



Suntec Real Estate Investment Trust 2019 Third Quarter and Nine Months Unaudited Financial Statements & Distribution Announcement

Suntec Real Estate Investment Trust ("Suntec REIT") is a real estate investment trust constituted by the Trust Deed entered into on 1 November 2004 (as amended) between ARA Trust Management (Suntec) Limited as the Manager of Suntec REIT and HSBC Institutional Trust Services (Singapore) Limited as the Trustee of Suntec REIT.

Suntec REIT owns Suntec City Mall which comprises 813,753 sq ft of net lettable area and certain office units in Suntec Towers One, Two and Three and the whole of Suntec Towers Four and Five, which form part of the integrated commercial development known as "Suntec City". The property portfolio also comprises 60.8 per cent effective interest in Suntec Singapore Convention & Exhibition Centre and 141,959 sq ft of net lettable area of Suntec City Mall ("Suntec Singapore"), a one-third interest in One Raffles Quay ("ORQ") and a one-third interest in Marina Bay Financial Centre Towers 1 and 2, and the Marina Bay Link Mall (collectively known as "MBFC Properties") and a 30.0 per cent interest in 9 Penang Road (formerly known as Park Mall). Suntec REIT also holds a 100 per cent interest in the commercial building located at 177 Pacific Highway, Sydney, Australia ("177 Pacific Highway"), a 50.0 per cent interest in Southgate Complex, Melbourne, Australia ("Southgate Complex") and a 50.0 per cent interest in a commercial building to be developed located at Olderfleet, 477 Collins Street, Melbourne, Australia ("Olderfleet, 477 Collins Street").

On 10 September 2019, Suntec REIT completed the acquisition of a freehold office building at 55 Currie Street, Adelaide, Australia for A\$148.3 million ("55 Currie Street").

On 1 July 2019, Suntec REIT 21 Trust, an indirect wholly-owned sub trust, entered into a put and call option deed with 21 Harris Street Pty Ltd, as trustee for ATF 21 Harris Street Unit Trust, to acquire a freehold property currently under development located at 21 Harris Street, Pyrmont, Sydney, Australia (the "Harris Street Acquisition"). The total cost of the Harris Street Acquisition and development services is A\$297.0 million. The Harris Street Acquisition is expected to be completed in the first quarter 2020, after the property achieves its practical completion.

The financial information for the period from 1 January 2019 to 30 September 2019 has not been audited but has been reviewed by our auditors in accordance with Singapore Standard on Review Engagements 2410.

Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019

SUMMARY OF SUNTEC REAL ESTATE INVESTMENT TRUST RESULTS

	Group					
	1/7/19 to 30/9/19	1/7/18 to 30/9/18	Change	1/1/19 to 30/9/19	1/1/18 to 30/9/18	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	91,939	88,811	3.5%	270,012	270,051	0.0%
Net property income	58,357	56,544	3.2%	172,918	180,251	-4.1%
Income contribution from joint ventures	26,487	23,159	14.4%	76,236	68,496	11.3%
Distributable income	66,236	66,529	-0.4%	196,744	197,352	-0.3%
- from operations	59,736	56,529	5.7%	177,244	170,852	3.7%
- from capital ^(a)	6,500	10,000	-35.0%	19,500	26,500	-26.4%
Distribution per unit (cents) ^(b)	2.365	2.491	-5.1%	7.160	7.398	-3.2%
- from operations	2.133	2.117	0.8%	6.454	6.405	0.8%
- from capital ^(a)	0.232	0.374	-38.0%	0.706	0.993	-28.9%
Annualised distribution per unit (cents)	9.383	9.883	-5.1%	9.573	9.891	-3.2%

Footnotes:

(a) This relates to a portion of the sale proceeds from the disposal of Park Mall in December 2015 and is classified as capital distribution from a tax perspective. Capital distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who hold the Units as trading assets, the amount of capital gain distribution will be applied to reduce the cost base of their Units for the purpose of calculating the amount of taxable trading gains arising from the disposal of the Units.

(b) Please refer to Page 13 for the distribution per unit computation.

**Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019**

1 (a)(i) Statements of Total Return and Statement of Distribution for the Third Quarter and Nine Months ended 30 September 2019

<u>Statement of total return</u>	Group					
	1/7/19 to 30/9/19	1/7/18 to 30/9/18	Change	1/1/19 to 30/9/19	1/1/18 to 30/9/18	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue ^(a)	91,939	88,811	3.5%	270,012	270,051	0.0%
Maintenance charges ^(b)	(9,850)	(9,850)	0.0%	(29,551)	(21,527)	-37.3%
Property management fees	(2,515)	(2,429)	-3.5%	(7,375)	(7,369)	-0.1%
Property tax ^(c)	(6,576)	(5,936)	-10.8%	(18,362)	(17,675)	-3.9%
Other property expenses ^(d)	(14,641)	(14,052)	-4.2%	(41,806)	(43,229)	3.3%
Property expenses	(33,582)	(32,267)	-4.1%	(97,094)	(89,800)	-8.1%
Net property income	58,357	56,544	3.2%	172,918	180,251	-4.1%
Share of profit of joint ventures ^(e)	20,812	17,540	18.7%	81,485	64,150	27.0%
Finance income ^(f)	7,233	6,739	7.3%	22,335	18,158	23.0%
Finance expenses ^(f)	(28,202)	(25,255)	-11.7%	(82,457)	(68,940)	-19.6%
Asset management fees - base fee	(8,604)	(8,287)	-3.8%	(25,341)	(24,429)	-3.7%
Asset management fees - performance fee	(3,824)	(3,613)	-5.8%	(11,323)	(11,206)	-1.0%
Trust expenses	(916)	(885)	-3.5%	(2,813)	(2,869)	2.0%
Net income	44,856	42,783	4.8%	154,804	155,115	-0.2%
Net change in fair value of financial derivatives ^(g)	1,808	(4,961)	136.4%	(5,159)	7,659	-167.4%
Total return before tax	46,664	37,822	23.4%	149,645	162,774	-8.1%
Income tax expense ^(h)	(1,373)	(1,643)	16.4%	(3,529)	(5,144)	31.4%
Total return for the period after tax	45,291	36,179	25.2%	146,116	157,630	-7.3%
Attributable to:						
Unitholders	44,750	34,924	28.1%	145,727	152,519	-4.5%
Non-controlling interests	541	1,255	-56.9%	389	5,111	-92.4%
Total return for the period	45,291	36,179	25.2%	146,116	157,630	-7.3%

