

SUNTEC REIT FINANCIAL RESULTS

FOR THE THIRD QUARTER & NINE MONTHS ENDED 30 SEPTEMBER 2016



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ABOUT SUNTEC REIT

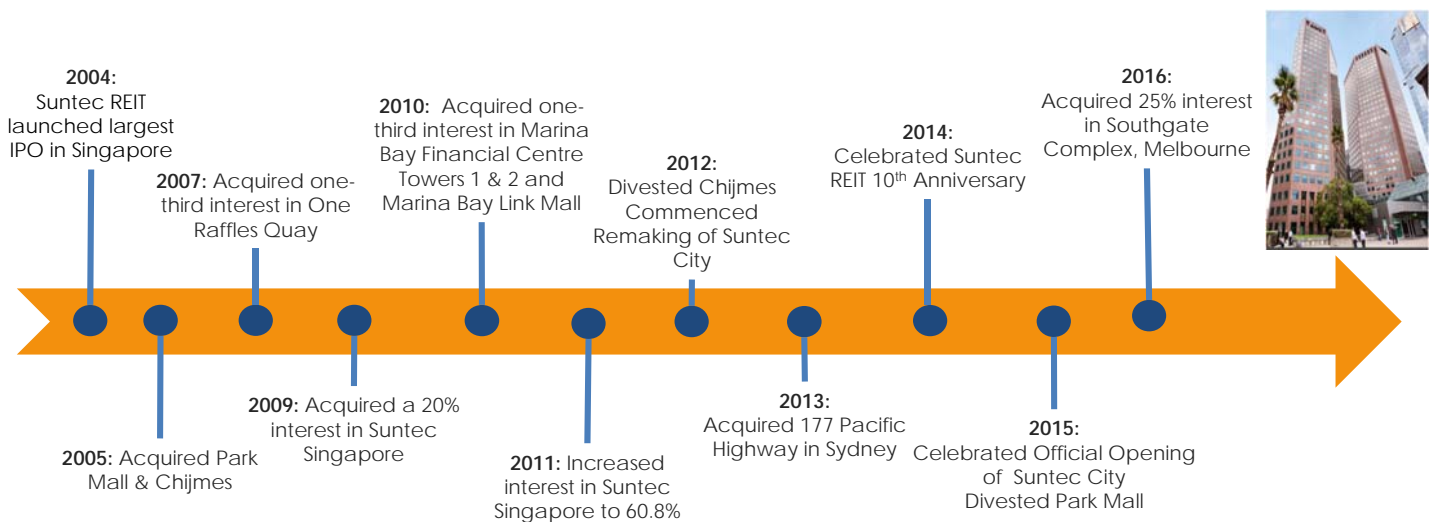
6 QUALITY ASSETS STRATEGICALLY LOCATED IN SINGAPORE & AUSTRALIA



- Listed on **9 Dec 2004** on the SGX-ST
- High quality office assets, complemented by retail component
- **4** properties in Singapore, **1** property in Sydney & **1** property in Melbourne, Australia

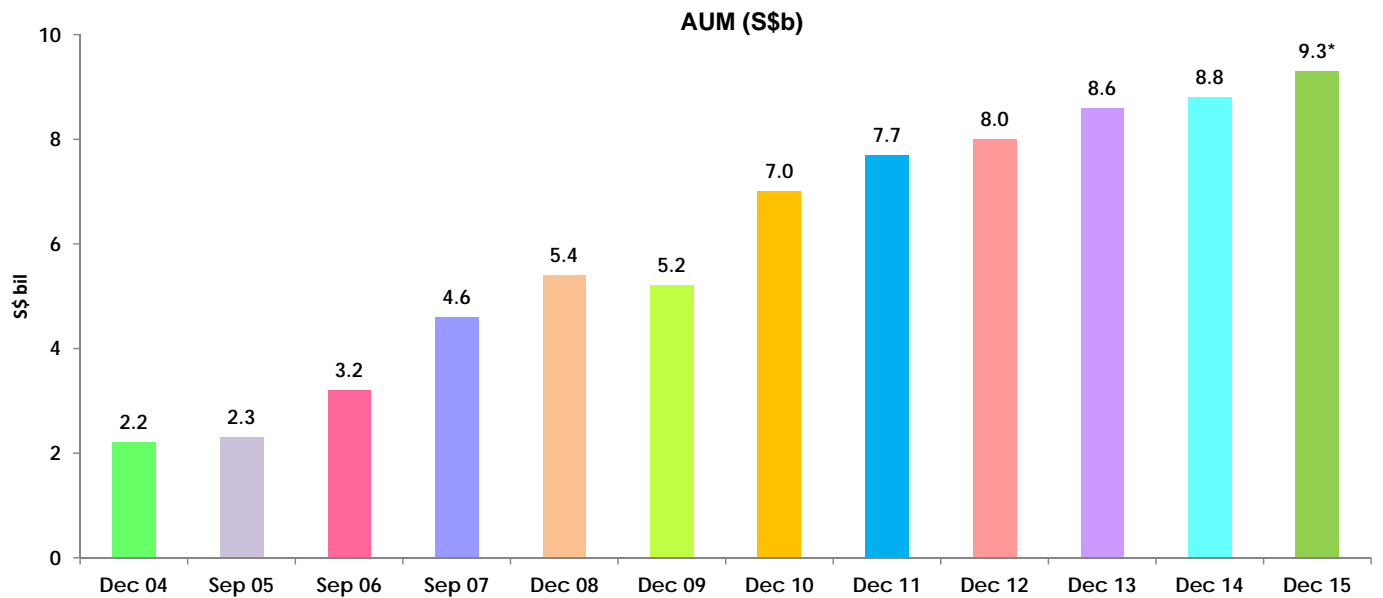
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KEY MILESTONES



