

Financial Results for Second Quarter FY2007
1 Jan 2007 – 31 Mar 2007



Agenda

- Financial Highlights
- Update on Portfolio Performance
- Update on Asset Enhancement
- Acquisition Strategy & Update
- Unit Performance



Financial Summary: 1 Jan '07 – 31 Mar '07 (2QFY07)



Distribution Per Unit of 1.965¢ Outperformed 2QFY06 by 8.5%

Period: 1 Jan – 31 Mar 2007	2QFY07	2QFY06	Change
Distribution income	S\$28.03 mil	S\$23.49 mil	+19.3%
Distribution per unit	1.965¢	1.811¢	+8.5%
Annualised distribution per unit ¹	7.97¢	7.34¢	+8.5%
Annualised distribution yield ²	3.9%	3.6%	+8.5%

Source: ARA Trust Management (Suntec) Limited ("ARATMS")

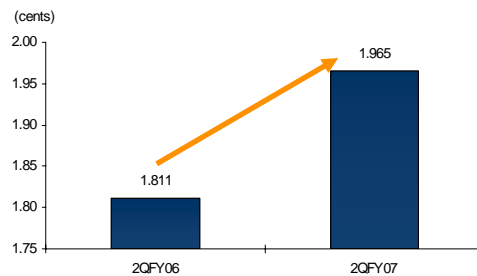
Notes:

- Based on 1,424,014,078 units in issue as at 31 March 2007 & 1,853,387 units issuable to the Manager by 30 April 2007 as partial satisfaction of management fee incurred for the period 1 January 2007 to 31 March 2007. Excludes 207,002,170 deferred units payable to Suntec City Development Pte Ltd over 6 equal installments, the first of which falls 42 months after 9 Dec 04.
- Based on the last traded price of \$2.02 per unit as at 25 April 2007.

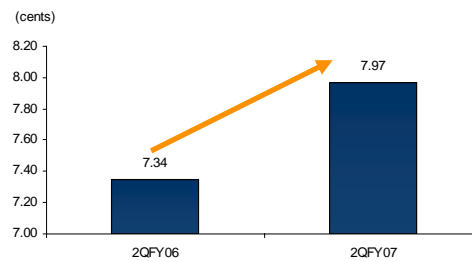
Distribution Per Unit (DPU) Performance



Quarterly DPU Up By 8.5% Y-o-Y



- 2QFY07 DPU of 1.965 cents grew by 8.5% year-on-year over 2QFY06

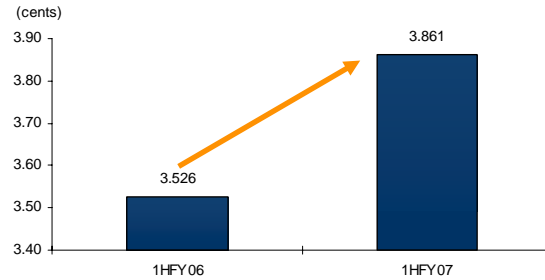


- Annualised 2QFY07 DPU of 7.97 cents grew by 8.5% year-on-year over 2QFY06

Distribution Per Unit (DPU) Performance



Half Year DPU Up By 9.5% Y-o-Y



- 1HFY07 DPU of 3.861 cents grew by 9.5% year-on-year over 1HFY06

Financial Results : 1 Jan '07 – 31 Mar '07 (2QFY07)



For the period 1 Jan 2007 – 31 Mar 2007	2QFY07 (S\$'000)	2QFY06 (S\$'000)	Change (%)
Revenue	46,644	43,132	8.1
Less property expenses	11,395	11,179	1.9
Net property income	35,249	31,953	10.3
Less finance costs (net)	6,077	5,831	4.2
Less net trust expenses ¹	4,972	4,192	18.6
Net income before tax	24,200	21,930	10.4
Non-tax deductible (chargeable) items	3,825	1,563	144.7
Taxable income	28,025	23,493	19.3
Income available for distribution	28,025	23,493	19.3
DPU (S\$ cents)	1.965	1.811	8.5

- Revenue and NPI outperformed 2QFY06 by 8.1% and 10.3% respectively
- Income available for distribution up 19.3% from 2QFY06
- DPU up 8.5% from 2QFY06
- Cost-to-Revenue ratio improved to 24.4% from 25.9% in 2QFY06

Source: ARA Trust Management (Suntec) Limited ("ARATMS")

Notes:

