



Bangkok Non-Deal Roadshow Investor Presentation

11 – 12 May 2017

Important Notice

This presentation shall be read in conjunction with OUE Commercial REIT's Financial Results announcement for 1Q 2017 dated 5 May 2017.

This presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in OUE Commercial REIT ("Units"). The value of Units and the income from them, if any, may fall or rise. The Units are not obligations of, deposits in, or guaranteed by, OUE Commercial REIT Management Pte. Ltd. as the Manager of OUE Commercial 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. The past performance of OUE Commercial REIT is not necessarily indicative of the future performance of OUE Commercial REIT.

This presentation may contain forward-looking statements that involve risks and uncertainties. All statements regarding future financial position, operating results, business strategies, plans and future prospects of OUE Commercial REIT are forward-looking statements. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. These forward-looking statements speak only as at the date of this presentation. No assurance can be given that future events will occur, that projections will be achieved, or that assumptions are correct. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

Investors should note that they will have no right to request the Manager to redeem or purchase 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

- Overview
- Financial Performance and Capital Management
- Portfolio Performance
- Appendices

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 comprises :

- **OUE Bayfront**, a premium Grade A office building located at Collyer Quay between the Marina Bay downtown and Raffles Place in Singapore;
- **One Raffles Place**, an integrated commercial development comprising two Grade A office towers and a retail mall located in the heart of the Singapore's central business district at Raffles Place; 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 Group which has a 55.4% stake 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

Premium Portfolio of Assets

OUE Bayfront



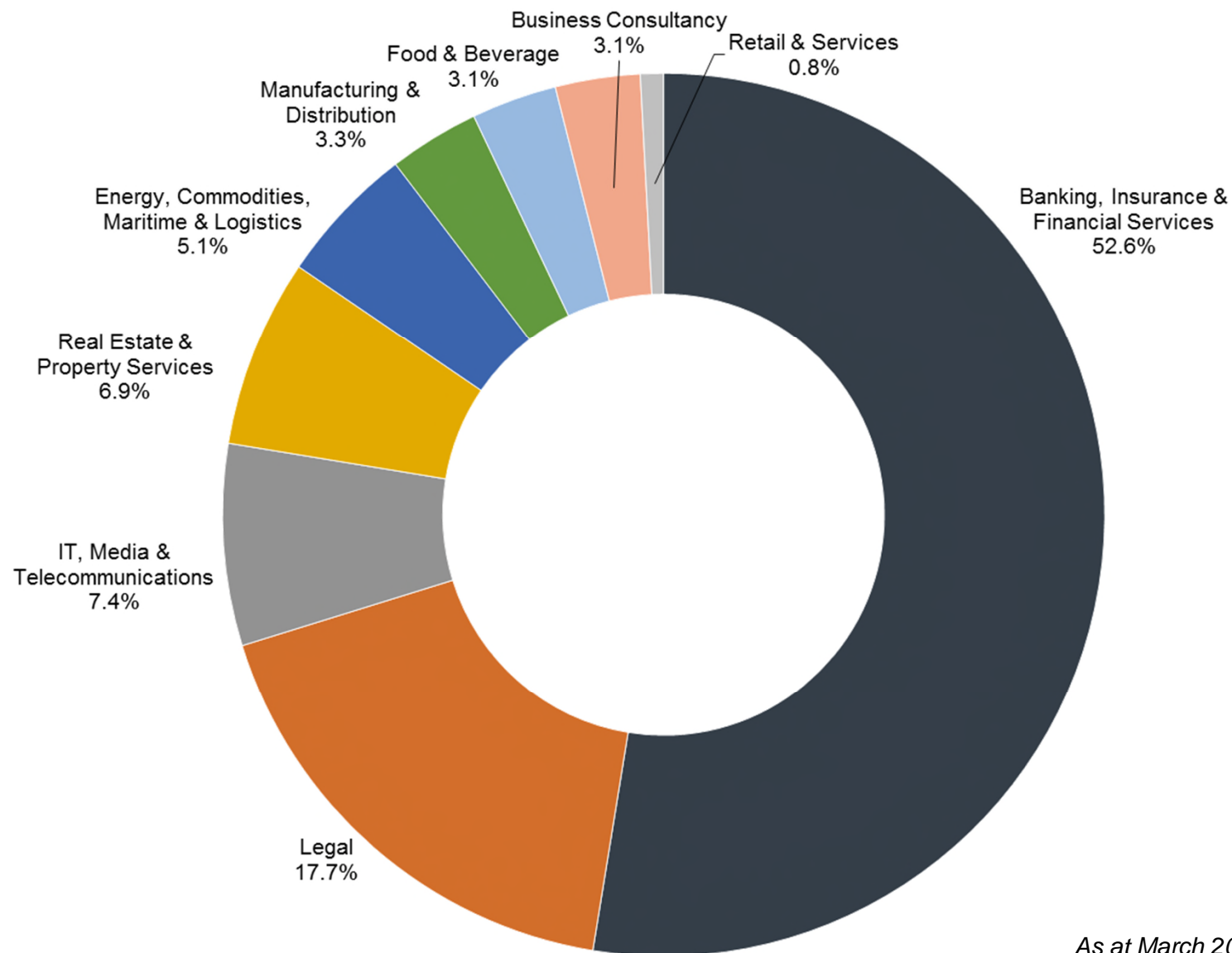
Located at Collyer Quay in Singapore's CBD, comprising:

- **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: 35,342.7 Retail: 1,830.0 Overall: 37,172.7
Committed Occupancy as at 31 Mar 2017	Office: 100.0% Retail: 100.0% Overall: 100.0%
Number of Car Park Lots	245
Valuation (as at 31 Dec 2016)	S\$1,146.0 m (S\$2,864 psf)
Valuation Cap Rate (Office):	3.75%
Land Use Right Expiry	OUE Bayfront & OUE Tower: 99 yrs from 12 November 2007 OUE Link: 15 yrs from 26 March 2010 Underpass: 99 yrs from 7 January 2002
Completion Year	2011

Premium Portfolio of Assets

OUE Bayfront – Tenants by Trade Sector



As at March 2017

Premium Portfolio of Assets

One Raffles Place



Located at Raffles Place in the heart of Singapore's CBD comprising:

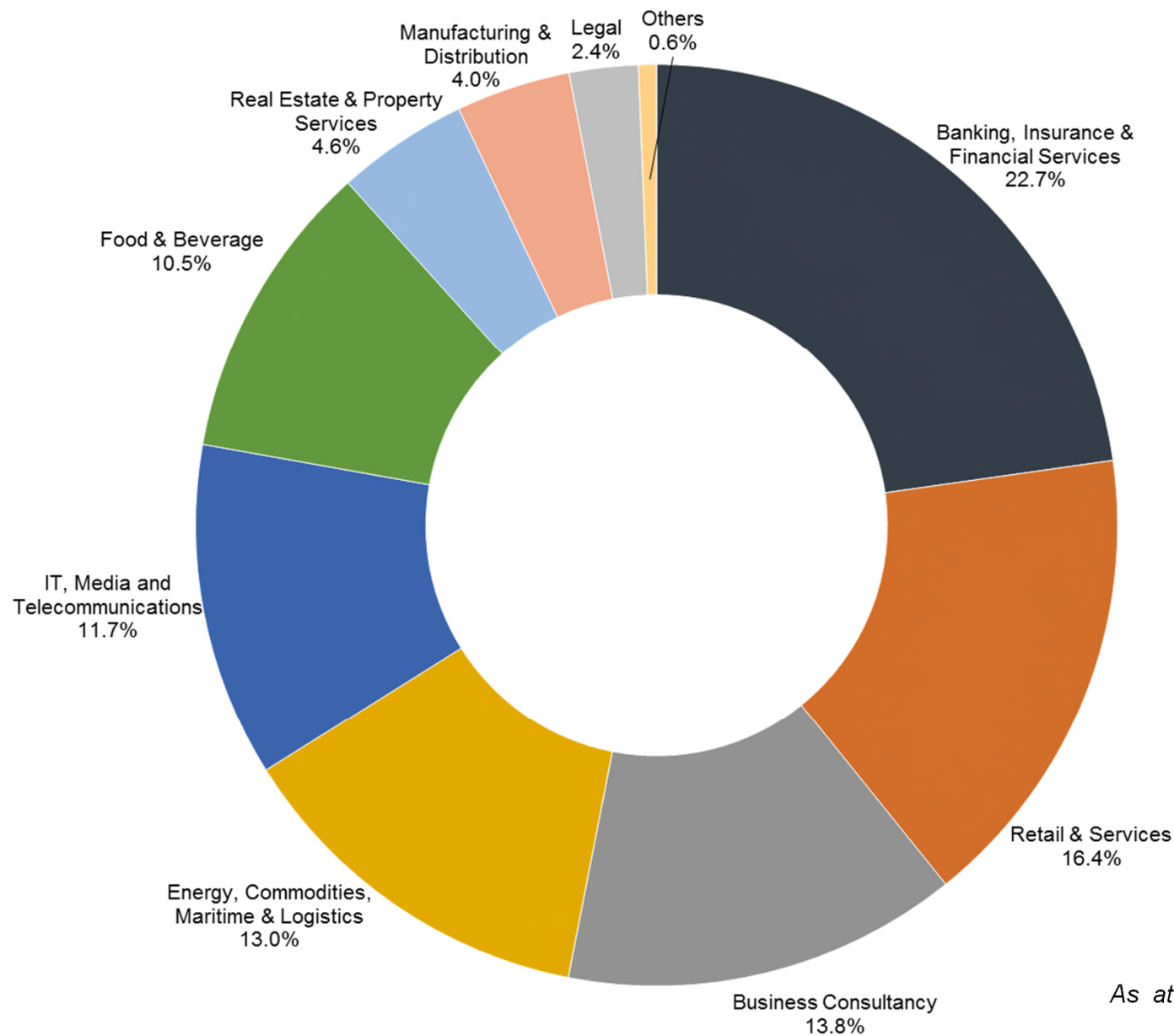
- **Tower 1** : 62-storey Grade A office with rooftop restaurant and observation deck
- **Tower 2** : 38-storey Grade A office completed in 2012
- **One Raffles Place Shopping Mall** : six-storey retail podium which is the largest purpose-built mall in Raffles Place
- OUE C-REIT has a 67.95% effective stake

One Raffles Place	
GFA (sq m)	119,626.3
Attributable NLA (sq m)	Office (Tower 1): 29,045.0 Office (Tower 2): 27,045.0 Retail: 9,500.0 Overall: 65,590.0
Committed Occupancy as at 31 Mar 2017	Office: 93.0% Retail: 97.1% Overall: 93.6%
Number of Car Park Lots	326
Valuation⁽¹⁾ (as at 31 Dec 2016)	S\$1,738.3 m (S\$2,462 psf)
Valuation Cap Rate (Office):	3.65% - 4.00%
Land Use Right Expiry	Office Tower 1: 841 yrs from 1 November 1985 Office Tower 2: 99 yrs from 26 May 1983 Retail: ~75% of NLA is on 99 yrs from 1 November 1985
Completion Year	Office Tower 1: 1986 Office Tower 2: 2012 Retail (major refurbishment): 2014

(1) Based on OUB Centre Limited's 81.54% interest in One Raffles Place. OUE C-REIT has an 83.33% indirect interest in OUB Centre Limited held via its wholly-owned subsidiaries

Premium Portfolio of Assets

One Raffles Place – Tenants by Trade Sector



As at March 2017

Premium Portfolio of Assets

Lippo Plaza



- Located on Huaihai Zhong Road within the Huangpu district in the Puxi area of downtown Shanghai
- Grade-A 36 storey commercial building with a three-storey retail podium and basement carpark
- OUE C-REIT has 91.2% strata ownership of Lippo Plaza