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SINGAPORE'S 3RD LARGEST REIT BY AUM



Source: ARATMS

Note:

*Includes S\$371.8 million for 177 Pacific Highway

- Assets under management grew **from S\$2.2 bil to S\$9.3 bil**
- Office portfolio of approx. **2.8 mil sq ft** and retail portfolio of **1.0 mil sq ft**

Q3 HIGHLIGHTS

Q3 HIGHLIGHTS

FINANCIAL HIGHLIGHTS

- Distributable income of **S\$64.3 mil**, +1.1% y-o-y
- DPU **2.535¢**, +0.5% y-o-y

ACQUISITION

- Acquired **25% interest** in the iconic Southgate Complex, Melbourne
- Expect to complete by Dec 2016

ASSET MANAGEMENT

- **177 Pacific Highway** - Practical completion on 1 Aug 16
- **Park Mall** – Premises taken back on 30 Sep 16 for redevelopment

PORTFOLIO MANAGEMENT

- Portfolio occupancy as at 30 Sep16
 - Office – **99.4%**
 - Retail – **97.3%**

CAPITAL MANAGEMENT

- All-in financing cost of **2.28%**
- Raised **S\$300 mil** 1.75% convertible bonds
- Prepaid **S\$100 mil** due in 2017
- **No re-financing** requirement **till Oct 2017**



FINANCIAL PERFORMANCE

3Q FY16 FINANCIAL PERFORMANCE: DPU 2.535 cents, +0.5% y-o-y

1 Jul – 30 Sep 2016	3Q FY16	3Q FY15	Change
Gross Revenue	S\$82.4 mil	S\$86.1mil	-4.3%
Net Property Income	S\$57.2 mil	S\$58.5 mil	-2.1%
Income Contribution from JVs ¹	S\$24.2 mil	S\$24.1 mil	0.6%
Distributable Income	S\$64.3 mil	S\$63.6mil	1.1%
- from operations	S\$60.3 mil	S\$59.0 mil	2.2%
- from capital	S\$4.0 mil	S\$4.6 mil	-13.0%
Distribution per unit²	2.535¢	2.522¢	0.5%
- from operations	2.377¢	2.340¢	1.6%
- from capital	0.158¢	0.182¢	-13.2%
Annualised Distribution Yield³	5.8%	5.7%	

- Revenue and net property income decreased y-o-y mainly due to the divestment of Park Mall and lower contribution from Suntec Singapore partially offset by the opening of Suntec City mall (Phase 3) and contribution from 177 Pacific Highway.

Notes:

- Refers to income contribution from One Raffles Quay and MBFC Properties.
- Based on 2,533,341,360 units in issue as at 30 September 2016 and 3,321,413 units to be issued to the Manager by 30 October 2016 as partial satisfaction of asset management base fee incurred for the period 1 July to 30 September 2016.
- Based on the last traded price of S\$1.745 per unit as at 19 October 2016.

Source: ARATMS

YTD FY16 FINANCIAL PERFORMANCE: DPU 7.407 cents, +2.1% y-o-y

1 January – 30 September 2016	YTD FY16	YTD FY15	Change
Gross Revenue	S\$239.7 mil	S\$242.0 mil	-1.0%
Net Property Income	S\$163.9 mil	S\$166.7 mil	-1.7%
Income Contribution from JVs ¹	S\$68.2 mil	S\$72.5 mil	-6.0%
Distributable Income	S\$187.7 mil	S\$182.5mil	2.8%
- from operations	S\$171.7 mil	S\$171.9 mil	-0.1%
- from capital	S\$16.0 mil	S\$10.6 mil	50.9%
Distribution per unit²	7.407¢	7.252¢	2.1%
- from operations	6.775¢	6.831¢	-0.8%
- from capital	0.632¢	0.421¢	50.1%
Annualised Distribution Yield³	5.7%	5.6%	

- Revenue and net property income decreased y-o-y mainly due to the divestment of Park Mall and mitigated by the higher contribution from Suntec City mall.

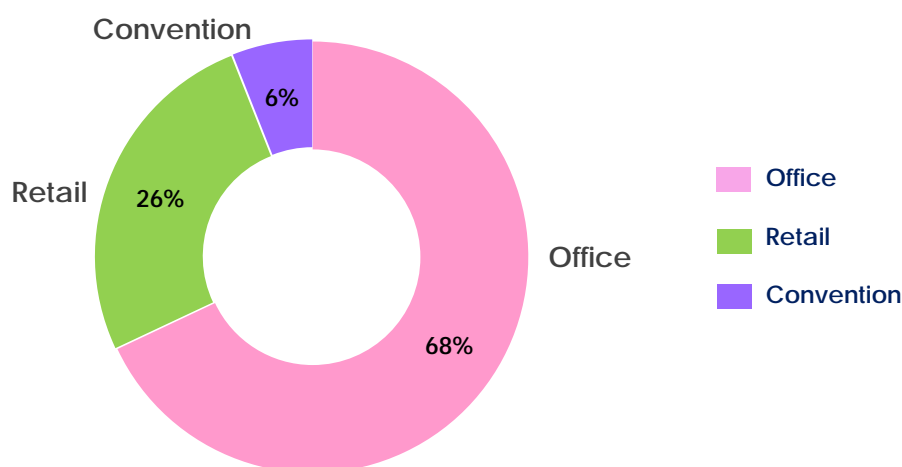
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Source: ARATMS

