

**PRESS RELEASE**

For Immediate Release

OUE's attributable profit surges to S\$107.6 million in 3Q 2016

- *Positive contributions recorded across the Group's businesses and operations*
- *Contributing to the gain was the divestment of Crowne Plaza Changi Airport Extension to OUE Hospitality REIT in August 2016*

Financial Highlights

S\$ million	3Q 2016	3Q 2015	% Change	9 months ended 30 Sep		
				2016	2015	% Change
Revenue	419.1	99.0	>100.0	675.9	302.6	>100.0
Earnings before interest and tax	118.4	39.5	>100.0	225.2	104.5	>100.0
Other gains/(losses)	29.0	(1.3)	n.m.	51.9	50.6	2.5
Profit attributable to owners of the company	107.6	15.0	>100.0	141.6	75.9	86.6

n.m. - not meaningful

Singapore – 2 Nov 2016 - SGX Mainboard-listed integrated property developer OUE Limited ("OUE" or the "Group") today reported attributable profit of S\$107.6 million for the third quarter ended 30 September 2016 ("3Q 2016"), up from S\$15.0 million in the previous corresponding quarter ("3Q 2015").

This was achieved on the back of an increase in revenue by more than four times to S\$419.1 million, from S\$99.0 million in 3Q 2015. The robust performance for 3Q 2016 was underpinned mainly by contribution from the Property Development and Property Investments divisions.

For the Property Development division, the continued sales and marketing efforts of units at OUE Twin Peaks drove sales up in 3Q 2016, resulting in revenue contribution of S\$89.2 million. The revenue for 3Q 2016 also includes contribution from the divestment of Crowne Plaza Changi Airport Extension ("CPEX") to OUE Hospitality Real Estate Investment Trust ("OUE H-REIT") on 1 August 2016, for a consideration of S\$205.0 million. The net gain on divestment of CPEX was approximately S\$66.7 million after taking into account development and related costs of CPEX.

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For the Property Investments division, contribution rose 50.1% to S\$65.6 million, from S\$43.7 million in 3Q 2015, mainly due to the consolidation of revenue from One Raffles Place following the acquisition of additional interests in OUB Centre Limited in October 2015, which was previously equity-accounted.

Revenue for the Hospitality division remained in line at S\$52.4 million in 3Q 2016.

The newly operational OUE Skyspace at US Bank Tower in Los Angeles also contributed positively to the Group's revenue in 3Q 2016. Officially opened in June 2016, OUE Skyspace is the observation deck at US Bank Tower that offers visitors exhilarating, 360-degree views of Los Angeles from nearly 1,000 feet above ground.

Correspondingly, earnings before interest and tax rose to S\$118.4 million for 3Q 2016.

In addition to its strong operating performance, the Group also benefitted from other gains of almost S\$29.0 million, largely from the reversal of impairment losses of S\$15.1 million from the units sold at OUE Twin Peaks, resulting in an increase in the Group's attributable profit to S\$ 107.6 million for 3Q 2016.

Business Update

Looking forward, the Group remains focused on its asset enhancement initiatives at OUE Downtown and active lease management at US Bank Tower. On 7 October 2016, the Group signed a management agreement with Oakwood Asia Pacific Ltd to operate the new serviced residences, Oakwood Premier OUE Singapore, at OUE Downtown that is slated to open by mid-2017. As at 30 September 2016, OUE Downtown and US Bank Tower had committed office occupancy rates of 87.0% and 74.3%, respectively.

As at 30 September 2016, a total of 268 units in OUE Twin Peaks were sold through active marketing activities, and the Group will continue to drive sales of the project.

"We are pleased with our results this quarter as they reflect our ability to successfully unlock value from developed assets. With asset enhancement initiatives in the retail mall and serviced apartments at OUE Downtown near completion, we are well positioned to benefit from the further strengthening of our recurrent income streams," said Dr Stephen Riady, OUE's Executive Chairman.

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OUE LIMITED

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 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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