

SUNTEC REIT FINANCIAL RESULTS

For the 3rd Quarter and Nine Months ended 30 September 2017



27 October 2017

● Agenda

- 03** 3Q 17 Highlights
- 05** Financial Highlights
- 18** Office Portfolio Performance
- 25** Retail Portfolio Performance
- 33** Convention Performance
- 36** Projects Under Development
- 38** FY 17 Focus
- 40** Unit Performance



3Q 17 HIGHLIGHTS

● 3Q 17 Highlights

3Q 17 Distributable Income

S\$65.9 million

+2.4% YOY

3Q 17 DPU

2.483 cents

-2.1% YOY

Annualised yield

5.10%¹

Issued

S\$100 million

6 years MTN

Total Debt outstanding

<20% due in 2018

All-in Financing Cost

2.55% p.a.

Completed acquisition
of 50% interest in

**Olderfleet,
477 Collins Street**

Portfolio Occupancy

98.6% Office

98.8% Retail

Suntec City Mall
Footfall (YTD)

+12.2% YOY

Note:

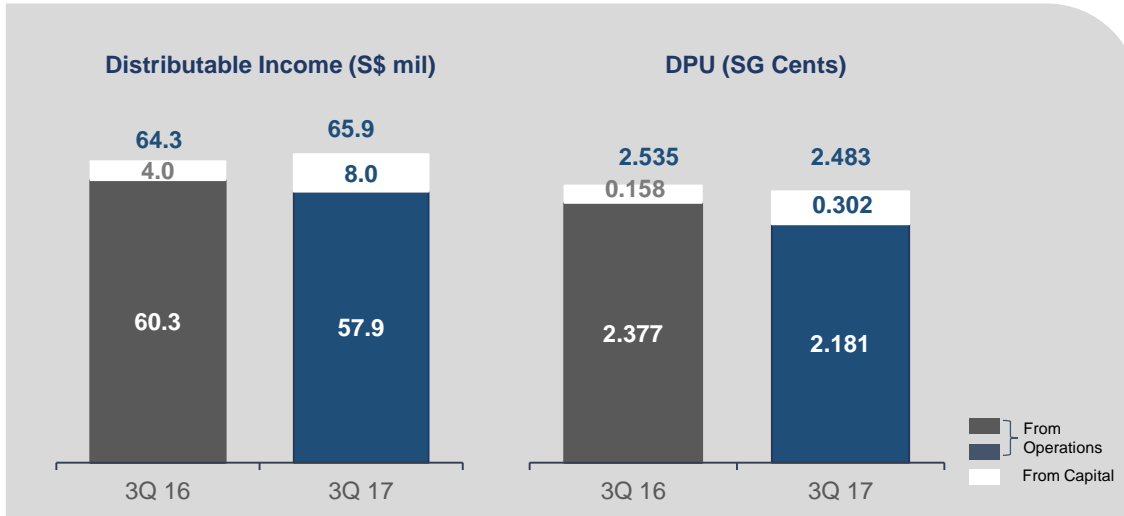
1. Based on 26/10/17 closing price of S\$1.93 per unit.





FINANCIAL HIGHLIGHTS

• 3Q 17 Distributable Income up 2.4% y-o-y



Mainly due to:

- Higher contribution from 177 Pacific Highway
- Contribution from Southgate Complex
- Partially offset by lower contribution from MBFC properties and ORQ
- Lower DPU due to 95.7 million new units issued²

Notes:

1. Based on 26/10/17 closing price of S\$1.93 per unit.
2. Relates to convertible bonds which were converted and subsequently new units issued on 29 May 2017.

Financial Highlights

Distributable Income

S\$65.9
million

+2.4% y-o-y

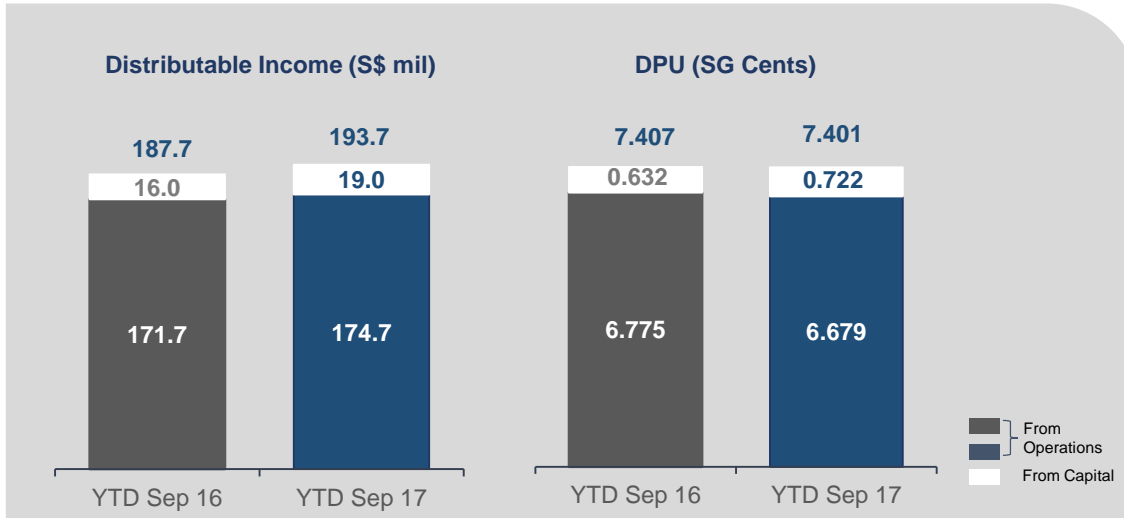
Distribution Per Unit

2.483
cents

-2.1% y-o-y

DPU yield 5.10%¹

• YTD Sep 17 Distributable Income up 3.2% y-o-y



Mainly due to:

- Higher contribution from 177 Pacific Highway
- Contribution from Southgate Complex
- Partially offset by lower contribution from MBFC properties

Financial Highlights

Distributable Income

\$193.7
million

+3.2% y-o-y

Distribution Per Unit

7.401
cents

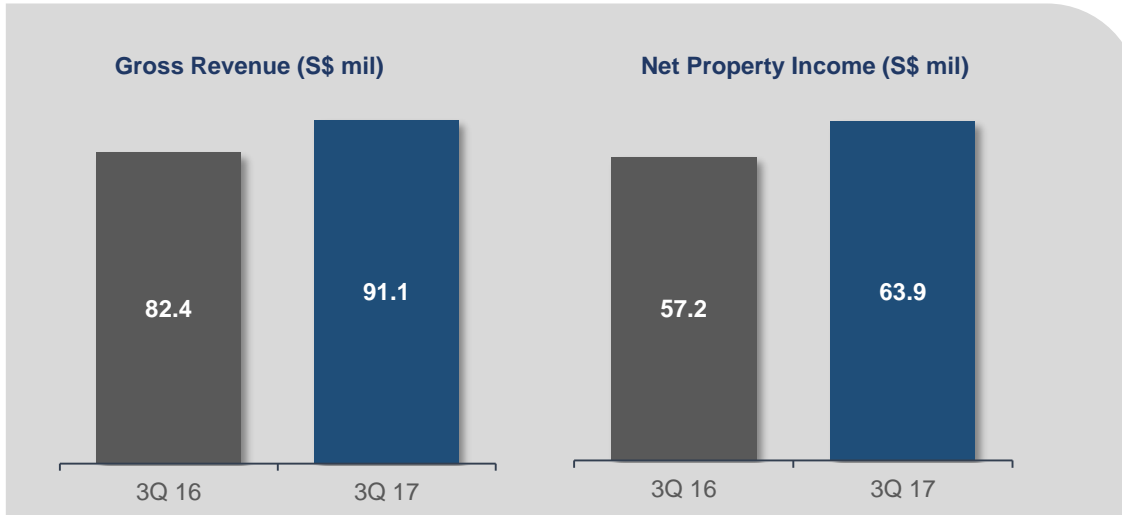
-0.1% y-o-y

DPU yield 5.13%¹

Note:

1. Based on 26/10/17 closing price of \$1.93 per unit.

• 3Q 17 Gross Revenue up 10.6% y-o-y



Mainly due to:

- Rental contribution from 177 Pacific Highway
- Higher contribution from Suntec Singapore