1. Net trust expenses including the Manager's fee, trustee fees and administrative fees

Financial Results : 1 Oct '06 – 31 Mar '07 (1HFY07)



For the period 1 Oct 2006 – 31 Mar 2007	1HFY07 (S\$'000)	1HFY06 (S\$'000)	Change (%)
Revenue	92,569	82,546	12.1
Less property expenses	22,637	22,088	2.5
Net property income	69,932	60,458	15.7
Less finance costs (net)	15,271	13,225	15.5
Less net trust expenses ¹	9,495	7,953	19.4
Net income before tax	45,166	39,280	15.0
Non-tax deductible (chargeable) items	9,895	6,423	54.1
Taxable income	55,061	45,703	20.5
Income available for distribution	55,061	45,703	20.5
DPU (S\$ cents)	3.861	3.526	9.5

- Revenue and NPI outperformed 1HFY06 by 12.1% and 15.7% respectively
- Income available for distribution up 20.5% from 1HFY06
- DPU up 9.5% from 1HFY06
- Cost-to-Revenue ratio improved to 24.5% from 26.8% in 1HFY06

Source: ARA Trust Management (Suntec) Limited ("ARATMS")

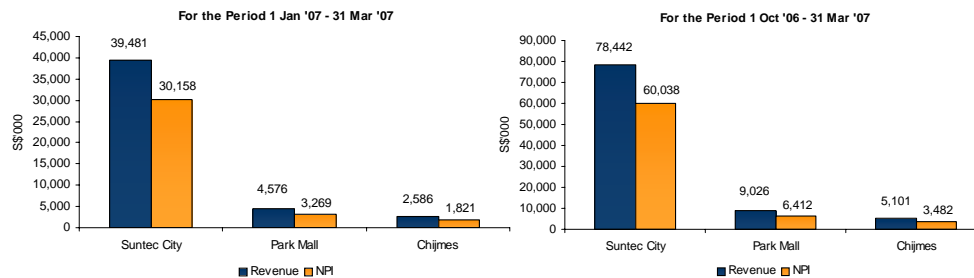
Notes:

1. Net trust expenses including the Manager's fee, trustee fees and administrative fees

Portfolio Distribution



Suntec City Properties Contribute Approx. 85% of Total Revenue & NPI

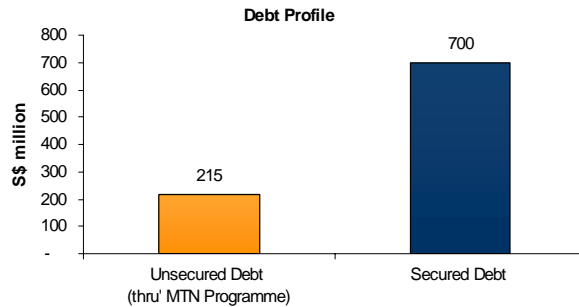


- Suntec City contributes approximately 85% of the Total Gross Revenue and 86% of the Total Net Property Income
- Retail revenue contributes approximately 63% of the Total Gross Revenue
- Office revenue contributes approximately 37% of the Total Gross Revenue

Debt Capital Details



Debt-to-Assets Ratio 23.3%



KEY INFORMATION:

- Debt-to-Assets¹ Ratio 23.3%
- Target Debt-to-Assets Ratio Up to 45%
- Corporate Family Rating "Baa1"
 - CMBS Debt Rating "AAA"
 - Unsecured Debt Rating "Baa2"
- Hedged Borrowing Cost 2.88%
- % Unencumbered Assets 10%

Source: ARATMS

Notes:

1. Properties in Suntec REIT portfolio have been revalued to S\$3.87 bil as at 31 March 2007

2. According to the MAS revised property fund guidelines, "Borrowing Limit" will be replaced with "Aggregate Leverage Limit" which comprises actual borrowings and deferred payments. This means that Suntec REIT's "Aggregate Leverage Ratio" is 28.9%, including the 207 million deferred units.

