

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

**Table of Contents**

| Item No. | Description   | Page  |
|----------|---|-------|
| -        | Introduction  | 2     |
| -        | Summary of OUE C-REIT Group Results and Distribution Details            | 3-4   |
| 1(a)     | Consolidated Statement of Total Return and Distribution Statement       | 5-7   |
| 1(b)(i)  | Statements of Financial Position  | 8-9   |
| 1(b)(ii) | Aggregate Amount of Borrowings and Debt Securities for OUE C-REIT Group | 9-10  |
| 1(c)     | Consolidated Statement of Cash Flows                                    | 11-12 |
| 1(d)(i)  | Statements of Changes in Unitholders' Funds                             | 12-13 |
| 1(d)(ii) | Details of Any Changes in Units   | 14    |
| 2 & 3    | Audit Statement   | 14    |
| 4 & 5    | Changes in Accounting Policies  | 14-15 |
| 6        | Earnings per Unit and Distribution per Unit                             | 15-16 |
| 7        | Net Asset Value per Unit  | 16    |
| 8        | Review of the Performance   | 17-19 |
| 9        | Variance between Actual and Forecast Results                            | 19-21 |
| 10       | Outlook and Prospects   | 21-22 |
| 11 & 12  | Distribution  | 22-24 |
| 13       | General Mandate relating to Interested Person Transactions              | 24    |
| 14       | Confirmation pursuant to Rule 705(5) of the Listing Manual              | 24    |

Standard Chartered Securities (Singapore) Pte. Limited, CIMB Bank Berhad, Singapore Branch and Oversea-Chinese Banking Corporation Limited were the joint global coordinators and issue managers (collectively, the "Joint Global Coordinators and Issue Managers") for the initial public offering of OUE Commercial Real Estate Investment Trust (the "Offering").

The Joint Global Coordinators and Issue Managers for the Offering assume no responsibility for the contents of this announcement.

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

---

**Introduction**

OUE Commercial Real Estate Investment Trust (“**OUE C-REIT**”) was constituted by a trust deed dated 10 October 2013 (as amended) entered into by OUE Commercial REIT Management Pte. Ltd. as the Manager of OUE C-REIT (the “**Manager**”) and DBS Trustee Limited as the Trustee of OUE C-REIT (the “**Trustee**”).

OUE C-REIT is listed on the Main Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 27 January 2014 (the “**Listing Date**”). The principal investment strategy of OUE C-REIT is to invest, directly or indirectly, in a portfolio of income-producing real estate used primarily for commercial purposes (including real estate used primarily for office and/or retail purposes) in financial and business hubs within and outside of Singapore, as well as real estate-related assets.

OUE C-REIT’s portfolio comprises two prime commercial properties located in Singapore and Shanghai:

- OUE Bayfront: Premium office building with ancillary retail facilities located between the new Marina Bay downtown and Raffles Place, within Singapore’s central business district.
- Lippo Plaza: Grade-A commercial building located along Huai Hai Middle Road in the Huangpu district, one of Shanghai’s established core commercial districts.

On 10 June 2015, OUE C-REIT announced the proposed acquisition of an indirect interest in One Raffles Place, a Grade-A commercial building strategically located in the heart of Singapore’s central business district (the “**Acquisition**”).

On 29 June 2015, OUE C-REIT announced the proposed renounceable rights issue of 393,305,817 new Units in OUE C-REIT to raise gross proceeds of approximately S\$218.3 million (the “**Rights Issue**”). The Rights Issue was completed on 27 July 2015. The new Units were issued at an issue price of S\$0.555 per Unit and rank *pari passu* in all respects with the existing Units in issue and to be issued as at 30 June 2015, including the right to any distributions which may accrue for the financial period from 1 January 2015 to 30 June 2015. The new Units for the Rights Issue were issued on 4 August 2015.

On 27 July 2015 at an extraordinary general meeting of unitholders of OUE C-REIT (the “**Unitholders**”), approval was obtained for the proposed Acquisition and the proposed issue of convertible perpetual preferred units (the “**CPPU**”).

**Distribution Policy**

OUE C-REIT’s distribution policy is to distribute 100.0% of its amount available for distribution to Unitholders from Listing Date to 31 December 2015 semi-annually based on its half-yearly results. Thereafter the Manager will distribute at least 90.0% of OUE C-REIT’s amount available for distribution with the actual level of distribution to be determined at the discretion of the Board of Directors of the Manager.

Unless otherwise stated, all capitalised terms used in this announcement shall have the same meaning as in the prospectus dated 17 January 2014 (the “**Prospectus**”).

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

**Summary of OUE C-REIT Group Results**

**Actual vs Prior Period**

|  | <b>2Q 2015 <sup>(1)</sup><br/>(S\$'000)</b> | <b>2Q 2014 <sup>(2)</sup><br/>(S\$'000)</b> | <b>Change<br/>(%)</b> | <b>1H 2015 <sup>(1)</sup><br/>(S\$'000)</b> | <b>10 Oct 2013<br/>(Constitution<br/>Date) to 30 Jun<br/>2014 <sup>(2),(3)</sup><br/>(S\$'000)</b> | <b>Change<br/>(%)</b> |
|--|---|---|-----------------------|---|--|-----------------------|
| Gross revenue                            | 19,677                                      | 18,670                                      | 5.4                   | 40,088                                      | 32,489   | 23.4                  |
| Net property income                      | 14,693                                      | 14,292                                      | 2.8                   | 30,400                                      | 24,609   | 23.5                  |
| Amount available for distribution        | 12,794                                      | 12,473                                      | 2.6                   | 25,411                                      | 21,116   | 20.3                  |
| Distribution per Unit<br>("DPU") (cents) | 1.46 <sup>(4)</sup>                         | 1.43  | 2.1                   | 2.90 <sup>(4)</sup>                         | 2.43   | 19.3                  |

**Actual vs Forecast**

|  | <b>2Q 2015</b>                             |  |                       | <b>1H 2015</b>                             |  |                       |
|--|--|--|-----------------------|--|--|-----------------------|
|  | <b>Actual <sup>(1)</sup><br/>(S\$'000)</b> | <b>Forecast <sup>(5)</sup><br/>(S\$'000)</b> | <b>Change<br/>(%)</b> | <b>Actual <sup>(1)</sup><br/>(S\$'000)</b> | <b>Forecast <sup>(5)</sup><br/>(S\$'000)</b> | <b>Change<br/>(%)</b> |
| Gross revenue                            | 19,677                                     | 19,287                                       | 2.0                   | 40,088                                     | 38,367                                       | 4.5                   |
| Net property income                      | 14,693                                     | 14,240                                       | 3.2                   | 30,400                                     | 28,250                                       | 7.6                   |
| Amount available for distribution        | 12,794                                     | 12,187                                       | 5.0                   | 25,411                                     | 24,439                                       | 4.0                   |
| Distribution per Unit<br>("DPU") (cents) | 1.46 <sup>(4)</sup>                        | 1.39   | 5.0                   | 2.90 <sup>(4)</sup>                        | 2.79   | 3.9                   |

**Distribution per Unit**

|   | <b>1Q 2015</b> | <b>2Q 2015</b> | <b>1H 2015</b> |
|---|----------------|----------------|----------------|
| Amount available for distribution (S\$'000) | 12,617         | 12,794         | 25,411         |
| Actual DPU (cents) <sup>(6)</sup>           | 0.99           | 1.01           | 2.00           |

Unitholders will be entitled to the Actual DPU of 2.00 cents per Unit for the financial period from 1 January 2015 to 30 June 2015.

Footnotes:

- (1) The current period results of OUE C-REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:4.614 for 2Q 2015 and 1: 4.598 for 1H 2015.
- (2) The prior period results of OUE C-REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:4.977 for 2Q 2014 and 1:4.890 for the financial period 27 January 2014 to 30 June 2014.
- (3) OUE C-REIT was constituted on 10 October 2013 and was dormant since its constitution to the Listing Date. The comparative information presented relates to the financial period from 27 January 2014 to 30 June 2014.
- (4) Based on number of Units in issue and to be issued as at 30 June 2015 without taking into consideration the new Units from the Rights Issue. This DPU is presented for comparison purposes only.
- (5) The Forecast was derived from the Projection for 2015 as disclosed in the Prospectus. An exchange rate of SGD:CNY 1:4.783 was adopted in the Forecast.
- (6) Based on number of Units in issue and to be issued as at 30 June 2015, including the new Units issued on 4 August 2015 pursuant to the Rights Issue. Unitholders will be entitled to this Actual DPU.