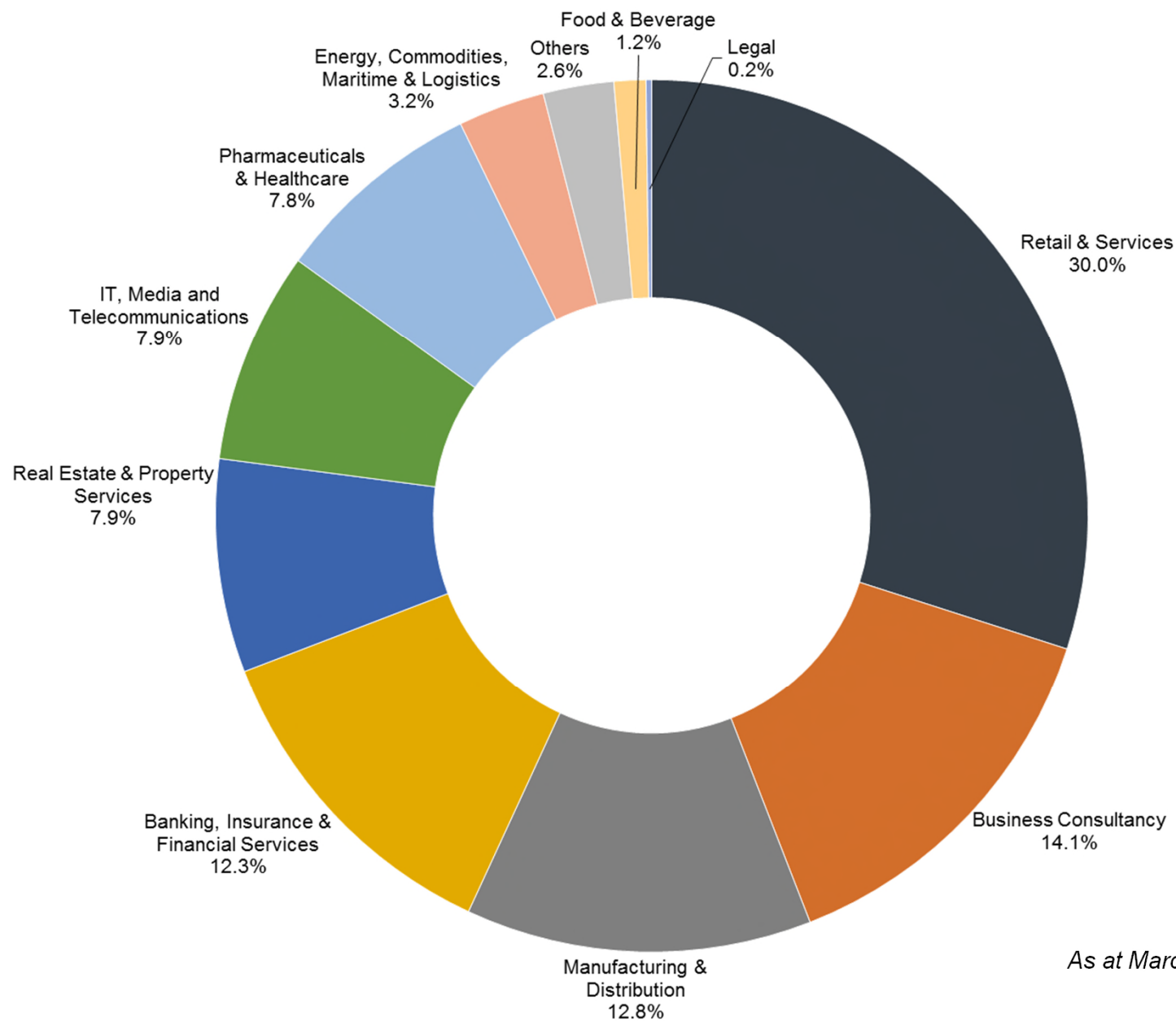
Lippo Plaza	
GFA (sq m)	58,521.5
Attributable NLA (sq m)	Office: 33,538.6 Retail: 5,685.9 Overall: 39,224.5
Committed Occupancy as at 31 Mar 2017	Office: 95.8% Retail: 92.3% Overall: 95.3%
Number of Car Park Lots	168
Valuation⁽¹⁾ (as at 31 Dec 2016)	RMB2,524.0 m / RMB43,129 psm (S\$513.1m) ⁽²⁾
Land Use Right Expiry	50 yrs from 2 July 1994
Completion Year	1999

(1) Based on 91.2% strata ownership of Lippo Plaza

(2) Based on SGD:CNY exchange rate of 1 : 4.919 as at 31 March 2017

Premium Portfolio of Assets

Lippo Plaza – Tenants by Trade Sector



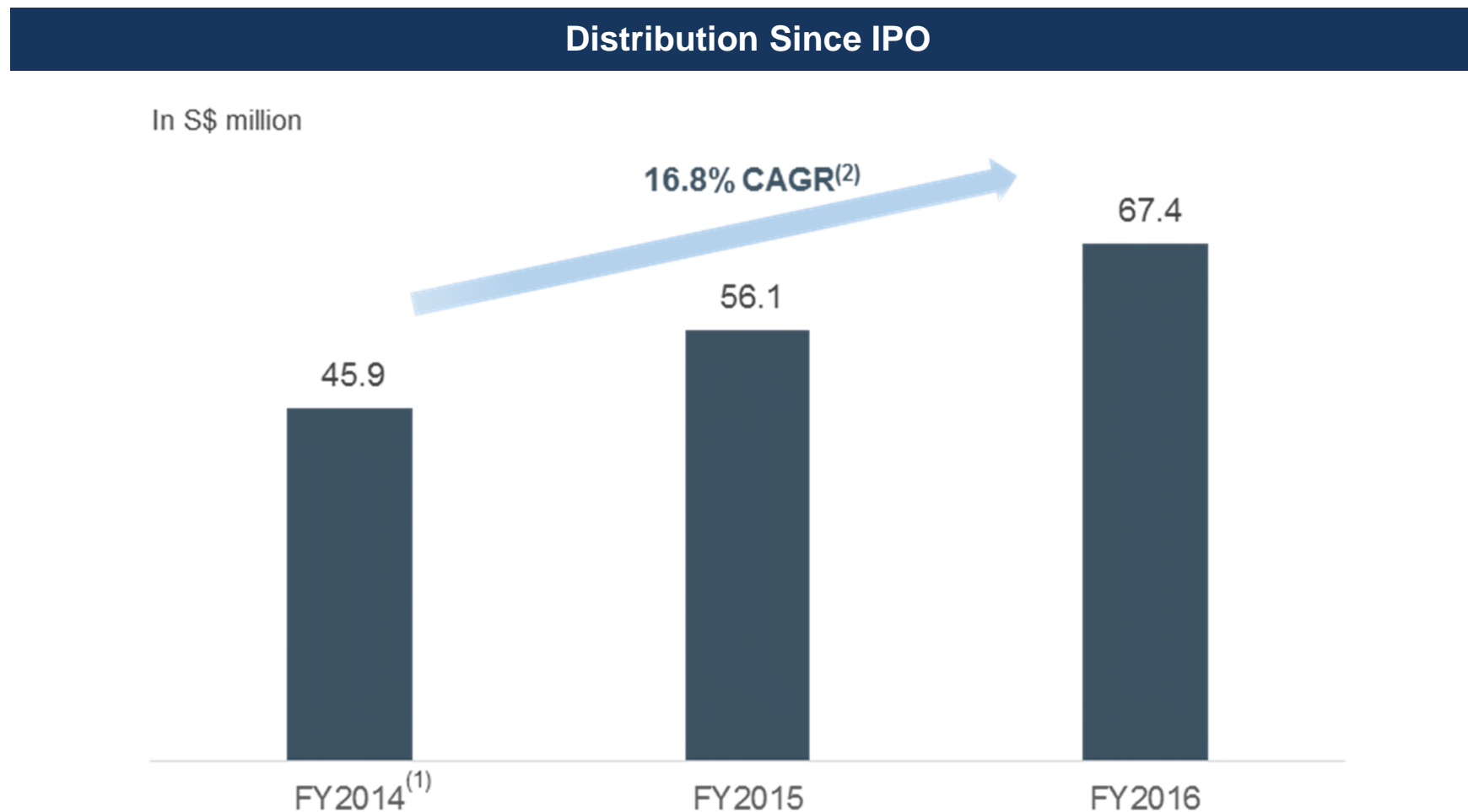
As at March 2017

Financial Performance & Capital Management



Delivered Sustainable Distribution

Delivered sustainable distribution to Unitholders since IPO



(1) Period commencing from OUE C-REIT's listing date of 27 January 2014 to 31 December 2014

(2) Compound annual growth rate (CAGR) computed on the basis of annualised amount available for distribution for the period from OUE C-REIT's listing date of 27 January 2014 to 31 December 2014

1Q 2017 vs 1Q 2016

	1Q 2017	1Q 2016	Change
Revenue (S\$m)	44.8	42.9	+4.4%
Net Property Income (S\$m)	34.6	33.3	+4.2%
Amount Available for Distribution to Unitholders (S\$m)	16.6	17.0	-2.3%
DPU (cents)	1.23	1.32	-6.8%

- 1Q 2017 revenue was S\$44.8 million, an increase of 4.4% YoY, due to strong performance from all three properties in the portfolio
- Accordingly, net property income of S\$34.6 million was 4.2% higher YoY
- Amount available for distribution of S\$16.6 million in 1Q 2017 was 2.3% lower than a year ago, due mainly to an adjustment for amount set aside for the transfer of China-sourced profits from Lippo Plaza to statutory reserve. This is a prudent measure by the Manager to ensure sustainable distribution to Unitholders

1Q 2017 vs 1Q 2016

S\$'000	1Q 2017	1Q 2016	Change (%)
Revenue	44,816	42,914	4.4
Property operating expenses	(10,174)	(9,659)	5.3
Net property income	34,642	33,255	4.2
Other income	675	703	(4.0)
Amortisation of intangible asset	(1,113)	(1,118)	(0.4)
Manager's management fees	(2,339)	(2,345)	(0.3)
Other expenses	(625)	(704)	(11.2)
Finance income	364	49	NM ⁽¹⁾
Finance costs	(13,966)	(13,750)	1.6
Foreign exchange differences	(221)	(396)	(44.2)
Total return before tax	17,417	15,694	11.0
Tax expense	(4,448)	(3,911)	13.7
Total return for period	12,969	11,783	10.1
Non-controlling interests	(1,992)	(1,818)	9.6
CPPU holder distribution	(1,356)	(1,367)	(0.8)
Distribution adjustments	7,021	8,443	(16.8)
Amount available for distribution to Unitholders	16,642	17,041	(2.3)

(1) NM: Not meaningful

Healthy Balance Sheet

S\$ million	As at 31 Mar 2017
Investment Properties	3,397.8
Total Assets	3,453.3
Loans and borrowings	1,178.4
Total Liabilities	1,368.0
Net Assets Attributable to Unitholders	1,322.8
Units in issue and to be issued ('000)	1,538,596
NAV per Unit (S\$)	0.86

Capital Management

- Aggregate leverage improved to 36.2% as at 31 March 2017 from 39.8% a quarter ago, with a longer average term of debt of 3.3 years compared to 1.5 years as at 31 December 2016
- With 81.2% of debt on fixed rate basis, every 25bps increase in floating interest rates is expected to reduce distribution by S\$0.5 million per annum, or 0.03 cents in DPU