Balance Sheet



Total Assets Increased To S\$3.9 Billion

Balance Sheet	31 Mar'07 (S\$'000)
Investment properties	3,871,000 ¹
Total assets	3,913,106
Debt, at amortised cost	910,910
Total liabilities	968,863
Net assets	2,944,243
Unitholders' Funds	2,944,243
Total Units	1,632,869,635 ²

Relevant Per Unit Statistics	
Net asset value (NAV) per unit	S\$1.80 ³
Adjusted NAV per unit (excl. income available for distribution)	S\$1.78
Unit price as at 25 April 2007	S\$2.02
Premium/(Discount) to Adjusted NAV	13.5%

- Adjusted NAV increased by 87% since listing⁴

Source: ARATMS

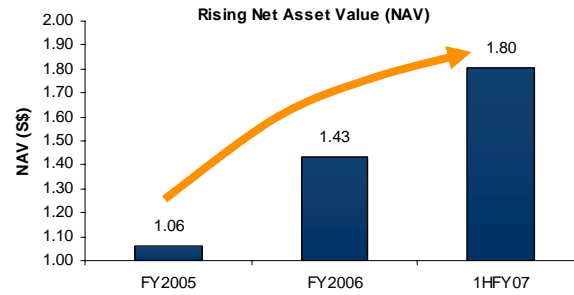
Notes:

- Includes completed acquisition of 30,172 sq ft of Suntec City Office Space worth approximately \$40.7 million. Properties in Suntec REIT portfolio have been revalued to S\$3.87 bil as at 31 March 2007
- Includes 1,853,387 units issuable to Manager by 30 April 2007 as management fee payable for the period Jan – Mar 2007, and 207,002,170 deferred units payable to Suntec City Development Pte Ltd over 6 equal installments, the first of which falls 42 months after 9 Dec 2004
- Includes DPU of S\$0.0196 for the quarter ended 31 March 2007 (excluding deferred units)
- Based on pro-forma NAV of S\$0.95 stated in the Prospectus dated 29 November 2004.

Balance Sheet



NAV Per Unit Increased To S\$1.80



Distribution Timetable



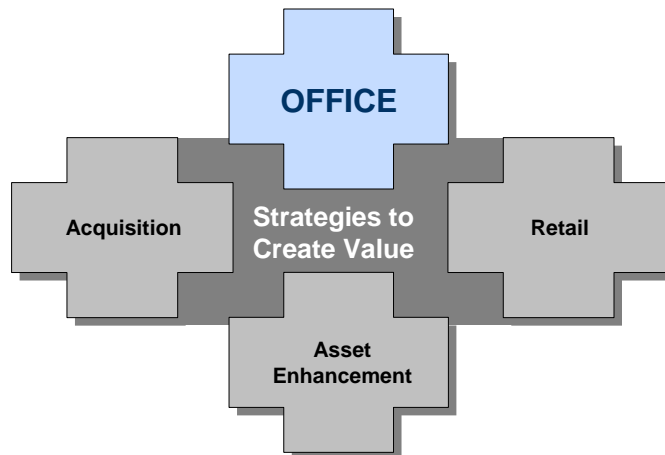
Suntec REIT Units Trade Ex-Distribution On 3 May 2007

Distribution payment (for the period 1 Jan 07 to 31 Mar 07)

Amount (cents/unit)	1.965
Ex date	3 May 07
Books closure	8 May 07
Payment	29 May 07

Source: ARATMS

Focus on Our Core Strategies and Goals



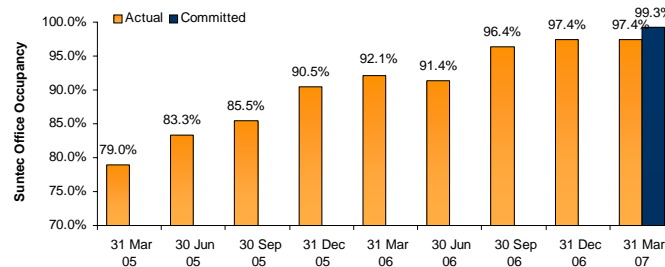
Committed Occupancy Strengthened To Another Post-IPO High

Property	As at 31 Mar 2006	As at 31 Mar 2007
Suntec Office Towers	94.4%	99.3%
Park Mall	86.6%	98.1%
Suntec REIT Portfolio	93.7%	99.2%

Source: ARATMS

- Overall portfolio occupancy climbed to 99.2% as at 31 March 2007

Suntec Office Occupancy Hits New High Of 99.3%



- Committed occupancy hits post-IPO high of 99.3% as at 31 March 2007
- Recent leases secured at closing rents of between S\$8.00 - S\$9.50 psf per month

