



Trust Management (Suntec) Limited

Press Release

26 October 2010

Manager of



**Suntec REIT achieved Distribution Income of S\$46.23m for 3Q FY10
Distribution per unit of 2.502 cents**

Singapore, 26 October 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\$46.23 million for the period 1 July to 30 September 2010 (“3Q FY10”), which is a marginal dip of 3.2% compared to the quarter ended 30 September 2009 (“3Q FY09”). The distribution per unit for the quarter amounted to 2.502 Singapore cents at an annualised yield of 6.6%¹.

Mr. Yeo See Kiat, Chief Executive Officer of the Manager, said, “I am encouraged by the further strengthening of the Singapore office market. In the nine months of 2010 we have renewed and signed more than 580,000 sq ft of office leases, leaving less than 1% of our office portfolio² expiring in FY 2010.”

Mr. Yeo added, “On the capital management front, we have put in place a new S\$700 million term loan facility at a significantly lower interest margin which will further improve Suntec REIT’s overall financing cost and strengthen our debt maturity profile.”

Gross office revenue achieved for the quarter was S\$30.0 million, comprising Suntec City office revenue of S\$27.8 million and Park Mall office revenue of S\$2.2 million. As at 30 September 2010, the committed occupancy of Suntec City Office improved further to 98.1% compared to last quarter, whilst the committed occupancy of Park Mall office and One Raffles Quay stood at 97.5% and 100% respectively as at 30 September 2010. Hence, the committed occupancy for the overall office portfolio strengthened further to 98.5%.

Gross retail revenue achieved for the quarter was S\$33.2 million, comprising Suntec City retail revenue of S\$27.2 million and revenue from Park Mall and Chijmes of S\$6.0 million.

¹ Based on the unit price of S\$1.51 as at 30 September 2010

² Including attributable interest in One Raffles Quay

The committed retail passing rent was S\$10.67 psf per month, S\$7.44 psf per month and S\$10.71 psf per month for Suntec City Mall, Park Mall and Chijmes respectively. Revenue from other income initiatives for the first nine months of 2010 increased 8.3% year-on-year to S\$5.27 million.

The committed occupancy of Suntec City Mall stood at 98.0% as at 30 September 2010 from 96.4% in the last quarter, whilst the committed occupancy of Park Mall and Chijmes stood at 100% and 90% respectively. The overall committed occupancy for the retail portfolio thus stood at 97.6% as at 30 September 2010.

On 4 October 2010, Suntec REIT entered into a S\$700 million term loan facility comprising a S\$350 million 3-year loan and a S\$350 million 5-year loan, which has been used to prepay the S\$575 million 3-year loan maturing in FY 2012, and to refinance part of the S\$400 million club loan maturing in FY 2011. The loan facility was secured at a blended all-in interest margin of 1.5%.

Summary of Suntec REIT Results Comparison

	3Q FY10 (S\$'000)	3Q FY09 (S\$'000)	% Chg	YTD FY10 (S\$'000)	YTD FY10 (S\$'000)	% Chg
Gross revenue	63,231	61,948	2.1	188,074	191,386	(1.7)
Net property income	50,610	47,044	7.6	145,856	145,010	0.6
Income available for distribution	46,230	47,741	(3.2)	137,535	141,790	(3.0)
Distribution per unit¹	2.502¢	2.921¢	(14.3)	7.543¢	8.816¢	(14.4)
Distribution yield (annualised) ²						
- As at 30 Sep 2010 price of S\$1.51	6.6%	7.7%		6.7%	7.8%	
- As at 25 Oct 2010 price of S\$1.54	6.4%	7.5%		6.6%	7.6%	

For 3Q FY10, Suntec REIT achieved gross revenue of S\$63.2 million, and net property income of S\$50.6 million. The income available for distribution of S\$46.2 million was 3.2% lower year-on-year. The distribution per unit for 3Q FY10 amounted to 2.502 Singapore cents.

¹ Excluding 34,500,360 deferred units ("Deferred Units"), the last 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

For YTD FY10, Suntec REIT recorded gross revenue of S\$188.1 million and net property income of S\$145.9 million. The income available for distribution of S\$137.5 million was 3.0% lower year-on-year. The distribution per unit for YTD FY10 amounted to 7.543 cents.

-- END --

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, fourth and fifth 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, 9 December 2009 and 9 June 2010 respectively, and the last instalment will be issued on 9 December 2010. 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 July – 30 September 2010)
DPU based on total number of Units entitled to the distribution (cents)	2.502
DPU assuming Deferred Units were issued on the Listing Date (cents)	2.456

Media and investor contacts

ARA Trust Management (Suntec) Limited

Tel: +65 6835 9232

Yeo See Kiat

Chief Executive Officer

seekiatyeo@ara.com.hk

KT Yip

Chief Operating Officer

kamthaiyip@ara.com.hk

Richard Tan

Director, Finance

richardt@ara.com.hk

Marilyn Tan

Manager, Investor Relations

marilyntan@ara.com.hk
