



Financial Results for 4th Quarter 2014 and Period from 27 January 2014 to 31 December 2014

26 January 2015

Important Notice

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The Issue Managers assume no responsibility for the contents of this presentation.

This presentation shall be read in conjunction with OUE Commercial REIT's Financial Results announcement for 4Q 2014 and the Period from 10 October 2013 (date of constitution) to 31 December 2014.

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Investors should note that they will have no right to request the Manager to redeem their Units while the Units are listed on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). 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.

Agenda

- Key Highlights
- Financial Performance and Capital Management
- Portfolio Performance
- Outlook
- Appendices

Financial Highlights

- Gross revenue in 4Q 2014 of S\$19.6 million exceeded Forecast¹ by 12.0%
- Net property income in 4Q 2014 of S\$14.4 million was 14.9% ahead of Forecast
- 4Q 2014 DPU of 1.44 cents outperformed Forecast by 5.1%
- For FY2014², amount available for distribution of S\$45.9 million and DPU of 5.27 cents are respectively 4.5% and 4.4% ahead of Forecast

Portfolio Performance

- Portfolio occupancy improved to 98.0% as at 31 December 2014, from 97.2% a quarter ago, due to improved office occupancy at Lippo Plaza
- Achieved year-to-date positive office rental reversions of 14.9% at OUE Bayfront and 6.0% at Lippo Plaza
- About 25% of leases due in 2015 by net lettable area already committed by 31 December 2014, resulting in 19.8% of portfolio gross rental income due for renewal in FY2015

¹ Forecast for the period was derived by pro-rating the forecast for 2014 as disclosed in the prospectus dated 17 January 2014 (the "Prospectus")

² FY2014 refers to the period from 27 January 2014 (date of OUE C-REIT's listing on the Main Board of the SGX-ST) to 31 December 2014

Key Highlights

Capital Management

- Asset value of S\$1,630.6 million as at 31 December 2014, translating to NAV per Unit of S\$1.10
- Aggregate leverage at 38.3% with average term of debt of 2.95 years
- Increased proportion of fixed rate borrowings to 73.6% from 56.8% from the previous quarter. Average term of fixed rate debt is 3.19 years
- Average cost of debt was 2.81% per annum



Financial Performance & Capital Management

Actual vs Forecast

4Q 2014

	Actual	Forecast ¹	Change
Gross Revenue (S\$m)	19.6	17.5	+12.0%
Net Property Income (S\$m)	14.4	12.5	+14.9%
Amount Available for Distribution (S\$m)	12.6	11.9	+5.5%
DPU (cents)	1.44	1.37	+5.1%

- Gross revenue exceeded Forecast by 12.0% due to better occupancy and rental reversions than budgeted
- Net property income was 14.9% higher than Forecast due to higher gross revenue, as well as lower utilities costs incurred at OUE Bayfront
- OUE Bayfront achieved stronger than forecast rental revenue, resulting in lower drawdown of income support
- Amount available for distribution was 5.5% higher than Forecast due to higher net property income and lower trust expenses incurred

¹ Forecast for the period was derived by pro-rating the forecast for 2014 as disclosed in the Prospectus

Actual vs Forecast

4Q 2014

S\$'000	Actual	Forecast ¹	Change (%)
Gross revenue	19,563	17,474	12.0
Property operating expenses	(5,202)	(4,975)	4.6
Net property income	14,361	12,499	14.9
Other income	2,575	3,589	(28.3)
Amortisation of intangible asset	(1,650)	(1,650)	-
Manager's management fees ²	(1,528)	(1,255)	21.8
Net non-property expenses	(525)	(724)	(27.5)
Net finance costs	(4,521)	(4,442)	1.8
Foreign exchange differences	407	-	NM ⁶
Total return before tax	9,119	8,017	13.7
Net change in fair value of investment properties ³	33,508	-	NM
Impairment loss on intangible asset ⁴	(14,300)	-	NM
Tax expense	(1,016)	(834)	21.8
Total return after tax	27,311	7,183	NM
Distribution adjustments ⁵	(14,734)	4,733	NM
Amount available for distribution to Unitholders	12,577	11,916	5.5

¹ Forecast for the period was derived by pro-rating the forecast for 2014 as disclosed in the Prospectus

² Includes performance fee for the quarter ended 31 December 2014, calculated as 25% of DPU growth over Forecast

³ Relates to the difference between the acquisition costs and the subsequent capital expenditure incurred, and their respective independent valuation as at 31 December 2014

⁴ The impairment loss on intangible asset arose due to expected lower drawdown by OUE C-REIT on the income support arrangement, as a result of better than expected rental performance at OUE Bayfront. This impairment loss has no impact on the amount available for distribution

⁵ Includes non-tax deductible expenses, management fees paid in Units, trustee fees, amortization of debt establishment costs, amortization of income support and impairment loss on intangible assets

⁶ NM: Not meaningful

Actual vs Forecast

For the period 27 Jan 2014¹ to 31 Dec 2014

	Actual	Forecast ²	Change
Gross Revenue (S\$m)	71.5	69.0	+3.6%
Net Property Income (S\$m)	53.8	50.3	+7.0%
Amount Available for Distribution (S\$m)	45.9	43.9	+4.5%
DPU (cents)	5.27	5.05	+4.4%

- Gross revenue of S\$71.5 million was ahead of Forecast by 3.6% due to better occupancy and rental reversions than budgeted
- Net property income exceeded Forecast by 7.0% mainly due to lower utilities and maintenance costs incurred
- OUE Bayfront achieved stronger than forecast rental revenue, resulting in lower drawdown of income support
- Amount available for distribution was 4.5% higher than Forecast due to higher net property income and lower trust expenses incurred

¹ OUE C-REIT was incorporated on 10 October 2013 but was dormant until Listing Date of 27 January 2014

² Forecast for the period was derived by pro-rating the forecast for 2014 as disclosed in the Prospectus

Actual vs Forecast

For the period 27 Jan 2014¹ to 31 Dec 2014

S\$'000	Actual	Forecast ²	Change (%)
Gross revenue	71,545	69,040	3.6
Property operating expenses	(17,715)	(18,721)	(5.4)
Net property income	53,830	50,319	7.0
Other income	7,863	9,055	(13.2)
Amortisation of intangible asset	(6,139)	(6,139)	-
Manager's management fees ³	(5,130)	(4,675)	9.7
Net non-property expenses	(1,983)	(2,699)	(26.5)
Net finance costs	(15,877)	(16,525)	(3.9)
Foreign exchange differences	176	-	NM ⁷
Total return before tax	32,740	29,336	11.6
Net change in fair value of investment properties ⁴	316,585	285,144	11.0
Impairment loss on intangible asset ⁵	(14,300)	-	NM
Tax expense	(42,017)	(41,947)	0.2
Total return after tax	293,008	272,533	7.5
Distribution adjustments ⁶	(247,099)	(228,619)	8.1
Amount available for distribution to Unitholders	45,909	43,914	4.5