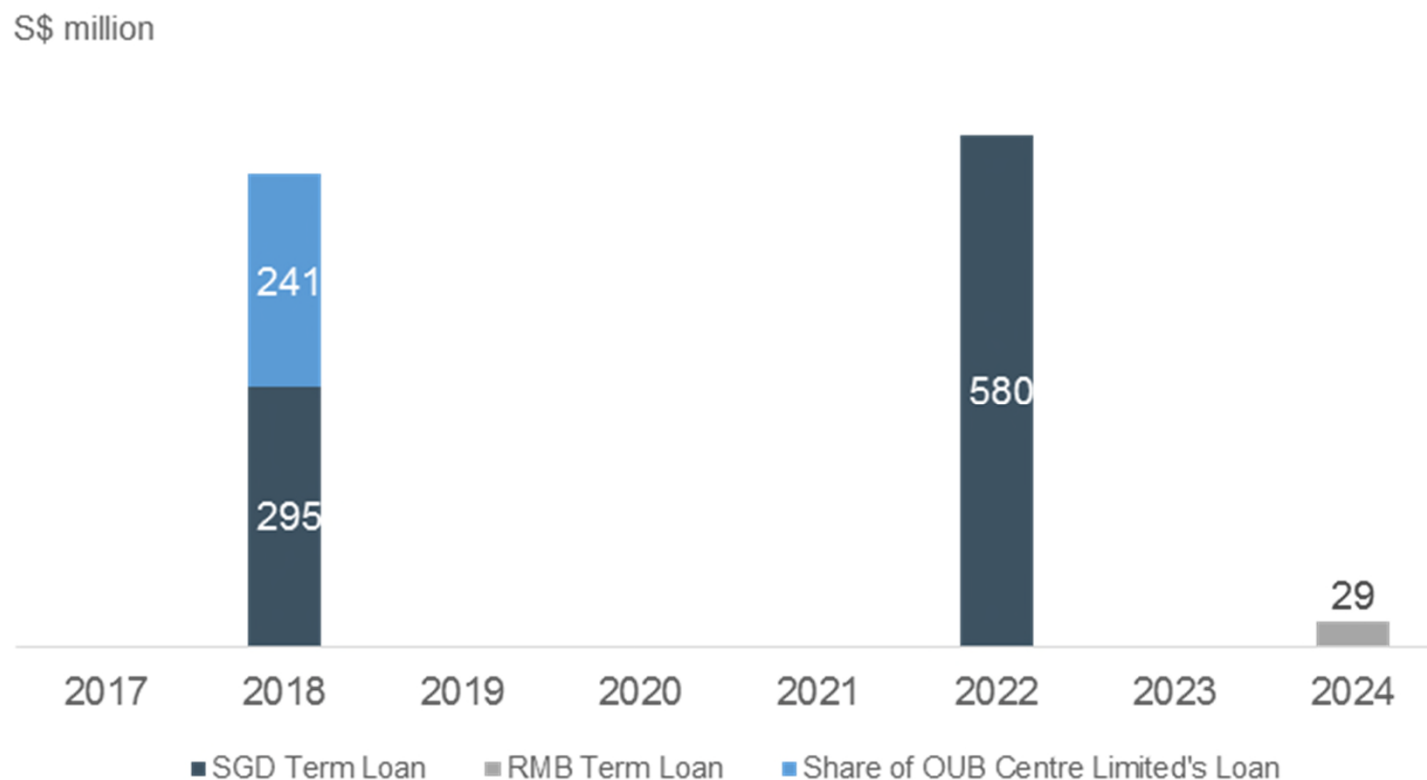
	As at 31 Mar 2017	As at 31 Dec 2016
Aggregate Leverage	36.2%	39.8%
Total debt	S\$1,145m ⁽¹⁾	S\$1,261m ⁽²⁾
Weighted average cost of debt	3.4% p.a.	3.6% p.a.
Average term of debt	3.3 years	1.5 years
% fixed rate debt	81.2%	79.3%
Average term of fixed rate debt	2.5 years	2.5 years
Interest service ratio	3.2x	3.1x

(1) Based on SGD:CNY exchange rate of 1:4.919 as at 31 March 2017 and includes OUE C-REIT's share of OUB Centre Limited's loan

(2) Based on SGD:CNY exchange rate of 1:4.815 as at 31 December 2016 and includes OUE C-REIT's share of OUB Centre Limited's loan

Debt Maturity Profile as at 31 Mar 2017

- In January 2017, refinanced Singapore dollar loans due in 2017 and 2019 with a 5-year facility maturing in 2022
- Utilised net proceeds of S\$148.5 million from the private placement to prepay part of term loan due in 2018 and revolving loan facility
- No refinancing requirement in 2017

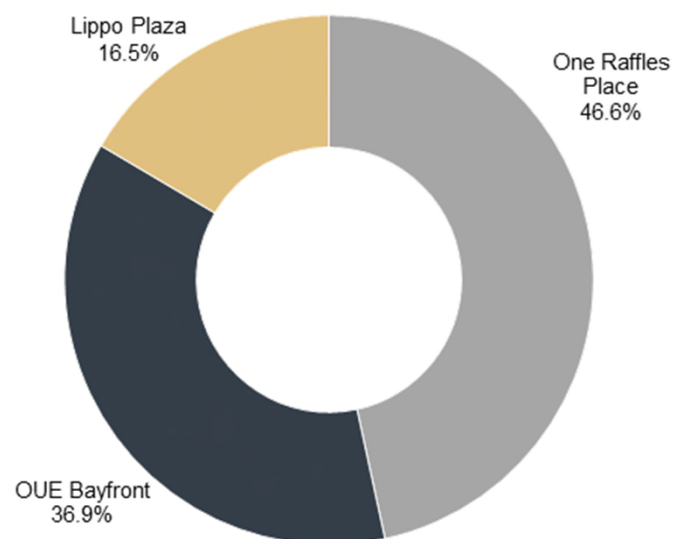


Portfolio Performance

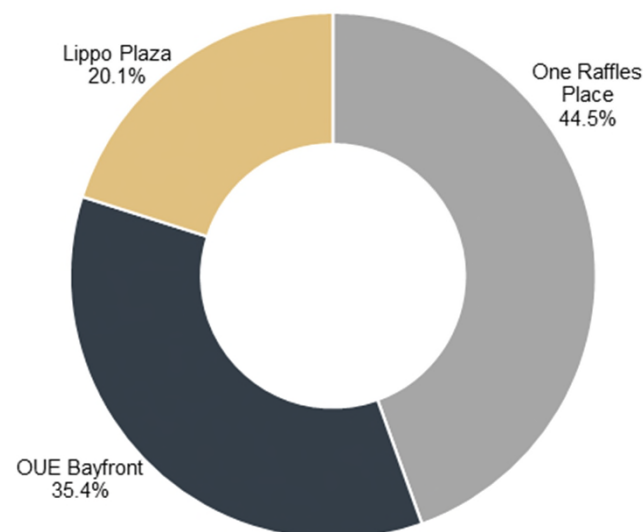


Portfolio Composition

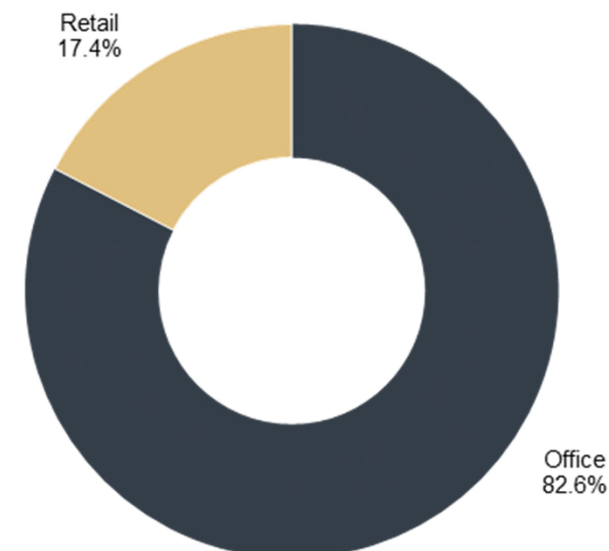
By Asset Value⁽¹⁾



By Revenue Contribution⁽²⁾



By Segment Revenue⁽²⁾



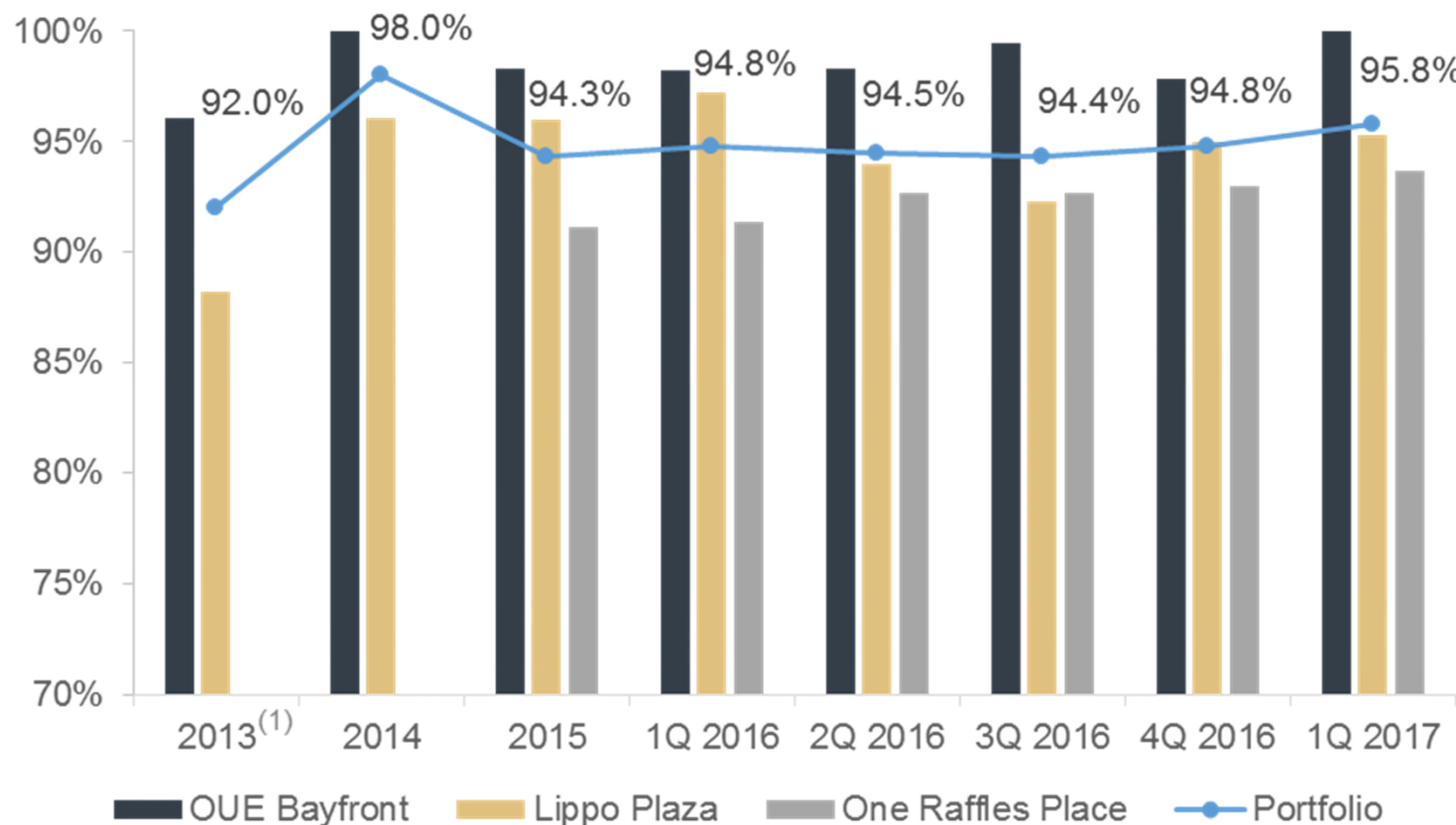
(1) Based on independent valuations as at 31 December 2016 and OUE C-REIT's proportionate interest in One Raffles Place

