



Press Release

23 January 2009

Manager of



**Suntec REIT Quarter Distribution Income up 31.7% to S\$44.1m
DPU up 25.4% to 2.858 cents; 15-month DPU at 13.303 cents**

Singapore, 23 January 2009 – 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\$44.1 million for the period 1 October 2008 to 31 December 2008, which was 31.7% higher compared to the preceding year. The DPU of 2.858 cents for the quarter was 25.4% higher year-on-year.

Suntec REIT has changed its financial year-end from 30 September to 31 December, and for the 15-months ended 31 December 2008, achieved a DPU of 13.303 cents.

Commenting on Suntec REIT’s performance, Mr. Yeo See Kiat, Chief Executive Officer of ARA Suntec, said, “I am pleased to report yet another quarter of higher DPU. For the twelve months from January to December 2008, we achieved a strong DPU growth of 30.2% against the corresponding period from January to December 2007.”

“Moving forward we remain focused on our core strengths and fundamentals.”

Office leases continued to enjoy strong positive reversion

The office portfolio recorded another quarter of strong growth over preceding rents. Renewal and replacement leases at Suntec City were secured at an average of S\$11.20 p.s.f. per month. As at 31 December 2008, the committed occupancy for the overall office portfolio stood at 98.7%.

Strong committed retail passing rents

The committed retail passing rent at Suntec City Mall stood at S\$11.02 p.s.f. per month, whilst rents at Park Mall and Chijmes achieved S\$7.63 p.s.f. per month and S\$10.81 p.s.f. per month respectively as at 31 December 2008.

Suntec REIT's revenue from other income initiatives grew 13.0% year-on-year to S\$7 million for the period ended January to December 2008.

Treasury Management

Suntec REIT's average all-in financing cost for the quarter was 3.26% and its gearing ratio stood at 34.3% as at 31 December 2008.

“Whilst our next major refinancing is only due in December 2009, we are currently working on the refinancing ahead of its maturity, and will provide more details in due course,” said Mr. Yeo.

Summary of Suntec REIT Results Comparison

1 October to 31 December	2008 (S\$'000)	2007 (S\$'000)	% Chg
Gross revenue	63,485	54,337	16.8%
Net property income	47,916	37,400	28.1%
Income available for distribution	44,145	33,524	31.7%
Distribution per unit¹	2.858¢	2.279¢	25.4%
Annualised distribution per unit²	11.339¢	9.040¢	25.4%
Distribution yield (annualised) ²			
- As at 31 Dec 2008 price of S\$0.71	16.0%	5.3% ³	
- As at 21 Jan 2009 price of S\$0.65	17.4%	5.3% ³	

For the period 1 October 2008 to 31 December 2008, Suntec REIT recorded gross revenue of S\$63.5 million and income available for distribution of S\$44.1 million, which was 16.8% and 31.7% higher year-on-year respectively. The distribution per unit amounted to 2.858 cents, which was 25.4% higher year-on-year.

Summary of Suntec REIT Results for 15-months ended 31 December 2008

1 October 2007 to 31 December 2008	(S\$'000)
Gross revenue	294,465
Net property income	219,509
Income available for distribution	201,186
Distribution per unit¹	13.303¢

For the period 1 October 2007 to 31 December 2008, Suntec REIT recorded gross revenue of S\$294.5 million and distribution income of S\$201.2 million. The distribution per unit amounted to 13.303 cents.

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¹ Excluding 138,001,446 deferred units ("Deferred Units"), the remaining four of six equal instalments which will be issued semi-annually from 9 June 2009 to Suntec City Development Pte Ltd, as partial satisfaction of the purchase consideration for the initial portfolio of properties

² Please note that past performance is not necessarily indicative of future performance of Suntec REIT

³ Based on the closing price of S\$1.71 per unit as at 31 December 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.

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 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 installments. The first and second installments were issued on 9 June 2008 (being the date falling 42 months after 9 December 2004 which is the date of completion of the sale and purchase of the Properties) and 9 December 2008 respectively, and the rest of the installments will be issued 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	Actual (1 Oct 08 – 31 Dec 08)
DPU based on total number of Units entitled to the distribution (cents)	2.858
DPU assuming Deferred Units were issued on the Listing Date (cents)	2.584

Media and investor contacts

ARA Trust Management (Suntec) Limited

Tel: +65 6835 9232

Yeo See Kiat
Chief Executive Officer
seekiatyeo@ara.com.hk

Richard Tan
Director, Finance
richardt@ara.com.hk

Marilyn Tan
Manager, Investor Relations
marilyntan@ara.com.hk

Michelle Hu
Assistant Manager, Financial Analyst
michellehu@ara.com.hk
