



Trust Management (Suntec) Limited

Press Release

5 August 2016

Manager of



Suntec REIT forms JV to acquire 50% interest in the iconic Southgate Complex, Melbourne

Singapore, 5 August 2016 – ARA Trust Management (Suntec) Limited, the manager of Suntec Real Estate Investment Trust (“Suntec REIT”, and the “Manager”), is pleased to announce that Suntec REIT, through Southgate Trust, in which it holds a 50% indirect interest, has entered into an agreement to acquire 50% interest in the iconic Southgate Complex (the “Property”) from Dexus Southgate Trust (“Dexus”) for a consideration of A\$289 million.

In addition, separate put and call option agreements have been entered into with Dexus where the remaining 50% interest in Southgate Complex will be acquired for the same purchase consideration of A\$289 million.

Located alongside the Yarra River in the Southbank arts and leisure precinct of Melbourne, Australia, Southgate Complex is a freehold, landmark waterfront integrated development comprising two A-Grade office towers, a 3-storey retail podium and a car park with 1,026 lots. The office and retail components constitute approximately 87% and 13% of the total net lettable area (“NLA”) respectively. Surrounded by business, residential, recreational and retail amenities, the Property is directly opposite Flinders Street train station and within close proximity to Melbourne’s city rail loop.

Commenting on Suntec REIT’s second acquisition in Australia, Mr. Yeo See Kiat, Chief Executive Officer of the Manager, said, “We are pleased to acquire the iconic Southgate Complex which is a strategic fit with Suntec REIT’s portfolio of quality assets and in line with our strategy to expand our footprint in Asia Pacific. The acquisition augments Suntec REIT’s presence in Australia.”

The Property has a total NLA of 820,324 sq ft and is leased to well-established tenants such as IBM, The Herald and Weekly Times, Commonwealth of Australia, APT, Dairy Australia, City Road Melbourne and LinkedIn. The committed occupancy was 88% as at 5 August 2016 with a weighted lease expiry of approximately 4.6 years. The annual rental escalations for the office leases are predominantly between 3% to 4%.

Mr. Yeo said, “The acquisition will further enhance Suntec REIT’s income and geographical diversification. It also offers organic growth potential from the repositioning of the retail component and the strengthening office market in the CBD of Melbourne.”



Southgate Complex, Melbourne

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ABOUT SUNTEC REIT

Listed on 9 December 2004, Suntec REIT holds properties in Suntec City, Singapore's largest integrated commercial development (including one of Singapore's largest shopping mall), a 60.8% interest in Suntec Singapore Convention & Exhibition Centre, a one-third interest in One Raffles Quay, a one-third interest in Marina Bay Financial Centre Towers 1 and 2 and the Marina Bay Link Mall, and a 30.0% interest in Park Mall. Suntec REIT holds a 100% interest in a commercial building located at 177 Pacific Highway, North Sydney Australia. Its aim is to invest in income-producing real estate which is primarily used for retail and/or office purposes. Suntec REIT is managed by an external manager, ARA Trust Management (Suntec) Limited. For more details, please visit www.suntecreit.com.

ABOUT ARA TRUST MANAGEMENT (SUNTEC) LIMITED

Suntec REIT is managed by ARA Trust Management (Suntec) Limited, a wholly-owned subsidiary of ARA Asset Management Limited ("ARA"), an integrated real estate fund manager in Asia which is listed on the Main Board of the Singapore Exchange Securities Trading Limited since November 2007.

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

Established in 2002, to date it has over 1,200 professionals in 18 cities managing total assets of approximately S\$30 billion.

IMPORTANT NOTICE

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in Suntec REIT.

The value of Units and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, ARA Trust Management (Suntec) Limited (as the manager of Suntec REIT) (the "Manager") or any of its affiliates.

An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of Suntec REIT is not necessarily indicative of the future performance of Suntec REIT.

Contacts

ARA Trust Management (Suntec) Limited

Tel: +65 6835 9232

Yeo See Kiat
Chief Executive Officer
seekiatyeo@ara.com.hk

Chan Kong Leong
Chief Operating Officer
kongleongchan@ara.com.hk

Ng Ee San
Director, Finance
eesanng@ara.com.hk

Melissa Chow
Manager, Investor Relations
melissachow@ara.com.hk