3Q FY16 PORTFOLIO INCOME CONTRIBUTION

Income Contribution¹ by Segments



- With 177 Pacific Highway commencing operations in August, the income contribution from the office portfolio increased to 68%

Note:

1. Refers to NPI from Suntec City, Suntec Singapore, 177 Pacific Highway and income contribution from JVs (One Raffles Quay and MBFC Properties)

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KEY FINANCIAL INDICATORS

Debt Metrics	30 Sep 2016
Total Debt Outstanding (Group)	S\$3.335 bil
Debt-to-Asset Ratio	36.6%
Aggregate Leverage Ratio ¹	37.8%
All-in Financing Cost	2.28%
Interest Coverage Ratio	3.9x

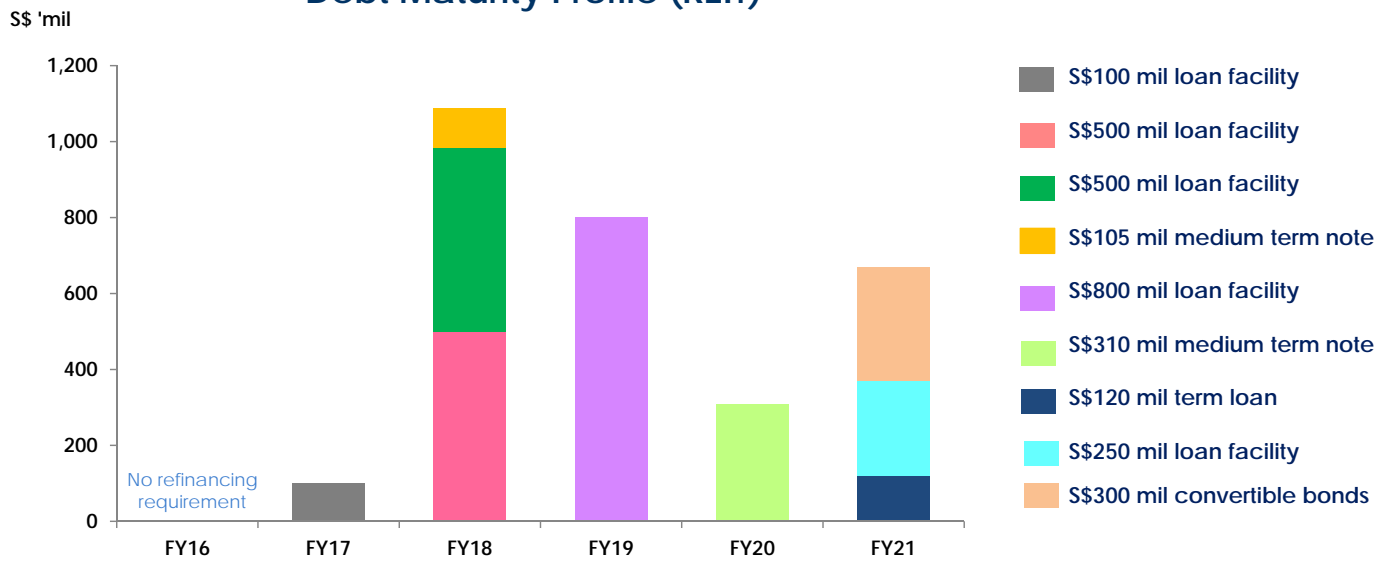
Note:

- "Aggregate Leverage Ratio" refers to the ratio of total borrowings (inclusive of proportionate share of borrowings of joint ventures) and deferred payments (if any) to the value of the Deposited Property.

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PROACTIVE CAPITAL MANAGEMENT

Debt Maturity Profile (REIT)

