

## Financial Statements and Related Announcement::Full Yearly Results

## Issuer &amp; Securities

<b>Issuer/ Manager</b>	SPH REIT MANAGEMENT PTE. LTD.
<b>Securities</b>	SPH REIT - SG2G02994595 - SK6U
<b>Stapled Security</b>	No

## Announcement Details

<b>Announcement Title</b>	Financial Statements and Related Announcement
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<b>Designation</b>	Company Secretary
<b>Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)</b>	The Announcement, Press Release and Results Presentation are attached.

## Additional Details

<b>For Financial Period Ended</b>	31/08/2016
<b>Attachments</b>	<p><a href="#">SPH REIT - SGX Announcement Q4FY16.pdf</a></p> <p><a href="#">SPH REIT - Press Release Q4FY16.pdf</a></p> <p><a href="#">SPH REIT - Results Presentation Slides Q4FY16.pdf</a></p> <p>Total size =5935K</p>

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## SPH REIT FINANCIAL STATEMENT ANNOUNCEMENT \* FOR THE YEAR ENDED 31 AUGUST 2016

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

### **Introduction**

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

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

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

### **Audited Financial Information**

The financial information as set out in this announcement for the fourth quarter and year ended 31 August 2016 has been extracted from the audited\* financial statements for the fourth quarter and year ended 31 August 2016, in accordance with the Statement of Recommended Accounting Practice (“RAP”) 7 “Reporting Framework for Unit Trusts”, the Code on Collective Investment Schemes (the “CIS Code”) and the provisions of the Trust Deed.

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\* Please refer to the attached audit report.

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## For The Year Ended 31 August 2016

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

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

	4Q 2016 S\$'000	4Q 2015 S\$'000	Change %	FY 2016 S\$'000	FY 2015 S\$'000	Change %
Gross revenue	52,177	50,789	2.7	209,594	205,113	2.2
Property operating expenses	(12,002)	(12,624)	(4.9)	(48,683)	(49,493)	(1.6)
<b>Net property income</b>	<b>40,175</b>	<b>38,165</b>	<b>5.3</b>	<b>160,911</b>	<b>155,620</b>	<b>3.4</b>
Income support <sup>1</sup>	548	744	(26.3)	2,365	3,008	(21.4)
Amortisation of intangible asset	(548)	(744)	(26.3)	(2,365)	(3,008)	(21.4)
Manager's management fees	(4,090)	(3,994)	2.4	(16,312)	(15,976)	2.1
Trust expenses <sup>2</sup>	(199)	(281)	(29.2)	(1,610)	(1,689)	(4.7)
Finance income <sup>3</sup>	217	196	10.7	915	657	39.3
Finance costs	(5,923)	(5,951)	(0.5)	(24,015)	(21,669)	10.8
<b>Net income</b>	<b>30,180</b>	<b>28,135</b>	<b>7.3</b>	<b>119,889</b>	<b>116,943</b>	<b>2.5</b>
Fair value change on investment properties <sup>4</sup>	7,685	36,588	(79.0)	7,685	36,588	(79.0)
<b>Total return before taxes and distribution</b>	<b>37,865</b>	<b>64,723</b>	<b>(41.5)</b>	<b>127,574</b>	<b>153,531</b>	<b>(16.9)</b>
Less: income tax	-	-	NM	-	-	NM
<b>Total return after taxes and before distribution</b>	<b>37,865</b>	<b>64,723</b>	<b>(41.5)</b>	<b>127,574</b>	<b>153,531</b>	<b>(16.9)</b>

#### Notes:

- Income support relates to the top-up payment from the vendors of The Clementi Mall pursuant to the Deed of Income Support.
- Includes recurring trust expenses such as trustee's fees, valuation fees, audit and tax adviser's fees, cost associated with the preparation of annual reports, and investor communication costs.
- Finance income represent the interest income from bank deposit.
- This relates to the fair value change on Paragon and The Clementi Mall as at 31 August 2016 and 31 August 2015, based on independent valuations conducted by Jones Lang LaSalle Property Consultants Pte Ltd ("JLL") and DTZ Debenham Tie Leung (SEA) Pte Ltd ("DTZ") respectively.

NM Not Meaningful

## For The Year Ended 31 August 2016

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

	4Q 2016 S\$'000	4Q 2015 S\$'000	Change %	FY 2016 S\$'000	FY 2015 S\$'000	Change %
<b>Net income</b>	<b>30,180</b>	<b>28,135</b>	<b>7.3</b>	<b>119,889</b>	<b>116,943</b>	<b>2.5</b>
Add: Non-tax deductible items <sup>1</sup>	4,170	5,418	(23.0)	21,189	21,595	(1.9)
<b>Income available for distribution</b>	<b>34,350</b>	<b>33,553</b>	<b>2.4</b>	<b>141,078</b>	<b>138,538</b>	<b>1.8</b>
<b>Distribution to Unitholders<sup>2</sup></b>	<b>35,909</b>	<b>35,158</b>	<b>2.1</b>	<b>139,711</b>	<b>138,044</b>	<b>1.2</b>

Notes:

1. Non-tax deductible items refer to the Manager's management fees paid/payable in units, trustee's fees, amortisation of income support, amortisation of debt issuance costs and adjustment for additional property tax provision that relates to prior year.
2. Distribution for 4Q 2016 includes taxable income available for distribution retained earlier in the year. For FY2016, the distribution to unitholders was 99.0% of taxable income available for distribution.

## For The Year Ended 31 August 2016

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

<b>Balance Sheet</b>	<b>As at 31 Aug 16 S\$'000</b>	<b>As at 31 Aug 15 S\$'000</b>
<b>Non-current assets</b>		
Plant and equipment	950	1,044
Investment properties <sup>1</sup>	3,230,000	3,212,500
Intangible asset <sup>2</sup>	7,035	9,400
Derivative financial instruments <sup>3</sup>	-	3,949
	<u>3,237,985</u>	<u>3,226,893</u>
<b>Current assets</b>		
Trade and other receivables <sup>4</sup>	5,888	5,008
Derivative financial instruments <sup>3</sup>	-	365
Cash and cash equivalents	67,382	77,355
	<u>73,270</u>	<u>82,728</u>
<b>Total assets</b>	<b><u>3,311,255</u></b>	<b><u>3,309,621</u></b>
<b>Non-current liabilities</b>		
Borrowing	845,887	595,565
Derivative financial instruments <sup>3</sup>	9,890	-
Trade and other payables	32,763	36,685
	<u>888,540</u>	<u>632,250</u>
<b>Current liabilities</b>		
Borrowing	-	249,330
Trade and other payables	34,183	30,231
	<u>34,183</u>	<u>279,561</u>
<b>Total liabilities</b>	<b><u>922,723</u></b>	<b><u>911,811</u></b>
<b>Net assets attributable to Unitholders</b>	<b><u>2,388,532</u></b>	<b><u>2,397,810</u></b>

Notes:

1. The fair value of Paragon and The Clementi Mall as at 31 August 2016 was S\$2,656.0 million and S\$574.0 million respectively. The fair value of the investment properties were based on independent valuations conducted by Jones Lang LaSalle Property Consultants Pte Ltd ("JLL").
2. Intangible asset relates to income support provided by the vendors of The Clementi Mall.
3. Derivative financial instruments represent the fair value as at balance sheet date of the interest rate swap contracts to swap floating rates for fixed interest rates.
4. Trade and other receivables comprised mainly rental receivable and trade amount due from related parties.

