



**Suntec Real Estate Investment Trust
2015 First Quarter Unaudited Financial Statements & Distribution
Announcement**

Suntec Real Estate Investment Trust ("Suntec REIT") is a real estate investment trust constituted by the Trust Deed entered into on 1 November 2004 (as amended) between ARA Trust Management (Suntec) Limited as the Manager of Suntec REIT and HSBC Institutional Trust Services (Singapore) Limited as the Trustee of Suntec REIT.

Suntec REIT was listed on the Singapore Exchange Securities Trading Limited on 9 December 2004.

Suntec REIT owns Suntec City mall and certain office units in Suntec Towers One, Two and Three and the whole of Suntec Towers Four and Five, which form part of the integrated commercial development known as "Suntec City". The property portfolio also comprises Park Mall, 60.8 per cent effective interest in Suntec Singapore Convention & Exhibition Centre ("Suntec Singapore"), a one-third interest in One Raffles Quay ("ORQ") and a one-third interest in Marina Bay Financial Centre Towers 1 and 2, and the Marina Bay Link Mall (collectively known as "MBFC Properties"). Suntec REIT holds a 100% interest in the commercial building located at 177 Pacific Highway, North Sydney Australia which is currently under development.

The financial information for the period from 1 January 2015 to 31 March 2015 has not been audited but has been reviewed by our auditors in accordance with Singapore Standard on Review Engagements 2410.

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SUMMARY OF SUNTEC REAL ESTATE INVESTMENT TRUST RESULTS

	Group		
	1/1/15 to 31/3/15	1/1/14 to 31/3/14	Change
	S\$'000	S\$'000	%
Gross revenue	74,462	65,955	12.9%
Net property income	51,353	43,771	17.3%
Distributable income from operations	55,998	50,884	10.1%
Distribution per unit (cents) ^(a)	2.230	2.229	0.0%
Annualised distribution per unit (cents)	9.044	9.040	0.0%

n.m. – not meaningful

Footnote:

(a) Please refer to Page 11 for the distribution per unit computation.

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1 (a)(i) Statements of Total Return and Statement of Distribution for the First Quarter ended 31 March 2015

Statement of total return	Group		
	1/1/15 to 31/3/15	1/1/14 to 31/3/14	Change
	S\$'000	S\$'000	%
Gross revenue ^(a)	74,462	65,955	12.9%
Maintenance charges	(4,973)	(4,972)	0.0%
Property management fees ^(b)	(2,221)	(1,975)	-12.5%
Property tax ^(b)	(5,870)	(5,313)	-10.5%
Other property expenses	(10,045)	(9,924)	-1.2%
Property expenses	(23,109)	(22,184)	-4.2%
Net property income	51,353	43,771	17.3%
Other income ^(c)	2,908	4,067	-28.5%
Share of profit of joint ventures ^(d)	14,902	15,986	-6.8%
Finance income ^(e)	8,998	7,238	24.3%
Finance expenses ^(e)	(22,036)	(18,374)	-19.9%
Amortisation of intangible asset ^(f)	(2,164)	(3,027)	28.5%
Asset management fees - base fee	(7,363)	(7,493)	1.7%
Asset management fees - performance fee ^(g)	(3,520)	(3,245)	-8.5%
Trust expenses	(930)	(796)	-16.8%
Net income	42,148	38,127	10.5%
Net change in fair value of financial derivatives ^(h)	8,069	693	1064.4%
Total return before tax	50,217	38,820	29.4%
Income tax expense ⁽ⁱ⁾	(1,511)	(628)	-140.6%
Total return for the period after tax	48,706	38,192	27.5%
Attributable to:			
Unitholders	47,079	37,029	27.1%
Non-controlling interests	1,627	1,163	39.9%
Total return for the period	48,706	38,192	27.5%

Statement of distribution	Group		
	1/1/15 to 31/3/15	1/1/14 to 31/3/14	Change
	S\$'000	S\$'000	%
Total return for the period attributable to Unitholders before distribution	47,079	37,029	27.1%
Non-tax chargeable items ^(j)	(10,737)	(5,216)	-105.8%
Taxable income	36,342	31,813	14.2%
Dividend income ^(k)	19,656	19,071	3.1%
Income available for distribution to Unitholders	55,998	50,884	10.1%