¹ OUE C-REIT was incorporated on 10 October 2013 but was dormant until Listing Date of 27 January 2014

² Forecast for the period was derived by pro-rating the forecast for 2014 as disclosed in the Prospectus

³ Includes performance fee, calculated as 25% of DPU growth over Forecast

⁴ Relates to the difference between the acquisition costs and the subsequent capital expenditure incurred, and their respective independent valuation as at 31 December 2014

⁵ The impairment loss on intangible asset arose due to expected lower drawdown by OUE C-REIT on the income support arrangement, as a result of better than expected rental performance at OUE Bayfront. This impairment loss has no impact on the amount available for distribution

⁶ Includes non-tax deductible expenses, management fees paid in Units, trustee fees, amortization of debt establishment costs, amortization of income support and impairment loss on intangible assets

⁷ NM: Not meaningful

Distribution Details

Distribution Period	1 July 2014 to 31 December 2014 ¹
Distribution Per Unit	2.84 cents comprising (i) Taxable income distribution of 2.18 cents (ii) Capital distribution of 0.66 cents

Notice of Books Closure Date	26 January 2015
Last Day of Trading on “Cum” Basis	29 January 2015, 5.00 pm
Ex-Date	30 January 2015, 9.00 am
Books Closure Date	3 February 2015
Distribution Payment Date	27 February 2015

¹ OUE C-REIT pays out its distribution on a semi-annual basis

Portfolio Valuation as at 31 Dec 2014

S\$ million	Valuation ¹ as at 31 December 2014	Valuation ² as at 30 September 2013	Valuation Cap Rate as at 31 December 2014
OUE Bayfront	1,135.0	1,102.0 ³	3.75%
Lippo Plaza	495.6 (RMB 2,340.0)	488.6 (RMB 2,337.0)	NA ⁴

¹ Based on independent valuations as at 31 December 2014 and SGD:CNY exchange rate of 1:4.721

² Based on independent valuations as at 30 September 2013 as disclosed per the Prospectus and SGD:CNY exchange rate of 1:4.783. The acquisition cost of OUE Bayfront was S\$1,005 million, and the purchase consideration for Lippo Plaza was S\$335.7 million

³ Valuation excluding income support. Inclusive of income support, the valuation of OUE Bayfront as at 30 September 2013 was S\$1,135 million

⁴ Not applicable. Valuation of Lippo Plaza conducted based on Discounted Cash Flow methodology only

Balance Sheet as at 31 Dec 2014

S\$'000	
Investment properties	1,630,612
Non-current assets	14,090
Current assets	36,261
Total Assets	1,680,963
Interest-bearing borrowings	632,898
Non-current liabilities	57,565
Current liabilities	32,715
Total Liabilities	723,178
Net Assets	957,785
Units in issue ('000)	872,430
NAV per Unit (S\$)	1.10

Capital Management as at 31 Dec 2014

	As at 31 Dec 2014	As at 30 Sep 2014
Aggregate Leverage	38.3%	39.8%
Total debt	S\$644m ¹ comprising - S\$580m - RMB304m	S\$657m ² comprising - S\$594m - RMB305m
Average cost of debt³	2.81% p.a.	2.57% p.a.
Average term of debt	2.95 years	3.18 years
% fixed rate debt	73.6%	56.8%
Average term of fixed rate debt	3.19 years	3.39 years
Interest service ratio	3.9x	4.0x

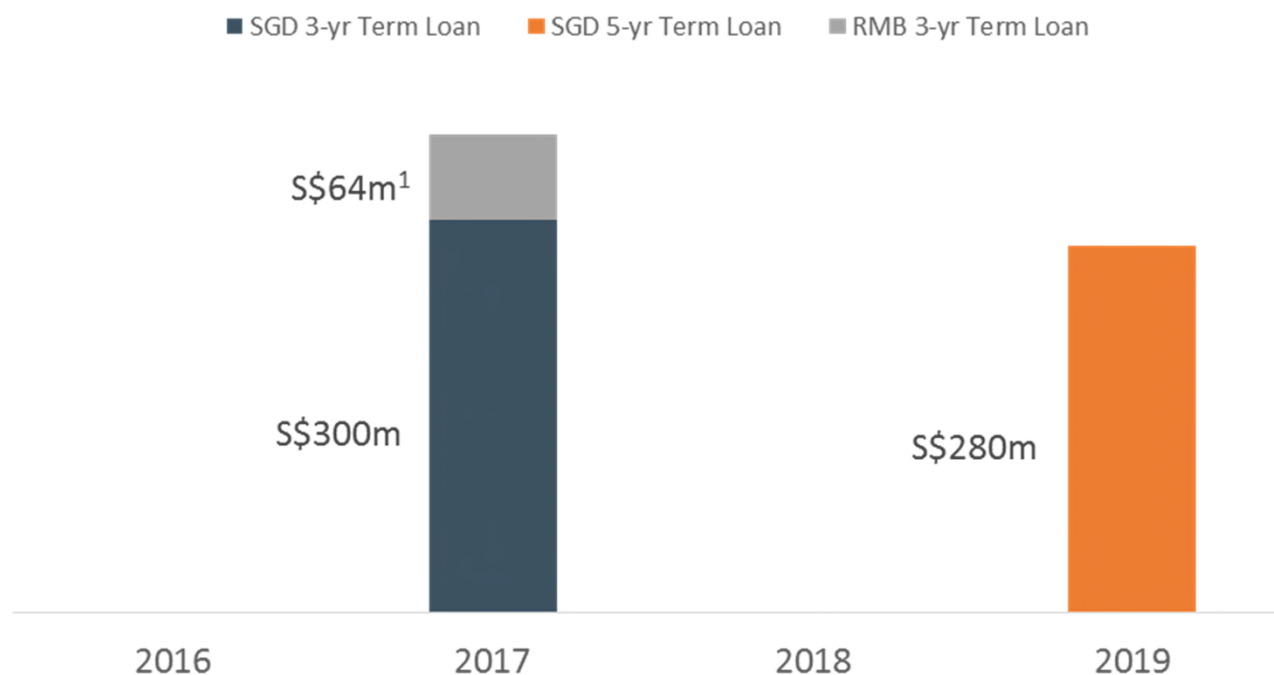
¹Based on SGD:CNY exchange rate of 1:4.721 as at 31 December 2014