Financial Highlights

Gross Revenue

\$S\$91.1
million

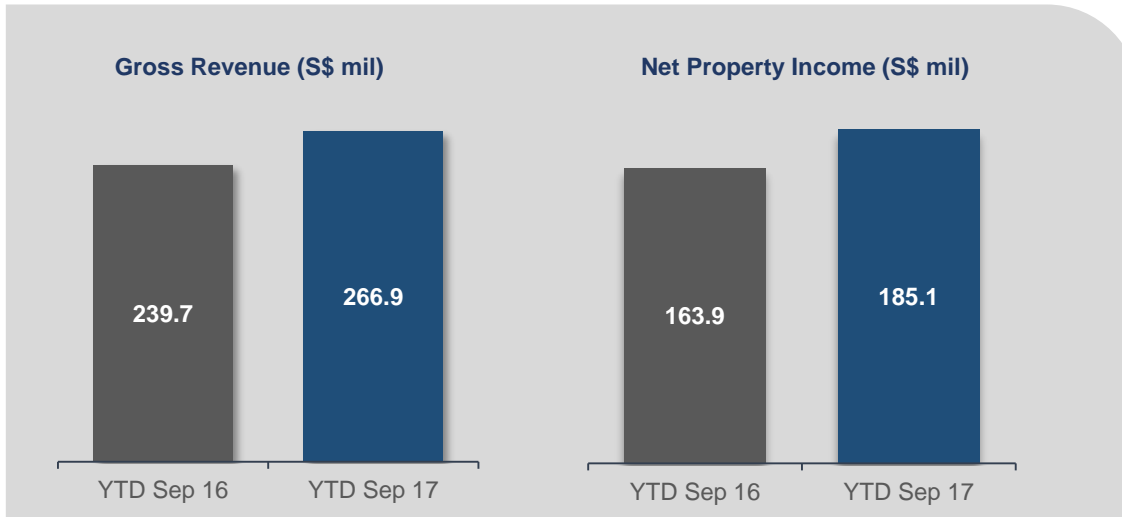
+10.6% y-o-y

Net Property Income

\$S\$63.9
million

+11.6% y-o-y

• YTD Sep 17 Gross Revenue up 11.4% y-o-y



Mainly due to:

- Rental contribution from 177 Pacific Highway
- Partially offset by lower retail contribution

Financial Highlights

Gross Revenue

\$266.9
million

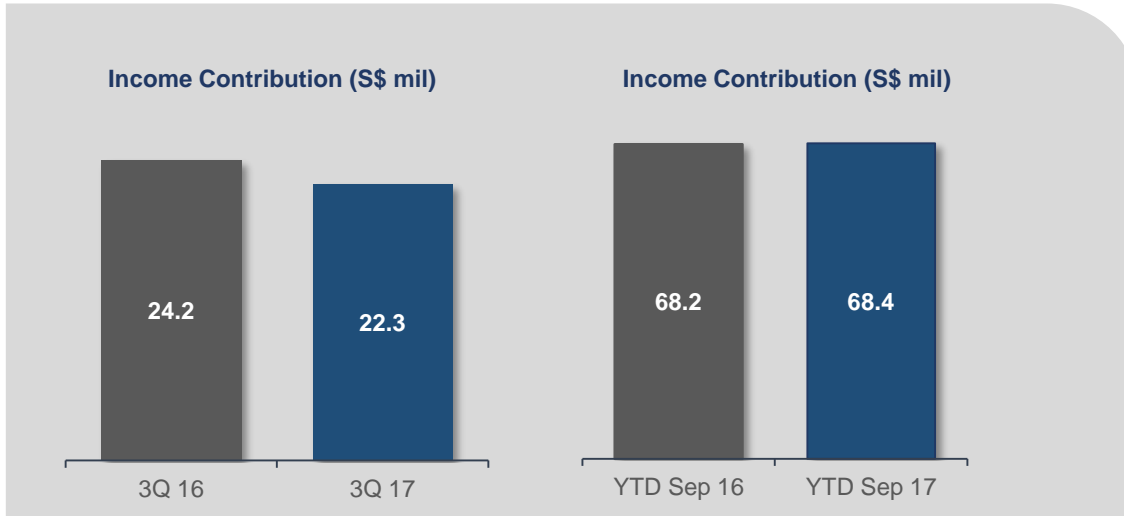
+11.4% y-o-y

Net Property Income

\$185.1
million

+13.0% y-o-y

● Performance of Joint Ventures



Financial Highlights

3Q 17

\$22.3
million

-8.2% y-o-y

YTD Sep 17

\$68.4
million

+0.3% y-o-y

One Raffles Quay

3Q 17: Lower y-o-y due to one-offs in 3Q 16

YTD Sep 17: In line with YTD Sep 16

MBFC

3Q 17 & YTD Sep 17:

Lower y-o-y due to one-offs in 2016

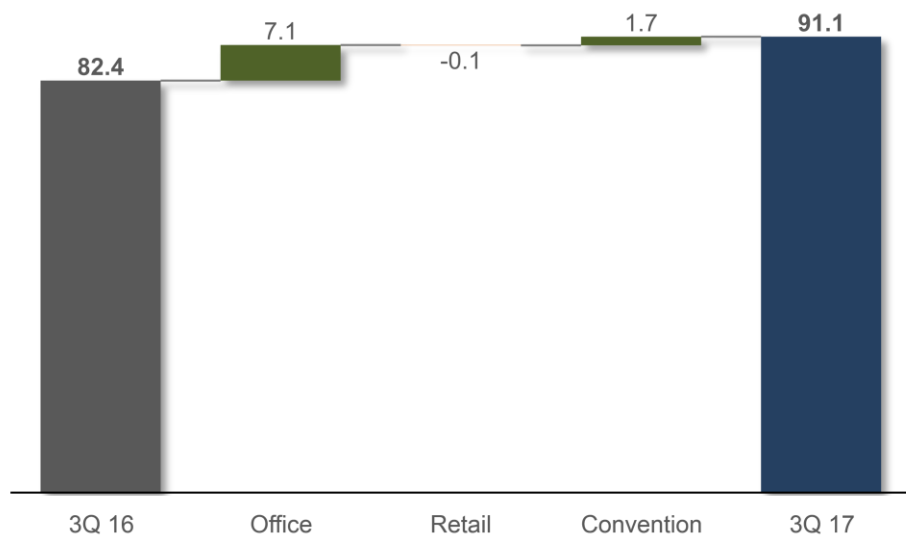
Southgate

3Q 17 & YTD Sep 17:

Acquisition of the initial 25% interest completed on 4 Nov 2016

3Q 17 Gross Revenue by Segment

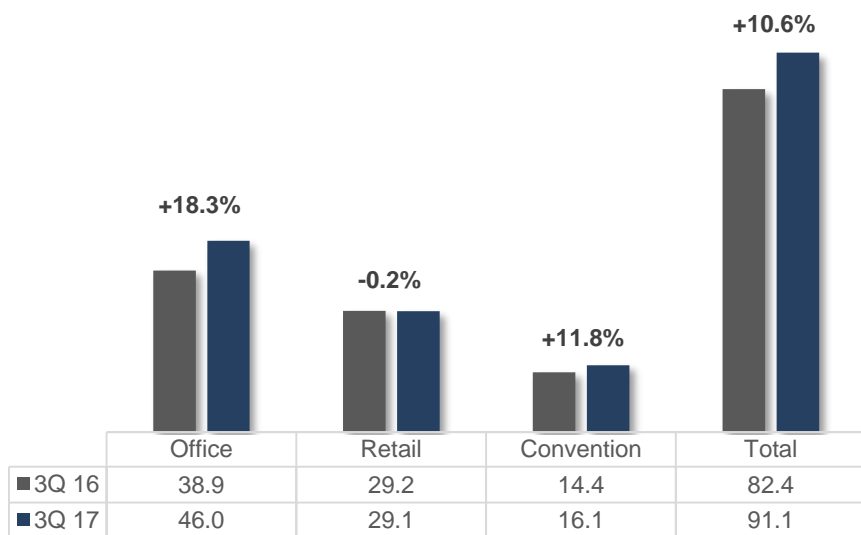
S\$ mil



- Higher contribution from office and convention. Retail contribution in-line y-o-y

