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Financial Results for the 3rd Quarter and Period Ended 30 September 2014

31 October 2014

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This presentation shall be read in conjunction with OUE Commercial REIT's 3Q 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

- Gross revenue in 3Q 2014 of S\$19.5 million was 1.8% ahead of Forecast¹
- Net property income in 3Q 2014 of S\$14.9 million exceeded Forecast by 6.3%
- 3Q 2014 amount available for distribution of S\$12.2 million was 3.2% ahead of Forecast while DPU was 1.40 cents, 2.9% above Forecast

Portfolio Performance

- Portfolio occupancy improved to 97.2%, from 96.8% in the last quarter, due to improved occupancy at Lippo Plaza
- Achieved year-to-date positive office rental reversion of 10.2% for OUE Bayfront and 5.6% for Lippo Plaza
- Average passing office rent for OUE Bayfront rose to S\$10.68 psf per month whilst that for Lippo Plaza increased to RMB9.13psm per day

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")

Capital Management

- As at 30 September 2014, aggregate leverage was 39.8% with average term of debt of 3.18 years
- Average cost of debt was stable at 2.57% per annum, with 56.8% of borrowings hedged into fixed rates for the next 3.39 years
- Post 3Q 2014, OUE C-REIT increased its proportion of fixed rate borrowings to 72.0% for the next 3.52 years. Consequently, average cost of debt is expected to increase to 2.76% per annum



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Financial Performance & Capital Management

Actual vs Forecast

3Q 2014

	Actual	Forecast ¹	Change
Gross Revenue (\$m)	19.5	19.1	+1.8%
Net Property Income (\$m)	14.9	14.0	+6.3%
Amount Available for Distribution (\$m)	12.2	11.8	+3.2%
DPU (cents)	1.40	1.36	+2.9%

- Gross revenue was 1.8% higher than Forecast due to better occupancy and rental reversions than budgeted
- Net property income was 6.3% higher than Forecast due to higher gross revenue, as well as lower utilities and maintenance costs incurred
- Amount available for distribution was 3.2% higher than Forecast due to lower trust expenses

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

Actual vs Forecast

3Q 2014

S\$'000	Actual	Forecast ¹	Change (%)
Gross revenue	19,493	19,145	1.8
Property operating expenses	(4,633)	(5,164)	(10.3)
Net property income	14,860	13,981	6.3
Other income	1,639	2,084	(21.4)
Amortisation of intangible asset	(1,650)	(1,650)	0.0
Manager's management fees ²	(1,376)	(1,260)	9.2
Net non-property expenses	(530)	(725)	(26.9)
Net finance costs	(4,288)	(4,441)	(3.4)
Foreign exchange differences	328	0	NM ⁴
Total return before tax	8,983	7,989	12.4
Tax expense	(998)	(886)	12.6
Total return after tax	7,985	7,103	12.4
Distribution adjustments ³	4,231	4,737	(10.7)
Amount available for distribution to Unitholders	12,216	11,840	3.2

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 September 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

⁴ NM: Not meaningful

Actual vs Forecast

For the period 27 Jan 2014¹ to 30 Sep 2014

	Actual	Forecast ²	Change
Gross Revenue (\$m)	52.0	51.6	+0.8%
Net Property Income (\$m)	39.5	37.8	+4.4%
Amount Available for Distribution (\$m)	33.3	32.0	+4.2%
DPU (cents)	3.83	3.68	+4.1%

- Gross revenue of S\$52.0 million was in line with Forecast
- Net property income exceeded Forecast by 4.4% mainly due to lower utilities and maintenance costs incurred
- Amount available for distribution was 4.2% higher than Forecast due to lower than expected interest expense and trust expenses

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 30 Sep 2014

S\$'000	Actual	Forecast ²	Change (%)
Gross revenue	51,982	51,566	0.8
Property operating expenses	(12,513)	(13,746)	(9.0)
Net property income	39,469	37,820	4.4
Other income	5,288	5,466	(3.3)
Amortisation of intangible asset	(4,489)	(4,489)	-
Manager's management fees ³	(3,602)	(3,420)	5.3
Net non-property expenses	(1,458)	(1,975)	(26.2)
Net finance costs	(11,356)	(12,083)	(6.0)
Foreign exchange differences	(231)	-	NM ⁵
Total return before tax	23,621	21,319	10.8
Net change in fair value of investment properties	283,077	285,144	(0.7)
Tax expense	(41,001)	(41,113)	(0.3)
Total return after tax	265,697	265,350	0.1
Distribution adjustments ⁴	(232,365)	(233,352)	(0.4)
Amount available for distribution to Unitholders	33,332	31,998	4.2

