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Financial Results for the 2nd Quarter Ended 30 June 2014

30 July 2014

Important Notice

Standard Chartered Securities (Singapore) Pte. Limited, CIMB Bank Berhad, Singapore Branch and Oversea-Chinese Banking Corporation Limited were the joint global coordinators and issue managers for the initial public offering of OUE Commercial REIT.

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

This presentation shall be read in conjunction with OUE Commercial REIT's 2Q 2014 Financial Results announcement.

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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

- Net property income in 2Q 2014 of S\$14.3 million was 4.6% higher than Forecast¹
- 2Q 2014 amount available for distribution of S\$12.5 million was 5.5% ahead of Forecast while DPU was 1.43 cents, 5.1% above Forecast
- 1st distribution of 2.43 cents for the period from 27 January 2014² to 30 June 2014 was 4.7% ahead of Forecast

Portfolio Performance

- Positive office rental reversion of 6.1% for OUE Bayfront and 4.3% for Lippo Plaza achieved in 2Q 2014
- OUE Bayfront's average monthly office portfolio rent rose to S\$10.66 psf per month from S\$10.61 psf per month
- Only 2.9% of portfolio by gross rental income due for renewal for rest of 2014

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 OUE C-REIT was incorporated on 10 October 2013 but was dormant until its listing on the Main Board of the Singapore Exchange Securities Trading Limited on 27 January 2014 ("Listing Date").

Key Highlights

Capital Management

- Aggregate leverage of 39.5% with average term of debt of 3.45 years
- Increased proportion of fixed rate borrowings to 57.6% from 50.3%, with average term of fixed rate debt of 3.65 years
- Average cost of debt of 2.59%



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Financial Performance & Capital Management

Actual vs Forecast 2Q 2014

	Actual	Forecast ¹	Change
Gross Revenue (S\$'000)	18,670	18,734	-0.3%
Net Property Income (S\$'000)	14,292	13,669	+4.6%
Amt Available for Distribution (S\$'000)	12,473	11,818	+5.5%
DPU (cents)	1.43	1.36	+5.1%

- Net property income was 4.6% higher than Forecast due to lower utilities and maintenance costs
- Amount available for distribution was 5.5% higher than Forecast due to lower trust expenses and lower finance costs, arising from repayment of some revolving credit facilities from surplus operating cashflow

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

Actual vs Forecast

2Q 2014

S\$'000	Actual	Forecast ¹	Change (%)
Gross revenue	18,670	18,734	(0.3)
Less property operating expenses	(4,378)	(5,065)	(13.6)
Net property income	14,292	13,669	4.6
Other income	2,392	2,249	6.4
Amortisation of intangible asset	(1,650)	(1,650)	0.0
Manager's management fees ²	(1,334)	(1,258)	6.0
Net non-property expenses	(512)	(724)	(29.3)
Net finance costs	(4,203)	(4,442)	(5.4)
Foreign exchange differences	(304)	-	NM ⁴
Total return before tax	8,681	7,844	10.7
Tax expense	(965)	(762)	26.6
Total return after tax	7,716	7,082	9.0
Distribution adjustments ³	4,757	4,736	0.4
Amount available for distribution to Unitholders	12,473	11,818	5.5

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

² Includes accrual for performance fee for the quarter ended 30 June 2014, calculated as 25% of DPU growth over Forecast

³ Include non-tax deductible expenses, management fees paid in Units, trustee fees, amortization of debt establishment costs and amortization of income support

⁴NM: Not meaningful

Actual vs Forecast

For the period 27 Jan 2014¹ to 30 Jun 2014

	Actual	Forecast ²	Change
Gross Revenue (S\$'000)	32,489	32,421	+0.2%
Net Property Income (S\$'000)	24,609	23,839	+3.2%
Amt Available for Distribution (S\$'000)	21,116	20,158	+4.8%
DPU (cents)	2.43	2.32	+4.7%

- Gross revenue of S\$32.5 million was in line with Forecast
- Amount available for distribution was 4.8% higher than Forecast due to higher net property income; and lower finance cost and trust expenses incurred

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

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 30 Jun 2014

S\$'000	Actual	Forecast ²	Change (%)
Gross revenue	32,489	32,421	0.2
Less property operating expenses	(7,880)	(8,582)	(8.2)
Net property income	24,609	23,839	3.2
Other income	3,649	3,382	7.9
Amortisation of intangible asset	(2,839)	(2,839)	-
Manager's management fees ³	(2,226)	(2,160)	3.1
Net non-property expenses	(928)	(1,250)	(25.8)
Net finance costs	(7,068)	(7,642)	(7.5)
Foreign exchange differences	(559)	-	NM ⁶
Total return before tax	14,638	13,330	9.8
Net change in fair value of investment properties ⁴	283,077	285,144	(0.7)
Tax expense	(40,003)	(40,227)	(0.6)
Total return after tax	257,712	258,247	(0.2)
Distribution adjustments ⁵	(236,596)	(238,089)	(0.6)
Amount available for distribution to Unitholders	21,116	20,158	4.8