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

---

**Distribution Details**

|                                 |  |
|---------------------------------|--|
| <b>Distribution period</b>      | 1 January 2015 to 30 June 2015   |
| <b>Distribution rate / type</b> | 2.00 cents per Unit comprising of:<br>(i) Taxable income distribution of 1.48 cents per Unit<br>(ii) Capital distribution of 0.52 cents per Unit |
| <b>Trade ex-date</b>            | 18 August 2015, 9.00 a.m.  |
| <b>Books closure date</b>       | 20 August 2015, 5.00 p.m.  |
| <b>Payment date</b>             | 15 September 2015  |

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

**1(a) Consolidated Statement of Total Return and Distribution Statement**

| <b><u>Statement of Total Return</u></b>           | <b>Note</b> | <b>2Q 2015 <sup>(1)</sup><br/>(S\$'000)</b> | <b>2Q 2014 <sup>(2)</sup><br/>(S\$'000)</b> | <b>Change (%)</b> | <b>1H 2015 <sup>(1)</sup><br/>(S\$'000)</b> | <b>10 Oct 2013<br/>(Constitution Date) to 30 Jun 2014<br/><sup>(2),(3)</sup><br/>(S\$'000)</b> | <b>Change (%)</b> |
|---|-------------|---|---|-------------------|---|--|-------------------|
| Gross revenue                                     |             | 19,677                                      | 18,670                                      | 5.4               | 40,088                                      | 32,489   | 23.4              |
| Property operating expenses                       |             | (4,984)                                     | (4,378)                                     | 13.8              | (9,688)                                     | (7,880)  | 22.9              |
| <b>Net property income</b>                        |             | 14,693                                      | 14,292                                      | 2.8               | 30,400                                      | 24,609   | 23.5              |
| Other income                                      | 1           | 2,651                                       | 2,392                                       | 10.8              | 4,449                                       | 3,649  | 21.9              |
| Amortisation of intangible asset                  |             | (1,047)                                     | (1,650)                                     | (36.5)            | (2,094)                                     | (2,839)  | (26.2)            |
| Manager's management fees                         |             |   |   |                   |   |  |                   |
| - Base fee  |             | (1,260)                                     | (1,221)                                     | 3.2               | (2,522)                                     | (2,098)  | 20.2              |
| - Performance fee                                 | 2           | -   | (113)                                       | N/M               | -   | (128)  | N/M               |
| Trustee's fee                                     |             | (81)  | (78)  | 3.8               | (161)                                       | (134)  | 20.1              |
| Other expenses                                    |             | (391)                                       | (434)                                       | (9.9)             | (830)                                       | (794)  | 4.5               |
| Finance income                                    |             | 51  | 17  | N/M               | 206   | 34   | N/M               |
| Finance costs                                     | 3           | (4,636)                                     | (4,220)                                     | 9.9               | (9,318)                                     | (7,102)  | 31.2              |
| Foreign exchange differences                      |             | (263)                                       | (304)                                       | (13.5)            | 226   | (559)  | N/M               |
| <b>Net income</b>                                 |             | 9,717                                       | 8,681                                       | 11.9              | 20,356                                      | 14,638   | 39.1              |
| Net change in fair value of investment properties | 4           | -   | -   | -                 | -   | 283,077  | N/M               |
| <b>Total return for the period before tax</b>     |             | 9,717                                       | 8,681                                       | 11.9              | 20,356                                      | 297,715  | (93.2)            |
| Tax expense                                       | 5           | (1,320)                                     | (965)                                       | 36.8              | (2,651)                                     | (40,003)   | (93.4)            |
| <b>Total return for the period</b>                |             | 8,397                                       | 7,716                                       | 8.8               | 17,705                                      | 257,712  | (93.1)            |
| <b><u>Distribution Statement</u></b>              |             |   |   |                   |   |  |                   |
| Total return for the period                       |             | 8,397                                       | 7,716                                       | 8.8               | 17,705                                      | 257,712  | (93.1)            |
| Distribution adjustments                          | 6           | 4,397                                       | 4,757                                       | (7.6)             | 7,706                                       | (236,596)  | N/M               |
| Amount available for distribution                 |             | 12,794                                      | 12,473                                      | 2.6               | 25,411                                      | 21,116   | 20.3              |
| <b><u>Unitholders' Distribution</u></b>           |             |   |   |                   |   |  |                   |
| From operations                                   |             | 9,231                                       | 9,740                                       | (5.2)             | 18,720                                      | 16,701   | 12.1              |
| From Unitholders' contributions                   |             | 3,563                                       | 2,733                                       | 30.4              | 6,691                                       | 4,415  | 51.6              |
| Total Unitholders' distribution                   |             | 12,794                                      | 12,473                                      | 2.6               | 25,411                                      | 21,116   | 20.3              |

N/M: Not meaningful

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

Footnotes:

- (1) The current period results of OUE C-REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:4.614 for 2Q 2015 and 1: 4.598 for 1H 2015.
- (2) The prior period results of OUE C-REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:4.977 for 2Q 2014 and 1:4.890 for the financial period 27 January 2014 to 30 June 2014.
- (3) OUE C-REIT was constituted on 10 October 2013 and was dormant since its constitution to the Listing Date. The comparative information presented relates to the financial period from 27 January 2014 to 30 June 2014.

**Notes to Consolidated Statement of Total Return and Distribution Statement:**

**(1) Other income**

Other income comprises income support relating to the top-up payments from OUE Limited (the "Sponsor") pursuant to the Deed of Income Support dated 9 January 2014 (the "Deed of Income Support").

**(2) Manager's management fees – Performance fee**

Manager's Performance fee is calculated as 25% of the difference in DPU in a financial year with the DPU in the preceding financial year (calculated before accounting for the performance fee but after accounting for the base fee in each financial year) multiplied by the weighted average number of Units in issue for such financial year.

**(3) Finance costs**

Finance costs comprise of the following:

|   | <b>2Q 2015<br/>(S\$'000)</b> | <b>2Q 2014<br/>(S\$'000)</b> | <b>Change<br/>(%)</b> | <b>1H 2015<br/>(S\$'000)</b> | <b>10 Oct 2013<br/>(Constitution<br/>Date) to<br/>30 Jun 2014<br/>(S\$'000)</b> | <b>Change<br/>(%)</b> |
|---|------------------------------|------------------------------|-----------------------|------------------------------|---|-----------------------|
| Borrowing costs                             | 3,520                        | 3,128                        | 12.5                  | 7,116                        | 5,242   | 35.7                  |
| Amortisation of debt<br>establishment costs | 1,116                        | 1,092                        | 2.2                   | 2,202                        | 1,860   | 18.4                  |
| Finance costs                               | 4,636                        | 4,220                        | 9.9                   | 9,318                        | 7,102   | 31.2                  |

**(4) Net change in fair value of investment properties**

Net change in fair value of investment properties for the financial period 10 October 2013 to 30 June 2014 relate to the revaluation gains on both properties of OUE C-REIT between the acquisition costs and their respective independent valuations as at 30 September 2013.

