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Financial Results for the Period from 27 January 2014 to 31 March 2014

8 May 2014

Important Notice

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 (collectively, the “**Issue Managers**”) for the initial public offering of OUE Commercial REIT.

The Issue Managers assume no responsibility for the contents of this presentation.

This presentation shall be read in conjunction with OUE Commercial REIT’s financial results announcement dated 8 May 2014 published on SGXNet.

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

- Key Highlights
- Financial Performance and Capital Management
- Portfolio Performance
- Outlook
- Appendices

Key Highlights

Financial Highlights

- Amount available for distribution of S\$8.6 million¹ and DPU of 1.00 cents are respectively 3.6% and 4.2% ahead of Forecast²
- Driven primarily by higher revenue from Lippo Plaza and lower finance costs

Capital Management

- Aggregate leverage of 40.8% with average term of debt of 3.65 years
- About 50.3% of interest rate exposure is fixed for the next 3.78 years
- Average cost of debt of 2.47%

Portfolio Performance

- Renewed about 37% of leases expiring in 2014 with average office rental reversions of 13.9% at OUE Bayfront and 9.2% at Lippo Plaza
- Committed portfolio occupancy improved to 98.2%
- Portfolio weighted average lease to expiry of 2.8 years by gross rental income

¹ OUE C-REIT was incorporated on 10 October 2013 but was dormant until its listing on the Main Board of the Singapore Exchange Securities Trading Limited on 27 January 2014 ("Listing Date"). Amount available for distribution is for the period from 27 January 2014 to 31 March 2014

² Forecast for the period was derived by pro-rating the forecast for 2014 as disclosed in the prospectus dated 17 January 2014 (the "Prospectus")



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Financial Performance & Capital Management

Actual vs Forecast

For the period 27 Jan 2014¹ to 31 Mar 2014

	Actual	Forecast ²	Change
Gross Revenue (\$m)	13.8	13.7	+1.0%
Net Property Income (\$m)	10.3	10.2	+1.4%
Amount Available for Distribution (\$m)	8.6	8.3	+3.6%
DPU (cents)	1.00	0.96	+4.2%

- Higher gross revenue due to higher income from Lippo Plaza
- Amount available for distribution was 3.6% higher than Forecast due to higher revenue and lower finance costs arising from a lower loan quantum outstanding than estimated in the Forecast

¹ QUE C-REIT was incorporated on 10 October 2013 but was dormant until Listing Date

² Forecast for the period was derived by pro-rating the forecast for 2014 as disclosed in the Prospectus

Actual vs Forecast

For the period 27 Jan 2014¹ to 31 Mar 2014

S\$'000	Actual	Forecast ²	Change (%)
Gross revenue	13,819	13,687	1.0
Less property operating expenses	(3,502)	(3,517)	(0.4)
Net property income	10,317	10,170	1.4
Other income	1,257	1,133	10.9
Amortisation of income support	(1,189)	(1,189)	-
Manager's management fees ³	(892)	(902)	(1.1)
Net non-property expenses	(399)	(526)	(24.1)
Finance costs ⁴	(2,882)	(3,200)	(9.9)
Foreign exchange differences	(255)	-	NM ⁷
Total return before tax	5,957	5,486	8.6
Taxation	(39,038)	(39,465)	(1.1)
Net change in fair value of investment properties ⁵	283,077	285,144	(0.7)
Total return after tax	249,996	251,165	(0.5)
Distribution adjustments ⁶	(241,353)	(242,825)	(0.6)
Amount available for distribution to Unitholders	8,643	8,340	3.6

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² Forecast for the period was derived by pro-rating the forecast for 2014 as disclosed in the Prospectus

³ Includes accrual for performance fee for the period ended 31 March 2014, calculated as 25% of DPU growth over Forecast

⁴ Lower than Forecast due mainly to lower loan quantum outstanding than estimated in Forecast

⁵ Relates to the difference between the independent valuations as at 30 September 2013 and the acquisition costs of the investment properties

⁶ Includes non-tax deductible expenses, management fees paid in Units, trustee fees, change in fair value of investment properties, amortization of debt establishment costs and amortization of income support

⁷ NM: Not meaningful

Balance Sheet as at 31 March 2014

S\$'000	
Investment properties	1,580,618
Non-current assets	32,696
Current assets	54,549
Total Assets	1,667,863
Interest-bearing borrowings	665,572
Non-current liabilities	51,003
Current liabilities	33,354
Total Liabilities	749,929
Net Assets	917,934
Units in Issue ('000)	867,125
NAV per Unit	S\$1.06