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Footnotes:

- (a) Gross revenue comprises mainly rental income from retail mall and offices, convention revenue and income from rental of atrium and media spaces. The increase in Gross revenue for the current quarter was due to the opening of Suntec City mall (Phase 2) upon the completion of the asset enhancement works and stronger performance from Suntec Singapore. Please refer to Note 8(i) for breakdown in Gross revenue.
- (b) Property management fees and property tax for the quarter were higher compared to the corresponding period mainly due to the higher revenue.
- (c) Included in the Other income were the following:

	Group		
	1/1/15 to 31/3/15	1/1/14 to 31/3/14	Change
	S\$'000	S\$'000	%
Income support in relation to MBFC Properties ⁽¹⁾	2,908	4,067	-28.5%
Other Income	2,908	4,067	-28.5%

(1) Relates to income support received from Choicewide Group Limited.

- (d) This relates to the Group's one-third interest in One Raffles Quay Pte Ltd ("ORQPL") and one-third interest in BFC Development LLP ("BFCD LLP").
- (e) Included in the net financing costs were the following:

	Group		
	1/1/15 to 31/3/15	1/1/14 to 31/3/14	Change
	S\$'000	S\$'000	%
Finance income:			
Interest income			
- fixed deposits and current account	196	155	26.5%
- loans to joint ventures	6,068	5,249	15.6%
- progress payments ⁽¹⁾	2,697	1,795	50.3%
- interest rate swaps	37	-	n.m.
Net foreign currency exchange differences	-	39	-100.0%
	8,998	7,238	24.3%
Finance expenses:			
Interest expense			
- bank loans, notes and convertible bonds	(15,205)	(13,700)	-11.0%
- interest rate swaps	(348)	(1,531)	77.3%
Amortisation and transaction costs	(2,419)	(3,143)	23.0%
Net foreign currency exchange differences	(4,064)	-	n.m.
	(22,036)	(18,374)	-19.9%
Net financing costs	(13,038)	(11,136)	-17.1%

n.m. – not meaningful

(1) Relates to coupon earned on progress payments made in relation to 177 Pacific Highway in North Sydney Australia which is currently under development.

- (f) This relates to the amortisation of the intangible asset relating to the income support receivable by Suntec REIT (please refer to note (c) above).
- (g) The asset management fees – performance fees were higher compared to the corresponding period due to higher net property income ("NPI") achieved as a result of completion of Phase 2 of the asset enhancement works in Suntec City mall and from Suntec Singapore.
- (h) This relates to the net gain arising from fair value remeasurement of the foreign currency forward contracts, interest rate swaps and convertible bonds. This has no impact on distributable income.

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- (i) This relates to income tax on operating profits and non-tax transparent income received. The increase was mainly due to higher net profit from Suntec Singapore.
- (j) Included in the non-tax deductible/(chargeable) items were the following:

	Group		
	1/1/15 to 31/3/15	1/1/14 to 31/3/14	Change
	S\$'000	S\$'000	%
Non-tax deductible/(chargeable) items			
Amortisation of intangible asset	2,164	3,027	-28.5%
Amortisation of transaction costs	2,302	3,405	-32.4%
Asset management fees paid/payable in units	8,045	7,941	1.3%
Net change in fair value of financial derivatives	(8,069)	(693)	1064.4%
Net foreign currency exchange differences	4,044	-	n.m.
Temporary differences and other adjustments ⁽¹⁾	613	1,114	-45.0%
Net profit from subsidiaries and/or joint ventures	(19,836)	(20,010)	-0.9%
Total	(10,737)	(5,216)	105.8%

n.m. – not meaningful

- (1) This relates mainly to non-deductible expenses.

