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(a real estate investment trust constituted on 10 October 2013 under the laws of the Republic of Singapore)

COMPLETION OF ACQUISITION OF AN INDIRECT INTEREST IN ONE RAFFLES PLACE, USE OF PROCEEDS FROM THE RIGHTS ISSUE AND PAYMENT OF ACQUISITION FEE UNITS BY WAY OF ISSUANCE OF UNITS IN OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST

1. COMPLETION OF ACQUISITION OF AN INDIRECT INTEREST IN ONE RAFFLES PLACE

Further to the announcement dated 10 June 2015 on OUE Commercial Real Estate Investment Trust's ("**OUE C-REIT**") acquisition of an indirect interest in One Raffles Place (the "**Property**") (the "**Acquisition**"), OUE Commercial REIT Management Pte. Ltd., as manager of OUE C-REIT (the "**Manager**") is pleased to announce that the Acquisition has been completed today.

The Acquisition was effected through OUE C-REIT's acquisition of the entire issued share capital of Beacon Property Holdings Pte. Ltd. ("**BPHPL**"), which holds an 83.33% interest in OUB Centre Limited ("**OUBC**"). BPHPL's 83.33% interest in OUBC gives OUE C-REIT an effective interest of 67.95% in the Property as OUBC owns 81.54% of the beneficial interest in the Property (the "**OUBC Interest**").

The purchase consideration payable to OUE Limited (the "**Vendor**") for the Acquisition (the "**Purchase Consideration**") is the net asset value ("**NAV**") of BPHPL Group¹ after taking into account the agreed value of S\$1,715.0 million for the OUBC Interest and the shareholder's loan to be repaid by BPHPL upon completion of the Acquisition. Subject to post-completion adjustments in relation to the NAV of BPHPL Group, the NAV of BPHPL Group is S\$680.4 million and the shareholder's loan to be repaid by BPHPL is S\$465.4 million.

¹ "**BPHPL Group**" refers to BPHPL and its 83.33% shareholding in OUBC as at the date of completion of the Acquisition.

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 Commercial Real Estate Investment Trust.

The NAV of BPHPL Group was paid to the Vendor in a combination of cash and convertible perpetual preferred units (“**CPPUs**”). In this regard, the Manager had issued 550,000,000 CPPUs at an issue price of S\$1.00 to Clifford Development Pte. Ltd. (a wholly-owned subsidiary of the Vendor) as part payment of the Purchase Consideration, and paid the balance amount of S\$130.4 million in cash. As stated in the Circular to Unitholders dated 1 July 2015 (the “**Unitholders’ Circular**”), the CPPUs will be classified as equity and the issue of CPPUs will not result in an increase in OUE C-REIT’s aggregate leverage under Appendix 6 of the Code of Collective Investment Schemes (the “**Property Funds Appendix**”).

2. CAPITALISATION OF BPHPL FOR REPAYMENT OF SHAREHOLDER’S LOAN

The Manager wishes to announce that OUE C-REIT has today subscribed for an additional ordinary share in BPHPL at an issue price equivalent to the shareholder’s loan amount of S\$465.4 million. Post-capitalisation, BPHPL will use S\$465.4 million to repay the shareholder’s loan to the Vendor.

3. USE OF PROCEEDS FROM THE RIGHTS ISSUE

Further to the announcement dated 29 June 2015 (the “**Launch Announcement**”) on the underwritten and renounceable rights issue of 393,305,817 new units in OUE C-REIT (the “**Rights Issue**”), the Manager wishes to announce that the gross proceeds of approximately S\$218.3 million raised from the Rights Issue have been utilised as follows:

- (i) approximately S\$209.3 million (equivalent to approximately 95.9% of the gross proceeds) to part finance the Purchase Consideration including the repayment of the outstanding shareholder’s loan at BPHPL;
- (ii) approximately S\$2.7 million (equivalent to approximately 1.2% of the gross proceeds) to pay the total costs and expenses relating to the Rights Issue; and
- (iii) approximately S\$6.3 million (equivalent to approximately 2.9% of the gross proceeds) to pay the stamp duty, professional and other fees and expenses incurred in connection with the Acquisition, the issue of the CPPUs and the Rights Issue (collectively, the “**Transactions**”).

The use of proceeds from the Rights Issue as described above is in accordance with its stated use and is materially² in accordance with the percentages allocated to such use.

4. PAYMENT OF ACQUISITION FEE BY WAY OF ISSUANCE OF UNITS IN OUE C-REIT

The Manager also wishes to announce that following the completion of the Acquisition, 14,663,132 Units (the “**Acquisition Fee Units**”) have been issued today to the Manager’s account, as payment of the acquisition fee of S\$10.7 million (the “**Acquisition Fee**”). As stated in the Unitholders’ Circular, the issue price of the Acquisition Fee Units is determined based on the theoretical ex-rights price of S\$0.731 per Unit in relation to the Rights Issue.

² The allocated percentages for sub-paragraphs (i), (ii) and (iii) were stated to be 94.0%, 1.6% and 4.4% respectively in the Launch Announcement. The difference is due to the lower costs, fees and expenses incurred by OUE C-REIT in relation to the Transactions, and hence a larger proportion of the proceeds was used towards the payment of the Purchase Consideration.

As the Acquisition constitutes an “interested party transaction” under the Property Funds Appendix, in accordance with paragraph 5.6 of the Property Funds Appendix, the Acquisition Fee must be paid in the form of Units which shall not be sold within one year from their date of issue.

With the above issue of the Acquisition Fee Units, the Manager holds an aggregate of 27,835,907 Units and the total number of Units in issue as at the date of this announcement is 1,283,535,907.

By Order of the Board

Ng Ngai
Company Secretary

OUE Commercial REIT Management Pte. Ltd.

(Registration Number: 201327018E)

(as manager of OUE Commercial Real Estate Investment Trust)

8 October 2015

IMPORTANT NOTICE

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

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, 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.

Investors 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 announcement is not an offer for sale of securities in the United States or elsewhere. The “nil-paid” Rights and Rights Units are not being registered under the Securities Act, and may not be offered or sold in the United States unless registered under the Securities Act or pursuant to an exemption from registration under the Securities Act. There will be no public offering of securities in the United States.