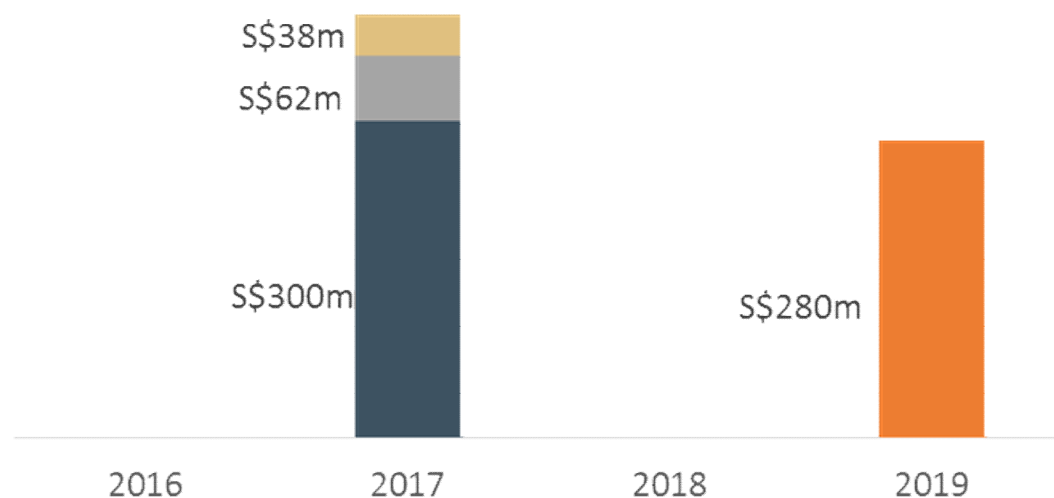
Capital Management

As at 31 March 2014

Aggregate Leverage	40.8%
Total debt¹	S\$680m comprising - S\$618m - RMB305m
Average cost of debt²	2.47%
Average term of debt	3.65 years
% fixed rate debt	50.3%
Average term of fixed rate debt	3.78 years
Interest service ratio	3.9 x

Debt Maturity Profile

■ SGD 3-yr Term Loan ■ SGD 5-yr Term Loan ■ RMB 3-yr Term Loan ■ SGD RCF



¹Based on SGD:CNY exchange rate of 1:4.883

²Including amortization of debt establishment costs



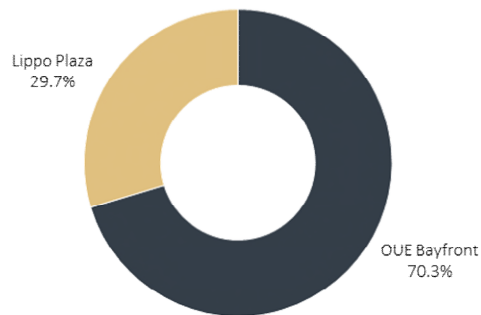
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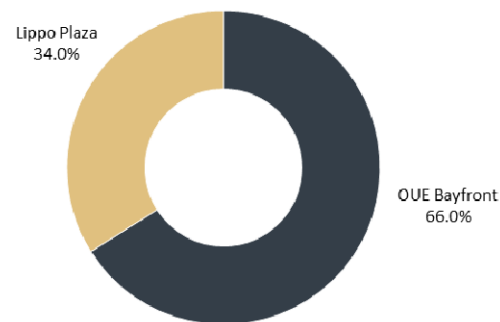
Portfolio Performance

Portfolio Composition

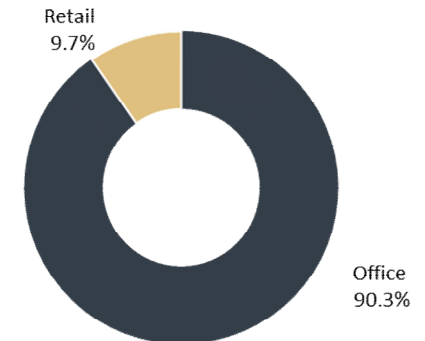
By Asset Value¹



By Gross Rental Income²



By Segment Revenue²



¹ Based on independent valuations as at 30 September 2013 and SGD:CNY exchange rate of 1:4.883

² For the period from 27 January 2014 to 31 March 2014 and based on SGD:CNY exchange rate of 1:4.808

Improved Portfolio Occupancy

	30 Sep 2013	31 Dec 2013	31 Mar 2014	Market
OUE Bayfront	96.1%	100.0%	100.0%	95.7% ¹
Lippo Plaza	88.2%	91.3%	96.5%	92.1% ²
Portfolio	92.0%	95.6%	98.2%	-

