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**RESULTS FOR THE FINANCIAL PERIOD FROM 24 JULY 2013 TO 30 NOVEMBER 2013 \* Financial Statement And Related Announcement**  
 \* Asterisks denote mandatory information




|   |   |
|---|---|
| Name of Announcer *                         | SPH REIT MANAGEMENT PTE. LTD. AS MANAGER OF SPHREIT |
| Company Registration No.                    | 201305497E  |
| Announcement submitted on behalf of         | SPH REIT  |
| Announcement is submitted with respect to * | SPH REIT  |
| Announcement is submitted by *              | Lim Wai Pun   |
| Designation *                               | Company Secretary                                   |
| Date & Time of Broadcast                    | 09-Jan-2014 18:03:37                                |
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>> **Announcement Details**  
 The details of the announcement start here ...

|                                  |            |
|----------------------------------|------------|
| For the Financial Period Ended * | 30-11-2013 |
|----------------------------------|------------|

|             |   |
|-------------|---|
| Description | <p>The announcements are attached.</p> <p>Sponsorship Statement:<br/>                 Credit Suisse (Singapore) Limited was the sole global coordinator and issue manager for the initial public offering of SPH REIT (the "Offering"). Credit Suisse (Singapore) Limited, DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited were the joint bookrunners and underwriters of the Offering (collectively, the "Joint Bookrunners").</p> <p>The Joint Bookrunners for the Offering assume no responsibility for the contents of this announcement.</p> |
|-------------|---|

**Attachments**

-  SPHReitResultsAnnouncement9.1.2014.pdf
  -  SPHREITPressRelease9.1.2014.pdf
  -  SPHReitPresentationSlides9.1.2014.pdf
- Total size = **1622K**  
 (2048K size limit recommended)

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**SPH REIT FINANCIAL STATEMENT ANNOUNCEMENT \***  
**For the financial period**  
**from 24 July 2013 (listing date) to 30 November 2013**

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\* *Please refer to the attached auditors' review report.*

*Constituted in the Republic of Singapore pursuant to a Trust Deed dated 9 July 2013.*

Credit Suisse (Singapore) Limited was the sole global coordinator and issue manager for the initial public offering of SPH REIT (the "Offering"). Credit Suisse (Singapore) Limited, DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited were the joint bookrunners and underwriters of the Offering (collectively, the "Joint Bookrunners").

The Joint Bookrunners for the Offering assume no responsibility for the contents of this announcement.

### Introduction

SPH REIT is a real estate investment trust constituted by the Trust Deed entered into on 9 July 2013 between SPH REIT Management Pte. Ltd. as the Manager of SPH REIT, and DBS Trustee Limited as the Trustee of SPH REIT. SPH REIT was listed on SGX-ST on 24 July 2013.

The investment strategy of SPH REIT is to invest, directly or indirectly, in a portfolio of income-producing real estate which is used primarily for retail purposes in Asia Pacific, as well as real estate-related assets.

The initial portfolio of SPH REIT comprises the following two high quality and well located commercial properties in Singapore:

- Paragon, a premier upscale retail mall and medical suite/office property, well known for its upscale mall housing many luxury brands, located in the heart of Orchard Road; and
- The Clementi Mall, a mid-market suburban mall located in the centre of Clementi town, an established residential estate in the west of Singapore.

As disclosed in the Prospectus, SGX-ST has granted SPH REIT a waiver from compliance with Listing Rule 705 (1) which requires the announcement of the financial statements for the full year (for the period ended 31 August 2013) and to incorporate the period from the listing date to 31 August 2013 in its first quarter result announcement. Hence, SPH REIT is presenting its first results from listing date to 30 November 2013 in this announcement\*.

The notes as follows shall be applicable to the relevant sections thereafter:

- “Actual” - Although SPH REIT was constituted on 9 July 2013, the acquisition of the properties was completed on 24 July 2013 and listed on Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 24 July 2013. Consequently, the actual income derived from the properties for the current period was from 24 July 2013 (listing date) to 30 November 2013. The results of SPH REIT during its private trust period from 9 July 2013 to 23 July 2013 are insignificant.
- “Pro forma” - As the first financial period of SPH REIT, comparative figures are derived from the Prospectus for the financial year ended 31 August 2012 and six-month period ended 28 February 2013.
- “Forecast” - The forecast figures are derived from the Forecast Period 2H FY2013 (for the period 24 July to 31 August 2013) and Projection Year FY2014 (for the period 1 September to 30 November 2013) as disclosed in the Prospectus.

\* *Please refer to the attached auditors’ review report.*

**For the Financial Period 24 July 2013 to 30 November 2013**

**1(a) An income statement together with a comparative statement for the corresponding period of the immediately preceding financial year**

**1(a)(i) Statement of Total Return**

|  | <b>Actual<br/>24 Jul 13 to<br/>30 Nov 13</b> | <b>Pro forma<br/>24 Jul 12 to<br/>30 Nov 12</b> | <b>Change</b> |
|--|--|---|---------------|
|  | <b>S\$'000</b>                               | <b>S\$'000</b>                                  | <b>%</b>      |
| Gross Revenue  | 70,398                                       | 68,760  | 2.4           |
| Property operating expenses  | (19,027)                                     | (18,305)  | 3.9           |
| <b>Net property income</b>   | <b>51,371</b>                                | <b>50,455</b>                                   | <b>1.8</b>    |
| Income support <sup>1</sup>  | 1,819  | 1,832   | (0.7)         |
| Amortisation of intangible asset   | (1,819)                                      | (1,832)   | (0.7)         |
| Manager's management fees  | (5,394)                                      | (5,303)   | 1.7           |
| Trust expenses <sup>2</sup>  | (578)  | (807)   | (28.4)        |
| Finance income   | 21   | 25  | (16.0)        |
| Finance costs  | (6,988)                                      | (7,126)   | (1.9)         |
| <b>Total return for the period before taxes<br/>and distribution</b>       | <b>38,432</b>                                | <b>37,244</b>                                   | <b>3.2</b>    |
| Less: income tax   | -  | -   | NM            |
| <b>Total return for the period after taxes<br/>and before distribution</b> | <b>38,432</b>                                | <b>37,244</b>                                   | <b>3.2</b>    |

Notes:

- Income support relates to the top-up payment from the vendors of The Clementi Mall pursuant to the Deed of Income Support.
- Includes recurring trust expenses such as trustee's fees, listing fees, valuation fees, audit and tax adviser's fees, cost associated with the preparation of annual reports, and investor communication costs.

*NM Not Meaningful*

## For the Financial Period 24 July 2013 to 30 November 2013

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### 1(a)(ii) Distribution Statement

|  | <b>Actual</b>                     | <b>Pro forma</b>                  | <b>Change</b> |
|--|-----------------------------------|-----------------------------------|---------------|
|  | <b>24 Jul 13 to<br/>30 Nov 13</b> | <b>24 Jul 12 to<br/>30 Nov 12</b> |               |
|  | <b>S\$'000</b>                    | <b>S\$'000</b>                    | <b>%</b>      |
| <b>Total return for the period after taxes and before distribution</b> | <b>38,432</b>                     | <b>37,244</b>                     | <b>3.2</b>    |
| Add: Non-tax deductible items <sup>1</sup>                             | 8,094                             | 7,832                             | 3.3           |
| <b>Income available for distribution to Unitholders<sup>2</sup></b>    | <b>46,526</b>                     | <b>45,076</b>                     | <b>3.2</b>    |

Notes:

1. Non-tax deductible items refer to the Manager's management fees paid in units, trustee's fees, amortisation of income support and amortisation of debt issuance costs.
2. Consistent with the disclosure in the Prospectus, the first distribution will be for the period from the listing date to 30 November 2013 and will be paid by the Manager on 14 February 2014.