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⁵ NM: Not meaningful

Balance Sheet as at 30 Sep 2014

S\$'000	
Investment properties	1,584,388
Non-current assets	29,137
Current assets	37,419
Total Assets	1,650,944
Interest-bearing borrowings	644,167
Non-current liabilities	55,233
Current liabilities	33,372
Total Liabilities	732,772
Net Assets	918,172
Units in issue ('000)	870,517
NAV per Unit (S\$)	1.05

Capital Management as at 30 Sep 2014

	As at 30 Jun 2014	As at 30 Sep 2014
Aggregate Leverage	39.5%	39.8%
Total debt	S\$644m ¹ comprising - S\$583m - RMB305m	S\$657m ² comprising - S\$594m - RMB305m
Average cost of debt³	2.59% p.a.	2.57% p.a.
Average term of debt	3.45 years	3.18 years
% fixed rate debt	57.6%	56.8%
Average term of fixed rate debt	3.65 years	3.39 years
Interest service ratio	4.0x	4.0x

- Post September 2014, OUE C-REIT entered into additional interest rate swaps, resulting in a higher proportion of fixed rate debt of 72.0% for the next 3.52 years
- Average cost of debt is expected to increase to 2.76% per annum

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

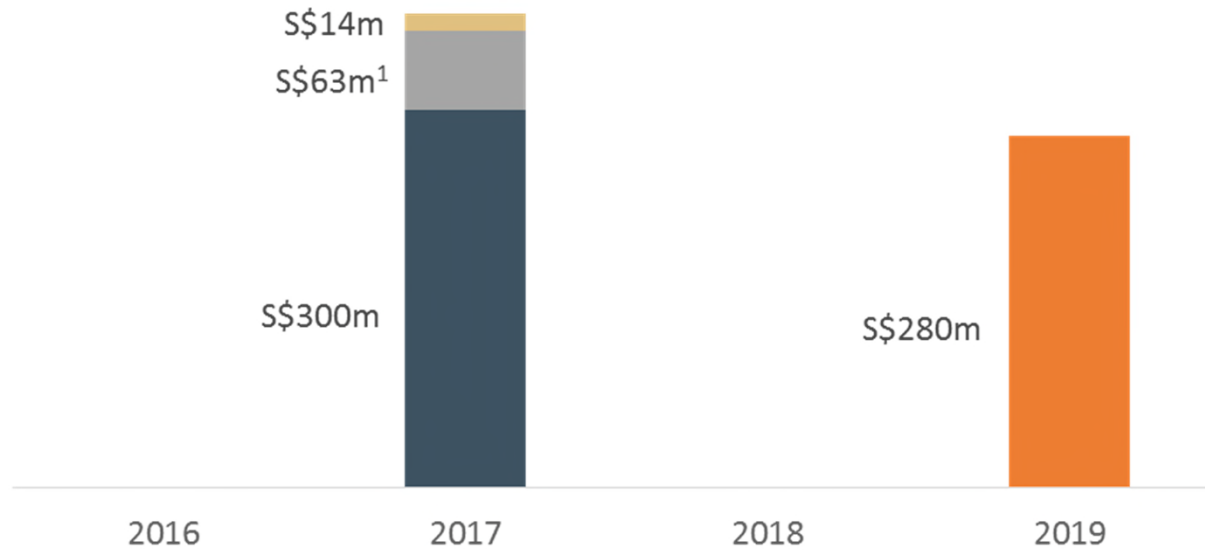
²Based on SGD:CNY exchange rate of 1:4.845 as at 30 September 2014

³Including amortization of debt establishment costs

Capital Management as at 30 Sep 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 1:4.845

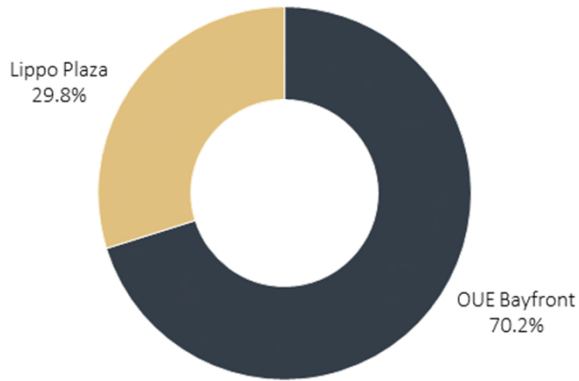


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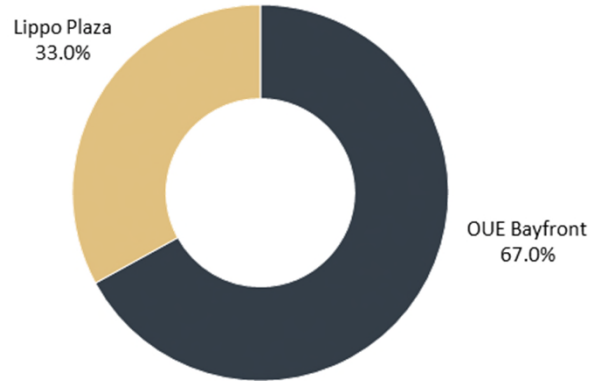
Portfolio Performance