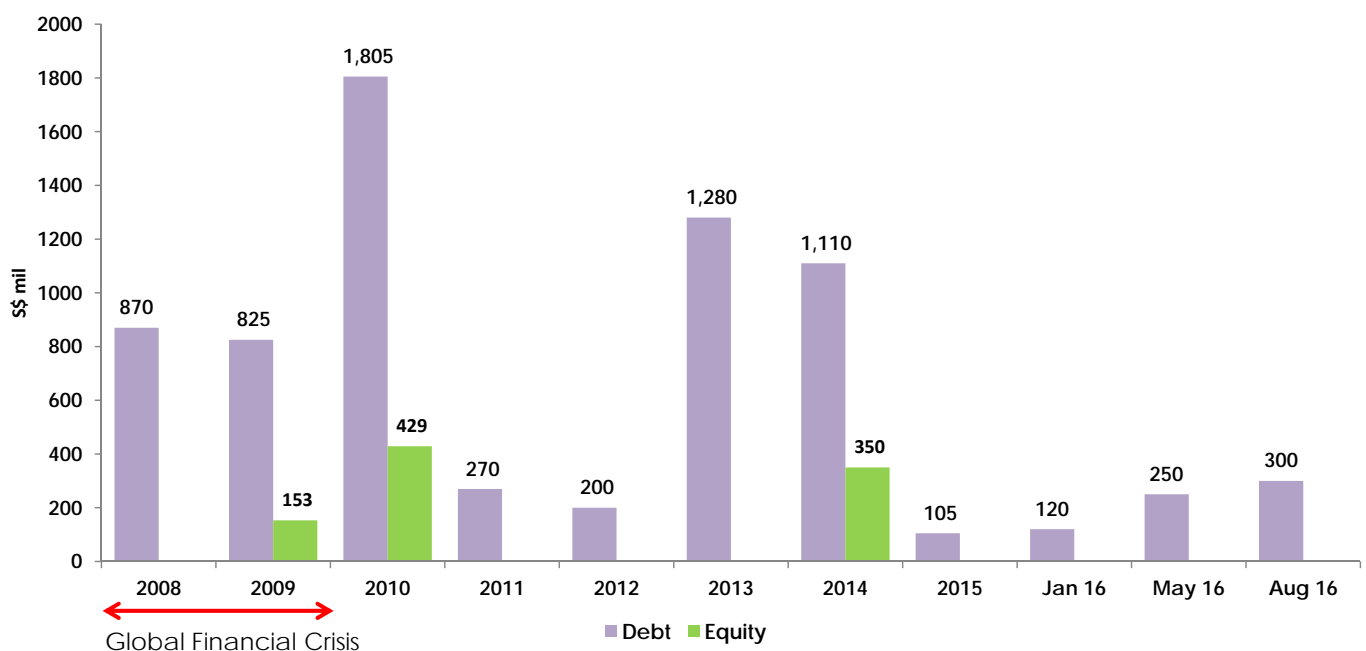


- Weighted average term to expiry **extended to 2.91** years
- **No re-financing requirement** for 2016
- 2017 re-financing needs **reduced to S\$100 mil** or **3.4%** of total borrowings

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\$S8.1 BILLION OF FINANCING SINCE 2008

Financing Track Record



- All-in financing cost **reduced to 2.28%** in 3Q FY16 vs **2.77%** for 2Q FY16

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BALANCE SHEET

Consolidated Balance Sheet 30 Sep 2016

Total Assets	S\$9,025 mil
Total Liabilities	S\$3,513 mil
Net Assets Attributable to Unitholders	S\$5,397 mil
NAV Per Unit¹	S\$2.128
Adjusted NAV Per Unit²	S\$2.102

Notes:

1. Based on 2,533,341,360 units in issue as at 30 September 2016 and 3,321,413 units to be issued to the Manager by 30 October 2016 as partial satisfaction of asset management base fee incurred for the period 1 July to 30 September 2016.

2. After DPU adjustment of 2.535 cents for the quarter ended 30 September 2016.

Source: ARATMS

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DISTRIBUTION TIMETABLE

Distribution Payment

Distribution Period	1 July – 30 September 2016
Amount (cents/unit)	2.535

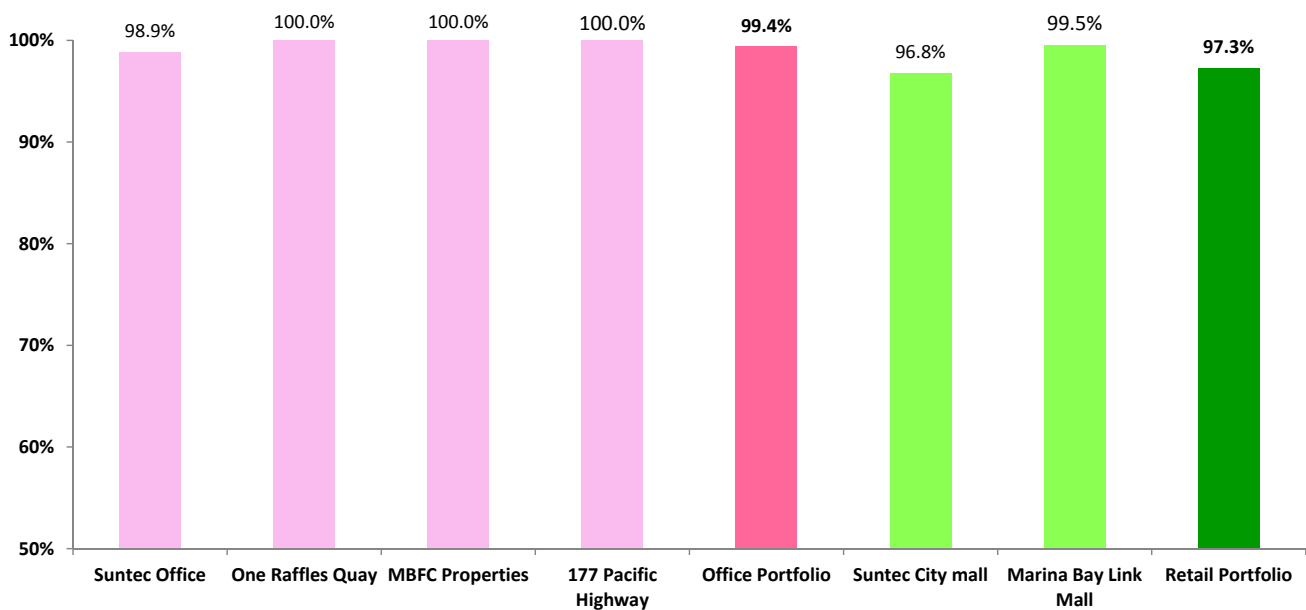
Ex-date	26 October 2016
Books closure date	28 October 2016
Payment date	25 November 2016

