



SPH REIT FINANCIAL STATEMENT ANNOUNCEMENT * FOR THE PERIOD ENDED 29 FEBRUARY 2016

Constituted in the Republic of Singapore pursuant to a Trust Deed dated 9 July 2013.

Introduction

The investment strategy of SPH REIT is to invest, directly or indirectly, in a portfolio of income-producing real estate which is used primarily for retail purposes in Asia Pacific, as well as real estate-related assets.

The portfolio of SPH REIT comprises the following two high quality and well located commercial properties in Singapore:

- Paragon, a premier upscale retail mall and medical suite/office property, well known for its upscale mall housing many luxury brands, located in the heart of Orchard Road; and
- The Clementi Mall, a mid-market suburban mall located in the centre of Clementi town, an established residential estate in the west of Singapore.

Review by auditors

The financial information as set out in this announcement for the second quarter and half year ended 29 February 2016 has been extracted from the interim financial information for the second quarter and half year ended 29 February 2016, which has been reviewed by our auditors, KPMG LLP*, in accordance with the Singapore Standard on Review Engagement 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

* *Please refer to the attached review report.*

TABLE OF CONTENTS

Item No.	Description	Page No.
1	Statement of Total Return and Distribution Statement	3 - 4
	Balance Sheet	5
	Borrowing	6
	Statement of Cash Flows	7
	Statement of Changes in Unitholders' Funds	8
	Details of Changes in Issued and Issuable Units	8 - 9
2 & 3	Audit Statement	9
4 & 5	Changes in Accounting Policies	9-10
6	Earnings ("EPU") and Distribution ("DPU")	11
7	Net Asset Value ("NAV")	11
8	Review of Performance	12
9	Variance from Prospect Statement	12
10	Outlook and Prospects	13
11 - 12	Distribution	14 - 15
13	Segment Results	16
14	General mandate relating to Interested Person Transactions	16
15	Confirmation Pursuant to Rule 705(5) of the Listing Manual	17

For The Period Ended 29 February 2016

1(a) An income statement together with a comparative statement for the corresponding period of the immediately preceding financial year

1(a)(i) Statement of Total Return

	2Q 2016	2Q 2015	Change	1H 2016	1H 2015	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	53,090	52,454	1.2	105,185	103,089	2.0
Property operating expenses ¹	(12,481)	(12,199)	(2.3)	(24,472)	(24,961)	2.0
Net property income	40,609	40,255	0.9	80,713	78,128	3.3
Income support ²	478	756	(36.8)	1,222	1,624	(24.8)
Amortisation of intangible asset	(478)	(756)	36.8	(1,222)	(1,624)	24.8
Manager's management fees	(4,086)	(4,027)	(1.5)	(8,145)	(7,958)	(2.3)
Trust expenses ³	(469)	(469)	-	(939)	(937)	(0.2)
Finance income ⁴	235	160	46.9	476	252	88.9
Finance costs	(6,041)	(4,986)	21.2	(12,028)	(9,951)	20.9
Total return before taxes and distribution	30,248	30,933	(2.2)	60,077	59,534	0.9
Less: income tax	-	-	NM	-	-	NM
Total return after taxes and before distribution	30,248	30,933	(2.2)	60,077	59,534	0.9

Notes:

1. Included additional one-off provision for prior year property tax of S\$0.9 million based on the assessment received.
2. Income support relates to the top-up payment from the vendors of The Clementi Mall pursuant to the Deed of Income Support.
3. Includes recurring trust expenses such as trustee's fees, listing fees, valuation fees, audit and tax adviser's fees, cost associated with the preparation of annual reports, and investor communication costs.
4. Finance income represent the interest income from bank deposits.

NM Not Meaningful

For The Period Ended 29 February 2016

1(a)(ii) Distribution Statement

	2Q 2016	2Q 2015	Change	1H 2016	1H 2015	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total return after taxes and before distribution	30,248	30,933	(2.2)	60,077	59,534	0.9
Add: Non-tax deductible items ¹	6,177	5,409	14.2	11,656	10,839	7.5
Income available for distribution	36,425	36,342	0.2	71,733	70,373	1.9
Distribution to Unitholders²	35,531	35,303	0.6	69,227	68,792	0.6

Notes:

1. Non-tax deductible items refer to the Manager's management fees paid/payable in units, trustee's fees, amortisation of income support, amortisation of debt issuance costs and adjustment for additional property tax provision that relates to prior year.
2. For 2Q 2016 and 1H 2016, the distribution to unitholders were 97.5% and 96.5% respectively of taxable income available for distribution.