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

**(5) Tax expense**

Tax expense comprises of income tax, deferred tax and withholding tax relating to OUE C-REIT's foreign subsidiaries.

|  | <b>2Q 2015<br/>(S\$'000)</b> | <b>2Q 2014<br/>(S\$'000)</b> | <b>Change<br/>(%)</b> | <b>1H 2015<br/>(S\$'000)</b> | <b>10 Oct 2013<br/>(Constitution<br/>Date) to<br/>30 Jun 2014<br/>(S\$'000)</b> | <b>Change<br/>(%)</b> |
|--|------------------------------|------------------------------|-----------------------|------------------------------|---|-----------------------|
| Current tax                                  |                              |                              |                       |                              |   |                       |
| - Current period                             | 703                          | 502                          | 40.0                  | 1,444                        | 899   | 60.6                  |
| - Under provision in respect of prior period | -                            | -                            | -                     | 106                          | -   | N/M                   |
| Deferred tax                                 |                              |                              |                       |                              |   |                       |
| - Current period                             | 502                          | 340                          | 47.6                  | 987                          | 38,861  | (97.5)                |
| - Over provision in respect of prior period  | -                            | -                            | -                     | (164)                        | -   | N/M                   |
| Withholding tax                              | 115                          | 123                          | (6.5)                 | 278                          | 243   | 14.4                  |
|  | <b>1,320</b>                 | <b>965</b>                   | <b>36.8</b>           | <b>2,651</b>                 | <b>40,003</b>   | <b>(93.4)</b>         |

N/M: Not meaningful

**(6) Distribution adjustments**

|   | <b>2Q 2015<br/>(S\$'000)</b> | <b>2Q 2014<br/>(S\$'000)</b> | <b>Change<br/>(%)</b> | <b>1H 2015<br/>(S\$'000)</b> | <b>10 Oct 2013<br/>(Constitution<br/>Date) to<br/>30 Jun 2014<br/>(S\$'000)</b> | <b>Change<br/>(%)</b> |
|---|------------------------------|------------------------------|-----------------------|------------------------------|---|-----------------------|
| Net change in fair value of investment properties | -                            | -                            | -                     | -                            | (283,077)   | N/M                   |
| Amortisation of intangible asset                  | 1,047                        | 1,650                        | (36.5)                | 2,094                        | 2,839   | (26.2)                |
| Amortisation of debt establishment costs          | 1,181                        | 989                          | 19.4                  | 2,202                        | 1,757   | 25.3                  |
| Management base fees paid/payable in Units        | 1,260                        | 1,221                        | 3.2                   | 2,522                        | 2,098   | 20.2                  |
| Management performance fee payable in Units       | -                            | 113                          | N/M                   | -                            | 128   | N/M                   |
| Trustee's fees                                    | 81                           | 78                           | 3.8                   | 161                          | 134   | 20.1                  |
| Deferred tax expenses                             | 502                          | 340                          | 47.6                  | 823                          | 38,861  | (97.9)                |
| Foreign exchange differences                      | 263                          | 310                          | (15.2)                | (226)                        | 562   | N/M                   |
| Others  | 63                           | 56                           | 12.5                  | 130                          | 102   | 27.5                  |
| Net distribution adjustments                      | <b>4,397</b>                 | <b>4,757</b>                 | <b>(7.6)</b>          | <b>7,706</b>                 | <b>(236,596)</b>  | <b>N/M</b>            |

N/M: Not meaningful

Please refer to Section 8 on Review of the Performance.

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

**1(b)(i) Statements of Financial Position**

|   | Note | Group                                   |   |            | Trust                                   |   |            |
|---|------|---|---|------------|---|---|------------|
|   |      | 30 Jun 2015 <sup>(1)</sup><br>(S\$'000) | 31 Dec 2014 <sup>(2)</sup><br>(S\$'000) | Change (%) | 30 Jun 2015 <sup>(1)</sup><br>(S\$'000) | 31 Dec 2014 <sup>(2)</sup><br>(S\$'000) | Change (%) |
| <b>Non-current assets</b>                     |      |   |   |            |   |   |            |
| Plant and equipment                           |      | 32                                      | 51                                      | (37.3)     | -                                       | -                                       | -          |
| Investment properties                         |      | 1,642,529                               | 1,630,612                               | 0.7        | 1,135,000                               | 1,135,000                               | -          |
| Intangible asset                              | 1    | 10,468                                  | 12,561                                  | (16.7)     | 10,468                                  | 12,561                                  | (16.7)     |
| Investment in subsidiary                      |      | -                                       | -                                       | -          | 262,081                                 | 262,081                                 | -          |
| Financial derivatives                         | 2    | 2,101                                   | 1,478                                   | 42.2       | 2,101                                   | 1,478                                   | 42.2       |
|   |      | 1,655,130                               | 1,644,702                               | 0.6        | 1,409,650                               | 1,411,120                               | (0.1)      |
| <b>Current assets</b>                         |      |   |   |            |   |   |            |
| Trade and other receivables                   | 3    | 5,351                                   | 5,195                                   | 3.0        | 5,539                                   | 7,003                                   | (20.9)     |
| Cash and cash equivalents                     | 4    | 23,730                                  | 31,066                                  | (23.6)     | 3,485                                   | 5,247                                   | (33.6)     |
|   |      | 29,081                                  | 36,261                                  | (19.8)     | 9,024                                   | 12,250                                  | (26.3)     |
|   |      |   |   |            |   |   |            |
| <b>Total assets</b>                           |      | 1,684,211                               | 1,680,963                               | 0.2        | 1,418,674                               | 1,423,370                               | (0.3)      |
| <b>Non-current liabilities</b>                |      |   |   |            |   |   |            |
| Loans and borrowings                          |      | 627,647                                 | 632,730                                 | (0.8)      | 575,138                                 | 569,121                                 | 1.1        |
| Trade and other payables                      | 5    | 17,138                                  | 16,377                                  | 4.6        | 13,142                                  | 11,699                                  | 12.3       |
| Financial derivatives                         | 2    | 803                                     | 973                                     | (17.5)     | 803                                     | 973                                     | (17.5)     |
| Deferred tax liabilities                      |      | 41,986                                  | 40,215                                  | 4.4        | -                                       | -                                       | -          |
|   |      | 687,574                                 | 690,295                                 | (0.4)      | 589,083                                 | 581,793                                 | 1.3        |
| <b>Current liabilities</b>                    |      |   |   |            |   |   |            |
| Loans and borrowings                          |      | 945                                     | 168                                     | N/M        | -                                       | -                                       | -          |
| Trade and other payables                      | 5    | 28,266                                  | 28,908                                  | (2.2)      | 9,649                                   | 11,966                                  | (19.4)     |
| Current tax payable                           | 6    | 4,426                                   | 3,807                                   | 16.3       | -                                       | -                                       | -          |
| Financial derivatives                         | 2    | 29                                      | -                                       | N/M        | 29                                      | -                                       | N/M        |
|   |      | 33,666                                  | 32,883                                  | 2.4        | 9,678                                   | 11,966                                  | (19.1)     |
| <b>Total liabilities</b>                      |      | 721,240                                 | 723,178                                 | (0.3)      | 598,761                                 | 593,759                                 | 0.8        |
|   |      |   |   |            |   |   |            |
| <b>Net assets attributable to Unitholders</b> |      | 962,971                                 | 957,785                                 | 0.5        | 819,913                                 | 829,611                                 | (1.2)      |
|   |      |   |   |            |   |   |            |
| <b>Represented by:</b>                        |      |   |   |            |   |   |            |
| Unitholders' funds                            |      | 962,971                                 | 957,785                                 | 0.5        | 819,913                                 | 829,611                                 | (1.2)      |
|   |      |   |   |            |   |   |            |

N/M: Not meaningful

Footnotes:

- (1) The statements of financial position of OUE C-REIT's foreign subsidiaries as at 30 June 2015 are translated using the SGD:CNY rate of 1:4.613.
- (2) The statements of financial position of OUE C-REIT's foreign subsidiaries as at 31 December 2014 are translated using the SGD:CNY rate of 1:4.721.



**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

**Notes to Statements of Financial Position:**

**(1) Intangible asset**

Intangible asset represents the unamortised income support receivable by OUE C-REIT from the Sponsor pursuant to the Deed of Income Support. The decrease in intangible assets was due to the amortisation of intangible asset.

**(2) Financial derivatives**

Financial derivatives represent the fair value of the interest rate swaps entered to hedge the floating interest rate risk of OUE C-REIT Group's borrowings. The movement for the financial period from December 2014 to June 2015 was due to favourable changes in the fair value of the interest rate swaps as at 30 June 2015.

**(3) Trade and other receivables**

The decrease in the Trust's trade and other receivables is mainly due to the settlement of balances due from a subsidiary in 1Q 2015.

**(4) Cash and cash equivalents**

The decrease in the Group's cash and cash equivalents is mainly due to the partial prepayment of the RMB-denominated term loan facility in April 2015 and the distributions paid to Unitholders in February 2015.

**(5) Trade and other payables**

The increase in the Group's and Trust's non-current trade and other payables and the corresponding decrease in current trade and other payables is mainly due to the reclassification of tenants' rental deposits from current to non-current as a result of lease renewals.

**(6) Current tax payable**

The increase in current tax payable from S\$3.8 million to S\$4.4 million is mainly due to the better performance of Lippo Plaza in current financial period, resulting in higher current tax provision.

