

Press Release

21 October 2014

Manager of



**Suntec REIT Achieves Distribution Per Unit of 2.328 cents for 3Q FY14
YTD FY14 DPU of 6.823 cents
Office Portfolio 100% Leased**

Singapore, 21 October 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\$58.3 million for the period 1 July to 30 September 2014 (“3Q FY14”) which was 12.4% higher compared to the quarter ended 30 September 2013 (“3Q FY13”). The distribution per unit (“DPU”) for 3Q FY14 was 2.328 cents as compared to 3Q FY13 DPU of 2.289 cents.

Mr. Yeo See Kiat, Chief Executive Officer of the Manager, said, “During the third quarter of 2014, despite the asset enhancement works for the remaking of Suntec City Phase 3, the amount available for distribution from operations of S\$57.3 million was 20.9% higher year-on-year. This was mainly attributable to the completion of Suntec City Phase 2 and contribution from 177 Pacific Highway, our acquisition in North Sydney. The total distribution income of S\$58.3 million and DPU of 2.328 cents was 12.4% and 1.7% higher year-on-year respectively.”

On the retail portfolio, the committed occupancy for Suntec City Phase 1 and Phase 2 was 98.9% while Park Mall maintained 100% committed occupancy. The overall committed occupancy for the retail portfolio stood at 98.4% as at 30 September 2014.

On Suntec REIT’s office performance, Mr. Yeo said, “We are pleased to report that we have achieved 100% committed occupancy for our office portfolio of Suntec City Office Towers, Park Mall Office, One Raffles Quay and MBFC Properties¹. During the quarter, we have renewed approximately 280,000 sq ft of leases expiring, leaving us with a balance of 2.1% and 17.9% of the office leases due to expire in 2014 and 2015 respectively. We are confident that our office portfolio in 2014 would outperform the preceding year.”

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

Summary of Suntec REIT's 3Q and YTD FY14 Results

	3Q FY14 (S\$'000)	3Q FY13 (S\$'000)	% Change	YTD FY14 (S\$'000)	YTD FY13 (S\$'000)	% Change
Gross revenue	71,493	65,877	8.5	205,562	162,474	26.5
Net property income	48,756	40,254	21.1	138,634	98,888	40.2
Total amount available for distribution	58,252	51,848	12.4	165,730	152,975	8.3
- from operations	57,252	47,348	20.9	159,730	137,975	15.8
- from capital	1,000	4,500	(77.8)	6,000	15,000	(60.0)
Distribution per unit	2.328¢	2.289¢	1.7	6.823¢	6.766¢	0.8
- from operations	2.288¢	2.090¢	9.5	6.583¢	6.102¢	7.9
- from capital	0.040¢	0.199¢	(79.9)	0.240¢	0.664¢	(63.9)
Distribution yield (annualized) ²						
- based on 30 Sep 2014 closing price of S\$1.760	5.2%	5.2%		5.2%	5.1%	
- based on 20 Oct 2014 closing price of S\$1.795	5.1%	5.1%		5.1%	5.0%	

For 3Q FY14, Suntec REIT gross revenue of S\$71.5 million was 8.5% higher year-on-year. This was mainly due to the opening Phase 2 of Suntec City mall following the completion of the AEI works as compared to 3Q FY13.

For the same period, the net property income of S\$48.8 million was 21.1% higher year-on-year which was likewise mainly due to the opening of Suntec City Phase 1 and Phase 2.

The total distribution income of S\$58.3 million was 12.4% higher year-on-year while the DPU for 3Q FY14 was 2.328 cents as compared to 3Q FY13 DPU of 2.289 cents.

The debt-to-asset ratio stood at 34.4% as at 30 September 2014 whilst the average all-in financing cost was 2.42% for 3Q FY14.

For YTD FY14, Suntec REIT gross revenue and net property income of S\$205.6 million and S\$138.6 million were 26.5% and 40.2% higher year-on-year respectively. This was due to the opening of Suntec Singapore in the second half of 2013. The total distribution income of S\$165.7 million was 8.3% higher year-on-year. DPU for YTD FY14 was 6.823 cents.

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

Suntec City AEI Update



Mr. Yeo said, “On the marketing front, we are pleased to report that we have achieved 86% committed occupancy for the entire remaking of Suntec City to-date. The committed occupancy for Phases 1 & 2 stood at 99.7%. The pre-committed occupancy for Phase 3 is 60% currently and the team is working actively on the leasing of the remaining space. ”

Looking ahead, Mr. Yeo said, “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 levels 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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