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

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

³ Includes accrual for performance fee for the period ended 30 June 2014, calculated as 25% of DPU growth over Forecast

⁴ Relates to the difference between the independent valuations as at 30 September 2013 and the acquisition costs of the investment properties

⁵ Includes non-tax deductible expenses, management fees paid in Units, trustee fees, change in fair value of investment properties, amortization of debt establishment costs and amortization of income support

⁶ NM: Not meaningful

Distribution Details

Distribution Period	27 January 2014 ¹ to 30 June 2014
Distribution Per Unit	2.43 cents comprising (i) Taxable income distribution of 1.92 cents (ii) Capital distribution of 0.51 cents

Notice of Books Closure Date	30 July 2014
Last Day of Trading on “Cum” Basis	4 August 2014, 5.00 pm
Ex-Date	5 August 2014, 9.00 am
Books Closure Date	7 August 2014
Distribution Payment Date	2 September 2014

¹ As OUE C-REIT pays out its distributable income on a semi-annual basis, the first distribution payable is for the period from Listing Date to 30 June 2014.

Balance Sheet as at 30 June 2014

S\$'000	
Investment properties	1,570,832
Non-current assets	30,364
Current assets	31,496
Total Assets	1,632,692
Interest-bearing borrowings	630,401
Non-current liabilities	52,049
Current liabilities	32,153
Total Liabilities	714,603
Net Assets	918,089
Units in issue ('000)	868,793
NAV per Unit (\$\$)	1.06

Capital Management as at 30 June 2014

	As at 31 March 2014	As at 30 June 2014
Aggregate Leverage	40.8%	39.5%
Total debt	S\$680m ¹ comprising - S\$618m - RMB305m	S\$644m ² comprising - S\$583m - RMB305m
Average cost of debt³	2.47%	2.59%
Average term of debt	3.65 years	3.45 years
% fixed rate debt	50.3%	57.6%
Average term of fixed rate debt	3.78 years	3.65 years
Interest service ratio	3.9x	4.0x

¹Based on SGD:CNY exchange rate of 1:4.883 as at 31 March 2014

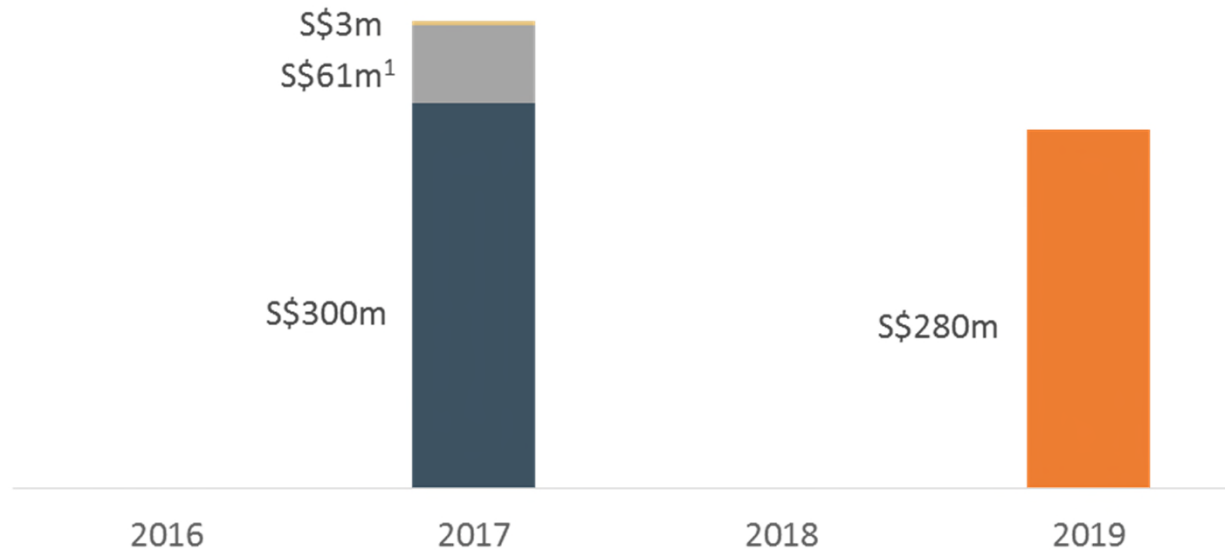
²Based on SGD:CNY exchange rate of 1:4.985 as at 30 June 2014

