

Financial Statements and Related Announcement::Third Quarter Results

Issuer & Securities

Issuer/ Manager	SPH REIT MANAGEMENT PTE. LTD.
Securities	SPH REIT - SG2G02994595 - SK6U
Stapled Security	No

Announcement Details

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Submitted By (Co./ Ind. Name)	Lim Wai Pun
Designation	Company Secretary
Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)	<p>The Announcement, Press Release and Results Presentation are attached.</p> <p>Sponsorship Statement: Credit Suisse (Singapore) Limited was the sole global coordinator and issue manager for the initial public offering of SPH REIT (the "Offering"). Credit Suisse (Singapore) Limited, DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited were the joint bookrunners and underwriters of the Offering (collectively, the "Joint Bookrunners"). The Joint Bookrunners for the Offering assume no responsibility for the contents of this announcement.</p>

Additional Details

For Financial Period Ended	31/05/2015
Attachments	<p>SPH REIT - SGX Announcement Q3FY15.pdf</p> <p>SPH REIT - Press Release Q3FY15.pdf</p> <p>SPH REIT - Results Presentation Slides Q3FY2015.pdf</p> <p>Total size =4182K</p>

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SPH REIT FINANCIAL STATEMENT ANNOUNCEMENT *
FOR THE PERIOD ENDED 31 MAY 2015

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* *Please refer to the attached auditors' review report.*

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

Credit Suisse (Singapore) Limited was the sole global coordinator and issue manager for the initial public offering of SPH REIT (the "Offering"). Credit Suisse (Singapore) Limited, DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited were the joint bookrunners and underwriters of the Offering (collectively, the "Joint Bookrunners").

The Joint Bookrunners for the Offering assume no responsibility for the contents of this announcement.

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 third quarter and year-to-date ended 31 May 2015 has been extracted from the interim financial information for the third quarter and year-to-date 31 May 2015, 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 auditors' review report.***

For The Period Ended 31 May 2015

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

	3Q 2015	3Q 2014	Change	YTD 3Q 2015	YTD 3Q 2014 ¹	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	51,235	50,406	1.6	154,324	151,168	2.1
Property operating expenses	(11,908)	(12,691)	(6.2)	(36,869)	(38,521)	(4.3)
Net property income	39,327	37,715	4.3	117,455	112,647	4.3
Income support ²	640	1,077	(40.6)	2,264	3,112	(27.2)
Amortisation of intangible asset	(640)	(1,077)	(40.6)	(2,264)	(3,112)	(27.2)
Manager's management fees	(4,025)	(3,879)	3.8	(11,982)	(11,561)	3.6
Trust expenses ³	(471)	(545)	(13.6)	(1,408)	(1,557)	(9.6)
Finance income	210	69	204.3	461	141	227.0
Finance costs	(5,767)	(5,011)	15.1	(15,718)	(14,790)	6.3
Total return before taxes and distribution	29,274	28,349	3.3	88,808	84,880	4.6
Less: income tax	-	-	NM	-	-	NM
Total return after taxes and before distribution	29,274	28,349	3.3	88,808	84,880	4.6

Notes:

1. The comparative figures were for the period from 1 September 2013 to 31 May 2014. These figures were extracted from SPH REIT's results announcement which was reviewed by KPMG LLP for the period from 24 July 2013 (listing date) to 31 May 2014.
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.

NM Not Meaningful

For The Period Ended 31 May 2015

1(a)(ii) Distribution Statement

	3Q 2015 S\$'000	3Q 2014 S\$'000	Change %	YTD 3Q 2015 S\$'000	YTD 3Q 2014 S\$'000	Change %
Total return after taxes and before distribution	29,274	28,349	3.3	88,808	84,880	4.6
Add: Non-tax deductible items ¹	5,338	5,591	(4.5)	16,177	16,543	(2.2)
Income available for distribution	34,612	33,940	2.0	104,985	101,423	3.5
Distribution to Unitholders²	34,094	33,940	0.5	102,886	101,423	1.4

Notes:

1. Non-tax deductible items refer to the Manager's management fees paid/payable in units, trustee's fees, amortisation of income support and amortisation of debt issuance costs.
2. For 3Q 2015 and YTD 3Q 2015, SPH REIT had retained S\$0.5 million and S\$2.1 million of taxable income available for distribution respectively, for future distribution to unitholders.