For The Period Ended 29 February 2016

1(b)(i) A balance sheet together with a comparative statement as at the end of the immediately preceding financial year

Balance Sheet	As at 29 Feb 16	As at 31 Aug 15
	S\$'000	S\$'000
Non-current assets		
Plant and equipment	1,027	1,044
Investment properties ¹	3,216,832	3,212,500
Intangible asset ²	8,178	9,400
Derivative financial instruments ³	-	3,949
	3,226,037	3,226,893
Current assets		
Trade and other receivables	4,950	5,008
Derivative financial instruments ³	230	365
Cash and cash equivalents	75,572	77,355
	80,752	82,728
Total assets	3,306,789	3,309,621
Non-current liabilities		
Borrowing	596,209	595,565
Derivative financial instruments ³	1,381	-
Trade and other payables	36,961	36,685
	634,551	632,250
Current liabilities		
Borrowing	249,704	249,330
Trade and other payables	30,821	30,231
	280,525	279,561
Total liabilities	915,076	911,811
Net assets attributable to Unitholders	2,391,713	2,397,810

Notes:

1. The fair value of Paragon and The Clementi Mall as at 31 August 2015 was S\$2,641.0 million and S\$571.5 million respectively. The fair value of the investment properties were based on independent valuations conducted by DTZ Debenham Tie Leung (SEA) Pte Ltd ("DTZ").
2. Intangible asset relates to income support provided by the vendors of The Clementi Mall.
3. Derivative financial instruments represent the fair value as at balance sheet date of the interest rate swap contracts to swap floating rates for fixed interest rates.

1(b)(ii) Borrowing

Secured borrowing

	As at 29 Feb 16 S\$'000	As at 31 Aug 15 S\$'000
Amount repayable within one year	249,704	249,330
Amount repayable after one year	596,209	595,565
Total	845,913	844,895

Details of collateral

On 24 July 2013, SPH REIT established a term loan facility available for drawdown up to the amount of S\$975 million. As at the balance sheet date, the amount drawn down was S\$850 million. The amount of S\$845.9 million represented the loan stated at amortised cost. The loan has repayment terms ranging from three to seven years, of which S\$250 million is repayable on 25 July 2016, S\$135 million on 26 March 2018, S\$185 million on 24 July 2018 and S\$280 million on 24 July 2020.

Management is currently in negotiation with several potential lenders and assessing refinancing proposals for the 2016 tranche due in July.

The term loan is secured by way of a first legal mortgage on Paragon, first legal charge over the tenancy account and sales proceeds account for Paragon, and an assignment of certain insurances taken in relation to Paragon.

For The Period Ended 29 February 2016

1(c) A cash flow statement together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Cash Flows

	2Q 2016 S\$'000	2Q 2015 S\$'000	1H 2016 S\$'000	1H 2015 S\$'000
Cash flows from operating activities				
Total return for the period	30,248	30,933	60,077	59,534
Adjustments for:				
Manager's fee paid/payable in units	4,086	4,027	8,145	7,958
Depreciation of plant and equipment	52	34	99	68
Finance income	(235)	(160)	(476)	(252)
Finance costs	6,041	4,986	12,028	9,951
Amortisation of intangible asset	478	756	1,222	1,624
Operating cash flow before working capital changes	40,670	40,576	81,095	78,883
Changes in operating assets and liabilities				
Trade and other receivables	518	(135)	70	419
Trade and other payables	2,381	241	192	(353)
Net cash from operating activities	43,569	40,682	81,357	78,949
Cash flows from investing activities				
Additions to investment properties	(2,142)	(3,804)	(3,444)	(4,955)
Purchase of plant and equipment	(72)	(12)	(82)	(12)
Interest received	203	133	455	215
Net cash used in investing activities	(2,011)	(3,683)	(3,071)	(4,752)
Cash flows from financing activities				
Distribution to unitholders	(33,696)	(33,489)	(68,854)	(68,437)
Interest paid	(5,201)	(5,034)	(11,215)	(9,557)
Net cash used in financing activities	(38,897)	(38,523)	(80,069)	(77,994)
Net increase/(decrease) in cash and cash equivalents	2,661	(1,524)	(1,783)	(3,797)
Cash and cash equivalents at beginning of the period	72,911	88,385	77,355	90,658
Cash and cash equivalents at end of the period	75,572	86,861	75,572	86,861