Source: ARATMS

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PORTFOLIO PERFORMANCE

STRONG OFFICE & RETAIL COMMITTED OCCUPANCY

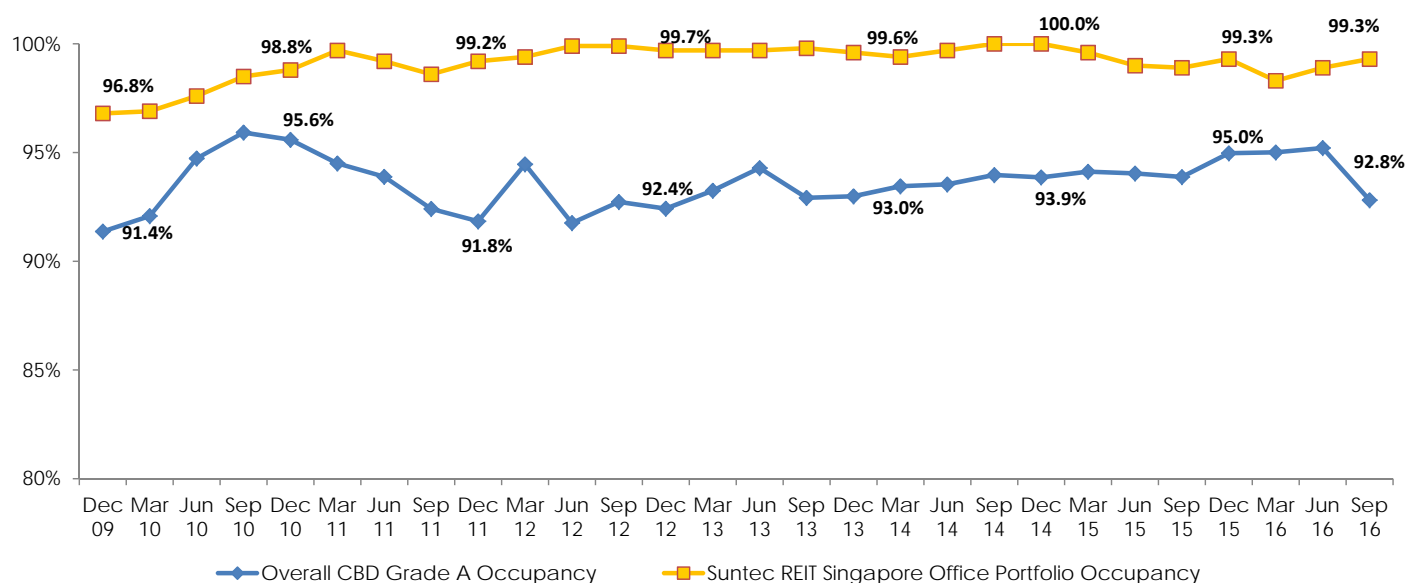


- **Office portfolio¹** maintained **strong occupancy** despite major new office supply
- **Retail portfolio¹** committed occupancy stood at **97.3%**

Note:

1. Suntec REIT owns a one-third interest in One Raffles Quay and MBFC Properties

CONSISTENTLY STRONG OFFICE PORTFOLIO OCCUPANCY



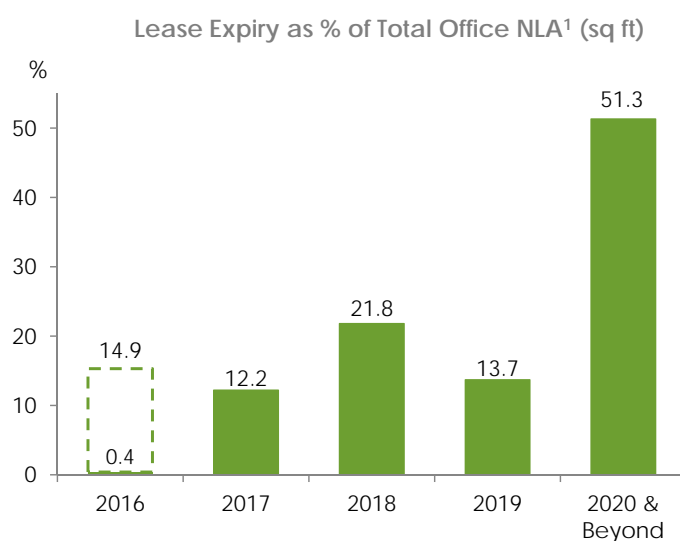
- Suntec REIT Singapore office portfolio achieved committed occupancy of **99.3%** versus overall CBD Grade A occupancy of **92.8%** in 3Q 2016.

Source: JLL, ARATMS

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OFFICE LEASES EXPIRING IN FY 2016 REDUCED TO 0.4%

Expiry Profile As at 30 Sep 16	Net Lettable Area ¹	
	Sq ft	% of Total
FY 2016	11,497	0.4%
FY 2017	334,931	12.2%
FY 2018	601,090	21.8%
FY 2019	377,800	13.7%
FY 2020 & Beyond	1,411,913	51.3%



- Signed approximately **164,000 sq ft** of leases in 3Q FY 2016
- Balance of office leases expiring in FY 2016 **significantly reduced to 0.4%**

Note:

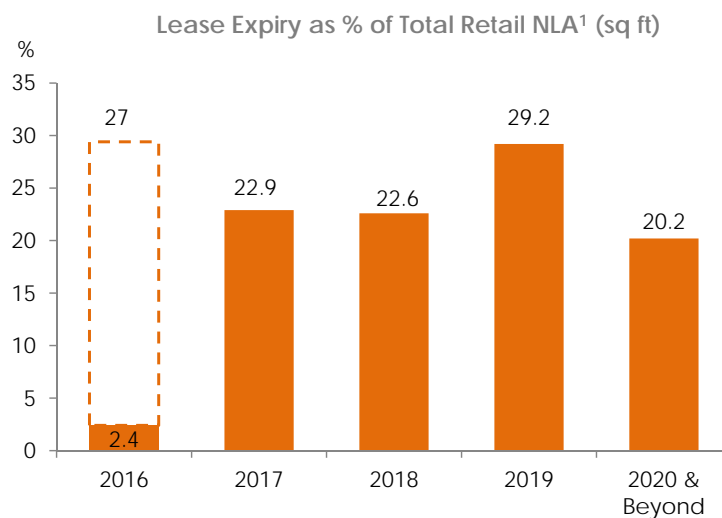
1. Assumes one third of total office net lettable area of One Raffles Quay and Marina Bay Financial Centre Office Towers 1 and 2