**For the Financial Period 24 July 2013 to 30 November 2013**

**1(b)(i) A balance sheet together with a comparative statement as at the end of the immediately preceding financial year**

| <b>Balance Sheet</b>                          | <b>Actual<br/>As at<br/>30 Nov 13<br/>S\$'000</b> | <b>Pro forma<br/>As at<br/>28 Feb 13<sup>1</sup><br/>S\$'000</b> |
|---|---|--|
| <b>Non-current assets</b>                     |   |  |
| Plant and equipment                           | 1,081   | 765  |
| Investment properties                         | 3,054,251   | 3,053,000  |
| Intangible asset <sup>2</sup>                 | 15,681  | 17,500   |
|   | 3,071,013   | 3,071,265  |
| <b>Current assets</b>                         |   |  |
| Trade and other receivables                   | 5,700   | 1,343  |
| Cash and cash equivalents                     | 106,778   | 43,569   |
|   | 112,478   | 44,912   |
| <b>Total assets</b>                           | <b>3,183,491</b>                                  | <b>3,116,177</b>   |
| <b>Non-current liabilities</b>                |   |  |
| Loan and borrowing                            | 841,684   | 840,892  |
| Derivative financial instruments <sup>3</sup> | 7,611   | -  |
| Trade and other payables                      | 32,818  | 32,754   |
|   | 882,113   | 873,646  |
| <b>Current liabilities</b>                    |   |  |
| Trade and other payables                      | 33,446  | 10,815   |
|   | 33,446  | 10,815   |
| <b>Total liabilities</b>                      | <b>915,559</b>                                    | <b>884,461</b>   |
| <b>Net assets attributable to Unitholders</b> | <b>2,267,932</b>                                  | <b>2,231,716</b>   |

Notes:

1. SPH REIT completed the acquisition of Paragon and The Clementi Mall on listing date, the financial statements incorporate the two properties in its portfolio accordingly. SPH REIT balance sheet is compared against the Pro forma Balance Sheet as at 28 February 2013 in the Prospectus, prepared based on the assumptions, inter alia, that the listing exercise, changes in debt capital structure and the acquisition of the two properties had occurred on or were effective on 28 February 2013.
2. Intangible asset relates to income support provided by the vendors of The Clementi Mall.
3. Derivative financial instruments represent the fair value as at 30 November 2013 of the interest rate swap contracts to swap floating rates for fixed interest rates.

**1(b)(ii) Aggregate Amount of Borrowings**

**Secured borrowings**

|                                  | <b>Actual<br/>As at 30 Nov 13<br/>S\$'000</b> | <b>Pro forma<br/>As at 28 Feb 13<br/>S\$'000</b> |
|----------------------------------|---|--|
| Amount repayable within one year | -   | -  |
| Amount repayable after one year  | 841,684                                       | 840,892  |

**Details of collateral**

On 24 July 2013, SPH REIT established a term loan facility available for drawdown up to the amount of S\$975 million. As at the balance sheet date, the amount drawn down was S\$850 million. The amount of S\$841.7 million represented the loan stated at amortised cost. The loan has repayment terms ranging from three to seven years, of which S\$250 million is repayable on 23 July 2016, S\$300 million on 23 July 2018 and S\$300 million on 22 July 2020.

The term loan is secured by way of a first legal mortgage on Paragon, first legal charge over the tenancy account and sales proceeds account for Paragon, and an assignment of insurance taken in relation to Paragon.

1(c) **A cash flow statement together with a comparative statement for the corresponding period of the immediately preceding financial year**

**Statement of Cash Flows<sup>1,2</sup>**

|   | <b>Actual</b>       |
|---|---------------------|
|   | <b>24 Jul 13 to</b> |
|   | <b>30 Nov 13</b>    |
|   | <b>S\$'000</b>      |
| <b>Cash flows from operating activities</b>           |                     |
| Total return for the period                           | 38,432              |
| Adjustments for:                                      |                     |
| Manager's fee payable in units                        | 5,394               |
| Depreciation of plant and equipment                   | 31                  |
| Interest income                                       | (21)                |
| Finance costs   | 6,988               |
| Amortisation of intangible asset                      | 1,819               |
| Operating cash flow before working capital changes    | 52,643              |
| Changes in operating assets and liabilities           |                     |
| Trade and other receivables                           | (5,681)             |
| Trade and other payables                              | 57,269              |
| <b>Net cash from operating activities</b>             | <b>104,231</b>      |
| <b>Cash flows from investing activities</b>           |                     |
| Acquisition of investment properties                  | (1,306,000)         |
| Capital expenditure on investment properties          | (933)               |
| Acquisition of intangible asset                       | (17,500)            |
| Purchase of plant and equipment                       | (1,112)             |
| Interest received                                     | 13                  |
| <b>Net cash used in investing activities</b>          | <b>(1,325,532)</b>  |
| <b>Cash flows from financing activities</b>           |                     |
| Proceeds from issue of units                          | 503,896             |
| Issue expenses paid                                   | (12,364)            |
| Proceeds from bank loan (net of transaction costs)    | 840,983             |
| Interest paid   | (4,436)             |
| <b>Net cash from financing activities</b>             | <b>1,328,079</b>    |
| <b>Net increase in cash and cash equivalents</b>      | <b>106,778</b>      |
| Cash and cash equivalents at beginning of the period  | -                   |
| <b>Cash and cash equivalents at end of the period</b> | <b>106,778</b>      |

Notes:

1. There was no comparative Statement of Cash Flows for the period ended 30 November 2012 as SPH REIT was only constituted on 9 July 2013.
2. Significant non-cash transactions: SPH REIT has acquired Paragon and The Clementi Mall from Orchard 290 Ltd and CM Domain Pte Ltd respectively on 24 July 2013 (listing date). The acquisition was partially settled by way of issuance of units in the Trust amounting to S\$1,747,000,000.



1(d)(i) Statement of Changes in Unitholders' Funds<sup>1</sup>

|  | <b>Actual<br/>24 Jul 13 to<br/>30 Nov 13</b> |
|--|--|
|  | <b>S\$'000</b>                               |
| <b>Balance as at beginning of period</b>                                       | -  |
| <b><u>Operations</u></b>   |  |
| Total return for the period / net increase in assets resulting from operations | 38,432                                       |
| <b><u>Hedging reserve</u></b>  |  |
| Movement in hedging reserve <sup>2</sup>                                       | (7,611)                                      |
| <b><u>Unitholders' transactions</u></b>  |  |
| Issue of new units on listing  | 2,250,896                                    |
| Issue expenses <sup>3</sup>  | (19,179)                                     |
| Manager's fee payable in units   | 5,394  |
| <b>Balance as at end of period</b>   | <b>2,267,932</b>                             |

Notes:

1. There was no comparative Statement of Changes in Unitholders' Funds for the period ended 30 November 2012 as SPH REIT was only constituted on 9 July 2013.
2. This relates to the hedging reserve arising from interest rate swap arrangements.
3. This relates to Initial Public Offering ("IPO") expenses capitalised under capital reserves. The IPO expenses relates to underwriting fees, professional fees and other miscellaneous expenses.

1(d)(ii) **Details of Changes in Issued and Issuable Units**

|  | <b>Actual<br/>24 Jul 13 to<br/>30 Nov 13</b> |
|--|--|
|  | <b>No. of units</b>                          |
| <b>Issued units as at beginning of period</b>              | <b>1</b>                                     |
| <b>Issue of new units:</b>                                 |  |
| Placement at listing                                       | 2,500,994,999                                |
| <b>Issuable units:</b>                                     |  |
| Manager's fee payable in units <sup>1</sup>                | 5,499,120                                    |
| <b>Total issued and issuable units as at end of period</b> | <b>2,506,494,120</b>                         |

Notes:

1. There are 5,499,120 units to be issued to the REIT Manager as satisfaction of management fee incurred for the current period (1,684,163 units for 24 July 2013 to 31 August 2013, and 3,814,957 units for 1 September 2013 to 30 November 2013). This is calculated based on volume weighted average traded price for the last 10 business days for the respective periods, as provided in the Trust Deed.
  
2. **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**  
  

The financial information for the period 24 July 2013 to 30 November 2013 as set out in this announcement has been extracted from the interim financial information for the period 24 July 2013 to 30 November 2013, which has been reviewed by our auditors, KPMG LLP, in accordance with the Singapore Standard on Review Engagement 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 refer to the attached auditor's review report.
  
4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**  
  

The accounting policies and methods of computation have been consistently applied during the current reporting period.

**For the Financial Period 24 July 2013 to 30 November 2013**

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.**

Not applicable.

6. **Earnings per unit (“EPU”) and Distribution per unit (“DPU”) for the financial period**

|  | <b>Actual<br/>24 Jul 13 to<br/>30 Nov 13</b> | <b>Pro forma<br/>24 Jul 12 to<br/>30 Nov 12</b> |
|--|--|---|
| <b><u>Earnings per unit</u></b>                            |  |   |
| Weighted average number of units <sup>1</sup>              | 2,502,216,215                                | 2,500,995,000                                   |
| Total return for the period after tax (S\$'000)            | 38,432                                       | 37,244  |
| EPU (basic and diluted) (cents)                            | 1.54   | 1.49  |
| <b><u>Distribution per unit</u></b>                        |  |   |
| Total number of units in issue at end of period            | 2,500,995,000                                | 2,500,995,000                                   |
| Income available for distribution to Unitholders (S\$'000) | 46,526                                       | 45,076  |
| DPU <sup>2</sup> (cents)                                   | 1.86   | 1.80  |

Notes:

1. The actual weighted average number of units was based on the number of units in issue and issuable units to the Manager during the period. The number of units in issue at listing date was used for comparative Pro forma figure.
2. The DPU was computed based on the number of units entitled to distribution at the end of the period.