(2) For 1Q 2017 and based on OUE C-REIT's attributable interest in One Raffles Place

Resilient and Stable Portfolio

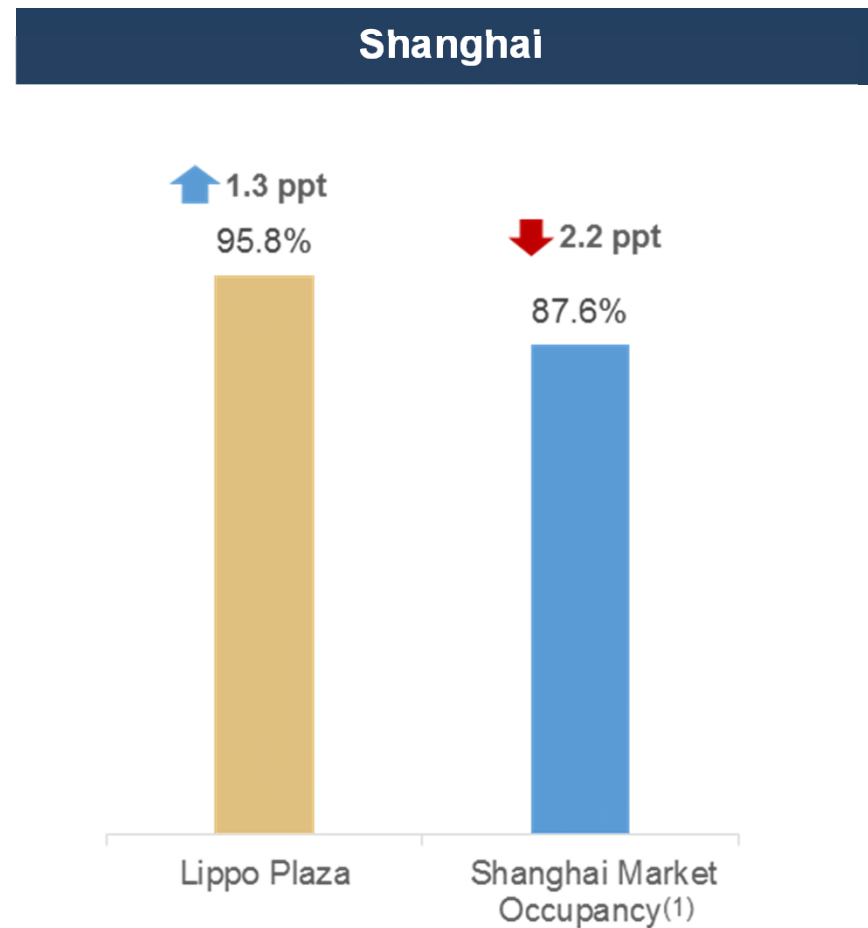
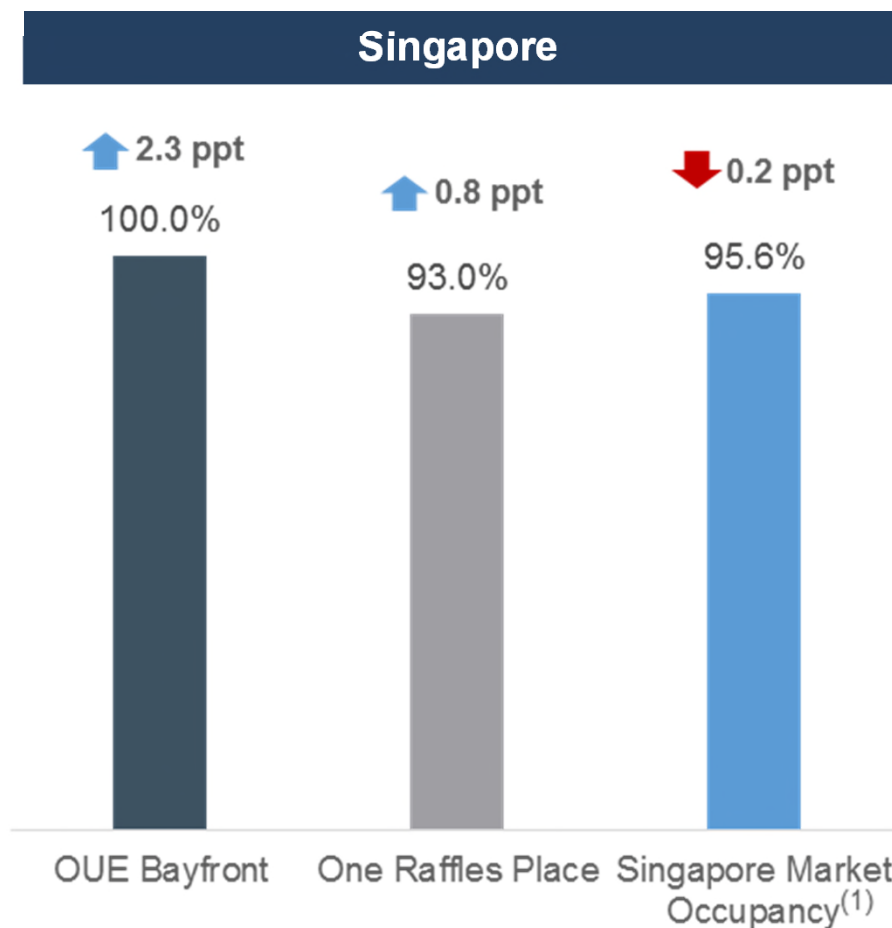
One Raffles Place achieved five consecutive quarters of increase in committed occupancy since acquisition in October 2015

OUE C-REIT's Portfolio Committed Occupancy



(1) Proforma committed occupancy as at 30 September 2013 as disclosed in OUE C-REIT's Prospectus dated 17 January 2014

Office Occupancy In Line with Market



(1) Singapore Market Occupancy refers to Core CBD office occupancy for 1Q 2017 according to CBRE Research. Shanghai Market Occupancy refers to Shanghai Grade A office occupancy as at 1Q 2017 according to Colliers International Shanghai

Committed Office Rents In Line with Market

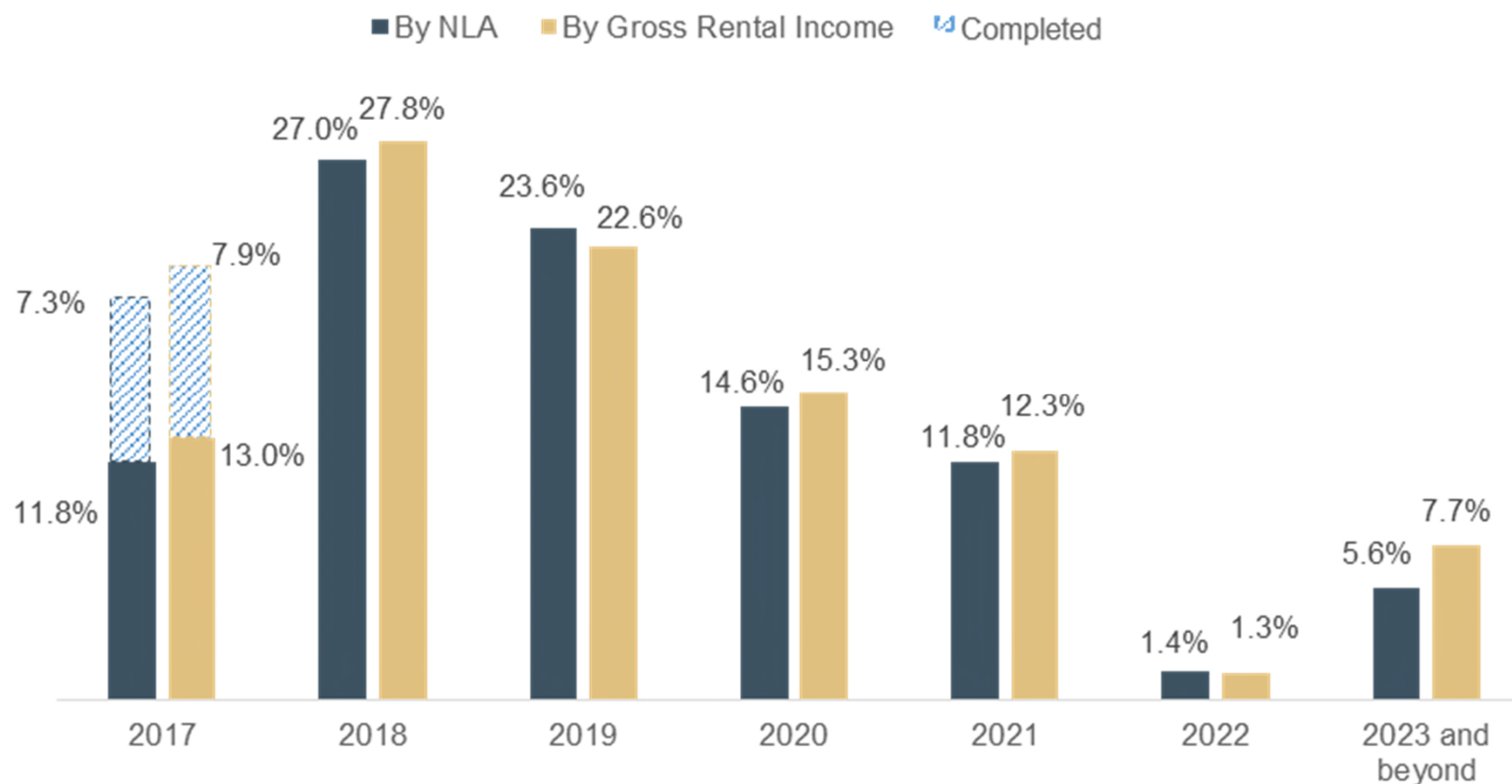
1Q 2017	Average Expired Rents	Committed Rents ⁽¹⁾	Average Passing Rent	
			Mar 2017	Mar 2016
OUE Bayfront	S\$11.41 psf/mth	S\$10.00 – S\$11.70 psf/mth	S\$11.67 psf/mth	S\$11.82 psf/mth
One Raffles Place	S\$11.38 psf/mth	S\$8.00 – S\$10.20 psf/mth	S\$10.21 psf/mth	S\$10.27 psf/mth
Lippo Plaza	RMB9.17 psm/day	RMB8.00 – RMB11.30 psm/day	RMB9.88 psm/day	RMB9.55 psm/day

- The average of new and renewal office rents committed at OUE Bayfront and One Raffles Place in 1Q 2017 were at a premium to the market office rent of S\$8.95 psf per month⁽²⁾, although some renewals were committed at rents below expiring rates
- Lippo Plaza continued to enjoy positive rental reversion in 1Q 2017 while average passing office rent in March 2017 continued to increase, improving 3.5% YoY to RMB9.88 psm per day