¹ For OUE Bayfront, Singapore core CBD office occupancy rate of 95.7% is used as market comparative. Source : CBRE

² For Lippo Plaza, Shanghai CBD grade A office occupancy rate of 92.1% is used as market comparative. Source : Colliers International

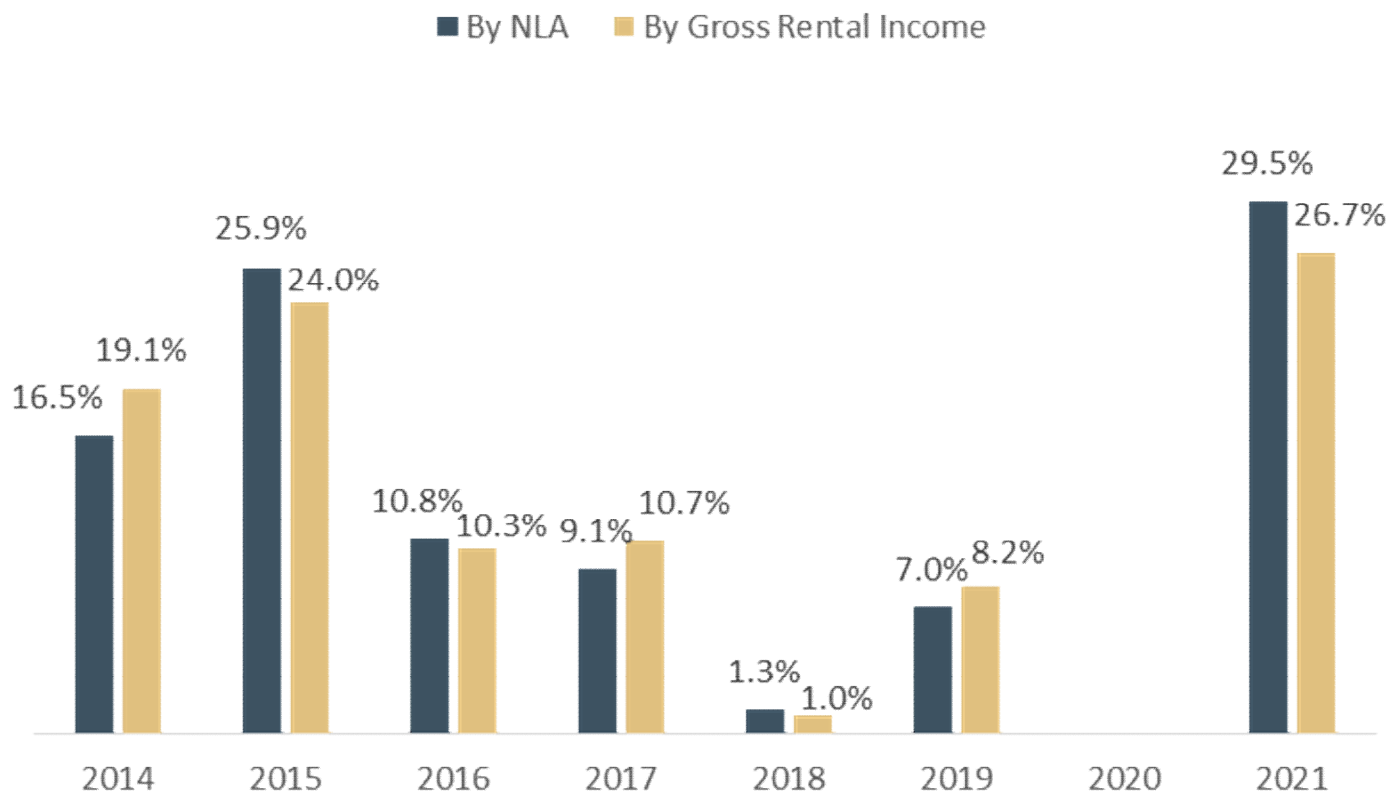
Positive Rental Reversions for Office Leases

	Renewal rates vs preceding rents	Committed rents ¹	Passing rent for property
OUE Bayfront	13.9%	S\$10.50 – S\$12.50 psf/mth	S\$10.61 psf/mth
Lippo Plaza	9.2%	RMB8.00 – RMB11.00 psm/day	RMB9.10 psm/day

