



Trust Management (Suntec) Limited

Press Release

24 April 2012

Manager of



**Distribution Income of S\$54.9 million is 3.8% Higher Year-on-Year
DPU 2.7% Higher Year-on-Year
Suntec City AEI - Strong Leasing Pre-commitments for Phase 1**

Singapore, 24 April 2012 – ARA Trust Management (Suntec) Limited, the manager of Suntec Real Estate Investment Trust (“Suntec REIT”, and the “Manager”), is pleased to announce a distribution income of S\$54.9 million for the period 1 January to 31 March 2012 (“1Q FY12”), an increase of 3.8% compared to the quarter ended 31 March 2011 (“1Q FY11”). The distribution per unit (“DPU”) of 2.453 Singapore cents achieved for 1Q FY12 is 2.7% higher year-on-year.

Mr. Yeo See Kiat, Chief Executive Officer of the Manager, said, “I am happy to report that we have delivered another quarter of strong performance despite the uncertain macroeconomic conditions. This was achieved on the back of stronger performance from our office portfolio and higher income contribution from our jointly controlled entities.”

The committed occupancy of Suntec City Office Towers strengthened further to 99.5% whilst Park Mall office maintained full occupancy as at 31 March 2012. The committed occupancy of Suntec City Mall remained stable at 96.7%, whilst Park Mall continued to enjoy 100.0% committed occupancy. Committed occupancy for the retail portfolio stood at 97.3% as at 31 March 2012.

For the jointly controlled entities, One Raffles Quay achieved full occupancy, whilst the committed occupancy for the MBFC Properties¹ improved slightly to 98.7% as at 31 March 2012.

The divestment of Chijmes was completed on 20 Jan 2012.

¹ Marina Bay Financial Centre Towers 1 and 2, and the Marina Bay Link Mall

Although the office market remained subdued in the first quarter of 2012, Suntec REIT's overall committed occupancy for the office portfolio enjoyed a strong occupancy of 99.4% as at 31 March 2012.

Commenting on Suntec REIT's office portfolio, Mr. Yeo said, "With Suntec REIT's high committed occupancy of 99.4%, coupled with a balance of only 7.5% of its office leases due to expire in 2012, we are cautiously positive on the performance of our office portfolio."

Comparison of Suntec REIT 1Q FY12 Results against 1Q FY11

	1Q FY12 (S\$'000)	1Q FY11 (S\$'000)	% Change
Gross revenue	73,295	61,023	20.1
Net property income	48,998	46,683	5.0
Income available for distribution	54,877	52,867	3.8
Distribution per unit	2.453¢	2.388¢	2.7
Distribution yield (annualised) ²			
- based on 31 Mar 2012 closing price of S\$1.25	7.9%	7.7%	
- based on 23 Apr 2012 closing price of S\$1.27	7.8%	7.6%	

For 1Q FY12, Suntec REIT achieved gross revenue of S\$73.3 million which was 20.1% higher year-on-year mainly due to the consolidation of S\$14.6 million in revenue from Suntec Singapore. For the same period, the net property income of S\$49.0 million was 5.0% higher year-on-year.

Consequently, the income available for distribution of S\$54.9 million was 3.8% higher year-on-year due to higher income contributions from the jointly controlled entities.

The distribution per unit for 1Q FY12 amounted to 2.453 Singapore cents which was 2.7% higher year-on-year. The annualised distribution yield is 7.8%³.

The debt-to-asset ratio stood at 37.4% as at 31 March 2012.

² Past performance is not necessarily indicative of future performance of Suntec REIT

³ Based on the unit price of S\$1.27 as at 23 April 2012

Suntec City AEI Update

Work on Phase 1 of the asset enhancement initiative (“AEI”) is on track to commence in June 2012 in phases and is expected to complete by the second quarter of 2013.

For Phase 1, approximately 193,000 sq ft of retail net lettable area (“NLA”) will be closed progressively in phases from June 2012. Upon completion of Phase 1, the retail NLA will increase to approximately 380,000 sf⁴.



Mr. Yeo said, “On the marketing front, we are pleased that more than 45% of Phase 1 NLA has been pre-committed to-date even before the commencement of works in June. We are also happy to announce that Swedish clothing giant, H&M, will take up 20,000 sq ft in Phase 1 of the newly refurbished Suntec City Mall. Another major international fashion retailer⁵ has also committed approximately 22,000 sq ft with us. Established brands such as GAP, Guess, La Senza, Dickson Watch, Sincere Watch, Lee Hwa, Goldheart and Swarovski are amongst many others who have signed up retail space in Phase 1.”

When completed, visitors and shoppers can also expect a diverse range of gourmet and casual food and beverage choices including new dining concepts from Food Republic and Paradise Group as well as popular names such as Crystal Jade Kitchen, Paradise Inn, Tony Roma’s, Mad for Garlic, Ichiban Boshi and New York Grand Kitchen.

Mr. Yeo added, “Based on our leasing progress to-date, our projected rental enhancement and return on investment of 10.1% are on track.”

Looking ahead, Mr. Yeo said, “Our priorities in 2012 are to focus on the smooth execution of the AEI to minimize disruptions to operations and proactive lease management to increase

⁴ Includes the integration of retail use on Levels 1 and 2 of Suntec Singapore with Suntec City Mall

⁵ The identity of the tenant cannot be disclosed at this point in time due to confidentiality arrangements

the lease commitments for the AEI, as well as maintain a high occupancy level for the rest of Suntec City Mall. For our office portfolio, with the strong occupancy level and renewal achieved to-date, barring any unforeseen circumstances, we are confident that our office portfolio would outperform that of the preceding year.”

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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, a one-third interest in One Raffles Quay, a one-third interest in Marina Bay Financial Centre Towers 1 and 2 and the Marina Bay Link Mall, and a 60.8% interest in Suntec Singapore International Convention & Exhibition Centre. 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. For more details, please visit www.suntecreit.com.

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.

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