**1(b)(ii) Borrowing**

**Secured borrowing**

	<b>As at 31 Aug 16 S\$'000</b>	<b>As at 31 Aug 15 S\$'000</b>
Amount repayable within one year	-	249,330
Amount repayable after one year	845,887	595,565
<b>Total</b>	<b>845,887</b>	<b>844,895</b>

**Details of collateral**

On 24 July 2013, SPH REIT established a term loan facility of up to the amount of S\$975 million, of which the amount drawn down was S\$850 million. As at the balance sheet date, the amount of S\$845.9 million represented the loan stated at amortised cost. A S\$250 million tranche of the loan which matured in July 2016 was revised into two tranches of S\$125 million each, with extended tenures of three years and five years. After the revisions, the loan has various repayment dates, of which S\$135 million is repayable in March 2018, S\$185 million in July 2018, S\$125 million in July 2019, S\$280 million in July 2020 and S\$125 million in July 2021.

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

## For The Year Ended 31 August 2016

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

#### Statement of Cash Flows

	4Q 2016 S\$'000	4Q 2015 S\$'000	FY 2016 S\$'000	FY 2015 S\$'000
<b>Cash flows from operating activities</b>				
Total return for the period/year	37,865	64,723	127,574	153,531
Adjustments for:				
Fair value change on investment properties	(7,685)	(36,588)	(7,685)	(36,588)
Manager's fee paid/payable in units	4,090	3,994	16,312	15,976
Depreciation of plant and equipment	57	45	210	160
Finance income	(217)	(196)	(915)	(657)
Finance costs	5,923	5,951	24,015	21,669
Amortisation of intangible asset	548	744	2,365	3,008
Operating cash flow before working capital changes	40,581	38,673	161,876	157,099
Changes in operating assets and liabilities				
Trade and other receivables	(973)	490	(819)	955
Trade and other payables	(1,601)	1,390	(1,038)	321
<b>Net cash from operating activities</b>	<b>38,007</b>	<b>40,553</b>	<b>160,019</b>	<b>158,375</b>
<b>Cash flows from investing activities</b>				
Additions to investment properties	(2,796)	(4,757)	(8,501)	(15,318)
Purchase of plant and equipment	(22)	(92)	(116)	(125)
Interest received	202	220	854	606
<b>Net cash used in investing activities</b>	<b>(2,616)</b>	<b>(4,629)</b>	<b>(7,763)</b>	<b>(14,837)</b>
<b>Cash flows from financing activities</b>				
Distribution to unitholders	(34,575)	(34,094)	(138,960)	(137,835)
Payment of transaction costs related to borrowing	(1,018) <sup>1</sup>	(18)	(1,018) <sup>1</sup>	(220)
Interest paid	(5,093)	(4,551)	(22,251)	(18,786)
<b>Net cash used in financing activities</b>	<b>(40,686)</b>	<b>(38,663)</b>	<b>(162,229)</b>	<b>(156,841)</b>

Notes:

1. This includes upfront fees paid for revision of terms of the existing loan facility. Please refer to paragraph 1(b)(ii) Borrowing.



## For The Year Ended 31 August 2016

### 1(c) Statement of Cash Flows (cont'd)

	4Q 2016	4Q 2015	FY 2016	FY 2015
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Net decrease in cash and cash equivalents</b>	<b>(5,295)</b>	<b>(2,739)</b>	<b>(9,973)</b>	<b>(13,303)</b>
Cash and cash equivalents at beginning of the period/year	72,677	80,094	77,355	90,658
<b>Cash and cash equivalents at end of the period/year</b>	<b>67,382</b>	<b>77,355</b>	<b>67,382</b>	<b>77,355</b>

### 1(d)(i) Statement of Changes in Unitholders' Funds

	4Q 2016	4Q 2015	FY 2016	FY 2015
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance as at beginning of period/year</b>	<b>2,387,274</b>	<b>2,354,360</b>	<b>2,397,810</b>	<b>2,353,066</b>
<b><u>Operations</u></b>				
Total return for the period/year	37,865	64,723	127,574	153,531
<b><u>Hedging reserve</u></b>				
Effective portion of changes in fair value of cash flow hedges <sup>1</sup>	(6,122)	8,827	(14,204)	13,072
<b><u>Unitholders' transactions</u></b>				
Distribution to unitholders	(34,575)	(34,094)	(138,960)	(137,835)
Manager's fee paid/payable in units	4,090	3,994	16,312	15,976
	(30,485)	(30,100)	(122,648)	(121,859)
<b>Balance as at end of period/year</b>	<b>2,388,532</b>	<b>2,397,810</b>	<b>2,388,532</b>	<b>2,397,810</b>

Notes:

1. This relates to interest rate swap arrangements.

## For The Year Ended 31 August 2016

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

	4Q 2016	4Q 2015	FY 2016	FY 2015
	No. of units	No. of units	No. of units	No. of units
<b>Issued units as at beginning of period/year</b>	<b>2,542,310,127</b>	<b>2,525,504,384</b>	<b>2,529,309,302</b>	<b>2,514,276,488</b>
Manager's fee paid in units <sup>1</sup>	4,393,183	3,804,918	17,394,008	15,032,814
<b>Issuable units:</b>				
Manager's fee payable in units <sup>2</sup>	4,215,607	4,211,448	4,215,607	4,211,448
<b>Total issued and issuable units as at end of period/year</b>	<b>2,550,918,917</b>	<b>2,533,520,750</b>	<b>2,550,918,917</b>	<b>2,533,520,750</b>

Notes:

1. The units were issued to the REIT Manager in full satisfaction of management fees.
2. This is calculated based on volume weighted average traded price for the last 10 business days for the respective quarters, as provided in the Trust Deed.

### 1(d)(iii) To show the total number of issued units excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 31 August 2016, SPH REIT had 2,546,703,310 units (31 August 2015: 2,529,309,302 units).

### 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

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

The figures for the year have been audited. The auditors' report on the financial statements of SPH REIT was not subject to any modification.

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

Please refer to the attached auditor's audit report.

## For The Year Ended 31 August 2016

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

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

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.**

The financial information has been prepared in accordance with the same accounting policies and methods of computation adopted in the audited financial statements of the previous financial period, except for new or amended accounting policies adopted in the Statement of Recommended Accounting Practice ("RAP") 7 "Reporting Framework for Unit Trusts" which became effective from this financial year.

The adoption of the new/revised accounting policies has not resulted in any substantial changes to SPH REIT's accounting policies nor any significant impact on these financial statements.

6. **Earnings per unit ("EPU") and Distribution per unit ("DPU")**

	4Q 2016	4Q 2015	FY 2016	FY 2015
<b><u>Earnings per unit</u></b>				
Weighted average number of units <sup>1</sup>	2,546,748,639	2,529,354,586	2,540,165,169	2,523,660,181
Total return for the period/year after tax (S\$'000)	37,865	64,723	127,574	153,531
EPU <sup>4</sup> (basic and diluted) (cents)	1.49	2.56	5.02	6.08
EPU (cents), excluding fair value change	1.19	1.11	4.72	4.63
<b><u>Distribution per unit</u></b>				
Total number of units in issue at end of period/year	2,546,703,310	2,529,309,302	2,546,703,310	2,529,309,302
Distribution to Unitholders <sup>2</sup> (\$'000)	35,909	35,158	139,711	138,044
DPU <sup>3</sup> (cents)	1.41	1.39	5.50	5.47

Notes:

1. The weighted average number of units was based on the number of units in issue and issuable units to the Manager.
2. As shown in 1(a)(ii) Distribution Statement.
3. The DPU was computed based on the number of units entitled to distribution.
4. Included the effects of fair value change on investment properties for the respective periods/years.