(1) Committed rents for renewals, rent reviews (if any) and new leases

(2) CBRE Singapore MarketView 1Q 2017

Lease Expiry Profile - Portfolio



WALE⁽¹⁾ of 2.5 years by NLA⁽²⁾ and 2.2 years by Gross Rental Income

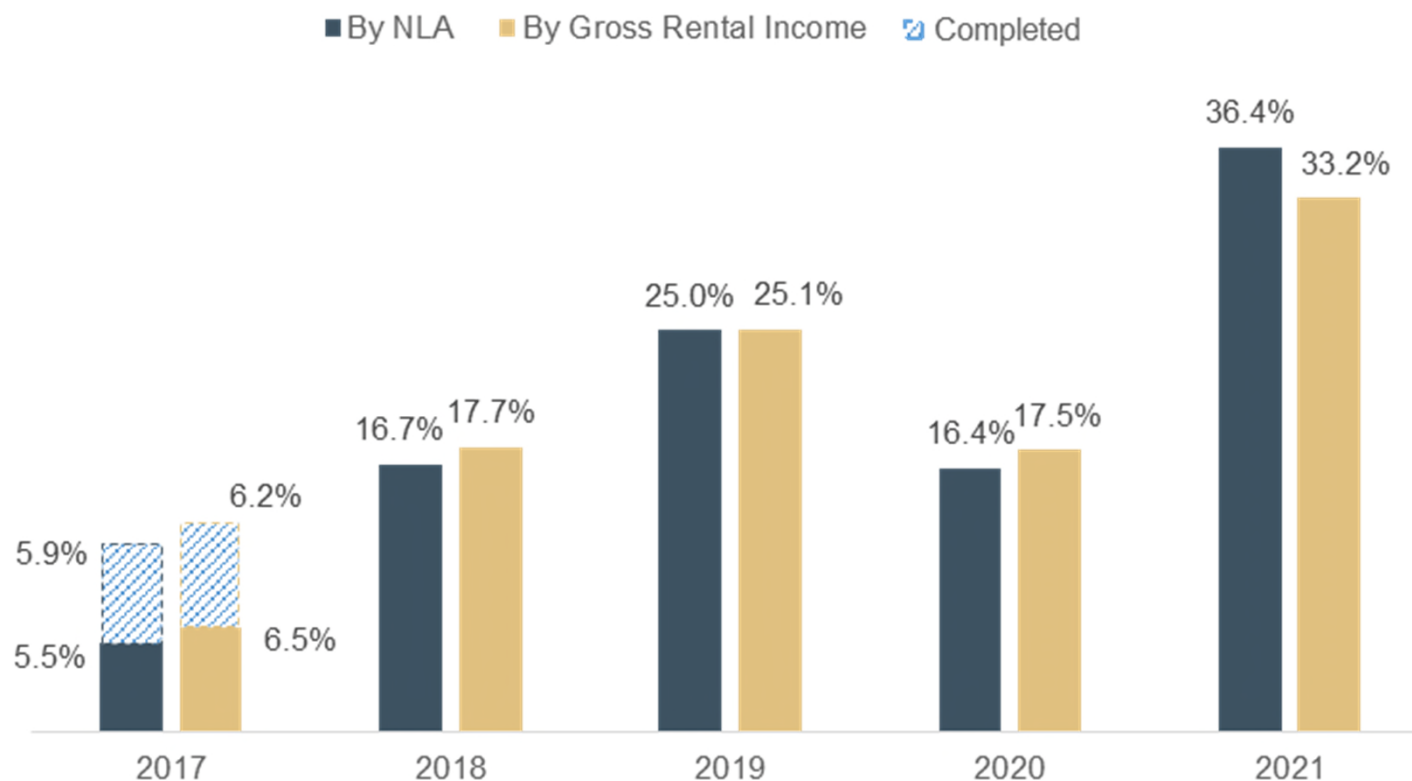
As at 31 Mar 2017

(1) "WALE" refers to the weighted average lease term to expiry

(2) "NLA" refers to net lettable area

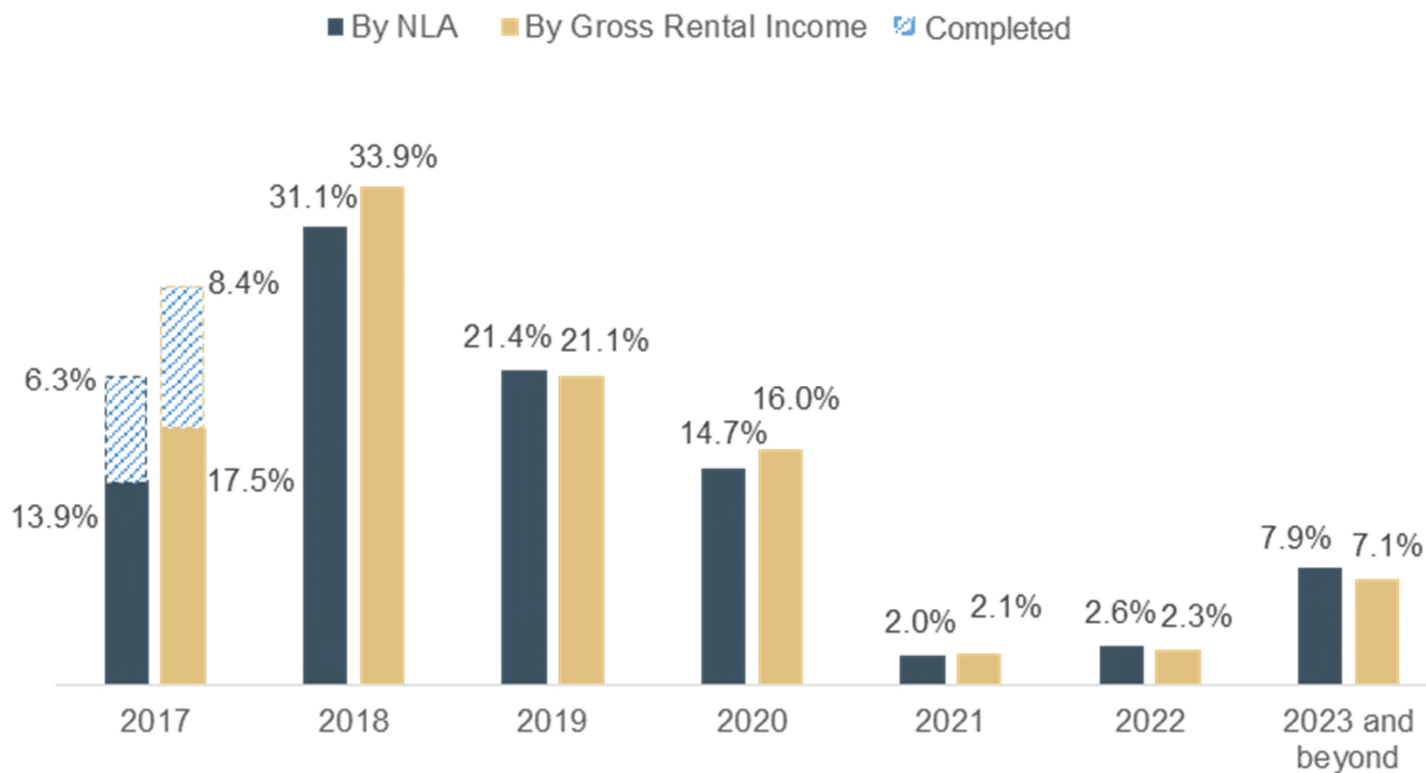
Lease Expiry Profile - OUE Bayfront

- More than 75% of OUE Bayfront's gross rental income is due in 2019 and beyond
- In advanced negotiation to forward renew about 28.0% of 2018 expiries by gross rental income



WALE of 3.0 years by NLA and 2.9 years by Gross Rental Income

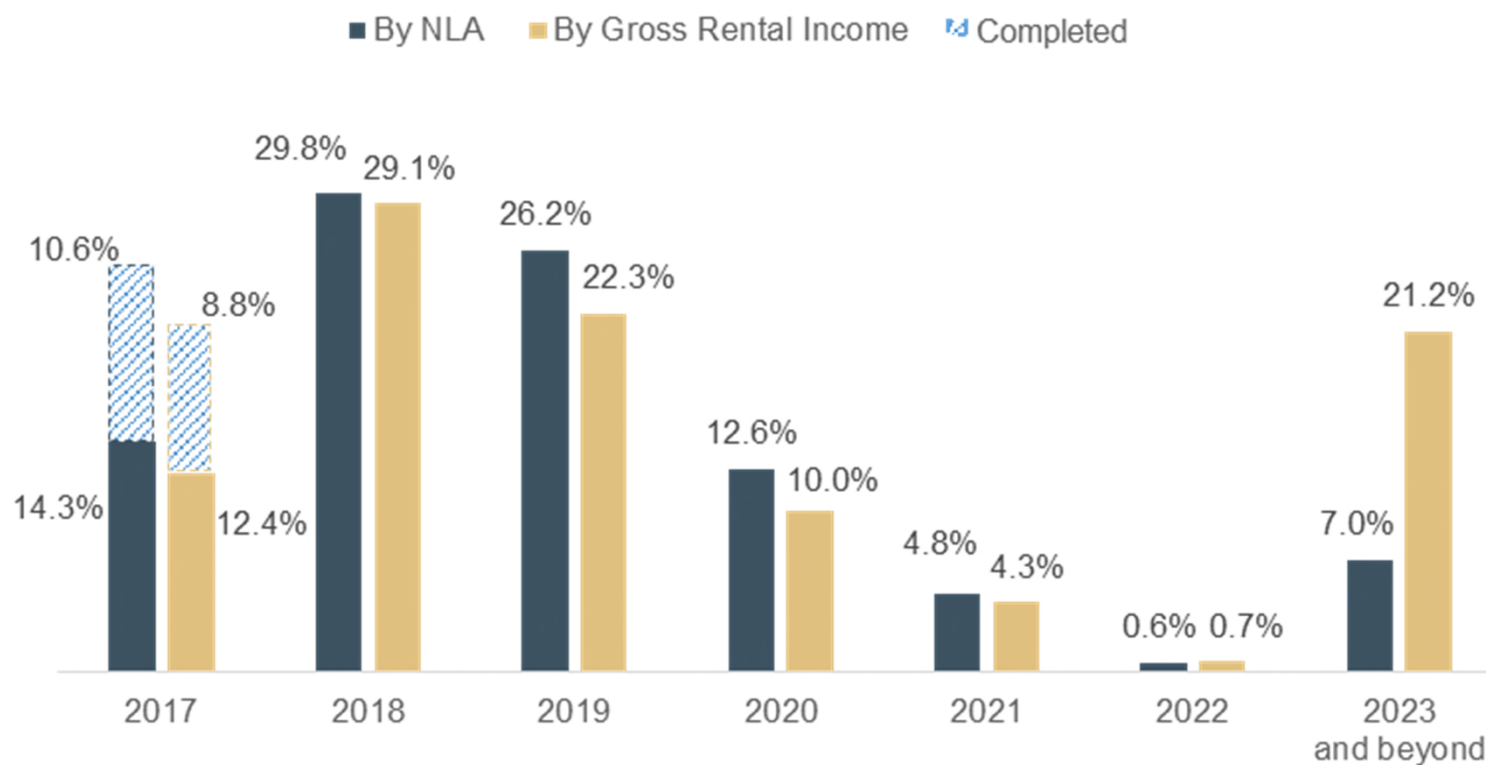
Lease Expiry Profile - One Raffles Place



