



SUNTEC
Real Estate Investment Trust

**Financial results for the Quarter
and Financial Year ended
31 December 2010**

Agenda

- ❖ Key Highlights
- ❖ Financial Performance
- ❖ Portfolio Performance

Source: ARA Trust Management (Suntec) Limited ("ARATMS")

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SUNTEC
Real Estate Investment Trust

Financial results for the Quarter
and Financial Year ended
31 December 2010

Key Highlights

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SUNTEC
Real Estate Investment Trust

Financial results for the Quarter
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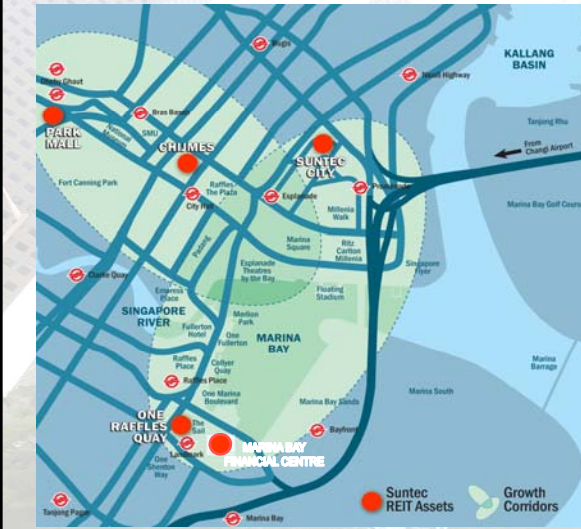
Key Highlights: The Acquisition of the MBFC Properties

- Acquired a one-third interest in Marina Bay Financial Centre Towers 1 and 2 and the Marina Bay Link Mall (the "MBFC Properties") for S\$1,495.8m
- Net effective price of S\$2,400 psf

Source: ARATMS

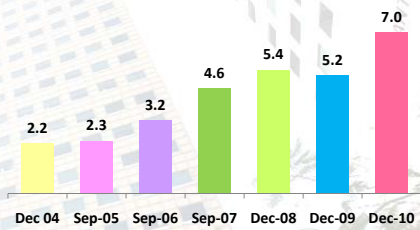
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Strengthened Foothold in the Marina Bay Growth Corridor



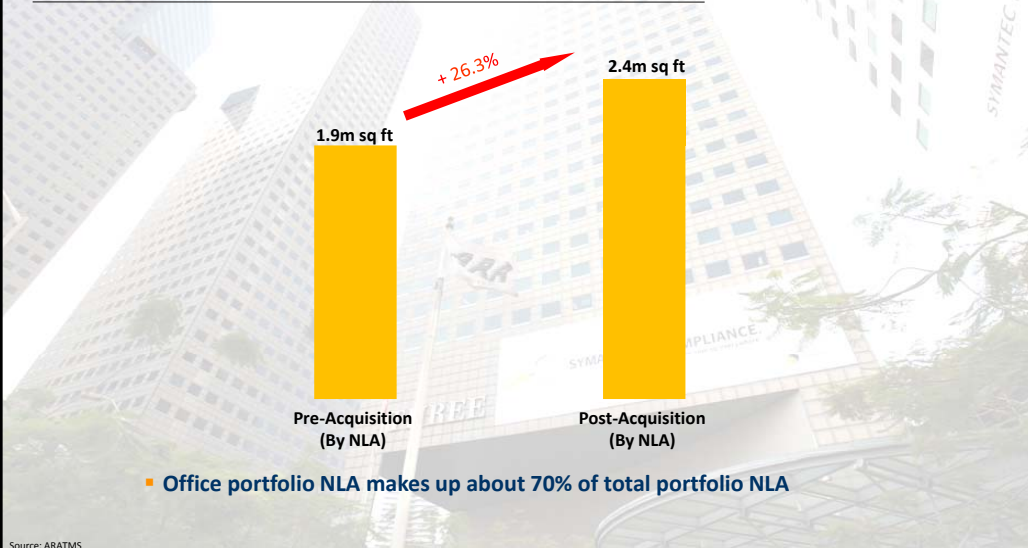
Source: ARATMS

AUM (\$\$ billions)