### 7. Net Asset Value (“NAV”) per unit

	As at 31 Aug 16	As at 31 Aug 15
NAV per unit <sup>1</sup> (S\$)	0.94	0.95
NTA per unit <sup>1</sup> (S\$)	0.94	0.94

Note:

1. The NAV per unit and NTA per unit were computed based on the number of units in issue at the end of the year.

### 8. Review of Performance

#### **Review of Results for the Fourth Quarter ended 31 August 2016 (“4Q 2016”) compared with the Fourth Quarter ended 31 August 2015 (“4Q 2015”)**

Gross revenue for 4Q 2016 grew by S\$1.4 million (2.7%) to S\$52.2 million, on the back of higher rental income achieved from Paragon and The Clementi Mall.

Property operating expenses of S\$12.0 million was S\$0.6 million (4.9%) lower than 4Q 2015, mainly due to savings in utilities from lower tariff rate, lower advertising and promotion (A&P) and maintenance expenses.

Consequently, net property income (“NPI”) of S\$40.2 million for 4Q 2016 was S\$2.0 million (5.3%) above 4Q 2015.

Net income for 4Q 2016 increased by S\$2.0 million (7.3%) to S\$30.2 million against the same quarter last year, mainly due to higher NPI.

Income available for distribution was S\$34.4 million for 4Q 2016 was higher by S\$0.8 million (2.4%) compared to 4Q 2015.

#### **Review of Results for the Full year ended 31 August 2016 (“FY2016”) compared with the Full year ended 31 August 2015 (“FY2015”)**

Gross revenue for FY2016 was up S\$4.5 million (2.2%) to S\$209.6 million. The positive results were driven by good progress in leasing activities. The portfolio average rental reversion was 5.4% for the new and renewed leases in FY2016.

Property operating expenses was S\$48.7 million, S\$0.8 million (1.6%) lower against FY 2015. Savings in utilities, lower A&P and maintenance expenses were partially offset by higher property tax and property management fees. The expenses included additional property tax of S\$0.8 million relating to prior years.

Consequently, NPI of S\$160.9 million for FY2016, was S\$5.3 million (3.4%) higher than last year. Both Paragon and The Clementi Mall performed better than the previous year, by S\$4.7 million (3.6%) and S\$0.6 million (2.3%) respectively. NPI margin of 76.8% was achieved, better than FY2015 of 75.9%.

### 8. Review of Performance (Cont'd)

Net income increased by S\$2.9 million (2.5%) to S\$119.9 million for FY2016 against last year. This was mainly attributable to the higher NPI and finance income, partially offset by the increase in finance cost arising from higher interest rate. Finance cost was S\$2.3 million (10.8%) higher as the average cost of debt as at 31 August 2016 was 2.82% compared to last year of 2.55%.

After taking into account the fair value change of S\$7.7 million, total return for FY2016 was S\$127.6 million. As at 31 August 2016, the portfolio was valued at S\$3.230 billion by Jones Lang LaSalle Property Consultants Pte Ltd (“JLL”). The revaluation change represented an increase of 0.5% from the valuation of S\$3.212 billion as at 31 August 2015.

Income available for distribution of S\$141.1 million for FY2016 was S\$2.5 million (1.8%) higher compared to FY2015 mainly due to the increase in Paragon’s NPI, partially offset by higher finance cost.

### 9. Variance from Prospect Statement

No forecast was made previously.

### 10. A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The Singapore economy grew by 2.1% year-on-year (y-o-y) in the second quarter of 2016, unchanged from the first quarter. The global economic outlook continues to weaken, with added uncertainties after the UK’s vote in June to leave the European Union (i.e. “Brexit”). In line with weaker global growth outlook, MTI has narrowed the growth forecast for 2016 to 1.0% to 2.0%.

The retail environment remains challenging. Based on figures released by the Singapore Department of Statistics (DOS), the retail sales index (excluding motor vehicles) declined by 1.0% y-o-y in 2015 and continued to contract by 4.0% in Q1 2016 and 3.9% in Q2 2016. Most of the trade segments registered decline in sales in Q2 2016, in particular, supermarkets (3.6%), wearing apparel and footwear (3.8%), department stores (3.2%), food and beverage (7.5%) and watches and jewellery (8.5%).

According to the Singapore Tourism Board (STB), the international visitor arrivals (IVA) recorded a 11.5% y-o-y growth in the first half year of 2016. Tourism receipts grew by 2.0% to S\$5.4 billion in Q1 2016. STB has forecast modest growth in 2016 amidst global uncertainties and increasing regional competition.

SPH REIT has a portfolio of two high quality and well-positioned retail properties in prime locations. Paragon had remained resilient and turned in a steady performance through previous economic cycles. In FY2016, it recorded marginally higher tenant sales at S\$661 million with an occupancy cost of 19.6%. The Clementi Mall continued to attract regular footfall of 30.0 million in its catchment. Tenant sales was down marginally by 1.4% to S\$239 million and occupancy cost inched up slightly to 14.8%. The Manager will continue to proactively manage the properties to deliver sustainable returns while seeking new opportunities to create value for unitholders.

**11. Distribution**

**(a) Current Financial Period**

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

Name of distribution:	Distribution for the period from 1 June 2016 to 31 August 2016
Distribution Type:	Taxable Income
Distribution rate per unit (cents):	1.41 cents per unit
Par value of units:	Not applicable.
Tax rate:	<p>Taxable Income Distribution:</p> <p>Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distribution. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns.</p> <p>Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%. This is based on the existing income tax concession for listed REITs on distributions made to non-resident non-individual investors during the period from 18 February 2005 to 31 March 2020.</p> <p>All other investors will receive their distributions after deduction of tax at the rate of 17%.</p>

**11. Distribution (Cont'd)**

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

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

Name of distribution:	Distribution for the period from 1 June 2015 to 31 August 2015
Distribution Type:	Taxable Income
Distribution rate per unit (cents):	1.39 cents per unit
Par value of units:	Not applicable.
Tax rate:	<p>Taxable Income Distribution:</p> <p>Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distribution. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns.</p> <p>Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%. This is based on the existing income tax concession for listed REITs on distributions made to non-resident non-individual investors during the period from 18 February 2005 to 31 March 2020.</p> <p>All other investors will receive their distributions after deduction of tax at the rate of 17%.</p>

**(c) Date payable**

The date the distribution is payable: Wednesday, 16 November 2016.

**(d) Record date**

The Transfer Books and Register of Unitholders of SPH REIT will be closed at 5.00pm on 14 October 2016 for purposes of determining each Unitholder's entitlement to SPH REIT distribution.

## For The Year Ended 31 August 2016

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

Not applicable.

### 13. Segment Results

	4Q 2016	4Q 2015	Change	FY 2016	FY 2015	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b><u>Gross Revenue</u></b>						
Paragon	42,222	41,029	2.9	170,292	166,070	2.5
The Clementi Mall	9,955	9,760	2.0	39,302	39,043	0.7
Total	52,177	50,789	2.7	209,594	205,113	2.2
<b><u>Net Property Income</u></b>						
Paragon	32,973	31,157	5.8	132,276	127,627	3.6
The Clementi Mall	7,202	7,008	2.8	28,635	27,993	2.3
Total	40,175	38,165	5.3	160,911	155,620	3.4

### 14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to paragraph 8 on page 11 and 12.

### 15. Breakdown of Gross revenue and Net Income

	FY2016	FY2015	Change
	S\$'000	S\$'000	%
<b><u>1 September to 29 February (First half year)</u></b>			
Gross revenue	105,185	103,089	2.0
Net income	60,077	59,534	0.9
<b><u>1 March to 31 August (Second half year)</u></b>			
Gross revenue	104,409	102,024	2.3
Net income	59,812	57,409	4.2



## For The Year Ended 31 August 2016

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### 16. Breakdown of Total Distributions

	FY2016	FY2015
	S\$'000	S\$'000
1 September 2014 to 30 November 2014	-	33,489
1 December 2014 to 28 February 2015	-	35,303
1 March 2015 to 31 May 2015	-	34,094
1 June 2015 to 31 August 2015	-	35,158
1 September 2015 to 30 November 2015	33,696	-
1 December 2015 to 29 February 2016	35,531	-
1 March 2016 to 31 May 2016	34,575	-
1 June 2016 to 31 August 2016 <sup>2</sup>	35,909	-
	139,711	138,044

Notes:

1. Please refer to paragraph 11(a) on page 15.

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

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

### 18. Confirmation By the Manager Pursuant to Rule 720(1) of the SGX Listing Manual.

The Manager confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the SGX Listing Manual.