WALE of 2.3 years by NLA and 2.2 years by Gross Rental Income

As at 31 Mar 2017

Lease Expiry Profile - Lippo Plaza

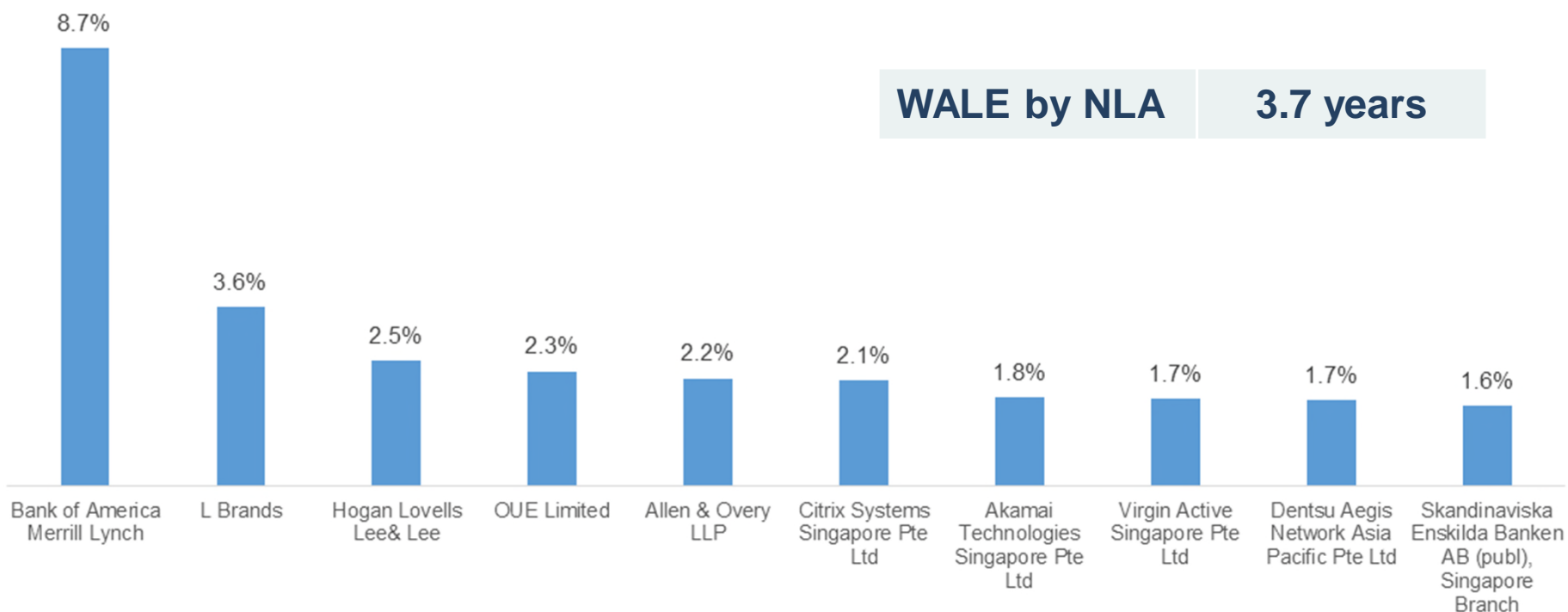


WALE of 2.5 years by NLA and 3.4 years by Gross Rental Income

As at 31 Mar 2017

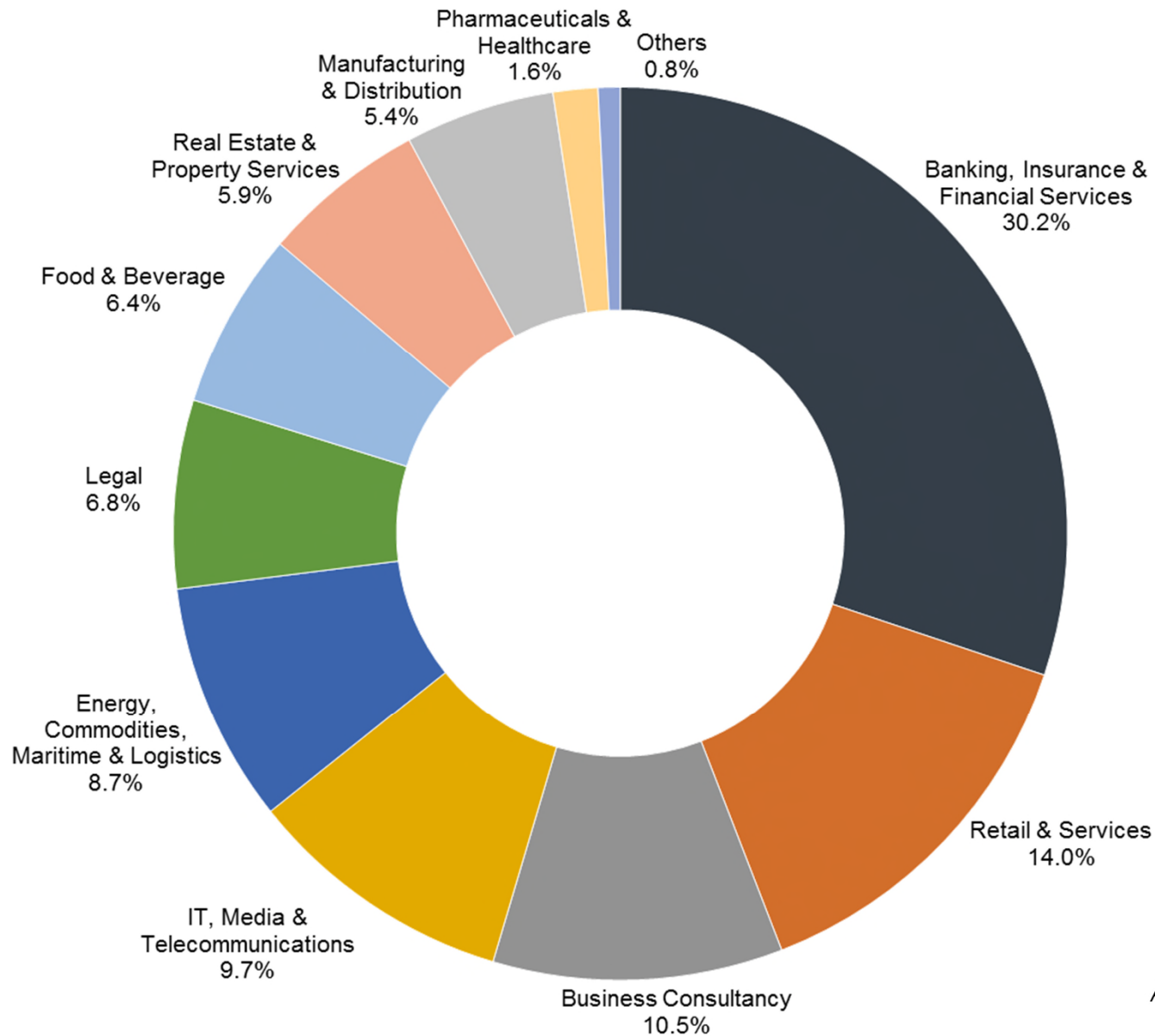
Quality and Diversified Tenant Base

Top 10 tenants contribute approximately 28.2% of gross rental income



As at 31 Mar 2017

Diversified Tenant Base



As at March 2017

Appendices

- Singapore Office Market
- Shanghai Office Market



Overview of Singapore Office Sector

✓Singapore's CBD

- Comprises traditional areas of Raffles Place, Shenton Way/Robinson Road/Cecil Street as well as Marina Bay
- Many established global financial institutions and headquarters of MNCs are located in Marina Bay and Raffles Place, while Shenton Way/Robinson Road/Cecil Street is popular with professional services companies and other financial, insurance and real estate companies

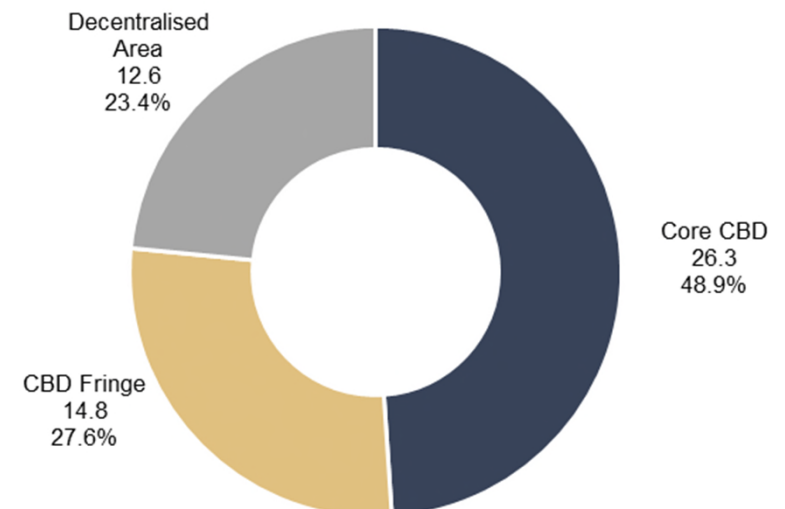
✓Historical supply-demand conditions

- Annual island-wide demand for office space from 2007 – 2016 was about 1.1 million sq ft, compared to annual supply of 1.4 million sq ft over the same period. For 2016, office take-up was about 1.2 million sq ft due to the completion of new office developments with high pre-commitment levels. Demand was driven by financial and professional services, as well as the technology and media sectors.

CBD Office Locations (Singapore)



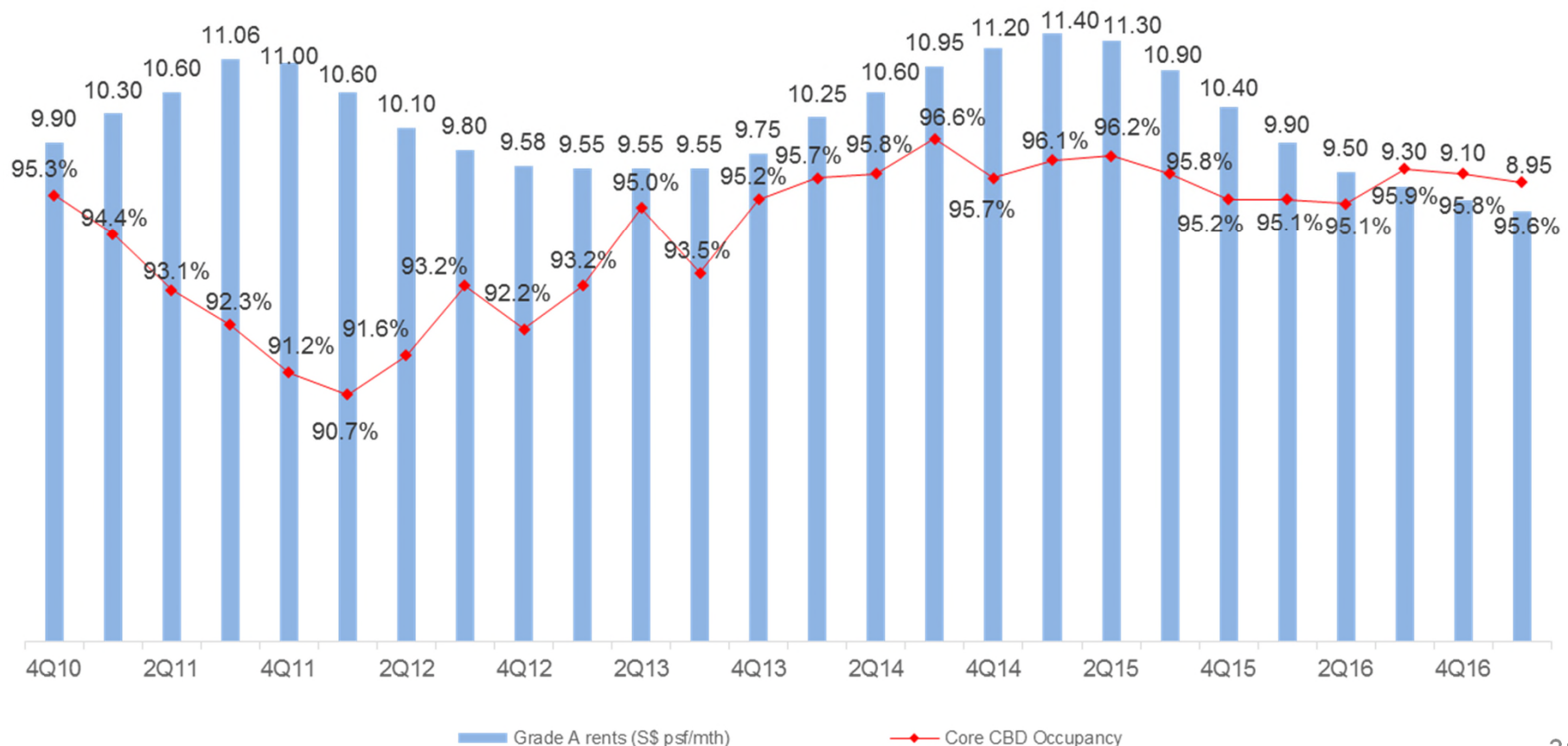
Breakdown of Office Stock in Singapore (million sq ft)⁽¹⁾