Portfolio Composition

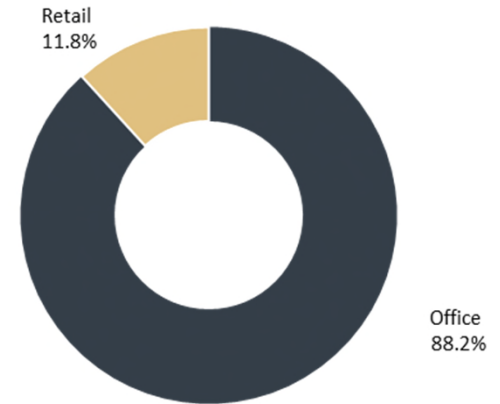
By Asset Value¹



By Gross Rental Income²



By Segment Revenue²



¹ Based on exchange rate of 1:4.845

² For 3Q 2014 and based on SGD:CNY exchange rate of 1:4.919



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Steady Portfolio Occupancy

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

Positive Rental Reversions for Office Leases

	3Q 2014	YTD 3Q 2014	3Q 2014 Committed Rents ²	Average Passing Rent
	Rental Reversions ¹			
OUE Bayfront	37.0% ³	10.2%	S\$12.50 – S\$15.50psf/mth	S\$10.68 psf/mth
Lippo Plaza	6.8%	5.6%	RMB8.97 – RMB10.50 psm/day	RMB9.13 psm/day

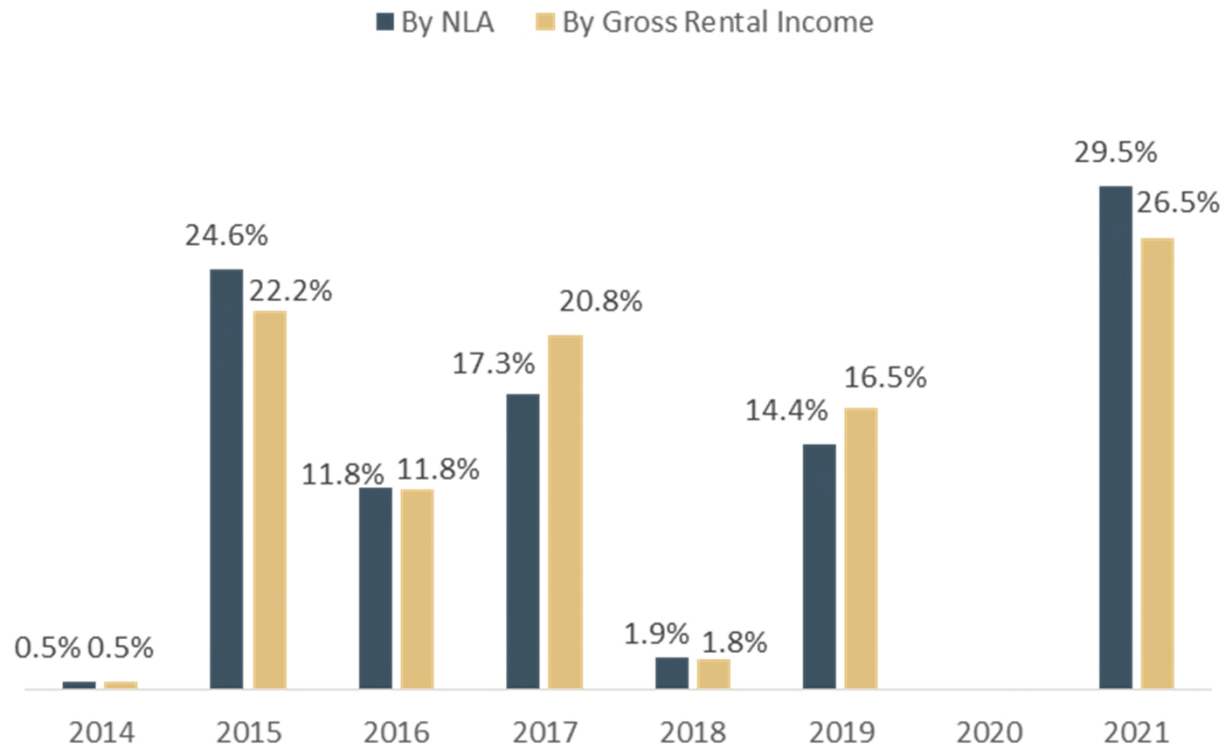
¹ Renewal rental rates vs preceding rental rates