### 19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13). If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, SPH REIT Management Pte. Ltd. (the "Company"), as manager of SPH REIT, confirms that there is no person occupying a managerial position in the Company who is related to a director, chief executive officer, substantial shareholder of the Company or substantial unitholder of SPH REIT.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of SPH REIT Management Pte. Ltd. (as the manager of SPH REIT) on future events.

**BY ORDER OF THE BOARD**

Lim Wai Pun  
Khor Siew Kim

Company Secretaries

Singapore,  
6 October 2016



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Internet www.kpmg.com.sg

## **Independent Auditor's Report**

**To the Unitholders of SPH REIT**

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

We have audited the accompanying financial statements of SPH REIT (the "Trust"), which comprise the Statement of Financial Position and Portfolio Statement of the Trust as at 31 August 2016, and the Statement of Total Return, Distribution Statement and Statement of Changes in Unitholders' Funds and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages FS1 to FS37.

### ***Manager's responsibility for the financial statements***

The Manager of the Trust ("the Manager") is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of *Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts"* issued by the Institute of Singapore Chartered Accountants, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

### ***Auditors' responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



*Opinion*

In our opinion, the financial statements of the Trust present fairly, in all material respects, the financial position of the Trust as at 31 August 2016 and the total return, distributable income, changes in Unitholders' funds and cash flows of the Trust for the year then ended 31 August 2016 in accordance with the recommendations of *Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts"* issued by the Institute of Singapore Chartered Accountants.

*KPMA hf*

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

**Singapore**  
6 October 2016



## SPH REIT maintained steady distribution

- FY2016 DPU was 5.50 cents, an increase of 0.5% year-on-year
- Maintained 100% occupancy
- Portfolio average rental reversion of 5.4% for FY2016

**SINGAPORE, October 6, 2016** – SPH REIT Management Pte. Ltd. (“SPH RM” or the “Manager”), the Manager of SPH REIT, reported that gross revenue for the year ended 31 August 2016 (“FY2016”) grew by \$4.5 million (2.2%) to \$209.6 million, on the back of higher rental income achieved from Paragon and The Clementi Mall. Net property income (“NPI”) of \$160.9 million was \$5.3 million (3.4%) higher than last year as a result of proactive management of expenses.

Income available for distribution to unitholders increased by \$2.5 million (1.8%) to \$141.1 million for FY2016. Distribution per unit (“DPU”) for 4Q 2016 was 1.41 cents, an increase of 1.4% against 4Q 2015. The aggregate DPU was 5.50 cents for year ended 31 August FY2016. The 4Q 2016 distribution will be paid to unitholders on 16 November 2016.

### **Resilient operational performance**

Both properties continued to demonstrate resilience, with positive rental reversion and full occupancy. Paragon achieved a moderate rental uplift of 5.2% for new and renewed leases in FY2016. The Clementi Mall recorded a positive rental reversion of 7.8% in FY2016 with renewal of 11.9% of net lettable area.

Visitor traffic at Paragon declined by 2.5% year-on-year (y-o-y) to 18.3 million. Tenant sales increased marginally by 0.3% to \$661 million with an occupancy cost of 19.6%. The Clementi Mall continued to attract residents in its catchment and achieved visitor traffic of 30.0 million. This was 2.4% lower than the year before and tenant sales was down marginally by 1.4% to \$239 million with an occupancy cost of 14.8%.

### **Continual asset enhancement**

SPH REIT was able to capitalise on the new elevated pedestrian linkway between Paragon and the Cairnhill redevelopment project, to create more inviting shopfronts for two existing tenants “Metro” and “Marks & Spencer” with the latter occupying an enlarged space. For phase one of the AHU decanting project, the Manager secured new concepts and flagship stores for the newly created net lettable area, namely “Emporio Armani” and “Greyhound Café” which will open its first café in Singapore. We look forward to the second phase of the project, which is scheduled for completion in 2018.

The Clementi Mall’s basement 1 reconfiguration project will increase the number of food kiosks from 14 to 21 units. All units have been fully committed ahead of time and shoppers can look forward to enjoying a wider variety of food from four new-to-market concepts and ten new tenants, when these open in November 2016.

### **Valuation of properties at \$3.23 billion**

As at 31 August 2016, the portfolio was valued at \$3.23 billion by Jones Lang LaSalle Property Consultants Pte Ltd, as against last year’s valuation of \$3.21 billion. The net asset value per unit was \$0.94 as at 31 August 2016.

### **Capital Management**

SPH REIT has a well-staggered debt maturity profile for the total borrowing of \$850 million, with gearing level of 25.7% as at 31 August 2016. During the quarter, a S\$250 million tranche of the loan which matured in July 2016 was revised into two tranches of S\$125 million each, with extended tenures of three years and five years. Consequently, weighted average debt maturity increased to 3.1 years as at 31 August 2016, from 2.2 years as at 31 May 2016. To mitigate exposure to interest rate risk, about 50% of each revised loan tranche was on fixed rate loan. The total borrowing on fixed rate basis was kept at around 86%. With competitive bank margins for the revised tenure, average cost of debt was maintained at 2.82% p.a. for FY2016.

Ms Susan Leng, CEO of SPH REIT Management Pte. Ltd., said, “We are pleased that SPH REIT has delivered another year of consistent distribution growth to unitholders. The resilient performance amid a challenging retail environment is a testament to our management philosophy that treats the relationship with tenants as a partnership, focusing on sustainable returns for both tenants and landlord. We will continue to work closely with our tenants to ride through the challenges as well as seek opportunities to create long-term value for unitholders.”

On the outlook for FY2017, the near-term economic growth for Singapore is expected to remain modest, amid geopolitical uncertainties and deflationary trends. Barring any unforeseen circumstances, SPH REIT’s two high quality and well-positioned retail properties in prime locations are expected to remain resilient and turn in a steady performance.

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

	<b>4Q 2016 \$'000</b>	<b>4Q 2015 \$'000</b>	<b>Change %</b>
Gross revenue	52,177	50,789	2.7
Net property income	40,175	38,165	5.3
Income available for distribution	34,350	33,553	2.4
Distribution to Unitholders <sup>1</sup>	35,909	35,158	2.1
Distribution per unit (cents)	1.41	1.39	1.4

Notes:

1. Distribution for 4Q 2016 includes taxable income available for distribution retained earlier in the year.

	<b>2016</b> \$'000	<b>2015</b> \$'000	<b>Change</b> %
Gross revenue	209,594	205,113	2.2
Net property income <sup>1</sup>	160,911	155,620	3.4
Income available for distribution <sup>2</sup>	141,078	138,538	1.8
Distribution to Unitholders <sup>3</sup>	139,711	138,044	1.2
Distribution per unit (cents)	5.50	5.47	0.5
Annualised distribution yield (%)	5.73 <sup>4</sup>	5.70 <sup>5</sup>	0.5

Notes:

1. Included additional property tax of \$0.8 million relating to prior years. Excluding the effect of prior year property tax, NPI was \$161.7 million, an increase of \$6.1 million (3.9%) compared to FY2015.
2. The prior year property tax does not have an effect on current year's distribution.
3. For FY2016, the distribution to unitholders was 99.0% of taxable income available for distribution.
4. Based on \$0.96 per unit closing price on 31 August 2016.
5. Based on \$0.96 per unit closing price on 31 August 2015.