<u>Statement of distribution</u>	Group					
	1/7/19 to 30/9/19	1/7/18 to 30/9/18	Change	1/1/19 to 30/9/19	1/1/18 to 30/9/18	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total return for the period attributable to Unitholders before distribution	44,750	34,924	28.1%	145,727	152,519	-4.5%
Non-tax chargeable items ⁽ⁱ⁾	(14,930)	(5,519)	-170.5%	(55,079)	(62,846)	12.4%
Taxable income	29,820	29,405	1.4%	90,648	89,673	1.1%
Dividend income ⁽ⁱ⁾	29,916	27,124	10.3%	86,596	81,179	6.7%
Income available for distribution to Unitholders	59,736	56,529	5.7%	177,244	170,852	3.7%
Unitholders' distribution:						
- from operations	59,736	56,529	5.7%	177,244	170,852	3.7%
- from capital ^(k)	6,500	10,000	-35.0%	19,500	26,500	-26.4%
Distributable amount to Unitholders	66,236	66,529	-0.4%	196,744	197,352	-0.3%

Financial Statements Announcement For Third Quarter and Nine Months ended 30 September 2019

Footnotes:

- (a) Gross revenue comprises mainly rental income from retail mall and offices, convention revenue and income from rental of atrium and media spaces. Please refer to Note 8(i) for breakdown in Gross revenue.
- (b) Maintenance charges comprises maintenance contribution for the maintenance of Suntec City common areas and sinking fund contribution for the upgrading works of the common areas for all Suntec Office Towers. The increase for the nine months ended 30 September 2019 was higher year-on-year, solely attributed to the sinking fund contribution which commenced from 1 June 2018.
- (c) Property tax for the current quarter and nine months ended 30 September 2019 was higher year-on-year mainly due to underprovision of prior year's property tax.
- (d) Other property expenses for the current quarter was higher mainly due to higher advertising and promotion expenses and the inclusion of property expenses from 55 Currie Street, following the completion of acquisition on 10 September 2019. Other property expenses for the nine months ended 30 September 2019 was lower compared to the corresponding period mainly due to writeback of bad debts provision and lower food and beverage related costs in tandem with the drop in convention events.
- (e) This relates to the Group's one-third interest in One Raffles Quay Pte Ltd ("ORQPL"), one-third interest in BFC Development LLP ("BFCD LLP"), 30.0% interest in Park Mall Pte. Ltd ("PMPL") and 50.0% interest in Southgate Trust. The increase for the quarter was mainly brought about by higher contribution from BFCD LLP due to one-off compensation. The increase for the nine months ended 30 September 2019 was mainly due to share of profit of PMPL from revaluation gain of S\$22.0 million on 9 Penang Road and higher contribution from BFCD LLP due to one-off compensation.
- (f) Included in the finance income and finance expenses are the following:

	Group					
	1/7/19 to 30/9/19	1/7/18 to 30/9/18	Change	1/1/19 to 30/9/19	1/1/18 to 30/9/18	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Finance income:						
Interest income						
- fixed deposits and current account	439	293	49.8%	1,360	500	172.0%
- loans to joint ventures	6,284	6,072	3.5%	19,131	17,080	12.0%
- interest rate swaps	510	374	36.4%	1,844	568	224.6%
Net foreign currency exchange differences	-	-	n.m.	-	10	-100.0%
	7,233	6,739	7.3%	22,335	18,158	23.0%
Finance expenses:						
Interest expense						
- bank loans, notes and convertible bonds ⁽¹⁾	(23,997)	(22,416)	-7.1%	(72,767)	(60,294)	-20.7%
- interest rate swaps ⁽²⁾	(600)	(228)	-163.2%	(1,204)	(2,223)	45.8%
Amortisation and transaction costs	(2,290)	(2,263)	-1.2%	(6,747)	(6,423)	-5.0%
Net foreign currency exchange differences	(1,315)	(348)	-277.9%	(1,739)	-	n.m.
	(28,202)	(25,255)	-11.7%	(82,457)	(68,940)	-19.6%
Net financing costs	(20,969)	(18,516)	-13.2%	(60,122)	(50,782)	-18.4%

(1) Interest expense on bank loans, notes and convertible bonds for the current quarter and nine months ended 30 September 2019 was higher year-on-year due to increase in interest rates.

(2) Interest rate swaps costs for the current quarter and nine months ended 30 September 2019 decreased year-on-year due to higher interest rates.

- (g) This relates to the net gain arising from fair value remeasurement of the foreign currency forward contracts, interest rate swaps and convertible bonds. These have little impact on distributable income.
- (h) This relates to income tax on operating profits and non-tax transparent income received as well as deferred tax provision. The income tax was lower year-on-year mainly due to a lower provision of deferred tax made by a subsidiary in the quarter and nine months ended 30 September 2019.

**Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019**

(i) Included in the non-tax deductible/(chargeable) items are the following:

Non-tax deductible/(chargeable) items	Group					
	1/7/19 to 30/9/19	1/7/18 to 30/9/18	Change	1/1/19 to 30/9/19	1/1/18 to 30/9/18	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Amortisation of transaction costs	2,197	2,143	2.5%	6,471	6,066	6.7%
Asset management fees paid/payable in units	9,215	8,800	4.7%	27,164	26,369	3.0%
Net change in fair value of financial derivatives	(1,808)	4,961	-136.4%	5,159	(7,798)	-166.2%
Net foreign currency exchange differences	1,350	599	125.4%	1,757	198	787.4%
Sinking fund contribution	4,815	4,815	0.0%	14,445	6,420	125.0%
Temporary differences and other adjustments ⁽¹⁾	1,265	456	177.4%	3,639	1,662	119.0%
Net profit from subsidiaries and/or joint ventures	(31,964)	(27,293)	17.1%	(113,714)	(95,763)	18.7%
Total	(14,930)	(5,519)	170.5%	(55,079)	(62,846)	-12.4%

(1) This relates mainly to non-deductible expenses and chargeable income.