Source: ARATMS

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RETAIL PORTFOLIO LEASE EXPIRY PROFILE

Expiry Profile As at 30 Sep 16	Net Lettable Area ¹	
	Sq ft	% of Total
FY 2016	22,155	2.4%
FY 2017	207,921	22.9%
FY 2018	204,420	22.6%
FY 2019	264,255	29.2%
FY 2020 & Beyond	182,677	20.2%



- Balance of retail leases expiring in FY 2016 **significantly reduced to 2.4%** vs 27.0 % at start of 2016

Notes:

1. Assumes one third of total retail net lettable area of One Raffles Quay, Marina Bay Link Mall and 60.8% interest in Suntec Singapore

Source: ARATMS

177 PACIFIC HIGHWAY UPDATE

177 PACIFIC HIGHWAY

- ✓ Iconic, **A-grade**, 5 Star Green Star commercial tower
- Received practical completion on 1 Aug 2016
- ✓ NLA - Approx. 434,000 sq ft
- ✓ Committed occupancy - **100%**
- ✓ WALE – **9.25** years
- ✓ Annual rental escalation: **3.5%** to **3.75%**



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177 PACIFIC HIGHWAY – QUALITY TENANTS

CBRE



CIMIC

CISCO

JACOBS

Objective



pepper

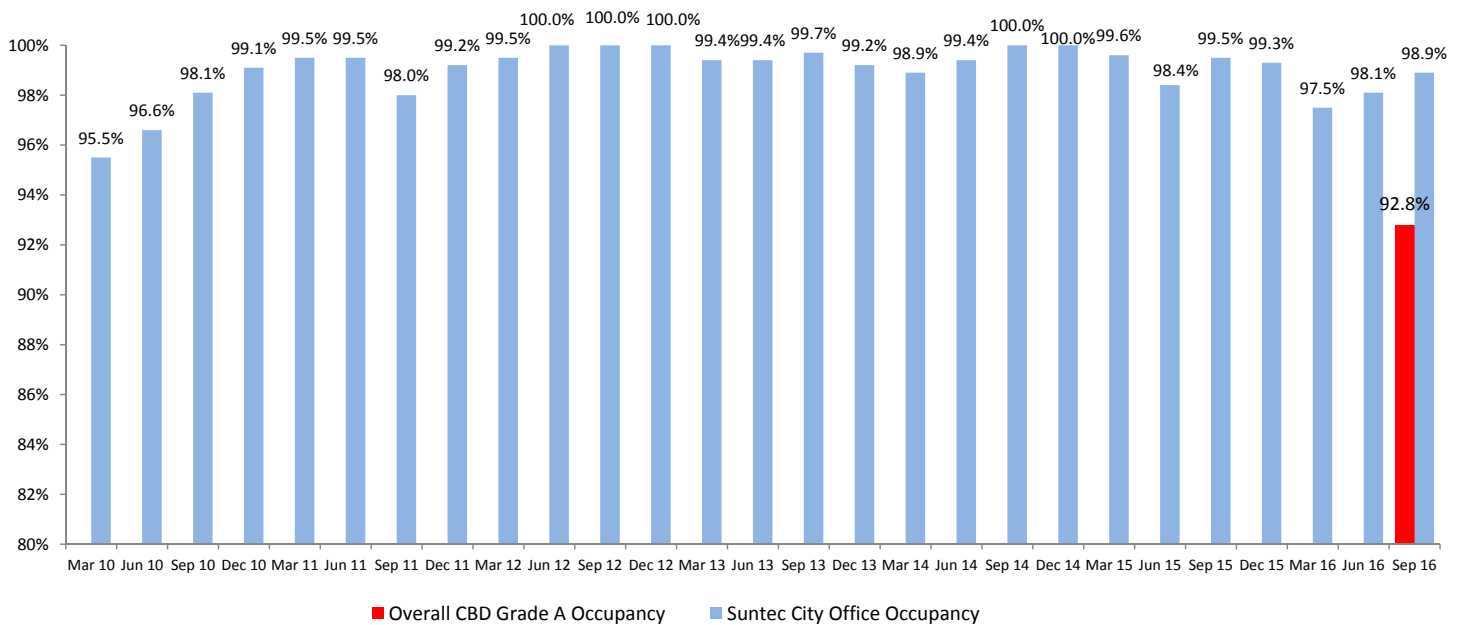
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SUNTEC CITY UPDATE

SUNTEC CITY - OFFICE UPDATE



- Suntec City Office committed occupancy improved to **98.9%** as at 30 Sep 16
- Leases secured for the quarter at an average rent of **S\$8.78 psf/mth**, **+2.3%** q-o-q

Source: JLL, ARATMS

SUNTEC CITY - MALL UPDATE

- Committed occupancy was 96.8% as at 30 Sep 2016 and overall committed rent¹ stood at \$11.19 psf/mth
- Strategy to drive shopper traffic by:
 - Focusing on **strengthening tenancy mix** with **flagship shops** and **new-to-market concepts**
 - Preserving** stronger tenants