- (k) This relates to the dividend/distribution income received from:

	Group		
	1/1/15 to 31/3/15	1/1/14 to 31/3/14	Change
	S\$'000	S\$'000	%
Wholly-owned subsidiaries:			
Comina Investment Limited ⁽¹⁾	6,391	6,545	-2.4%
Suntec Harmony Pte. Ltd. ⁽²⁾	2,280	1,520	50.0%
Suntec REIT Capital Pte. Ltd.	1,500	1,200	25.0%
Suntec REIT (Australia) Trust ⁽³⁾	918	699	31.3%
	11,089	9,964	11.3%
Joint venture:			
BFC Development LLP ⁽⁴⁾	8,567	9,107	-5.9%
	19,656	19,071	3.1%

- (1) Comina Investment Limited ("CIL") has a one-third interest in ORQ.
- (2) Suntec Harmony Pte. Ltd. ("SHPL") has a 60.8% effective interest in Suntec Singapore.
- (3) Suntec REIT (Australia) Trust ("SRAust") has a 100% effective interest in 177 Pacific Highway.
- (4) BFCD LLP has a one-third interest in MBFC Properties.

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1 (b)(i) Statements of Financial Position as at 31 March 2015

	Group		Trust	
	31/3/15	31/12/14	31/3/15	31/12/14
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Plant and equipment	2,677	2,804	237	207
Investment properties ^(a)	5,973,920	5,947,522	5,240,477	5,211,800
Intangible asset ^(b)	7,880	10,044	7,880	10,044
Interest in joint ventures ^(c)	2,366,673	2,372,855	1,464,360	1,471,360
Investments in subsidiaries ^(d)	-	-	807,103	802,582
Trade and other receivables ^(e)	104,620	100,071	-	-
Deferred tax asset	-	449	-	-
Derivative assets ^(f)	6,041	1,850	5,921	1,850
Total non-current assets	8,461,811	8,435,595	7,525,978	7,497,843
Current assets				
Derivative assets	198	138	198	87
Inventories	-	6	-	-
Trade and other receivables ^(g)	35,481	16,677	26,673	6,089
Cash and cash equivalents	114,926	149,536	65,493	103,036
Total current assets	150,605	166,357	92,364	109,212
Total assets	8,612,416	8,601,952	7,618,342	7,607,055
Current liabilities				
Interest-bearing borrowings ^(h)	119,656	-	119,656	-
Trade and other payables ⁽ⁱ⁾	115,945	106,648	66,116	56,248
Derivative liabilities ^(f)	7,989	8,298	7,989	8,298
Current portion of security deposits	15,843	13,336	14,258	12,479
Provision for taxation	2,021	1,709	2,021	1,709
Total current liabilities	261,454	129,991	210,040	78,734
Non-current liabilities				
Interest-bearing borrowings ^(h)	2,879,554	2,980,655	2,515,754	2,616,973
Derivative liabilities ^(f)	11,540	15,118	11,540	15,118
Non-current portion of security deposits	55,297	57,858	50,049	52,088
Deferred tax liabilities	471	-	-	-
Total non-current liabilities	2,946,862	3,053,631	2,577,343	2,684,179
Total liabilities	3,208,316	3,183,622	2,787,383	2,762,913
Net assets	5,404,100	5,418,330	4,830,959	4,844,142
Represented by:				
Unitholders' funds ^(j)	5,290,984	5,305,398	4,830,959	4,844,142
Non-controlling interests	113,116	112,932	-	-
Total Equity	5,404,100	5,418,330	4,830,959	4,844,142

Footnotes:

- (a) The increase in Investment Properties for both the Group and the Trust were due to the capital expenditure on asset enhancement during the period.
- (b) This represents the unamortised income support provided by Choicewide Group Limited, the vendor of the one-third interest in BFGD LLP. The intangible asset will be amortised in accordance with the Deed of Income Support.
- (c) In respect of the Group's joint ventures, this relates to the one-third interest in ORQPL and one-third interest in BFGD LLP.

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- (d) This relates to CIL, SHPL, Suntec REIT MTN Pte. Ltd. ("SRMTN"), Suntec REIT Capital Pte. Ltd. and SRAust, which are wholly-owned subsidiaries of Suntec REIT. The increase in investment in subsidiaries is due to advances extended to fund the progress payments in relation to 177 Pacific Highway in North Sydney Australia currently under development.
- (e) This relates to progress payments made in relation to 177 Pacific Highway in North Sydney Australia which is currently under development. The progress payments, which yield a coupon of 6.32% per annum, will be reclassified to investment properties upon completion. The increase is due to progress payments made during the period.
- (f) This relates to foreign currency forward contracts and interest rate swaps at fair value through statement of total return and embedded derivatives relating to convertible bonds.
- (g) The increase for both the Group and Trust were mainly due to dividend receivable from joint ventures.
- (h) The interest-bearing borrowings are stated at amortised cost. The current portion of the interest-bearing borrowings relates to S\$120.0 million loan due in February 2016. The S\$120.0 million loan will be refinanced in due course.
- (i) The increase in trade and other payables for both the Group and Trust were mainly due to accrued construction costs for asset enhancement works in Suntec City.
- (j) Please refer to statement of movements in unitholders' funds item 1(d)(i) for details.