For The Period Ended 29 February 2016

1(d)(i) Statement of Changes in Unitholders' Funds

	2Q 2016	2Q 2015	1H 2016	1H 2015
	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at beginning of period	2,393,399	2,349,533	2,397,810	2,353,066
<u>Operations</u>				
Total return for the period / net increase in assets resulting from operations	30,248	30,933	60,077	59,534
<u>Hedging reserve</u>				
Effective portion of changes in fair value of cash flow hedges ¹	(2,324)	4,686	(5,465)	3,569
<u>Unitholders' transactions</u>				
Distribution to unitholders	(33,696)	(33,489)	(68,854)	(68,437)
Manager's fee paid/payable in units	4,086	4,027	8,145	7,958
	(29,610)	(29,462)	(60,709)	(60,479)
Balance as at end of period	2,391,713	2,355,690	2,391,713	2,355,690

Note:

1. This relates to interest rate swap arrangements.

1(d)(ii) Details of Changes in Issued and Issuable Units

	2Q 2016	2Q 2015	1H 2016	1H 2015
	No. of units	No. of units	No. of units	No. of units
Issued units as at beginning of period	2,533,520,750	2,517,955,179	2,529,309,302	2,514,276,488
Manager's fee paid in units ¹	4,392,146	3,703,989	8,603,594	7,382,680
Issuable units:				
Manager's fee payable in units ²	4,397,231	3,845,216	4,397,231	3,845,216
Total issued and issuable units as at end of period	2,542,310,127	2,525,504,384	2,542,310,127	2,525,504,384

For The Period Ended 29 February 2016

1(d)(ii) Details of Changes in Issued and Issuable Units (Cont'd)

Notes:

1. For 1H 2016, there were 4,392,146 units, and 4,211,448 units issued to the REIT Manager as satisfaction of management fee for the 1Q 2016 ended 30 November 2015 and 4Q 2015 ended 31 August 2015, respectively. For 1H 2015, there were 3,703,989 units, and 3,678,691 units issued to the REIT Manager as satisfaction of management fee for the 1Q 2015 ended 30 November 2014 and 4Q 2014 ended 31 August 2014, respectively.
2. There are 4,397,231 units to be issued to the REIT Manager as satisfaction of management fee incurred for the current quarter. This is calculated based on volume weighted average traded price for the last 10 business days for the respective periods, as provided in the Trust Deed. As at 28 February 2015, there were 3,845,216 units to be issued to the REIT Manager as satisfaction of management fee for 2Q 2015.

1(d)(iii) To show the total number of issued units excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 29 February 2016, SPH REIT had 2,537,912,896 units (31 August 2015: 2,529,309,302 units).

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The financial information for the second quarter and half year ended 29 February 2016 as set out in this announcement has been extracted from the interim financial information for the second quarter and half year ended 29 February 2016, which has been reviewed by our auditors, KPMG LLP, in accordance with the Singapore Standard on Review Engagement 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Please refer to the attached auditor's review report.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation have been consistently applied during the current reporting period.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The financial information has been prepared in accordance with the same accounting policies and methods of computation adopted in the audited financial statements of the previous financial year, except for new or amended accounting policies adopted in the Statement of Recommended Accounting Practice ("RAP") 7 "Reporting Framework for Unit Trusts" which became effective from this financial year.

The adoption of the new/revised accounting policies has not resulted in any substantial changes to SPH REIT's accounting policies nor any significant impact on these financial statements.

For The Period Ended 29 February 2016

6. Earnings per unit (“EPU”) and Distribution per unit (“DPU”)

	2Q 2016	2Q 2015	1H 2016	1H 2015
<u>Earnings per unit</u>				
Weighted average number of units ¹	2,537,960,692	2,521,701,423	2,535,752,852	2,521,640,035
Total return for the period after tax (S\$'000)	30,248	30,933	60,077	59,534
EPU (basic and diluted) (cents)	1.19	1.23	2.37	2.36
<u>Distribution per unit</u>				
Total number of units in issue at end of period	2,537,912,896	2,521,659,168	2,537,912,896	2,521,659,168
Distribution to Unitholders ² (\$'000)	35,531	35,303	69,227	68,792
DPU ³ (cents)	1.40	1.40	2.73	2.73

Notes:

1. The weighted average number of units was based on the number of units in issue and issuable units to the Manager.
2. As shown in 1(a)(ii) Distribution Statement.
3. The DPU was computed based on the number of units entitled to distribution.

7. Net Asset Value (“NAV”) per unit

	As at 29 Feb 16	As at 31 Aug 15
NAV per unit ¹ (S\$)	0.94	0.95

Note:

1. The NAV per unit was computed based on the number of units in issue as at balance sheet date.

8. Review of Performance

Review of Results for the Second Quarter ended 29 February 2016 (“2Q 2016”) compared with the Second Quarter ended 28 February 2015 (“2Q 2015”)

Gross revenue for 2Q 2016 grew by S\$0.6 million (1.2%) to S\$53.1 million, on the back of higher rental income achieved by both Paragon and The Clementi Mall.