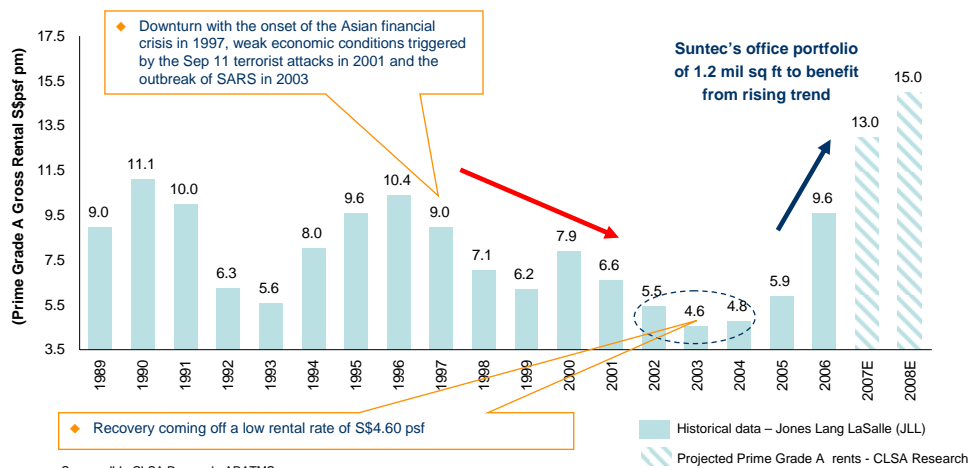
Source: ARATMS


Lease Expiry Profile By Financial Year As At 31 Mar 07

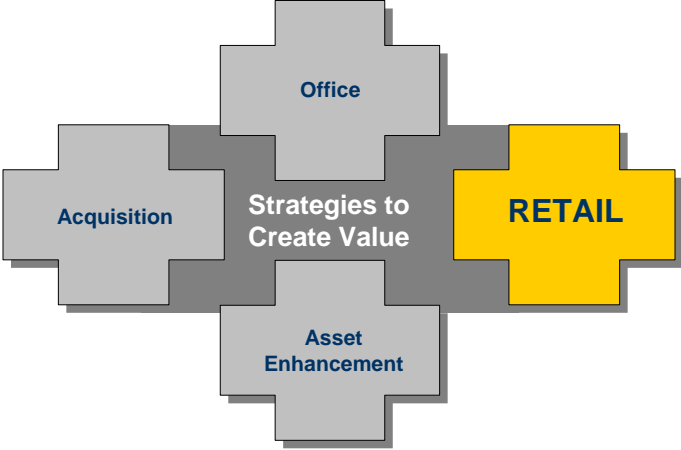
	No. of leases	Net Lettable Area	
		Sq. ft.	% of Total
FY2007	25	104,223	7.5
FY 2008	88	450,057	32.6
FY 2009	62	559,241	40.4
FY 2010 and beyond	37	257,933	18.7

Source: ARATMS



Considerable Upside Potential



Update On Retail Portfolio Performance 



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 **Sustained Growth In Rental Rates** 

Committed Retail Passing Rent Continues To Strengthen

Property	As at 31 Dec 05 (psf/month)	As at 31 Mar 06 (psf/month)	As at 30 Jun 06 (psf/month)	As at 30 Sep 06 (psf/month)	As at 31 Dec 06 (psf/month)	As at 31 Mar 07 (psf/month)
Suntec City Mall	8.98	9.11	9.38	9.45	9.59	9.71
Park Mall	6.07	6.13	6.22	6.33	6.43	6.45
Chijmes	9.97	10.09	10.17	10.30	10.33	10.38

Source: ARATMS

- Continuing growth in retail passing rents across the retail portfolio

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Retail

Sustained Growth In Rental Rates

Double-Digit Growth For Retail Portfolio

Retail Occupancy	As at 31 Mar 2007
Suntec City Mall	94.0%
Park Mall	100.0%
Chijmes	100.0%
Retail Portfolio	95.3%

- Overall rental rates increased by 21.0% from preceding levels
- New tenants include Cheers, Fashion Lab, Donut Factory, Music Junction and more

Property (1 Jan – 31 Mar 2007)	NLA of Renewals/ Repl. (sq ft)	Change from Preceding Rental Rates (%)
Suntec City Mall	210,456	+22.2
Park Mall	10,820	+3.9
Chijmes	786	+20.0
Total	222,062	+21.0