Office	S\$ mil
177 Pacific Highway	+6.42
Suntec City	+0.69
UP	+7.11

S\$ mil

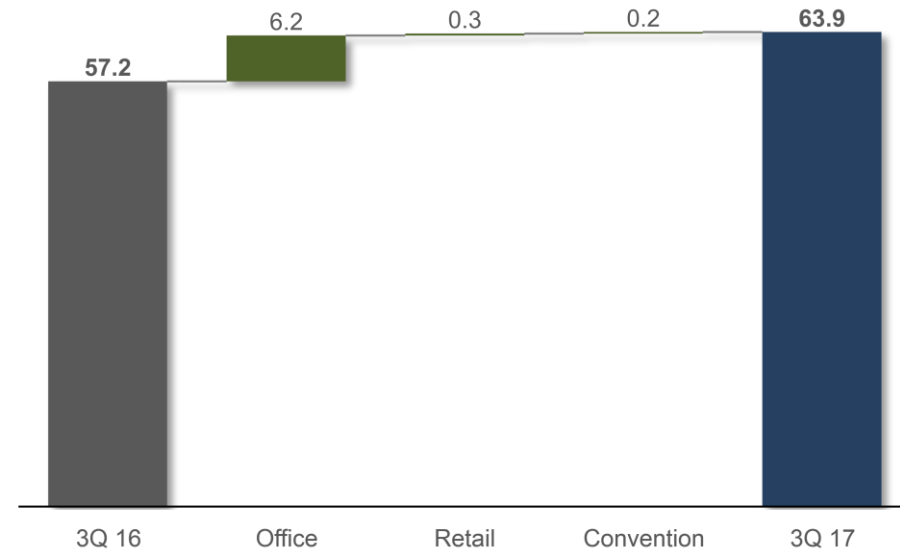


Retail	S\$ mil
Suntec Singapore	+0.43
Suntec City	-0.49
DOWN	-0.06

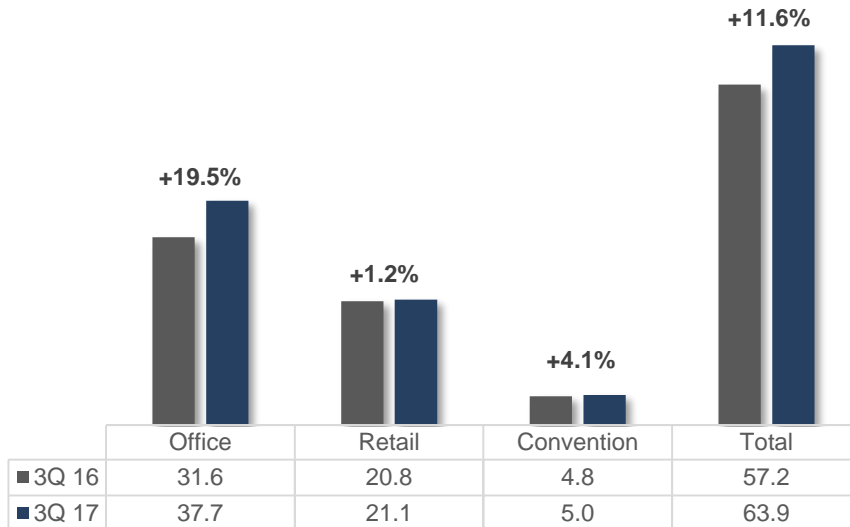
- Higher convention revenue due to higher exhibition revenue

3Q 17 Net Property Income by Segment

S\$ mil



S\$ mil



- Higher NPI mainly from office

Office	S\$ mil
177 Pacific Highway	+5.26
Suntec City	+0.94
Park Mall ¹	-0.03
UP	+6.17

Retail	S\$ mil
Suntec Singapore	+0.93
Suntec City	-0.64
Park Mall ¹	-0.04
DOWN	+0.25

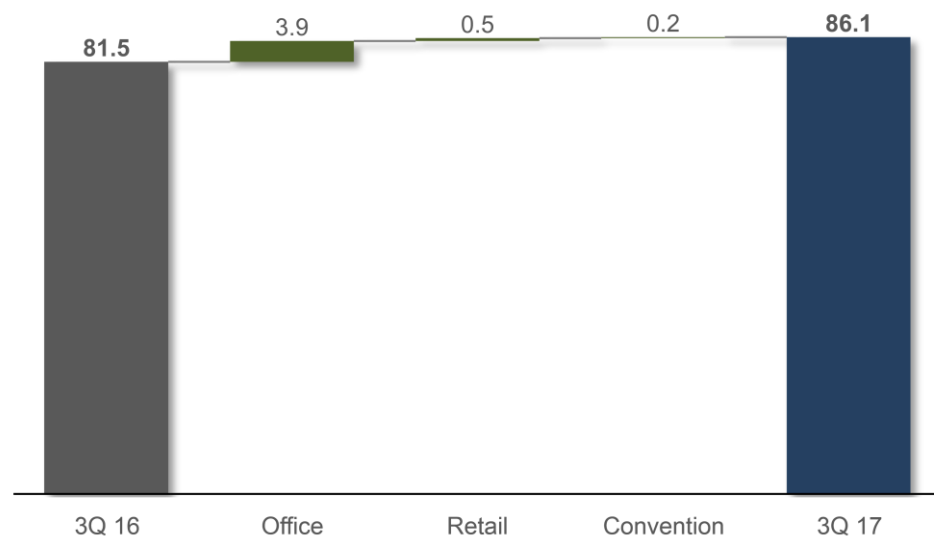
- Higher convention NPI due to higher exhibition revenue

Note:

- Due to reconciliation adjustments subsequent to the divestment in December 2015.

3Q 17 Net Property Income & JV Contributions

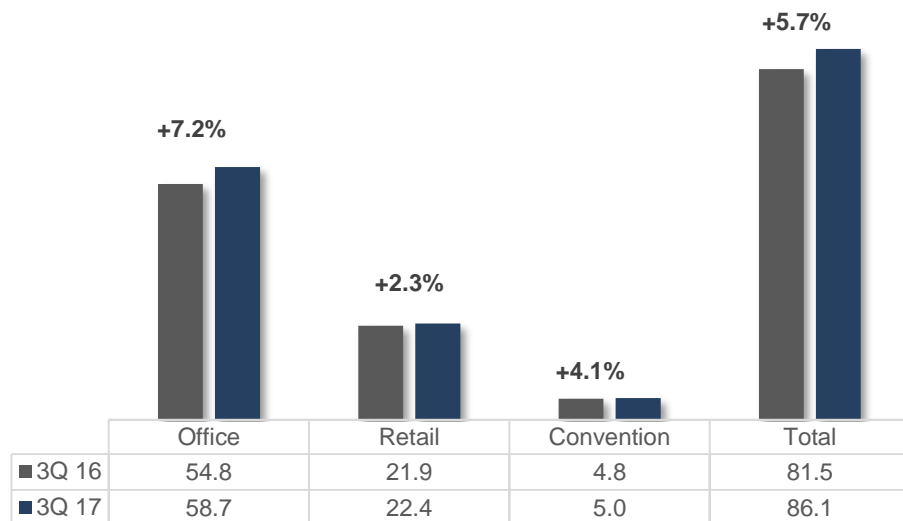
S\$ mil



- Higher JV contributions mainly due to inclusion of Southgate Complex partially offset by MBFC properties & ORQ

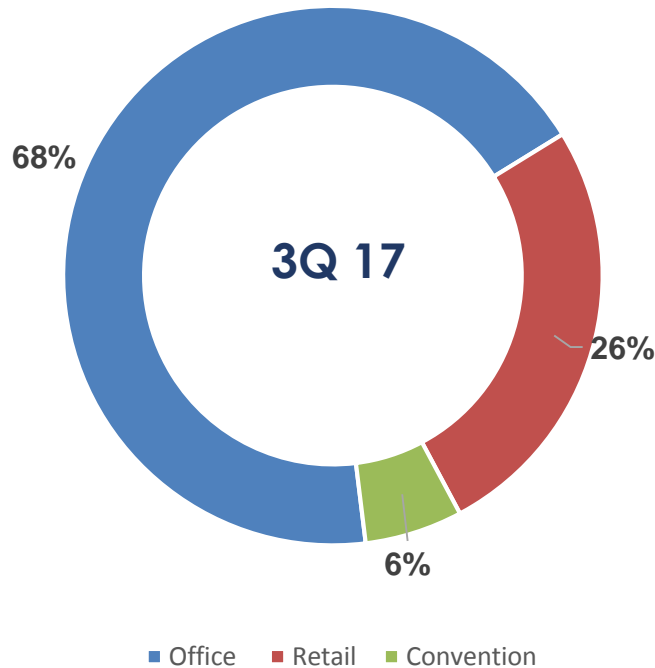
Office	S\$ mil
Southgate	+1.76
MBFC properties	-2.10
ORQ	-1.91
Others: Suntec City 177 Pacific Highway	+6.17
UP	+3.92