²Based on SGD:CNY exchange rate of 1:4.845 as at 30 September 2014

³Including amortization of debt establishment costs

Capital Management as at 31 Dec 2014

Debt Maturity Profile



No refinancing requirement until 2017

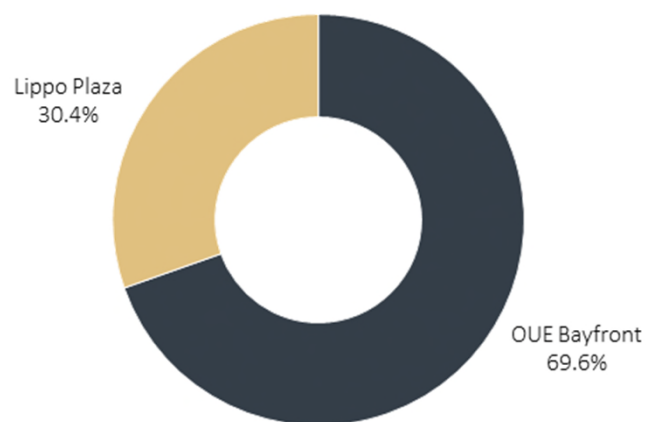
¹Based on SGD:CNY exchange rate of 1:4.721



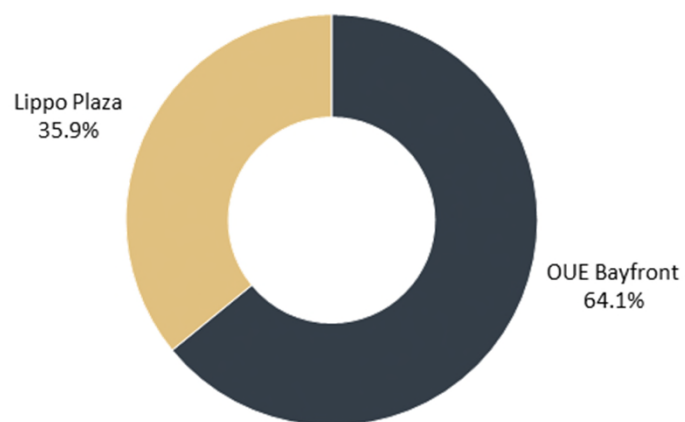
Portfolio Performance

Portfolio Composition

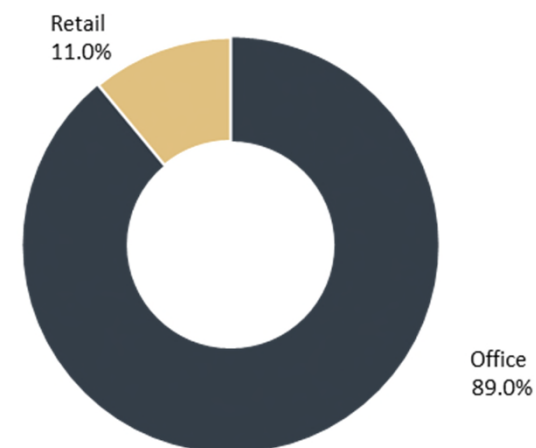
By Asset Value¹



By Gross Rental Income²



By Segment Revenue²



¹ Based on exchange rate of 1:4.721

² For 4Q 2014 and based on SGD:CNY exchange rate of 1:4.753

Steady and High Portfolio Occupancy

	30 Sep 2013 ¹	31 Dec 2013	31 Mar 2014	30 Jun 2014	30 Sep 2014	31 Dec 2014
OUE Bayfront	96.1%	100.0%	100.0%	100.0%	100.0%	100.0%
Lippo Plaza	88.2%	91.3%	96.5%	93.6%	94.4%	96.0%
Portfolio	92.0%	95.6%	98.2%	96.8%	97.2%	98.0%

¹ Proforma committed occupancy as disclosed in the Prospectus

Positive Rental Reversions for Office Leases

	4Q 2014	FY2014	FY2014 Committed rents ²	4Q 2014	At IPO ³
	Rental reversions ¹			Average passing rent	
OUE Bayfront	39.9%	14.9%	S\$11.22 – S\$15.50psf/mth	S\$10.58 psf/mth	S\$10.40 psf/mth
Lippo Plaza	7.1%	6.0%	RMB7.35 – RMB11.00 psm/day	RMB9.14 psm/day	RMB9.06 psm/day

¹ Renewal rental rates vs preceding rental rates

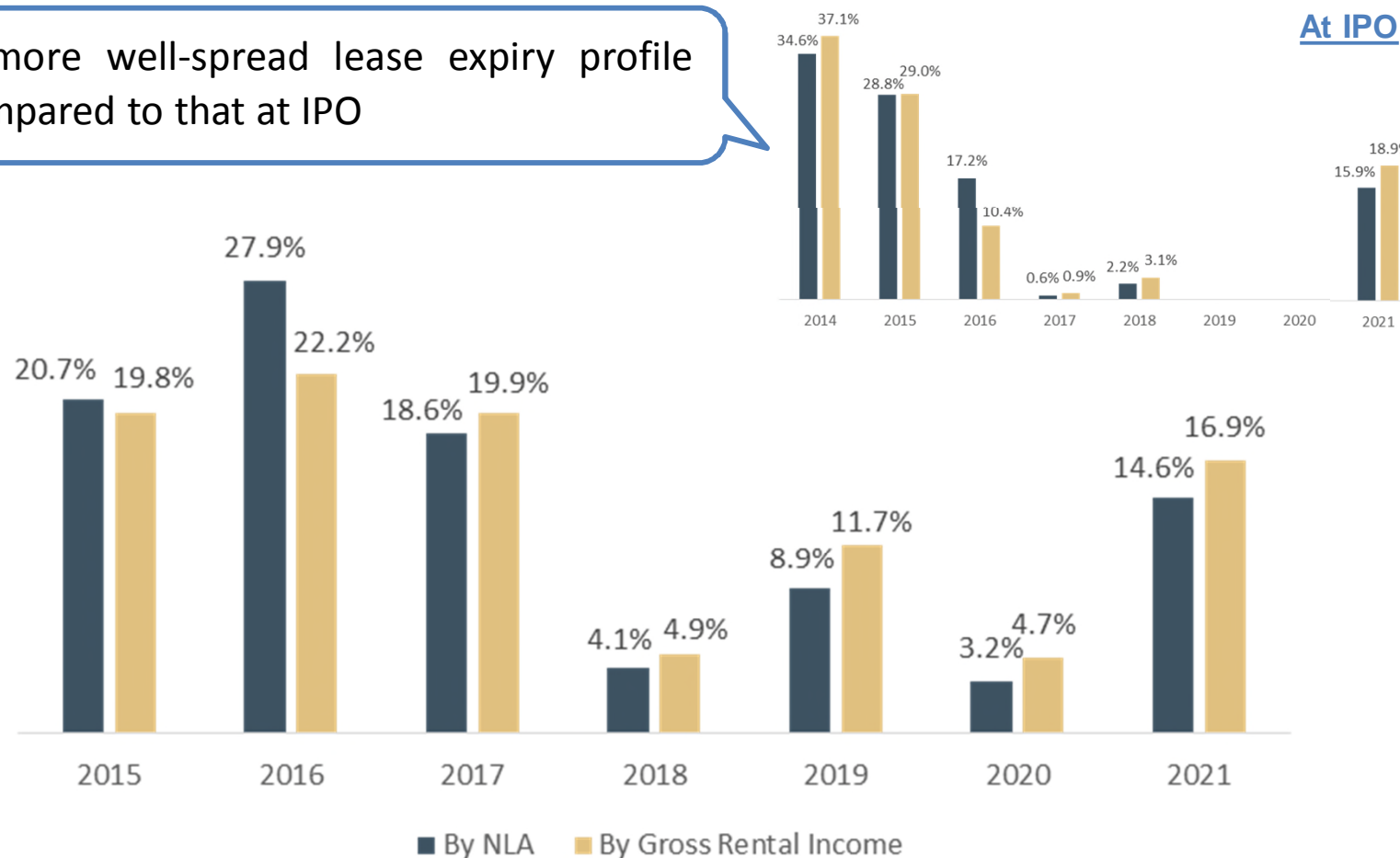
² Committed rents for both renewal leases and new leases