Source: ARATMS

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Retail


Other Income Initiatives

Total Other Income Up 7.4% Y-o-Y

- Total other income grew 7.4% year-on-year in 2QFY07

Period	Total A&P Income (000 \$)
2QFY05	336
2QFY06	1,259
2QFY07	1,352


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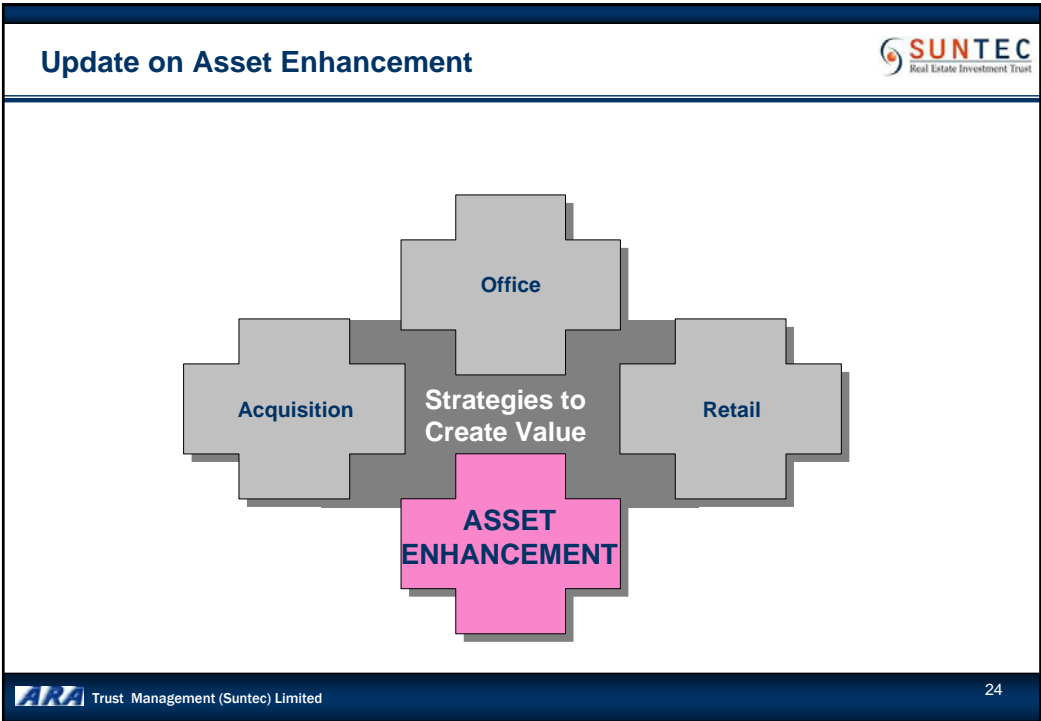
Retail **Retail Leases Expiry Profile** 

Lease Expiry Profile By Financial Year As At 31 Mar 07

	No. of leases	Net Lettable Area	
		Sq. ft.	% of Total
FY2007	47	80,662	7.8
FY 2008	179	344,710	33.2
FY 2009	154	218,351	21.0
FY 2010 and beyond	84	345,340	33.3

Source: ARATMS

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Where I Can Be MYSELF!

MY.PLAYGround			
Previous NLA	29,571 sq ft	Previous Annual Rent	\$2.3 mil
Current NLA	22,493 sq ft	Projected Annual Rent	\$4.1 mil

78% ↑

- Achieved average rent of \$15 psf/month to date compared to \$6.54 psf/month previously
- Achieved 72% committed occupancy to date, expect to strengthen shortly

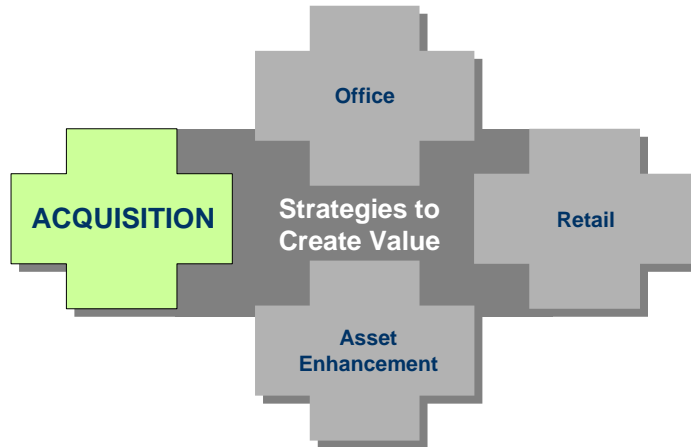
The Rhythms Of Shopping, Day and Night

Estimated Timeline:
 Feb 2007 - May 2007 Execution of asset enhancement plan
 Jun 2007 Opening of Fashion zone