Property operating expenses of S\$12.5 million was S\$0.3 million (2.3%) higher than 2Q 2015, mainly due to additional one-off provision for prior year property tax based on the assessment received. The increase was cushioned by savings in utilities from lower tariff rate and more efficient consumption for the new chillers, as well as lower marketing expenses.

Consequently, net property income (“NPI”) of S\$40.6 million for 2Q 2016 was S\$0.3 million (0.9%) above 2Q 2015. Excluding the effect of prior year provision, NPI was S\$41.5 million, an increase of S\$1.3 million (3.2%) compared to 2Q FY15.

Total return for Q2 2016 decreased by S\$0.7 million (2.2%) to S\$30.2 million, mainly due to higher finance cost.

Income available for distribution of S\$36.4 million for 2Q 2016 was marginally higher by S\$0.1 million (0.2%) compared to 2Q 2015.

Review of Results for the Half Year ended 29 February 2016 (“1H 2016”) compared with the Half Year ended 28 February 2015 (“1H 2015”)

Gross revenue for 1H 2016 was up S\$2.1 million (2.0%) to S\$105.2 million. The positive results were driven by rental uplift for Paragon and The Clementi Mall of 4.3% and 3.1% respectively for new or renewed leases in 1H 2016. Paragon achieved a moderate rental reversion notwithstanding the prevailing weak retail sentiment.

Property operating expenses was S\$24.5 million, S\$0.5 million (2.0%) lower against 1H 2015. Savings in utilities and lower marketing expenses were partially offset by higher property tax and property management fees.

Consequently, NPI of S\$80.7 million for 1H 2016, was S\$2.6 million (3.3%) above the same period last year. NPI margin of 76.7% was achieved, better than 1H 2015 of 75.8%.

Total return increased by S\$0.5 million (3.1%) to S\$60.1 million for 1H 2016. This was mainly attributable to higher NPI and finance income partially offset by increase in finance cost. The average cost of debt was 2.84% p.a. for 1H 2016.

Income available for distribution of S\$71.7 million for 1H 2016 was S\$1.4 million (1.9%) higher compared to 1H 2015.

9. Variance from Prospect Statement

No forecast was made previously.

10. A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

According to the Ministry of Trade and Industry (MTI), the Singapore economy grew by 2.0% in 2015, slower than the 3.3% in 2014. The global economic outlook has softened since the start of the year and global growth for 2016 is now expected to be only marginally better than in 2015. Downside risks have also increased. Domestically, manpower constraints will continue to weigh on the growth of labour-intensive services sectors such as food services. Against this backdrop, MTI expects the Singapore economy to grow at a modest pace of between 1.0% and 3.0% in 2016.

The retail environment remains challenging. Based on preliminary figures released by the Singapore Department of Statistics (DOS), the retail sales index (excluding motor vehicles) declined year-on-year (y-o-y) by 3.7% in Q4 2015, reversing the growth of 0.5% in Q3 2015. The decline in sales in Q4 2015 was marginal for supermarkets and department stores, while larger decline was registered in other segments such as wearing apparel and footwear (2.6%), watches and jewellery (3.7%), food and beverage (11.5%).

According to the Singapore Tourism Board (STB), the international visitor arrivals (IVA) grew y-o-y by 0.9% to 15.2 million in 2015. Tourism receipts fell by 6.8% to S\$22.0 billion, largely due to decline in business travel segment. STB expects modest growth in 2016 amidst global uncertainties and increasing regional competition.

SPH REIT has a portfolio of two high quality and well-positioned retail properties in prime locations. Paragon had remained resilient and turned in a steady performance through previous economic cycles. The Clementi Mall continued to attract steady footfall. The Manager will continue to proactively manage the properties to deliver sustainable returns while seeking new opportunities to create value for unitholders.

11. Distribution

(a) Current Financial Period

Any distribution recommended for the current financial period reported on? **Yes.**

Name of distribution:	Distribution for the period from 1 December 2015 to 29 February 2016
Distribution Type:	Taxable Income
Distribution rate per unit (cents):	1.40 cents per unit
Par value of units:	Not applicable.
Tax rate:	<p>Taxable Income Distribution:</p> <p>Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distribution. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns.</p> <p>Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%. This is based on the existing income tax concession for listed REITs on distributions made to non-resident non-individual investors during the period from 18 February 2005 to 31 March 2020.</p> <p>All other investors will receive their distributions after deduction of tax at the rate of 17%.</p>

11. **Distribution**

(b) Corresponding Period of the Immediately Preceding Financial Year

Any distribution declared for the corresponding period of the immediately preceding financial year?