² Committed rents for both renewal leases and new leases

³ OUE Bayfront only had 1 renewal of existing lease during the quarter

Lease Expiry Profile as at 30 Sep 2014

OUE Bayfront



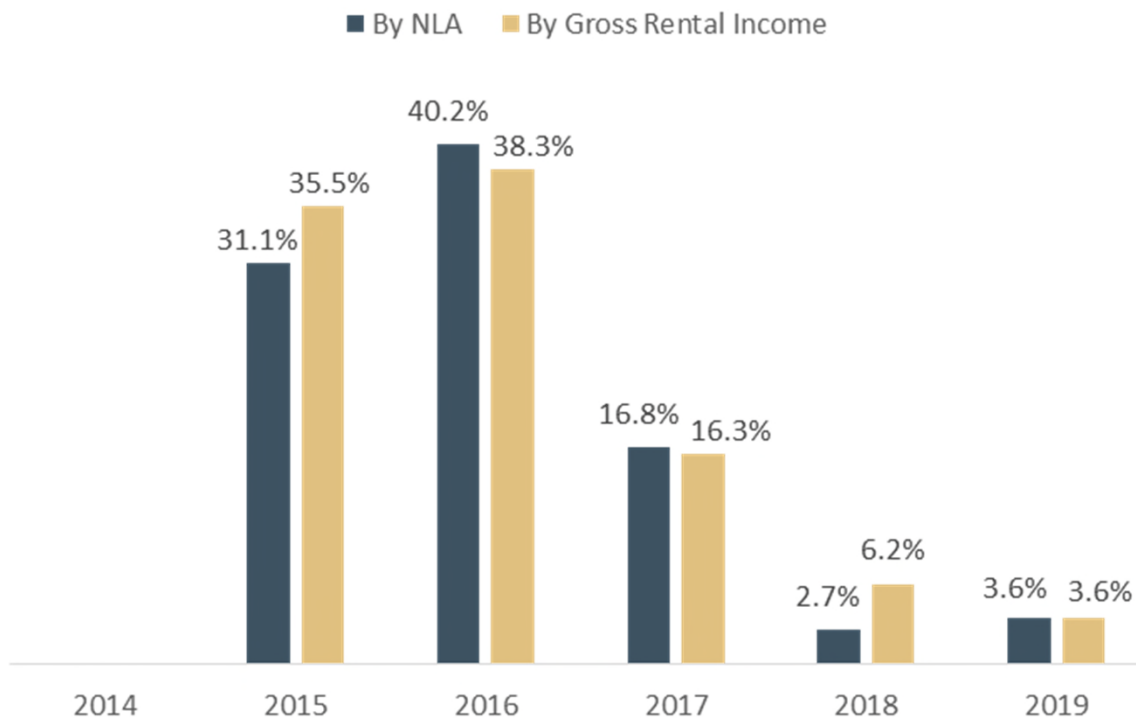
WALE¹ of 3.7 years by NLA² and Gross Rental Income