³ Office passing rent for the month of September 2013 as disclosed in the Prospectus

Lease Expiry Profile as at 31 Dec 2014

Portfolio

A more well-spread lease expiry profile compared to that at IPO



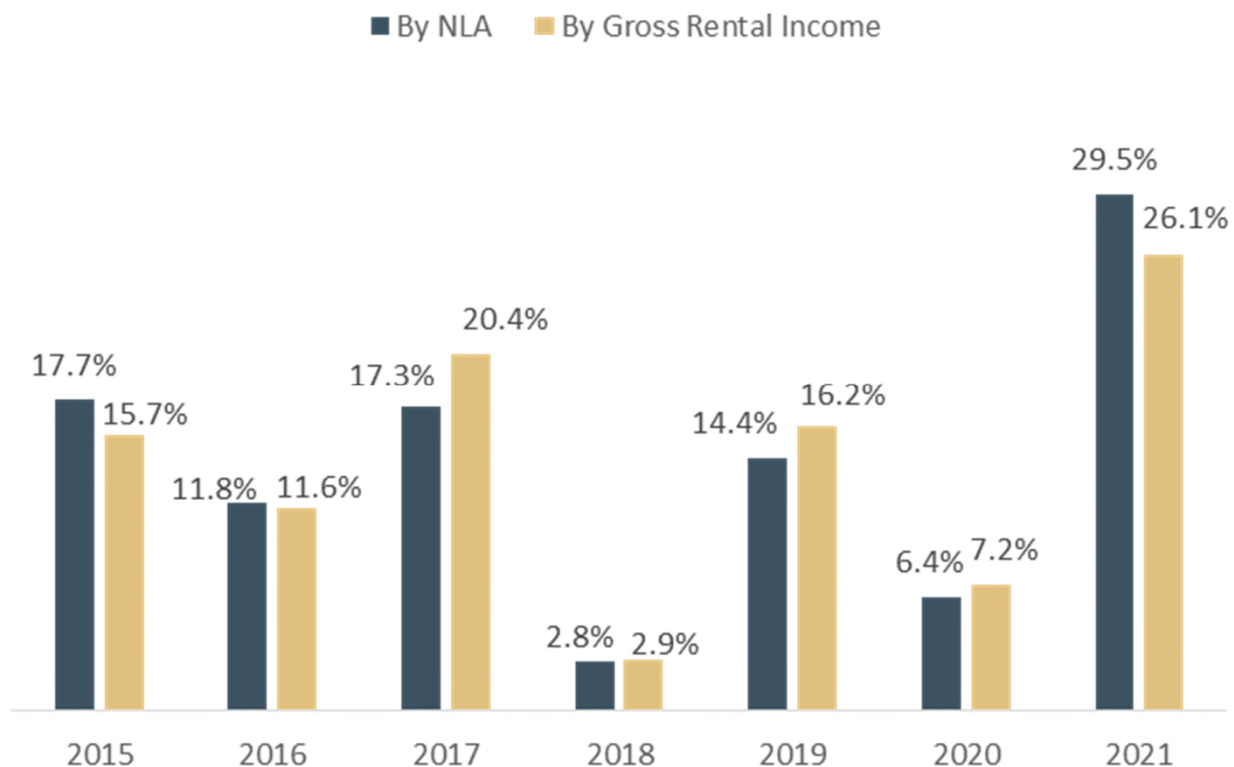
WALE¹ of 2.8 years by NLA² and 3.1 years by Gross Rental Income