7. **Net Asset Value (“NAV”) per unit at the end of the period**

|                                 | <b>Actual<br/>As at<br/>30 Nov 13</b> | <b>Pro forma<br/>As at<br/>28 Feb 13</b> |
|---------------------------------|---------------------------------------|--|
| NAV per unit <sup>1</sup> (S\$) | 0.90                                  | 0.89                                     |

Notes:

1. The NAV per unit was computed based on the number of units in issue and issuable units to the Manager at the end of the period.

**8. Review of the Performance compared to Pro forma**

Gross revenue for the period from 24 July 2013 to 30 November 2013 (the "Period") was S\$70.4 million, an increase of S\$1.6 million (2.4%) compared to the Pro forma revenue for the same period last year. This was on the back of higher rental rates achieved by Paragon while income from The Clementi Mall remained stable.

Property operating expenses for the period were up by S\$0.7 million (3.9%) to S\$19.0 million, when compared to the Pro forma expenses incurred in the corresponding period last year. This was largely due to higher maintenance and marketing expenses partially offset by lower utilities cost.

Consequently, net property income of S\$51.4 million for the period, was S\$0.9 million (1.8%) higher than the Pro forma figure for the same period last year. Total return increased by S\$1.2 million (3.2%) to S\$38.4 million for the period, from the Pro forma total return of S\$37.2 million for the same period last year. This was attributable to higher net property income and lower trust expenses.

Income available for distribution of S\$46.5 million was S\$1.5 million (3.2%) above the Pro forma figure.

For the Financial Period 24 July 2013 to 30 November 2013

9. Variance from Prospect Statement

9(a) Statement of Total Return

|  | Actual<br>24 Jul 13 to<br>30 Nov 13 | Forecast<br>24 Jul 13 to<br>30 Nov 13 | Change     |
|--|-------------------------------------|---------------------------------------|------------|
|  | S\$'000                             | S\$'000                               | %          |
| Gross Revenue  | 70,398                              | 70,897                                | (0.7)      |
| Property operating expenses  | (19,027)                            | (19,802)                              | (3.9)      |
| <b>Net property income</b>   | <b>51,371</b>                       | <b>51,095</b>                         | <b>0.5</b> |
| Income support   | 1,819                               | 1,793                                 | 1.5        |
| Amortisation of intangible asset                                       | (1,819)                             | (1,793)                               | 1.5        |
| Manager's management fees  | (5,394)                             | (5,376)                               | 0.3        |
| Trust expenses   | (578)                               | (806)                                 | (28.3)     |
| Finance income   | 21                                  | -                                     | NM         |
| Finance costs  | (6,988)                             | (7,109)                               | (1.7)      |
| <b>Total return for the period before taxes and distribution</b>       | <b>38,432</b>                       | <b>37,804</b>                         | <b>1.7</b> |
| Less: income tax   | -                                   | -                                     | NM         |
| <b>Total return for the period after taxes and before distribution</b> | <b>38,432</b>                       | <b>37,804</b>                         | <b>1.7</b> |

9(b) Distribution Statement

|   | Actual<br>24 Jul 13 to<br>30 Nov 13 | Forecast<br>24 Jul 13 to<br>30 Nov 13 | Change     |
|---|-------------------------------------|---------------------------------------|------------|
|   | S\$'000                             | S\$'000                               | %          |
| <b>Total return for the period after taxes and before distribution</b>        | <b>38,432</b>                       | <b>37,804</b>                         | <b>1.7</b> |
| Add: Non-tax deductible items   | 8,094                               | 7,864                                 | 2.9        |
| <b>Income available for distribution to Unitholders</b>                       | <b>46,526</b>                       | <b>45,668</b>                         | <b>1.9</b> |
| <b>DPU based on the total number of issued units at end of period (cents)</b> | <b>1.86</b>                         | <b>1.82</b>                           | <b>2.2</b> |

**9(c) Variance between the Forecast and Actual Results**

Gross revenue for the period was S\$70.4 million, a decrease of S\$0.5 million (0.7%) compared to forecast for the same period. This was attributable to lower gross rental income from Paragon while gross revenue from The Clementi Mall was relatively flat.

Property operating expenses were S\$0.8 million (3.9%) lower than forecast at S\$19.0 million for the period. This was largely due to lower utilities, property taxes, marketing and other expenses partially offset by higher maintenance costs.

Consequently, net property income of S\$51.4 million was S\$0.3 million (0.5%) higher than forecast.

Total return for the period was S\$38.4 million, an increase of S\$0.6 million (1.7%) compared to forecast, arising from the higher net property income and lower trust expenses. The savings in trust expenses was mainly due to the waiver to prepare and distribute the financial statement for the financial year ended 31 August 2013, as a result of the short period from listing date to 31 August 2013.

Income available for distribution of S\$46.5 million was S\$0.9 million (1.9%) above forecast.

**10. A commentary at the date of announcement of the significant trends and 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 advance estimates of the Ministry of Trade and Industry (MTI), the Singapore economy grew by 3.7% in 2013. Against a backdrop of uncertainties in the global economy, the economic outlook remains modest with the growth forecast of 2.0% to 4.0% for 2014.

The retail sales index (excluding motor vehicle sales) decreased marginally year-on-year by 0.5% in October 2013 and 0.3% in September 2013, based on figures released by Singapore Department of Statistics. The seasonally-adjusted unemployment rate remained low at 1.8% in September 2013, down from 2.1% in June 2013.

The Singapore Tourism Board (STB) has set the 2013 target of between 14.8 million and 15.5 million for visitor arrivals while tourist receipts are expected to rise to between S\$23.5 billion and S\$24.5 billion, from S\$23.0 billion in 2012. According to the latest Tourism Sector Performance Q1 2013 report by the STB, visitor arrivals rose 9% year-on-year to 3.9 million while tourist receipts declined 6% to S\$5.7 billion in Q1 2013. The decline in tourism receipts was due to fewer visitors from the business travel and MICE segment as well as lower gaming revenue from the two integrated resorts.

Leasing activities in both retail properties have progressed well. Paragon continues to achieve consistently robust performance with rental reversions of 12.4% for the renewals and new leases during the period. For The Clementi Mall, most of the leases expiring in 2014 have been renewed or re-let and more than 90% of the tenants (by net lettable area) have committed for a second lease term.

The Manager has put in place a well-staggered debt profile with no refinancing requirement till 2016 and weighted average term to maturity of 4.8 years. SPH REIT registered gearing level of 26.7% and average cost of debt of 2.33% as at 30 November 2013.

## For the Financial Period 24 July 2013 to 30 November 2013

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The proactive lease management coupled with prudent capital management will underpin SPH REIT's performance and enable the Manager to deliver sustainable returns to Unitholders.

Barring any unforeseen circumstances, SPH REIT's portfolio of two high quality and fully leased retail properties in prime locations, is expected to turn in a steady performance.

### 11. Distribution

#### (a) Current Financial Period

Any distribution recommended for the current financial period reported on? Yes.

|                                     |   |
|-------------------------------------|---|
| Name of distribution:               | 1st Distribution for the periods from:<br>(i) Listing date to 31 August 2013, and<br>(ii) 1 September 2013 to 30 November 2013  |
| Distribution Type:                  | Taxable Income  |
| Distribution rate per unit (cents): | (i) 0.56 cents per unit (for the period from Listing date to 31 August 2013)<br>(ii) 1.30 cents per unit (for the period from 1 September 2013 to 30 November 2013)   |
| Par value of units:                 | Not applicable.   |
| Tax rate:                           | <p>Taxable Income Distribution:</p> <p>Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distribution. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns.</p> <p>Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%. This is based on the existing income tax concession for listed REITs on distributions made to non-resident non-individual investors during the period from 18 February 2005 to 31 March 2015.</p> <p>All other investors will receive their distributions after deduction of tax at the rate of 17%.</p> |

**(b) Corresponding Period of the Immediately Preceding Financial Year**

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

Not applicable.

**(c) Date payable**

The date the distribution is payable: Friday, 14 February 2014.

**(d) Books closure date**

The Transfer Books and Register of Unitholders of SPH REIT will be closed at 5.00pm on 17 January 2014 for purposes of determining each Unitholder's entitlement to SPH REIT distribution.

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

Not applicable.