³Including amortization of debt establishment costs

Capital Management as at 30 June 2014

Debt Maturity Profile

■ SGD 3-yr Term Loan ■ SGD 5-yr Term Loan ■ RMB 3-yr Term Loan ■ SGD Revolving Credit Facilities



No refinancing requirement until 2017

¹Based on SGD:CNY exchange rate of 1:4.985



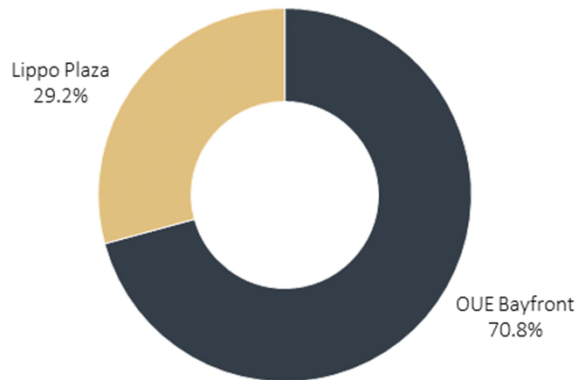
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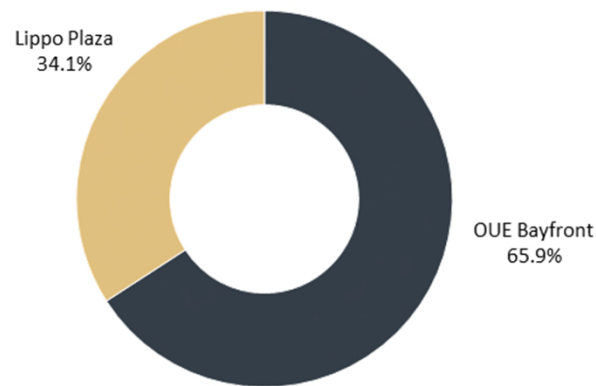
Portfolio Performance

Portfolio Composition

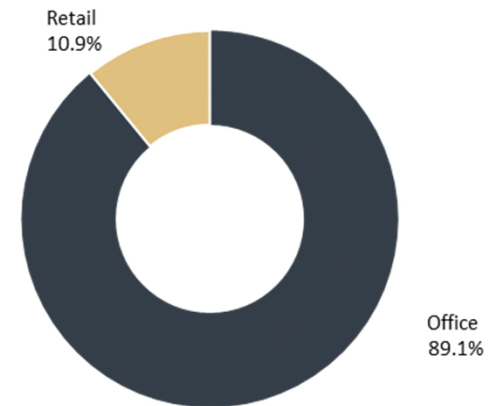
By Asset Value¹



By Gross Rental Income²



By Segment Revenue²



¹ Based on exchange rate of 1:4.985

² For the 2Q 2014 and based on SGD:CNY exchange rate of 1:4.977

Healthy Portfolio Occupancy

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

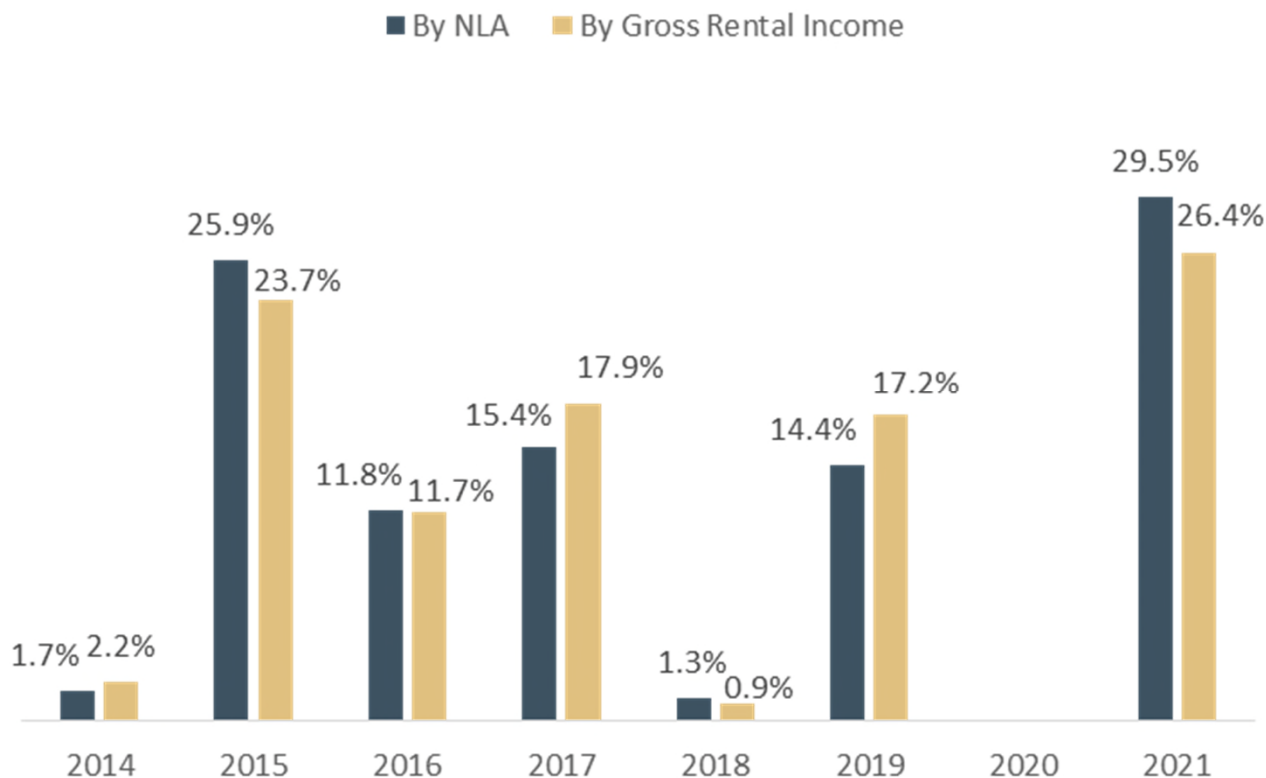
Positive Rental Reversions for Office Leases