⁽¹⁾ CBRE Pte Ltd, 1Q 2017

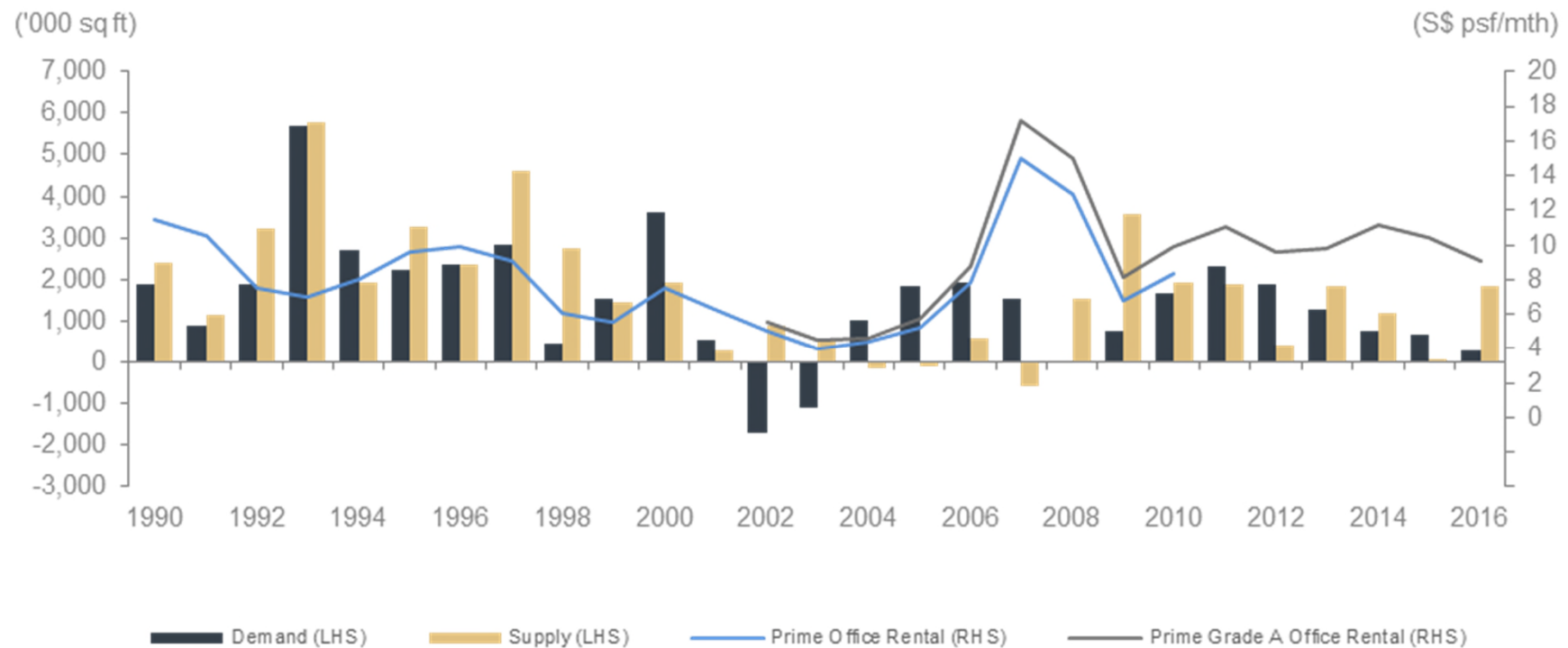
Singapore Office Market

- Core CBD office occupancy moderated 0.2 ppt QoQ to 95.6% as at 1Q 2017, while the rate of decline in Grade A office rents slowed to -1.6% QoQ to S\$8.95 psf/mth
- Vacancy is expected to increase in the coming quarters as occupiers vacate their existing premises upon relocation to the newer office projects coming onstream



Demand and Supply vs Office Rental

Island-wide Office Demand, Supply vs Office Rental

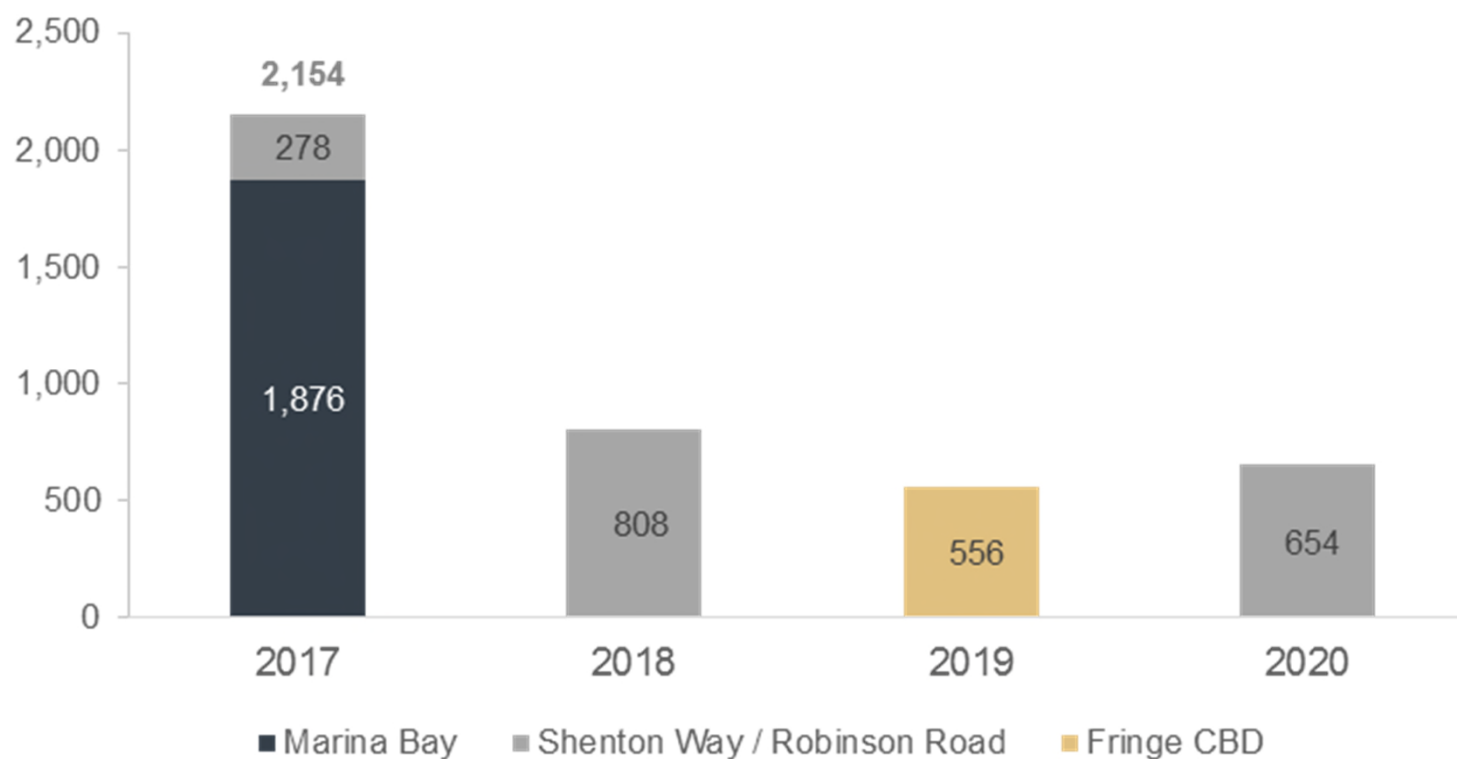


Source: URA statistics, CBRE Research

2Q11 was the last period where CBRE provided Prime office Rental data. Prime Grade A office rental data not available prior to 1Q02

Known Office Supply Pipeline

Office Supply Pipeline in Singapore's CBD and Fringe CBD (NLA sq ft)



Note: Excluding strata-titled office
Source: CBRE Research, 1Q 2017

Overview of Shanghai Office Sector

✓Puxi, the traditional business and commercial hub of Shanghai

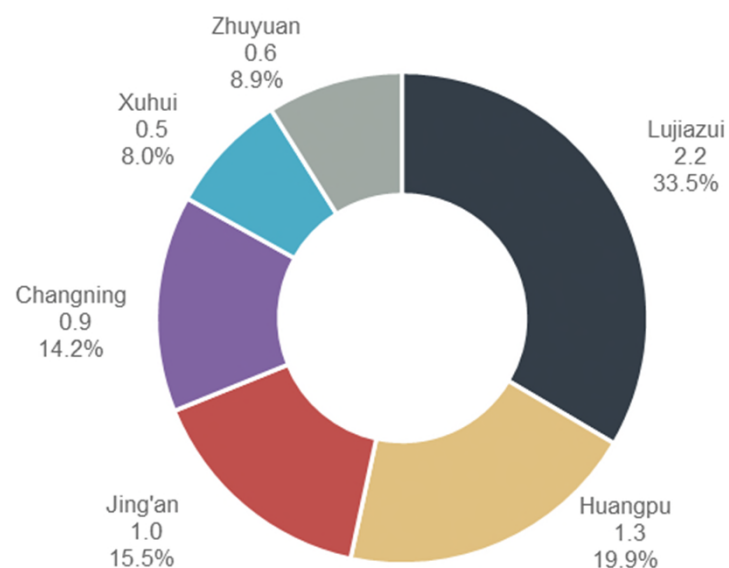
- Key office and commercial districts within Puxi are concentrated in the Jing'an, Huangpu and Xuhui areas, which together form the traditional downtown CBD of Shanghai
- Puxi draws international retailers, service providers and MNC headquarters operations due to its good connectivity and excellent amenities, while Pudong's Lujiazui caters to financial institutions due to policy and incentive-driven agglomeration

✓Historical supply-demand conditions

- The six main districts that make up Shanghai core CBD have a total Grade-A office stock of approximately 6.4 million sq m as at 1Q 2017
- Average new supply of Shanghai CBD Grade A office from 2011-2015 was 375,000 sq m, compared to average net demand of 414,000 sq m over the same period. In 2016, net demand was about 113,000 sq m, due to the widespread retreat of peer-to-peer lending companies as a result of regulation



