

Press Release

26 January 2016

Manager of



**Suntec REIT's 4Q FY15 DPU 6.7% Higher Year-on-Year
FY15 DPU of 10.002 cents**

Singapore, 26 January 2016 – 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\$69.5 million for the period 1 October to 31 December 2015 ("4Q FY15") which was 7.7% higher compared to the quarter ended 31 December 2014 ("4Q FY14"). The distribution per unit ("DPU") of 2.750 cents for 4Q FY15 was 6.7% higher than 4Q FY14 DPU of 2.577 cents.

Mr. Yeo See Kiat, Chief Executive Officer of the Manager, said, "We are pleased to report that during the fourth quarter of 2015, the distributable income from operations grew 1.7% year-on-year to S\$61.1 million. This was mainly attributable to the higher net property income from the completion of Suntec City Phase 3. Including a capital distribution of S\$8.4 million, distributable income of S\$69.5 million was 7.7% higher year-on-year."

Mr. Yeo added, "For the financial year ended 2015, we achieved a distributable income of S\$252.0 million which was 9.4% higher year-on-year and we are pleased to deliver a DPU of 10.002 cents for 2015."

"In November, we acquired 3 floors of Suntec strata office space amounting to approximately 38,000 sq ft. We also completed the divestment of Park Mall in December and entered into a joint venture to redevelop the property into a new commercial development. The redevelopment will further unlock the underlying value of the property by enhancing the gross floor area of the site."

The committed occupancy for Suntec City mall improved to 98.0% while Suntec City Office Towers achieved 99.3% committed occupancy as at 31 December 2015.

The committed occupancy for One Raffles Quay and MBFC Properties was 99.8% and 99.3% respectively.

Park Mall's Retail and Office committed occupancy was 96.7% and 92.2% respectively as at 31 December 2015.

Suntec REIT's overall committed occupancy for the office and retail portfolio improved to 99.3% and 97.9% respectively as at 31 December 2015.

On Suntec REIT's office performance, Mr. Yeo said, "We are pleased to report that our office portfolio continued to perform strongly. In 2015, we have renewed and replaced approximately 710,000 sq ft of leases, leaving us with a balance of only 14.9% due to expire in 2016. Looking ahead, we expect the performance of our office portfolio to be stable in 2016."

Mr. Yeo added, "Notwithstanding the impending headwinds, with the completion of the asset enhancement works for Suntec City, the retail contribution from Suntec City is also expected to be positive."

Summary of Suntec REIT's 4Q and FY15 Results

	4Q FY15 (S\$'000)	4Q FY14 (S\$'000)	% Change	FY15 (S\$'000)	FY14 (S\$'000)	% Change
Gross revenue	87,541	76,845	13.9	329,515	282,407	16.7
Net property income	62,489	52,993	17.9	229,217	191,627	19.6
Distributable income	69,502	64,556	7.7	251,967	230,286	9.4
- from operations	61,102	60,056	1.7	232,967	219,786	6.0
- from capital	8,400	4,500	86.7	19,000	10,500	81.0
Distribution per unit	2.750¢	2.577¢	6.7	10.002¢	9.400¢	6.4
- from operations	2.418¢	2.397¢	0.9	9.249¢	8.980¢	3.0
- from capital	0.332¢	0.180¢	84.4	0.753¢	0.420¢	79.3
Distribution yield						
- based on 31 Dec 2015 closing price of S\$1.55				6.5%	6.1%	
- based on 25 Jan 2016 closing price of S\$1.52				6.6%	6.2%	

For 4Q FY15, Suntec REIT's gross revenue of S\$87.5 million and net property income of S\$62.5 million were 13.9% and 17.9% higher year-on-year respectively. This was mainly due to the opening of Phase 3 of Suntec City mall and higher contribution from Suntec Singapore.

The debt-to-asset ratio stood at 35.8% as at 31 December 2015 whilst the average all-in financing cost was 2.86% for 4Q FY15.

For FY15, Suntec REIT's gross revenue of S\$329.5 million and net property income of S\$229.2 million were 16.7% and 19.6% higher year-on-year respectively. This was due to the opening of Phases 2 & 3 of Suntec City mall and higher contribution from Suntec Singapore. The distributable income and DPU for the period amounted to S\$252.0 million and 10.002 cents respectively.

As at 31 December 2015, Suntec REIT's assets under management stood at S\$9.3 billion.

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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), a 30.0% interest in 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, a wholly-owned subsidiary of ARA Asset Management Limited ("ARA"), Asia's premier integrated real estate fund manager which is listed on the Main Board of the Singapore Exchange Securities Trading Limited since November 2007.

ARA currently manages real estate investment trusts ("REITs") and private real estate funds that are invested in the office, retail, logistics/industrial, hospitality and residential sectors in the Asia Pacific region, complemented by its in-house real estate management services and advisory services.

Established in 2002, to date it has over 1,100 professionals in 15 cities managing total assets in excess of S\$28 billion.

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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