¹ WALE: Weighted average lease term to expiry

²NLA: Net lettable area

Lease Expiry Profile as at 30 Sep 2014

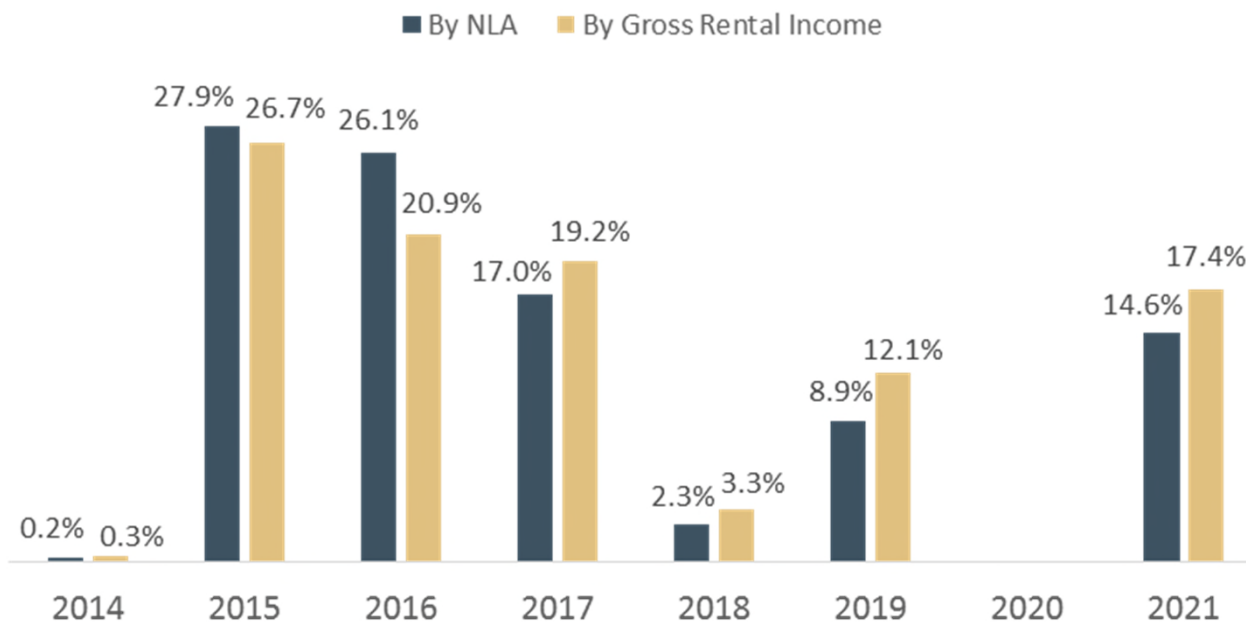
Lippo Plaza



WALE of 1.8 years by NLA and Gross Rental Income

Lease Expiry Profile as at 30 Sep 2014

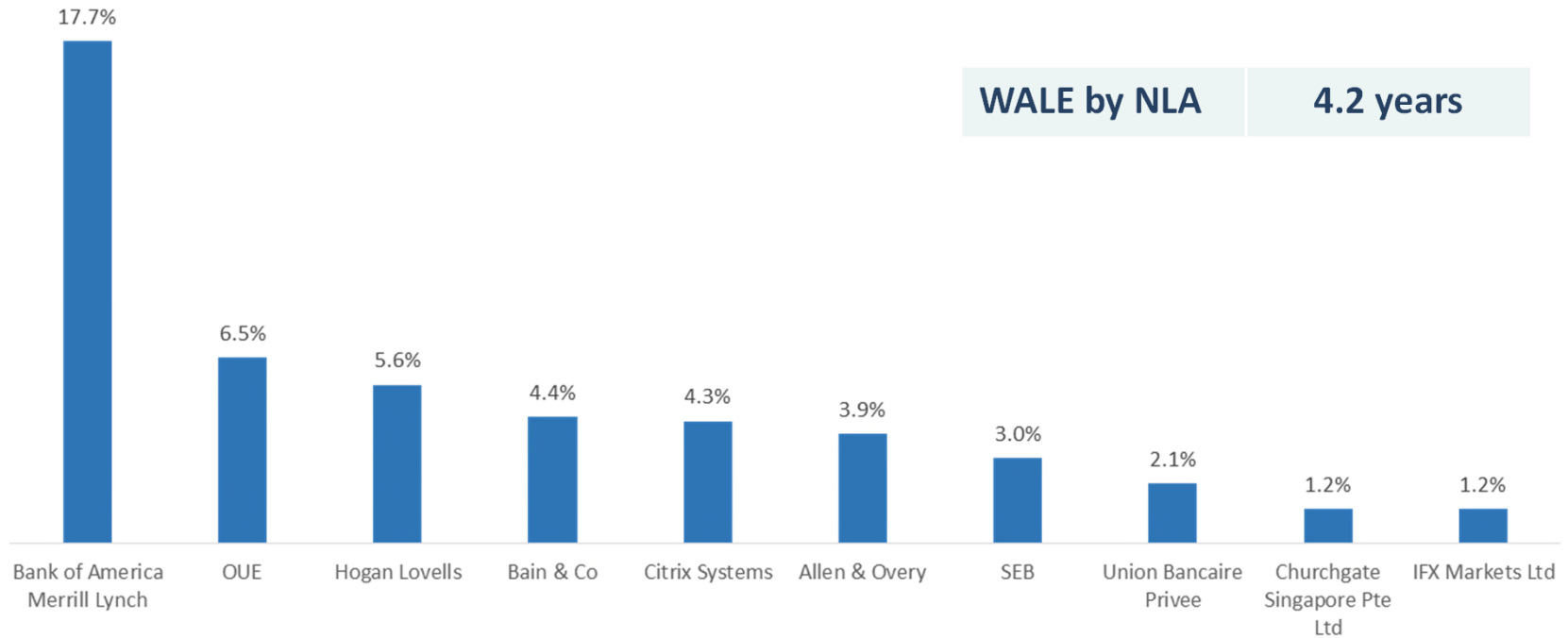
Portfolio



WALE of 2.8 years by NLA and 3.1 years by Gross Rental Income

Top 10 Tenants

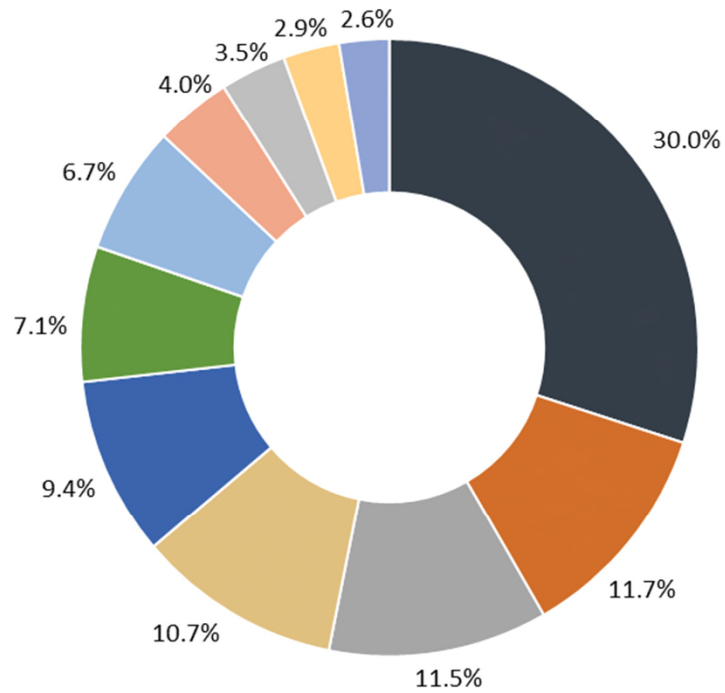
Top 10 tenants of the portfolio contribute approximately 49.8% of Gross Rental Income¹



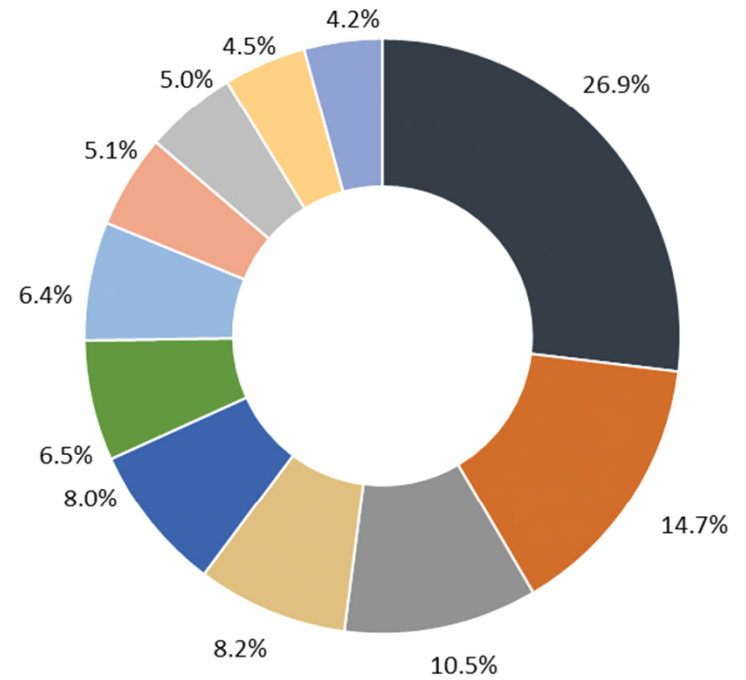
¹For the month of September 2014.

Diversified Tenant Base

Gross Rental Income by Trade Sector¹



NLA by Trade Sector¹



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

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

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



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Outlook

- Singapore's 3Q 2014 GDP growth remained stable at 2.4%¹, based on advance estimates by the Ministry of Trade and Industry. The official 2014 GDP growth forecast was tightened to a range of 2.5% to 3.5%, from 2.0% to 4.0% previously
- Grade A office rents in Singapore rose by 3.3%² QoQ to S\$10.95 psf/mth, while core CBD occupancy rose 0.8 percentage points to 96.6%. Given positive demand, tightened vacancy levels and limited new supply until end 2015, office rents are expected to continue to rise
- China's 3Q 2014 GDP growth moderated to 7.3%³, from 7.5% in 2Q 2014. This has prompted the authorities to step up stimulus to shore up the economy. Fiscal and monetary policies are expected to remain supportive until economic growth stabilizes
- Overall vacancy in the Shanghai CBD market increased slightly to 7.8%⁴ as at end 3Q 2014 due to new office completions during the quarter. In Puxi, rents declined modestly by 0.4% QoQ to RMB8.8 psm per day though vacancy decreased 0.4 percentage points to 11.0%. The rental outlook is expected to be subdued as further new supply in the market is anticipated
- Barring any unforeseen event and weakening of global economy, the Manager expects to meet OUE C-REIT's forecast distribution for FY2014 as disclosed in the Prospectus