**1 (b)(ii) Aggregate Amount of Borrowings and Debt Securities for OUE C-REIT Group**

|  | <b>30 Jun 2015 <sup>(1)</sup></b><br><b>(S\$'000)</b> | <b>31 Dec 2014 <sup>(2)</sup></b><br><b>(S\$'000)</b> |
|--|---|---|
| Secured borrowings                             |   |   |
| Amount repayable within one year, or on demand | 954   | 169   |
| Amount repayable after one year                | 637,004   | 644,278   |
| Less: Debt establishment costs <sup>(3)</sup>  | (9,366)   | (11,549)  |
| Total secured borrowings                       | 628,592   | 632,898   |
| Unsecured borrowings                           | -   | -   |
| Total borrowings                               | 628,592   | 632,898   |

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

---

Footnotes:

- (1) The borrowings of OUE C-REIT's foreign subsidiaries as at 30 June 2015 are translated using the SGD:CNY rate of 1:4.613.
- (2) The borrowings of OUE C-REIT's foreign subsidiaries as at 31 December 2014 are translated using the SGD:CNY rate of 1:4.721.
- (3) Debt establishment costs are amortised over the tenure of the respective loan facilities.

**Details of any collaterals**

The OUE C-REIT Group has total credit facilities of approximately S\$734.0 million comprising (1) S\$580.0 million term loan facilities, (2) S\$100.0 million revolving credit facility and (3) RMB248.9 million term loan facility. Approximately S\$638.0 million of the facilities were utilised as at 30 June 2015.

The S\$580.0 million term loan facilities and S\$100.0 million revolving credit facility are secured by:

- (a) a registered first legal mortgage over OUE Bayfront;
- (b) legal assignment of all insurance save in respect of the third party liability insurance including workmen's compensation taken in respect of OUE Bayfront;
- (c) assignment of all rights, titles, benefits and interest in connection with any lease or tenancy agreement, lease or tenancy deposit/proceeds, sales agreements, sales deposits/proceeds, deed of income support and property management agreements in respect of OUE Bayfront; and
- (d) a debenture incorporating a fixed charge over book debts, charged accounts, goodwill, intellectual property and plant and machinery in connection with OUE Bayfront and floating charge over generally all present and future assets of OUE C-REIT in connection with OUE Bayfront.

The RMB248.9 million term loan facility is secured by:

- (a) a first priority mortgage over Lippo Realty (Shanghai) Limited's (the "PRC Company") right, title and interests in Lippo Plaza;
- (b) the account control over certain bank accounts of the PRC Company;
- (c) an assignment of the rights under the property management agreement, insurance policies save in respect of third party liability insurance; and
- (d) a first priority pledge over receivables from Lippo Plaza including all monetary rights, title, claims and interest, present and future, actual and contingent arising from any existing and future tenancy agreements with respect to Lippo Plaza.

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

**1 (c) Consolidated Statement of Cash Flows**

|  | Note | 2Q 2015<br>(S\$'000) | 2Q 2014<br>(S\$'000) | 1H 2015<br>(S\$'000) | 10 Oct 2013<br>(Constitution<br>Date) to 30<br>Jun 2014 <sup>(1)</sup><br>(S\$'000) |
|--|------|----------------------|----------------------|----------------------|---|
| <b>Cash flows from operating activities</b>                  |      |                      |                      |                      |   |
| Total return for the period                                  |      | 8,397                | 7,716                | 17,705               | 257,712   |
| Adjustments for:   |      |                      |                      |                      |   |
| Amortisation of intangible asset                             |      | 1,047                | 1,650                | 2,094                | 2,839   |
| Depreciation of plant and equipment                          |      | 1                    | 2                    | 3                    | 3   |
| Finance costs  |      | 4,636                | 4,220                | 9,318                | 7,102   |
| Finance income   |      | (51)                 | (17)                 | (206)                | (34)  |
| Manager's management fees paid/ payable in Units             |      | 1,260                | 1,334                | 2,522                | 2,226   |
| Net change in fair value of investment properties            |      | -                    | -                    | -                    | (283,077)   |
| Tax expense  |      | 1,320                | 965                  | 2,651                | 40,003  |
| Operating income before working capital changes              |      | 16,610               | 15,870               | 34,087               | 26,774  |
| Changes in working capital:                                  |      |                      |                      |                      |   |
| Trade and other receivables                                  |      | (2,460)              | 2,131                | (160)                | (4,497)   |
| Trade and other payables                                     |      | 114                  | (138)                | (616)                | 24,358  |
| <b>Cash generated from operating activities</b>              |      | 14,264               | 17,863               | 33,311               | 46,635  |
| Tax paid   |      | (739)                | (483)                | (1,150)              | (483)   |
| <b>Net cash from operating activities</b>                    |      | 13,525               | 17,380               | 32,161               | 46,152  |
| <b>Cash flow from investing activities</b>                   |      |                      |                      |                      |   |
| Acquisition of subsidiaries, net of cash acquired            |      | -                    | -                    | -                    | (127,664)   |
| Acquisition of investment property and intangible assets     | 1    | -                    | -                    | -                    | (658,600)   |
| Additions to plant and equipment                             |      | -                    | -                    | (2)                  | -   |
| Payment for capital expenditure on investment properties     |      | (15)                 | (30)                 | (219)                | (30)  |
| Interest received  |      | 51                   | 17                   | 206                  | 34  |
| <b>Net cash from/(used in) investing activities</b>          |      | 36                   | (13)                 | (15)                 | (786,260)   |
| <b>Cash flows from/(used in) financing activities</b>        |      |                      |                      |                      |   |
| Distribution paid  |      | -                    | -                    | (24,777)             | -   |
| Interest paid  |      | (3,648)              | (3,008)              | (7,255)              | (3,008)   |
| Payment of transaction costs related to the issue of Units   | 3    | -                    | (57)                 | -                    | (16,187)  |
| Payment of transaction costs related to loans and borrowings |      | -                    | -                    | -                    | (15,624)  |
| Proceeds from issue of Units                                 | 1, 2 | -                    | -                    | -                    | 346,400   |
| Proceeds from borrowings                                     |      | -                    | -                    | 14,000               | 682,379   |
| Repayment of borrowings                                      |      | (18,995)             | (35,000)             | (22,081)             | (226,831)   |
| Movement in restricted cash                                  |      | 652                  | -                    | 652                  | (2,218)   |
| <b>Net cash (used in)/from financing activities</b>          |      | (21,991)             | (38,065)             | (39,461)             | 764,911   |
| <b>Net (decrease)/increase in cash and cash equivalents</b>  |      | (8,430)              | (20,698)             | (7,315)              | 24,803  |
| Cash and cash equivalents at beginning of the period         |      | 31,044               | 45,223               | 28,736               | -   |
| Effect of exchange rate fluctuations on cash held            |      | (619)                | (323)                | 574                  | (601)   |
| <b>Cash and cash equivalents at end of the period</b>        | 4    | 21,995               | 24,202               | 21,995               | 24,202  |

Footnote:

(1) OUE C-REIT was constituted on 10 October 2013 and was dormant since its constitution to the Listing Date. The comparative information presented relates to the financial period from 27 January 2014 to 30 June 2014.

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

**Notes to Consolidated Statement of Cash Flows:**

- (1) 432,999,999 Units amounting to S\$346.4 million were issued to Clifford Development Pte Ltd, a wholly owned subsidiary of OUE Limited and the vendor of OUE Bayfront, as partial satisfaction of the purchase consideration for the property (“Consideration Units”).
- (2) An aggregate of 433,000,000 Units amounting to S\$346.4 million were issued on Listing Date.
- (3) Transaction costs relating to the issue of Units were paid out from the gross proceeds from the initial public offering. Such costs were incurred in accordance with pages 102 and 103 of the Prospectus. With the payment of these transaction costs, the gross proceeds of the initial public offering have been materially disbursed.
- (4) For purpose of the Consolidated Statement of Cash Flows, the OUE C-REIT Group cash and cash equivalents comprise the following:

|  | <b>30 Jun 2015<br/>(S\$'000)</b> | <b>30 Jun 2014<br/>(S\$'000)</b> |
|--|----------------------------------|----------------------------------|
| Bank and cash balances                         | 14,031                           | 16,323                           |
| Fixed deposit                                  | 9,699                            | 10,052                           |
| Cash and cash equivalents at end of the period | 23,730                           | 26,375                           |
| Less: Restricted cash                          | (1,735)                          | (2,173)                          |
| Cash and cash equivalents                      | 21,995                           | 24,202                           |

