

PRESS RELEASE
For Immediate Release

OUE Commercial REIT's Portfolio To Exceed S\$3.0 Billion With Proposed Acquisition Of Indirect Interest In One Raffles Place

10 June 2015 – OUE Commercial REIT Management Pte. Ltd., the Manager of OUE Commercial REIT ("OUE C-REIT"), is pleased to announce that OUE C-REIT has today entered into a conditional sale and purchase agreement to acquire an indirect interest in One Raffles Place through the acquisition of between 75.0% and 83.33% interest in OUB Centre Limited ("OUBC") from OUE Limited, via the acquisition of Beacon Property Holdings Pte. Ltd. ("BPHPL"), a wholly-owned subsidiary of OUE Limited. OUBC is the registered owner of One Raffles Place and owns 81.54% of the beneficial interest in One Raffles Place ("OUBC Interest"). This is OUE C-REIT's maiden acquisition since its initial public offering ("IPO") on 27 January 2014.

Based on an agreed value of S\$1,715.0 million for the OUBC Interest (which represents S\$2,382 per square foot on net lettable area ("NLA")), the agreed value for the OUBC interest to be acquired is expected to be between S\$1,286.3 million (based on the 75.0% interest in OUBC) and S\$1,429.2 million (based on the 83.33% interest in OUBC). Depending on the stake acquired, the purchase consideration¹ is expected to be between S\$1,034.0 million and S\$1,148.8 million.

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 C-REIT.

¹ The purchase consideration is derived based on the expected net asset value ("NAV") of BPHPL Group, including the repayment of any outstanding shareholder's loan. The difference between the agreed values of the OUBC interest to be acquired and the purchase consideration is the adjustment that shall reflect the actual NAV of the BPHPL Group on the date of completion of the proposed acquisition. BPHPL Group refers to BPHPL and its shareholding in OUBC.

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One Raffles Place is a prominent landmark integrated commercial development comprising two Grade-A office buildings, One Raffles Place Tower 1 and Tower 2, as well as a recently refurbished retail mall known as One Raffles Place Shopping Mall. It is strategically located in the heart of Singapore's Central Business District ("CBD") in Raffles Place, directly above the Raffles Place Mass Rapid Transit ("MRT") interchange station, and has a direct and seamless connection to the MRT station and other neighbouring developments in Raffles Place and Marina Bay via an extensive underground network of pedestrian walkways.

Ms Tan Shu Lin, Chief Executive Officer of the Manager, said: "This is a unique opportunity for OUE C-REIT to acquire a majority stake in One Raffles Place, and the proposed acquisition is a strategic and significant step for OUE C-REIT as it will strengthen its positioning within the Singapore office market. Post-acquisition, OUE C-REIT's assets-under-management is expected to increase from S\$1.6 billion as at 31 December 2014 to S\$3.4 billion, of which approximately 85.3% is contributed by Singapore assets. Total portfolio NLA is expected to increase from approximately 825,000 square feet ("sq ft") to approximately 1,545,000 sq ft, enlarging OUE C-REIT's footprint. OUE C-REIT will also benefit from enhanced income diversification and resilience, as well as a stronger and more diverse tenant base."

Ms Tan added: "OUE C-REIT's performance has consistently exceeded its IPO forecast since listing, and the Manager is confident that with its strong asset management capabilities, it will continue to deliver stable and sustainable returns for OUE C-REIT's Unitholders."

The Manager believes that the proposed acquisition will bring about the following benefits to Unitholders of OUE C-REIT:

- (a) Achievement of transformational scale for OUE C-REIT as it significantly increases its assets-under-management to more than S\$3 billion, and enlarges its NLA to enhance its presence and competitive position in the Singapore office market;

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- (b) Acquisition of a landmark commercial property strategically located in the prime Raffles Place district at an attractive price of S\$2,382 per square foot;
- (c) Acquisition of a majority interest in a Grade-A commercial property on a long land lease, which is expected to lengthen OUE C-REIT's portfolio weighted average land lease expiry from approximately 72 years to approximately 258 years;
- (d) Favourable growth profile from potential strong positive rental reversion, increase in occupancy and limited new office supply in Raffles Place; and
- (e) Improved portfolio diversification and resilience, as well as enhanced quality of OUE C-REIT's tenant base

The proposed acquisition is expected to be funded by a combination of debt and equity, which includes the potential issuance of convertible perpetual preference units. The financing plan will be announced at an appropriate time.