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

²CBRE, Singapore Market View, 3Q 2014

³China National Bureau of Statistics Press Release, 21 October 2014

⁴Colliers International, Shanghai Office Research and Forecast Report, 3Q 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 locations

Strong Sponsor

- Committed Sponsor in OUE Limited which has retained a stake of 47.7% 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\$691 million based on closing price of S\$0.795 as at 30 September 2014
- Annualised distribution yield of 7.0% based on closing price of S\$0.795 per Unit

Premium Portfolio of Assets

OUE Bayfront



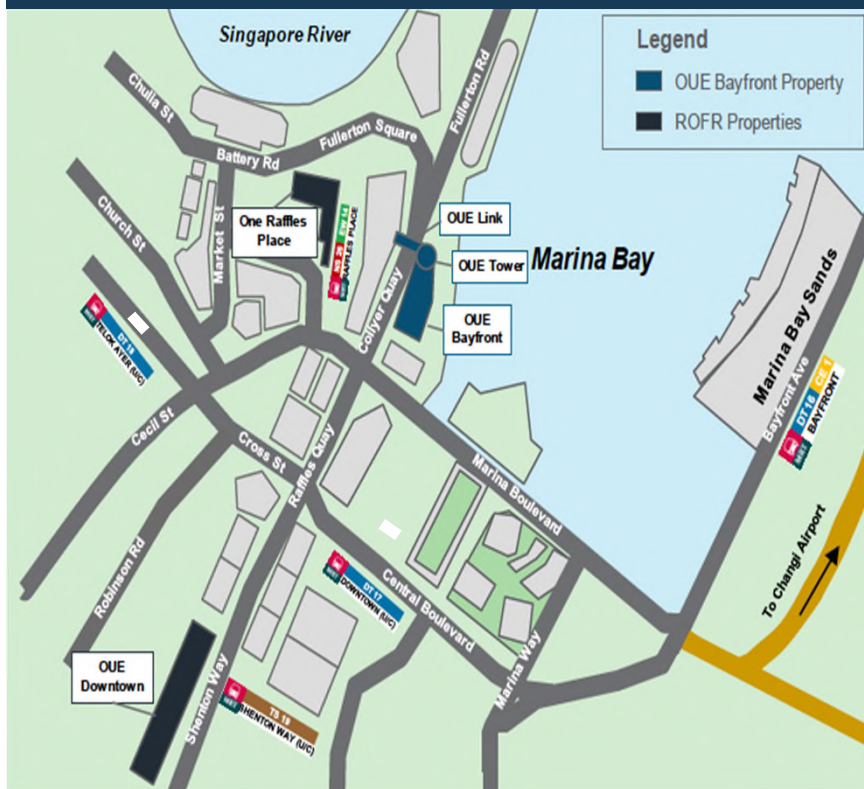
Located at Collyer Quay in Singapore's CBD, comprising:

- 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 Sep 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
	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: 5,693.4
	Overall: 39,232.0
Committed Occupancy as at 30 Sep 2014	Office : 94.2%
	Retail : 95.1%
	Overall : 94.4%
Number of Car Park Lots	168
Valuation (as at 30 Sep 2013)	RMB2,337m / RMB39,934 psm (S\$482.4m) ¹
Land Use Right Expiry	50 yrs from 2 Jul 1994
Completion Year	1999