**1 (d)(i) Statements of Changes in Unitholders' Funds**

|  | <b>Group</b>                 |                              | <b>Trust</b>                 |                              |
|--|------------------------------|------------------------------|------------------------------|------------------------------|
|  | <b>2Q 2015<br/>(S\$'000)</b> | <b>2Q 2014<br/>(S\$'000)</b> | <b>2Q 2015<br/>(S\$'000)</b> | <b>2Q 2014<br/>(S\$'000)</b> |
| <b>Balance at beginning of financial period</b>                            |                              |                              |                              |                              |
| <b>Operations</b>  | 964,252                      | 917,934                      | 814,249                      | 810,625                      |
| Total return for the period  | 8,397                        | 7,716                        | 5,769                        | 5,607                        |
| <b>Net increase in net assets resulting from operations</b>                | 8,397                        | 7,716                        | 5,769                        | 5,607                        |
| <b>Unitholders' transactions</b>   |                              |                              |                              |                              |
| Issue of new Units   |                              |                              |                              |                              |
| - Manager's management fees paid/payable in Units                          | 1,260                        | 1,334                        | 1,260                        | 1,334                        |
| Issue expenses   | -                            | 688                          | -                            | 688                          |
| <b>Net increase in net assets resulting from Unitholders' transactions</b> | 1,260                        | 2,022                        | 1,260                        | 2,022                        |
| <b>Movement in foreign currency translation reserve</b>                    | (9,573)                      | (7,380)                      | -                            | -                            |
| <b>Hedging transactions</b>  |                              |                              |                              |                              |
| Effective portion of change in fair value of cash flow hedges              | (1,365)                      | (2,203)                      | (1,365)                      | (2,203)                      |
| <b>Net decrease in net assets resulting from hedging transactions</b>      | (1,365)                      | (2,203)                      | (1,365)                      | (2,203)                      |
| <b>Total Unitholders' funds as at end of the period</b>                    | 962,971                      | 918,089                      | 819,913                      | 816,051                      |

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

**1 (d)(i) Statements of Changes in Unitholders' Funds (cont'd)**

|  | Group                |   | Trust                |   |
|--|----------------------|---|----------------------|---|
|  | 1H 2015<br>(S\$'000) | 10 Oct 2013<br>(Constitution<br>Date) to 30<br>Jun 2014 <sup>(1)</sup><br>(S\$'000) | 1H 2015<br>(S\$'000) | 10 Oct 2013<br>(Constitution<br>Date) to 30<br>Jun 2014 <sup>(1)</sup><br>(S\$'000) |
| <b>Balance at beginning of the financial period</b>                                    |                      |   |                      |   |
| <b>Operations</b>  | 957,785              | - <sup>(2)</sup>  | 829,611              | - <sup>(2)</sup>  |
| Total return for the period  | 17,705               | 257,712   | 11,793               | 139,674   |
| <b>Net increase in net assets resulting from operations</b>                            | 17,705               | 257,712   | 11,793               | 139,674   |
| <b>Unitholders' transactions</b>   |                      |   |                      |   |
| Issue of new Units   |                      |   |                      |   |
| - Initial public offering  | -                    | 346,400   | -                    | 346,400   |
| - Consideration Units  | -                    | 346,400   | -                    | 346,400   |
| - Manager's management fees paid/payable in Units                                      | 2,522                | 2,226   | 2,522                | 2,226   |
| Issue expenses   | -                    | (16,442)  | -                    | (16,442)  |
| Distribution paid to Unitholders   | (24,777)             | -   | (24,777)             | -   |
| <b>Net (decrease)/ increase in net assets resulting from Unitholders' transactions</b> | (22,255)             | 678,584   | (22,255)             | 678,584   |
| <b>Movement in foreign currency translation reserve</b>                                | 8,972                | (16,000)  | -                    | -   |
| <b>Hedging transactions</b>  |                      |   |                      |   |
| Effective portion of change in fair value of cash flow hedges                          | 764                  | (2,207)   | 764                  | (2,207)   |
| <b>Net increase/ (decrease) in net assets resulting from hedging transactions</b>      | 764                  | (2,207)   | 764                  | (2,207)   |
| <b>Total Unitholders' funds as at end of the period</b>                                | 962,971              | 918,089   | 819,913              | 816,051   |

Footnotes:

- (1) OUE C-REIT was constituted on 10 October 2013 and was dormant since its constitution to the Listing Date. The comparative information presented relates to the financial period from 27 January 2014 to 30 June 2014.
- (2) Less than S\$1,000

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

**1 (d)(ii) Details of Any Changes in Units (Group and Trust)**

|  | <b>2Q 2015<br/>('000)</b> | <b>2Q 2014<br/>('000)</b> | <b>1H 2015<br/>('000)</b> | <b>10 Oct 2013<br/>(Constitution<br/>Date) to 30<br/>Jun 2014 <sup>(1)</sup><br/>('000)</b> |
|--|---------------------------|---------------------------|---------------------------|---|
| <b>Units in issue:</b>                       |                           |                           |                           |   |
| At the beginning of the financial period     | 872,430                   | 866,000                   | 870,197                   | - <sup>(2)</sup>  |
| Issue of new Units relating to:              |                           |                           |                           |   |
| - Initial public offering                    | -                         | -                         | -                         | 433,000   |
| - Consideration Units                        | -                         | -                         | -                         | 433,000   |
| - Manager's management fee paid in<br>Units  | 1,583                     | 1,105                     | 3,816                     | 1,105   |
| At end of period                             | 874,013                   | 867,105                   | 874,013                   | 867,105   |
| <b>Units to be issued:</b>                   |                           |                           |                           |   |
| Manager's management fee payable<br>in Units | 1,554                     | 1,688                     | 1,554                     | 1,688   |
| At the end of the period                     | 875,567                   | 868,793                   | 875,567                   | 868,793   |

Footnotes:

- (1) OUE C-REIT was constituted on 10 October 2013 and was dormant since its constitution to the Listing Date. The comparative information presented relates to the financial period from 27 January 2014 to 30 June 2014.
- (2) Less than S\$1,000

On 4 August 2015, OUE C-REIT issued 393,305,817 new Units pursuant to the Rights Issue, resulting in a total of 1,268,872,775 Units issued and to be issued as at 30 June 2015. The new Units rank parri passu with the existing Units in issue and to be issued as at 30 June 2015, including the right to any distributions which may accrue for the financial period from 1 January 2015 to 30 June 2015. Details of the Rights Issue are set out on page 2 of this announcement.

**2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice**

The figures have not been audited or reviewed.

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

Not applicable.

**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 adopted in the preparation of the financial statements for the current report financial period are consistent with those described in the audited financial statements for the financial period ended 31 December 2014.

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

- 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 and Distribution per Unit**

**Earnings per Unit (“EPU”)**

|                                  | <b>2Q 2015 <sup>(1)</sup></b> | <b>2Q 2014</b>                    |                               |
|----------------------------------|-------------------------------|-----------------------------------|-------------------------------|
|                                  |                               | <b>As restated <sup>(1)</sup></b> | <b>As previously reported</b> |
| Weighted average number of Units | 966,502,380                   | 958,886,599                       | 867,142,882                   |
| Earnings per Unit                |                               |                                   |                               |
| - Basic and Diluted (Cents)      | 0.87                          | 0.80                              | 0.89                          |

|                                  | <b>1H 2015 <sup>(1)</sup></b> | <b>10 Oct 2013 (Constitution Date ) to 30 June 2014</b> |                               |
|----------------------------------|-------------------------------|---|-------------------------------|
|                                  |                               | <b>As restated <sup>(1)</sup></b>                       | <b>As previously reported</b> |
| Weighted average number of Units | 965,632,240                   | 958,372,796   | 866,678,238                   |
| Earnings per Unit                |                               |   |                               |
| - Basic and Diluted (Cents)      | 1.83                          | 26.89   | 29.74                         |

The Diluted EPU is the same as the Basic EPU as there is no dilutive instrument in issue at the reporting date. On 27 July 2015, Unitholders approved the proposed issue of CPPUs to partially fund the proposed acquisition of an indirect interest in One Raffles Place. The CPPUs will impact the Diluted EPU when they are issued.