For further information and enquiries, please contact:

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## **ABOUT SPH REIT**

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

Its portfolio of properties comprises a 99-year leasehold interest in Paragon commencing on the date of listing of SPH REIT and a 99-year leasehold interest in The Clementi Mall commencing on 31 August 2010. Valued at S\$3.23 billion with an aggregate net lettable area of approximately 903,000 sq ft, the properties have a committed occupancy of 100% and have a diverse and high quality tenant base of about 440 local and international retailers and medical specialists.

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

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

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

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

Incorporated in 1984, main board-listed Singapore Press Holdings Ltd (SPH) is Asia's leading media organisation, engaging minds and enriching lives across multiple languages and platforms, ranging from print, digital, radio and out-of-home media.

SPH owns award-winning newspapers, magazines and best-selling books in both print and digital editions, as well as online classified businesses in the region. In addition, SPH has two English radio stations and one Chinese radio station, an out-of-home digital advertising unit, a regional events and conferences arm, and runs a chain of modern retail convenience stores. SPH also has a 20 per cent stake in MediaCorp TV Holdings Pte Ltd, which operates free-to-air channels 5, 8 and U, and a 40 per cent stake in MediaCorp Press Limited, which publishes the free newspaper, Today.

SPH owns 70 per cent of SPH REIT, which comprises Paragon, a premier upscale retail mall and medical suite/office property in Orchard Road and The Clementi Mall, a mid-market suburban mall. SPH's latest retail development is The Seletar Mall located in Sengkang.

For more information, please visit [www.sph.com.sg](http://www.sph.com.sg).

## **Important Notice**

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of SPH REIT Management Pte. Ltd. (as the manager of SPH REIT) on future events.



# FY2016 Financial Results

6 October 2016

# Disclaimer

This presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in SPH REIT (“Units”). The value of Units and the income derived from them may fall as well as 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 SPH REIT is not necessarily indicative of its future performance. This presentation may also contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

This presentation shall be read in conjunction with SPH REIT’s financial results for the fourth quarter and financial year ended 31 August 2016 in the SGXNET announcement.

# Contents

Results	Slide 3
Balance sheet	Slide 7
Operational performance	Slide 11
Growth strategy and market outlook	Slide 18
Distribution details and timetable	Slide 23

# Key Highlights

- Net property income for FY16 up 3.4% y-o-y
- FY16 DPU was 5.50 cents, an increase of 0.5% against last year
- 4Q FY16 DPU was 1.41 cents
- Distribution yield was 5.73% (based on closing price of \$0.960 per unit on 31 August 2016)
- Continual tenancy revitalisation and asset enhancement to create value
- Strong balance sheet, with gearing level at 25.7% and 85.9% of debt on fixed rate basis

# Resilient performance

	FY16 S\$'000	FY15 S\$'000	Change %
Gross revenue	209,594	205,113	▲ 2.2%
Property expenses <sup>(a)</sup>	(48,683)	(49,493)	▼ (1.6%)
Net property income (NPI) <sup>(a)</sup>	160,911	155,620	▲ 3.4%
Income available for distribution <sup>(b)</sup>	141,078	138,538	▲ 1.8%
Distribution to Unitholders <sup>(c)</sup>	139,711	138,044	▲ 1.2%
Distribution per unit (DPU) (cents)	5.50	5.47	▲ 0.5%

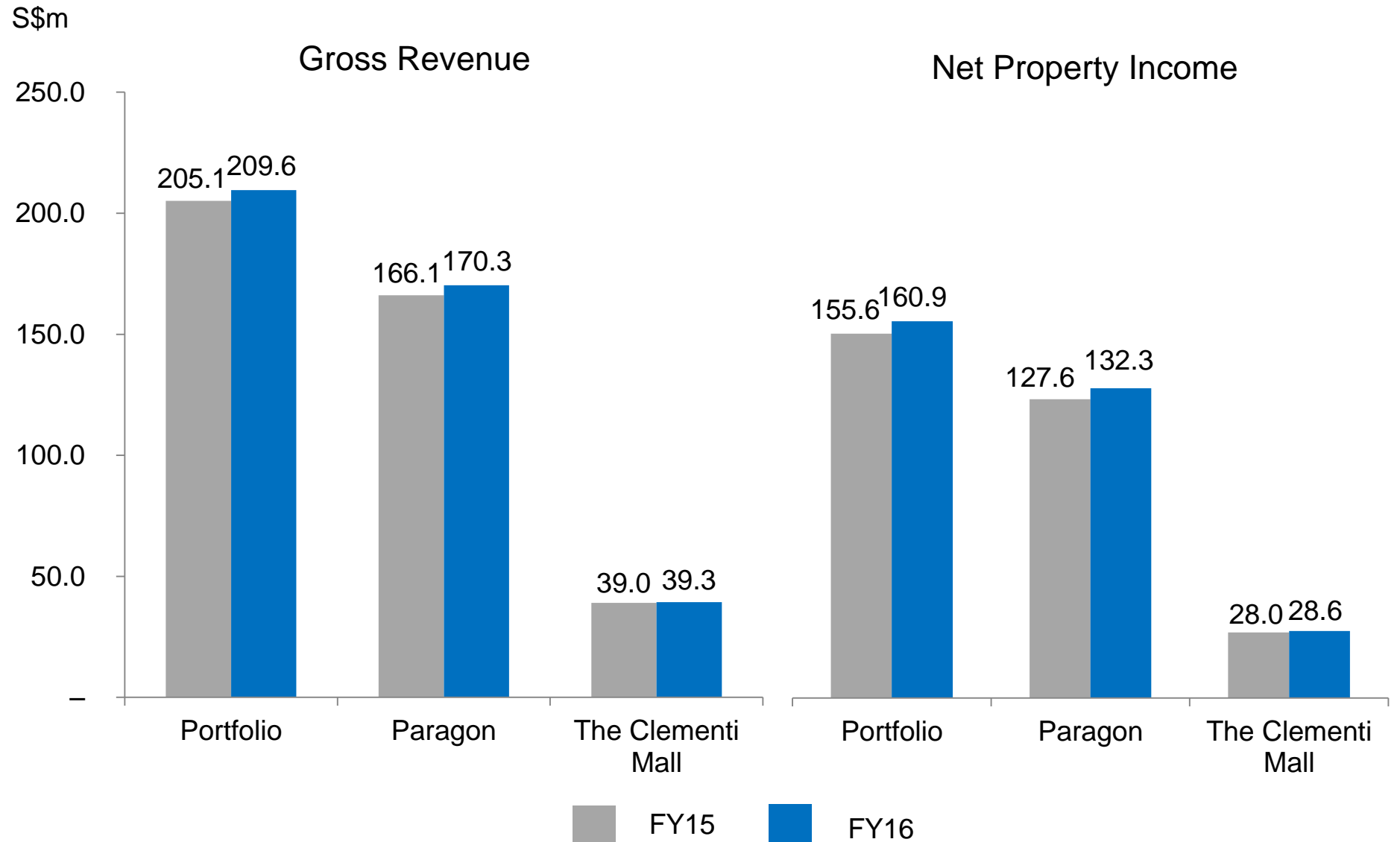
Notes:

(a) Included additional property tax of \$0.8 million relating to prior years. Excluding the effect of prior year property tax, NPI was \$161.7 million, an increase of \$6.1 million (3.9%) compared to FY15.