(j) This relates to the dividend/distribution income received and receivable from:

	Group					
	1/7/19 to 30/9/19	1/7/18 to 30/9/18	Change	1/1/19 to 30/9/19	1/1/18 to 30/9/18	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Wholly-owned subsidiaries:						
Comina Investment Limited ⁽¹⁾	5,598	5,182	8.0%	16,783	17,612	-4.7%
Suntec Harmony Pte. Ltd. ⁽²⁾	2,736	2,736	0.0%	8,208	8,208	0.0%
Suntec REIT Capital Pte. Ltd. ⁽³⁾	5,100	6,000	-15.0%	14,800	16,350	-9.5%
Suntec REIT (Australia) Trust ⁽⁴⁾	6,465	5,327	21.4%	19,410	13,831	40.3%
	19,899	19,245	3.4%	59,201	56,001	5.7%
Joint venture:						
BFC Development LLP ⁽⁵⁾	10,017	7,879	27.1%	27,395	25,178	8.8%
	29,916	27,124	10.3%	86,596	81,179	6.7%

(1) Comina Investment Limited ("CIL") has a one-third interest in ORQ.

(2) Suntec Harmony Pte. Ltd. ("SHPL") has a 60.8% effective interest in Suntec Singapore.

(3) Suntec REIT Capital Pte. Ltd provides shareholder loans to Suntec REIT (Australia) Trust ("SRAust") for its investments in Australia.

(4) SRAust has a 100% effective interest in 177 Pacific Highway, a 50.0% effective interest in Southgate Complex, a 50.0% effective interest in Olderfleet, 477 Collins Street and a 100% effective interest in 55 Currie Street.

(5) BFCD LLP has a one-third interest in MBFC Properties.

(k) This relates to a portion of the sales proceeds from the disposal of Park Mall in December 2015 and is classified as capital distribution from a tax perspective.

**Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019**

1 (b)(i) Statements of Financial Position as at 30 September 2019

	Group		Trust	
	30/9/19	31/12/18	30/9/19	31/12/18
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Plant and equipment	1,799	1,860	246	231
Investment properties ^(a)	6,690,883	6,493,964	5,110,819	5,110,000
Interest in joint ventures ^(b)	2,887,172	2,855,238	1,467,071	1,466,196
Investments in subsidiaries ^(c)	-	-	1,741,033	1,539,802
Derivative assets ^(d)	-	573	-	573
Total non-current assets	9,579,854	9,351,635	8,319,169	8,116,802
Current assets				
Derivative assets ^(d)	238	943	238	943
Trade and other receivables ^(e)	66,790	23,168	49,239	16,220
Cash and cash equivalents	127,657	136,657	92,511	96,432
Total current assets	194,685	160,768	141,988	113,595
Total assets	9,774,539	9,512,403	8,461,157	8,230,397
Current liabilities				
Interest-bearing borrowings ^(f)	309,865	513,770	309,865	513,770
Trade and other payables	145,576	112,749	65,980	54,844
Derivative liabilities ^(d)	-	3,408	-	3,408
Current portion of security deposits	19,889	19,744	17,392	17,107
Total current liabilities	475,330	649,671	393,237	589,129
Non-current liabilities				
Interest-bearing borrowings ^(f)	3,280,218	2,978,075	2,915,752	2,613,884
Non-current portion of security deposits	51,705	49,133	48,655	46,352
Derivative liabilities ^(d)	33,710	27,397	27,089	26,474
Deferred tax liabilities ^(g)	41,556	40,021	-	-
Total non-current liabilities	3,407,189	3,094,626	2,991,496	2,686,710
Total liabilities	3,882,519	3,744,297	3,384,733	3,275,839
Net assets	5,892,020	5,768,106	5,076,424	4,954,558
Represented by:				
Unitholders' funds ^(h)	5,765,340	5,636,523	5,076,424	4,954,558
Non-controlling interests	126,680	131,583	-	-
Total Equity	5,892,020	5,768,106	5,076,424	4,954,558

Footnotes:

(a) The increase in investment properties for the Group was mainly due to the completion of the acquisition of 55 Currie Street on 10 September 2019 and the progress payments made in relation to Olderfleet, 477 Collins Street which is currently under development.

(b) In respect of the Group's joint ventures, this relates to the one-third interest in ORQPL, one-third interest in BFCD LLP, 30.0% interest in Park Mall Investment Limited ("PMIL") and 50.0% interest in Southgate Trust. The increase was mainly from revaluation gain of S\$22.0 million on 9 Penang Road recognised in the current period. In respect of the Trust's joint ventures, this relates to the one-third interest in BFCD LLP.

(c) This relates to CIL, SHPL, Suntec REIT MTN Pte. Ltd. ("SRMTN"), Suntec REIT Capital Pte. Ltd., SRAust and Suntec (PM) Pte. Ltd., which are wholly-owned subsidiaries of Suntec REIT.

**Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019**

- (d) This relates to the foreign currency forward contracts and interest rate swaps at fair value through profit or loss and the embedded derivative relating to convertible bonds. The increase in net derivative liabilities was mainly due to additional interest rate hedges entered into as at 30 September 2019.
- (e) The increase for the Group was mainly due to dividend receivable from joint ventures and security deposit paid for the development of a freehold property located at 21 Harris Street, Pyrmont, Sydney, Australia ("21 Harris Street"). The increase for the Trust was mainly due to dividend receivable from joint ventures and advances made to a subsidiary.
- (f) The interest-bearing borrowings are stated at amortised cost. The current portion of the interest-bearing borrowings as at 30 September 2019 relates to S\$310.0 million medium term notes due in the first quarter of 2020.
- (g) The increase in deferred tax liabilities mainly relates to a subsidiary's provision of deferred tax for the nine months ended 30 September 2019.
- (h) Please refer to statement of movements in unitholders' funds item 1(e)(i) for details.

1 (c) Aggregate amount of borrowings and debt securities

	Group		Trust	
	30/9/19	31/12/18	30/9/19	31/12/18
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand				
- Unsecured ^(b)				
(i) financial institutions	-	429,796	-	429,796
(ii) notes	309,865	83,974	-	83,974
(iii) subsidiary	-	-	309,865	-
	309,865	513,770	309,865	513,770
Amount repayable after one year				
- Secured ^(a)	364,466	364,191	-	-
- Unsecured ^(b)				
(i) financial institutions	1,924,862	1,500,019	1,924,862	1,500,019
(ii) notes & convertible bonds	990,890	1,113,865	362,473	275,686
(iii) subsidiary	-	-	628,417	838,179
	3,280,218	2,978,075	2,915,752	2,613,884
	3,590,083	3,491,845	3,225,617	3,127,654

Details of borrowings and collaterals

- (a) The Group has in place a secured term loan facility and revolving credit facility amounting to S\$406.0 million with a panel of banks. As at 30 September 2019, the Group has drawn down S\$366.0 million of secured facilities.