S\$ mil



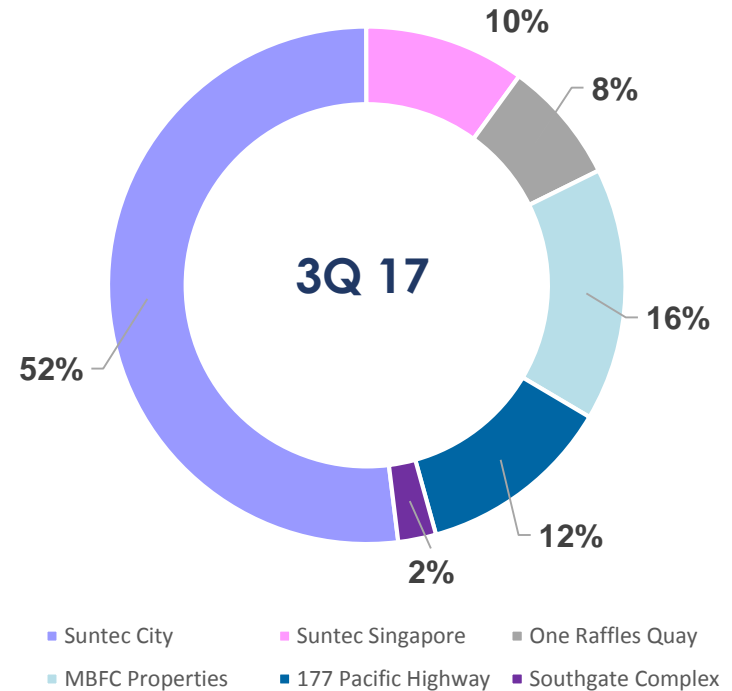
● NPI & Income Contribution from JVs

Contribution by Segment



- Office portfolio accounts for 68% of NPI & Income

Contribution by Asset



- Joint Ventures and 177 Pacific Highway account for 38% of NPI & Income

● Balance Sheet & Key Financial Indicators

Balance Sheet	30 Sep 2017
Total Assets	S\$9,189 mil
Total Liabilities	S\$3,456 mil
Net Assets Attributable to Unitholders	S\$5,610 mil
NAV Per Unit ¹	S\$2.115
Adjusted NAV Per Unit ²	S\$2.090

Notes:

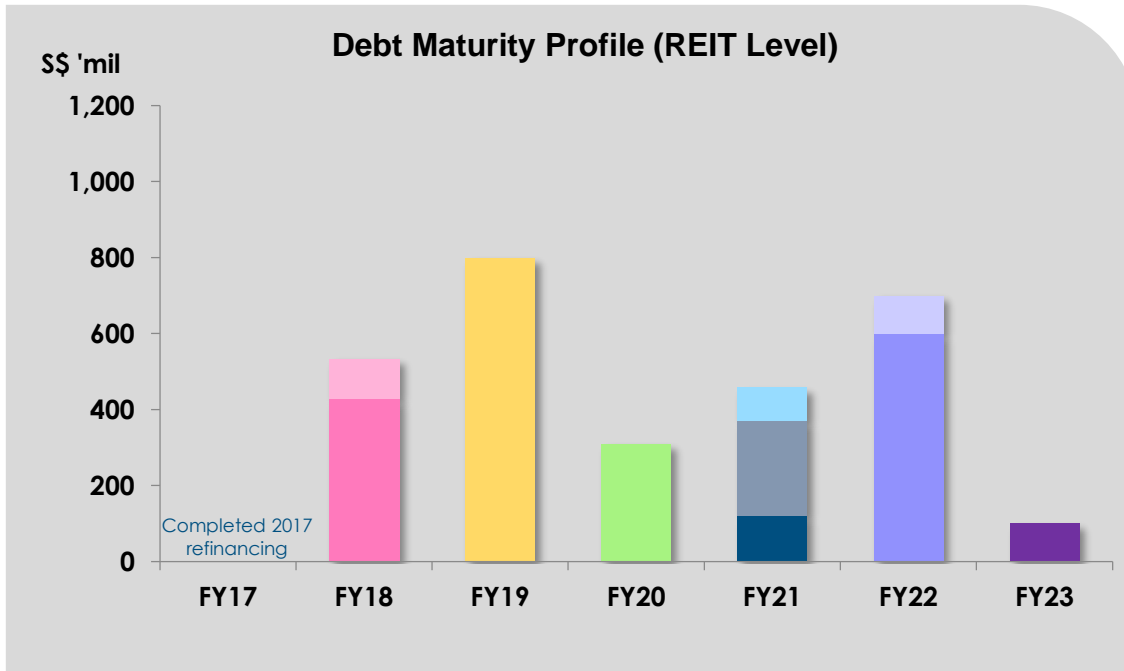
1. Based on 2,652,435,452 units.
2. After DPU adjustment of 2.483 cents for the quarter ended 30 September 2017.

Key Financial Indicators	30 Sep 2017
Total Debt Outstanding (Group)	S\$3,268 mil
Debt-to-Asset Ratio	35.4%
Aggregate Leverage Ratio ¹	36.8%
All-in Financing Cost	2.55% p.a.
Interest Coverage Ratio	4.0x
% of Fixed / Hedged Debt	~65%

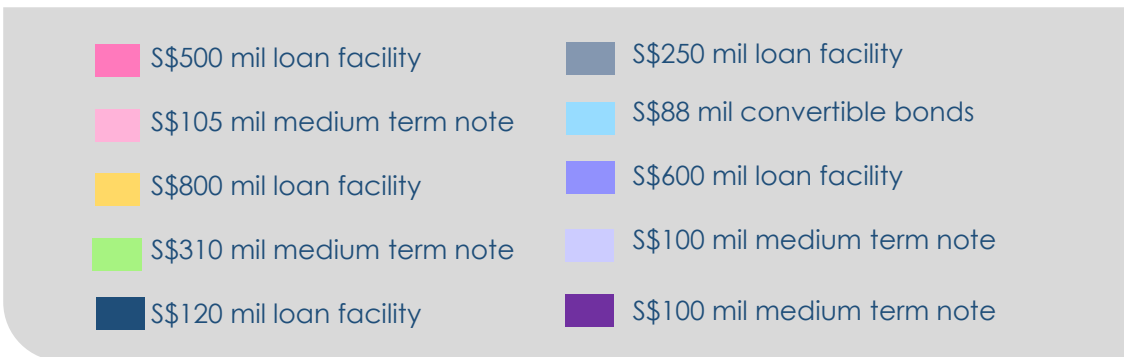
Note:

1. "Aggregate Leverage Ratio" refers to the ratio of total borrowings (inclusive of proportionate share of borrowings of joint ventures) and deferred payments (if any) to the value of the Deposited Property.

