

**Suntec Real Estate Investment Trust**  
**(“Suntec REIT”)**

**30 October 2008**

**Manager of**



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**Suntec REIT 4QFY08 Distribution Income up 44.5% to S\$43.9m**  
**DPU up 34.6% to 2.854 cents; outperformed Forecast<sup>1</sup> by 27.9%**

**Singapore, 30 October 2008** – ARA Trust Management (Suntec) Limited (“ARA Suntec”), Manager of Suntec Real Estate Investment Trust (“Suntec REIT”), is pleased to announce a distribution income of S\$43.9 million for the period 1 July 2008 to 30 September 2008 (4QFY08), which was 44.5% higher compared to 4QFY07. The DPU of 2.854 cents for 4QFY08 was 34.6% higher year-on-year.

For the same period, Suntec REIT’s DPU was 27.9% higher than the Forecast<sup>1</sup>.

Commenting on Suntec REIT’s performance, Mr. Yeo See Kiat, Chief Executive Officer of ARA Suntec, said, “I am happy to report another quarter of strong DPU growth making this the 15<sup>th</sup> consecutive quarter of growth since our IPO in December 2004. Despite the ongoing financial turmoil, Suntec REIT has continued to achieve strong rental revenue for both office and retail portfolios.”

**Continual strong growth achieved for office rentals**

The office portfolio continued to benefit from positive rental reversion during the quarter. Renewal and replacement leases at Suntec City were secured at an average of S\$12.57 p.s.f. per month. Together with Park Mall, both properties have achieved a strong growth over the preceding rents. As at 30 September 2008, the committed occupancy for the overall office portfolio stood at 99.3%.

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<sup>1</sup> The Forecast is extracted from the Suntec REIT Circular to Unitholders dated 18 September 2007 and pro-rated for the period 1 July 2008 to 30 September 2008

**Committed retail passing rent at Suntec City Mall strengthened to S\$11.10 p.s.f. per month**

The committed retail passing rent at Suntec City Mall strengthened to S\$11.10 p.s.f. per month, whilst Park Mall and Chijmes continued to achieve higher committed retail passing rents of S\$7.29 p.s.f. per month and S\$10.79 p.s.f. per month respectively as at 30 September 2008.

Suntec REIT's revenue from other income initiatives grew by 12% year-on-year to S\$1.71 million for the quarter.

**Treasury Management**

Suntec REIT's average all-in financing cost for the quarter was 2.86% and its gearing ratio stood at 31.9% as at 30 September 2008.

"Whilst we have no major financing needs in the next 12 months, we are keenly aware of the current global financing crisis and liquidity crunch. Refinancing of our S\$700million CMBS loan due in December 2009 is one of our key priorities" said Mr Yeo.

## Summary of Suntec REIT Results Comparison

<b>1 July 2008 to 30 September 2008</b>	<b>4QFY08</b>	<b>4QFY07</b>	<b>% Chg</b>	<b>4QFY08F<sup>1</sup></b>	<b>% Var</b>
	<b>(S\$'000)</b>	<b>(S\$'000)</b>		<b>(S\$'000)</b>	
Gross revenue	61,447	51,068	20.3%	54,040	13.7%
Net property income	45,610	36,564	24.7%	40,052	13.9%
Income available for distribution	43,862	30,354	44.5%	34,113	28.6%
<b>Distribution per unit<sup>2</sup></b>	<b>2.854¢</b>	<b>2.122¢</b>	<b>34.6%</b>	<b>2.231¢</b>	<b>27.9%</b>
<b>Annualised distribution per unit<sup>3</sup></b>	<b>11.353¢</b>	<b>8.418¢</b>	<b>34.8%</b>	<b>8.875¢</b>	<b>27.9%</b>
Distribution yield (annualised) <sup>3</sup>					
- As at 30 Sep 2008 price of S\$1.16	9.8%	4.3% <sup>4</sup>	126.7%	7.7%	27.9%
- As at 29Oct 2008 price of S\$0.645	17.6%	4.3% <sup>4</sup>	307.7%	13.8%	27.9%

For the period 1 July 2008 to 30 September 2008, Suntec REIT recorded gross revenue of S\$61.4 million, which was 20.3% and 13.7% higher year-on-year and against the Forecast<sup>1</sup> respectively. The income available for distribution of S\$43.9 million was 44.5% and 28.6% higher year-on-year and against the Forecast<sup>1</sup> respectively.

The distribution per unit of 2.854 cents was 34.6% and 27.9% higher year-on-year and against the Forecast<sup>1</sup> respectively.

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<sup>1</sup> The Forecast is extracted from the Suntec REIT Circular to Unitholders dated 18 September 2007 and pro-rated for the period 1 July 2008 to 30 September 2008

<sup>2</sup> Excluding 172,501,808 deferred units ("Deferred Units"), the remaining five instalments which will be issued semi-annually from 9 December 2008 to Suntec City Development Pte Ltd, as partial satisfaction of the purchase consideration for the initial portfolio of properties

<sup>3</sup> Please note that past performance is not necessarily indicative of future performance of Suntec REIT

<sup>4</sup> Based on the closing price of S\$1.95 per unit as at 30 September 2007

## **ABOUT SUNTEC REIT**

Listed on 9 December 2004, Suntec REIT holds properties in Suntec City, Singapore's largest integrated commercial development (including one of Singapore's largest shopping mall), Park Mall, Chijmes, and one-third interest in One Raffles Quay. Its aim is to invest in income-producing real estate which is primarily used for retail and/or office purposes. Suntec REIT is managed by an external manager, ARA Trust Management (Suntec) Limited.

## **ABOUT ARA TRUST MANAGEMENT (SUNTEC) LIMITED**

ARA Trust Management (Suntec) Limited, part of the ARA Asset Management Limited group ("ARA"), is the manager of Suntec REIT. ARA, a real estate fund management company, is an affiliate of the Cheung Kong Group, and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited. ARA's business segments comprise REIT management, private real estate fund management, and specialist equity fund management and corporate finance advisory services. For more details, please visit [www.ara-asia.com](http://www.ara-asia.com).

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## **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.

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