For The Period Ended 31 May 2015

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 31 May 15	As at 31 Aug 14
	S\$'000	S\$'000
Non-current assets		
Plant and equipment	1,049	1,055
Investment properties ¹	3,169,945	3,159,000
Intangible asset ²	10,144	12,408
	3,181,138	3,172,463
Current assets		
Trade and other receivables	5,509	5,912
Cash and cash equivalents	80,094	90,658
	85,603	96,570
Total assets	3,266,741	3,269,033
Non-current liabilities		
Borrowing	844,381	843,125
Derivative financial instruments ³	4,513	8,758
Trade and other payables	27,720	28,953
	876,614	880,836
Current liabilities		
Trade and other payables	35,767	35,131
	35,767	35,131
Total liabilities	912,381	915,967
Net assets attributable to Unitholders	2,354,360	2,353,066

Notes:

- Investment properties are accounted for at fair value based on the latest valuation conducted by DTZ Debenham Tie Leung (SEA) Pte Ltd ("DTZ") as at 31 August 2014, and additional capital expenditures incurred from 1 September 2014 to 31 May 2015.
- Intangible asset relates to income support provided by the vendors of The Clementi Mall.
- 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 31 May 15 S\$'000	As at 31 Aug 14 S\$'000
Amount repayable within one year	-	-
Amount repayable after one year	844,381	843,125

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\$844.4 million represented the loan stated at amortised cost. The tenures of certain loan tranches, totalling S\$135 million, were recently revised for the purpose of rebalancing costs and average maturity. After the revision, the loan tranche of S\$250 million is now 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.

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.

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

	3Q 2015 S\$'000	3Q 2014 S\$'000	YTD 3Q 2015 S\$'000	YTD 3Q 2014 S\$'000
Cash flows from operating activities				
Total return for the period	29,274	28,349	88,808	84,880
Adjustments for:				
Manager's fee paid/payable in units	4,025	3,879	11,982	11,561
Depreciation of plant and equipment	47	34	115	85
Finance income	(210)	(69)	(461)	(141)
Finance costs	5,767	5,011	15,718	14,790
Amortisation of intangible asset	640	1,077	2,264	3,112
Operating cash flow before working capital changes	39,543	38,281	118,426	114,287
Changes in operating assets and liabilities				
Trade and other receivables	46	(870)	465	10,702
Trade and other payables	(715)	2,034	(1,069)	7,461
Net cash from operating activities	38,874	39,445	117,822	132,450

For The Period Ended 31 May 2015

1(c) Statement of Cash Flows (Cont'd)

	3Q 2015 S\$'000	3Q 2014 S\$'000	YTD 3Q 2015 S\$'000	YTD 3Q 2014 S\$'000
Cash flows from investing activities				
Capital expenditure on investment properties	(5,606)	(764)	(10,561)	(1,907)
Purchase of plant and equipment	(21)	(17)	(33)	(158)
Interest received	171	76	386	134
Net cash used in investing activities	(5,456)	(705)	(10,208)	(1,931)
Cash flows from financing activities				
Issue expenses paid	-	-	-	(8,959)
Distribution to unitholders ¹	(35,303)	(34,840)	(103,740)	(81,359)
Payment of transaction costs related to borrowing ²	(203)	-	(203)	-
Interest paid	(4,679)	(4,428)	(14,235)	(13,371)
Net cash used in financing activities	(40,185)	(39,268)	(118,178)	(103,689)
Net (decrease)/increase in cash and cash equivalents	(6,767)	(528)	(10,564)	26,830
Cash and cash equivalents at beginning of the period	86,861	88,230	90,658	60,872
Cash and cash equivalents at end of the period	80,094	87,702	80,094	87,702

Note:

1. Distribution to unitholders for YTD 3Q 2015 was for the 4Q 2014 ended 31 August 2014 of S\$34.9 million, 1Q 2015 ended 30 November 2014 of S\$33.5 million, and 2Q 2015 ended 28 February 2015 of S\$35.3 million. Distribution for YTD 3Q 2014 was for SPH REIT's inaugural distribution of S\$46.5 million for the period 24 July 2013 (listing date) to 30 November 2013 and 2Q 2014 ended 28 February 2014 of S\$34.8 million.
2. This relates to upfront fees paid for revision to the tenures of the existing loan facility. Please refer to paragraph 1(b)(ii) Borrowing.