The facility is secured on the following:

- A first legal mortgage on Suntec Singapore (the "Property");
- A first fixed charge over the central rental collection account in relation to the Property;
- An assignment of the subsidiary's rights, title and interest in the key documents and the proceeds in connection with the Property;
- An assignment of the subsidiary's rights, title and interest in the insurance policies in relation to the Property; and
- A fixed and floating charge over the assets of the subsidiary in relation to the Property, agreements, collateral, as required by the financial institutions granting the facility.

- (b) The Group has unsecured interest-bearing borrowings and revolving credit facilities amounting to S\$2,470.0 million from various institutional banks. As at 30 September 2019, the Group has drawn down S\$1,932.9 million of bank borrowings, S\$386.5 million of convertible bonds and S\$940.0 million medium term notes issued by SRMTN and on-lent to the Trust.

**Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019**

1 (d) Statements of Cash Flow

	Group			
	1/7/19 to 30/9/19	1/7/18 to 30/9/18	1/1/19 to 30/9/19	1/1/18 to 30/9/18
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
Net income	44,856	42,783	154,804	155,115
Adjustments for:				
Depreciation of plant and equipment	208	202	627	851
Loss on disposal of plant and equipment	1	1	5	11
Asset management fees paid/payable in units	9,215	8,800	27,164	26,369
Net financing costs ^(a)	20,969	18,516	60,122	50,782
Allowance for doubtful receivables	312	236	413	1,280
Share of profit of joint ventures	(20,812)	(17,540)	(81,485)	(64,150)
Operating income before working capital changes	54,749	52,998	161,650	170,258
Changes in working capital				
Trade and other receivables	(10,104)	(2,759)	(13,354)	(866)
Trade and other payables	10,733	5,128	5,387	(7,548)
Cash flows generated from operations	55,378	55,367	153,683	161,844
Income tax paid	-	-	-	-
Net cash flow from operating activities	55,378	55,367	153,683	161,844
Investing activities				
Interest received	6,830	6,359	20,547	17,563
Dividend received from joint ventures	19,507	16,063	41,944	34,739
Change in investment in joint ventures ^(b)	(7,576)	(2,520)	(17,113)	(166,756)
Acquisition of an investment property ^(c)	(141,542)	-	(141,542)	-
Capital expenditure on investment properties	(2,431)	(1,537)	(3,244)	(3,010)
Security deposit paid in relation to a development ^(d)	-	-	(14,079)	-
Purchase of plant and equipment	(119)	(63)	(571)	(628)
Proceeds from disposal of plant and equipment	-	-	-	1
Progress payments on construction ^(e)	(18,172)	(12,294)	(57,116)	(30,378)
Loan to joint venture ^(f)	(875)	-	(875)	-
Net cash flow (used in)/from investing activities	(144,378)	6,008	(172,049)	(148,469)
Financing activities				
Proceeds from interest-bearing loans	20,235	13,574	460,387	24,896
Proceeds from euro medium term notes	-	150,000	100,000	330,000
Proceeds from issuance of units	-	-	200,000	-
Unit issue costs paid	(27)	-	(3,702)	(30)
Proceeds from settlement of derivatives	769	-	1,962	-
Financing costs paid	(19,364)	(24,199)	(74,146)	(69,382)
Redemption of convertible bonds	(1,000)	-	(1,000)	-
Repayment of interest-bearing loans	(35,000)	(132,342)	(465,000)	(132,342)
Dividend paid to non-controlling interest	(1,764)	(1,764)	(5,292)	(5,292)
Distributions to unitholders	(45,639)	(66,220)	(200,715)	(200,239)
Net cash flow (used in)/from financing activities	(81,790)	(60,951)	12,494	(52,389)
Net (decrease)/increase in cash and cash equivalents	(170,790)	424	(5,872)	(39,014)
Cash and cash equivalents at beginning of the period	301,166	132,448	136,657	172,655
Effect on exchange rate fluctuations on cash held	(2,719)	247	(3,128)	(522)
Cash and cash equivalents at end of the period	127,657	133,119	127,657	133,119

**Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019**

Footnotes:

- (a) Please refer to footnote (f) under note 1(a)(i) Statement of Total Return and Statement of Distribution for the quarter ended 30 September 2019 on page 4.
- (b) This relates to capital injections made to PMPL and Southgate Trust. In the corresponding period, it included capital injection in relation to the acquisition of an additional 25.0% effective interest in Southgate Complex, in May 2018.
- (c) This relates to the acquisition of 55 Currie Street which was completed on 10 September 2019.
- (d) This relates to security deposit of A\$14.85 million in relation to the development of 21 Harris Street.
- (e) This relates to progress payments made in relation to Olderfleet, 477 Collins Street which is currently under development.
- (f) This relates to additional interest-bearing loans advanced to a joint venture.

1 (e) Statements of Movements in Unitholders' Funds

	Group			
	1/7/19 to 30/9/19	1/7/18 to 30/9/18	1/1/19 to 30/9/19	1/1/18 to 30/9/18
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at the beginning of the period	5,777,678	5,604,968	5,636,523	5,639,074
Operations				
Total return for the period attributable to unitholders	44,750	34,924	145,727	152,519
Net increase in net assets resulting from operations	44,750	34,924	145,727	152,519
Effective portion of changes in fair value of cash flow hedges ^(a)	39	(371)	533	708
Translation differences from financial statements of foreign entities	(19,469)	(18,391)	(31,956)	(49,027)
Net loss recognised directly in Unitholders' funds	(19,430)	(18,762)	(31,423)	(48,319)
Unitholders' transactions				
Creation of units				
- private placement Units ^(b)	-	-	200,000	-
- conversion of convertible bonds ^(c)	-	-	-	500
- asset management fees payable in units ^(d)	-	-	11,950	11,495
Units to be issued				
- asset management fees payable in units ^(d)	6,155	5,910	6,155	5,910
Unit issue expenses	(27)	-	(3,702)	(30)
Distributions paid to unitholders ^(e)	(43,786)	(65,993)	(199,890)	(200,102)
Net (decrease)/increase in net assets resulting from unitholders' transactions	(37,658)	(60,083)	14,513	(182,227)
Unitholders' funds as at end of period	5,765,340	5,561,047	5,765,340	5,561,047

**Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019**

	Trust			
	1/7/19 to 30/9/19	1/7/18 to 30/9/18	1/1/19 to 30/9/19	1/1/18 to 30/9/18
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at the beginning of the period	5,080,817	4,919,677	4,954,558	4,954,212
Operations				
Total return for the period attributable to unitholders	33,265	24,841	107,353	112,450
Net increase in net assets resulting from operations	33,265	24,841	107,353	112,450
Unitholders' transactions				
Creation of units				
- private placement Units ^(b)	-	-	200,000	-
- conversion of convertible bonds ^(c)	-	-	-	500
- asset management fees payable in units ^(d)	-	-	11,950	11,495
Units to be issued				
- asset management fees payable in units ^(d)	6,155	5,910	6,155	5,910
Unit issue expenses	(27)	-	(3,702)	(30)
Distributions paid to unitholders ^(e)	(43,786)	(65,993)	(199,890)	(200,102)
Net (decrease)/increase in net assets resulting from unitholders' transactions	(37,658)	(60,083)	14,513	(182,227)
Unitholders' funds as at end of period	5,076,424	4,884,435	5,076,424	4,884,435

Footnotes:

- (a) This represents the share of fair value change of the cash flow hedges as a result of interest rate swaps entered into by a subsidiary and a joint venture.
- (b) This represents the value of the private placement units issued on 6 May 2019.
- (c) This represents the value at closing market prices of 242,718 units issued on conversion of convertible bonds on 25 January 2018 and 28 February 2018.
- (d) This represents the value of units issued and to be issued to the Manager as partial satisfaction of the asset management fee incurred for the quarter. The asset management base fee units for the quarter ended 30 September 2019 are to be issued within 30 days from quarter end.
- (e) This includes tax withheld in relation to distribution paid during the quarter.

**Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019**

1 (f) Details of any changes in the units since the end of the previous period reported on

	Group and Trust			
	1/7/19 to 30/9/19	1/7/18 to 30/9/18	1/1/19 to 30/9/19	1/1/18 to 30/9/18
	Units	Units	Units	Units
Issued units at the beginning of the period	2,794,652,797	2,664,063,791	2,670,632,751	2,652,435,452
Creation of units:				
- as payment for asset management fee	3,161,734	3,417,014	16,070,780	14,802,635
- as units issued for private placement	-	-	111,111,000	-
- conversion of convertible bonds in units	-	-	-	242,718
Issued units at the end of the period	2,797,814,531	2,667,480,805	2,797,814,531	2,667,480,805
Units to be issued:				
- asset management fee payable in units ^(a)	3,201,522	3,151,946	3,201,522	3,151,946
Issuable units at the end of the period	3,201,522	3,151,946	3,201,522	3,151,946
Total issued and issuable units	2,801,016,053	2,670,632,751	2,801,016,053	2,670,632,751

Footnote:

(a) These are units to be issued to the Manager as partial satisfaction of asset management base fee incurred for the quarter ended 30 September 2019 and 30 September 2018 respectively.

1 (g) Number of shares that may be issued on conversion of all outstanding convertibles

Convertible Bonds – Group & Trust

(a) Convertible Bonds due 2021

On 5 September 2016, Suntec REIT issued S\$300.0 million in principal amount of Convertible Bonds due in 2021 ("CB 2021"), with S\$87.5 million of CB2021 outstanding at the beginning of the year.

Following the receipt of a notice of exercise of a put option pursuant to Condition 7.4 of the Terms and Conditions of CB2021 on 5 September 2019, S\$1.0 million in principal amount of the CB2021 was redeemed and cancelled. To-date, S\$213.5 million in principal amount of CB 2021 had been converted or redeemed as the case may be and cancelled in accordance with the terms of CB 2021.

As at 30 September 2019, S\$86.5 million (30 September 2018: S\$87.5 million) of CB 2021 remained outstanding which are convertible by holders into units of Suntec REIT ("Unit") at any time on or after 16 October 2016 at an adjusted conversion price of S\$2.01 per new Unit (30 September 2018: S\$2.06 per new Unit). The final redemption date of the bonds will be 5 September 2021.

Assuming CB 2021 are fully converted based on the adjusted conversion price, the number of new Units to be issued would be 43,034,825 (30 September 2018: 42,475,728), representing 1.54% (30 September 2018: 1.59%) of the total number of Units in issue as at 30 September 2019.

(b) Convertible Bonds due 2024

On 30 November 2017, Suntec REIT issued S\$300.0 million in principal amount of Convertible Bonds due in 2024 ("CB 2024") which are convertible by holders into Units at any time on or after 9 January 2018 at an adjusted conversion price of S\$2.14 per new Unit (30 September 2018: S\$2.189 per new Unit).

Unless previously redeemed by the bondholders on 30 November 2020, or by the Trust at any time on or after 30 November 2020 and not less than 7 business days prior to 30 November 2024, the final redemption date of the bonds will be 30 November 2024.

Assuming CB 2024 are fully converted based on the adjusted conversion price, the number of new Units to be issued would be 140,186,915 (30 September 2018: 137,048,880), representing 5.01% (30 September 2018: 5.14%) of the total number of Units in issue as at 30 September 2019.

**Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019**

- 2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures for the quarter and nine months ended 30 September 2019 have not been audited but have been reviewed by the auditors in accordance with Singapore Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”.

- 3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Please see attached review report.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2018.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

The Group has adopted new Financial Reporting Standards in Singapore (“FRSs”) and interpretations effective for the financial period beginning 1 January 2019 as follows:

FRS 116 Leases

FRS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use (“ROU”) asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

There was no significant impact to the financial statements of the Group arising from the adoption of FRS 116.

**Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019**

6. Earnings per unit (“EPU”) and Distribution per unit (“DPU”)

Earnings per unit

	Group			
	1/7/19 to 30/9/19	1/7/18 to 30/9/18	1/1/19 to 30/9/19	1/1/18 to 30/9/18
Weighted average number of issued/issuable units ^(a)	2,797,849,330	2,667,515,065	2,743,886,956	2,664,234,651
Earnings per unit for the period based on the weighted average number of units in issue (cents)	1.599	1.309	5.311	5.725
Weighted average number of units on the fully diluted basis	2,988,950,011	2,675,413,860	2,945,915,186	2,854,938,468
Earnings per unit for the period based on the fully diluted basis (cents) ^(b)	1.461	1.305	4.950	5.315

Footnotes:

- (a) For the purpose of calculating the basic EPU, the weighted average number of units issued/issuable took into account the asset management fees – base fees paid/payable in units (30 September 2018: the weighted average number of units issued/issuable took into account the asset management fees – base fees paid/payable in units and new units issued from the conversion of \$500,000 of the convertible bonds).
- (b) For the purpose of calculating the diluted EPU, the weighted average number of units in issue is adjusted to take into account the asset management fees – base and performance fees payable in units and dilutive effect arising from full conversion of convertible bonds to units.

Distribution per Unit

In computing the DPU, the number of units as at the end of each period is used for the computation. The DPU for the Group and Trust are the same.

	Group			
	1/7/19 to 30/9/19	1/7/18 to 30/9/18	1/1/19 to 30/9/19	1/1/18 to 30/9/18
Number of issued and issuable units at end of period entitled to distribution ^(a)	2,801,016,053	2,670,632,751	2,801,016,053	2,670,632,751
Distribution per unit for the period based on the total number of units entitled to distribution (cents)	2.365 ⁽¹⁾	2.491 ⁽¹⁾	7.160 ⁽²⁾	7.398 ⁽²⁾

- (1) The distribution per unit for the quarter ended 30 September 2019 of **2.365 cents per unit** (30 September 2018: **2.491 cents per unit**) comprised a taxable income component of **1.891 cents per unit** (30 September 2018: **1.800 cents per unit**), a tax exempt income component of **0.242 cents per unit** (30 September 2018: **0.317 cents per unit**) and a capital distribution of **0.232 cents per unit** (30 September 2018: **0.374 cents per unit**).
- (2) The distribution per unit for the nine months ended 30 September 2019 of **7.160 cents per unit** (30 September 2018: **7.398 cents per unit**) comprised a taxable income component of **5.675 cents per unit** (30 September 2018: **5.432 cents per unit**), a tax exempt income component of **0.779 cents per unit** (30 September 2018: **0.973 cents per unit**) and a capital distribution of **0.706 cents per unit** (30 September 2018: **0.993 cents per unit**).

Footnotes:

- (a) The computation of actual DPU for the period from 1 July 2019 to 30 September 2019 is based on the number of units entitled to the distribution:

(i) The number of units in issue as at 30 September 2019 of 2,797,814,531; and

(ii) The units issuable to the Manager by 30 October 2019 as partial satisfaction of asset management base fees incurred for the period from 1 July 2019 to 30 September 2019 of 3,201,522.

**Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019**

7. Net asset value (“NAV”) and Net Tangible Asset (“NTA”) per unit as at 30 September 2019

	Group		Trust	
	30/9/19 ^(a)	31/12/18	30/9/19 ^(a)	31/12/18
NAV / NTA per unit (S\$) ^(b)	2.058	2.103	1.812	1.848

Footnotes:

(a) The number of units used for computation of actual NAV per unit is 2,801,016,053. This comprised of:

- (i) The number of units in issue as at 30 September 2019 of 2,797,814,531; and
- (ii) The units issuable to the Manager by 30 October 2019 as partial satisfaction of asset management base fees incurred for the period from 1 July 2019 to 30 September 2019 of 3,201,522.

(b) The NAV per unit as at 30 September 2019 was lower than 31 December 2018 mainly due to payment of distributions and enlarged unit base due to placement units issued on 6 May 2019.

8. Review of the performance for the Third Quarter and Nine Months ended 30 September 2019

8(i) Gross revenue and Net Property Income contribution by properties

Properties	Group					
	1/7/19 to 30/9/19	1/7/18 to 30/9/18	Change	1/1/19 to 30/9/19	1/1/18 to 30/9/18	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross Revenue:						
Suntec City	60,896	58,259	4.5%	180,686	174,662	3.4%
Suntec Singapore	20,647	21,070	-2.0%	59,483	65,833	-9.6%
177 Pacific Highway	9,506	9,482	0.3%	28,953	29,556	-2.0%
55 Currie Street ^(a)	890	-	n.m.	890	-	n.m.
Total gross revenue	91,939	88,811	3.5%	270,012	270,051	0.0%
Net Property Income:						
Suntec City	42,544	40,914	4.0%	128,153	128,643	-0.4%
Suntec Singapore	6,966	7,436	-6.3%	19,278	26,182	-26.4%
177 Pacific Highway	8,188	8,194	-0.1%	24,828	25,426	-2.4%
55 Currie Street ^(a)	659	-	n.m.	659	-	n.m.
Total net property income	58,357	56,544	3.2%	172,918	180,251	-4.1%

Footnote:

(a) The acquisition of 55 Currie Street was completed on 10 September 2019.

**Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019**

8(ii) Income contribution from joint ventures

	Group					
	1/7/19 to 30/9/19	1/7/18 to 30/9/18	Change	1/1/19 to 30/9/19	1/1/18 to 30/9/18	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Joint ventures:						
One-third interest in ORQ:						
- Interest income	521	582	-10.5%	1,648	1,657	-0.5%
- Dividend income	5,598	5,182	8.0%	16,783	17,612	-4.7%
	6,119	5,764	6.2%	18,431	19,269	-4.3%
One-third interest in MBFC Properties:						
- Interest income	5,763	5,490	5.0%	17,483	15,422	13.4%
- Distribution income	10,017	7,879	27.1%	27,395	25,178	8.8%
	15,780	13,369	18.0%	44,878	40,600	10.5%
50% interest in Southgate Complex ^(a) :						
- Dividend/Distribution income	4,588	4,026	14.0%	12,927	8,627	49.8%
	4,588	4,026	14.0%	12,927	8,627	49.8%
Total income contribution	26,487	23,159	14.4%	76,236	68,496	11.3%

Footnote:

(a) The effective interest was increased from 25.0% to 50.0% after the completion of the acquisition of an additional 25.0% effective interest in May 2018.