2Q 2014	Renewal rates vs preceding rents	Committed rents ¹	Passing rent for property
OUE Bayfront	6.1%	S\$11.50 – S\$15.20 psf/mth	S\$10.66 psf/mth
Lippo Plaza	4.3%	RMB7.35 – RMB10.92 psm/day	RMB9.11 psm/day

¹ Committed rents for both renewal leases and new leases

Lease Expiry Profile as at 30 June 2014

OUE Bayfront



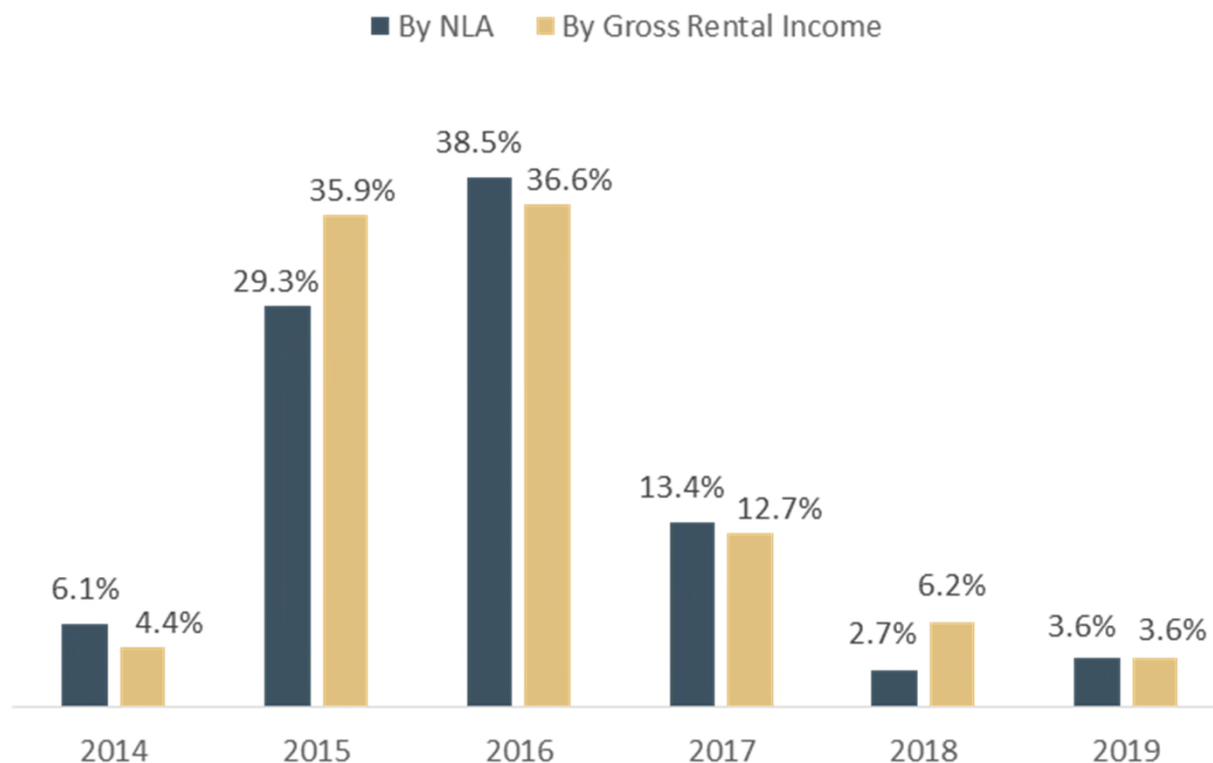
WALE¹ of 3.8 years by NLA² and 3.7 years by Gross Rental Income