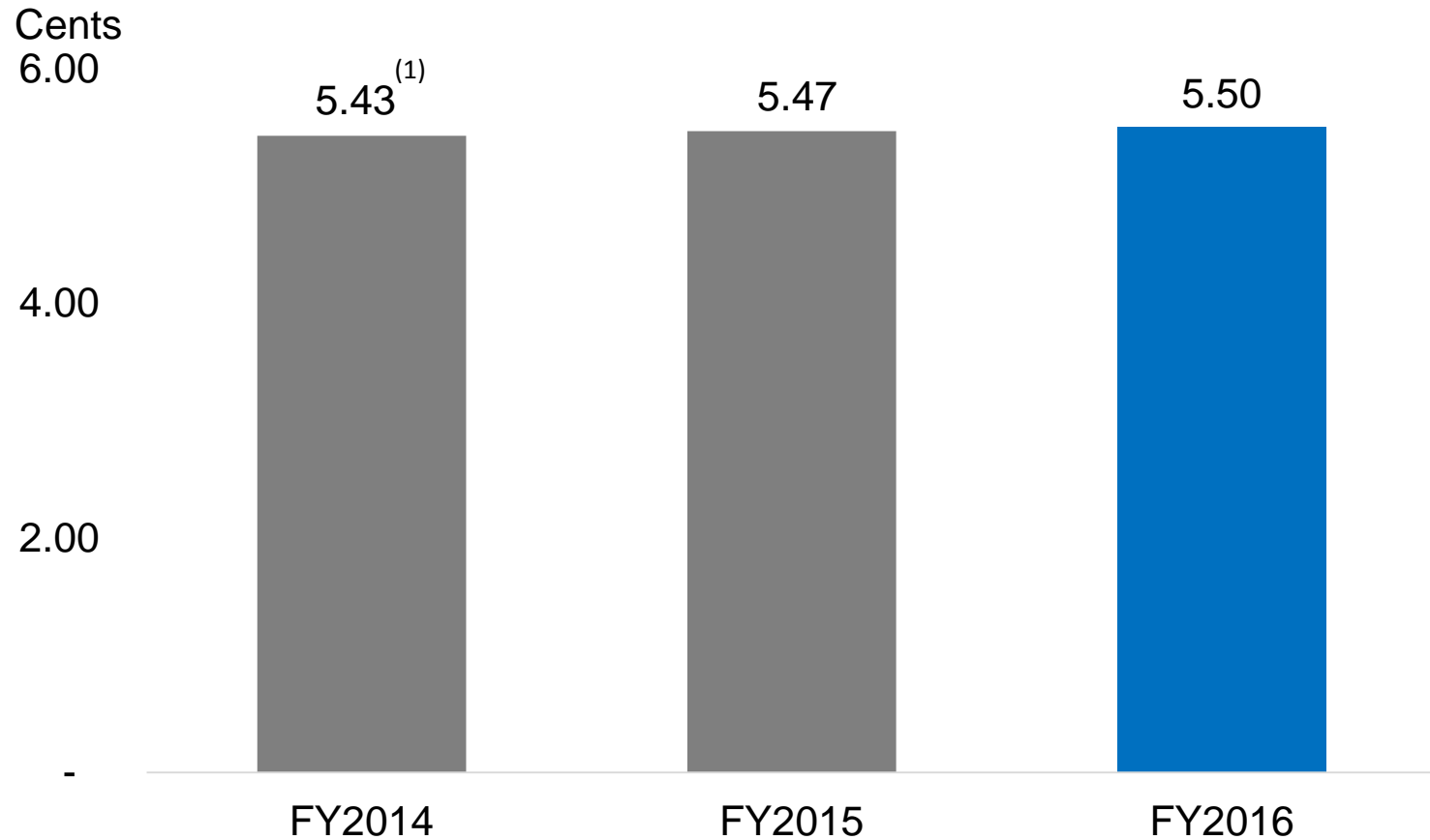
(b) The prior year property tax does not have an effect on current year's distribution.

(c) For FY16, the distribution to unitholders was 99.0% of taxable income available for distribution.

# Higher gross revenue and NPI



# Steady distribution



Note:

(1) Does not include the distribution of 0.56 cents from 24 July 2013 (listing date) to 31 August 2013



# Balance sheet



# Financial position

	As at 31 August 2016 S\$'000	As at 31 August 2015 S\$'000
Total assets	3,311,255	3,309,621
Total liabilities	922,723	911,811
Net assets	2,388,532	2,397,810
Net asset value per unit	S\$0.94	S\$0.95
Gearing <sup>(a)</sup>	25.7%	25.7%

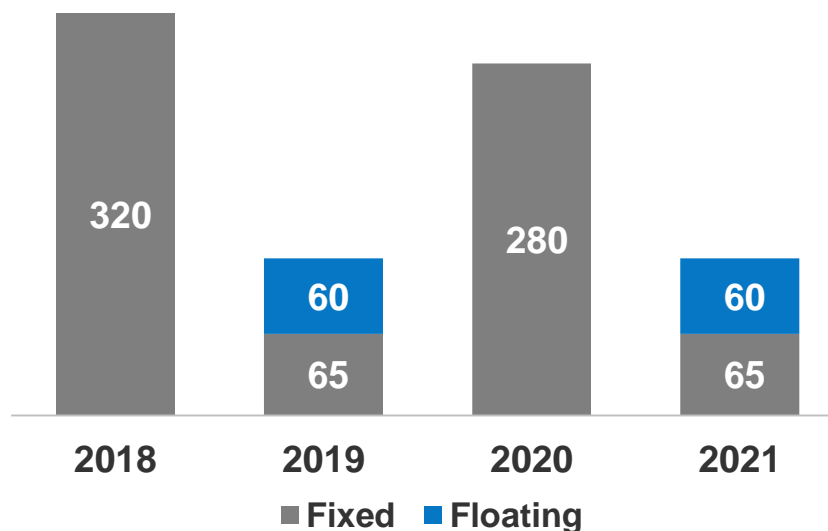
Note:

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

## No refinancing required till 2018

- A \$250m loan tranche which matured in July 2016, was revised into two tranches of \$125m each, with extended tenures of three years and five years.
- Weighted average term to maturity increased to 3.1 years
- Proactive capital management with 85.9% of the \$850m debt facility on a fixed rate basis
- Average cost of debt maintained at 2.82% p.a.

**Debt Maturity Profile (\$m)**



# Market value of properties

	Valuation as at 31 August (a)		Capitalisation Rate As at 31 August 2016 and 2015
	2016 S\$m	2015 S\$m	
Paragon	2,656.0	2,641.0	4.85% - Retail 4.00% <sup>(c)</sup> - Medical Suite/Office
The Clementi Mall <sup>(b)</sup>	574.0	571.5	5.00%
SPH REIT Portfolio	3,230.0	3,212.5	

Notes:

(a) Valuations as at 31 August 2016 and 31 August 2015 were conducted by JLL and DTZ respectively.

(b) The Clementi Mall's valuation excludes income support. The guaranteed Net Property Income (NPI) per year is S\$31 million and the aggregate top up NPI shall not exceed \$20 million over five years from 24 July 2013 (Listing date).

(c) The capitalisation rate was 4.25% for the valuation as at 31 August 2015



# Operational performance



# Resilient operating performance

- Maintained 100% occupancy
- Achieved portfolio rental reversion of 5.4% in FY16
- Paragon's visitor traffic declined by 2.5% year-on-year to 18.3 million and tenant sales was marginally higher at \$661 million.
- The Clementi Mall achieved visitor traffic of 30.0 million. This was 2.4% lower than the previous year and tenant sales was down marginally by 1.4% to \$239 million.
- FY16 occupancy cost was 19.6% for Paragon and 14.8% for The Clementi Mall.

