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Trust Management (Suntec) Limited

**Suntec Real Estate Investment Trust
 (“Suntec REIT”)**

Manager of



SUNTEC REIT PLACEMENT

CLOSE OF PLACEMENT OF 218,069,000 NEW UNITS IN SUNTEC REIT AT AN ISSUE PRICE OF S\$1.605 PER NEW UNIT

1. Introduction

Further to its announcement dated 18 March 2014 (the “**Announcement**”) in relation to the placement of new units (“**New Units**”) in Suntec REIT at an issue price of between S\$1.575 and S\$1.615 per New Unit (the “**Private Placement**”), the Board of Directors of ARA Trust Management (Suntec) Limited, in its capacity as the manager of Suntec REIT (the “**Manager**”), is pleased to announce that DBS Bank Ltd., Standard Chartered Securities (Singapore) Pte. Limited and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, as the joint lead managers and underwriters for the Private Placement (the “**Joint Lead Managers and Underwriters**”), in consultation with the Manager, have closed the book of orders for the Private Placement, and that the Private Placement has been fully subscribed and 218,069,000 New Units will be issued pursuant to the Private Placement.

The gross proceeds from the Private Placement amount to approximately S\$350.0 million. The net proceeds from the Private Placement amount to approximately S\$341.4 million, after deducting the underwriting, selling and management fee and other estimated fees and expenses (including professional fees and expenses) incurred in connection with the Private Placement.

2. Issue Price

The issue price per New Unit has been fixed at S\$1.605 per New Unit (the “**Issue Price**”), as agreed between the Manager and the Joint Lead Managers and Underwriters, following an accelerated book-building process.

The Issue Price represents a discount of:

- (i) 4.69% to the volume weighted average price of S\$1.6839 per unit in Suntec REIT (“**Unit**”); and
- (ii) (for illustrative purposes only) 3.48% to the adjusted volume weighted average price (“**Adjusted VWAP**”) ¹ of S\$1.6629 per Unit,

for trades in the Units done on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the full market day on 18 March 2014.

3. Use of Proceeds

The Manager intends to allocate the gross proceeds from the Private Placement in the following manner:

- (i) approximately S\$341.4 million to repay the existing debt² of Suntec REIT (which is equivalent to 97.5% of the gross proceeds from the Private Placement); and
- (ii) approximately S\$8.6 million to pay for underwriting, selling and management fee as well as other estimated fees and expenses (including professional fees and expenses) incurred in connection with the Private Placement (which is equivalent to 2.5% of the gross proceeds of the Private Placement),

with the balance of the gross proceeds, if any, to be used for general corporate and working capital purposes.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Private Placement at its absolute discretion for other purposes.

Pending the deployment of the net proceeds from the Private Placement, the net proceeds may be deposited with banks and/or financial institutions or used for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

The Manager will make periodic announcements on the utilisation of the net proceeds from the Private Placement via SGXNET as and when such funds are materially disbursed.

1 The Adjusted VWAP is computed based on the volume weighted average price of all trades in the Units on Singapore Exchange Securities Trading Limited on the full market day on 18 March 2014, and subtracting the Advanced Distribution (as defined in the Announcement) of approximately 2.096 cents per Unit.

2 The repayment of Suntec REIT’s existing debt will be at the absolute discretion of the Manager, and may include outstanding loan facilities from the Joint Lead Managers and Underwriters or their respective affiliates.

4. Authority to Issue New Units

The 218,069,000 New Units to be issued pursuant to the Private Placement, together with the Units issued since 18 April 2013, would constitute 10.5% of the 2,252,354,234 Units in issue as at 18 April 2013, which is within the 20.0% limit for issue of new Units other than on a pro rata basis.

Accordingly, the Manager is relying on the general mandate given by the Unitholders to the Manager obtained at the annual general meeting held on 18 April 2013, and the prior approval of the Unitholders is not required for the issue of the New Units under the Private Placement.

5. Listing of, Dealing in and Quotation of the New Units

The trading of the New Units on the SGX-ST is currently expected to commence at 9.00 a.m. on 27 March 2014. The Manager has made a formal application to the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

By Order of the Board
ARA Trust Management (Suntec) Limited
(Company registration no. 200410976R)
(as manager of Suntec Real Estate Investment Trust)

Yeo See Kiat
Director and Chief Executive Officer

19 March 2014

ABOUT SUNTEC REIT

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

ABOUT ARA TRUST MANAGEMENT (SUNTEC) LIMITED

Suntec REIT is managed by ARA Trust Management (Suntec) Limited, wholly-owned subsidiary of ARA Asset Management Limited ("ARA"). ARA is a real estate fund management company which is listed on the Main Board of the Singapore Exchange Securities Trading Limited. More information on ARA Asset Management Limited can be found at www.ara-asia.com.

IMPORTANT NOTICE

This announcement is for information purposes only and does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to subscribe for or acquire, Units in any jurisdiction in which such an offer or solicitation is unlawful.

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. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of Suntec REIT is not necessarily indicative of the future performance of Suntec REIT.
