



PRESS RELEASE

For Immediate Release

OUE's Full Year 2016 Net Attributable Profit at S\$144.4 million

- *Revenue is higher at S\$884.2 million boosted by strong contributions from Property Investment and Property Development divisions*
- *Proposed final cash dividend of 2 Singapore cents per share, bringing the total cash dividend for FY2016 to 5 Singapore cents per share*

Financial Highlights

S\$ million	FY2016	FY2015	Change %
Revenue	884.2	431.5	>100.0
Earnings before interest and tax	274.6	257.8	6.5
Other gains - net	54.4	20.3	>100.0
Net attributable profit	144.4	156.4	(7.7)
NAV per share (\$)	4.45	4.35	2.3

Singapore – 17 February 2017 – SGX Mainboard-listed integrated property developer OUE Limited (“OUE” or the “Group”) is pleased to report that for the financial year ended 31 December 2016 (“FY2016”) the revenue for the Group is S\$884.2 million.

The Group's revenue in FY2016 was boosted by strong contributions from both the Property Investment and Property Development divisions. Revenue from the Property Investment division rose 36.9% to S\$264.7 million, from S\$193.4 million in the previous financial year (“FY2015”), mainly due to the full year consolidation of revenue from One Raffles Place following the acquisition of additional interest in OUB Centre Limited (“OUBC”) in October 2015. OUBC was previously equity-accounted.

For the Property Development division, the continued sales and marketing efforts at OUE Twin Peaks drove sales up in FY2016, resulting in revenue contribution of S\$197.0 million from S\$23.6 million in FY2015. The Group's revenue for FY2016 also includes contribution from the divestment of Crowne Plaza Changi Airport Extension (“CPEX”) to OUE Hospitality Real Estate Investment Trust on 1 August 2016, for a consideration of S\$205.0 million. The net gain on the divestment of CPEX was approximately S\$68.7 million, after taking into account development and related costs of CPEX.

OUE LIMITED

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Revenue from the Hospitality Division was S\$201.7 million in FY2016, a slight decrease of 1.3% from S\$204.4 million in FY2015.

The newly operational OUE Skyspace at U.S. Bank Tower in Los Angeles also contributed positively to the Group's revenue in FY2016.

On the back of higher revenue, earnings before interest and tax ("EBIT") increased by 6.5% to S\$274.6 million in FY2016. Net attributable profit was slightly lower at S\$144.4 million in FY2016, as compared to S\$156.4 million in FY2015, mainly due to net fair value losses on investment properties and higher finance expenses, partially offset by the reversal of impairment losses on OUE Twin Peaks and gains on the marked-to-market investments.

Dividend

The Board of Directors has proposed a final cash dividend of 2 Singapore cents per share, bringing the total cash dividend for FY2016 to 5 Singapore cents per share.

Business Update and Outlook

Looking ahead, the Group remains focused on active lease management and ongoing asset enhancement activities to increase the recurring income base from its property portfolio.

Asset enhancement work at OUE Downtown is nearing completion and in 2Q2017, a new and vibrant mixed-use development comprising office space, a retail podium and luxurious serviced residences will be unveiled. Despite the ongoing enhancement works, the office space at OUE Downtown continues to enjoy a committed office occupancy rate of 86.9%.

Through active marketing activities as at 31 December 2017, a total of 348 units in OUE Twin Peaks has been sold and the team will continue to drive sales of the project amidst a challenging market.

"In view of the subdued global and local economic conditions, we are satisfied with the Group's performance in FY2016. We continue to enjoy recurring income growth from our well-diversified portfolio of prime assets. During the year, we continued to maintain our focus on improving our recurring income as we explored strategic investment opportunities. As always, we remain committed to enhancing shareholder value," said Dr Stephen Riady, Executive Chairman of OUE.

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About OUE Limited

OUE Limited (SGX-ST: OUE) is a diversified real estate owner, developer and operator with a real estate portfolio located in prime locations in Asia and the United States. OUE consistently grows its business by leveraging its brands and proven expertise in developing and managing landmark assets across the commercial, hospitality, retail and residential sectors, primarily in Singapore. With its core strategy of investing in and enhancing a stable of distinctive properties, OUE is committed to developing a portfolio that has a strong recurrent income base, balanced with development profits, to enhance long-term shareholder value. OUE is the sponsor of OUE Hospitality Trust and OUE Commercial Real Estate Investment Trust.

For the latest news from OUE, visit www.oue.com.sg

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