



Trust Management (Suntec) Limited

**Press Release**

28 April 2009

Manager of



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**Suntec REIT Distribution Income up 23.2% y-o-y to S\$46.4m  
DPU up 15.9% y-o-y to 2.918 cents;  
Secures S\$825m Term Loan Facility**

*Singapore, 28 April 2009* – ARA Trust Management (Suntec) Limited, the Manager of Suntec Real Estate Investment Trust (“Suntec REIT”), is pleased to announce a distribution income of S\$46.4 million for the period 1 January 2009 to 31 March 2009, which was 23.2% higher compared to the preceding year. The DPU of 2.918 cents for the quarter was 15.9% higher year-on-year.

**Office revenue up 31.8% for the quarter**

Gross office revenue achieved for the quarter was S\$30.2 million, which was 31.8% higher than the preceding year. As at 31 March 2009, the committed overall occupancy for the office portfolio stood at 97.4%, with renewal and replacement leases at Suntec City secured at an average of close to S\$10 p.s.f. per month for the quarter.

**Committed retail passing rents remain strong**

The committed retail passing rent at Suntec City Mall stood at S\$11.05 p.s.f. per month, whilst rents at Park Mall and Chijmes achieved S\$7.63 p.s.f. per month and S\$10.76 p.s.f. per month respectively as at 31 March 2009. The committed overall occupancy for the retail portfolio stood at 98.8%.

**Secured S\$825m term loan facility**

The Manager is also pleased to announce that Suntec REIT has today entered into a facility agreement with a panel of 7 banks for a S\$825 million term loan to refinance all its borrowings maturing in FY 2009.

The S\$825 million term loan will be secured by Suntec City Mall and parts of its office portfolio in Suntec City Office Towers, and consists of a S\$725 million 3-year loan and a S\$100 million 7-year fixed-rate loan at a blended all-in interest margin of less than 3.75%. The 7-member club comprises local banks DBS Bank, OCBC Bank, United Overseas Bank, and 4 foreign banks namely Citibank N.A. Singapore Branch, Standard Chartered Bank, Natixis Singapore Branch and CIMB Bank Berhad Singapore Branch.

With this refinancing, Suntec REIT would have no further refinancing requirement for its existing debt portfolio until FY 2011.

Commenting on Suntec REIT's performance, Mr. Yeo See Kiat, Chief Executive Officer of the Manager, said, "I am happy to report another record DPU for the quarter for Suntec REIT, driven mainly by stronger revenue for both the office and retail portfolios."

On the refinancing, Mr. Yeo added, "I am delighted that with the strong support received from the panel of 7 banks, we have put in place this club facility to take care of our FY 2009 financing requirement at highly competitive rates. Amidst the tight liquidity in this global economic and financial crisis, this club loan of S\$825 million clearly demonstrates Suntec REIT's strong credit standing."

"This would put us in good stead to meet the challenges ahead."

## Summary of Suntec REIT Results Comparison

1 January to 31 March	2009 (S\$'000)	2008 (S\$'000)	% Chg
Gross revenue	64,926	55,969	16.0%
Net property income	49,174	42,618	15.4%
Income available for distribution	46,350	37,613	23.2%
<b>Distribution per unit<sup>1</sup></b>	<b>2.918¢</b>	<b>2.5185¢</b>	<b>15.9%</b>
<b>Annualised distribution per unit<sup>2</sup></b>	<b>11.834¢</b>	<b>10.129¢</b>	<b>16.8%</b>
Distribution yield (annualised) <sup>2</sup>			
- As at 31 Mar 2009 price of S\$0.63	18.8%	7.0% <sup>3</sup>	
- As at 27 Apr 2009 price of S\$0.69	17.1%	7.0% <sup>3</sup>	

For the period 1 January 2009 to 31 March 2009, Suntec REIT recorded gross revenue of S\$64.9 million and income available for distribution of S\$46.4 million, which was 16.0% and 23.2% higher year-on-year respectively. The distribution per unit amounted to 2.918 cents, which was 15.9% higher year-on-year.

For the quarter ended 31 March 2009, Suntec REIT's average all-in financing cost achieved was 3.02% and its gearing ratio stood at 34.4%.

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<sup>1</sup> 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

<sup>2</sup> Please note that past performance is not necessarily indicative of future performance of Suntec REIT

<sup>3</sup> Based on the closing price of S\$1.45 per unit as at 31 March 2008

**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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## 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**”):

<b>Distribution per unit (“DPU”) under the scenario that all Deferred Units are issued on the Listing Date</b>	<b>Actual (1 Jan 09 – 31 Mar 09)</b>
<b>DPU based on total number of Units entitled to the distribution (cents)</b>	<b>2.918</b>
DPU assuming Deferred Units were issued on the Listing Date (cents)	2.685

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## Media and investor contacts

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