## Rental reversion up 5.4%

	Number of renewals / new leases <sup>(a)</sup>	NLA renewed / new leases (sqft)	As a % of properties' NLA	Change compared to preceding rental rates <sup>(c)</sup>
Paragon	100	243,609	34.2%	5.2%
The Clementi Mall	24	22,979	11.9%	7.8%
SPH REIT Portfolio	124	266,588	29.5% <sup>(b)</sup>	5.4%

Notes:

(a) For expiries in FY16.

(b) As a % of SPH REIT portfolio's total Net Lettable Area ("NLA") of 903,837sqft as at 31 August 2016.

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

# Staggered portfolio lease renewal

## Weighted Average Lease Expiry (WALE) as at 31 August 2016

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By NLA 2.3 years

By Gross Rental Income 2.2 years

## Lease expiry as at 31 August 2016

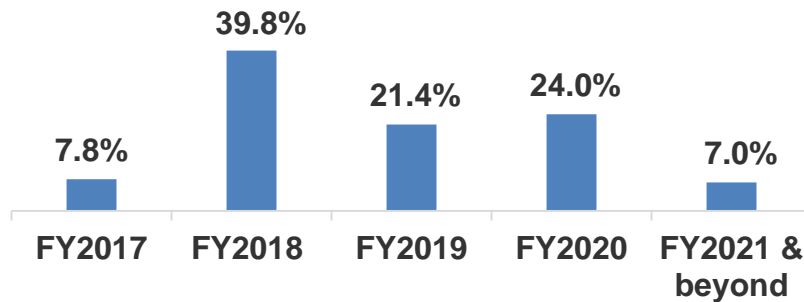
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	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021 and beyond</b>
Expiries as a % of total NLA	18.5%	30.9%	19.8%	20.9%	9.9%
Expiries as a % of Gross rental income	16.0%	33.6%	19.1%	25.0%	6.3%

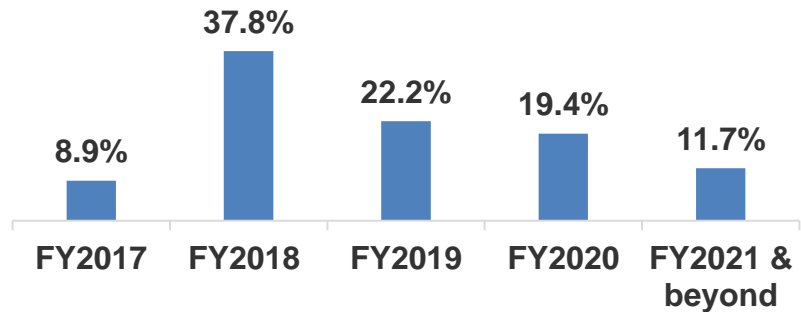


# Paragon: staggered lease expiry

Expiry by Gross Rental Income

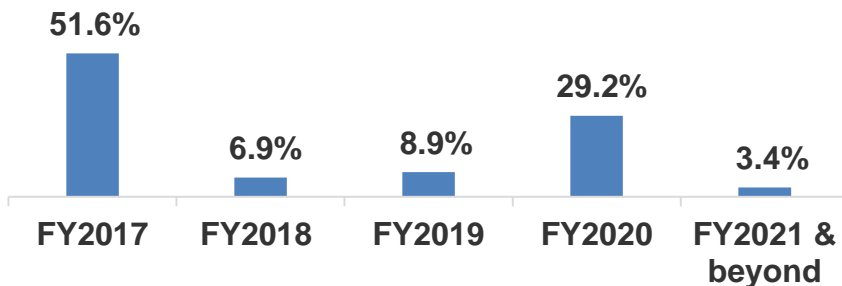


Expiry by NLA

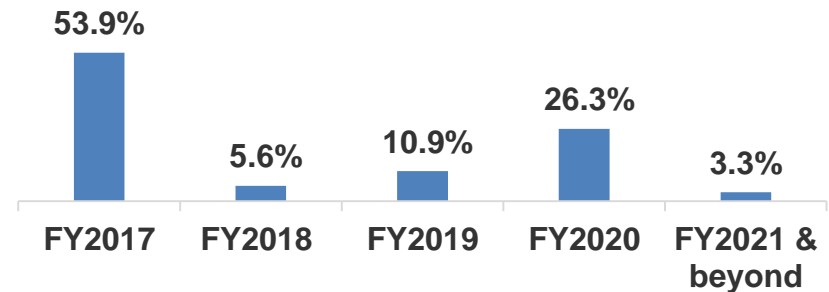


## The Clementi Mall (a) : second renewal cycle in 2017 is in progress

Expiry by Gross Rental Income



Expiry by NLA



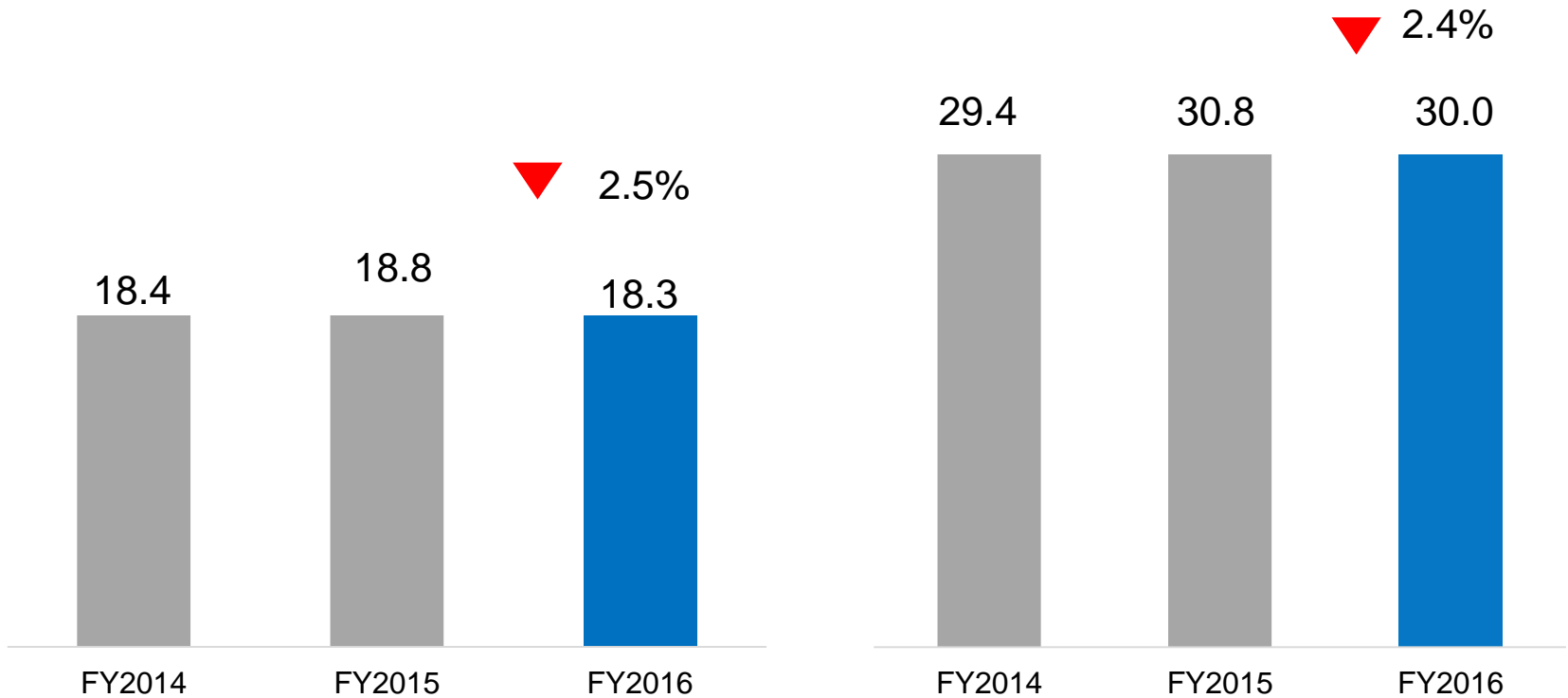
Note:

(a) The Clementi Mall officially opened in May 2011 with first lease renewal cycle in 2014.