FLAGSHIP SHOPS & NEW-TO-MARKET CONCEPTS



BED BATH N' TABLE

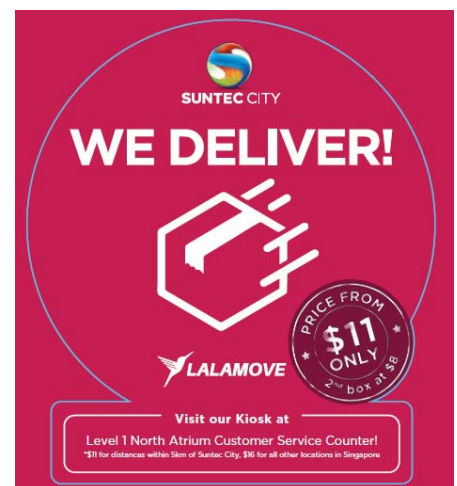
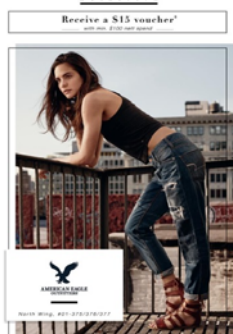
Note:

1. On a stabilised basis

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SUNTEC CITY - MALL UPDATES

- Strengthen Suntec City's ecosystem and build stronger relationships with stakeholders
 - Enhance living-in City experience through new initiatives which provide **value-added services** to office tenants, shoppers & conference delegates
- Enhance Suntec Rewards to **drive customer loyalty** with **exclusive targeted tie-ups** to engage members and encourage spending in Suntec City



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SUNTEC CITY- EVENTS & PROMOTIONS



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LOOKING AHEAD

WELL POSITIONED IN SINGAPORE-REIT SECTOR

OUTLOOK

- Economy facing some headwinds
- Office portfolio performance to remain stable
- Retail industry continues to face challenges

TRACK RECORD

- Proven track record in enhancing the performance of our property portfolio
- Strong credit standing and debt financing record
- Delivered 110.9 cents of DPU since IPO in December 2004

STRATEGY

- Proactive asset management
- Prudent and proactive capital management

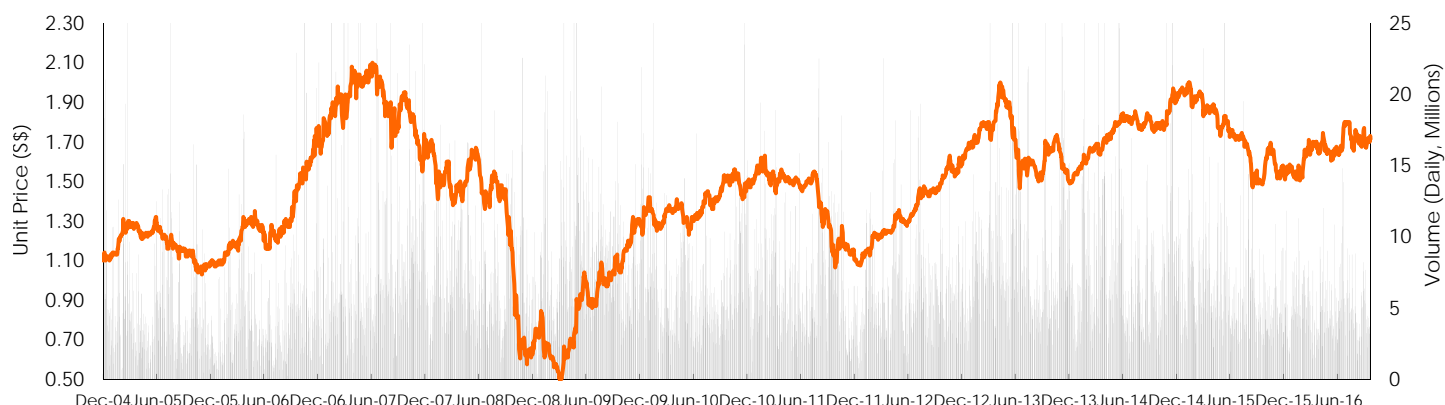
Source: ARATMS

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UNIT PERFORMANCE

UNIT PERFORMANCE

- 3Q FY2016 DPU of 2.535 cents
- Trading yield of 5.88%¹
- Market Capitalisation of S\$4.3 billion¹ as at 30 September 2016
- 33rd largest company² on SGX



— Volume — Price

Notes:

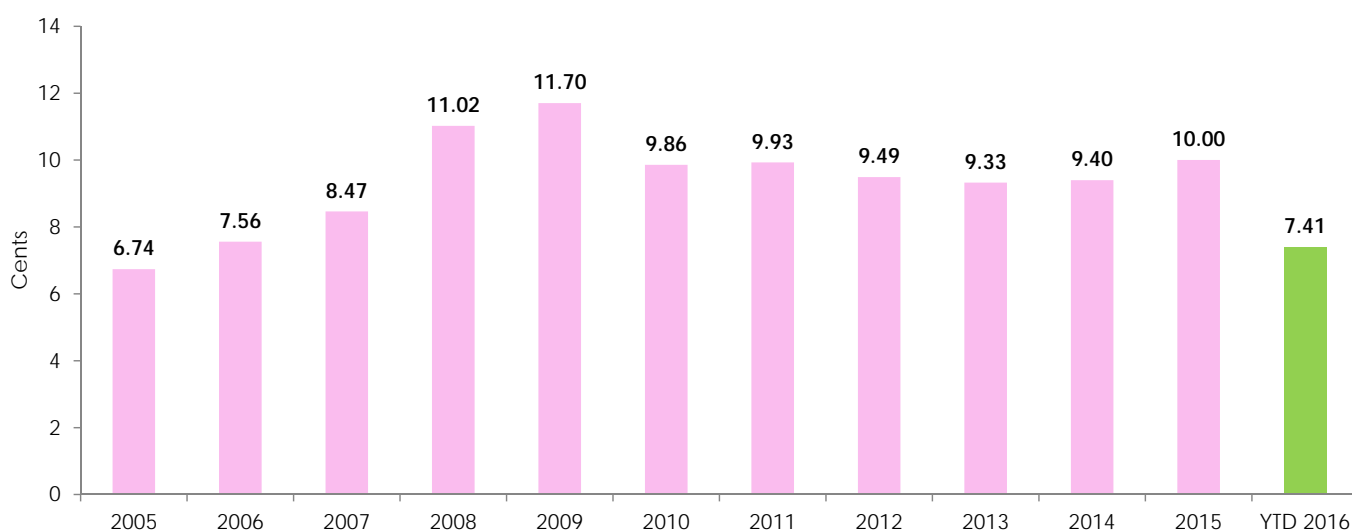
- Based on the share price of S\$1.715 as at 30 September 2016.
- Based on the market capitalisation as at 30 September 2016.