¹ Committed rents for both renewal leases and new leases

Lease Expiry Profile as at 31 March 2014

OUE Bayfront



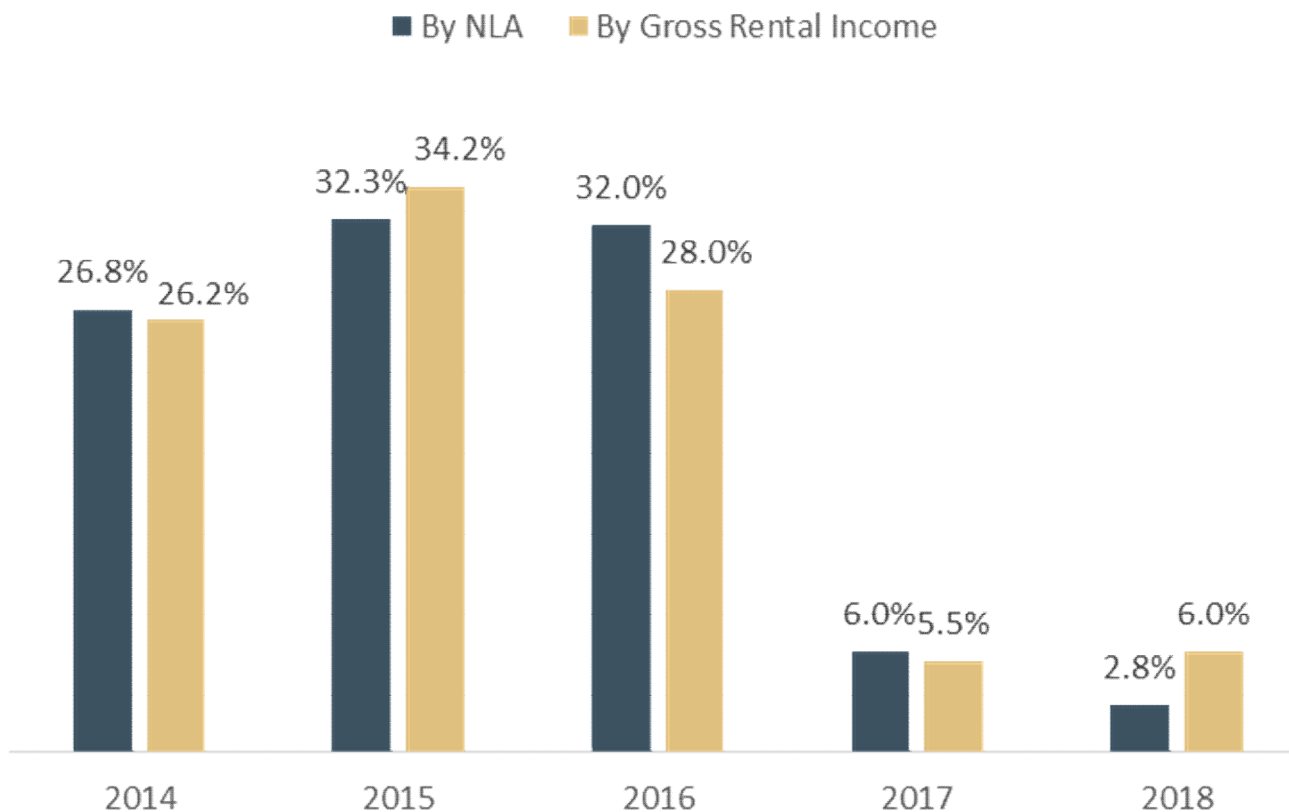
WALE¹ of 3.6 years by NLA² and 3.5 years by Gross Rental Income