Fashion Zone @ Galleria	Average Rent	Annual Rent
Current NLA	51,158 sq ft	\$12.27 psf/month
Proposed NLA	49,874 sq ft	\$25.00 psf/month

99% ↑

- Featuring GAP, Roots, Promod, Timberland, Aerosoles, Charlotte, Dickson, Crabtree and many others
- Committed occupancy of approximately 60% to date, expect to strengthen shortly



Source: URA, ARATMS

- Assets at IPO: S\$2.2 bil
Assets to date: S\$3.8 bil
- Completed 30,172 sf of Suntec office strata acquisitions to date
- Continues to be proactive on the acquisition front

● Suntec REIT Assets

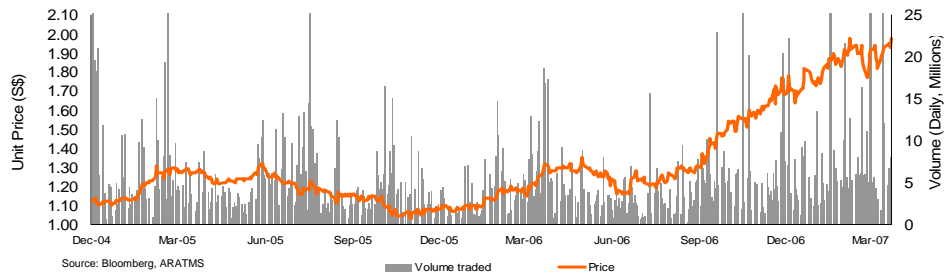
Unit Performance



- Unit price appreciated by 98%¹ since IPO
- Total return of 112.3%¹ since IPO
- Constituent Member of Key Indices:
 - MSCI Singapore Free Index
 - FTSE NAREIT/EPRA Global Real Estate Index
 - Global Property Research (GPR) 250 Index series
 - Singapore Straits Times Index (effective 5 February 2007)

Liquidity Statistics as at 31 Mar 2007

20-day volume as percentage of free float	15.2%
Free float	73 %
Market cap	US\$ 1.9 bil



1. Based on the last traded price of \$1.98 per unit as at 31 March 2007

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Thank You

Disclaimer

This presentation is focused on comparing actual results for the three months ended 31 March 2007 versus results achieved in the three months ended 31 March 2006. It should be read in conjunction with Paragraph 8 of Suntec REIT's financial results for the period 1 January 2007 to 31 March 2007 announced on SGXNET.

The information included in this release does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for units in Suntec REIT ("Units") in Singapore or any other jurisdiction.

This presentation may contain forward-looking statements that involve assumptions, 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 other developments or companies, shifts in the expected levels of occupancy rates, property rental income, changes in operating expenses, including employee wages, 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. Past performance is not necessarily indicative of future performance. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of Suntec REIT. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.

Disclaimer



IMPORTANT NOTICE

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.

Pro Forma Impact of Deferred Units Issuance

Suntec City Development Pte Ltd, the vendor of Suntec City Mall and Suntec City Office Towers (both as defined in the prospectus dated 29 November 2004 (the "Prospectus") issued in connection with the initial public offering of units in Suntec REIT ("Units") in November/December 2004 and together, the "Properties"), will be issued with 207,002,170 additional Units (the "Deferred Units") in satisfaction of the deferred payment consideration for the purchase of the Properties. The Deferred Units will be issued in six equal installments, with the first installment to be issued on the date falling 42 months after 9 December 2004 (being the date of completion of the sale and purchase of the Properties) and the rest semi-annually thereafter. Any change in rental rates, occupancy rates and distributable income of Suntec REIT can affect the impact of any dilution in the yields of Suntec REIT arising from the issuance of the Deferred Units in the future. The table below illustrates the pro forma impact under the scenario where the Deferred Units were entirely issued on 9 December 2004, the date of admission of Suntec REIT to the Official List of the SGX-ST (the "Listing Date"):

Distribution Per Unit S\$	Actual (1 January 07 – 31 March 07)
DPU based on total number of units entitled to the distribution (cents)	1.965
DPU assuming Deferred Units were issued on the Listing Date (cents)	1.716