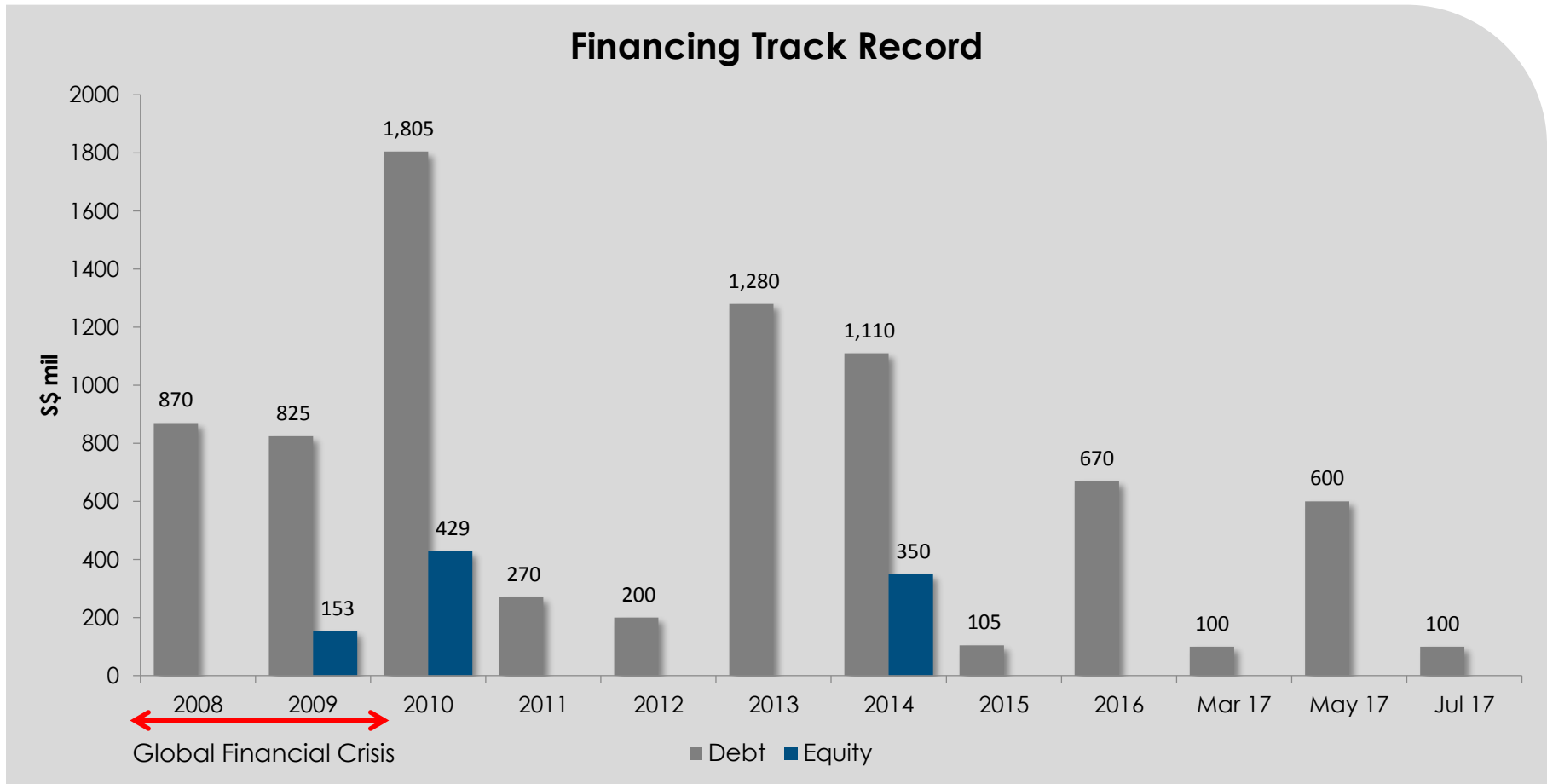
● Proactive Capital Management



- Issued 6 years 2.85% medium term notes
- <20% total loans due in 2018
- Weighted average debt to maturity stood at 2.82 years



- **S\$8.9 billion of financing since 2008**



- **All-in financing cost of 2.55% p.a. for 3Q 17**



OFFICE PORTFOLIO PERFORMANCE

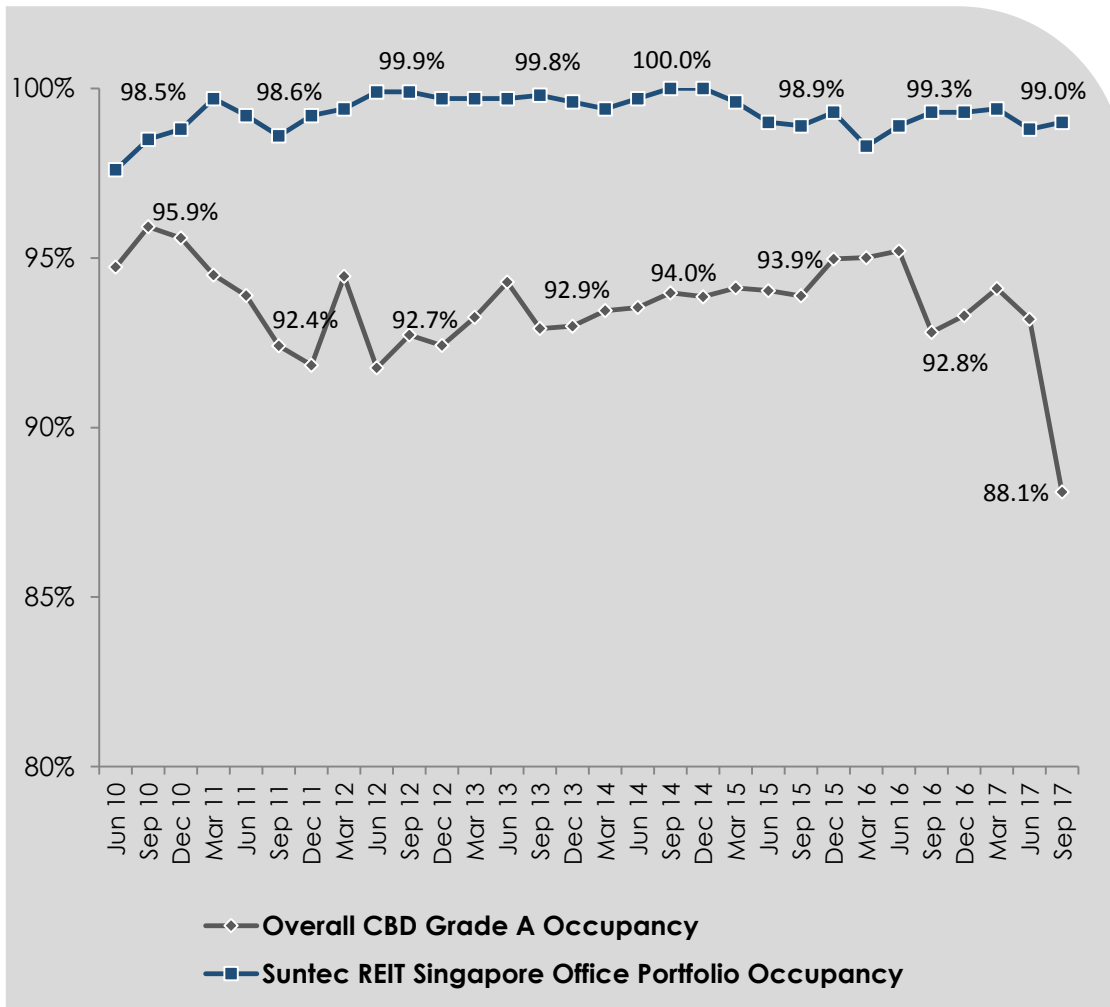
Office Portfolio Summary

Office Portfolio	Suntec City Office	One Raffles Quay (1/3)	MBFC Towers 1 & 2 (1/3)	SG Office Portfolio	177 Pacific Highway	Southgate Complex (25%)	AUS Office Portfolio	Total Office Portfolio
NLA (sq ft)	~1.3 mil	~444,000	~548,000	~2.3 mil	~431,000	~178,000	~610,000	~2.9 mil
Committed Occupancy (%)	98.4 (3Q 17)	99.6 (3Q 17)	100.0 (3Q 17)	99.0 (3Q 17)	100.0 (3Q 17)	89.6 (3Q 17)	97.0 (3Q 17)	98.6 (3Q 17)
	98.9 (3Q 16)	100 (3Q 16)	100 (3Q 16)	99.3 (3Q 16)	100 (3Q 16)	- (3Q 16)	100 (3Q 16)	99.4 (3Q 16)
Gross Revenue (\$ mil)	33.8 (3Q 17)	-	-	33.8 (3Q 17)	12.2 (3Q 17)	-	12.2 (3Q 17)	46.0 (3Q 17)
	33.1 (3Q 16)	-	-	33.1 (3Q 16)	5.8 (3Q 16)	-	5.8 (3Q 16)	38.9 (3Q 16)
Net Property Income (\$ mil)	27.2 (3Q 17)	-	-	27.2 (3Q 17)	10.5 (3Q 17)	-	10.5 (3Q 17)	37.7 (3Q 17)
	26.3 (3Q 16)	-	-	26.3 (3Q 16)	5.2 (3Q 16)	-	5.2 (3Q 16)	31.5 (3Q 16)
Income Contribution from JVs ^{1,2,3} (\$ mil)	-	6.6 (3Q 17)	12.6 (3Q 17)	19.2 (3Q 17)	-	1.8 (3Q 17)	1.8 (3Q 17)	21.0 (3Q 17)
	-	8.5 (3Q 16)	14.7 (3Q 16)	23.2 (3Q 16)	-	- (3Q 16)	- (3Q 16)	23.2 (3Q 16)
% Contribution ⁴	46% (3Q 17)	11% (3Q 17)	22% (3Q 17)	79% (3Q 17)	18% (3Q 17)	3% (3Q 17)	21% (3Q 17)	100% (3Q 17)
	48% (3Q 16)	15% (3Q 16)	27% (3Q 16)	90% (3Q 16)	10% (3Q 16)	- (3Q 16)	10% (3Q 16)	100% (3Q 16)

Note:

1. Refers to One Raffles Quay, MBFC Properties & Southgate Complex
2. Total Income contribution from MBFC is based on approx. 93% split between office and 7% retail
3. Total Income contribution from Southgate Complex is based on approx. 87% split between office and 13% retail
4. Refers to net property income and income contribution from JVs