¹ WALE: Weighted average lease term to expiry

² NLA: Net lettable area

Lease Expiry Profile as at 31 Dec 2014

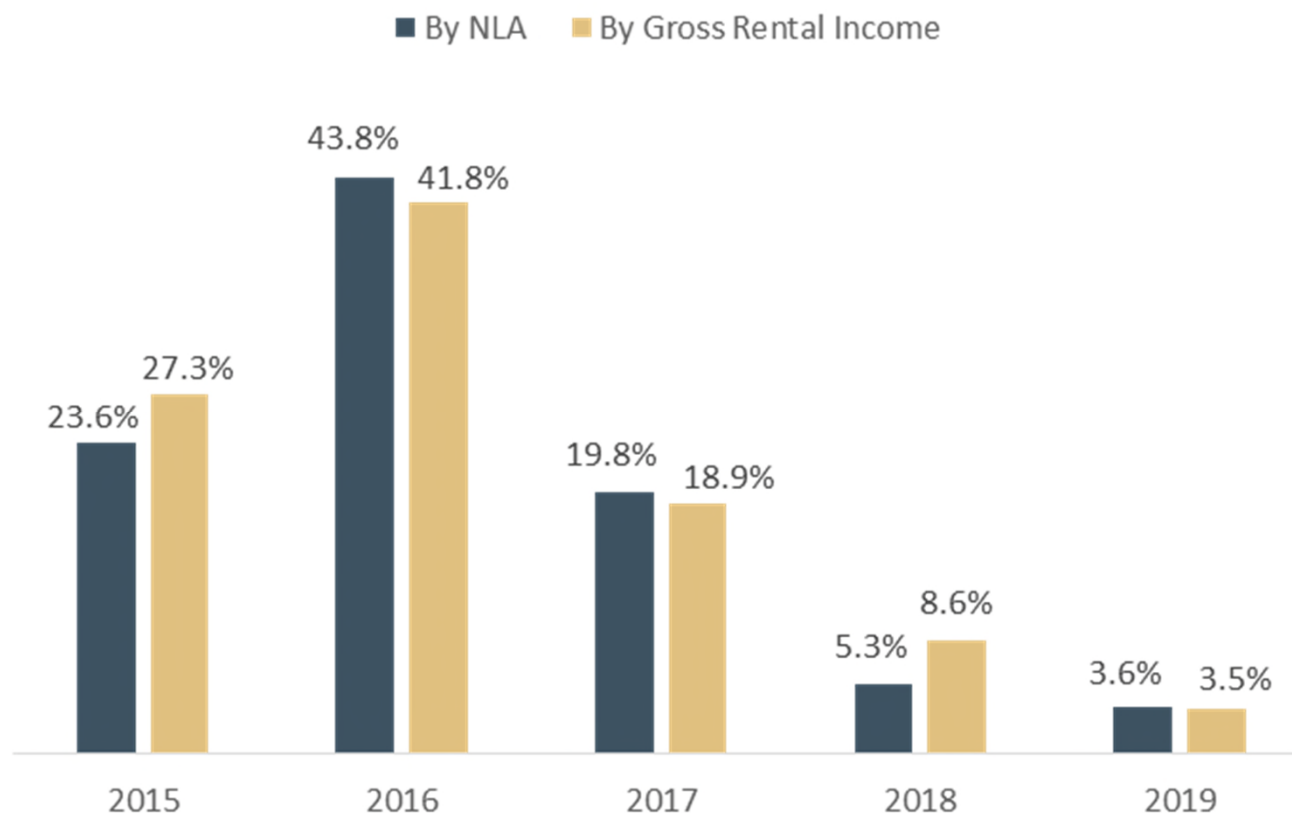
OUE Bayfront



WALE of 3.8 years by NLA and Gross Rental Income

Lease Expiry Profile as at 31 Dec 2014

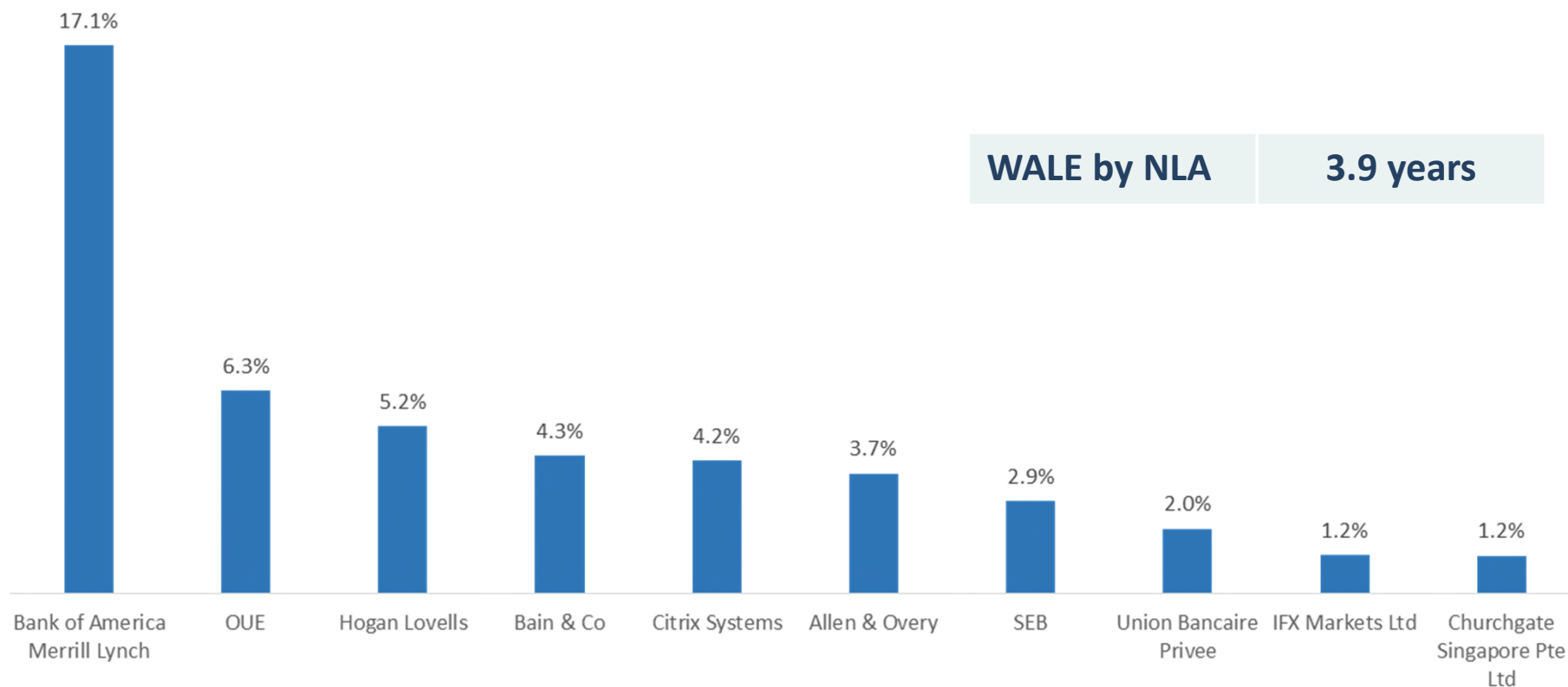
Lippo Plaza



WALE of 1.8 years by NLA and 1.7 years by Gross Rental Income

Top 10 Tenants

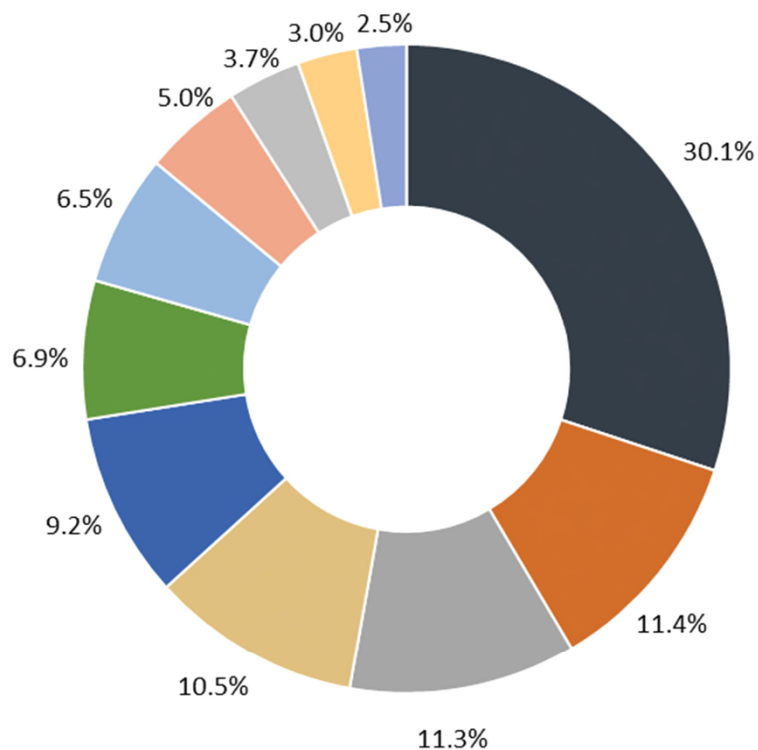
Top 10 tenants of the portfolio contribute approximately 48.1% of Gross Rental Income¹



¹ For the month of December 2014.

