



Trust Management (Suntec) Limited

Press Release

25 January 2010

Manager of



**Suntec REIT 4Q FY09 Distribution Income Up 8.4% Y-O-Y to S\$47.83m
Distribution Income Grew 13.1% Y-O-Y For FY09**

Singapore, 25 January 2010 – ARA Trust Management (Suntec) Limited, the Manager of Suntec Real Estate Investment Trust (“Suntec REIT”), is pleased to announce a distribution income of S\$47.83 million for the period 1 October to 31 December 2009 (“4Q FY09”), which was 8.4% higher compared to the quarter ended 31 December 2008 (“4Q FY08”). The DPU of 2.886 Singapore cents for 4Q FY09 was also 1.0% higher year-on-year.

Mr. Yeo See Kiat, Chief Executive Officer of the Manager, said, “I am happy to report that, amidst the serious challenges in 2009, we managed to record a strong growth of 13.1% in our distribution income for the financial year ended 31 December 2009 (“FY09”). Furthermore, we managed to secure a club loan of S\$825 million in the depth of the financial and economic crisis in early 2009 to address all our refinancing needs in FY09.”

OFFICE REVENUE UP 13.8% Y-O-Y FOR FY09

Suntec REIT achieved gross office revenue of S\$28.8 million for 4Q FY09, which was 0.3% higher than in 4Q FY08. For FY09, the gross office revenue rose 13.8% year-on-year to S\$118.0 million. As at 31 December 2009, the committed occupancy for the overall office portfolio stood at 96.8%, which was above the industry average of 91.2%¹. The committed occupancy of Suntec City Office strengthened in 4Q FY09 to 95.3%, whilst the office space in Park Mall and One Raffles Quay enjoyed full occupancy as at 31 December 2009.

STRONG RETAIL PORTFOLIO OCCUPANCY OF 98.1%

As at 31 December 2009, the committed occupancy for the retail portfolio stood at 98.1%. The committed occupancy of Suntec City Mall was 97.6%, whilst Park Mall and Chijmes achieved full occupancy as at end FY09. The committed retail passing rent was S\$10.75 psf

¹ Refers to Core CBD Occupancy. Source: CB Richard Ellis

per month, S\$7.46 psf per month and S\$10.92 psf per month for Suntec City Mall, Park Mall and Chijmes respectively. Suntec REIT achieved S\$6.5 million in revenue from other income initiatives for FY09.

Summary of Suntec REIT Results Comparison

| | 4QFY09 | 4QFY08 | % | FY09 | FY08 | % |
|--|------------------|------------------|------------|------------------|------------------|------------|
| | (S\$'000) | (S\$'000) | Chg | (S\$'000) | (S\$'000) | Chg |
| Gross revenue | 61,752 | 63,485 | (2.7) | 253,138 | 240,128 | 5.4 |
| Net property income | 47,225 | 47,916 | (1.4) | 192,235 | 182,109 | 5.6 |
| Income available for distribution | 47,834 | 44,145 | 8.4 | 189,624 | 167,663 | 13.1 |
| Distribution per unit¹ | 2.886¢ | 2.858¢ | 1.0 | 11.703¢ | 11.024¢ | 6.2 |
| Distribution yield (annualised) ² | | | | | | |
| - As at 31 Dec 2009 price of S\$1.35 | 8.5% | 8.4% | | 8.7% | 8.2% | |
| - As at 22 Jan 2010 price of S\$1.34 | 8.6% | 8.5% | | 8.7% | 8.3% | |

For 4Q FY09, Suntec REIT's gross revenue was 2.7% lower year-on-year. However, the income available for distribution of S\$47.8 million was 8.4% higher year-on-year. The distribution per unit of 2.886 Singapore cents was 1.0% higher year-on-year.

For FY09, Suntec REIT recorded gross revenue of S\$253.1 million and income available for distribution rose to S\$189.6 million, which was 5.4% and 13.1% higher year-on-year respectively. The distribution per unit of 11.703 Singapore cents was 6.2% higher year-on-year.

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¹ Excluding 69,000,722 deferred units ("Deferred Units"), the remaining two of six equal instalments issued semi-annually from 9 June 2008 (being the issue date of the first instalment) to Suntec City Development Pte Ltd in satisfaction of the deferred payment consideration for the purchase of the initial portfolio properties in December 2004.

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

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 instalments. The first, second, third and fourth instalments 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), 9 December 2008, 9 June 2009 and 9 December 2009 respectively, and the rest of the instalments 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 October – 31 December 2009) |
|--|--|
| DPU based on total number of Units entitled to the distribution (cents) | 2.886 |
| DPU assuming Deferred Units were issued on the Listing Date (cents) | 2.729 |

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