**Distribution per Unit (“DPU”)**

|                                      | <b>2Q 2015</b>               | <b>2Q 2014</b>                        |                               |
|--------------------------------------|------------------------------|---------------------------------------|-------------------------------|
|                                      |                              | <b>As restated <sup>(2),(3)</sup></b> | <b>As previously reported</b> |
| No of Units entitled to distribution | 1,268,872,775 <sup>(4)</sup> | 1,261,938,660                         | 868,632,843 <sup>(5)</sup>    |
| Distribution per Unit (Cents)        | 1.01                         | 0.99                                  | 1.43                          |

|                                      | <b>1H 2015</b>               | <b>10 Oct 2013 (Constitution Date ) to 30 June 2014</b> |                               |
|--------------------------------------|------------------------------|---|-------------------------------|
|                                      |                              | <b>As restated <sup>(2),(3)</sup></b>                   | <b>As previously reported</b> |
| No of Units entitled to distribution | 1,268,872,775 <sup>(4)</sup> | 1,261,938,660   | 868,632,843 <sup>(5)</sup>    |
| Distribution per Unit (Cents)        | 2.00                         | 1.67  | 2.43                          |

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

---

Footnotes:

- (1) The weighted average number of Units and EPU have been adjusted to reflect the bonus element in the new Units issued pursuant to the Rights Issue on 4 August 2015.
- (2) The number of Units entitled for distribution and DPU have been restated to include the 393,305,817 new Units issued pursuant to the Rights Issue on 4 August 2015.
- (3) The DPU for 2Q 2014 and from 10 October 2013 (Constitution Date) to 30 June 2014 based on the number of Units entitled to distribution, adjusted for the bonus element in the Rights Units, as of those dates are 1.30 cents and 2.20 cents, respectively.
- (4) Comprises the Units in issue and to be issued as at 30 June 2015 of 875,566,958 Units (note 1(d)(ii)) and 393,305,817 new Units issued pursuant to the Rights Issue on 4 August 2015.
- (5) Comprises the Units in issue as at 30 June 2014 of 867,105,242 Units (note 1(d)(ii)) and Units to be issued to the Manager as satisfaction of Manager's base fee payable for 2Q 2014 of 1,527,601.

**7 Net Asset Value per Unit**

|  | <b>Group</b>       |                    | <b>Trust</b>       |                    |
|--|--------------------|--------------------|--------------------|--------------------|
|  | <b>30 Jun 2015</b> | <b>31 Dec 2014</b> | <b>30 Jun 2015</b> | <b>31 Dec 2014</b> |
| No of Units in issue and to be issued at end of period | 875,566,958        | 872,429,898        | 875,566,958        | 872,429,898        |
| Net asset value (" <b>NAV</b> ") per Unit (S\$)        | 1.10               | 1.10               | 0.94               | 0.95               |

The NAV per Unit is computed based on the Units in issue and to be issued as at the end of the financial period (note 1(d)(ii)).



**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

**8 Review of the Performance**

|   | <b>2Q<br/>2015 <sup>(1)</sup><br/>(S\$'000)</b> | <b>2Q<br/>2014 <sup>(2)</sup><br/>(S\$'000)</b> | <b>Change<br/>(%)</b> | <b>1H<br/>2015 <sup>(1)</sup><br/>(S\$'000)</b> | <b>10 Oct 2013<br/>(Constitution<br/>Date) to<br/>30 Jun<br/>2014 <sup>(2),(3)</sup><br/>(S\$'000)</b> | <b>Change<br/>(%)</b> |
|---|---|---|-----------------------|---|--|-----------------------|
| <b><u>Statement of Total Return</u></b>           |   |   |                       |   |  |                       |
| Gross revenue                                     | 19,677  | 18,670  | 5.4                   | 40,088  | 32,489   | 23.4                  |
| Property operating expenses                       | (4,984)   | (4,378)   | 13.8                  | (9,688)   | (7,880)  | 22.9                  |
| <b>Net property income</b>                        | <b>14,693</b>                                   | <b>14,292</b>                                   | <b>2.8</b>            | <b>30,400</b>                                   | <b>24,609</b>  | <b>23.5</b>           |
| Other income                                      | 2,651   | 2,392   | 10.8                  | 4,449   | 3,649  | 21.9                  |
| Amortisation of intangible asset                  | (1,047)   | (1,650)   | (36.5)                | (2,094)   | (2,839)  | (26.2)                |
| Manager's management fees                         |   |   |                       |   |  |                       |
| - Base fee  | (1,260)   | (1,221)   | 3.2                   | (2,522)   | (2,098)  | 20.2                  |
| - Performance fee                                 | -   | (113)   | N/M                   | -   | (128)  | N/M                   |
| Trustee's fee                                     | (81)  | (78)  | 3.8                   | (161)   | (134)  | 20.1                  |
| Other expenses                                    | (391)   | (434)   | (9.9)                 | (830)   | (794)  | 4.5                   |
| Finance income                                    | 51  | 17  | N/M                   | 206   | 34   | N/M                   |
| Finance costs                                     | (4,636)   | (4,220)   | 9.9                   | (9,318)   | (7,102)  | 31.2                  |
| Foreign exchange differences                      | (263)   | (304)   | (13.5)                | 226   | (559)  | N/M                   |
| <b>Net income</b>                                 | <b>9,717</b>                                    | <b>8,681</b>                                    | <b>11.9</b>           | <b>20,356</b>                                   | <b>14,638</b>  | <b>39.1</b>           |
| Net change in fair value of investment properties | -   | -   | -                     | -   | 283,077  | N/M                   |
| <b>Total return for the period before tax</b>     | <b>9,717</b>                                    | <b>8,681</b>                                    | <b>11.9</b>           | <b>20,356</b>                                   | <b>297,715</b>   | <b>(93.2)</b>         |
| Tax expense                                       | (1,320)   | (965)   | 36.8                  | (2,651)   | (40,003)   | (93.4)                |
| <b>Total return for the period</b>                | <b>8,397</b>                                    | <b>7,716</b>                                    | <b>8.8</b>            | <b>17,705</b>                                   | <b>257,712</b>   | <b>(93.1)</b>         |
| <b><u>Distribution Statement</u></b>              |   |   |                       |   |  |                       |
| Total return for the period                       | 8,397   | 7,716   | 8.8                   | 17,705  | 257,712  | (93.1)                |
| Distribution adjustments                          | 4,397   | 4,757   | (7.6)                 | 7,706   | (236,596)  | N/M                   |
| Amount available for distribution                 | 12,794  | 12,473  | 2.6                   | 25,411  | 21,116   | 20.3                  |

N/M: Not meaningful

Footnotes:

- (1) The current period results of OUE C-REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:4.614 for 2Q 2015 and 1: 4.598 for 1H 2015.
- (2) The prior period results of OUE C-REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:4.977 for 2Q 2014 and 1:4.890 for the financial period 27 January 2014 to 30 June 2014.
- (3) OUE C-REIT was constituted on 10 October 2013 and was dormant since its constitution to the Listing Date. The comparative information presented relates to the financial period from 27 January 2014 to 30 June 2014.

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

---

**Review of OUE C-REIT Group's performance 2Q 2015 vs 2Q 2014**

Gross revenue of S\$19.7 million was 5.4% higher mainly due to higher rental income from Lippo Plaza and other property-related income from both properties. Property operating expenses of S\$5.0 million was higher by 13.8% mainly due to higher property tax as a result of higher gross revenue and higher maintenance expenses incurred by both properties. This was partly offset by lower utilities cost at OUE Bayfront. As a result, net property income of S\$14.7 million was 2.8% higher in 2Q 2015.

Other income of S\$2.7 million was 10.8% higher mainly due to higher drawdown of income support as a result of a non-renewal lease in OUE Bayfront in April 2015. To date, approximately 51.9% of this space has been back-filled with new tenants at rental rates which are higher than the non-renewal lease.

Amortisation of intangible asset of S\$1.0 million was 36.5% lower. An impairment on intangible asset of S\$14.3 million recognised in 4Q 2014 led to a lower intangible asset and hence lower amortisation.

Other expenses of S\$0.4 million was 9.9% lower mainly due to lower trust expenses incurred.

Finance costs of S\$4.6 million was 9.9% higher mainly due to higher proportion of fixed rate debt in 2Q 2015 and higher interest rates as compared to 2Q 2014.

Tax expense of S\$1.3 million was 36.8% higher mainly due to higher corporate tax provision as a result of better performance at Lippo Plaza and deferred tax provision.

Total return for the period of S\$8.4 million was 8.8% higher as a result of the above.

