **Grade B rents rising in tandem**
- Prime Grade B rents expected to **rise 13.2% y-o-y to \$4.30psf¹** by the end of 2005
- Lack of new supply of Prime Grade B office space
- **Grade B rents more stable** (than Grade A) as tenants tend to be small & medium enterprises which are relatively cost-conscious and resilient to changing economic climates



¹ Jones Lang Lasalle Research, June 2005

Strategy #3 Acquiring into Robust Retail Market

Limited Supply and Improved Demand



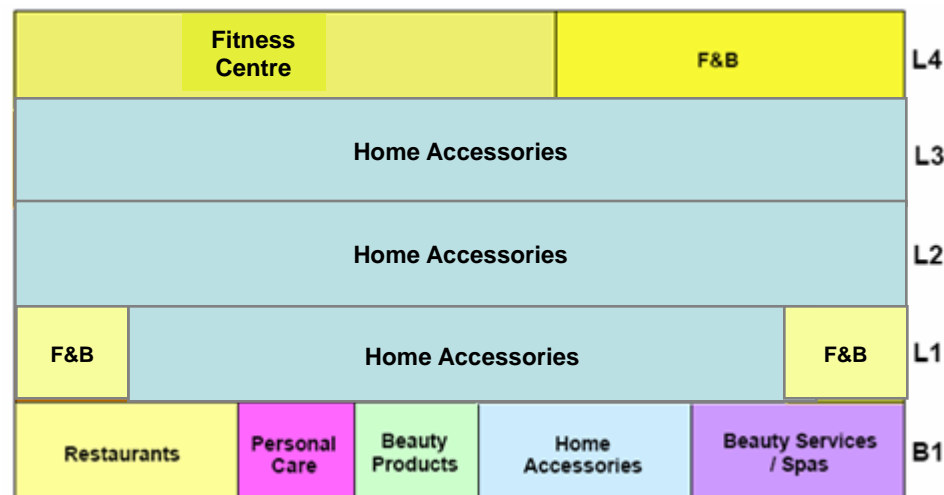
Source: Jones Lang LaSalle Research, April 2005

- ❑ **Prime retail rents have been resilient** in both primary and fringe shopping areas
 - Retail rents expected to rise in tandem with positive macroeconomic factors
- ❑ According to Jones Lang LaSalle's inaugural Retailer Sentiment Survey-Asia, **86% of retailers surveyed in Singapore revealed preliminary plans to expand over the short to medium term.** These retailers were mostly in F&B and fashion trades as well as concept stores.
- ❑ Singapore Tourism Board's (STB) target to attract 8.9 million visitors this year, generating tourism receipts of S\$10.4 billion. **By 2015, STB's target is to triple tourism receipts to S\$30 billion and double tourist arrivals to 17 million.**
- ❑ Anchored by limited new supply, average islandwide **rental for prime Grade A and Grade B retail space have held steady**, at S\$37.35 per sq ft and S\$24.10 per sq ft per month in the second quarter of 2005.

REPOSITIONING OPPORTUNITY OF PARK MALL

Focusing on Park Mall's new potential:

- Attracting young adult catchment from the Civic & Cultural District growth corridor with the new SMU and other institutions of higher learning
- Introducing higher value add trades such as F&B, young fashion, sports accessories, electronic gadgets and books concept stores
- Increased traffic from rejuvenated Orchard Road and Circle Line MRT system
- Synergistic relationship with Wing Tai's retail arm as well as property management of Park Mall



For Illustration Only

CURRENT TRADE MIX

INCOME UPSIDE FROM SUBDIVISION AND CHANGE OF USE

Plaza By The Park



Income upside from change of use

- Potential conversion of low office floors to retail use
- Catchment of 16,000 mature students from SMU and private institutions*
- Potential demand for supporting amenities such as banking, F&B outlets, educational products, accessories and young fashion
- Potential to sell advertising and media space from excellent road visibility and prominence

Central Mall



Income upside smaller office units

- Potential subdivision of large floor plates to smaller office suites
- Office unit of sizes between 500 sq ft to 3,000 sq ft generally fetch rents of between 10% to 20% more than a whole floor unit
- Strategic location opposite Subordinate Courts and Ministry of Manpower
- Potential demand from legal firms and consultancies