¹ WALE: Weighted average lease term to expiry

²NLA: Net lettable area

Lease Expiry Profile as at 31 March 2014

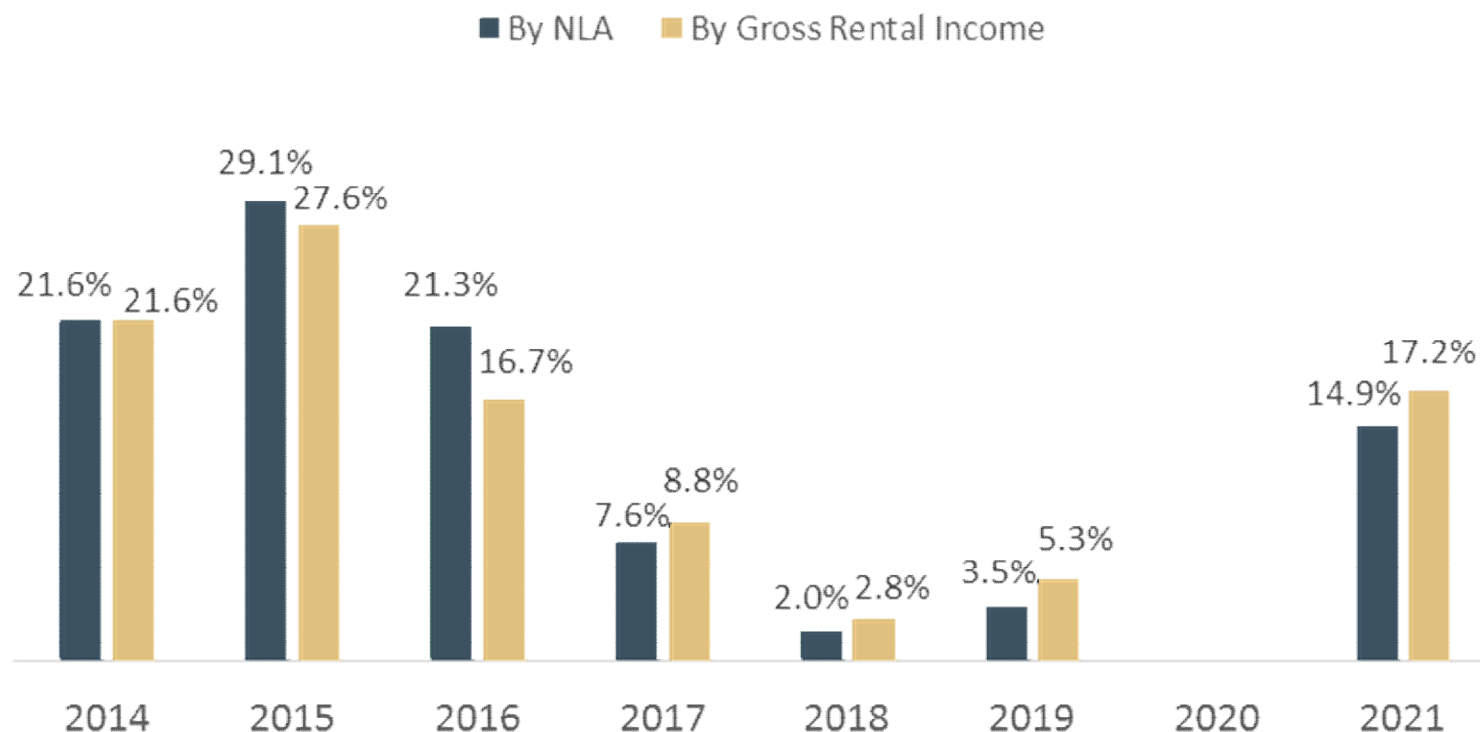
Lippo Plaza



WALE of 1.6 years by both NLA and Gross Rental Income

Lease Expiry Profile as at 31 March 2014

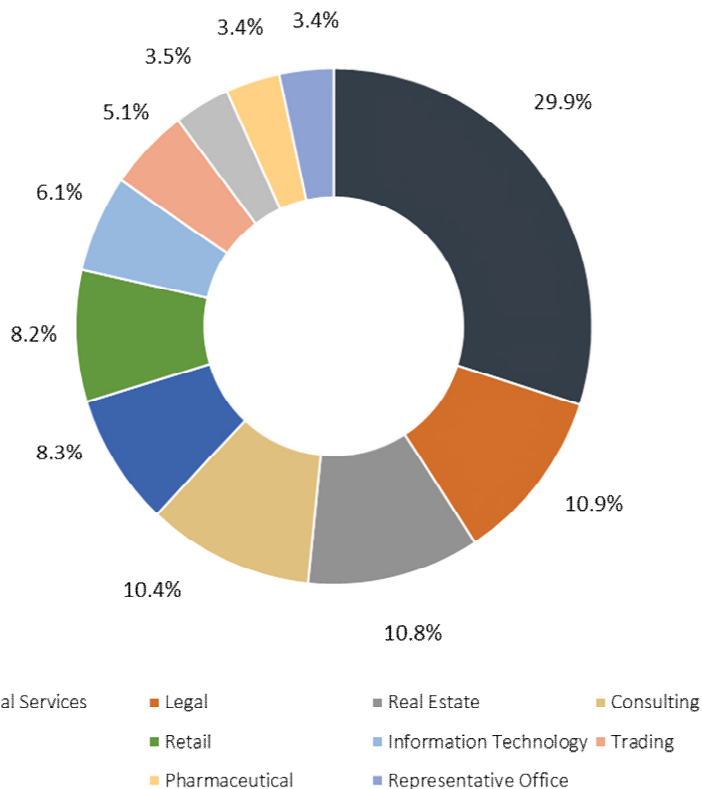
Portfolio



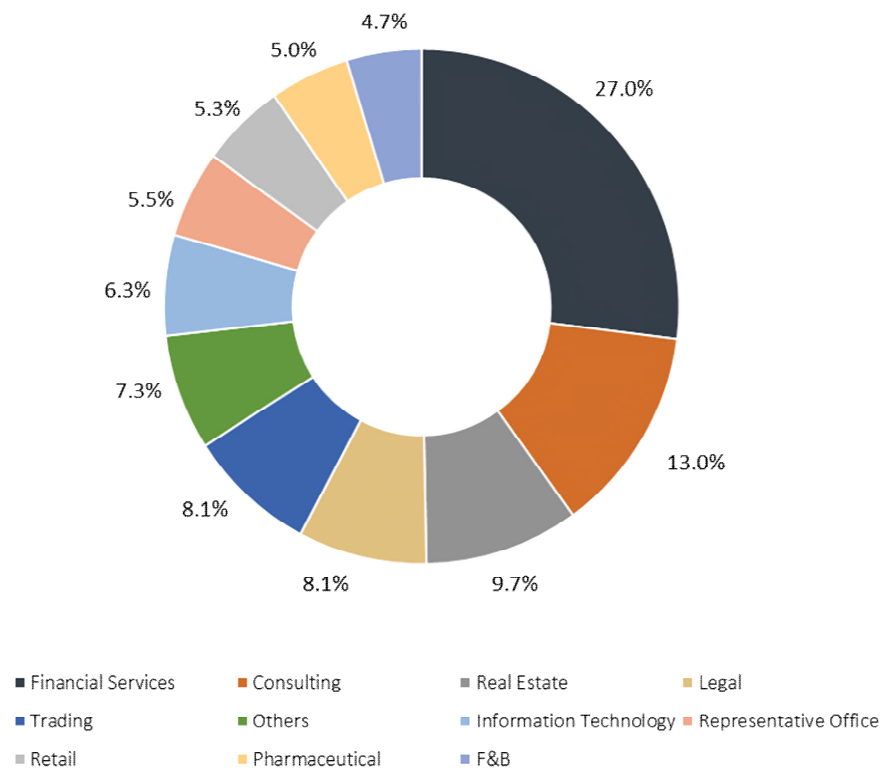
WALE of 2.6 years by NLA and 2.8 years by Gross Rental Income

Diversified Tenant Base

Gross Rental Income by Trade Sector¹



NLA by Trade Sector¹



¹ For the month of March 2014. "Others" include manufacturing, logistics, food processing, advertising/publishing and natural resources



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Outlook

Outlook and Prospects

- The Ministry of Trade and Industry of Singapore (“MTI”) reported that the Singapore economy grew by 5.1% on a year-on-year basis in 1Q 2014. For 2014, it is expected to grow moderately between 2.0% to 4.0%¹ given the uncertainties in the global economy
- According to CBRE², Singapore Grade A office rentals rose by 5.1% quarter-on-quarter in 1Q 2014, led by healthy leasing demand. Positive rental growth is expected in 2014, given the limited pipeline of Grade A office supply over the next few years
- In China, given the government’s focus on reform to raise the quality of economic progress, growth is expected to be measured. The International Monetary Fund (“IMF”)³ projects 7.5% GDP growth of 2014 for China, moderating from the 7.7% growth achieved in 2013
- For 2014, Colliers International⁴ expects the overall vacancy rate of Shanghai CBD office to edge down due to lower expected supply compared to historical five-year average supply and net absorption figures. Rental growth is expected to be sustained by demand from financial and professional services sectors, although the rate of growth could be constrained by competition from the decentralised market
- Barring any unforeseen event and weakening of global economy, the Manager expects to meet the forecast distribution for FY2014 as disclosed in the Prospectus

¹MTI press release, 20 February 2014

²CBRE press release, 31 March 2014

³World Economic Outlook Update , 21 January 2014

⁴Shanghai Property Market Annual Review and Outlook, 2013-2014



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Appendices

- Overview of OUE C-REIT
- OUE C-REIT's Portfolio
- Singapore Office Market

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 has a total asset value of about S\$1.6 billion comprising :
OUE Bayfront, a prime Grade A office building located at Collyer Quay between the Marina Bay downtown and Raffles Place in Singapore; and
Lippo Plaza, a Grade A commercial building located in Huangpu, one of Shanghai's established core CBD location

Strong Sponsor

- Committed Sponsor in OUE Limited which has retained a stake of 47.8% 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