• Singapore Office Portfolio

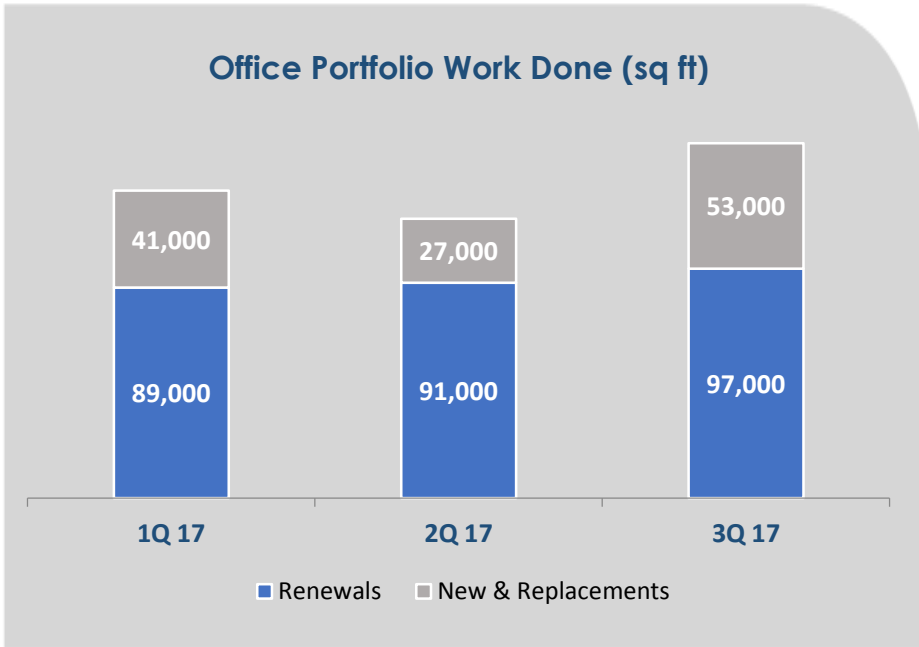


- Achieved committed occupancy of 99.0% versus overall CBD Grade A occupancy of 88.1% in 3Q 17
- Average rent secured for the quarter was S\$8.61 psf/mth
- Office market remains under pressure given the secondary space in the market

Source: JLL, ARATMS

● Proactive Leasing Strategy

Office Portfolio Work Done (sq ft)



3Q 17

Total leases signed in 3Q 17	150,000 sq ft
% of new leases	35%
Portfolio Occupancy (as at 30 Sep)	98.6%
Tenant retention ratio ¹	68%

Note:

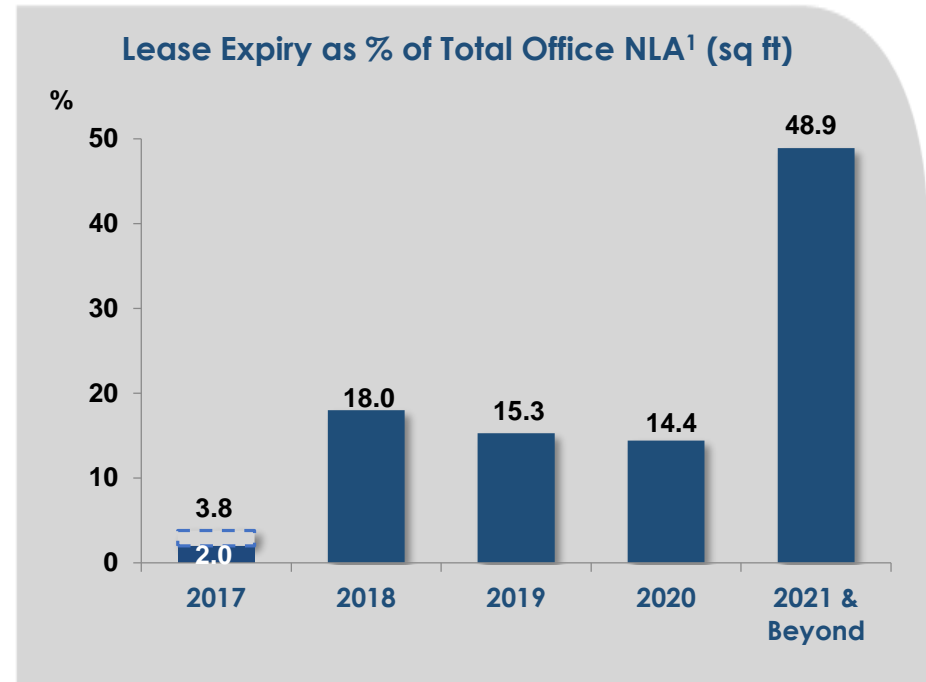
1. Tenant retention ratio = Net lettable area renewed for leases due in in FY2017 divided by total net lettable area due for renewal in FY2017

Tenants secured in 3Q 17 include:



● FY17 Office Expiring Leases Reduced to 2.0%

Expiry Profile As at 30 Sep 17	Net Lettable Area ¹	
	Sq ft	% of Total
FY 2017	59,063	2.0%
FY 2018	527,459	18.0%
FY 2019	449,129	15.3%
FY 2020	420,970	14.4%
FY 2021 & Beyond	1,434,226	48.9%



- Balance of office leases expiring in FY 2017 reduced to 2.0%
- To-date FY 2018 lease expiries reduced to 14.9%
- Portfolio WALE: 3.78 years
 - Singapore Portfolio: 2.94 years
 - Australia Portfolio: 7.03 years

Note:

1. Assumes one third of total office net lettable area of One Raffles Quay and Marina Bay Financial Centre Office Towers 1 and 2 and 25% interest in Southgate Complex (Office).

• Suntec City Office



- Leases secured for the quarter at an average rent of **S\$8.35 psf/mth**
- Retention rate of **69%** for FY 2017 lease expiries
- To-date FY 2018 lease expiries **reduced to less than 30% of NLA**
- In **final negotiations** for **9.8%** of leases expiring in FY 2018

● Australia Portfolio constitutes 14% of NPI & Income from JV



- Sydney and Melbourne office markets continue to be on upward trend
 - **177 Pacific Highway** → 100% committed occupancy, entered 2nd year of lease with annual rental escalation
 - **Southgate Complex** → 89.6% committed occupancy, 3.2% of leases with Heads of Agreement signed
 - **Olderfleet, 477 Collins Street** → Completed acquisition of 50% interest in the Premium Grade office building on 8 Aug 2017



RETAIL PORTFOLIO PERFORMANCE

● Retail Portfolio Summary

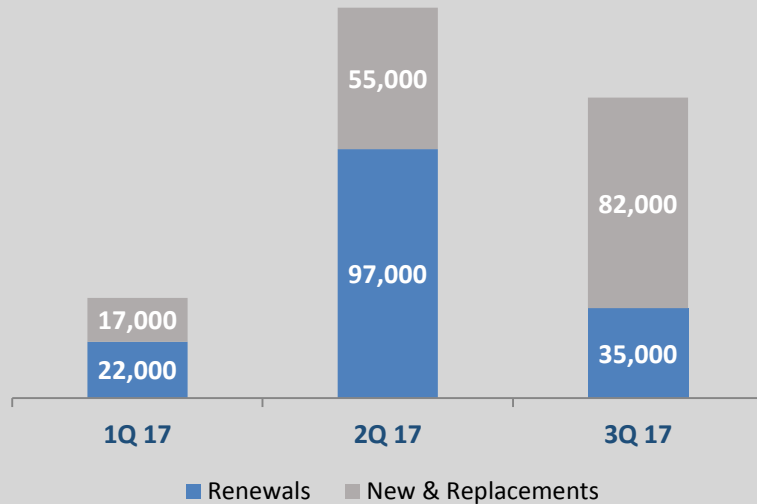
Retail Portfolio	Suntec City Mall	Marina Bay Link Mall (1/3)	SG Retail Portfolio	Southgate Complex (25%)	AUS Retail Portfolio	Total Retail Portfolio
NLA (sq ft)	~0.9mil	~30,000	~0.93mil	~30,000	~30,000	~1.0 mil
Committed Occupancy (%)	99.3 (3Q 17) 96.8 (3Q 16)	93.0 (3Q 17) 99.5 (3Q 16)	99.1 (3Q 17) 97.3 (3Q 16)	87.8 (3Q 17) - (3Q 16)	87.8 (3Q 17) - (3Q 16)	98.8 (3Q 17) 97.3 (3Q 16)
Gross Revenue (\$ mil)	29.1 (3Q 17) 29.2 (3Q 16)	-	29.1 (3Q 17) 29.2 (3Q 16)	-	-	29.1 (3Q 17) 29.2 (3Q 16)
Net Property Income (\$ mil)	21.1 (3Q 17) 20.8 (3Q 16)	-	21.1 (3Q 17) 20.8 (3Q 16)	-	-	21.1 (3Q 17) 20.8 (3Q 16)
Income Contribution from JVs ^{1,2,3} (\$ mil)	-	1.0 (3Q 17) 1.0 (3Q 16)	1.0 (3Q 17) 1.0 (3Q 16)	0.3 (3Q 17) - (3Q 16)	0.3 (3Q 17) - (3Q 16)	1.3 (3Q 17) 1.0 (3Q 16)
% Contribution ⁴	94% (3Q 17) 95% (3Q 16)	5% (3Q 17) 5% (3Q 16)	99% (3Q 17) 100% (3Q 16)	1% (3Q 17) - (3Q 16)	1% (3Q 17) - (3Q 16)	100% (3Q 17) 100% (3Q 16)