1 (b)(ii) Aggregate amount of borrowings and debt securities

	Group		Trust	
	31/3/15	31/12/14	31/3/15	31/12/14
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand				
- Unsecured ^(b)	119,656	-	119,656	-
	119,656	-	119,656	-
Amount repayable after one year				
- Secured ^(a)	463,077	462,801	99,277	99,119
- Unsecured ^(b)				
(i) financial institutions	1,693,776	1,796,511	1,693,776	1,796,511
(ii) notes & convertible bonds	722,701	721,343	414,510	413,264
(iii) subsidiary	-	-	308,191	308,079
	2,879,554	2,980,655	2,515,754	2,616,973
	2,999,210	2,980,655	2,635,410	2,616,973

Details of borrowings and collaterals

- (a) The Group has in place secured facilities of S\$466.0 million term loan facilities with a panel of banks, comprising a S\$100.0 million fixed-rate loan for a term of seven years and a S\$366.0 million floating rate loan for a term of five years. As at 31 March 2015, the Group has drawn down S\$466.0 million of secured facilities.

The facilities are secured on the following:

- A first legal mortgage on part of Suntec City Office Tower 3 and Suntec Singapore (the "Properties");
- A first fixed charge over the central rental collection account in relation to the Properties;
- An assignment of the Group's rights, title and interest in the tenancy documents and the proceeds in connection with the Properties;
- An assignment of the Group's rights, title and interest in the insurance policies in relation to the Properties;
- A fixed and floating charge over the assets of the Group in relation to the Properties, agreements, collateral, as required by the financial institution granting the facilities; and
- An assignment of any interest swaps facility, which may be entered into by the Group in relation to the term loan facilities

- (b) As at 31 March 2015, the Group has unsecured interest-bearing borrowings comprising S\$1,822.3 million from various institutional banks, S\$150.0 million from Suntec REIT's medium term notes, S\$280.0 million of convertible bonds and S\$310.0 million euro medium term notes issued by SRMTN and on-lent to the Trust.

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1 (c) Statements of Cash Flow

	Group	
	1/1/15 to 31/3/15	1/1/14 to 31/3/14
	S\$'000	S\$'000
Operating activities		
Net income	42,148	38,127
Adjustments for:		
Depreciation of plant and equipment	213	242
Loss/(Gain) on disposal of plant and equipment	8	(22)
Asset management fees paid/payable in units ^(a)	8,045	7,941
Net financing costs ^(b)	13,038	11,136
Amortisation of intangible asset	2,164	3,027
Allowance for doubtful receivables	140	154
Share of profit of joint ventures	(14,902)	(15,986)
Operating income before working capital changes	50,854	44,619
Changes in working capital		
Inventories	6	-
Trade and other receivables	(529)	(2,106)
Trade and other payables	2,774	(1,598)
Cash flows generated from operations	53,105	40,915
Income tax paid	-	-
Net cash flow from operating activities	53,105	40,915
Investing activities		
Interest received	8,912	7,232
Capital expenditure on investment properties	(22,236)	(28,950)
Purchase of plant and equipment	(95)	-
Proceeds from disposal of plant and equipment	-	50
Progress payments on construction	(8,114)	(12,041)
Loan repayment from a joint venture	7,000	-
Net cash flow used in investing activities	(14,533)	(33,709)
Financing activities		
Proceeds from interest-bearing loans	31,179	2,486
Proceeds from euro medium term notes	-	310,000
Proceeds from issuance of units	-	350,001
Unit issue costs paid	-	(7,910)
Financing costs paid	(18,513)	(17,099)
Repayment of interest-bearing loans	(15,000)	(200,000)
Dividend paid to non-controlling interest	(1,470)	(980)
Distributions to unitholders	(64,592)	(58,171)
Net cash flow (used in)/from financing activities	(68,396)	378,327
Net (decrease)/increase in cash and cash equivalents	(29,824)	385,533
Cash and cash equivalents at beginning of the period	149,536	181,130
Effect on exchange rate fluctuations on cash held	(4,786)	62
Cash and cash equivalents at end of the period	114,926	566,725