For The Period Ended 31 May 2015

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

	3Q 2015	3Q 2014	YTD 3Q 2015	YTD 3Q 2014
	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at beginning of period	2,355,690	2,255,647	2,353,066	2,243,788
<u>Operations</u>				
Total return for the period / net increase in assets resulting from operations	29,274	28,349	88,808	84,880
<u>Hedging reserve</u>				
Movement in hedging reserve ¹	674	(1,914)	4,244	(8,020)
<u>Unitholders' transactions</u>				
Issue expenses	-	-	-	271
Distribution to unitholders ²	(35,303)	(34,840)	(103,740)	(81,359)
Manager's fee paid/payable in units	4,025	3,879	11,982	11,561
	(31,278)	(30,961)	(91,758)	(69,527)
Balance as at end of period	2,354,360	2,251,121	2,354,360	2,251,121

Notes:

1. This relates to interest rate swap arrangements.
2. Please refer to 1(c) Statement of Cash Flows [Note 1].

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

	3Q 2015	3Q 2014	YTD 3Q 2015	YTD 3Q 2014
	No. of units	No. of units	No. of units	No. of units
Issued units as at beginning of period	2,521,659,168	2,506,494,120	2,514,276,488	2,500,995,000
Issue of new units:				
Manager's fee paid in units ¹	3,845,216	3,980,929	11,227,896	9,480,049
Issuable units:				
Manager's fee payable in units ²	3,804,918	3,801,439	3,804,918	3,801,439
Total issued and issuable units as at end of period	2,529,309,302	2,514,276,488	2,529,309,302	2,514,276,488

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

Notes:

1. For YTD 3Q 2015, there were 3,845,216 units, 3,703,989 units, and 3,678,691 units issued to the REIT Manager as satisfaction of management fee for the 2Q 2015 ended 28 February 2015, 1Q 2015 ended 30 November 2014 and 4Q 2014 ended 31 August 2014, respectively. For YTD 3Q 2014, there were 3,980,929 units, and 5,499,120 units issued to the REIT Manager as satisfaction of management fee for the 2Q 2014 ended 28 February 2014, and period 24 July 2013 (listing date) to 30 November 2013.
2. There are 3,804,918 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 31 May 2014, there were 3,801,439 units to be issued to the REIT Manager as satisfaction of management fee for 3Q 2014.

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 31 May 2015, SPH REIT had 2,525,504,384 units (31 August 2014: 2,514,276,488 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 third quarter ended 31 May 2015 as set out in this announcement has been extracted from the interim financial information for the third quarter ended 31 May 2015, 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.

For The Period Ended 31 May 2015

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 period, 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.

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

	3Q 2015	3Q 2014	YTD 3Q 2015	YTD 3Q 2014
<u>Earnings per unit</u>				
Weighted average number of units ¹	2,525,545,297	2,510,515,925	2,521,748,026	2,506,592,174
Total return for the period after tax (\$’000)	29,274	28,349	88,808	84,880
EPU (basic and diluted) (cents)	1.16	1.13	3.52	3.39
<u>Distribution per unit</u>				
Total number of units in issue at end of period	2,525,504,384	2,510,475,049	2,525,504,384	2,510,475,049
Distribution to Unitholders ² (\$’000)	34,094	33,940	102,886	101,423
DPU ³ (cents)	1.35	1.35	4.08	4.04

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 31 May 15	As at 31 Aug 14
NAV per unit ¹ (S\$)	0.93	0.93

Note:

1. The NAV per unit was computed based on the number of units in issue at the end of the quarter.

8. Review of Performance

Review of Results for the Third Quarter ended 31 May 2015 (“3Q 2015”) compared with the Third Quarter ended 31 May 2014 (“3Q 2014”)

Gross revenue for 3Q 2015 was up S\$0.8 million (1.6%) to S\$51.2 million, on the back of higher rental income achieved by both Paragon and The Clementi Mall.