North Bridge Commercial Complex

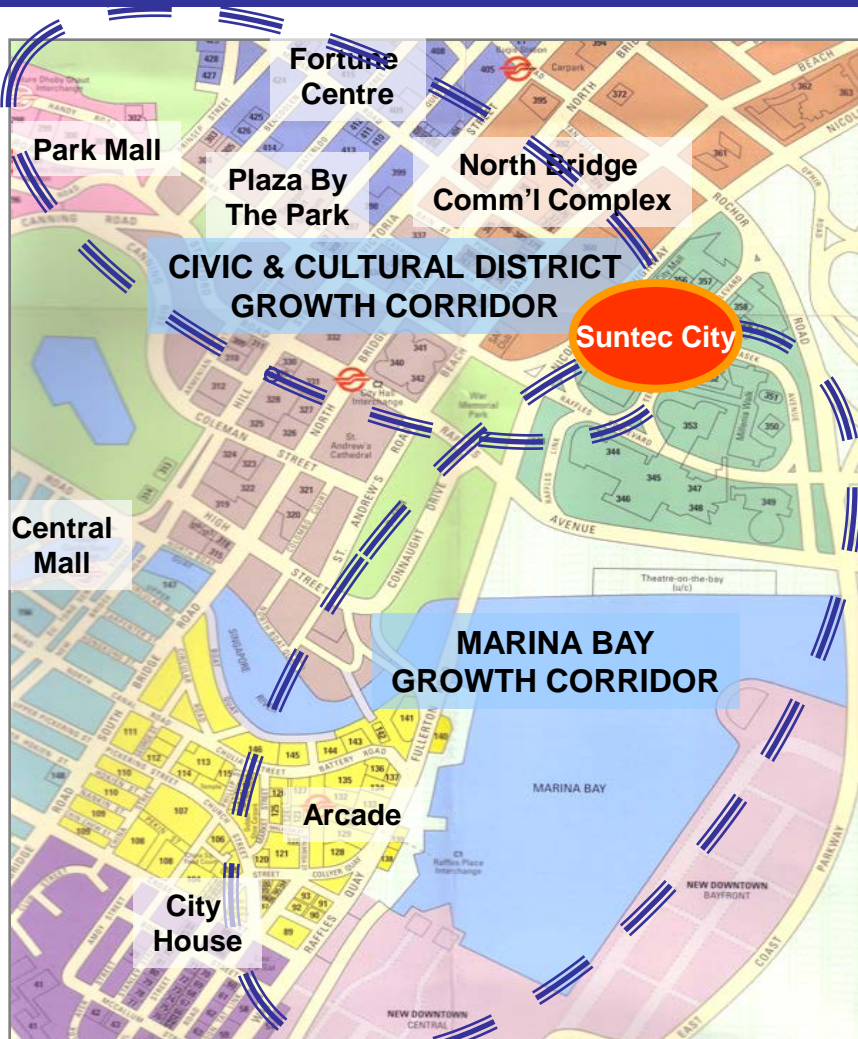


Conversion of retail use

- Potential to convert property to retail use from current office use
- North Bridge Commercial Centre is approved as a 6 storey retail centre
- Strategic location opposite Bugis Junction and numerous educational institutions
- Potential demand for supporting services and amenities including education items, technology gadgets, niche fashion for young and accessory items.

Update on Proposed Acquisitions of Park Mall & CDL Properties

OVERVIEW OF PROPOSED ACQUISITIONS

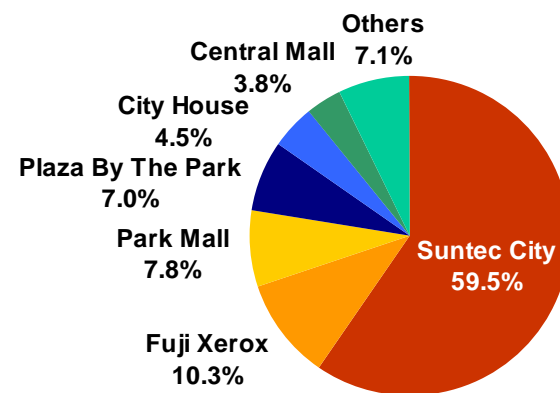


Map Source: Jones Lang Las

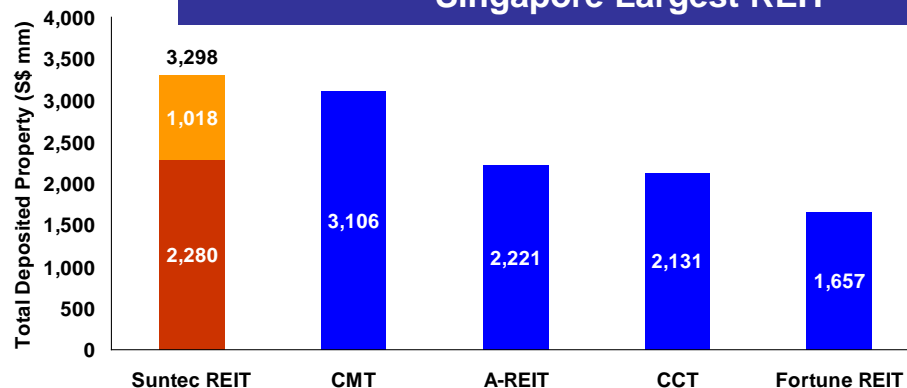
BENEFITS OF ACQUISITIONS

- ✓ Yield accretive transaction
- ✓ Increased diversification
- ✓ Recovering office market
- ✓ New developments enhance growth upside
- ✓ Strategic alliances with 2 leading property developers