Footnotes:

The significant non-cash transactions for the quarter ended 31 March 2015 were as follows:

- (a) the Group will be issuing a total of 4,303,441 units to the Manager amounting to S\$8.0 million as satisfaction of asset management fees payable in units in respect of the quarter ended 31 March 2015.
- (b) Please refer to footnote (f) under note 1(a)(i) Statement of total return and Statement of distribution for the quarter ended 31 March 2015 on page 4.

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1 (d)(i) Statements of Movements in Unitholders' Funds

	Group		Trust	
	1/1/15 to 31/3/15	1/1/14 to 31/3/14	1/1/15 to 31/3/15	1/1/14 to 31/3/14
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at the beginning of the period	5,305,398	4,844,464	4,844,142	4,448,991
Operations				
Total return for the period attributable to unitholders	47,079	37,029	43,364	38,607
Net increase in net assets resulting from operations	47,079	37,029	43,364	38,607
Effective portion of changes in fair value of cash flow hedges ^(a)	915	(64)	-	-
Translation differences from financial statements of foreign entities	(5,861)	4,502	-	-
Net (loss)/gain recognised directly in Unitholder's fund	(4,946)	4,438	-	-
Unitholders' transactions				
Creation of units				
- private placement units ^(b)	-	350,001	-	350,001
Units to be issued				
- asset management fee payable in units ^(c)	8,045	7,941	8,045	7,941
Unit issue expenses	-	(8,076)	-	(8,076)
Distributions paid to unitholders	(64,592)	(58,171)	(64,592)	(58,171)
Net (decrease)/increase in net assets resulting from unitholders' transactions	(56,547)	291,695	(56,547)	291,695
Unitholders' funds as at end of period	5,290,984	5,177,626	4,830,959	4,779,293

Footnotes:

(a) This represents the share of fair value change of the cash flow hedges as a result of interest rate swaps entered into by a subsidiary and a joint venture.

(b) This represents the value of the private placement units issued on 27 March 2014.

(c) This represents the value of units issued and to be issued to the Manager as partial satisfaction of the asset management fee incurred for the quarter. The units for the quarter are to be issued within 30 days from quarter end.

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1 (d)(ii) Details of any changes in the units since the end of the previous period reported on

	Group and Trust	
	1/1/15 to 31/3/15	1/1/14 to 31/3/14
	Units	Units
Issued units at the beginning of the period	2,502,245,610	2,265,334,695
Creation of units:		
- as payment for asset management fee	4,238,716	5,205,155
- as units issued for private placement	-	218,069,000
Issued units at the end of the period	2,506,484,326	2,488,608,850
Units to be issued:		
- asset management fee payable in units ^(a)	4,303,441	4,832,970
Issuable units at the end of the period	4,303,441	4,832,970
Total issued and issuable units	2,510,787,767	2,493,441,820

Footnotes:

- (a) These are units to be issued to the Manager as partial satisfaction of asset management fee incurred for the quarter.

Convertible Bonds – Group & Trust

Suntec REIT has issued the following convertible bonds, which remained outstanding as at 31 March 2015:

- S\$280,000,000 of Convertible Bonds due in 2018 which are convertible by holders into units of Suntec REIT at any time on or after 28 April 2013 at a conversion price of S\$2.111 per unit.

There has been no conversion of any of the above convertible bonds since the date of their issue.

Assuming the bonds are fully converted based on the adjusted conversion price, the number of new units to be issued would be 132,638,559 (31 March 2014: 132,638,559), representing 5.3% (31 March 2014: 5.3%) of the total number of units of Suntec REIT in issue as at 31 March 2015.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures for the quarter ended 31 March 2015 have not been audited but have been reviewed by the auditors in accordance with Singapore Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

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

Please see attached review report.

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

The Group has applied the same accounting policies and methods of computation as in the audited financial statements for the year ended 31 December 2014.

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

There is no change in the accounting policies and methods of computation adopted.