Note:

1. Refers to MBFC Properties & Southgate Complex
2. Total Income contribution from MBFC is based on approx. 93% split between office and 7% retail
3. Total Income contribution from Southgate Complex is based on approx. 87% split between office and 13% retail
4. Refers to net property income and income contribution from JVs

Proactive Leasing Strategy

Retail Portfolio Work Done (sq ft)



3Q 17

Total leases signed in 3Q 17	117,000 sq ft
% of new leases	70%
Portfolio Occupancy (as at 30 Sep)	98.8%
Tenant retention ratio ¹	63%

Note:

1. Tenant retention ratio = Net lettable area renewed for leases due in in FY2017 divided by total net lettable area due for renewal in FY2017

Tenants secured in 3Q 17 include:

New-to-market brands



PARTEA 茶派



ZERO LATENCY

美珍香
BEE CHENG HIANG

BONIA
The Italian Inspiration



老曾记
Old Chang Kee



ONE BOWL
MAN 碗面

T I E N
漆材 漆品
congee

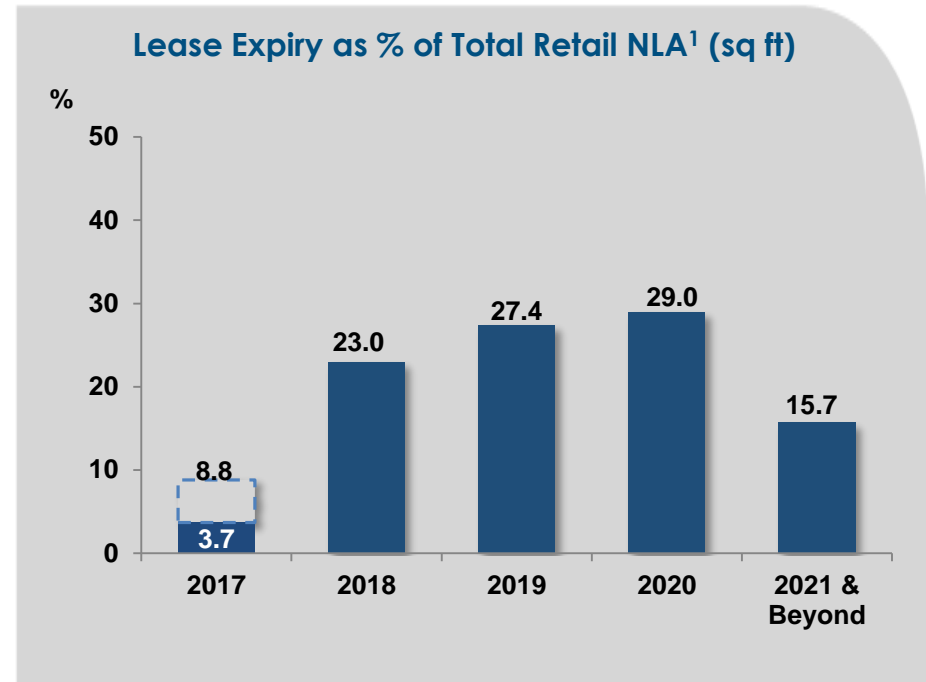
PURE
YOGA

marie claire®

Watch
Wonderland

• Retail Lease Expiry Profile

Expiry Profile As at 30 Sep 17	Net Lettable Area ¹	
	Sq ft	% of Total
FY 2017	34,169	3.7%
FY 2018	212,254	23.0%
FY 2019	252,304	27.4%
FY 2020	267,636	29.0%
FY 2021 & Beyond	144,583	15.7%



- Retail leases expiring in FY 2017 reduced to 3.7%
- Portfolio WALE: 2.50 years
 - Singapore Portfolio: 2.40 years
 - Australia Portfolio: 6.48 years

Note:

1. Assumes one third of total retail net lettable area of Marina Bay Link Mall , 60.8% interest in Suntec Singapore and 25% in Southgate Complex (Retail).

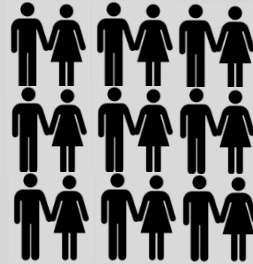
Improved operational performance



Committed Occupancy

99.3%

unchanged q-o-q



YTD Footfall

+12.2% YOY



YTD Tenants sales per sq ft

+4.9% YOY



• New Navigation Initiatives



- **QuickChat** - Send SMS or scan QR code to start real time chat with Suntec City Customer Service Officer
- **QuickFind** - Kiosks stationed at various carpark lobby entrances to help drivers quickly locate their vehicles



- New Stores Opening



• Suntec City Marcom & Atrium Events





LG

THE ARTS IS A PART OF YOUR *Life*

ARTS FOR LIFE

Season's Greetings from Suntec City

A doctor case - A Pakistani court hearing the ret

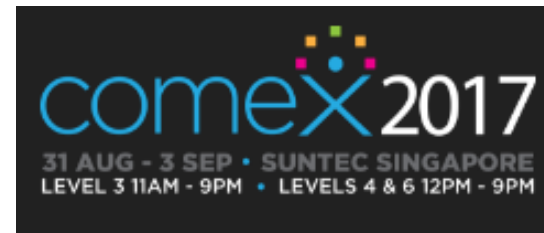
 **Suntec**
SINGAPORE
Convention & Exhibition Centre

CONVENTION PERFORMANCE

- 449 events held in 3Q 17



18 - 21 JULY 2017, SUNTEC SINGAPORE
WORLD ENGINEERS SUMMIT
APPLIED ENERGY SYMPOSIUM & FORUM



- Events in 4Q 17



GAME CONVENTION





PROJECTS UNDER DEVELOPMENT

• Projects Under Development

9 Penang Road, Singapore



- Piling works (for earth retaining wall) in progress
- Scheduled to complete by end 2019

Olderfleet, 477 Collins Street, Australia



- Commenced slab works (sub-structure)
- Scheduled to complete by mid 2020



Vodafone

Vodafone

To City

NO RIGHT TURN

ONLY

FY17 FOCUS

● FY17 Focus

Office

- Proactive management to maintain high occupancy
- Strengthen office proposition

Retail

- Proactive management to improve occupancy, rent, tenancy mix, shopper experience, footfall & tenant sales

Convention

- Target new and first time events to Singapore and optimise the mix of event types
- Entrench market leadership through innovative new services



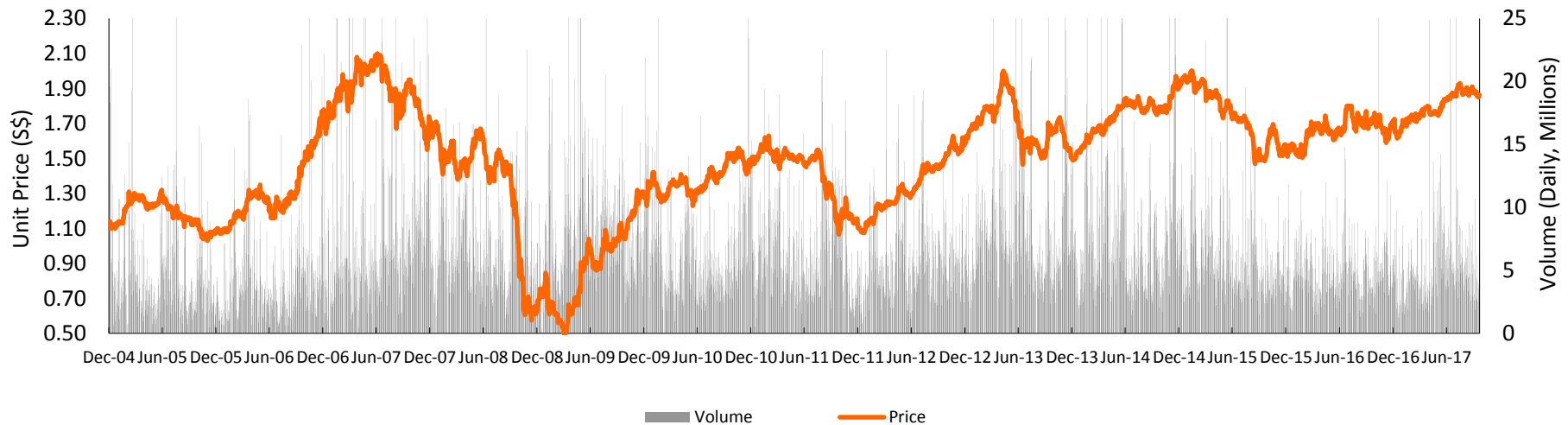


southgate

UNIT PERFORMANCE

● Unit Performance

- 3Q 17 DPU of **2.483 cents**
- Trading yield of **5.28%**¹
- Market Capitalisation of S\$4.9 billion¹ as at 30 September 2017
- **4th largest REIT** ² on SGX