REMOVAL OF SINGLE ASSET RISK – 1 asset to 13 assets



TRADING LIQUIDITY AND FINANCING FLEXIBILITY - Singapore Largest REIT



Source: Company reports and announcements

Notes:
(1) Based 1 May 2005 valuation
(2) Based on deposited property as of 30 June 2005 and includes announced acquisitions as at 25 July 2005

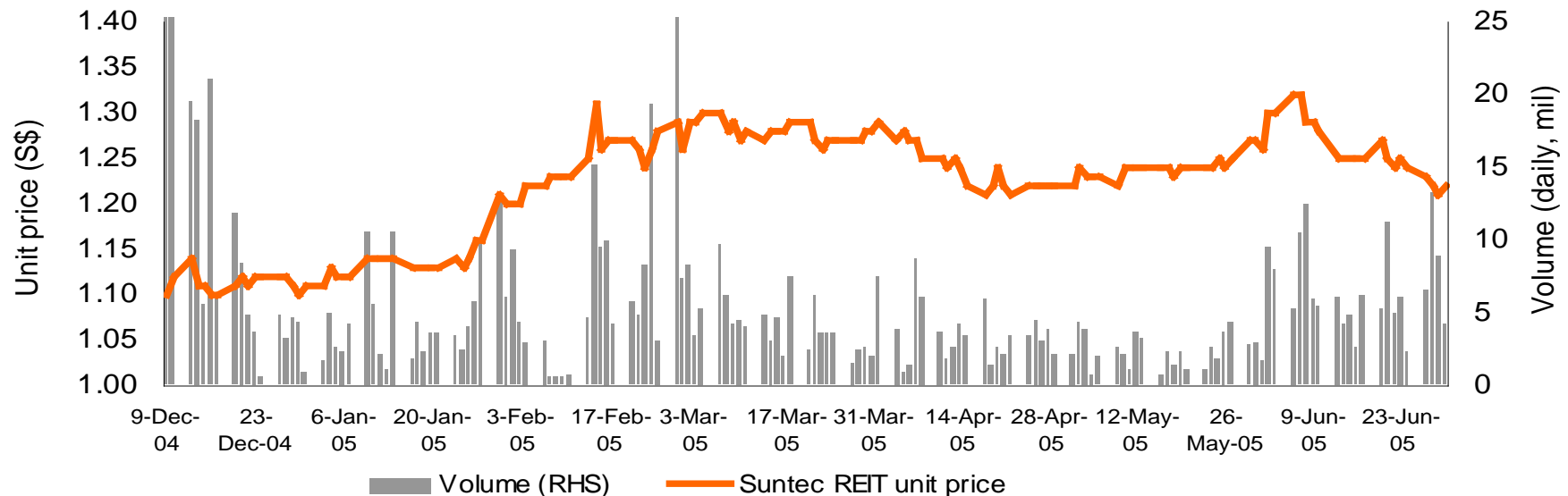
Unit Performance

Suntec REIT Share Price Performance & Trading Liquidity

- Unit appreciated by 22% since IPO
- Healthy trading volume with a 20-day volume as percentage of free float of 15% as at 30 Jun 2005

Liquidity Statistics

20-day volume as percentage of free float	15.0%
Free float	70 %
Market cap	US\$ 932 mil



Source: Bloomberg

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Thank You!

Disclaimer

This presentation is focused on comparing actual results versus forecasts outlined in the Suntec REIT Prospectus dated 29 Nov 2004. It should be read in conjunction with Paragraph 9 of Suntec REIT's financial results for the period 9 Dec 2004 to 31 Mar 2005 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, including employee wages, 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.

Disclaimer

IMPORTANT NOTICE

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.

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.

The past performance of Suntec REIT is not necessarily indicative of the future performance of Suntec REIT.

Pro Forma Impact of Deferred Units Issuance

Suntec City Development Pte Ltd, the vendor of Suntec City Mall and Suntec City Office Towers (both as defined in the prospectus dated 29 November 2004 (the “Prospectus”) issued in connection with the initial public offering of units in Suntec REIT (“Units”) in November/December 2004 and together, the “Properties”), will be issued with 207,002,170 additional Units (the “Deferred Units”) in satisfaction of the deferred payment consideration for the purchase of the Properties. The Deferred Units will be issued in six equal instalments, with the first instalment to be issued on the date falling 42 months after 9 December 2004 (being the date of completion of the sale and purchase of the Properties) and the rest semi-annually thereafter. Any change in rental rates, occupancy rates and distributable income of Suntec REIT can affect the impact of any dilution in the yields of Suntec REIT arising from the issuance of the Deferred Units in the future. The table below illustrates the pro forma impact under the scenario where the Deferred Units were entirely issued on 9 December 2004, the date of admission of Suntec REIT to the Official List of the SGX-ST (the “Listing Date”):

	Distribution per unit (“DPU”) under the scenario that all Deferred Units are issued on the Listing Date	
	Forecast (1 Apr 05 – 30 Jun 05)	Actual (1 Apr 05 – 30 Jun 05)
DPU based on total number of units entitled to the distribution (cents)	1.487	1.561
DPU assuming Deferred Units were issued on the Listing Date (cents)	1.282	1.345