

Press Release

22 January 2015

Manager of



**Suntec REIT Achieves Distribution Per Unit of 2.577 cents for 4Q FY14
FY14 DPU of 9.4 cents
Office Portfolio 100% Leased**

Singapore, 22 January 2015 – ARA Trust Management (Suntec) Limited, the manager of Suntec Real Estate Investment Trust (“Suntec REIT”, and the “Manager”), is pleased to announce a distributable income of S\$64.6 million for the period 1 October to 31 December 2014 (“4Q FY14”) which was 11.0% higher compared to the quarter ended 31 December 2013 (“4Q FY13”). The distribution per unit (“DPU”) for 4Q FY14 was 2.577 cents, 0.6% higher than the 4Q FY13 DPU of 2.562 cents.

Mr. Yeo See Kiat, Chief Executive Officer of the Manager, said, “During the fourth quarter of 2014, despite the asset enhancement works for the remaking of Suntec City Phase 3, the distributable income of S\$64.6 million was 11.0% higher year-on-year. This was mainly attributable to the completion of Suntec City Phase 2, improved contribution from Suntec Singapore and income received from 177 Pacific Highway in North Sydney, which was acquired in December 2013.”

Mr. Yeo added, “For the financial year ended 2014, we achieved a distributable income of S\$230.3 million which was 9.1% higher year-on-year and we are pleased to deliver a DPU of 9.4 cents for 2014.”

On the retail portfolio, the committed occupancy for Suntec City Phase 1 and Phase 2 was 99.6% while Park Mall maintained 100% committed occupancy. The overall committed occupancy for the retail portfolio stood at 99.7% as at 31 December 2014.

On Suntec REIT’s office performance, Mr. Yeo said, “We are pleased to report that our office portfolio of Suntec City Office Towers, Park Mall Office, One Raffles Quay and MBFC Properties¹ continued to be 100% leased. As part of our proactive leasing strategy, we have forward renewed approximately 338,000 sq ft of leases due to expire in 2015, leaving us with a balance of only 12.5% of the office

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

leases due to expire in 2015. Looking ahead, we remain positive on the performance of our office portfolio in 2015.”

On the capital management front, Mr. Yeo commented, “In 2014, we raised S\$1.5 billion of financing in 2014, leaving us with no re-financing requirement until 2016.”

Summary of Suntec REIT’s 4Q and FY14 Results

	4Q FY14 (S\$'000)	4Q FY13 (S\$'000)	% Change	FY14 (S\$'000)	FY13 (S\$'000)	% Change
Gross revenue	76,845	71,617	7.3	282,407	234,091	20.6
Net property income	52,993	49,781	6.5	191,627	148,670	28.9
Distributable income	64,556	58,182	11.0	230,286	211,157	9.1
- from operations	60,056	54,182	10.8	219,786	192,157	14.4
- from capital	4,500	4,000	12.5	10,500	19,000	(44.7)
Distribution per unit	2.577¢	2.562¢	0.6	9.400¢	9.328¢	0.8
- from operations	2.397¢	2.387¢	0.4	8.980¢	8.489¢	5.8
- from capital	0.180¢	0.175¢	2.9	0.420¢	0.839¢	(49.9)
Distribution yield						
- based on 31 Dec 2014 closing price of S\$1.960				4.8%	4.8%	
- based on 21 Jan 2015 closing price of S\$1.995				4.7%	4.7%	

For 4Q FY14, Suntec REIT’s gross revenue of S\$76.9 million and net property income of S\$53.0 million were 7.3% and 6.5% higher year-on-year respectively. This was mainly due to the opening of Phase 2 of Suntec City mall and Suntec Singapore following the completion of the AEI works and higher office income.

The distributable income of S\$64.6 million and DPU of 2.577 cents for 4Q FY14 were 11.0% and 0.6% higher year-on-year respectively.

The debt-to-asset ratio stood at 34.7% as at 31 December 2014 whilst the average all-in financing cost was 2.44% for 4Q FY14.

For FY14, Suntec REIT’s gross revenue and net property income of S\$282.4 million and S\$191.6 million were 20.6% and 28.9% higher year-on-year respectively. This was due to the opening of Suntec City Phase 1 and Suntec Singapore in the second half of 2013. The distributable income and DPU amounted to S\$230.3 million and 9.400 cents respectively.

As at 31 December 2014, Suntec REIT’s assets under management stood at S\$8.8 billion.

Suntec City AEI Update



Mr. Yeo said, “On the marketing front, we are pleased to report that we have achieved 91.3% committed occupancy for the entire remaking of Suntec City to-date 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 completion of the remaking of Suntec City as well as proactive lease management to maintain our high occupancy levels of both our office and retail portfolios.”

“As Suntec REIT completes our first ten years journey since our IPO in Dec 2004, I’m pleased that we managed to deliver a total DPU of 93.5 cents and gave a total return of 189% to our unitholders.”

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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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