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6. Earnings per unit (“EPU”) and Distribution per unit (“DPU”)

Earnings per unit

	Group	
	1/1/15 to 31/3/15	1/1/14 to 31/3/14
Weighted average number of issued units	2,506,532,142	2,282,708,494
Earnings per unit for the period based on the weighted average number of units in issue (cents)	1.878	1.622
Weighted average number of units on the fully diluted basis	2,639,170,701	2,415,347,053
Earnings per unit for the period based on the fully diluted basis (cents) ^(a)	1.724	1.593

Footnote

(a) For the purpose of calculating the diluted EPU, the weighted average number of units in issue is adjusted to take into the account the dilutive effect arising from full conversion of convertible bonds to units, with the potential units weighted for the period outstanding.

Distribution per Unit

In computing the DPU, the number of units as at the end of each period is used for the computation. The DPU for the Group and Trust are the same.

	Group		
	1/1/15 to 31/3/15	1/1/14 to 26/3/14	27/3/14 to 31/3/14
Number of issued and issuable units at end of period entitled to distribution ^(a)	2,510,787,767	2,270,539,850	2,493,441,820
Distribution per unit for the period based on the total number of units entitled to distribution (cents)	2.230 ⁽¹⁾	2.105 ⁽²⁾	0.124

(1) The distribution per unit for the quarter ended 31 March 2015 of **2.230** cents per unit (31 March 2014: **2.229** cents per unit) comprised a taxable income component of **1.963** cents per unit (31 March 2014: **2.034** cents per unit) and a tax exempt income component of **0.267** cents per unit (31 March 2014: **0.195** cents per unit).

(2) The advanced distribution of 2.105 cents per unit for the period 1 January 2014 to 26 March 2014 was paid on 17 April 2014.

Footnotes:

(a) The computation of actual DPU for the period from 1 January 2015 to 31 March 2015 is based on the number of units entitled to the distribution:

(i) The number of units in issue as at 31 March 2015 of 2,506,484,326; and

(ii) The units issuable to the Manager by 30 April 2015 as partial satisfaction of management fee incurred for the period from 1 January 2015 to 31 March 2015 of 4,303,441.

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7. Net asset value ("NAV") per unit as at 31 March 2015

	Group		Trust	
	31/3/15 ^(a)	31/12/14	31/3/15 ^(a)	31/12/14
NAV per unit (S\$)	2.107	2.117	1.924	1.933

Footnotes:

(a) The number of units used for computation of actual NAV per unit is 2,510,787,767. This comprised:

- (i) The number of units in issue as at 31 March 2015 of 2,506,484,326; and
- (ii) The units issuable to the Manager by 30 April 2015 as partial satisfaction of management fee incurred for the period from 1 January 2015 to 31 March 2015 of 4,303,441.

8. Review of the performance for the First Quarter ended 31 March 2015

8(i) Gross revenue and Net property income contribution by properties

Properties	Group		
	1/1/15 to 31/3/15	1/1/14 to 31/3/14	Change
	S\$'000	S\$'000	%
Gross revenue:			
Suntec City	50,824	44,110	15.2%
Park Mall	6,103	6,065	0.6%
	56,927	50,175	13.5%
Suntec Singapore	17,535	15,780	11.1%
Total gross revenue	74,462	65,955	12.9%
Net property income:			
Suntec City	39,145	33,368	17.3%
Park Mall	4,638	4,705	-1.4%
	43,783	38,073	15.0%
Suntec Singapore	7,570	5,698	32.9%
Total net property income	51,353	43,771	17.3%

8(ii) Income contribution from joint ventures

	Group		
	1/1/15 to 31/3/15	1/1/14 to 31/3/14	Change
	S\$'000	S\$'000	%
Joint ventures:			
One-third interest in ORQ:			
- Interest income	470	376	25.0%
- Dividend income	6,391	6,545	-2.4%
	6,861	6,921	-0.9%
One-third interest in MBFC Properties:			
- Income support	2,908	4,067	-28.5%
- Interest income	5,598	4,873	14.9%
- Distribution income	8,567	9,107	-5.9%
	17,073	18,047	-5.4%
Total income contribution	23,934	24,968	-4.1%

**Financial Statements Announcement
For First Quarter ended 31 March 2015**

Review of performance 1Q FY15 vs 1Q FY14

Gross revenue for 1Q FY15 was S\$74.5 million, an increase of S\$8.5 million or 12.9% over 1Q FY14. The increase was mainly due to the opening of Suntec City mall (Phase 2) following the completion of the asset enhancement works and higher revenue achieved by Suntec Singapore Convention & Exhibition Centre ("Suntec Singapore").