¹ WALE: Weighted average lease term to expiry

²NLA: Net lettable area

Lease Expiry Profile as at 30 June 2014

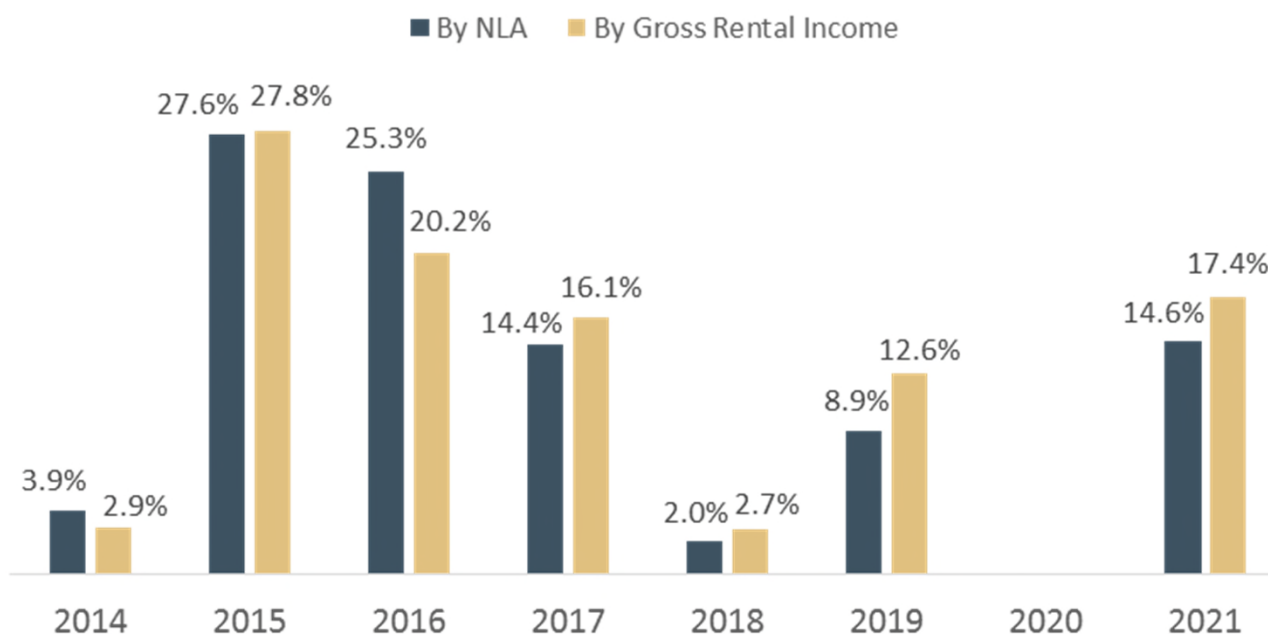
Lippo Plaza



WALE of 1.9 years by NLA and Gross Rental Income

Lease Expiry Profile as at 30 June 2014

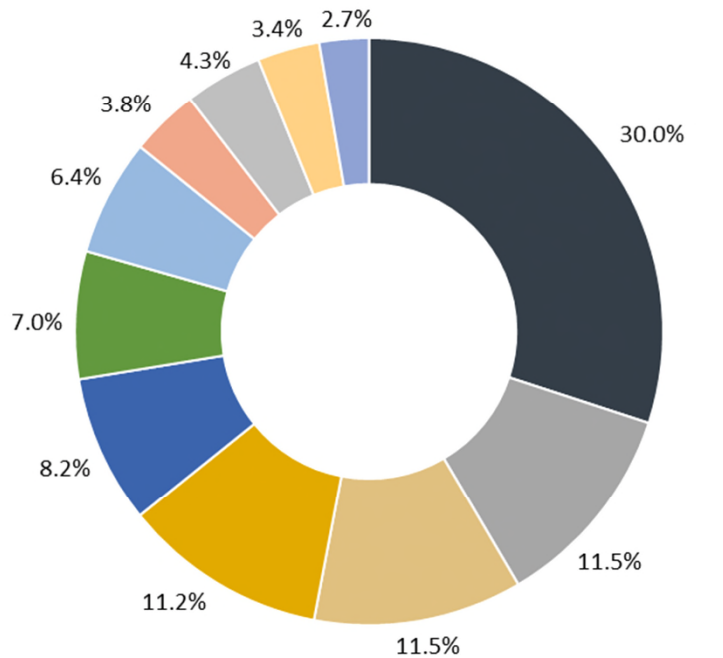
Portfolio



WALE of 3.1 years by NLA and Gross Rental Income

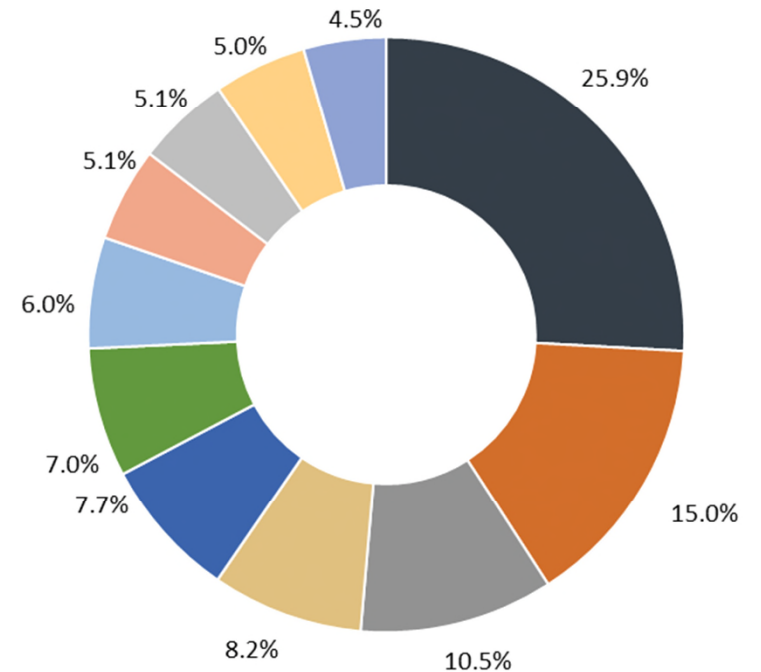
Diversified Tenant Base

Gross Rental Income by Trade Sector¹



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

NLA by Trade Sector¹



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

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



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Outlook

Outlook and Prospects

- Based on advance estimates by the Ministry of Trade and Industry, Singapore's 2Q 2014 GDP grew 2.1%¹ year-on-year ("YoY"), lower than the 4.7% achieved in 1Q 2014. For 2014, economic growth is expected to be moderate, in the range of 2.0% to 4.0%
- Grade A office rents in Singapore rose by 3.4%² quarter-on-quarter ("QoQ") in 2Q 2014, while core CBD occupancy improved to 95.8%. Grade A office rents are expected to continue to grow in 2014, given positive demand, low vacancy levels and limited new supply
- China's 2Q 2014 GDP grew 7.5%³ YoY, from 7.4% in 1Q 2014. The manufacturing sector saw a recovery in 2Q 2014, reinforced by positive performance from the services sector, suggesting that the government's mini-stimulus measures are filtering through to the real economy. Fiscal and monetary policies are expected to remain supportive while economic growth stabilizes