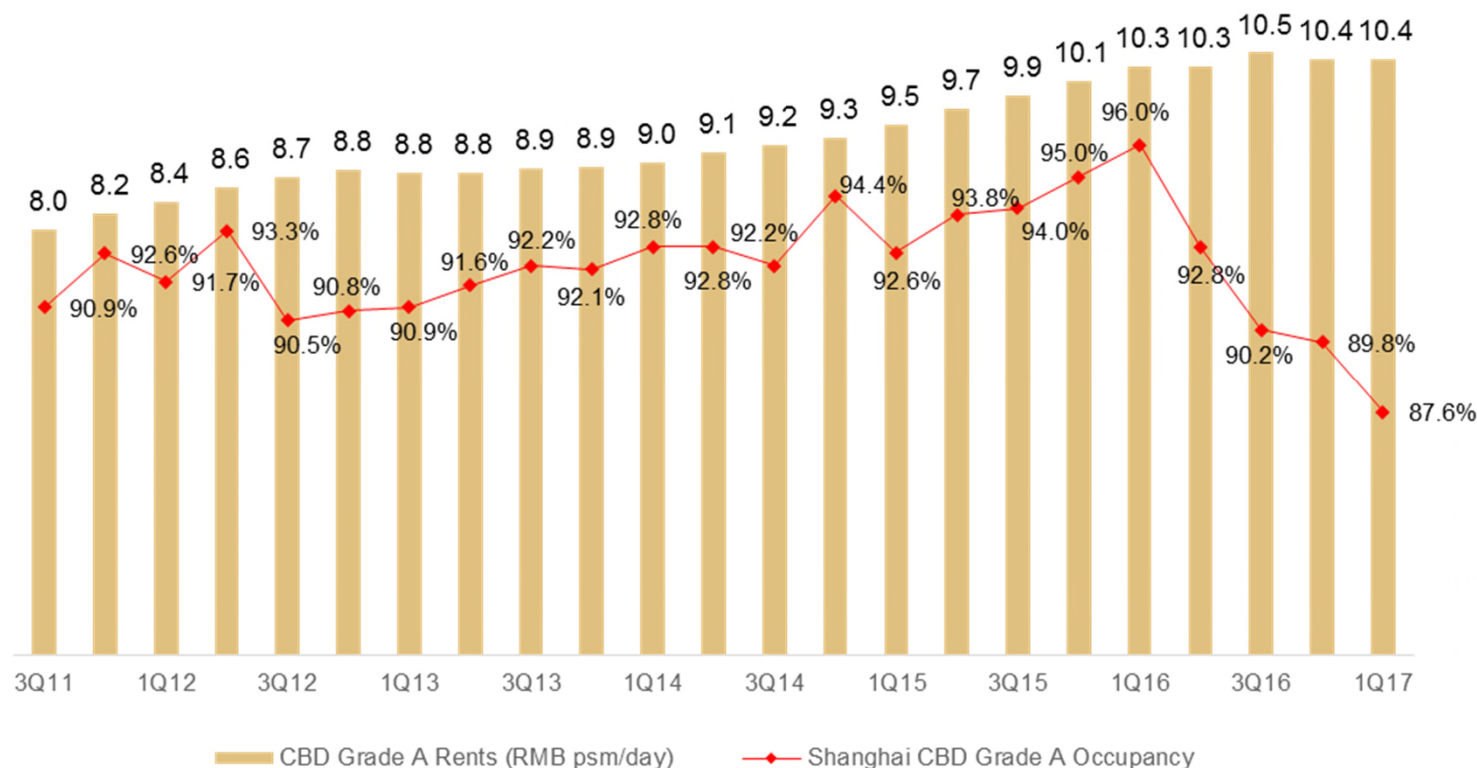
Breakdown of CBD Grade-A office stock (million sq m)⁽¹⁾



⁽¹⁾ Colliers International Research, 1Q17

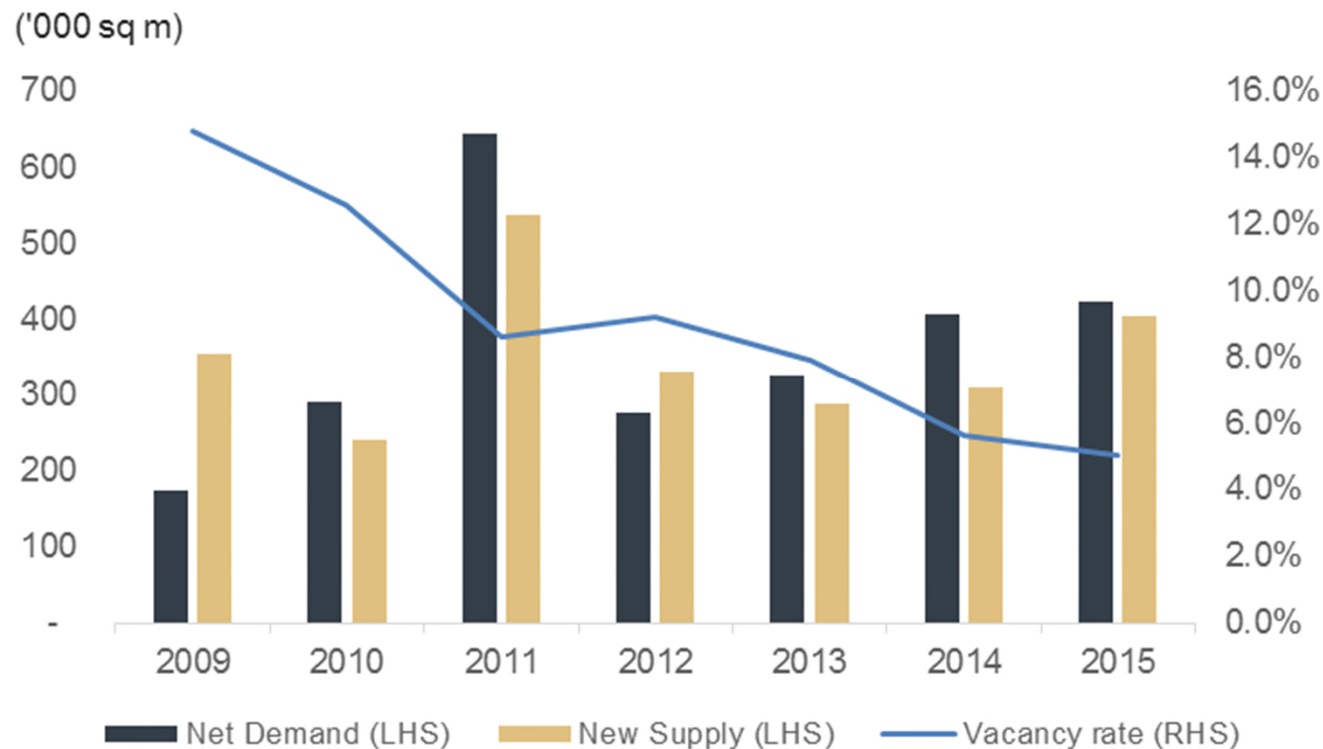
Shanghai Office Market

- In 1Q 2017, Shanghai CBD Grade A office rents declined 0.8% QoQ to RMB10.4 psm/day, while CBD Grade A office occupancy fell 2.2 ppt QoQ to 87.6% due to significant new office completions
- In Puxi, Grade A office occupancy moderated by 1.3 ppt QoQ to 87.2%, with rents also declining by 1.4% QoQ to RMB9.3 psm/day



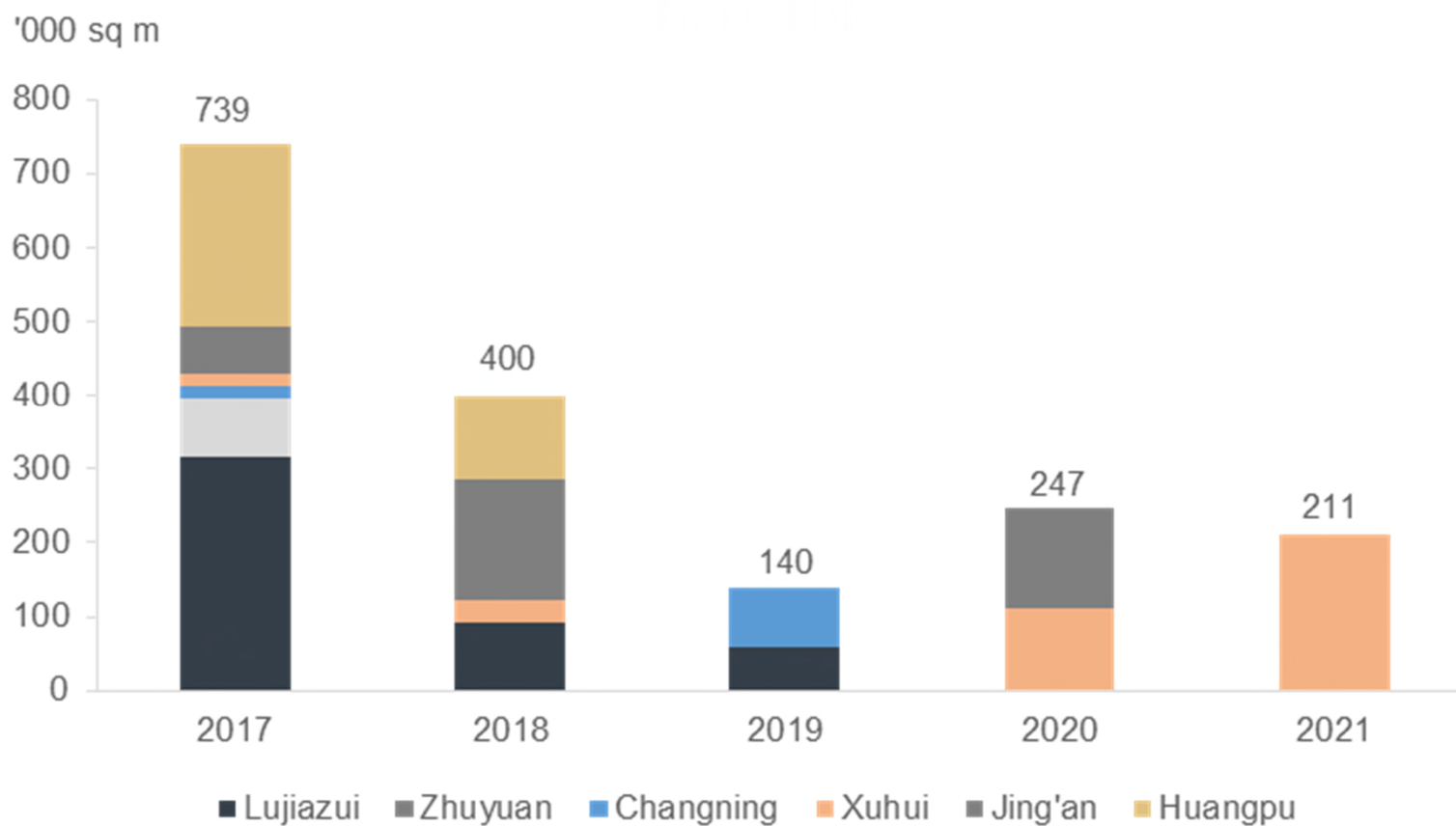
Demand, Supply and Vacancy

Shanghai CBD Grade A Net Absorption, New Supply and Vacancy Rate



CBD Grade A Office Supply Pipeline

Office Supply Pipeline in Shanghai CBD (sq m)





Thank you