**13. Segment Revenue and Results**

|                                   | Actual<br>24 Jul 13 to<br>30 Nov 13 | Pro forma<br>24 Jul 12 to<br>30 Nov 12 | Change |
|-----------------------------------|-------------------------------------|--|--------|
|                                   | S\$'000                             | S\$'000                                | %      |
| <b><u>Gross Revenue</u></b>       |                                     |  |        |
| Paragon                           | 56,987                              | 55,485                                 | 2.7    |
| The Clementi Mall                 | 13,411                              | 13,275                                 | 1.0    |
| Total                             | 70,398                              | 68,760                                 | 2.4    |
| <b><u>Net Property Income</u></b> |                                     |  |        |
| Paragon                           | 42,154                              | 41,225                                 | 2.3    |
| The Clementi Mall                 | 9,217                               | 9,230                                  | (0.1)  |
| Total                             | 51,371                              | 50,455                                 | 1.8    |

**14. If the group has obtained a general mandate from shareholders for Interested Person Transactions, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

SPH REIT has not obtained a general mandate from unitholders for Interested Person Transactions.



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, 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 current view of SPH REIT Management Pte. Ltd. (as the manager of SPH REIT) on future events.

**BY ORDER OF THE BOARD**

Lim Wai Pun  
Khor Siew Kim

Company Secretaries

Singapore,  
9 January 2014

## **CONFIRMATION BY THE BOARD 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 which may render the unaudited interim financial results of the Trust (comprising the balance sheet, statement of total return and distribution statement, statement of changes in Unitholders' funds and cashflow statement, together with their accompanying notes) as at 30 November 2013, to be false or misleading in any material respect.

On behalf of the Directors

A handwritten signature in blue ink, appearing to read 'Leong'.

**LEONG HORN KEE**  
*Chairman*

A handwritten signature in black ink, appearing to read 'Anthony'.

**ANTHONY MALLEK**  
*Director*

Singapore,  
9 January 2014



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**The Board of Directors**  
**SPH REIT Management Pte Ltd**  
**(in its capacity as Manager of SPH REIT)**

**Review of the Interim Financial Information**  
**For the period from 9 July 2013 (date of constitution) to 30 November 2013**

We have reviewed the accompanying Balance Sheet and Portfolio Statement of SPH REIT (the "Trust") as at 30 November 2013, the Statement of Total Return, Distribution Statement, Statement of Changes in Unitholders' Funds and Statement of Cash Flows of the Trust for the period from 9 July 2013 (date of constitution) to 30 November 2013 ("Interim Financial Information"), as set out on pages FS1 to FS14.

The Manager of the Trust is responsible for the preparation and presentation of this Interim Financial Information in accordance with the provisions of the Statement of Recommended Accounting Practice ("RAP") 7 Reporting Framework for Unit Trusts relevant to interim financial information. Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

**Scope of review**

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the Interim Financial Information is not prepared, in all material respects, in accordance with the provisions of RAP 7 Reporting Framework for Unit Trusts relevant to interim financial information, issued by the Institute of Singapore Chartered Accountants.

### **Restriction on use**

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Interim Financial Information for the purpose of assisting the Trust to meet the requirements of the Singapore Exchange Limited Listing Manual and for no other purpose. Our report is included in the Trust's announcement of its interim financial information for the information of its unitholders. We do not assume responsibility to anyone other than the Trust for our work, for our report, or for the conclusions we have reached in our report.

**KPMG LLP**  
*Public Accountants and*  
*Chartered Accountants*

**Singapore**  
9 January 2014



## **SPH REIT's First Distribution of 1.86 cents exceeds Forecast by 2.2%**

**SINGAPORE, January 9, 2014** – SPH REIT Management Pte. Ltd. (“SPH RM” or the “Manager”), the Manager of SPH REIT, is pleased to announce that SPH REIT’s income available for distribution to unitholders was \$46.5m for the period from 24 July 2013 (listing date) to 30 November 2013. This translates to a distribution per unit (“DPU”) of 1.86 cents, an increase of 2.2% against IPO forecast. The first distribution will be paid to unitholders on 14 February 2014.

### **Steady and resilient operational performance**

Both Paragon and The Clementi Mall are fully leased. Paragon continues to achieve consistently robust performance with rental reversions of 12.4% for the renewals and new leases during the period from 24 July 2013 to 30 November 2013\*.

Leasing activities at The Clementi Mall have progressed well. Most of the leases expiring in 2014 have been renewed or re-let and more than 90% of the tenants (by net lettable area) have committed for a second lease term. Shopper traffic has grown by 9% for the period from January 2013 to November 2013 as compared to the same period in 2012.

### **Capital Management**

The Manager has put in place a well-staggered debt profile with no refinancing requirement till 2016 and weighted average term to maturity of 4.8 years. SPH REIT registered gearing level of 26.7% and average cost of debt of 2.33% as at 30 November 2013.

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\* For The Clementi Mall, most of the leases are in their first lease term and will expire in 2014. Hence, there was minimal change in tenancies during the period.

Ms Susan Leng, CEO of SPH REIT Management Pte. Ltd., said, “We are pleased that SPH REIT’s inaugural distribution has exceeded IPO forecast. Both malls have maintained their track record of 100% committed occupancy, with strong rental reversion from Paragon and steady performance from The Clementi Mall. We will continue to proactively manage our properties to deliver sustainable returns while seeking new opportunities to create value for unitholders.”

### **Summary Results of SPH REIT**

| <b>For the period from 24 July 2013<br/>(listing date) to 30 November 2013</b> | <b>Actual<sup>1</sup><br/>\$'000</b> | <b>Forecast<sup>2</sup><br/>\$'000</b> | <b>Change<br/>%</b> |
|--|--------------------------------------|--|---------------------|
| Gross revenue  | 70,398                               | 70,897                                 | (0.7)               |
| Net property income  | 51,371                               | 51,095                                 | 0.5                 |
| Income available for distribution to Unitholders                               | 46,526                               | 45,668                                 | 1.9                 |
| Distribution per unit (cents) <sup>3</sup>                                     | 1.86                                 | 1.82                                   | 2.2                 |
| Annualised distribution yield (%)  |                                      |  |                     |
| - Based on \$0.90 per unit<br>(IPO price)                                      | 5.80                                 | 5.68                                   | 2.1                 |
| - Based on \$0.99 per unit<br>(closing price on 29 November 2013)              | 5.28                                 | 5.16                                   | 2.3                 |

Credit Suisse (Singapore) Limited was the sole global coordinator and issue manager for the initial public offering of SPH REIT (the “Offering”). Credit Suisse (Singapore) Limited, DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited were the joint bookrunners and underwriters of the Offering (collectively, the “Joint Bookrunners”).

The Joint Bookrunners for the Offering assume no responsibility for the contents of this announcement.

*Footnotes:*

1. Although SPH REIT was constituted on 9 July 2013, the results of SPH REIT during its private trust period from 9 July 2013 to 23 July 2013 are insignificant.
2. The forecast figures are derived from the Forecast Period 2H FY2013 (for the period 24 July 2013 to 31 August 2013) and Projection Year FY2014 (for the period 1 September 2013 to 30 November 2013) as disclosed in the Prospectus dated 17 July 2013.
3. Consistent with the disclosure in the Prospectus, the first distribution will be for the period from the Listing Date to 30 November 2013 and will be paid by the Manager on 14 February 2014.

For further information and enquiries, please contact:

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### **ABOUT SPH REIT**

SPH REIT is a Singapore-based real estate investment trust established principally to invest, directly or indirectly, in a portfolio of income-producing real estate which is used primarily for retail purposes in Asia-Pacific, as well as real estate-related assets.

Its portfolio of properties comprises a 99-year leasehold interest in Paragon commencing on the date of listing of SPH REIT and a 99-year leasehold interest in The Clementi Mall commencing on 31 August 2010. Valued at over S\$3.0 billion with an aggregate net lettable area of approximately 900,000 sq ft, the properties have a committed occupancy of 100% and have a diverse and high quality tenant base of about 430 local and international retailers and medical specialists.

Visit SPH REIT's website at [www.sphreit.com.sg](http://www.sphreit.com.sg) for more details.

### **ABOUT THE REIT MANAGER: SPH REIT MANAGEMENT PTE. LTD.**

SPH REIT is managed by SPH REIT Management Pte. Ltd., a wholly-owned subsidiary of Singapore Press Holdings Limited. The Manager's key objective for SPH REIT is to provide Unitholders with regular and stable distributions, and sustainable long-term growth in DPU and NAV per Unit, while maintaining an appropriate capital structure.