# Steady visitor traffic

## Paragon

## The Clementi Mall



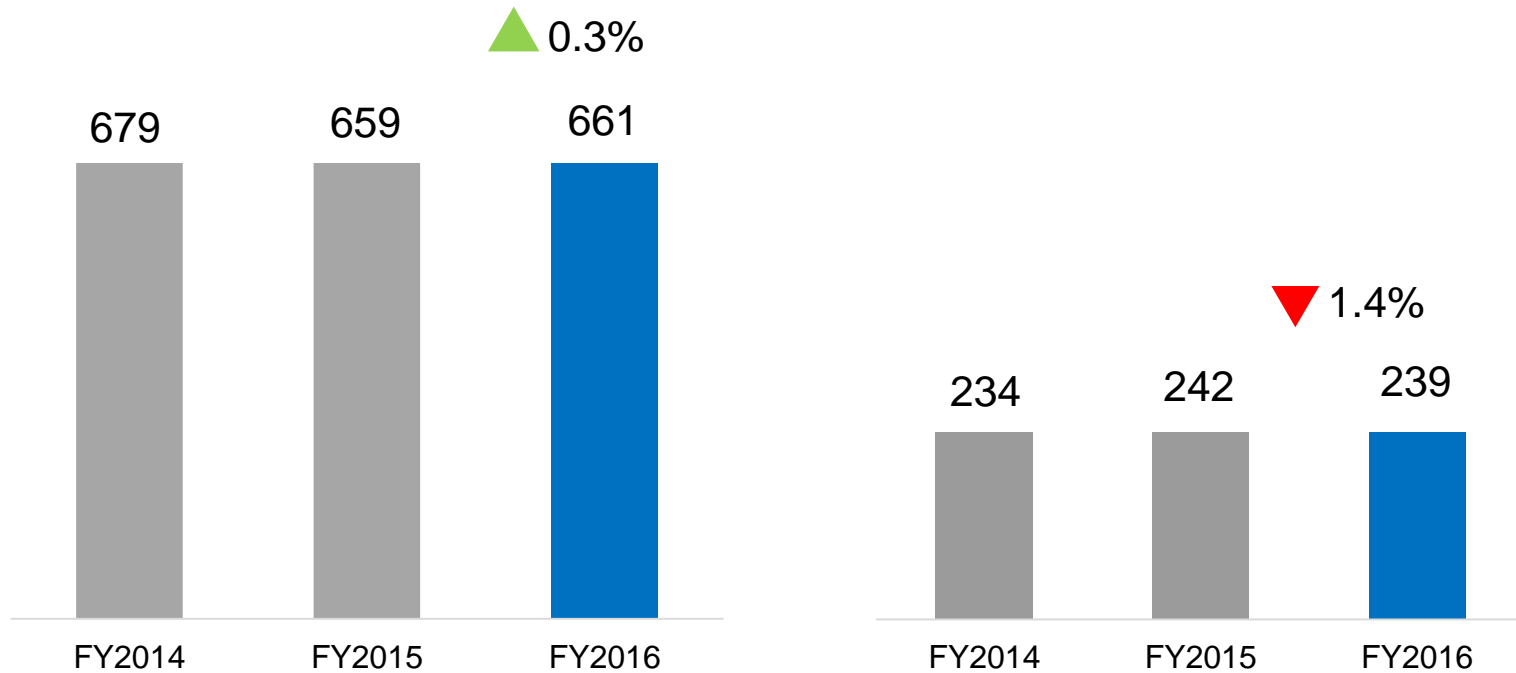
\* All figures (in million)

Note:

(a) Financial year refers to the period from 1 September to 31 August in the respective year 2013, 2014, 2015 and 2016.

# Tenant sales

## Paragon The Clementi Mall



\* All figures (in \$million)

Note:

(a) Financial year refers to the period from 1 September to 31 August in the respective year 2013, 2014, 2015 and 2016



# Growth strategy and market outlook



# Multi-pronged growth strategy to ensure growth

## Proactive asset management and asset enhancement strategy

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

## Investments and acquisition growth strategy

- ROFR on the Sponsor's future income-producing properties used primarily<sup>(1)</sup> for retail purposes in Asia Pacific
  - Currently one applicable ROFR property, The Seletar Mall, which has opened on 28 November 2014, achieved 100% committed occupancy rate since December 2014.
  - Explore acquisition opportunities that will add value to SPH REIT's portfolio and improve returns to unitholders

Note:

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

# Strategy to revitalise tenant mix

- Strategy to continually revitalise tenant mix to keep the properties relevant and elevate the properties' positioning
- Completed tenancy revitalisation program for Level 1 in 2016
- Ongoing initiatives to strengthen various clusters and levels
- Asset enhancement works to create value and strengthen the long-term sustainability of the property



EMPORIO ARMANI

LOEWE



LIU JO



JANICE WONG  
SINGAPORE

sph Reit

# Continual asset enhancement

## **Air Handling Unit (“AHU”) decanting project in Paragon**

- Replace aging AHUs with fan coil unit (“FCU”) and convert about 7,000 sqft back-of-house space into revenue generating net lettable area (“NLA”) at retail levels.
- Multi-phased approach from September 2015 to mid 2018 to minimise disruption to tenants.
- New concepts and flagship stores for the newly created net lettable area at Level 1, namely “Emporio Armani” and “Greyhound Café” (first café in Singapore)
- Reconfigure space at Level 3, with new shopfronts and stores, and capitalise on the new elevated pedestrian linkway between Paragon and the Cairnhill redevelopment project

## **The Clementi Mall’s (“TCM”) reconfiguration project**

- Create a more efficient layout at basement and increase to a total of 21 food kiosks.
- Shoppers will enjoy a wider variety of food offering with 4 new-to-market concepts and 10 new tenants



# Market outlook

- **Outlook for Singapore economy remain modest**
  - The Singapore economy grew by 2.1% year-on-year in the second quarter of 2016, unchanged from the previous quarter.
  - The Ministry of Trade and Industry (MTI) has narrowed the growth forecast for 2016 at 1.0% to 2.0%.
- **STB expects modest growth in 2016 amidst global uncertainties and increasing regional competition**
  - International visitor arrivals (IVA) grew y-o-y by 11.5% in the first half year of 2016.
  - Tourism receipts grew by 2.0% to S\$5.4 billion in Q1 2016.
- **Retail environment remains challenging**
  - The retail sales index (excluding motor vehicles) declined by 1.0% y-o-y in 2015 and continued to contract by 4.0% in Q1 2016 and 3.9% in Q2 2016.
  - Most of the trade segments registered decline in sales in Q2 2016, in particular, supermarkets (3.6%), wearing apparel and footwear (3.8%), department stores (3.2%), food and beverage (7.5%) and watches and jewellery (8.5%),

## Distribution details and timetable

Distribution period	4Q FY16 (1 June 2016 – 31 August 2016)
Distribution per unit	1.41 cents per unit
Ex-date	12 October 2016
Record date	14 October 2016
Payment date	16 November 2016

# Thank You

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