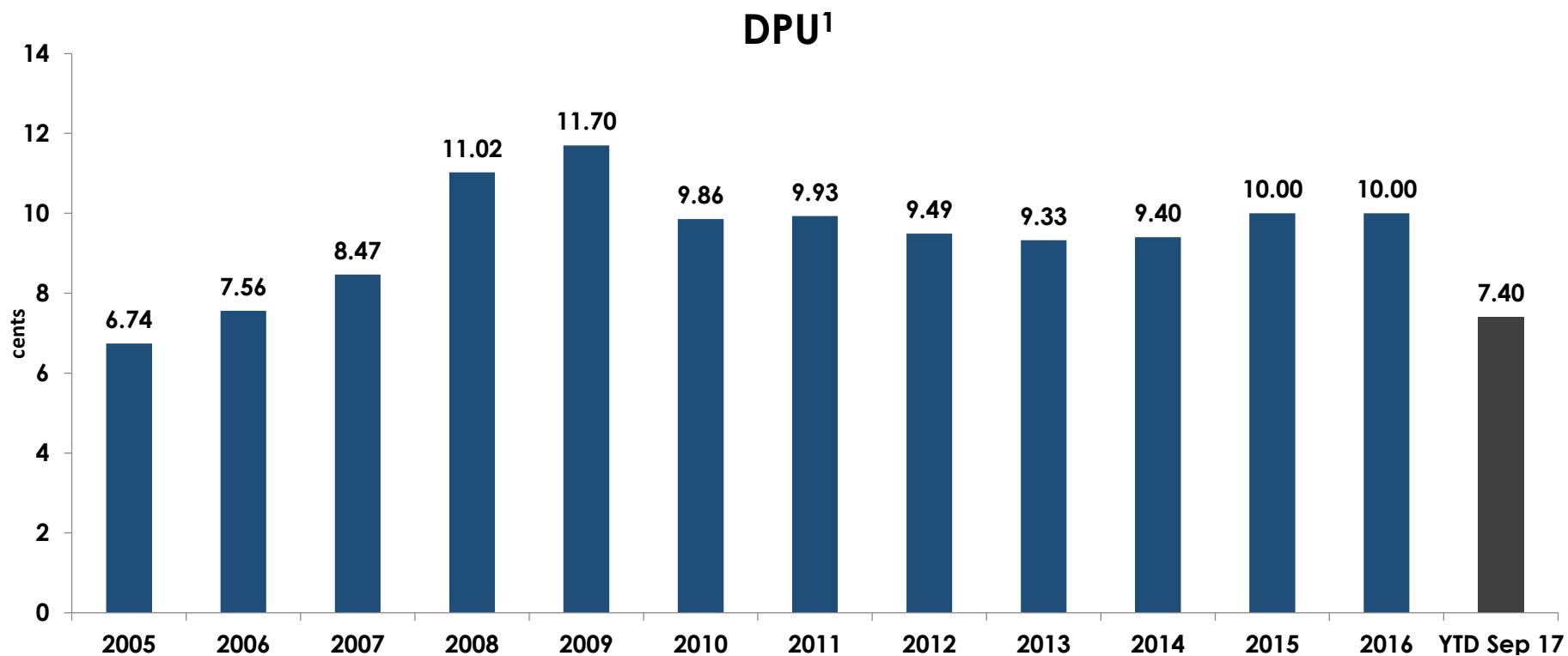


Notes:

1. Based on the share price of S\$1.865 as at 30 September 2017.
2. Based on the market capitalisation as at 30 September 2017.

Source: ARATMS

● Delivering Stable, Sustainable DPU



- **12-years track record of delivering stable returns** throughout the property market cycle
- YTD 17 annualised DPU of 9.895 cents

Note:

1. Based on calendar year

● Established Track Record

3Q 17 DPU ————— 2.483 cents

Total DPU since IPO ————— 120.9 cents

Total Return for IPO Unitholders ————— 207.4%



● Distribution Timetable

Distribution Payment	
Distribution Period	1 July – 30 September 2017
Amount (cents/unit)	2.483

Ex-date	2 Nov 2017
Books closure date	6 Nov 2017
Payment date	29 Nov 2017

THANK YOU



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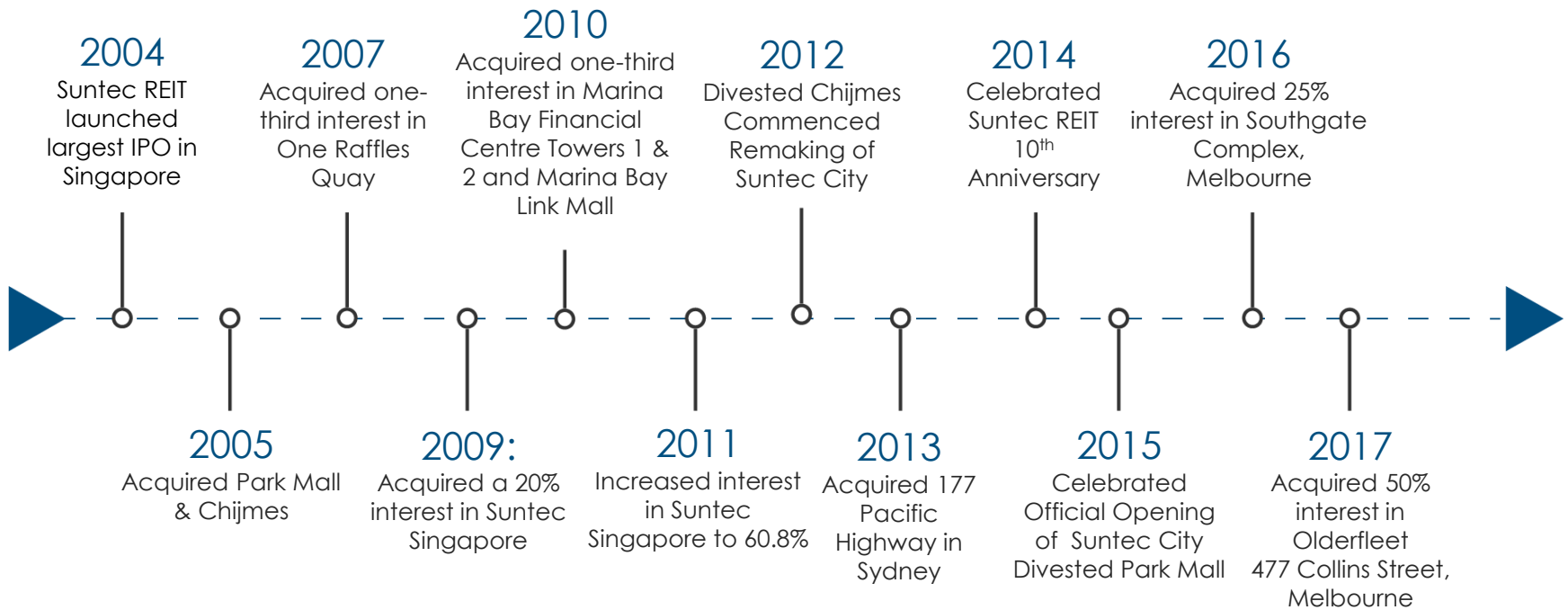
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Fax: +65 6835 9672

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www.ara-asia.com



● Milestones



7 QUALITY ASSETS STRATEGICALLY LOCATED IN SINGAPORE & AUSTRALIA

SINGAPORE



SYDNEY

MELBOURNE

- Listed on **9 Dec 2004** on the SGX-ST
- High quality **office** assets, complemented by **retail** and **convention** components
- **4** properties in Singapore, **1** property in Sydney & **2** properties in Melbourne

● Disclaimer

This presentation is focused on the comparison of actual results for the quarter ended 30 September 2017 versus results achieved for the quarter ended 30 September 2016. It should be read in conjunction with Paragraph 8 of Suntec REIT's financial results for the quarter ended 30 September 2017 announced on SGXNET.

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

This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in the expected levels of occupancy rates, property rental income, changes in operating expenses, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Past performance is not necessarily indicative of future performance. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of Suntec REIT. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.

IMPORTANT NOTICE

1. 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.
2. 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.
3. The past performance of Suntec REIT is not necessarily indicative of the future performance of Suntec REIT.