### **ABOUT THE SPONSOR: SINGAPORE PRESS HOLDINGS**

Main board-listed Singapore Press Holdings Ltd (SPH) is Asia's leading media organisation, engaging minds and enriching lives across multiple languages and platforms. SPH has 19 titles licensed under the Newspaper Printing and Presses Act, of which nine are daily newspapers across four languages, and over 100 magazine titles in Singapore and the region. On an average day, – 3.05 million individuals or 76 percent of people above 15 years old, read one of SPH's news publications. SPH's internet editions of its major newspapers enjoy over 300 million page views with 20 million unique visitors each month. Other new media initiatives include AsiaOne, omy.sg, ST701, Stomp and The Straits Times RazorTV. SPH has also ventured into book publishing, broadcasting, out-of-home advertising and properties. For more information, please visit [www.sph.com.sg](http://www.sph.com.sg).

**Important Notice**

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, 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 current view of SPH REIT Management Pte. Ltd. (as the manager of SPH REIT) on future events.





**For the period from 24 July 2013 (listing date) to 30 November 2013**

**9 January 2014**

# Disclaimer

This presentation 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, 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 current view of SPH REIT Management Pte. Ltd. (as the manager of SPH REIT) on future events.

This presentation shall be read in conjunction with SPH REIT's financial results for the period from 24 July 2013 (listing date) to 30 November 2013 in the SGXNET announcement.

# Contents

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|---|-----------------|
| <b>Results</b>                            | <b>Slide 3</b>  |
| <b>Balance sheet</b>                      | <b>Slide 9</b>  |
| <b>Operational performance</b>            | <b>Slide 13</b> |
| <b>Growth strategy and market outlook</b> | <b>Slide 20</b> |
| <b>Distribution details and timetable</b> | <b>Slide 24</b> |

Credit Suisse (Singapore) Limited was the sole global coordinator and issue manager for the initial public offering of SPH REIT (the “Offering”). Credit Suisse (Singapore) Limited, DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited were the joint bookrunners and underwriters of the Offering (collectively, the “Joint Bookrunners”).

The Joint Bookrunners for the Offering assume no responsibility for the contents of this announcement.

# Results

# Distribution per unit exceeded forecast by 2.2%

|   | <b>Actual <sup>(a)</sup><br/>S\$'000</b> | <b>Forecast <sup>(b)</sup><br/>S\$'000</b> | <b>Variance<br/>%</b> |
|---|--|--|-----------------------|
| Gross Revenue                                       | 70,398                                   | 70,897                                     | (0.7%)                |
| Property Expenses                                   | (19,027)                                 | (19,802)                                   | 3.9%                  |
| Net Property Income<br>(NPI)                        | 51,371                                   | 51,095                                     | 0.5%                  |
| Income available for<br>Distribution to Unitholders | 46,526                                   | 45,668                                     | 1.9%                  |
| Distribution per unit<br>(DPU) (cents)              | 1.86                                     | 1.82                                       | 2.2%                  |

Notes:

(a) Although SPH REIT was constituted on 9 Jul 2013, the results of SPH REIT during its private trust period from 9 Jul 2013 to 23 Jul 2013 are insignificant.

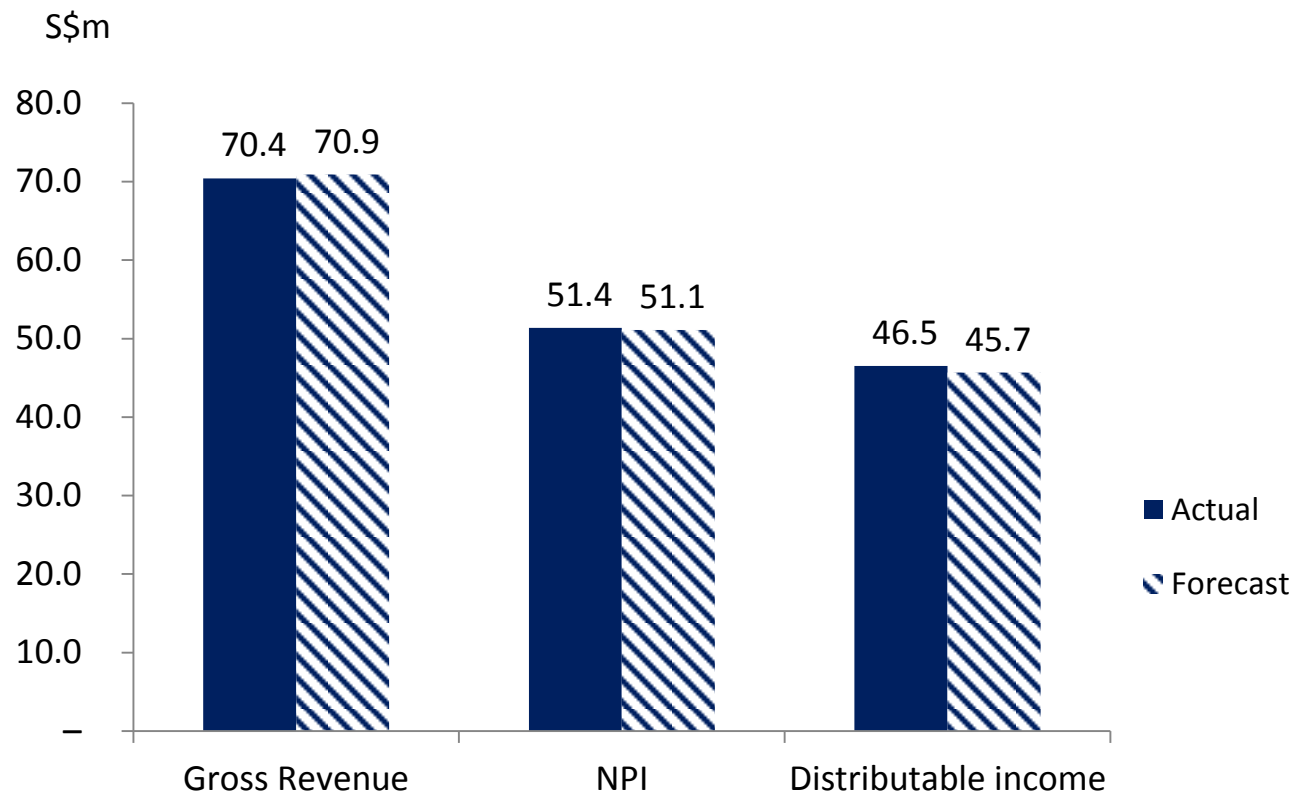
(b) The forecast figures are derived from the Forecast Period 2H FY2013 (for the period 24 Jul 2013 to 31 Aug 2013) and Projection Year FY2014 (for the period 1 Sep 2013 to 30 Nov 2013) as disclosed in the Prospectus.

