

Press Release

22 July 2014

Manager of



**Suntec REIT Achieves Distribution Per Unit of 2.266 cents for 2Q FY14
1H FY14 DPU of 4.495 cents**

Singapore, 22 July 2014 – ARA Trust Management (Suntec) Limited, the manager of Suntec Real Estate Investment Trust (“Suntec REIT”, and the “Manager”), is pleased to announce a total distribution income of S\$56.6 million for the period 1 April to 30 June 2014 (“2Q FY14”) which was 11.3% higher compared to the quarter ended 30 June 2013 (“2Q FY13”). The distribution per unit (“DPU”) for 2Q FY14 was 2.266 cents as compared to 2Q FY13 DPU of 2.249 cents.

Mr. Yeo See Kiat, Chief Executive Officer of the Manager, said, “During the second quarter of 2014, despite the closure of a substantial part of Suntec City mall for the asset enhancement works, the amount available for distribution from operations of S\$51.6 million was 19.8% higher year-on-year. This was mainly attributable to the completion of Suntec City Phase 1 as compared to 2Q FY13. As such, the capital distribution for this quarter was S\$5.0 million which was 35.9% lower year-on-year. The total distribution income of S\$56.6 million and DPU of 2.266 cents was 11.3% and 0.8% higher year-on-year respectively.”

On the retail portfolio, the committed occupancy for Suntec City Phase 1 and Phase 2 was 97.6%. Likewise, Park Mall maintained 100% committed occupancy. The overall committed occupancy for the retail portfolio stood at 97.6% as at 30 June 2014.

On the office portfolio, Suntec City Office Towers committed occupancy improved to 99.4%, while Park Mall Office maintained 100% occupancy as at 30 June 2014. For the joint ventures, One Raffles Quay and MBFC Properties¹ continued to enjoy 100% occupancy as at 30 June 2014. Suntec REIT’s overall committed occupancy for the office portfolio stood at 99.7% as at 30 June 2014.

Commenting on Suntec REIT’s office performance, Mr. Yeo said, “Our office portfolio continues to perform strongly. During the second quarter, we have forward renewed approximately 94,000 sq ft of leases expiring in 2014, leaving us with a balance of 5.6% of the office leases due to expire in 2014. Looking ahead, we remain positive on the performance of our office portfolio in 2014.”

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

Summary of Suntec REIT's 2Q and 1H FY14 Results

	2Q FY14 (S\$'000)	2Q FY13 (S\$'000)	% Change	1H FY14 (S\$'000)	1H FY13 (S\$'000)	% Change
Gross revenue	68,114	46,935	45.1	134,068	96,597	38.8
Net property income	46,106	27,956	64.9	89,877	58,635	53.3
Total amount available for distribution	56,594	50,857	11.3	107,478	101,127	6.3
- from operations	51,594	43,057	19.8	102,478	90,627	13.1
- from capital	5,000	7,800	-35.9	5,000	10,500	-52.4
Distribution per unit	2.266¢	2.249¢	0.8	4.495¢	4.477¢	0.4
- from operations	2.066¢	1.904¢	8.5	4.295¢	4.012¢	7.1
- from capital	0.200¢	0.345¢	-42.0	0.200¢	0.465¢	-57.0
Distribution yield (annualized) ²						
- based on 30 Jun 2014 closing price of S\$1.810	5.0%	5.0%		5.0%	5.0%	
- based on 21 Jul 2014 closing price of S\$1.835	5.0%	4.9%		4.9%	4.9%	

For 2Q FY14, Suntec REIT gross revenue of S\$68.1 million was 45.1% higher year-on-year. This was mainly due to the opening of Suntec Singapore Convention & Exhibition Centre ("Suntec Singapore") following the completion of its AEI works as compared to 2Q FY13.

For the same period, the net property income of S\$46.1 million was 64.9% higher year-on-year which was likewise mainly due to the opening of Suntec Singapore as compared to 2Q FY13.

The total distribution income of S\$56.6 million was 11.3% higher year-on-year while the DPU for 2Q FY14 was 2.266 cents as compared to 2Q FY13 DPU of 2.249 cents.

The debt-to-asset ratio stood at 34.1% as at 30 June 2014 whilst the average all-in financing cost was 2.62%³ for 2Q FY14.

For 1H FY14, Suntec REIT gross revenue and net property income of S\$134.1 million and S\$89.9 million was 38.8% and 53.3% higher year-on-year respectively. This was similarly due to the opening of Suntec Singapore as compared to 1H FY13. The total distribution income and DPU amounted to S\$107.5 million and 4.495 cents respectively.

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

³ Including a one-time write off of unamortised transaction costs, the all-in financing cost was 3.05%

Suntec City AEI Update



Mr. Yeo said, “On the marketing front, we are pleased to report that we have achieved 97.6% committed occupancy for Phases 1 and 2 of the remaking of Suntec City and Phase 2 opened on 1 June 2014. Our current priorities are to focus on the execution and completion of the remaking of Suntec City, the marketing of Phase 3 as well as proactive lease management to strengthen the lease commitments and maintain the high occupancy level of both 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 Convention & Exhibition Centre. Suntec REIT holds a 100% interest in a commercial building located at 177 Pacific Highway, North Sydney Australia which is currently under development. 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

Suntec REIT is managed by ARA Trust Management (Suntec) Limited, wholly-owned subsidiary of ARA Asset Management Limited ("ARA"). ARA is a real estate fund management company which is listed on the Main Board of the Singapore Exchange Securities Trading Limited. More information on ARA Asset Management Limited can be found at www.ara-asia.com.

IMPORTANT NOTICE

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in Suntec REIT.

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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