Name of distribution:	Distribution for the period from 1 December 2014 to 28 February 2015
Distribution Type:	Taxable Income
Distribution rate per unit (cents):	1.40 cents per unit
Par value of units:	Not applicable.
Tax rate:	<p>Taxable Income Distribution:</p> <p>Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distribution. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns.</p> <p>Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%. This is based on the existing income tax concession for listed REITs on distributions made to non-resident non-individual investors during the period from 18 February 2005 to 31 March 2015.</p> <p>All other investors will receive their distributions after deduction of tax at the rate of 17%.</p>

(c) Date payable

The date the distribution is payable: Tuesday, 13 May 2016.

(d) Record date

The Transfer Books and Register of Unitholders of SPH REIT will be closed at 5.00pm on 12 April 2016 for purposes of determining each Unitholder's entitlement to SPH REIT distribution.

12. **If no distribution has been declared (recommended), a statement to that effect**

Not applicable.

For The Period Ended 29 February 2016

13. Segment Results

	2Q 2016	2Q 2015	Change	1H 2016	1H 2015	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<u>Gross Revenue</u>						
Paragon	43,224	42,720	1.2	85,553	83,538	2.4
The Clementi Mall	9,866	9,734	1.4	19,632	19,551	0.4
Total	53,090	52,454	1.2	105,185	103,089	2.0
<u>Net Property Income</u>						
Paragon	33,337	33,261	0.2	66,436	64,252	3.4
The Clementi Mall	7,272	6,994	4.0	14,277	13,876	2.9
Total	40,609	40,255	0.9	80,713	78,128	3.3

14. **If the group has obtained a general mandate from shareholders for Interested Person Transactions, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

SPH REIT has not obtained a general mandate from unitholders for Interested Person Transactions.

This 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, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of SPH REIT Management Pte. Ltd. (as the manager of SPH REIT) on future events.

BY ORDER OF THE BOARD

Lim Wai Pun
Khor Siew Kim

Company Secretaries

Singapore,
4 April 2016



SPH REIT Management Pte. Ltd.

290 Orchard Road

#14-07 Paragon

Singapore 238859

Tel: +65 6303 8870

Fax: +65 6303 8871

www.sphreit.com.sg

Co. Regn No. 201305497E

CONFIRMATION BY THE BOARD Pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Manager which may render the financial results of the Trust (comprising the balance sheet, statement of total return and distribution statement, statement of changes in Unitholders' funds and cashflow statement, together with their accompanying notes) as at 29 February 2016, to be false or misleading in any material respect.

On behalf of the Directors

A handwritten signature in blue ink, appearing to read 'Soon Tit Koon', written over a light blue horizontal line.

SOON TIT KOON
Director

A handwritten signature in black ink, appearing to read 'Anthony Mallek', written over a light blue horizontal line.

ANTHONY MALLEK
Director

Singapore,
4 April 2016



KPMG LLP
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581

Telephone +65 6213 3388
Fax +65 6225 0984
Internet www.kpmg.com.sg

**The Board of Directors
SPH REIT Management Pte Ltd
(in its capacity as Manager of SPH REIT)**

**Review of the Interim Financial Information
For the Second Quarter and Half Year Ended 29 February 2016**

We have reviewed the accompanying Balance Sheet and Portfolio Statement of SPH REIT (the "Trust") as at 29 February 2016, the Statement of Total Return, Distribution Statement, Statement of Changes in Unitholders' Funds and Statement of Cash Flows of the Trust for the Second Quarter and Half Year ended 29 February 2016 ("Interim Financial Information"), as set out on pages 3 to 12.

The Manager of the Trust is responsible for the preparation and presentation of this Interim Financial Information in accordance with the provisions of the Statement of Recommended Accounting Practice ("RAP") 7 Reporting Framework for Unit Trusts relevant to interim financial information. Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Interim Financial Information is not prepared, in all material respects, in accordance with the provisions of RAP 7 Reporting Framework for Unit Trusts relevant to interim financial information, issued by the Institute of Singapore Chartered Accountants.

Restriction on use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Interim Financial Information for the purpose of assisting the Trust to meet the requirements of the Singapore Exchange Limited Listing Manual and for no other purpose. Our report is included in the Trust's announcement of its interim financial information for the information of its unitholders. We do not assume responsibility to anyone other than the Trust for our work, for our report, or for the conclusions we have reached in our report.

KPMG HF

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
4 April 2016