The proposed acquisition will constitute an interested person transaction under the Listing Manual of Singapore Exchange Securities Trading Limited (the "SGX-ST") as well as an interested party transaction under the Property Funds Appendix, in respect of which Unitholders' approval is required. A circular is expected to be issued in due course for the above purpose. Please refer to OUE C-REIT's SGX-ST announcement dated 10 June 2015 for more details.

About One Raffles Place

One Raffles Place is an integrated commercial development comprising two Grade-A office towers, One Raffles Place Tower 1 and Tower 2, as well as a recently refurbished One Raffles Place Shopping Mall, with an aggregate NLA of approximately 860,000 sq ft.

The 62-storey One Raffles Place Tower 1 is one of the tallest buildings in the Singapore core CBD, with its upper levels enjoying 360-degree panoramic views of the city. One Raffles Place Tower 2 is a 38-storey Grade-A office tower newly completed in 2012 which has been conferred the Platinum Green Mark Award by

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the Building and Construction Authority for its energy efficiency and environmentally sustainable design. One Raffles Place Shopping Mall is a six-storey retail podium that has undergone extensive refurbishment works which were completed in May 2014. It faces the entire length of Raffles Place Park and offers a diverse range of shopping, dining and leisure options catering to the needs of the working population in the CBD.

Summary of selected information on One Raffles Place (in which OUE C-REIT will be acquiring a majority indirect interest):

Address	1 Raffles Place, Singapore 048616
Gross Floor Area	Approximately 119,725.8 sq m (1,288,717 sq ft)
Net Lettable Area	<p>One Raffles Place Tower 1: Approximately 38,090.3 sq m (410,000 sq ft)</p> <p>One Raffles Place Tower 2: Approximately 32,516.1 sq m (350,000 sq ft)</p> <p>One Raffles Place Shopping Mall: Approximately 9,290.3 sq m (100,000 sq ft)</p> <p>Total: Approximately 79,896.7 sq m (860,000 sq ft)</p>
Title	<p>One Raffles Place Tower 1: 841-year leasehold title commencing 1 November 1985</p> <p>One Raffles Place Tower 2: 99-year leasehold title commencing 26 May 1983</p> <p>One Raffles Place Shopping Mall - the retail podium straddles two land plots:</p> <ul style="list-style-type: none"> - approximately 75% of the retail podium NLA is on a 99-year leasehold title commencing 1 November 1985 - the balance 25% on the 841-year leasehold title commencing 1 November 1985
Car Park Lots	326 car park lots located in Basements 2 to 4

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About OUE Commercial REIT

OUE C-REIT is a Singapore real estate investment trust listed on the Mainboard of the SGX-ST. It was established 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 (including real estate used primarily for office and/or retail purposes) in financial and business hubs within and outside of Singapore, as well as real estate-related assets.

OUE C-REIT's portfolio comprising OUE Bayfront in Singapore and Lippo Plaza in Shanghai, has a total asset value of about S\$1.7 billion as at 31 March 2015.

OUE C-REIT is managed by OUE Commercial REIT Management Pte. Ltd., which is a wholly-owned subsidiary of OUE Limited.

For more information, please visit www.ouect.com

About the Sponsor: OUE Limited

OUE Limited ("OUE") is a diversified real estate owner, developer and operator with a real estate portfolio located in prime locations in Asia and the USA. The group focuses its business 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.

For more information, please visit www.oue.com.sg.

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For further information and enquiries, please contact:

Elaine Cheong
Vice President, Investor Relations
OUE Commercial REIT Management Pte. Ltd.
Tel: +65 6809 8704
Email: elaine.cheong@ouect.com

IMPORTANT NOTICE

The value of units in OUE C-REIT ("Units") and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, 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 C-REIT is not necessarily indicative of the future performance of OUE C-REIT.

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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.

This press release may contain forward-looking statements that involve risks and uncertainties. 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. 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.