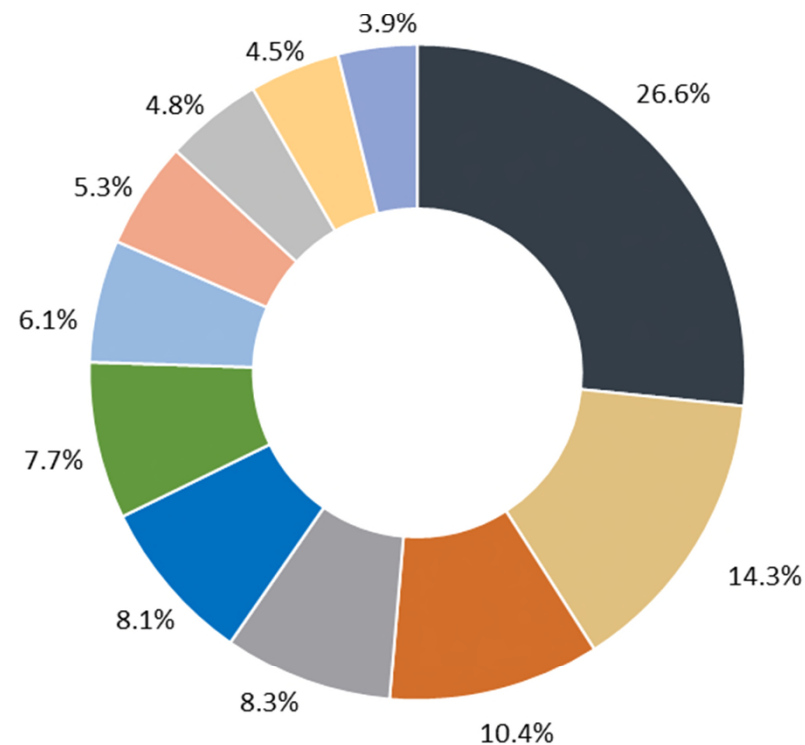
Diversified Tenant Base

Gross Rental Income by Trade Sector¹



■ Financial Services ■ Consulting ■ Real Estate ■ Legal
 ■ Others ■ Retail ■ Information Technology ■ Trading
 ■ Pharmaceutical ■ F&B ■ Representative Office

NLA by Trade Sector¹



■ Financial Services ■ Consulting ■ Real Estate ■ Others
 ■ Legal ■ Trading ■ Information Technology ■ Pharmaceutical
 ■ Retail ■ F&B ■ Representative Office

¹ For the month of December 2014. "Others" include advertising/publishing, fashion/beauty, logistics, and natural resources



Outlook

Outlook and Prospects

- Based on advance estimates by the Ministry of Trade and Industry (“MTI”), Singapore’s 4Q 2014 GDP growth moderated to 1.5%¹ YoY from 2.8% last quarter. 2014 GDP growth is expected at 2.8%. For 2015, MTI expects GDP growth of 2.0% to 4.0% given the uneven global recovery
- In 4Q 2014, Grade A office rents in Singapore rose by 2.3%² QoQ to S\$11.20 psf/mth, representing a YoY increase of 14.9%, while core CBD occupancy dipped 0.9 percentage points (“ppt”) QoQ to 95.7% due to completion of a new office development. Given tight vacancy levels and limited new supply for the next 18 months, office rental growth is expected to remain positive in 2015
- China’s GDP growth in 4Q 2014 was 7.3%³ YoY, unchanged from the previous quarter. 2014 GDP growth was 7.4%, slowing from 7.7% in 2013. The weaker economic performance prompted the People’s Bank of China to cut rates for the first time in two years to support growth. As China focuses on reform towards a more balanced economy, growth is expected to continue to be measured
- Overall Shanghai CBD Grade A office vacancy declined 2.2 ppt QoQ to 5.6%⁴ as at end 4Q 2014, as demand remained steady on the back of no new supply during the quarter. In Puxi, rents remained stable at RMB8.8 psm per day despite vacancy decreasing 2.7 ppt to 8.3%. As further new supply in the market is anticipated in 2015, the rental outlook is expected to be subdued
- Barring any unforeseen event and further weakening of global economy, the Manager expects to meet OUE C-REIT’s forecast amount available for distribution for the financial year ending 2015 as disclosed in the Prospectus

¹Ministry of Trade and Industry Press Release, 2 January 2015

²CBRE, Singapore Market View, 4Q 2014

³National Bureau of Statistics of China Press Release, 20 January 2015

⁴Colliers International Independent Market Research Report



Appendices

- Overview of OUE C-REIT
- OUE C-REIT's Portfolio
- Singapore Office Market
- Shanghai Office Market

Overview of OUE C-REIT

<p>About OUE C-REIT</p>	<ul style="list-style-type: none"> ■ OUE C-REIT is a Singapore real estate investment trust listed on the Mainboard of Singapore Exchange Securities Trading Limited with the principal investment strategy of investing, directly or indirectly, in a portfolio of income-producing real estate which is used primarily for commercial purposes ■ OUE C-REIT is managed by OUE Commercial REIT Management Pte. Ltd., a wholly-owned subsidiary of OUE Limited
<p>Quality Portfolio</p>	<ul style="list-style-type: none"> ■ OUE C-REIT's portfolio has a total asset value of about S\$1.6 billion comprising : <u>OUE Bayfront</u>, a premium Grade A office building located at Collyer Quay between the Marina Bay downtown and Raffles Place in Singapore; and <u>Lippo Plaza</u>, a Grade A commercial building located in Huangpu, one of Shanghai's established core CBD locations
<p>Strong Sponsor</p>	<ul style="list-style-type: none"> ■ Committed Sponsor in OUE Limited which has retained a stake of 47.5% in OUE C-REIT ■ Right of First Refusal over 1 million sq ft NLA of commercial space ■ Sponsor has proven track record in real estate ownership and operations ■ Leverage on Sponsor's asset enhancement and redevelopment expertise
<p>Market Capitalisation and Yield</p>	<ul style="list-style-type: none"> ■ S\$700 million based on closing price of S\$0.805 as at 31 December 2014 ■ Annualised distribution yield of 7.0% based on closing price of S\$0.805 per Unit