Gross office revenue for the quarter was S\$33.7 million, which was S\$0.5 million or 1.5% higher than in 1Q FY14. Suntec City Office contributed approximately S\$31.4 million in revenue whilst Park Mall Office contributed S\$2.3 million in revenue for the quarter.

Gross retail revenue for the quarter was S\$23.3 million, which was S\$6.4 million or 36.9% higher than in 1Q FY14. This was mainly due to the opening of Suntec City mall (Phase 2). Suntec City contributed approximately S\$19.5 million in revenue, whilst Park Mall contributed S\$3.8 million in revenue for the quarter.

Suntec Singapore's revenue contribution for the quarter was S\$17.5 million, comprising S\$11.4 million of convention revenue and S\$6.1 million of retail revenue.

Property operating expenses incurred for the quarter was S\$23.1 million, which was S\$0.9 million or 4.2% higher than the corresponding period last year. This was mainly due to higher property tax after the reopening of Phases 1 and 2 of Suntec City mall.

The net property income for the quarter of S\$51.4 million, was an increase of S\$7.6 million or 17.3% year-on-year due mainly to the opening of Suntec City mall (Phase 2) and improved contribution from Suntec Singapore.

The income contribution from ORQ and MBFC Properties for the quarter of S\$23.9 million was S\$1.0 million or 4.1% lower year-on-year due to lower income support received for MBFC Properties.

Net financing costs for the quarter was S\$13.0 million, an increase of S\$1.9 million or 17.1% higher year-on-year. This was mainly due to net foreign exchange differences.

The overall all-in financing cost for Suntec REIT averaged 2.53% for the quarter, and the consolidated gearing ratio stood at 34.8% as at 31 March 2015.

Total distribution income for the quarter was S\$56.0 million, S\$5.1 million or 10.1% higher than 1Q FY14.

The distribution per unit ("DPU") for the quarter was 2.230 cents, which was in-line with 1Q FY14 DPU of 2.229 cents.

For the office portfolio, Suntec City Office and Park Mall Office committed occupancy stood at 99.6% and 97.0% respectively as at 31 March 2015.

For the retail portfolio, the committed occupancy for the entire Suntec City was 92.5% as at 31 March 2015. Park Mall maintained 100% committed occupancy as at 31 March 2015.

For the joint ventures, ORQ and MBFC Properties continued to maintain 100% committed occupancy as at 31 March 2015.

The overall committed occupancy for the office and retail portfolio stood at 99.6% and 93.5% respectively as at 31 March 2015.

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9. Variance between the forecast and actual results

The current results are broadly in line with the Trust's commentary made in the FY2014 Financial Results Announcement under item 10. The Trust has not disclosed any financial forecast to the market.

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

The Singapore economy improved in the first quarter of 2015. Based on the report released by the Ministry of Trade and Industry ("MTI") on 14 April 2015, the economy grew 2.1% on a year-on-year basis. The construction sector improved by 3.3% and the services producing industries grew by 3.1% offset by a 3.4% decline in the manufacturing sector.

The Singapore office market remained fairly positive in the first quarter of 2015. According to Property Consultants¹, driven by limited supply and healthy demand from the IT, insurance and energy sectors, the average monthly gross rents for both Premium and Grade A office space in the CBD stood at S\$9.42 psf/mth while occupancy for both Premium Grade and Grade A office space in the CBD improved by 0.9% to 95.6%.

The Singapore retail sector continued to face headwind in the first quarter of 2015. According to Property Consultants¹, in the face of weak business sentiments, lower sales and shortage of manpower, retailers remain cautious in their expansion plans and are more resistant towards increase in base rentals.

On the remaking of Suntec City, the overall committed occupancy for Suntec City mall is currently 93.6%.