**Review of OUE C-REIT Group's performance 1H 2015 vs financial period from 27 January 2014 to 30 June 2014 ("Prior Period")**

Gross revenue of S\$40.1 million was 23.4% higher mainly because the comparative information relates to a shorter period from Listing Date of 27 January 2014 to 30 June 2014. Similarly, property operating expenses was approximately 22.9% higher for 1H 2015.

After adjusting for the shorter period, gross revenue was approximately 5.7% higher mainly due to higher rental income achieved in Lippo Plaza and other property-related income from both properties. Property operating expenses was higher by 5.3% mainly due higher property tax as a result of higher gross revenue and higher maintenance expenses incurred by both properties. This was partly offset by lower utilities cost at OUE Bayfront. As a result, net property income was 5.8% higher after adjusting for the shorter prior period.

Other income of S\$4.4 million was 21.9% higher as a result of a shorter prior period. After adjusting, the increase was approximately 4.4%.

Amortisation of intangible asset of S\$2.1 million was 26.2% lower, mainly due to the impairment of intangible asset mentioned in the description above.

Finance costs of S\$9.3 million was 31.2% higher. Other than the longer period in 1H 2015, the higher finance cost was also due to higher proportion of fixed rate debt in 1H 2015 and higher interest rates as compared to Prior Period. Adjusting for the shorter period, the increase is approximately 12.4%.

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

Tax expense of S\$2.7 million was 93.4% lower than the S\$40.0 million mainly due to the deferred tax provision on fair value gain of Lippo Plaza in Prior Period.

Amount available for distribution was approximately 20.3% higher than Prior Period, and 3.1% higher after adjusting for the shorter prior period.

**9 Variance between Actual and Forecast Results**

| <b>Statement of Total Return</b>              | <b>2Q 2015</b>                             |  |                       | <b>1H 2015</b>                             |  |                       |
|---|--|--|-----------------------|--|--|-----------------------|
|   | <b>Actual <sup>(1)</sup><br/>(S\$'000)</b> | <b>Forecast <sup>(2)</sup><br/>(S\$'000)</b> | <b>Change<br/>(%)</b> | <b>Actual <sup>(1)</sup><br/>(S\$'000)</b> | <b>Forecast <sup>(2)</sup><br/>(S\$'000)</b> | <b>Change<br/>(%)</b> |
| Gross revenue                                 | 19,677                                     | 19,287                                       | 2.0                   | 40,088                                     | 38,367                                       | 4.5                   |
| Property operating expenses                   | (4,984)                                    | (5,047)                                      | (1.2)                 | (9,688)                                    | (10,117)                                     | (4.2)                 |
| <b>Net property income</b>                    | <b>14,693</b>                              | <b>14,240</b>                                | <b>3.2</b>            | <b>30,400</b>                              | <b>28,250</b>                                | <b>7.6</b>            |
| Other income                                  | 2,651                                      | 2,085  | 27.1                  | 4,449                                      | 4,513  | (1.4)                 |
| Amortisation of intangible asset              | (1,047)                                    | (1,650)                                      | (36.5)                | (2,094)                                    | (3,300)                                      | (36.5)                |
| Manager's management fees                     |  |  |                       |  |  |                       |
| - Base fee                                    | (1,260)                                    | (1,252)                                      | 0.6                   | (2,522)                                    | (2,510)                                      | 0.5                   |
| - Performance fee                             | -  | (84)   | N/M                   | -  | (168)  | N/M                   |
| Trustee's fee                                 | (81)                                       | (80)   | 1.3                   | (161)                                      | (160)  | 0.6                   |
| Other expenses                                | (391)                                      | (645)  | (39.4)                | (830)                                      | (1,290)                                      | (35.7)                |
| Finance income                                | 51   | -  | N/M                   | 206  | -  | N/M                   |
| Finance costs                                 | (4,636)                                    | (4,441)                                      | 4.4                   | (9,318)                                    | (8,883)                                      | 4.9                   |
| Foreign exchange differences                  | (263)                                      | -  | N/M                   | 226  | -  | N/M                   |
| <b>Total return for the period before tax</b> | <b>9,717</b>                               | <b>8,173</b>                                 | <b>18.9</b>           | <b>20,356</b>                              | <b>16,452</b>                                | <b>23.7</b>           |
| Tax expense                                   | (1,320)                                    | (888)  | 48.6                  | (2,651)                                    | (1,821)                                      | 45.6                  |
| <b>Total return for the period</b>            | <b>8,397</b>                               | <b>7,285</b>                                 | <b>15.3</b>           | <b>17,705</b>                              | <b>14,631</b>                                | <b>21.0</b>           |
| <b><u>Distribution Statement</u></b>          |  |  |                       |  |  |                       |
| Total return for the period                   | 8,397                                      | 7,285  | 15.3                  | 17,705                                     | 14,631                                       | 21.0                  |
| Distribution adjustments                      | 4,397                                      | 4,902  | (10.3)                | 7,706                                      | 9,808  | (21.4)                |
| Amount available for distribution             | 12,794                                     | 12,187                                       | 5.0                   | 25,411                                     | 24,439                                       | 4.0                   |

N/M: Not meaningful

Footnotes:

- (1) The Actual results of OUE C-REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:4.614 for 2Q 2015 and 1: 4.598 for 1H 2015.
- (2) The Forecast was derived from the Projection for 2015 disclosed in the Prospectus. An exchange rate of SGD:CNY 1:4.783 was adopted in the Forecast.

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

---

**Review of OUE C-REIT Group's performance Actual vs Forecast**

2Q 2015

Gross revenue of S\$19.7 million was 2.0% higher than Forecast of S\$19.3 million mainly due to higher rental income achieved in Lippo Plaza and higher other property related-income earned as compared to Forecast. Property operating expenses of S\$5.0 million was 1.2% lower than Forecast of S\$5.1 million mainly due to lower utilities incurred offset by higher property tax expense.

As a result, net property income was S\$14.7 million, 3.2% higher than Forecast of S\$14.2 million.

Other income of S\$2.7 million was 27.1% higher than Forecast mainly due to higher drawdown from income support as a result of a non-renewal lease in OUE Bayfront in April 2015. To date, approximately 51.9% of this space has been back-filled with new tenants at rental rates which are higher than the non-renewal lease.

Amortisation of intangible asset of S\$1.0 million was 36.5% lower than Forecast. An impairment on intangible asset of S\$14.3 million recognised in 4Q 2014 led to a lower intangible asset and hence lower amortisation.

Other expenses of S\$0.4 million was 39.4% lower than Forecast due to lower trust expenses incurred.

Finance costs of S\$4.6 million was 4.4% higher than Forecast as a larger proportion of floating rate loan was hedged into fixed rate as well as higher interest rates as compared to Forecast. This was offset by the lower loan quantum outstanding as compared to the amount estimated to be drawn in the Forecast.

Tax expense of S\$1.3 million was 48.6% higher than Forecast of S\$0.9 million mainly due to higher corporate tax and withholding tax provisions as a result of better performance of Lippo Plaza. This is partly offset by lower deferred tax provision.

As a result of the above, total return for the period before tax of S\$8.4 million and the amount available for distribution of S\$12.8 million were 15.3% and 5.0% higher than Forecast, respectively.

1H 2015

Gross revenue of S\$40.0 million was 4.5% higher than Forecast of S\$38.4 million mainly due to higher rental income achieved in Lippo Plaza coupled with higher other property related-income from both properties. Property operating expenses of S\$9.7 million was 4.2% lower than Forecast of S\$10.1 million mainly due to lower utilities and maintenance costs incurred at OUE Bayfront. This was offset by higher property tax expense.

As a result, net property income was S\$30.4 million, 7.6% higher than Forecast of S\$28.3 million.

Amortisation of intangible asset of S\$2.1 million was 36.5% lower than Forecast, mainly due to the impairment of intangible asset mentioned in description above.

Other expenses of S\$0.8 million was 35.7 % lower than Forecast due to lower trust expenses incurred.

**QUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

---

Finance costs of S\$9.3 million was 4.9% higher than Forecast as a larger proportion of floating rate loan was hedged into fixed rate as well as higher interest rates as compared to Forecast. This was offset by the lower loan quantum outstanding as compared to the amount estimated to be drawn in the Forecast.

Tax expense of S\$2.7 million was 45.6% higher than Forecast of S\$1.8 million mainly due to higher corporate tax and withholding tax provisions a result of better performance of Lippo Plaza. This is partly offset by lower deferred tax provision.