- Office demand in the Shanghai CBD remained stable in 2Q 2014, with overall vacancy remaining unchanged QoQ at 7.2%⁴. Despite slight increase in vacancy in Puxi to 11.4%, rents rose modestly to RMB8.8 psm per day. Given the expected new supply in Puxi for the rest of 2014 and potential competition from the decentralised market, rental growth is expected to be subdued.
- Barring any unforeseen event and weakening of global economy, the Manager expects to meet the forecast distribution for FY2014 as disclosed in the Prospectus

¹Ministry of Trade and Industry Press Release, 14 July 2014

²CBRE, Singapore Market View, 2Q 2014

³China National Bureau of Statistics, 16 July 2014

⁴Colliers International, Shanghai Office Research and Forecast Report, 2Q 2014



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Appendices

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

Overview of OUE C-REIT

About OUE C-REIT

- 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

Quality Portfolio

- OUE C-REIT's portfolio has a total asset value of about S\$1.6 billion comprising :
OUE Bayfront, a premium Grade A office building located at Collyer Quay between the Marina Bay downtown and Raffles Place in Singapore; and
Lippo Plaza, a Grade A commercial building located in Huangpu, one of Shanghai's established core CBD location

Strong Sponsor

- Committed Sponsor in OUE Limited which has retained a stake of 47.9% 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

Market Capitalisation and Yield

- S\$694 million based on closing price of S\$0.80 as at 30 June 2014
- Annualised distribution yield of 7.2% based on closing price of S\$0.80 per Unit