Property operating expenses of S\$11.9 million was S\$0.8 million (6.2%) lower than 3Q 2014. Lower maintenance cost and savings in utilities were partially offset by higher property taxes.

Consequently, net property income (“NPI”) of S\$39.3 million for 3Q 2015 was S\$1.6 million (4.3%) higher than 3Q 2014. Total return for 3Q 2015 was S\$29.3 million, an increase of S\$0.9 million (3.3%) against the same quarter last year. The improvement was attributable to the higher NPI and finance income partially offset by higher finance cost and manager's fees.

Income available for distribution of S\$34.6 million for 3Q 2015 was S\$0.7 million (2.0%) above 3Q 2014.

Review of Results for the Year-to-date ended 31 May 2015 (“YTD 3Q 2015”) compared with the Year-to-date ended 31 May 2014 (“YTD 3Q 2014”)

Gross revenue for YTD 3Q 2015 was up S\$3.1 million (2.1%) to S\$154.3 million. The healthy results was driven by good progress in leasing activities. The portfolio average rental reversion was 9.2% for YTD 3Q 2015.

Property operating expenses was S\$1.7 million (4.3%) lower against YTD 3Q 2014. This was largely due to lower maintenance, utilities and marketing cost partially offset by higher property tax and property management fees.

Consequently, NPI of S\$117.5 million for YTD 3Q 2015, was S\$4.8 million (4.3%) higher than the same period last year. NPI margin of 76.1% was achieved, better than YTD 3Q 2014 of 74.5%.

Total return for YTD 3Q 2015 was S\$88.8 million, an increase of S\$3.9 million (4.6%) against the corresponding period last year. This was mainly attributable to higher NPI and finance income partially offset by higher finance cost and manager's fees. Finance cost was S\$0.9 million (6.3%) higher as the average cost of debt as at 31 May 2015 was 2.55% compared to last year of 2.33%.

Income available for distribution of S\$105.0 million for YTD 3Q 2015 was S\$3.6 million (3.5%) higher compared to YTD 3Q 2014.

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

The Singapore economy grew by 2.6% year-on-year in the first quarter of 2015. The global economic outlook has remained broadly unchanged since the start of the year, with global growth expected to improve marginally in 2015 as compared to 2014. Domestic labour market is expected to remain tight and consequently, labour-intensive sectors such as retail and food services may see their growth weighed down by manpower constraints. Against this backdrop, the Ministry of Trade and Industry has maintained the 2015 growth forecast for Singapore economy at 2% to 4%.

The retail environment remains challenging. Based on figures released by Singapore Department of Statistics, the monthly retail sales index (excluding motor vehicles) declined year-on-year by 0.4% in November 2014, 3.2% in December 2014, 3.4% in March 2015, and 0.7% in April 2015. The months of January and February 2015 were excluded as the fluctuations were mainly due to different timing for Chinese New Year in 2014 and 2015.

According to Singapore Tourism Board (STB) statistics, international visitor arrivals continue to decline at 5.4% year-on-year for the first four months of 2015. In view of a challenging year ahead for the tourism sector, STB launched the Golden Jubilee campaign and partnered more than 40 stakeholders to offer deals and experiences as part of the S\$20 million marketing outreach in seven key markets. STB has forecast visitor arrivals to grow between 0% and 3%, and tourist receipts to grow between 0% and 2% in 2015.

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 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 March 2015 to 31 May 2015
Distribution Type:	Taxable Income
Distribution rate per unit (cents):	1.35 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 March 2014 to 31 May 2014
Distribution Type:	Taxable Income
Distribution rate per unit (cents):	1.35 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: Friday, 14 August 2015.