Looking ahead, with Suntec REIT's strong office portfolio occupancy of 99.6% and only 10.4% of its office leases due to expire in 2015, barring any unforeseen circumstances, the Manager expects the performance of its office portfolio to remain positive.

¹ Colliers International Singapore Research, 1Q 2015 Office Market Report and CBRE Singapore MarketView 1Q 2015.

**Financial Statements Announcement
For First Quarter ended 31 March 2015**

11. Distributions

(a) Current financial period

Any distribution declared for the current period?

Yes

Name of distribution

Distribution for the period from 1 January 2015 to 31 March 2015

Distribution Rate

Distribution Type	Distribution Rate Per Unit (cents)
Taxable income	1.963
Tax-exempt income	0.267
Total	2.230

Distribution Type

- i) Taxable income
- ii) Tax-exempt income

Par value of units

Not meaningful

Tax Rate

Taxable income

These distributions are made out of Suntec REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through partnership or as trading assets).

Tax-exempt income

Tax-exempt income distribution is exempt from tax in the hands of all Unitholders.

Remark

Nil

**Financial Statements Announcement
For First Quarter ended 31 March 2015**

(b) Corresponding period of the immediately preceding financial period

Any distribution declared for the corresponding period of the immediately preceding financial year?	Yes								
Name of distribution	Distribution for the period from 1 January 2014 to 31 March 2014								
Distribution Rate	<table border="1"> <thead> <tr> <th>Distribution Type</th><th>Distribution Rate Per Unit (cents)</th></tr> </thead> <tbody> <tr> <td>Taxable income</td><td>2.034</td></tr> <tr> <td>Tax-exempt income</td><td>0.195</td></tr> <tr> <td>Total</td><td>2.229</td></tr> </tbody> </table>	Distribution Type	Distribution Rate Per Unit (cents)	Taxable income	2.034	Tax-exempt income	0.195	Total	2.229
Distribution Type	Distribution Rate Per Unit (cents)								
Taxable income	2.034								
Tax-exempt income	0.195								
Total	2.229								
Distribution Type	i) Taxable income ii) Tax-exempt income								
Par value of units	Not meaningful								
Tax Rate	Taxable income These distributions are made out of Suntec REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through partnership or as trading assets). Tax-exempt income Tax-exempt income distribution is exempt from tax in the hands of all Unitholders.								
Remark	Taxable income comprised 1.934 cents per unit for the period 1 January 2014 to 26 March 2014 and 0.100 cents per unit for the period 27 March 2014 to 31 March 2014. Taxable exempt income comprised 0.171 cents per unit for the period 1 January 2014 to 26 March 2014 and 0.024 cents per unit for the period 27 March 2014 to 31 March 2014. An advanced distribution of 2.105 cents per unit for the period 1 January 2014 to 26 March 2014 was paid on 17 April 2014.								

(c) Date payable: 26 May 2015

(d) Books Closure Date: 4 May 2015

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

Not applicable.

**Financial Statements Announcement
For First Quarter ended 31 March 2015**

13. Aggregate value of Interested Person Transactions under Rule 920(1)(a)(ii)

Suntec REIT does not have in place a general mandate for interested person transactions.

14. Negative confirmation pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Manager of Suntec REIT (the “Manager”) which may render the unaudited interim financial statements of the Group and Trust (comprising the statement of financial position as at 31 March 2015, statement of total return & distribution statement, cash flow statement and statement of changes in unitholders’ funds for the quarter ended on that date), together with their accompanying notes, to be false or misleading, in any material aspect.

On behalf of the Board of the Manager
ARA TRUST MANAGEMENT (SUNTEC) LIMITED

Lim Hwee Chiang, John
Director

Yeo See Kiat
Director and Chief Executive Officer

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 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 the current views of management on future events.

The value of units in Suntec REIT (“Units”) and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, ARA Trust Management (Suntec) Limited (as the manager of Suntec REIT) (the “Manager”) or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on Singapore Exchange Securities Trading Limited (the “SGX-ST”). It is intended that holders of Units may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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

BY ORDER OF THE BOARD
ARA TRUST MANAGEMENT (SUNTEC) LIMITED
AS MANAGER OF SUNTEC REAL ESTATE INVESTMENT TRUST
(Company registration no. 200410976R)

Yeo See Kiat
Director
23 April 2015