- Well-positioned as Singapore's 2nd largest REIT with a strong portfolio of strategically-located prime assets
- Office portfolio of 2.4m sq ft and retail portfolio of 1.1m sq ft
- AUM totaling S\$7.0b as at 31 December 2010

Office Portfolio NLA increased to 2.4m sq ft



Source: ARATMS


- Office portfolio NLA makes up about 70% of total portfolio NLA



Financial results for the Quarter and Financial Year ended 31 December 2010

Financial Performance

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Financial results for the Quarter and Financial Year ended 31 December 2010

Financial Performance: 1 October – 31 December 2010 (4Q FY10)

Achieved Distribution Income of S\$44.9m

1 October – 31 December	4Q FY10	4Q FY09	Change
Gross Revenue	S\$61.4m	S\$61.7m	-0.6%
Net Property Income	S\$47.2m	S\$47.2m	0.0%
Distribution income	S\$44.9m	S\$47.8m	-6.0%
Distribution per unit ^{1,2}	2.316¢	2.886¢	-19.8%
Annualised distribution yield ³	5.9%	7.4%	

Notes:

1. Based on 2,205,128,443 units in issue as at 31 December 2010 and 4,241,935 units issuable to the Manager by 30 January 2011 as partial satisfaction of management fee incurred for the period 1 October 2010 to 31 December 2010. DPU declined by 19.8% year-on-year due to the issue of 407.83m units issued between 31 December 2009 and 31 December 2010
2. An advanced distribution of 1.723 cents for the period from 1 October 2010 to 8 December 2010 was paid on 5 January 2011.
3. Based on the last traded price of S\$1.55 per unit as at 20 January 2011

Source: ARATMS

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Financial Performance: 1 January – 31 December 2010 (FY10)

Achieved Distribution Income of S\$182.5m

1 January – 31 December	FY10	FY09	Change
Gross Revenue	S\$249.5m	S\$253.1m	-1.4%
Net Property Income	S\$193.1m	S\$192.2m	0.4%
Distribution income	S\$182.5m	S\$189.6m	-3.8%
Distribution per unit ¹	9.859¢	11.703¢	-15.8%
Annual distribution yield ²	6.4%	7.6%	

Notes:

- Based on 2,205,128,443 units in issue as at 31 December 2010 and 4,241,935 units issuable to the Manager by 30 January 2011 as partial satisfaction of management fee incurred for the period 1 October 2010 to 31 December 2010. DPU declined by 15.8% year-on-year due to the issue of 407.83m units issued between 31 December 2009 and 31 December 2010
- Based on the last traded price of S\$1.55 per unit as at 20 January 2011

Source: ARATMS

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Portfolio Revenue and NPI Distribution

4Q FY10 Composition of Office and Retail Revenue and NPI		
Asset	Revenue	NPI
Suntec City		
• Office	S\$26.8m	S\$21.8m
• Retail	S\$26.8m	S\$20.1m
Park Mall		
• Office	S\$1.9m	S\$1.3m
• Retail	S\$3.5m	S\$2.5m
Chijmes	S\$2.4m	S\$1.5m
Total	S\$61.4m	S\$47.2m

- Retail revenue contributed approximately 53% of the Total Gross Revenue¹ for 4Q FY10
- Office revenue contributed approximately 47% of the Total Gross Revenue¹ for 4Q FY10

Note:

- Excludes Income contribution from the jointly-controlled entities

Source: ARATMS

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Portfolio Revenue and NPI Distribution

FY 2010 Composition of Office and Retail Revenue and NPI		
Asset	Revenue	NPI
Suntec City		
• Office	S\$109.2m	S\$88.5m
• Retail	S\$107.5m	S\$80.8m
Park Mall		
• Office	S\$8.5m	S\$6.3m
• Retail	S\$14.0m	S\$10.4m
Chijmes	S\$10.3m	S\$7.1m
Total	S\$249.5m	S\$193.1m

- Retail revenue contributed approximately 53% of the Total Gross Revenue¹ for FY10
- Office revenue contributed approximately 47% of the Total Gross Revenue¹ for FY10