(d) Record date

The Transfer Books and Register of Unitholders of SPH REIT will be closed at 5.00pm on 15 July 2015 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 31 May 2015

13. Segment Results

	3Q 2015	3Q 2014	Change	YTD 3Q 2015	YTD 3Q 2014	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<u>Gross Revenue</u>						
Paragon	41,502	40,925	1.4	125,040	122,633	2.0
The Clementi Mall	9,733	9,481	2.7	29,284	28,535	2.6
Total	51,235	50,406	1.6	154,324	151,168	2.1
<u>Net Property Income</u>						
Paragon	32,217	31,042	3.8	96,470	92,509	4.3
The Clementi Mall	7,110	6,673	6.5	20,985	20,138	4.2
Total	39,327	37,715	4.3	117,455	112,647	4.3

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,
7 July 2015



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 audited 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 31 May 2015, to be false or misleading in any material respect.

On behalf of the Directors

A handwritten signature in blue ink, appearing to read 'George'.

LEONG HORN KEE
Chairman

A handwritten signature in blue ink, appearing to read 'Anthony'.

ANTHONY MALLEK
Director

Singapore,
7 July 2015



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 Third Quarter and Year-To-Date Ended 31 May 2015

We have reviewed the accompanying Balance Sheet and Portfolio Statement of SPH REIT (the "Trust") as at 31 May 2015, the Statement of Total Return, Distribution Statement, Statement of Changes in Unitholders' Funds and Statement of Cash Flows of the Trust for the Third Quarter and Year-To-Date ended 31 May 2015 ("Interim Financial Information"), as set out on pages FS1 to FS11.

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.

A handwritten signature in black ink, appearing to read 'Kulup'.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
7 July 2015



SPH REIT's 3Q 2015 Net Property Income increased 4.3% year-on-year

- 3Q 2015 DPU was maintained at 1.35 cents, same as last year
- YTD 3Q 2015 portfolio average rental reversion of 9.2%
- Resilient portfolio occupancy of 99.8%

SINGAPORE, July 7, 2015 – SPH REIT Management Pte. Ltd. (“SPH RM” or the “Manager”), the Manager of SPH REIT, reported that SPH REIT’s gross revenue for the third quarter ended 31 May 2015 (“3Q 2015”) improved by \$0.8m (1.6%) to \$51.2m, on the back of higher rental income in both Paragon and The Clementi Mall. Net property income of \$39.3m for 3Q 2015 was \$1.6m (4.3%) higher than the same quarter last year.

Income available for distribution to unitholders was \$34.6m for 3Q 2015, an increase of 2.0% year-on-year. Distribution per unit (“DPU”) for 3Q 2015 was maintained at 1.35 cents, same as last year. The aggregate DPU of 4.08 cents for the year-to-date ended 31 May 2015 (“YTD 3Q 2015”) was higher than last year by 1.0%. The 3Q 2015 distribution will be paid to unitholders on 14 August 2015.

Steady and resilient operational performance

Paragon's occupancy was 99.8% as at 31 May 2015, after an unexpected lease termination of an office unit. However, Paragon is now fully committed. The Clementi Mall remained fully leased.

Paragon continues to achieve consistently robust performance with rental uplift of 9.8% for new or renewed leases in the YTD 3Q 2015. The Clementi Mall recorded a negative rental reversion of 11.4% on 3.4% of total net lettable area, as it continues to balance the tenancy mix and strengthen the offering to a wider base of shoppers.

Capital Management

During the quarter, SPH REIT revised the maturity profile of the existing loan facility for the purpose of rebalancing costs and average maturity. Certain loan tranches maturing in July 2018 and July 2020, totalling \$135 million, were revised to a 3-year maturity period ending in March 2018. The weighted average term to maturity was 3.2 years as at 31 May 2015. At the same time, to mitigate exposure to interest rate risk, SPH REIT entered into interest rate swaps to fix an amount of \$255 million and increased the percentage of total borrowing on fixed interest rate basis from 54.7% to 84.7%. It registered gearing level of 26.0% and average cost of debt of 2.55% as at 31 May 2015.

Ms Susan Leng, CEO of SPH REIT Management Pte. Ltd., said, “SPH REIT has continued its resilient performance amid challenging retail environment. Our asset enhancement program will create additional lettable space which enables us to work with some tenants to expand their presence thereby strengthening their positions in Singapore. We also took this opportunity to introduce new tenants to refresh the mall’s offering and to enhance shoppers’ experience. We remain focused on our strategy to continually revitalise tenant mix, thereby maintaining relevance and elevating the positioning of the properties. Barring any unforeseen circumstances, the two properties are expected to remain resilient and turn in a steady performance.”