Premium Portfolio of Assets

OUE Bayfront



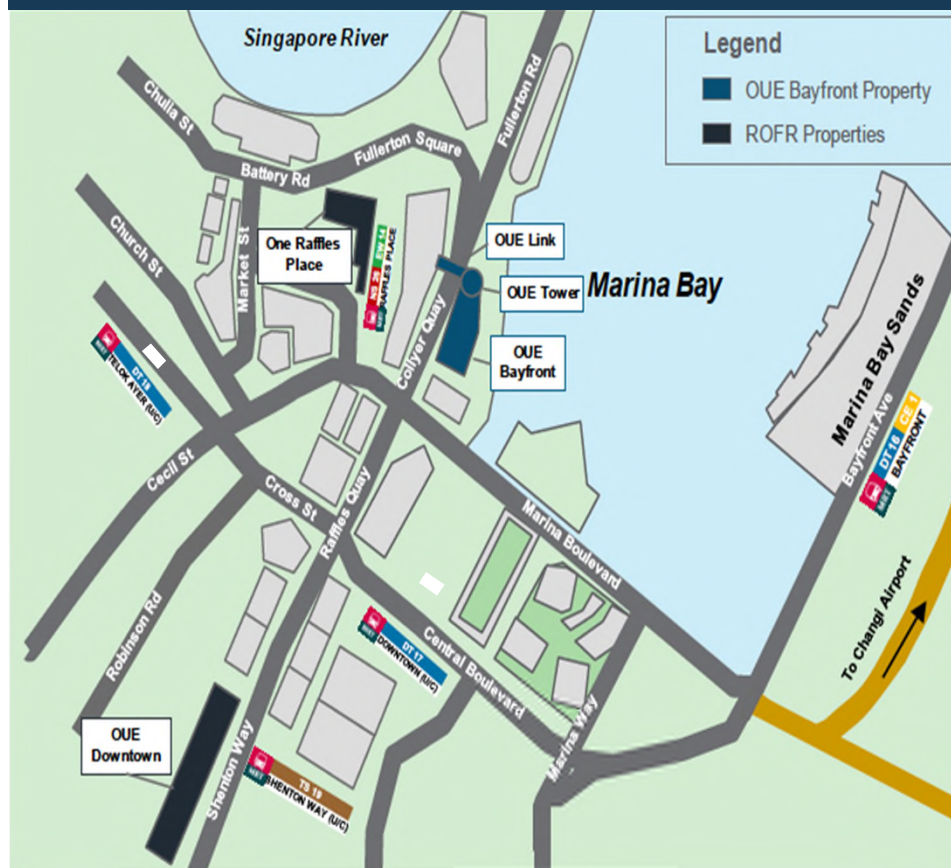
Located at Collyer Quay in Singapore's CBD, comprising:

- OUE Bayfront** : 18-storey premium office building with rooftop restaurant premises
- OUE Tower** : conserved tower building with panoramic views of the Marina Bay landscape which is currently occupied by a fine dining restaurant
- OUE Link** : link bridge with retail shops

OUE Bayfront	
GFA (sq m)	46,774.6
NLA (sq m)	Office: 35,569.0
	Retail: 1,830.1
	Overall: 37,399.1
Committed Occupancy as at 31 Dec 2014	Office : 100.0%
	Retail : 100.0%
	Overall : 100.0%
Number of Car Park Lots	245
Valuation (as at 31 Dec 2014)	S\$1,135m
Land Use Right Expiry	OUE Bayfront & OUE Tower :
	99 yrs from 12 Nov 2007
	OUE Link : 15 yrs from 26 Mar 2010
	Underpass : 99 yrs from 7 Jan 2002
Completion Year	2011

Vantage Position in Singapore's CBD

Location within the Singapore CBD



Landmark commercial property

- ✓ One of the latest premium office buildings located at Collyer Quay between the new Marina Bay downtown and Raffles Place
- ✓ Excellent connectivity and convenient access to major transportation network
 - Convenient access to Raffles Place MRT station
 - Within walking distance to the recently completed Downtown MRT station, which serves the Downtown line
 - Convenient access to expressways such as the Ayer Rajah Expressway, the new Marina Coastal Expressway, the Kallang-Paya Lebar Expressway and the East Coast Parkway, providing swift access to Changi Airport and the city centre
- ✓ Panoramic views of Marina Bay

Premium Portfolio of Assets

Lippo Plaza



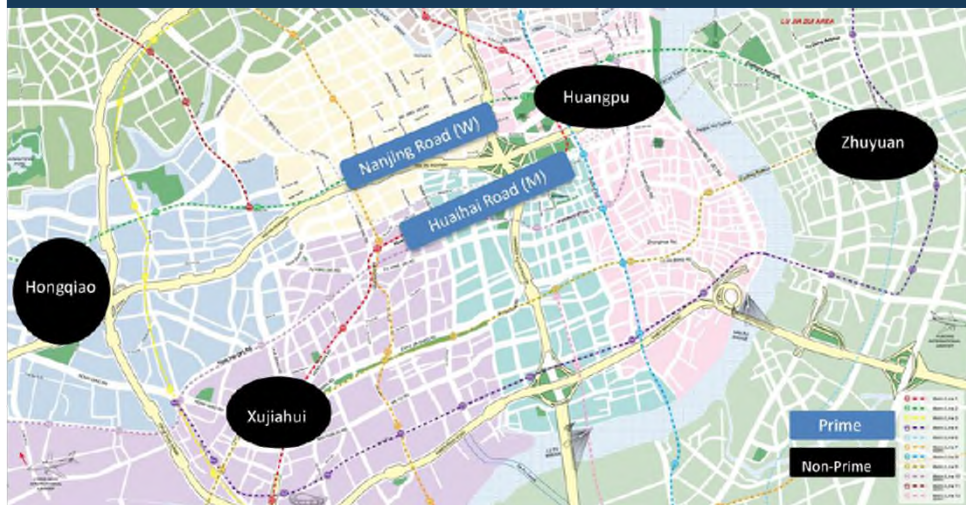
- Grade-A 36 storey commercial building located in the commercial district of Huangpu in Central Shanghai and used for office and retail purposes
- Also comprises 3 basement levels consisting of commercial space and car park lots, but excludes (i) Unit 2 in Basement 1, (ii) the 12th, 13th, 15th and 16th floors, and (iii) 4 car park lots
- OUE C-REIT owns approximately 90% of Lippo Plaza by GFA

Lippo Plaza	
GFA (sq m)	58,521.5
NLA (sq m)	Office: 33,538.6
	Retail: 5,685.9
	Overall: 39,224.5
Committed Occupancy as at 31 Dec 2014	Office : 96.2%
	Retail : 95.1%
	Overall : 96.0%
Number of Car Park Lots	168
Valuation (as at 31 Dec 2014)	RMB2,340m / RMB39,985 psm (S\$495.6m) ¹
Land Use Right Expiry	50 yrs from 2 Jul 1994
Completion Year	1999

¹ Based on SGD: CNY exchange rate of 1 : 4.721 as at 31 December 2014

Grade A Building in Prime Commercial District

The Huangpu District



Immediate Vicinity of the Lippo Plaza Property



Located Within Shanghai's Established Core CBD

- ✓ Grade-A commercial building located in Huangpu, Central Shanghai, one of the main commercial districts in Puxi
- ✓ The Huaihai Road precinct, in which the Lippo Plaza Property is situated, is a prime retail area in Shanghai
- ✓ Excellent connectivity and convenient access to major transportation network
 - 5 minute walk to South Huangpi Road Metro Station
 - Convenient access to major expressways
- ✓ Main tenants in the area comprise MNCs, financial institutions and state-owned enterprises

Other Office Properties

- 1 Hong Kong New World Tower
- 2 Hong Kong Plaza
- 3 Shui On Plaza
- 4 Shanghai Central Plaza
- 5 Shanghai Times Square

