

Press Release

29 June 2015

Manager of



**Suntec REIT divests Park Mall for S\$411.8 million
Enters into joint venture to redevelop Park Mall**

Singapore, 29 June 2015 – ARA Trust Management (Suntec) Limited, the manager of Suntec Real Estate Investment Trust ("Suntec REIT", and the "Manager"), is pleased to announce that HSBC Institutional Trust Services (Singapore) Limited, as trustee of Suntec REIT, has entered into a conditional property sale agreement with Park Mall Pte. Ltd., for the sale of Park Mall at a price of S\$411.8 million which is based on the valuation of the property¹.

Suntec REIT acquired Park Mall in 2005 for S\$245.1 million². Park Mall is an integrated office, lifestyle and home furnishing mall situated within the Orchard Road shopping belt and the property is more than 40 years with remaining land lease tenure of 53 years.

Mr. Yeo See Kiat, Chief Executive Officer of the Manager, said, "The divestment is in line with Suntec REIT's proactive approach in reviewing and evaluating asset plans of its portfolio. The divestment will also allow Suntec REIT to free up capital, providing greater financial flexibility."

In conjunction with the divestment, Park Mall Investment Limited, a joint venture company of which Suntec REIT has a 30% interest, has been set up to redevelop Park Mall into a commercial development comprising two office blocks with an ancillary retail component.

Mr. Yeo said, "The redevelopment will unlock the underlying value of the property by further enhancing the gross floor area of the site. In addition, Suntec REIT will have the ability to own part of the redeveloped property by acquiring one office block upon completion."

Mr. Yeo added, "We may use part of the sale proceeds to mitigate the dip in DPU arising from the divestment."

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¹ As at 31 December 2014.

² Includes the purchase price of S\$15.1 million for two strips of land amounting to 1,316.2 sq m along Penang Road that were acquired in 2007 and 2008.

ABOUT SUNTEC REIT

Listed on 9 December 2004, Suntec REIT holds properties in Suntec City, Singapore's largest integrated commercial development (including one of Singapore's largest shopping mall), Park Mall, a one-third interest in One Raffles Quay, a one-third interest in Marina Bay Financial Centre Towers 1 and 2 and the Marina Bay Link Mall, and a 60.8% interest in Suntec Singapore Convention & Exhibition Centre. Suntec REIT holds a 100% interest in a commercial building located at 177 Pacific Highway, North Sydney Australia which is currently under development. Its aim is to invest in income-producing real estate which is primarily used for retail and/or office purposes. Suntec REIT is managed by an external manager, ARA Trust Management (Suntec) Limited. For more details, please visit www.suntecreit.com.

ABOUT ARA TRUST MANAGEMENT (SUNTEC) LIMITED

Suntec REIT is managed by ARA Trust Management (Suntec) Limited, a wholly-owned subsidiary of ARA Asset Management Limited ("ARA"), Asia's premier integrated real estate fund manager which is listed on the Main Board of the Singapore Exchange Securities Trading Limited since November 2007.

ARA currently manages real estate investment trusts ("REITs") and private real estate funds that are invested in the office, retail, logistics/industrial, hospitality and residential sectors in the Asia Pacific region, complemented by its in-house real estate management services and advisory services.

Established in 2002, to date it has over 1,100 professionals in 15 cities managing total assets in excess of S\$27 billion.

IMPORTANT NOTICE

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in Suntec REIT.

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. 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.

The past performance of Suntec REIT is not necessarily indicative of the future performance of Suntec REIT.

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