Review of performance 3Q FY19 vs 3Q FY18

For 3Q FY 19, the gross revenue was S\$91.9 million, an increase of S\$3.1 million or 3.5% higher year-on-year. The increase was mainly due to higher revenue from Suntec City by S\$2.6 million and the contribution from 55 Currie Street of S\$0.9 million. The acquisition of 55 Currie Street was completed on 10 September 2019. This was partially offset by lower revenue from Suntec Singapore by S\$0.4 million.

Suntec Singapore's revenue contribution for the quarter of S\$20.6 million comprises S\$15.7 million from convention and S\$4.9 million from retail. The convention revenue declined 3.1% due to smaller scale events held in 3Q FY19. Suntec Singapore's retail revenue increased by 1.7% as compared to 3Q FY18 due to positive rental reversion.

Suntec City revenue improved S\$2.6 million year-on-year, due to increase in both retail and office revenue. Retail revenue grew by S\$1.3 million due to positive rental reversion and higher occupancy. Office revenue also grew by S\$1.3 million due to higher occupancy. As at 30 September 2019, the committed occupancy of Suntec City Office improved by 0.3 percentage point to 99.9% while the committed occupancy of Suntec City Mall declined by 0.4 percentage point year-to-year to 98.1%.

177 Pacific Highway revenue of S\$9.5 million for 3Q FY19 was 0.3% higher than 3Q FY18, with committed occupancy maintained at 100%. The committed occupancy for 55 Currie Street stood at 91.7%.

The net property income for 3Q FY19 was S\$58.4 million, S\$1.8 million or 3.2% higher year-on-year mainly due to higher net property income from Suntec City and contribution from 55 Currie Street, partially offset by lower net property income from Suntec Singapore.

The income contribution from joint ventures comprising ORQ, MBFC Properties and Southgate Complex for the quarter was S\$26.5 million, 14.4% higher year-on-year due to one-off compensation received and better performance of MBFC Properties as well as stronger performance of ORQ and Southgate Complex. The committed occupancy for ORQ improved 0.9 percentage point year-on-year to 97.0%. The committed occupancy at MBFC Towers 1 & 2 and Marina Bay Link Mall declined 1.5 percentage point and 1.4 percentage point to 98.5% and 98.6%

Financial Statements Announcement For Third Quarter and Nine Months ended 30 September 2019

respectively. Southgate Complex's committed office occupancy improved 3.2 percentage point to 100.0%.

The overall committed occupancy for the office and retail portfolios stood at 98.6% and 97.8% respectively.

Net financing costs for the quarter was S\$21.0 million, an increase of S\$2.5 million mainly due to additional borrowings for progressive payments for Olderfleet, 477 Collins Street, higher interest rates and additional interest rate hedges. The all-in financing cost for the group was 3.01% per annum for the quarter and the aggregate leverage ratio was 38.2% as at 30 September 2019.

The distributable income from operations for the quarter of S\$59.7 million was 5.7% higher year-on-year due to the higher net property income which included the contribution from 55 Currie Street, higher contribution from MBFC Properties, stronger performance of ORQ and Southgate Complex, partially offset by higher financing costs. The total distributable income of S\$66.2 million was 0.4% lower year-on-year as the capital distribution was S\$3.5 million lower.

The distribution per unit ("DPU") from operations for the quarter was 2.133 cents, an increase of 0.8% year-on-year. Including the lower capital distribution, the DPU of 2.365 cents was 5.1% lower year-on-year.

Review of performance 9M FY19 vs 9M FY18

For 9M FY19, the gross revenue was S\$270.0 million was in line with 9M FY18 of S\$270.1 million, mainly due to higher revenue from Suntec City by S\$6.0 million and contribution from 55 Currie Street of S\$0.9 million. This was offset by lower revenue from Suntec Singapore by S\$6.4 million and lower revenue from 177 Pacific Highway by S\$0.6 million due to the weakened Australian dollar.

Suntec Singapore's revenue contribution for the period of S\$59.5 million comprise S\$44.3 million from convention and S\$15.2 million from retail. Convention revenue declined 13.3% due to fewer major convention events partially offset by more corporate events held in 9M FY19. Suntec Singapore's retail revenue increased by 2.9% as compared to 9M FY18 due to higher occupancy and rental rates.

Suntec City revenue improved by S\$6.0 million year-on-year, due to increase in both retail revenue and office revenue. Retail revenue grew by S\$3.9 million due to positive rental reversions while office revenue grew by S\$2.1 million as replacement leases secured in prior quarters commenced.

The net property income for 9M FY19 was S\$172.9 million, S\$7.3 million or 4.1% lower year-on-year, mainly attributable to the sinking fund contribution for Suntec City Office upgrading works amounting to S\$8.0 million. This was partially offset by the contribution from 55 Currie Street. The sinking fund contribution has no impact on distributable income. Excluding the sinking fund contribution, Suntec City net property income increased by S\$6.2 million, partially offset by lower net property income from Suntec Singapore which amounted to S\$5.6 million.

The total income contribution from joint ventures comprising ORQ, MBFC Properties and Southgate Complex for the period was S\$76.2 million which was 11.3% higher year-on-year mainly due to stronger performance of and an additional 25.0% interest in Southgate Complex as well as better performance and one-off compensation received for MBFC Properties. This was partially offset by lower contribution from ORQ due to the lower occupancy.

Net financing costs for the period was S\$60.1 million, an increase of S\$9.3 million mainly due to additional borrowings for progressive payments for Olderfleet, 477 Collins Street, higher interest rates and additional interest rate hedges. The all-in financing cost for the group was 3.04% per annum for the period.

The distributable income from operations for 9M FY19 of S\$177.2 million was 3.7% higher year-on-year due to the higher net property income, stronger performance of and an additional 25.0% interest in Southgate Complex, higher contribution from MBFC Properties which was partially offset

Financial Statements Announcement For Third Quarter and Nine Months ended 30 September 2019

by higher financing costs. The total distributable income of S\$196.7 million was 0.3% lower year-on-year as the capital distribution was S\$7.0 million lower year-on-year.

The DPU from operations for 9M FY19 was 6.454 cents, an increase of 0.8% year-on-year. Including the lower capital distribution, the DPU of 7.160 cents was 3.2% lower year-on-year.

9. Variance between the forecast and actual results

The current results are broadly in line with the Trust's commentary made in the FY2018 Financial Results Announcement under item 10. The Trust has not disclosed any financial forecast to the market.

10. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Based on the report released by the Ministry of Trade and Industry ("MTI") on 14 October 2019, the Singapore economy in the third quarter of 2019 grew by a marginal 0.1% on a year-on-year basis.