As a result of the above, the total return for the period before tax of S\$17.7 million and the amount available for distribution of S\$25.4 million were 21.0% and 4.0% higher than Forecast, respectively.

**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**

Singapore

According to the Ministry of Trade and Industry (“MTI”), GDP growth in Singapore in 2Q 2015 moderated to 1.8%<sup>1</sup> year-on-year (“YoY”), from the 2.8% growth in the previous quarter. On a quarter-on-quarter (“QoQ”) basis, the economy contracted by 4.0%, reversing the 4.1% expansion of the preceding quarter. The official GDP growth forecast for 2015 was narrowed to 2.0% to 2.5%, from 2.0% to 4.0% previously.

According to CBRE<sup>2</sup>, island-wide net office absorption in Singapore was a modest 296,000 sq ft in 2Q 2015, slowing down from the five-year average of 459,500 sq ft typically seen during the quarter. Leasing activity was driven primarily by tenants upgrading to better quality locations or rent advantage, while demand for office space continued to be underpinned by tenants from the information technology, e-commerce, insurance and energy sectors. The Core CBD office occupancy rate edged up slightly by 0.1 percentage points (“ppt”) to 96.2% QoQ in 2Q 2015, though CBD Grade A office rents eased marginally by 0.9% QoQ to S\$11.30 psf per month. With no large office developments scheduled for completion this year, vacancy levels are expected to remain stable over the next six months.

China

China's GDP growth in 2Q 2015 was 7.0%<sup>3</sup> YoY, holding steady from last quarter, as key production indicators rebounded in June 2015 on the back of stimulus measures by the central government, which included cutting benchmark interest rates four times since November 2014 and reducing the required reserve ratio by more than 1.5 percentage points. The rate of growth is in line with the official growth target of 7.0% growth for 2015. To sustain its growth momentum, further policy easing and other stimulus measures such as further fiscal spending on infrastructure by the authorities can be expected.

Overall Shanghai CBD Grade A office vacancy improved from 7.4% as at 1Q 2015 to 6.2% as at 2Q 2015, as net absorption more than doubled from the previous quarter to 118,900 sq m in 2Q 2015 despite the completion of two new office projects in Puxi totalling 84,000 sq m within the same period. Consequently, overall CBD Grade A rents rose 2.4% QoQ to RMB9.7 psm per day, according to Colliers International<sup>4</sup>.

**QUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

---

In the Puxi office submarket, Grade A office vacancy improved from 9.1% in 1Q 2015 to 7.8% as at 2Q 2015, with rents rising 1.9% QoQ to about RMB9.1 psm per day. In view of further new supply coming on-stream in the second half of 2015, the overall Shanghai vacancy rate may increase in the coming quarters and hence the rental outlook is expected to be subdued.

Outlook for financial year ending 2015

OUE C-REIT's portfolio comprises two strategically located Grade A office properties which enjoy high occupancy levels, thereby providing a stable income stream. At the beginning of 2015, about 19.8% of OUE C-REIT's portfolio by gross rental income was due for renewal. These have been substantially completed and only 4.2% of portfolio gross rental income is due for renewal for the balance of 2015 as at 30 June 2015.

With the approval by Unitholders on 27 July 2015 for the proposed acquisition of an indirect interest One Raffles Place ("ORP"), OUE C-REIT's portfolio will be further enlarged with the completion of the acquisition expected in 4Q 2015. With about 10% to 15%<sup>5</sup> overall estimated office vacancy at the office towers of ORP, there could be potential upside to OUE C-REIT's rental income when some of this space is leased.

Barring any unforeseen event and unexpected weakening of the economic environment, the Manager expects OUE C-REIT to meet its forecast amount available for distribution for the financial year ending 2015.

<sup>1</sup> Ministry of Trade and Industry Press Release, 11 August 2015

<sup>2</sup> CBRE, Singapore MarketView Q2 2015

<sup>3</sup> National Bureau of Statistics of China Press Release, 15 July 2015

<sup>4</sup> Colliers International, Shanghai Research and Forecast Report 2Q15

<sup>5</sup> DTZ Debenham Tie Leung (SEA) Pte Ltd, Independent Market Research Report, 24 April 2015

## **11 Distribution**

### **(a) Current financial period**

Any distribution declared for the current financial period? Yes

Name of distribution: Distribution for the financial period from 1 January 2015 to 30 June 2015

Distribution type: (i) Taxable income distribution  
(ii) Capital distribution

Distribution rate: (i) Taxable income distribution: 1.48 cents per Unit  
(ii) Capital distribution: 0.52 cents per Unit

Tax rate: Taxable income distribution  
Individuals who receive such distribution as investment income (excluding income received through partnership in Singapore or from the carrying on of a trade, business or profession) will be exempted from tax.

Qualifying corporate investors will receive pre-tax distributions and pay tax on the distributions at their respective tax rates unless otherwise exempt.

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

---

Investors using CPF funds and SRS funds will also receive pre-tax distributions. These distributions are tax exempt where the distributions received are returned to their respective CPF and SRS accounts.

Qualifying foreign non-individual investors will receive their distribution after deduction of tax at the rate of 10%.

All other investors will receive their distribution after deduction of tax at the rate of 17%.

Capital distribution

The capital distribution is treated as return of capital to Unitholders for Singapore income tax purpose and is therefore not subject to Singapore income tax. For Unitholders who are liable to Singapore income tax on profits from sales of Units, the amount of capital distribution will be applied to reduce the cost base of their Units for Singapore income tax purposes.

Book closure date: 20 August 2015

Date payable: 15 September 2015

**(b) Corresponding period of the immediately preceding financial year**

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

Name of distribution: Distribution for the financial period from 27 January 2014 to 30 June 2014

Distribution type: (i) Taxable income distribution  
(ii) Capital distribution

Distribution rate: (i) Taxable income distribution: 1.92 cents per Unit  
(ii) Capital distribution: 0.51 cents per Unit

Tax rate: Taxable income distribution  
Individuals who receive such distribution as investment income (excluding income received through partnership in Singapore or from the carrying on of a trade, business or profession) will be exempted from tax.

Qualifying corporate investors will receive pre-tax distributions and pay tax on the distributions at their respective tax rates unless otherwise exempt.

Investors using CPF funds and SRS funds will also receive pre-tax distributions. These distributions are tax exempt where the distributions received are returned to their respective CPF and SRS accounts.

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

---

Qualifying foreign non-individual investors will receive their distribution after deduction of tax at the rate of 10%.

All other investors will receive their distribution after deduction of tax at the rate of 17%.

Capital distribution

The capital distribution is treated as return of capital to Unitholders for Singapore income tax purpose and is therefore not subject to Singapore income tax. For Unitholders who are liable to Singapore income tax on profits from sales of Units, the amount of capital distribution will be applied to reduce the cost base of their Units for Singapore income tax purposes.

Book closure date: 7 August 2014

Date payable: 2 September 2014

**12 If no distribution has been declared / recommended, a statement to that effect**

Not applicable.

**13 If OUE C-REIT has obtained a general mandate from Unitholders for interested person transactions, the aggregate value of such transactions are required under Rule 920(1)(a)(ii). If no interested person transactions mandate has been obtained, a statement to that effect.**

OUE C-REIT did not obtain a general mandate from Unitholders for interested person transactions.

**14 Confirmation pursuant to Rule 705(5) of the Listing Manual**

We, on behalf of the directors of OUE Commercial REIT Management Pte. Ltd. (as Manager of OUE C-REIT), hereby confirm that, 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 financial results of OUE C-REIT Group for the financial period from 1 January 2015 to 30 June 2015 to be false or misleading in any material respect.

On behalf of the Board of the Manager

Christopher Williams

Chairman and Non-Executive Director

Tan Shu Lin

Chief Executive Officer and Executive Director



**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**  
**Unaudited Financial Statements and Distribution Announcement**  
**for the Second Quarter and Financial Period from 1 January 2015 to 30 June 2015**

---

*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. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.*

*The value of units in OUE C-REIT ("Units") and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, 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. The past performance of OUE C-REIT is not necessarily indicative of the future performance of OUE C-REIT.*

*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.*

By Order of the Board

Ng Ngai

Company Secretary

**OUE Commercial REIT Management Pte. Ltd.**

(as Manager of OUE Commercial Real Estate Investment Trust)

(Company registration no. 201327018E)

12 August 2015