Premium Portfolio of Assets

OUE Bayfront



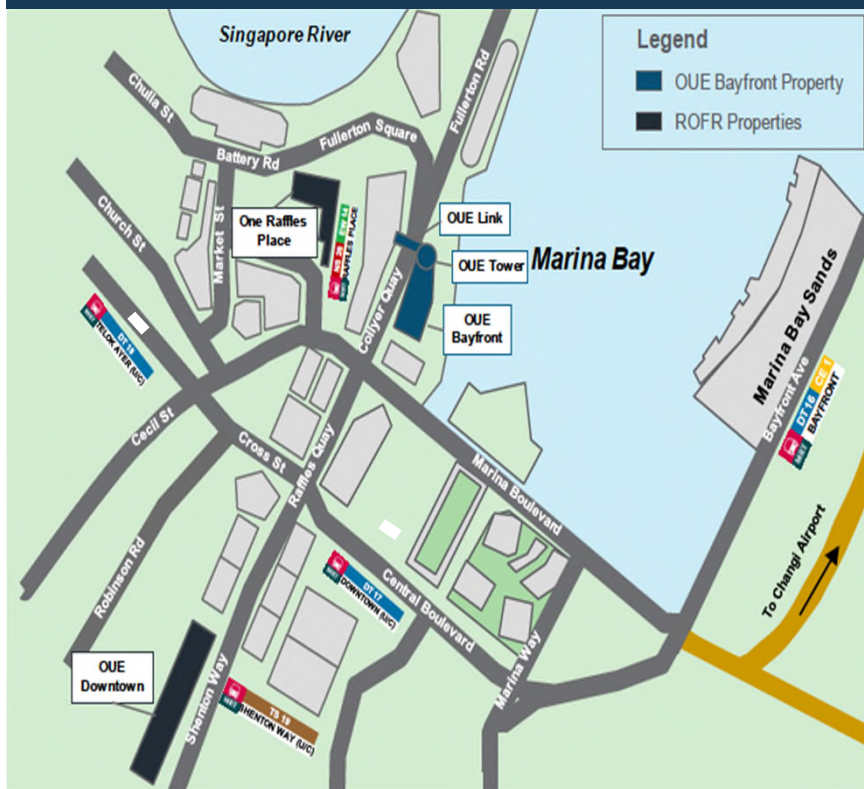
Located at Collyer Quay in Singapore's CBD, comprising:

- 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: 35,551.7
	Retail: 1,830.1
	Overall: 37,381.8
Committed Occupancy as at 30 Jun 2014	Office : 100.0%
	Retail : 100.0%
	Overall : 100.0%
Number of Car Park Lots	245
Valuation (as at 30 Sep 2013)	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
Completion Year	Underpass : 99 yrs from 7 Jan 2002
	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: 5,693.4
	Overall: 39,232.0
Committed Occupancy as at 30 Jun 2014	Office : 92.9%
	Retail : 97.8%
	Overall : 93.6%
Number of Car Park Lots	168
Valuation (as at 30 Sep 2013)	RMB2,337m / RMB39,934 psm (S\$468.8m) ¹
Land Use Right Expiry	50 yrs from 2 Jul 1994
Completion Year	1999

¹ Based on SGD:CNY exchange rate of 1 : 4.985 as at 30 June 2014



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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