The Singapore office market improved marginally in the third quarter of 2019. Overall CBD occupancy improved by 0.5 percentage point to 95.4%, underpinned by a stable leasing market and tight supply while rents increased by a slight 0.2% to S\$10.81 psf/mth as tenants turned cautious amid an uncertain economic environment.¹

Looking ahead, Suntec REIT's Singapore office portfolio will continue to perform well resulting from positive rent reversions in the recent quarters. The Manager will continue to proactively manage and strengthen the office portfolio.

The Singapore retail market remained stable in the third quarter of 2019. Demand for retail space continued to be driven by new-to-market brand and expansion of existing brands.¹ Looking ahead, the Suntec City Mall is expected to perform well notwithstanding the continuing challenges in the retail sector.

According to the Australian Bureau of Statistics, the Australian economy on a year-on-year basis, grew by 1.4% in the second quarter of 2019. On 1 October 2019, the Reserve Bank of Australia lowered the cash rate from 1.00% to 0.75%.

In Australia, the national office CBD occupancy remained unchanged at 91.7% in the second quarter of 2019. For the office markets in Sydney and Melbourne, prime office occupancy rates remained at a high of 95.9% and 97.5% respectively. Adelaide CBD prime office occupancy declined 1.6 percentage point to 88.8% in the second quarter due to a large tenant relocating to a suburban location.²

Sydney office market is expected to remain stable while the office market in Melbourne continues to be tight for the next 12 months. The Adelaide market is expected to improve further, driven by long term infrastructure investments.

Looking ahead, Suntec REIT's Australia office portfolio will continue to perform well, supported by healthy occupancy and steady demand.

To enhance unitholders' value, the Manager will continue to improve the underlying performance of its assets, source for accretive acquisitions and continue its prudent capital management strategy.

¹ JLL, Office and Retail Market Reports 3Q 2019.

² JLL, Australia National Office Overview and Outlook, Sydney CBD Office, North Sydney Office, Melbourne and Adelaide CBD Office Market Reports 2Q 2019.

**Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019**

11. Distributions

(a) Current financial period

Any distribution declared for the current period? Yes

Name of distribution Distribution for the period from 1 July 2019 to 30 September 2019

Distribution Type	Distribution Rate Per Unit (cents)
Taxable income	1.891
Tax-exempt income	0.242
Capital distribution	0.232
Total	2.365

Distribution Type i) Taxable income
ii) Tax-exempt income
iii) Capital distribution

Par value of units Not meaningful

Tax Rate
Taxable income
These distributions are made out of Suntec REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through partnership or as trading assets).

Tax-exempt income
Tax-exempt income distribution is exempt from tax in the hands of all Unitholders.

Capital distribution
Capital distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who hold the Units as trading assets, the amount of capital gain distribution will be applied to reduce the cost base of their Units for the purpose of calculating the amount of taxable trading gains arising from the disposal of the Units.

Remark Nil

**Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019**

(b) Corresponding period of the immediately preceding financial period

Any distribution declared for the corresponding period of the immediately preceding financial year? Yes

Name of distribution Distribution for the period from 1 July 2018 to 30 September 2018

Distribution Rate	Distribution Type	Distribution Rate Per Unit (cents)
	Taxable income	1.800
	Tax-exempt income	0.317
	Capital distribution	0.374
	Total	2.491

Distribution Type
i) Taxable income
ii) Tax-exempt income
iii) Capital distribution

Par value of units Not meaningful

Tax Rate
Taxable income
These distributions are made out of Suntec REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through partnership or as trading assets).

Tax-exempt income
Tax-exempt income distribution is exempt from tax in the hands of all Unitholders.

Capital distribution
Capital distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who hold the Units as trading assets, the amount of capital gain distribution will be applied to reduce the cost base of their Units for the purpose of calculating the amount of taxable trading gains arising from the disposal of the Units.

Remark Nil

(c) Date paid/payable: 28 November 2019

(d) Books Closure Date: 1 November 2019

**Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019**

12. If no distribution has been declared/(recommended), a statement to that effect

Not applicable.

13. Aggregate value of Interested Person Transactions under Rule 920(1)(a)(ii)

Suntec REIT does not have in place a general mandate for interested person transactions.

14. Negative confirmation pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Manager of Suntec REIT (the "Manager") which may render the unaudited interim financial statements of the Group and Trust (comprising the statement of financial position as at 30 September 2019, statement of total return & distribution statement, cash flow statement and statement of changes in unitholders' funds for the quarter ended on that date), together with their accompanying notes, to be false or misleading, in any material aspect.

On behalf of the Board of the Manager
ARA TRUST MANAGEMENT (SUNTEC) LIMITED

Lim Hwee Chiang, John
Director

Chong Kee Hiong
Director and Chief Executive Officer

15. Confirmation pursuant to Appendix 7.7 under Rule 720(1) of the Listing Manual

The Board of Directors of ARA Trust Management (Suntec) Limited (as Manager for Suntec REIT) hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

16. Certificate pursuant to Paragraph 7.3 of the Property Funds Appendix

The Manager hereby certifies that in relation to the distribution to the Unitholders of Suntec REIT for the quarter ended 30 September 2019:

- a. Suntec REIT will declare a distribution which is classified as capital distribution from a tax perspective, being derived from a portion of the sales proceeds from the sale of Park Mall in December 2015, in addition to the income available for distribution for the quarter ended 30 September 2019,
- b. The Manager is satisfied on reasonable grounds that, immediately after making the distributions, Suntec REIT will be able to fulfill, from its deposited properties, its liabilities as they fall due.

The distribution is computed based on the accounts of Suntec REIT for the quarter ended 30 September 2019 and is verified by our external tax consultant.

Suntec REIT's current distribution policy is to distribute at least 90.0% of its taxable income to Unitholders.

**Financial Statements Announcement
For Third Quarter and Nine Months ended 30 September 2019**

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the current views of management on future events.

The value of units in Suntec REIT ("**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 Singapore Exchange Securities Trading Limited (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.

BY ORDER OF THE BOARD
ARA TRUST MANAGEMENT (SUNTEC) LIMITED
AS MANAGER OF SUNTEC REAL ESTATE INVESTMENT TRUST
(Company registration no. 200410976R)

Chong Kee Hiong
Director
23 October 2019