Note:
1. Excludes Income contribution from the jointly-controlled entities

Source: ARATMS

Debt-to-Assets Ratio 38.4%

Debt Metrics	31 Dec 2010
Total Debt Outstanding	S\$2.582b
Debt-to-Assets Ratio¹	38.4%
Average All-in Financing Cost	2.80%²
Interest Coverage Ratio	4.6x²
Corporate Family Rating	"Baa2"
Unsecured Debt Rating	"Baa3"

Note:

1. Suntec REIT's "Aggregate Leverage Ratio" as at 31 December 2010 was 40.4%. "Aggregate Leverage Ratio" refers to the ratio of the value of borrowings (inclusive of proportionate share of borrowings of jointly controlled entities) and deferred payments (if any) to the value of the Deposited Property
2. Excludes the one-time write-off of S\$14.7 million unamortised commitment fee and transaction costs incurred subsequent to the refinancing of existing loans with the new S\$700 million loan facility in October 2010

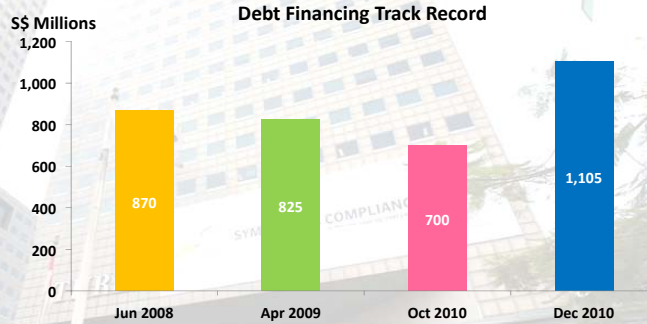
Source: ARATMS

S\$2.2b of Funds Raised in 4Q FY10

Debt Financing

- S\$700m term loan facility to refinance existing debt
- S\$1.1b term loan facility to part-finance the MBFC Acquisition

Raised S\$1.8b of debt financing in 4Q FY10



- Proven ability to secure debt financing at highly competitive rates

Source: ARATMS

S\$2.2b of Funds Raised in 4Q FY10

Equity Financing

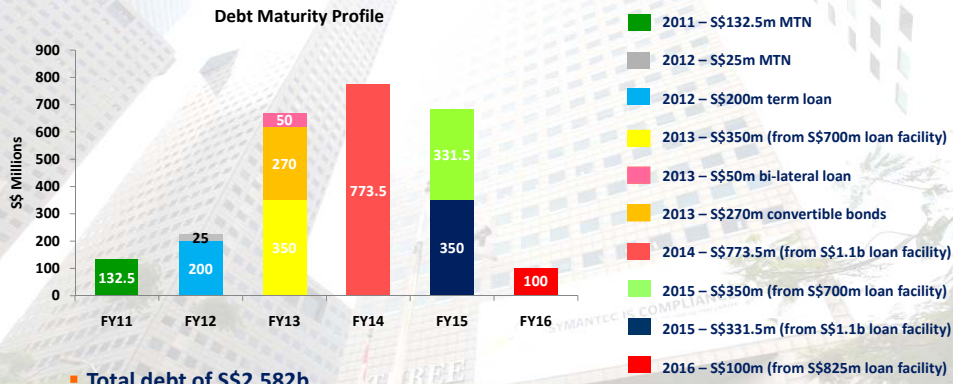
- S\$428.8m gross proceeds from Private Placement

Raised S\$428.8m of equity financing in 4Q FY10

- Tight discount of 2.88% to adjusted VWAP
- Placement was 3.1x oversubscribed

Source: ARATMS

Debt Maturity Profile as at 31 December 2010



Source: ARATMS

Net Asset Value Per Unit of S\$1.804 as at 31 December 2010

Group Balance Sheet	31 Dec 2010
Investment Properties	S\$4,452m
Interest in Jointly-controlled Entities	S\$2,040m
Total Assets	S\$6,652m
Debt at Amortised Cost	S\$2,555m
Total Liabilities	S\$2,667m
Net Assets	S\$3,985m
NAV Per Unit¹	S\$1.804
Adjusted NAV Per Unit²	S\$1.783

Notes:

- Based on 2,205,128,443 units in issue as at 31 December 2010 and 4,241,935 units issuable to the Manager by 30 January 2011 as partial satisfaction of management fee incurred for the period 1 October 2010 to 31 December 2010
- Excludes DPU of S\$0.02316 for the quarter ended 31 December 2010

Source: ARATMS

Distribution Timetable

Distribution Payment (for the period 1 October to 31 December 2010)		
Distribution Period	1 Oct – 8 Dec 2010	9 Dec – 31 Dec 2010
Amount (cents/unit)	1.723 (paid 5 Jan 2011)	0.593

Ex-date	27 January 2011
Books closure date	31 January 2011
Payment date	28 February 2011

- Total DPU of 2.316 cents for 4Q FY10
- An advanced distribution of 1.723 cents was paid on 5 January 2011
- Ex date, book closure date and payment date refers to distribution for the period 9 December 2010 to 31 December 2010

Source: ARATMS

Portfolio Performance

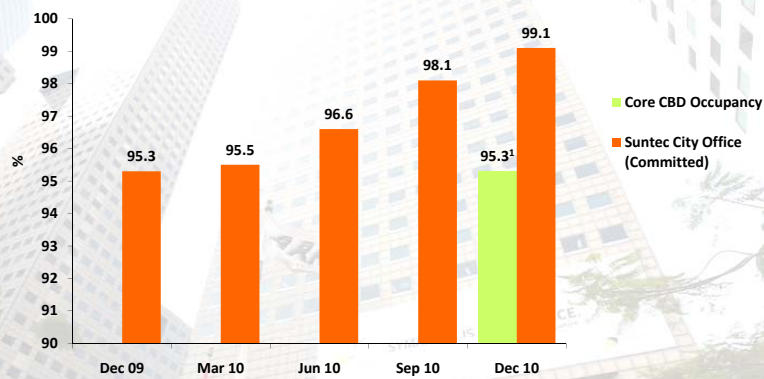
Strong Portfolio Committed Occupancy

Property	As at Dec 09	As at Mar 10	As at Jun 10	As at Sep 10	As at Dec 10
Suntec City:					
- Office	95.3%	95.5%	96.6%	98.1%	99.1%
- Retail	97.6%	96.4%	98.3%	98.0%	97.9%
Park Mall:					
- Office	100%	100%	100%	97.5%	100%
- Retail	100%	100%	100%	100%	100%
Chijmes	100%	100%	100%	90.0%	99.5%
One Raffles Quay	100%	100%	100%	100%	100%
MBFC Properties	-	-	-	-	96.5%
Office Portfolio Occupancy	96.8%	96.9%	97.6%	98.5%	98.8%
Retail Portfolio Occupancy	98.1%	97.2%	98.7%	97.6%	98.0%

- Suntec City office occupancy chalked up 6 straight quarters of growth
- Committed occupancy of 98.8% and 98.0% achieved for office and retail portfolio respectively