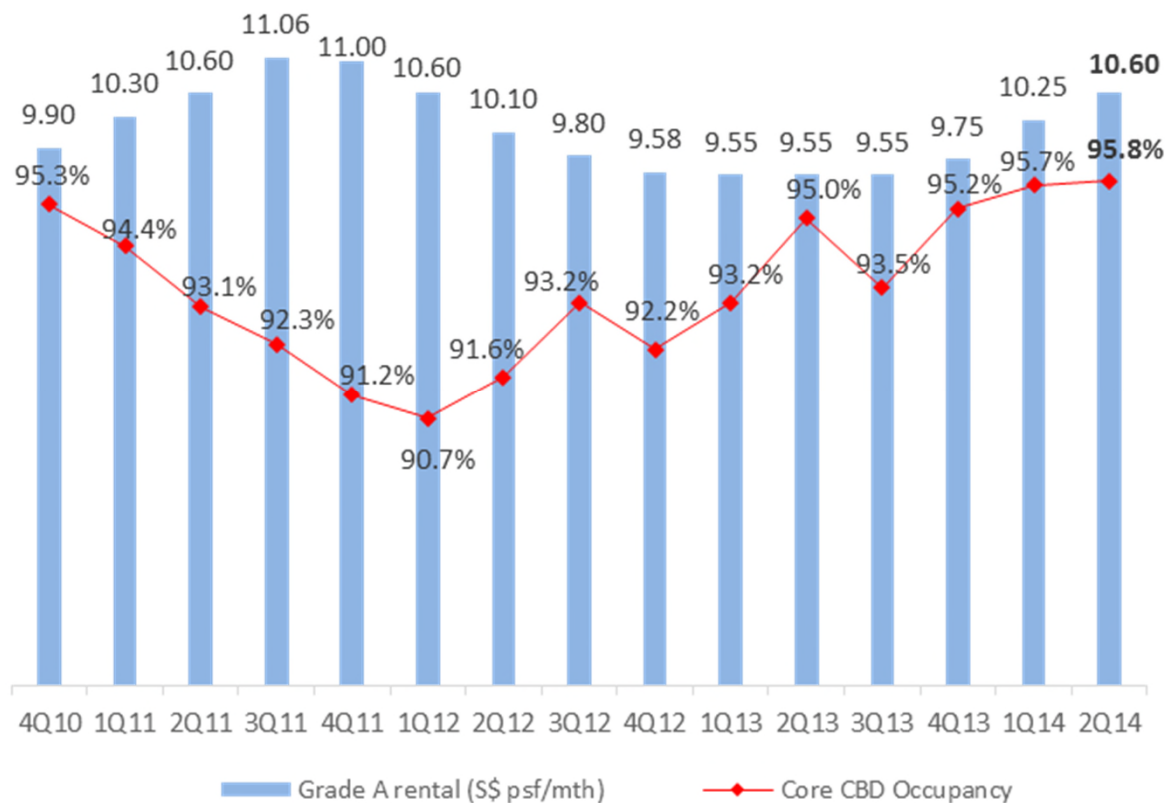
Other Retail Properties

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

Metro Line 1

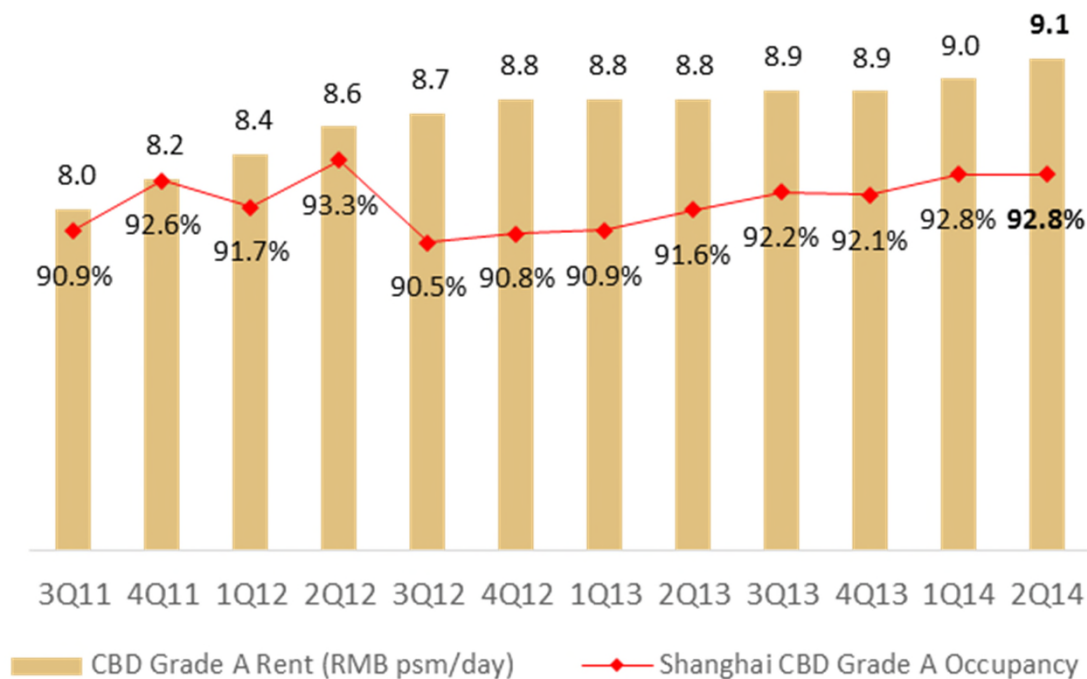
Singapore Office Market

- Average core CBD occupancy edged up to 95.8% as at 2Q 2014
- Grade A office rental rose 3.4% QoQ to S\$10.60 psf/mth, the third consecutive quarter of increase



Shanghai Office Market

- As at 2Q 2014, CBD Grade A occupancy in Shanghai remained stable QoQ at 92.8%
- CBD Grade A rents increased by 1.7% QoQ, or 3.8% YoY, to RMB9.1 psm/day





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Thank you