Market Capitalisation and Yield

- S\$688.5 million based on closing price of S\$0.795 as at 31 March 2014
- Annualised distribution yield of 7.2% based on closing price of S\$0.795

Premium Portfolio of Assets

OUE Bayfront



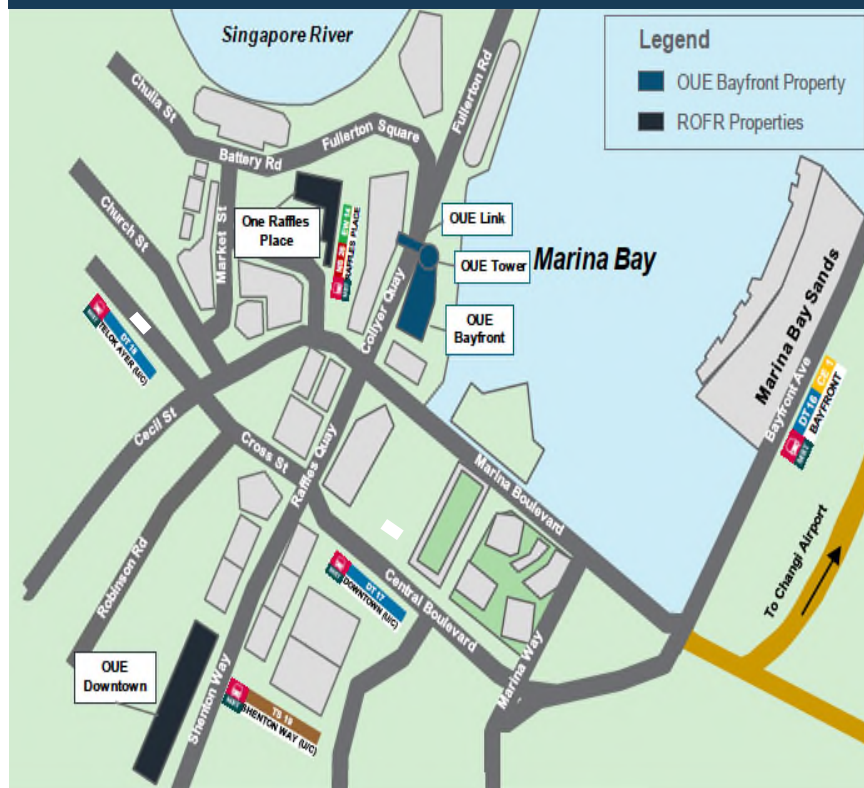
Located at Collyer Quay in Singapore's CBD, comprising:

- 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: 35,551.7
	Retail: 1,830.1
	Overall: 37,381.8
Committed Occupancy as at 31 Mar 2014	Office : 100.0%
	Retail : 100.0%
	Overall : 100.0%
Number of Car Park Lots	245
Valuation at 30 September 2013	S\$1,135m
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

Vantage Position in Singapore's CBD

Location within the Singapore CBD



Landmark commercial property

- ✓ One of the latest premium office buildings located at Collyer Quay between the new Marina Bay downtown and Raffles Place
- ✓ Excellent connectivity and convenient access to major transportation network
 - Convenient access to Raffles Place MRT station
 - Within walking distance to the recently completed Downtown MRT station, which serves the Downtown line
 - Convenient access to expressways such as the Ayer Rajah Expressway, the new Marina Coastal Expressway, the Kallang-Paya Lebar Expressway and the East Coast Parkway, providing swift access to Changi Airport and the city centre
- ✓ Panoramic views of Marina Bay

Premium Portfolio of Assets

Lippo Plaza



- Grade-A 36 storey commercial building located in the commercial district of Huangpu in Central Shanghai and used for office and retail purposes
- Also comprises 3 basement levels consisting of commercial space and car park lots, but excludes (i) Unit 2 in Basement 1, (ii) the 12th, 13th, 15th and 16th floors, and (iii) 4 car park lots
- OUE C-REIT owns approximately 90% of Lippo Plaza by GFA

Lippo Plaza	
GFA (sq m)	58,521.5
NLA (sq m)	Office: 33,538.6
	Retail: 5,693.4
	Overall: 39,232.0
Committed Occupancy as at 31 Mar 2014	Office : 95.9% Retail : 99.7% Overall : 96.5%
Number of Car Park Lots	168
Valuation at 30 September 2013	RMB2,337m / RMB39,934 psm (\$478.6m) ¹
Land Use Right Expiry	50 yrs from 2 July 1994
Completion Year	1999