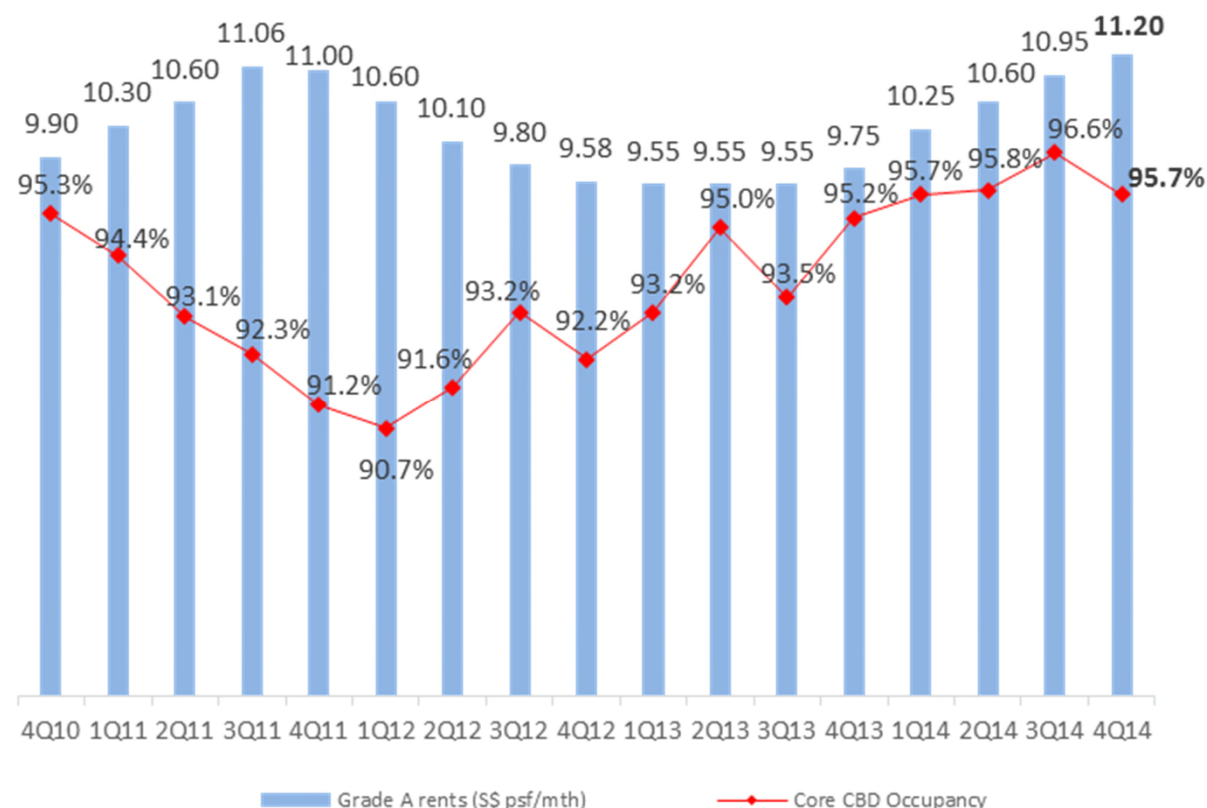
Metro Line 1

Other Retail Properties

- 1 Pacific Department Store
- 2 Huaihai Mall
- 3 Infinity Plaza
- 4 K11 mall

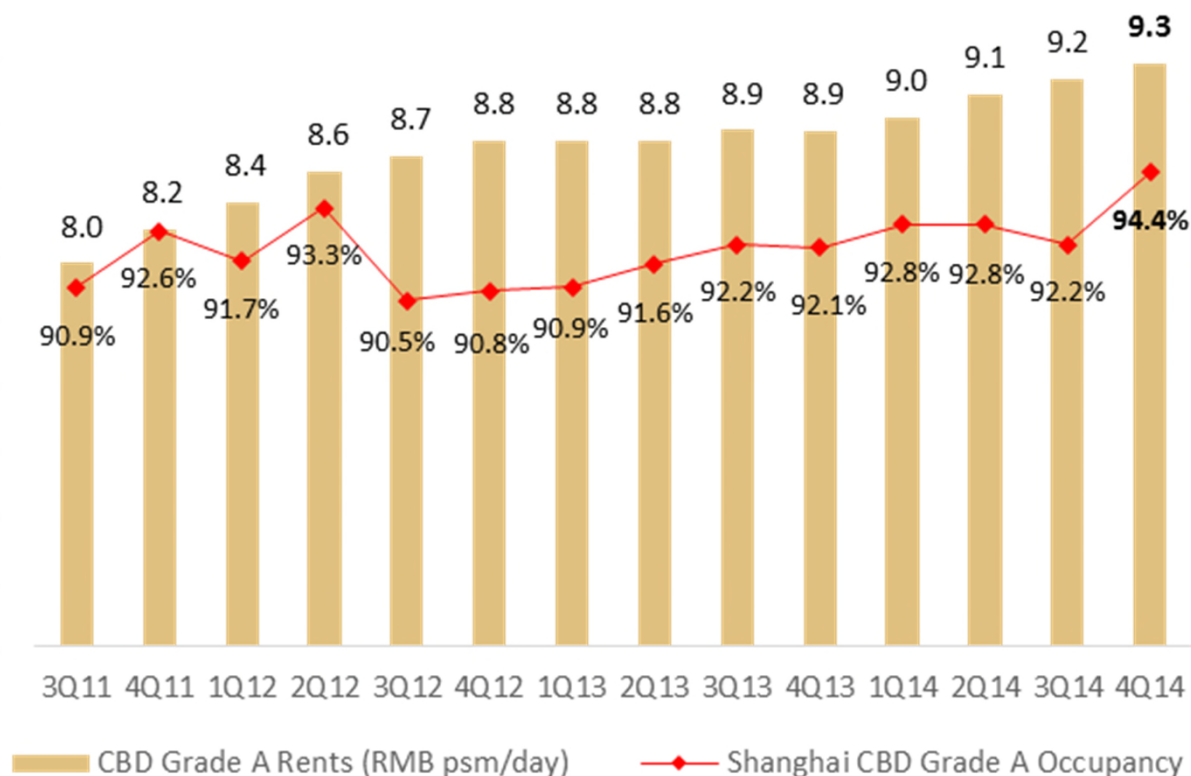
Singapore Office Market

- Core CBD occupancy dipped 0.9 percentage points to 95.7% as at 4Q 2014, due to the completion of a new office development during the quarter
- Grade A office rents rose 2.3% QoQ to S\$11.20 psf/mth as supply remains tight



Shanghai Office Market

- CBD Grade A office occupancy in Shanghai increased 2.2 ppt QoQ to 94.4% as at 4Q 2014, while average market rents rose by 0.9% QoQ to RMB9.3 psm/day
- In the Puxi submarket, while CBD Grade A occupancy rose 2.7 ppt QoQ to 91.7%, average market rents remained stable at about RMB8.8 psm/day as at 4Q 2014





Thank you