# Key highlights

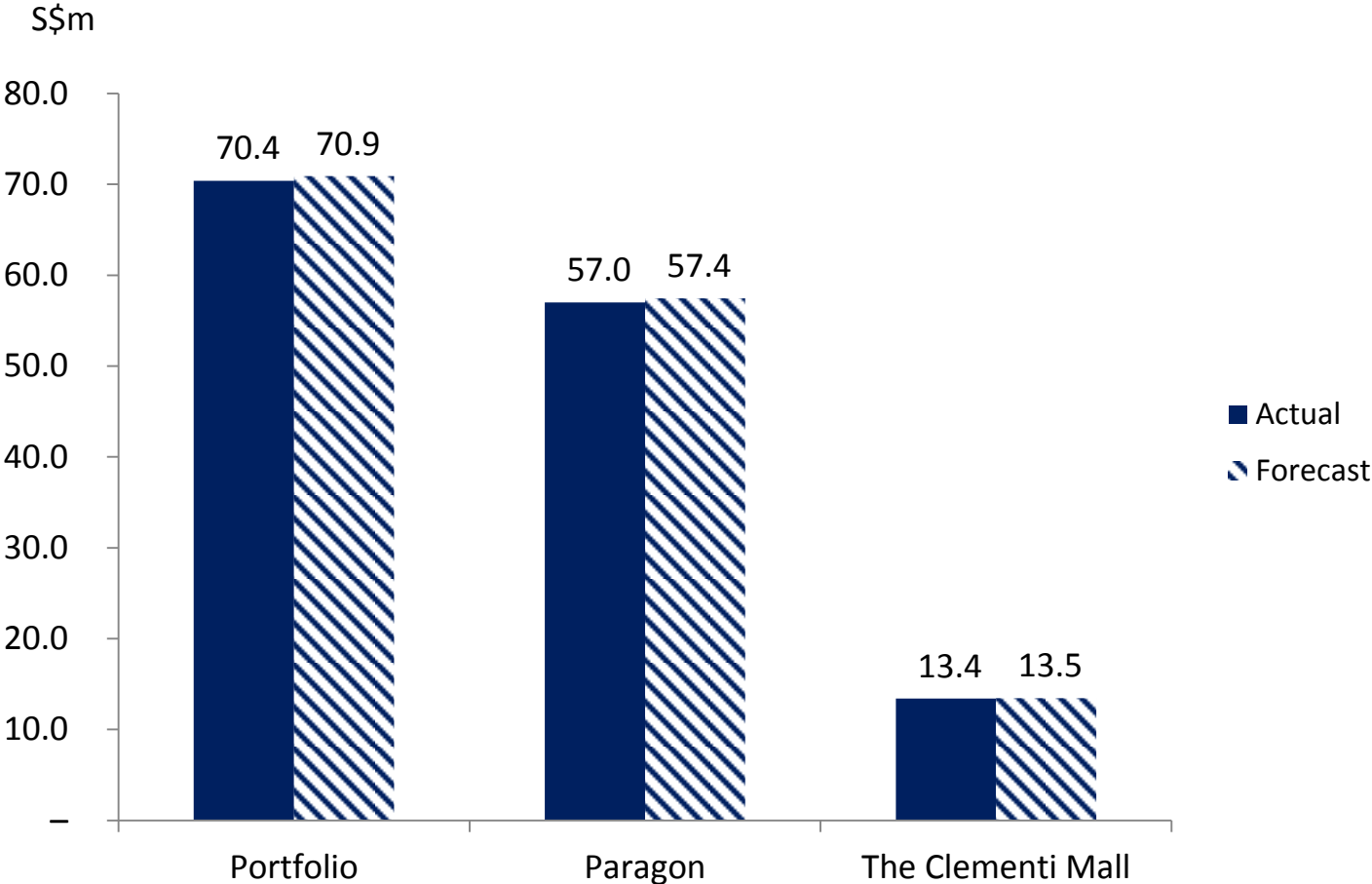
- DPU: above forecast<sup>#</sup> by 2.2%
- Net Asset Value per unit: increased 1.1% since listing
- Positive rental reversions of 11.7%
- Strong balance sheet, with gearing at 26.7%