¹ Based on SGD: CNY exchange rate of 1 : 4.883 as at 31 March 2014



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Grade A Building in Prime Commercial District

The Huangpu District



Immediate Vicinity of the Lippo Plaza Property



Located Within Shanghai's Established Core CBD

- ✓ Grade-A commercial building located in Huangpu, Central Shanghai, one of the main commercial districts in Puxi
- ✓ The Huaihai Road precinct, in which the Lippo Plaza Property is situated, is a prime retail area in Shanghai
- ✓ Excellent connectivity and convenient access to major transportation network
 - 5 minute walk to South Huangpi Road Metro Station
 - Convenient access to major expressways
- ✓ Main tenants in the area comprise MNCs, financial institutions and state-owned enterprises

Other Office Properties

- 1 Hong Kong New World Tower
- 2 Hong Kong Plaza
- 3 Shui On Plaza
- 4 Shanghai Central Plaza
- 5 Shanghai Times Square

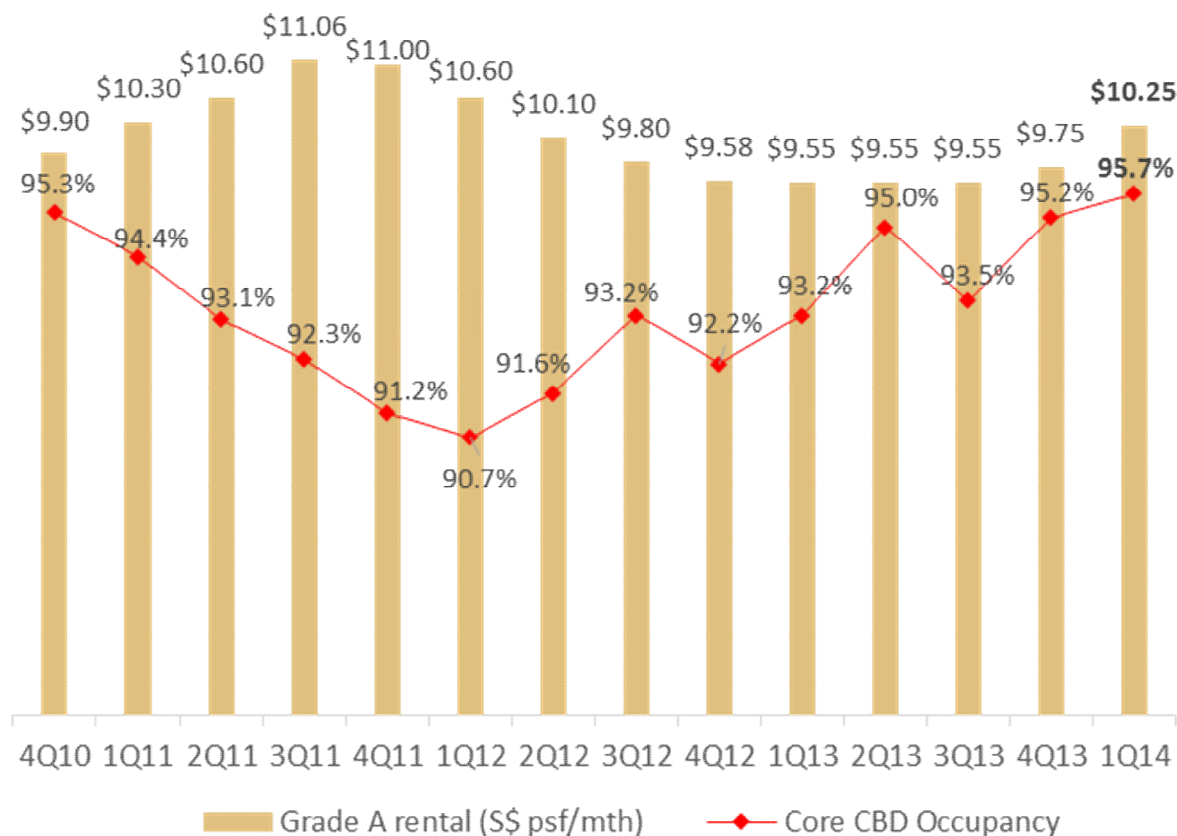
Other Retail Properties

- 1 Pacific Department Store
- 2 Huaihai Mall
- 3 Infinity Plaza
- 4 K11 mall

Metro Line 1

Singapore Office Market

- Average core CBD occupancy increased to 95.7% as at 1Q 2014
- Grade A office rental rose 5.1% quarter-on-quarter to S\$10.25 psf/mth





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Thank you