



Trust Management (Suntec) Limited

Press Release

25 October 2012

Manager of



Suntec REIT Achieves Distribution Per Unit of 2.35 cents for 3Q FY12 YTD FY12 DPU of 7.164 cents

Singapore, 25 October 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 per unit (“DPU”) of 2.35 Singapore cents for the period 1 July to 30 September 2012 (“3Q FY12”), resulting in a DPU of 7.164 Singapore cents for the nine months ended 30 September 2012 (“YTD FY12”).

Mr. Yeo See Kiat, Chief Executive Officer of the Manager, said, “Notwithstanding the execution of our asset enhancement initiatives at Suntec City from June 2012 and the divestment of CHIJMES, Suntec REIT achieved a DPU of 2.35 cents for 3Q FY12. With this, the DPU for the nine months ended 30 September was 7.164 cents, a marginal decline of 3.9% year-on-year.”

On the retail portfolio, the committed occupancy of Suntec City Mall remained stable at 98.2%¹, whilst Park Mall continued to enjoy 100% occupancy. The overall committed occupancy for the retail portfolio stood at 98.6% as at 30 September 2012.

On the office portfolio, both Suntec City Office Towers and Park Mall office enjoyed 100% committed occupancy as at 30 September 2012.

For the jointly controlled entities, One Raffles Quay continued to enjoy full occupancy, whilst the committed occupancy for the MBFC Properties² was 99.5% as at 30 September 2012.

Suntec REIT’s overall committed occupancy for the office portfolio maintained a high of 99.9% as at 30 September 2012.

Commenting on Suntec REIT’s office performance, Mr. Yeo said, “The strong performance of our office portfolio is a testament to the quality of the underlying assets. Looking ahead, with Suntec REIT’s high committed occupancy of 99.9%, the strong renewal achieved to-date, coupled with a

¹ Reflects areas not affected by the asset enhancement initiatives

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

balance of only 1.6% and 19.7% of the office leases due to expire in 2012 and 2013, we remain cautiously optimistic and positive on the performance of our office portfolio for the current financial year.”

On the capital management front, Mr. Yeo added, “We are pleased to report that we have obtained a committed 5-year unsecured facility to refinance the \$200 million term loan that is due in end October. With this, Suntec REIT has completed all its refinancing for 2012.”

Comparison of Suntec REIT’s 3Q and YTD FY12 Results

	3Q FY12 (S\$'000)	3Q FY11 (S\$'000)	% Change	YTD FY12 (S\$'000)	YTD FY11 (S\$'000)	% Change
Gross revenue	62,589	67,914	(7.8)	206,881	190,237	8.7
Net property income	38,449	47,777	(19.5)	132,877	141,360	(6.0)
Income available for distribution	52,817	56,357	(6.3)	160,653	165,398	(2.9)
Distribution per unit	2.350¢	2.533¢	(7.2)	7.164¢	7.453¢	(3.9)
Distribution yield (annualised) ³						
- based on 30 Sep 2012 closing price of S\$1.485	6.3%	6.8%		6.4%	6.7%	
- based on 24 Oct 2012 closing price of S\$1.580	5.9%	6.4%		6.1%	6.3%	

For 3Q FY12, Suntec REIT achieved gross revenue of S\$62.6 million which was 7.8% lower year-on-year due to lower retail revenue from Suntec City Mall attributable to the asset enhancement works and the divestment of CHIJMES, which was partially mitigated by higher office revenue.

For the same period, the net property income of S\$38.4 million was 19.5% lower year-on-year due mainly to the partial closure of Suntec Singapore and Suntec City Mall (Phase 1) for the asset enhancement works and the divestment of CHIJMES, which was partially mitigated by higher office income.

The income available for distribution of S\$52.8 million was 6.3% lower year-on-year mainly due to the lower net property income attributable to the divestment of CHIJMES and the asset enhancement initiative.

The distribution per unit for 3Q FY12 amounted to 2.35 Singapore cents. The annualised distribution yield was 5.9%⁴.

³ Past performance is not necessarily indicative of future performance of Suntec REIT

⁴ Based on the unit price of S\$1.58 as at 24 Oct 2012

For YTD FY12, Suntec REIT's gross revenue and net property income was S\$206.9 million and S\$132.9 million respectively. The income available for distribution of S\$160.7 million was a marginal decline of 2.9% year-on-year. The distribution per unit amounted to 7.164 Singapore cents representing an annualized distribution yield of 6.1%⁴.

The debt-to-asset ratio stood at 37.8% as at 30 September 2012.

Suntec City AEI Update

Works on Phase 1 of the asset enhancement initiative ("AEI") that encompasses Suntec Singapore, Fountain Terrace and Galleria sections of Suntec City Mall is on-track and is on schedule to complete by the second quarter of 2013.



Mr. Yeo said, "On the marketing front, we are pleased to report that we have achieved a pre-commitment of 71.2% of Suntec REIT's Phase 1 NLA to-date. Based on our leasing progress to-date, our projected rental enhancement and return on investment of 10.1% are on track."

Some of the additional brands that have signed up for Phase 1 include Charriol, EpiCentre, Kiehl's L'Occitane, La Palette, Lowrys Farm and Sephora. Additional new food and beverage names that have signed up include, Bali Thai, Bibigo, Pacific Coffee Company, Soup Restaurant, Wendy's and Tous Les Jours, a French Bakery concept by a leading Korean brand, which will be opening its first outlet in Singapore.

Looking ahead, Mr. Yeo said, "Our current priorities are to focus on the smooth execution of the AEI and proactive lease management to increase the lease commitments, as well as maintain the high occupancy level for the rest of our office and retail portfolios."

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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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