# As derived from forecast in the Prospectus

# Portfolio NPI and Distributable Income above forecast

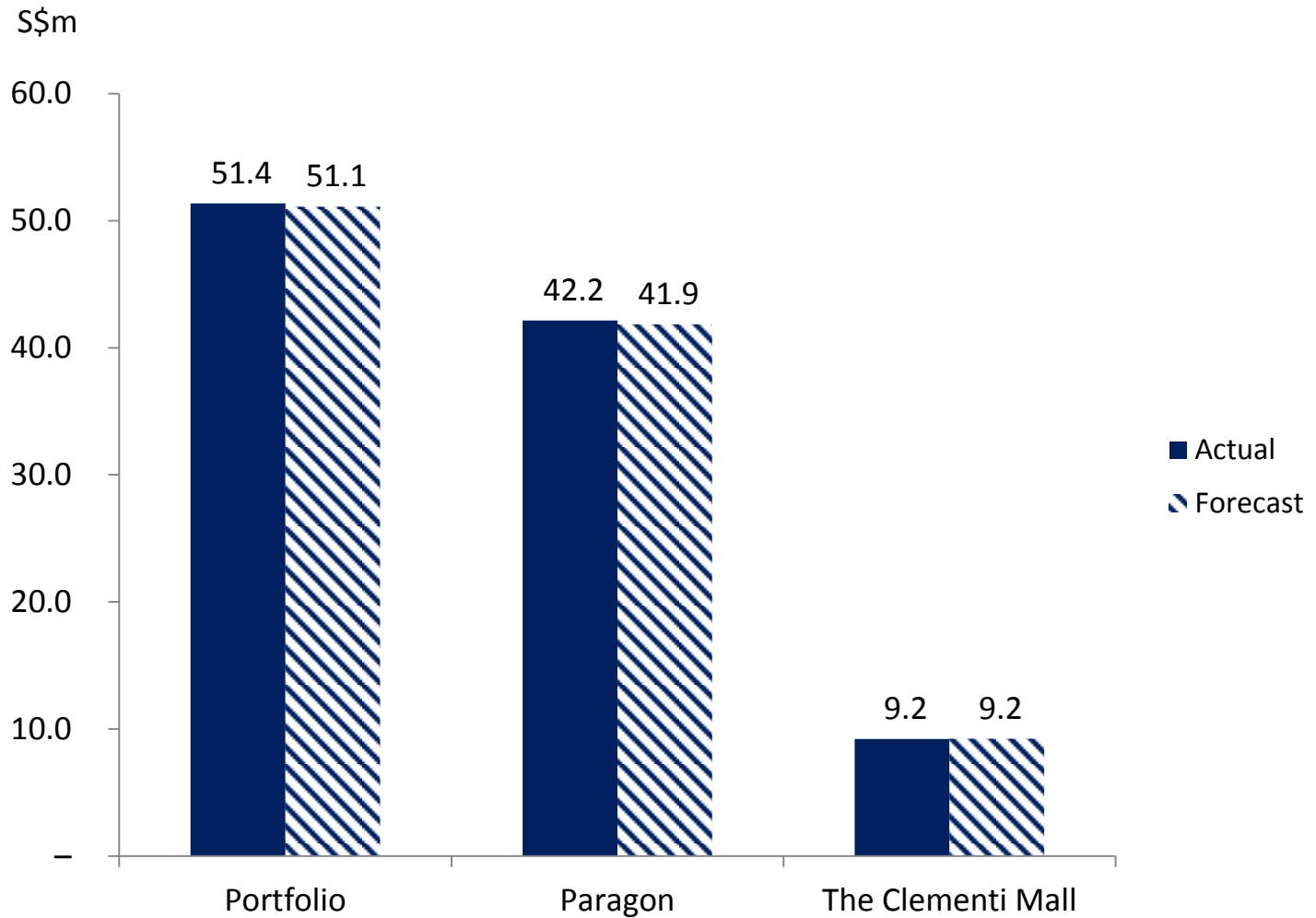


# Gross Revenue of the properties on track





# Paragon continues to perform



# Balance sheet

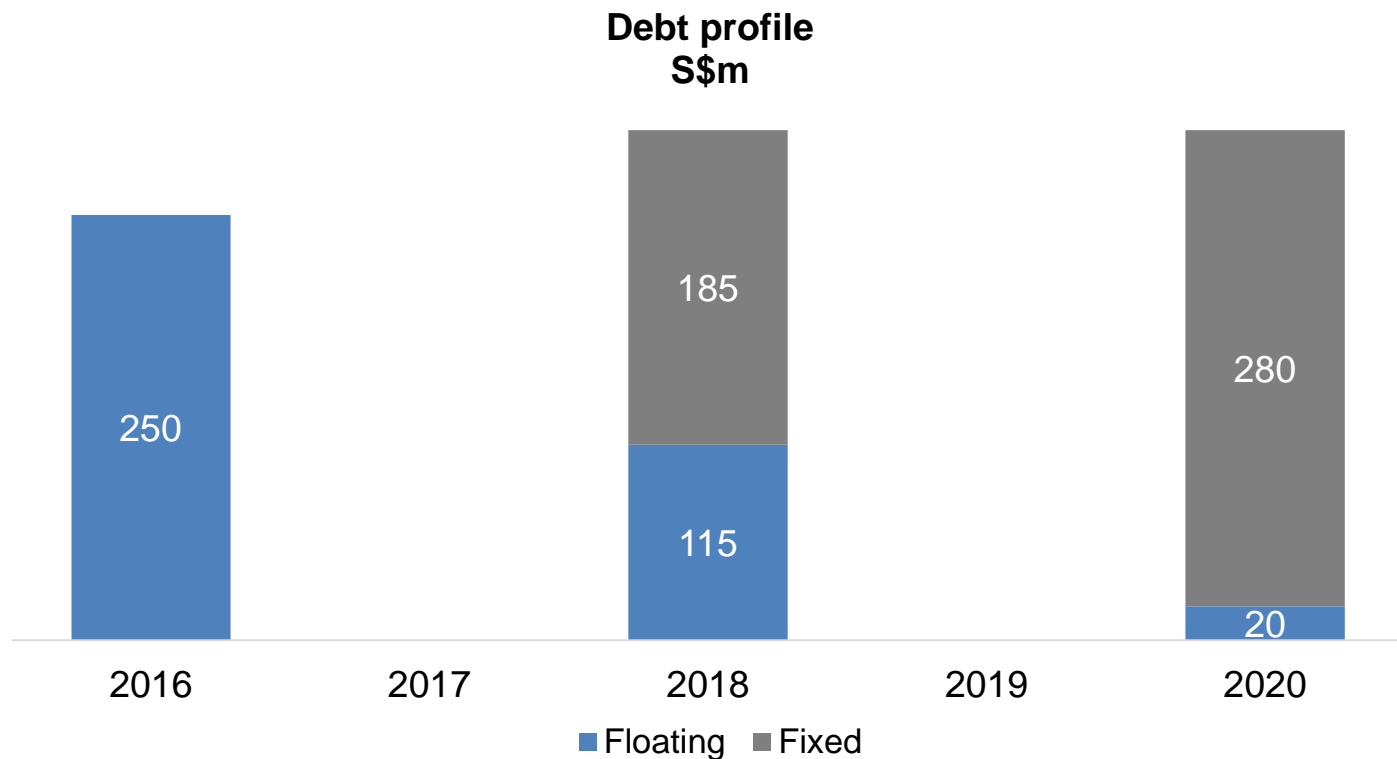
## Healthy financial position

|                             | <b>Actual<br/>30 Nov 2013<br/>S\$'000</b> | <b>Prospectus Pro-forma<br/>28 Feb 2013<br/>S\$'000</b> |
|-----------------------------|---|---|
| Total assets                | 3,183,491                                 | 3,116,177   |
| Total liabilities           | 915,559                                   | 884,461   |
| Net assets                  | 2,267,932                                 | 2,231,716   |
| Net asset value<br>per unit | S\$0.90                                   | S\$0.89   |
| Gearing <sup>(a)</sup>      | 26.7%                                     | 27.3%   |

(a) Gearing is computed based on total debt/ total assets

# No refinancing till 2016

- 54.7% of the S\$850m debt facility has been fixed through a fixed rate loan and interest rate swaps
- Average cost of debt: 2.33%
- Weighted average term to maturity: 4.8 years



# Valuation of properties about S\$3.1b

---

|                    | Valuation<br>S\$m (a) | Capitalisation<br>rate (c)                     |
|--------------------|-----------------------|--|
| Paragon            | 2,500.0               | 4.85% - Retail<br>4.25% - Medical Suite/Office |
| The Clementi Mall  | 570.5 (b)             | 5.00%  |
| SPH REIT Portfolio | 3,070.5               |  |

---

## Notes

(a) Valuations were the average of CBRE & DTZ as at 28 Feb 2013. The next valuation will be done as at 31 Aug 2014.

(b) The Clementi Mall's valuation was inclusive of income support. In the absence of income support, the valuation was S\$553m.

(c) Capitalisation rate used by both valuers.

# Operational performance

# Two properties in strategic locations



## Paragon

- Rental reversion 12.4%
- Decanting works to transfer GFA from Level 2 to Level 1 completed with recent opening of 4 new tenants, namely Balenciaga and Versace on Level 1 and Toast Box and 7-Eleven on Level 2.

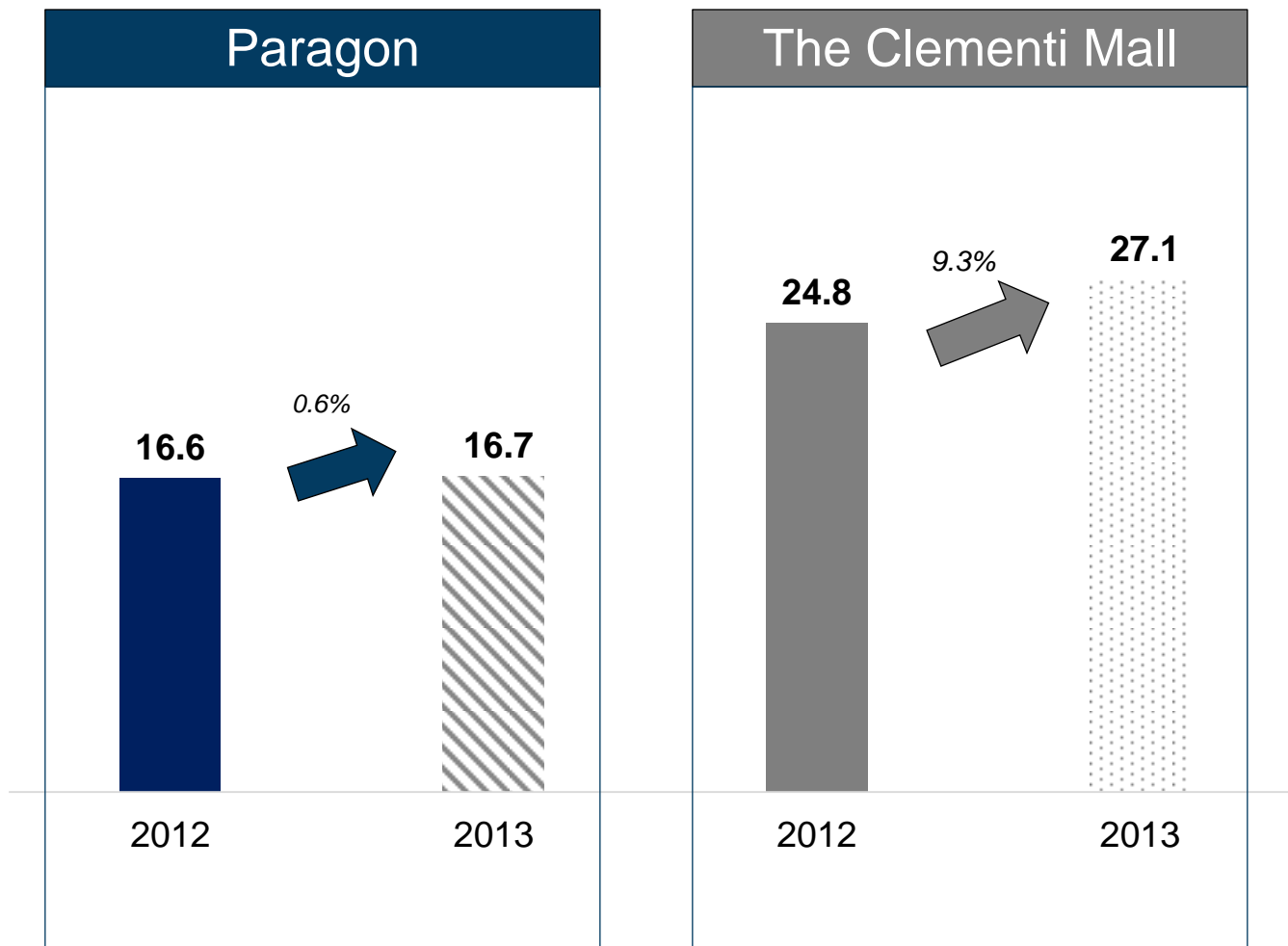


## The Clementi Mall

- Officially opened in May 2011 and in its first lease term
- Traffic numbers remain strong despite opening of new mall in Jurong East

# Strong shopper traffic

(in million)





# Proactive tenancy management

|                    | Number of renewals / new leases | NLA renewed / new leases (sf) | As a % of mall's NLA | Change compared to preceding rental rates <sup>(b)</sup> |
|--------------------|---------------------------------|-------------------------------|----------------------|--|
| Paragon            | 23                              | 65,639                        | 9.3%                 | 12.4%  |
| The Clementi Mall  | 4                               | 2,659                         | 1.4%                 | (1.9%) <sup>(c)</sup>                                    |
| SPH REIT Portfolio | 27                              | 68,298                        | 7.6% <sup>(a)</sup>  | 11.7%  |

Notes:

(a) As a % of SPH REIT portfolio's total Net Lettable Area ("NLA") of 900,344sf as at 30 Nov 2013.

(b) The change is measured between average rents of the renewed & new lease terms and the average rents of the preceding lease terms. The leases are typically committed three years ago.

(c) Negative rental reversion was an exercise to fine-tune tenancy mix.