Source: ARATMS

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DELIVERING STABLE SUSTAINABLE DPU

DPU¹



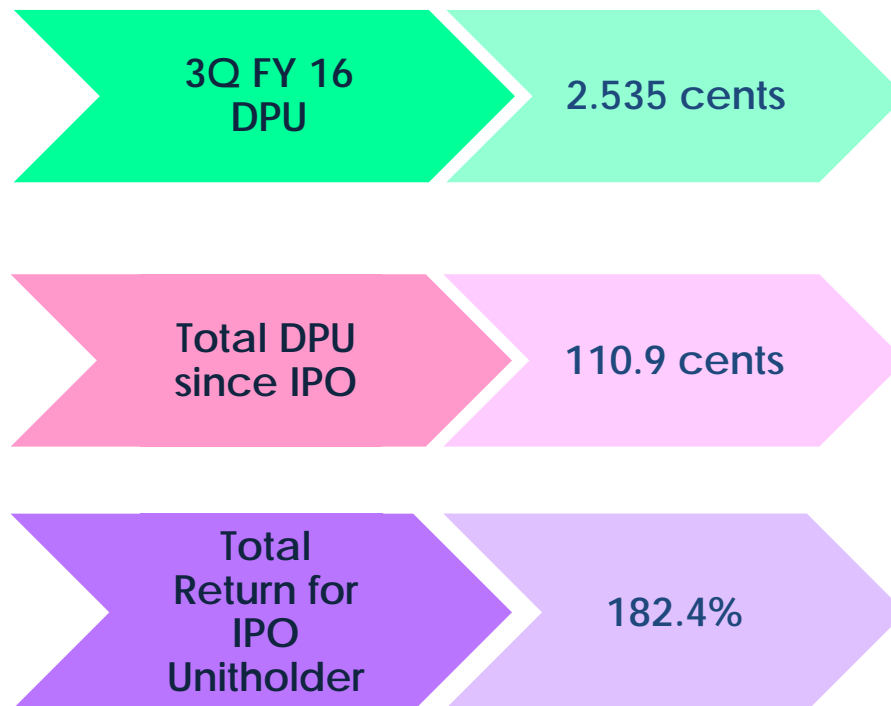
- 11-year track record of delivering stable returns throughout the property market cycles
- 3Q FY16 annualised DPU of 10.085 cents

Note:

- Based on calendar year

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ESTABLISHED TRACK RECORD



Source: ARATMS

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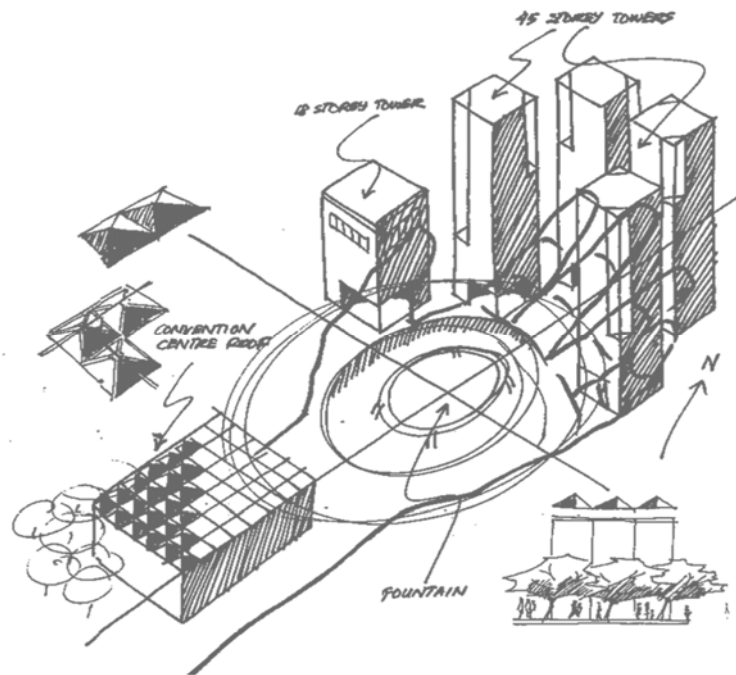
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THANK YOU



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DISCLAIMER

This presentation is focused on the comparison of actual results for the quarter ended 30 September 2016 versus results achieved for the quarter ended 30 September 2015. It should be read in conjunction with Paragraph 8 of Suntec REIT's financial results for the quarter ended 30 September 2016 announced on SGXNET.

The information included in this release does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for units in Suntec REIT ("Units") in Singapore or any other jurisdiction.

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1. The value of 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.
2. 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 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.
3. The past performance of Suntec REIT is not necessarily indicative of the future performance of Suntec REIT.

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