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

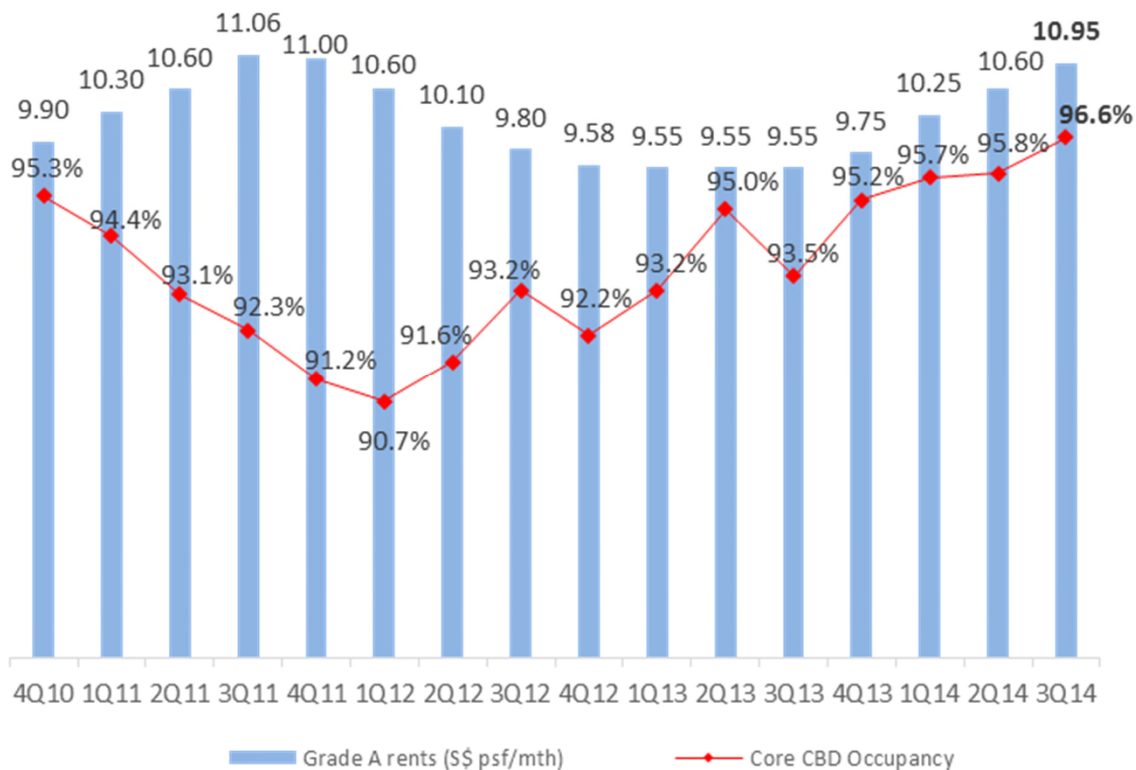
Other Retail Properties

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

Metro Line 1

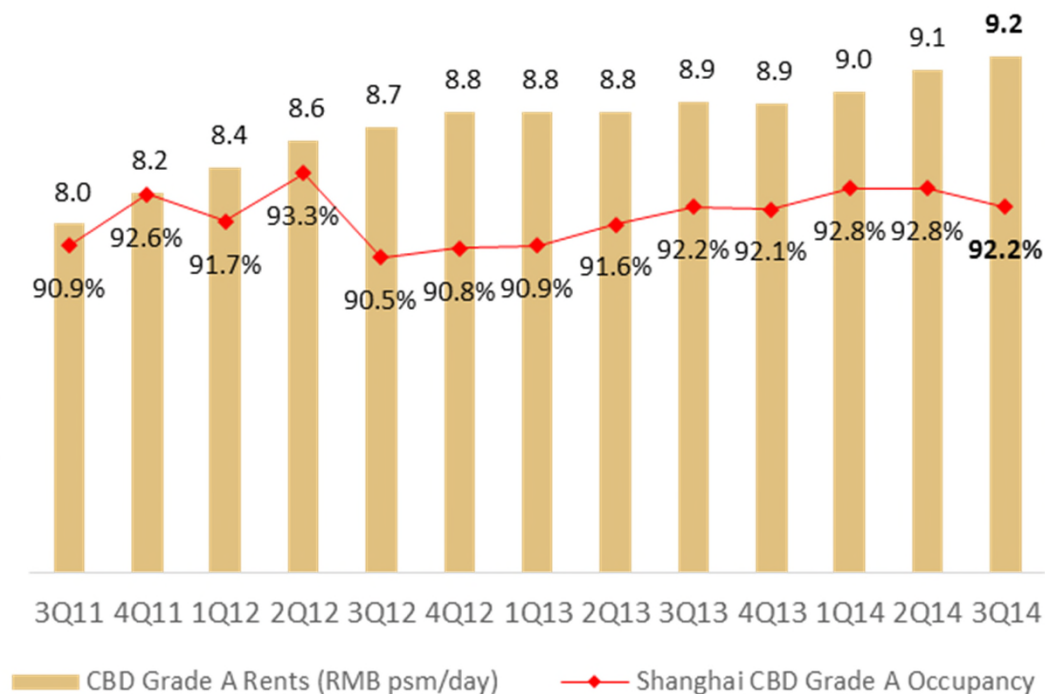
Singapore Office Market

- Core CBD occupancy increased 0.8 percentage points to 96.6% as at 3Q 2014
- Grade A office rents rose to S\$10.95 psf/mth, up 3.3% QoQ from S\$10.60 psf/mth in 2Q 2014



Shanghai Office Market

- As at 3Q 2014, CBD Grade A office occupancy in Shanghai declined moderately to 92.2%, with average market rents increasing by 0.6% QoQ to RMB9.2 psm/day
- In the Puxi submarket, CBD Grade A occupancy is 89.0% and average market rents are about RMB8.8 psm/day





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Thank you