Source: ARATMS

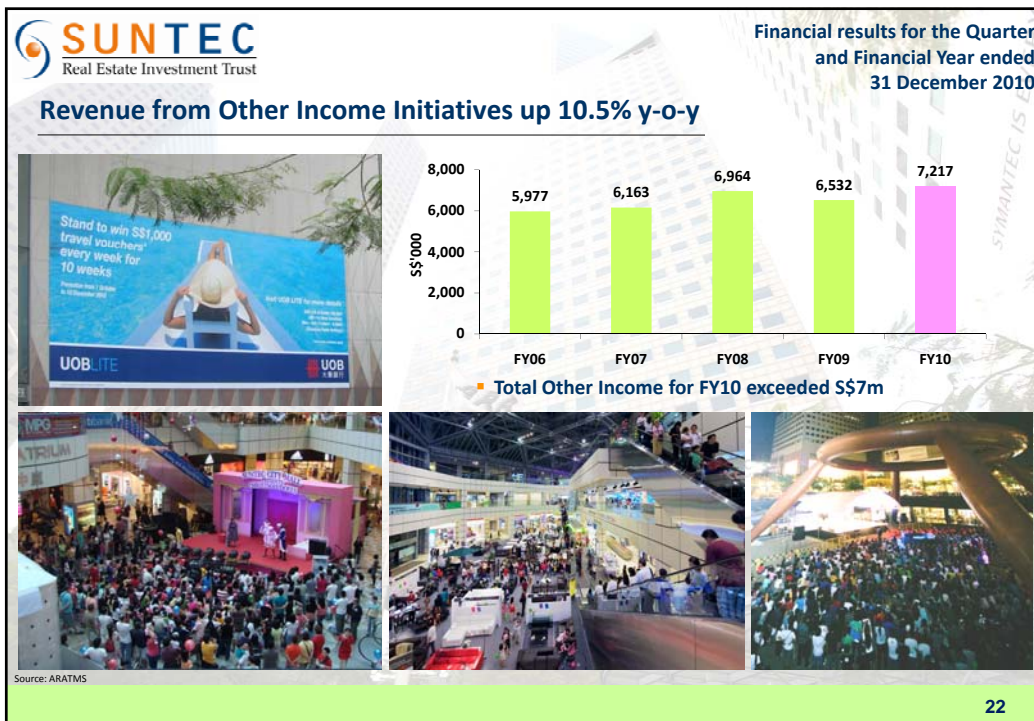
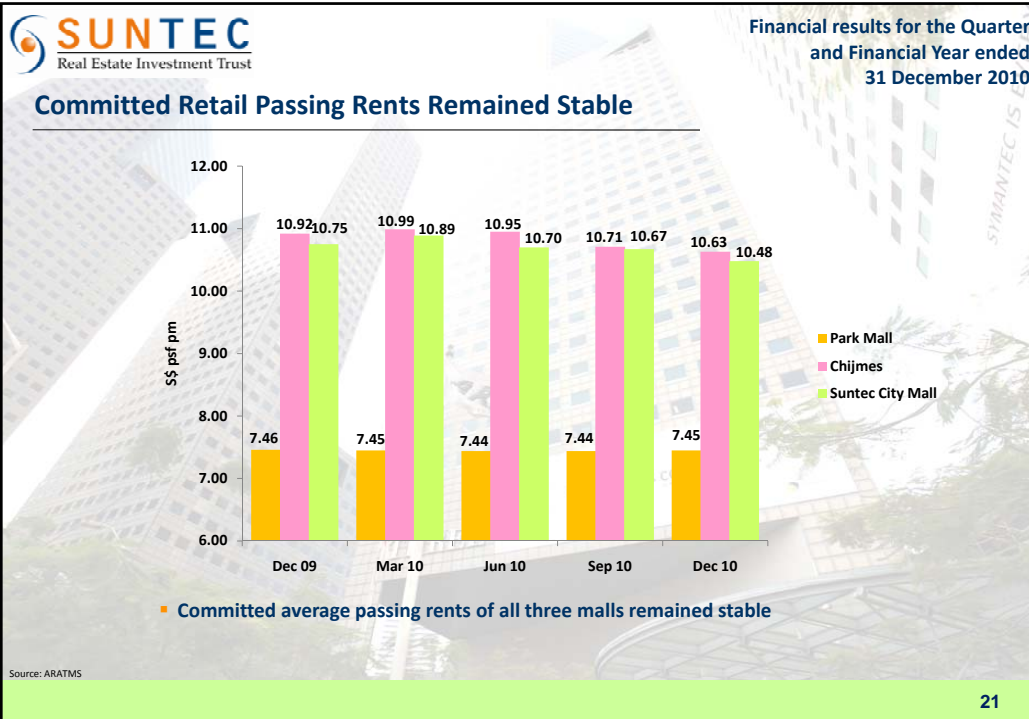
Suntec City Office Occupancy strengthened further to 99.1%



- Suntec City Office occupancy higher than Singapore Core CBD office occupancy of 95.3%¹
- Leases secured for the quarter at an average rent of S\$8.16 psf pm

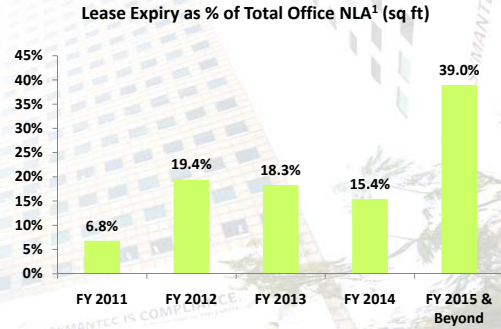
Note:
1. Source: CB Richard Ellis (Pte) Ltd