# Occupancy remains at 100%

---

|                    | <b>30 Nov 2013</b> | <b>24 July 2013<br/>(listing date)</b> |
|--------------------|--------------------|--|
| Paragon            | 100%               | 100%                                   |
| The Clementi Mall  | 100%               | 100%                                   |
| SPH REIT Portfolio | 100%               | 100%                                   |

---

# Well-staggered portfolio lease renewal

## Weighted Average Lease Expiry (WALE) as at 30 Nov 2013

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|                        |           |
|------------------------|-----------|
| By NLA                 | 2.3 years |
| By Gross Rental Income | 2.1 years |

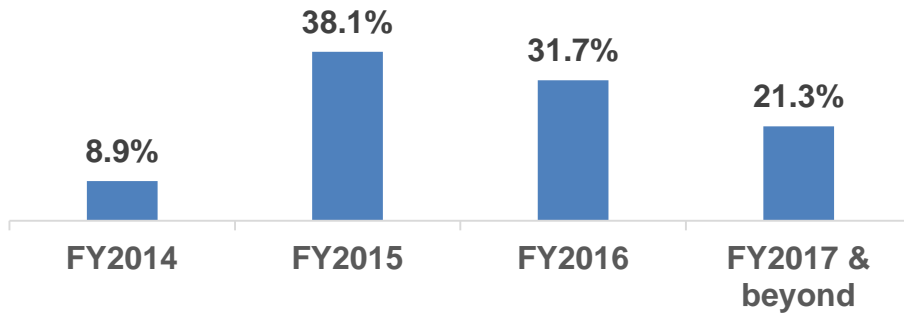
## Lease expiry as at 30 Nov 2013

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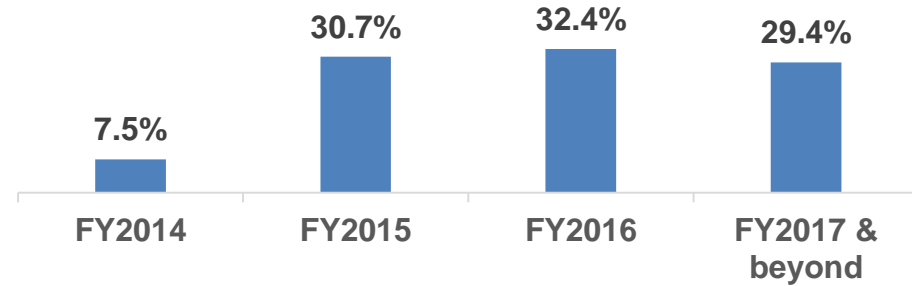
|   | FY2014 | FY2015 | FY2016 | FY2017 and<br>beyond |
|---|--------|--------|--------|----------------------|
| Expires as a %<br>of total NLA              | 7.3%   | 25.1%  | 27.3%  | 40.3%                |
| Expires as a %<br>of Gross Rental<br>Income | 8.5%   | 32.2%  | 27.2%  | 32.1%                |

# Paragon: Well staggered lease expiry

Lease expiry schedule by Gross Rental Income

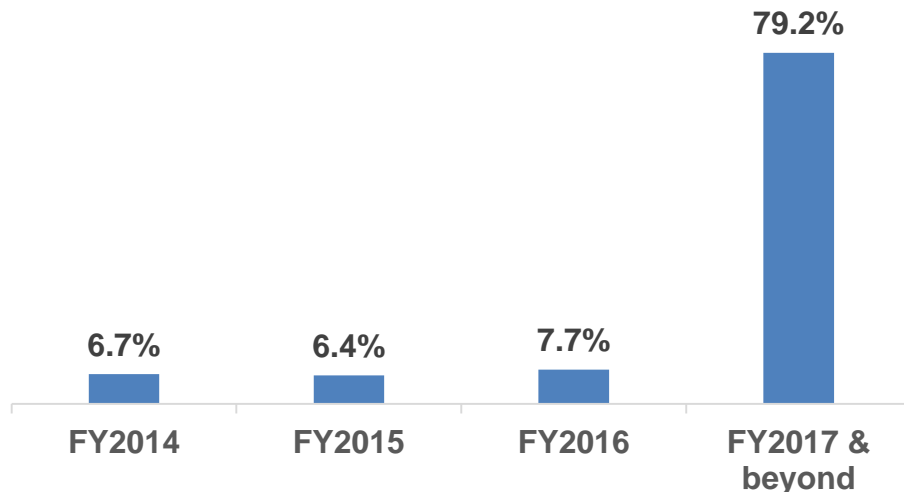


Lease expiry schedule by NLA

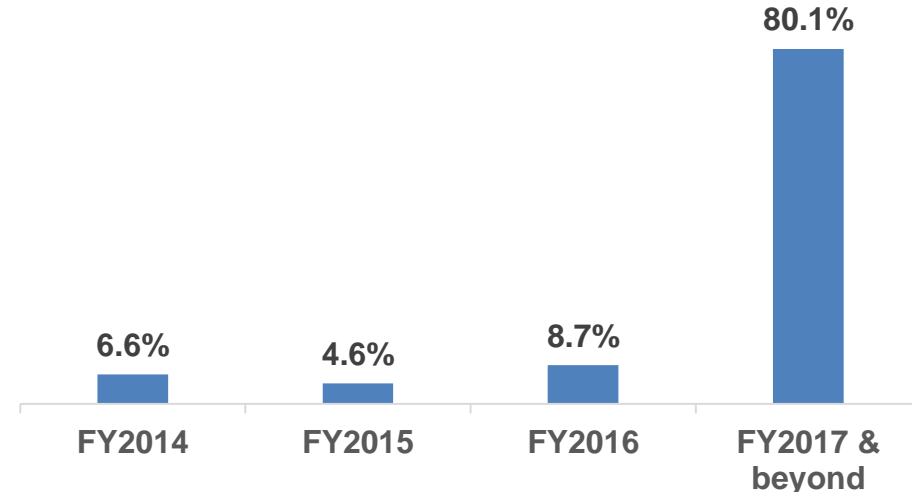


## The Clementi Mall <sup>(a)</sup>: More than 90% of tenants <sup>(b)</sup> renewed another lease term

Lease expiry schedule by Gross Rental Income



Lease expiry schedule by NLA



Notes

(a) The Clementi Mall officially opened in May 2011 and is in its first lease term.

(b) By NLA

# Growth Strategy

# Sponsor's pipeline asset – The Seletar Mall, completion Dec 2014



- Six-storey mall (including two basements of retail) & three-basement levels of carpark, under development in West Sengkang
- Suburban lifestyle hub with NLA 188,000sf and is expected to be completed by December 2014
- Positioned as a family-friendly mall, focusing on the mid-tier customer market
- Confirmed three anchor tenants: cinema operator Shaw Theatres (17,000sf), NTUC Foodfare food court (12,000sf) and upscale supermarket Fairprice Finest (23,000sf)
- A fast growing residential area in Singapore providing a strong catchment of 320,000 residents within a 3-km radius in Singapore
- SPHL's effective interest: 70%

# Multi-pronged growth strategy to ensure growth

## Proactive asset management and asset enhancement strategy

- Ensure that interests of all stakeholders, including tenants, shoppers and unitholders are protected while keeping its properties at the forefront of evolving retail mall trends and relevant to changing demands of consumers
- Continually optimise tenant mix of its properties
- Deliver high quality service to tenants and become the landlord of choice in the Singapore retail real estate space
- Implement asset enhancement initiatives and implement proactive marketing plans

## Investments and acquisition growth strategy

- ROFR on the Sponsor's future income-producing properties used primarily<sup>(1)</sup> for retail purposes in Asia Pacific
  - Currently one applicable ROFR property, The Seletar Mall, which is slated for completion in December 2014
- Explore acquisition opportunities that will add value to SPH REIT's portfolio and improve returns to unitholders

### Note

- (1) 'primarily' means more than 50.0% of net lettable area or (in the case of a property where the concept of net lettable area is not applicable) gross floor area.

# Market outlook

- **Outlook for Singapore economy remains modest**
  - Based on MTI's advance estimates, the Singapore economy grew by 3.7% in 2013.
  - MTI expects the Singapore economy to grow by 2.0% to 4.0% in 2014.
- **Employment in Singapore remains strong**
  - Overall unemployment remained low at 1.8% in September 2013.
  - Real median monthly income for full-time employed residents increased from 2.5% in 2012 to 3.9% <sup>(a)</sup> in 2013.
- **Visitor arrivals increased year-on-year**
  - Visitor arrivals for 1Q 2013 up 9% year-on-year whilst tourist receipts declined 6%.
- **Retail sales down marginally year-on-year**
  - Retail Sales Index (excluding motor vehicles) down marginally by 0.5% in October 2013 and by 0.3% in September 2013, compared to a year ago.

Note:

(a) Based on Ministry of Manpower's preliminary estimate.



# Distribution

# Distribution details and timetable

## Distribution details

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Distribution period 24 July 2013 – 30 November 2013

Distribution per unit 1.86 cents per unit

## Distribution timetable

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Ex-date 15 January 2014

Books closure date 17 January 2014

Distribution payment date 14 February 2014

# Thank You

Please visit [www.sphreit.com.sg](http://www.sphreit.com.sg) for more information.