Source: ARATMS



Office Leases Expiring in FY 2011 Down to 6.8%

As at 31 December 2010	Net Lettable Area ¹	
	Sq ft	% of Total
FY 2011	164,066	6.8
FY 2012	468,413	19.4
FY 2013	442,571	18.3
FY 2014	372,671	15.4
FY 2015 & Beyond	942,035	39.0



- Renewed and signed about 884,000 sq ft of office space in FY 2010, including pre-commitment of about 275,630 sq ft of office leases expiring in FY 2011

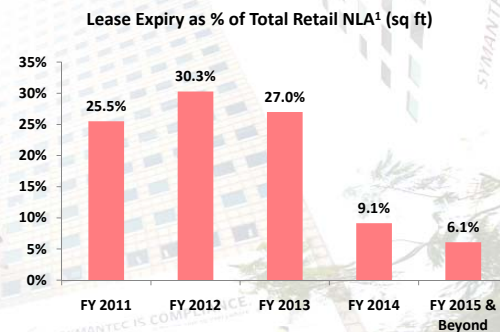
Notes:

- Assumes one third of total office net lettable area of One Raffles Quay's and Marina Bay Financial Centre Office Towers 1 and 2

Source: ARATMS

Retail Portfolio Lease Expiry Profile

As at 31 December 2010	Net Lettable Area ¹	
	Sq ft	% of Total
FY 2011	276,105	25.5
FY 2012	327,757	30.3
FY 2013	292,139	27.0
FY 2014	98,905	9.1
FY 2015 & Beyond	65,954	6.1



- 25.5% of retail portfolio net lettable area expiring in FY 2011
- Renewed and signed approximately 296,600 sq ft of renewals and replacements in FY 2010

Note:

- Assumes one third of total retail net lettable area of One Raffles Quay, Marina Bay Link Mall and Suntec Singapore International Convention & Exhibition Centre


Source: ARATMS



Financial results for the Quarter and Financial Year ended 31 December 2010

A little more about us...

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Financial results for the Quarter and Financial Year ended 31 December 2010

Well-positioned in S-REIT Sector

<p>Outlook</p>	<ul style="list-style-type: none"> ▪ Positive economic outlook ▪ Strong office sector recovery
<p>Track Record</p>	<ul style="list-style-type: none"> ▪ Proven track record in enhancing the performance of our property portfolio ▪ Strong credit standing and debt financing record ▪ Achieved average annual return of 14.7% p.a. since listing ▪ Completed issue of deferred units in December 2010
<p>Well-positioned</p>	<ul style="list-style-type: none"> ▪ Strong 2.4m sq ft office portfolio and 1.1m sq ft retail portfolio strategically-located in the heart of Singapore's Central Business District. ▪ Anchored by major asset Suntec City, one of Singapore's largest office and retail properties ▪ Potential for further asset enhancement initiatives ▪ Proactively seeking new acquisitions

Source: ARATMS

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Inherent Value in Suntec REIT

- FY 2010 DPU of 9.859 cents
- Average annual return of 14.7%¹ since listing
- Discount to NAV of 16.8%¹ relative to comparable peers at NAV premium or close to premium
- Strong 12-month forward yield of 6.2%^{1,2}(based on consensus DPU)
- Market capitalisation of S\$3.3b, with high daily average traded volume of 6.4m for FY 2010



Notes:

1. Based on the last traded price of S\$1.50 per unit as at 31 December 2010
2. Consensus DPU of 9.3 cents for FY 2011

Source: ARATMS, Bloomberg

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Thank You

Disclaimer

This presentation is focused on the comparison of actual results for the three months ended 31 December 2010 versus results achieved in the three months ended 31 December 2009. It should be read in conjunction with Paragraph 8 of Suntec REIT's financial results for the period 1 October 2010 to 31 December 2010 announced on SGXNET.

The information included in this release does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for units in Suntec REIT ("**Units**") in Singapore or any other jurisdiction.

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1. 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.
2. 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.
3. The past performance of Suntec REIT is not necessarily indicative of the future performance of Suntec REIT.