Summary Results of SPH REIT

	3Q 2015 \$'000	3Q 2014 \$'000	Change %
Gross revenue	51,235	50,406	1.6
Net property income	39,327	37,715	4.3
Income available for distribution	34,612	33,940	2.0
Distribution to Unitholders ¹	34,094	33,940	0.5
Distribution per unit (cents)	1.35	1.35	-

Note:

1. For 3Q FY15, SPH REIT had retained S\$0.5 million of taxable income available for distribution, for future distribution to unitholders.

	YTD 3Q 2015 \$'000	YTD 3Q 2014 \$'000	Change %
Gross revenue	154,324	151,168	2.1
Net property income	117,455	112,647	4.3
Income available for distribution	104,985	101,423	3.5
Distribution to Unitholders ¹	102,886	101,423	1.4
Distribution per unit (cents)	4.08	4.04	1.0
Annualised distribution yield (%) Based on \$1.040 per unit (closing price on 29 May 2015)	5.25	5.32	(1.3)

Note:

1. For YTD 3Q FY15, SPH REIT had retained S\$2.1 million of taxable income available for distribution, for future distribution to unitholders.

Credit Suisse (Singapore) Limited was the sole global coordinator and issue manager for the initial public offering of SPH REIT (the "Offering"). Credit Suisse (Singapore) Limited, DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited were the joint bookrunners and underwriters of the Offering (collectively, the "Joint Bookrunners").

The Joint Bookrunners for the Offering assume no responsibility for the contents of this announcement.

For further information and enquiries, please contact:

Chin Soo Fang
Head
Corporate Communications & CSR
Singapore Press Holdings
Tel: +65 6319 1216
Email: soofang@sph.com.sg

Soon Suet Har
Chief Financial Officer &
Head of Investor Relations
SPH REIT Management Pte. Ltd.
Tel: +65 6303 8879
Email: ssuethar@sphreit.com.sg

ABOUT SPH REIT

SPH REIT is a Singapore-based real estate investment trust established principally 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.

Its portfolio of properties comprises a 99-year leasehold interest in Paragon commencing on the date of listing of SPH REIT and a 99-year leasehold interest in The Clementi Mall commencing on 31 August 2010. Valued at S\$3.16 billion with an aggregate net lettable area of approximately 900,000 sq ft, the properties have a committed occupancy of 100% and have a diverse and high quality tenant base of about 440 local and international retailers and medical specialists.

Visit SPH REIT's website at www.sphreit.com.sg for more details.

ABOUT THE REIT MANAGER: SPH REIT MANAGEMENT PTE. LTD.

SPH REIT is managed by SPH REIT Management Pte. Ltd., a wholly-owned subsidiary of Singapore Press Holdings Limited. The Manager's key objective for SPH REIT is to provide Unitholders with regular and stable distributions, and sustainable long-term growth in DPU and NAV per Unit, while maintaining an appropriate capital structure.

ABOUT THE SPONSOR: SINGAPORE PRESS HOLDINGS

Incorporated in 1984, main board-listed Singapore Press Holdings Ltd (SPH) is Asia's leading media organisation, engaging minds and enriching lives across multiple languages and platforms, ranging from print, digital, radio and out-of-home media.

SPH owns award-winning newspapers, magazines and best-selling books in both print and digital editions, as well as online classified businesses in the region. In addition, SPH has two English radio stations and one Chinese radio station, an out-of-home digital advertising unit, a regional events and conferences arm, and runs a chain of modern retail convenience stores. SPH also has a 20 per cent stake in MediaCorp TV Holdings Pte Ltd, which operates free-to-air channels 5, 8 and U, and a 40 per cent stake in MediaCorp Press Limited, which publishes the free newspaper, Today.

SPH owns 70 per cent of SPH REIT, which comprises Paragon, a premier upscale retail mall and medical suite/office property in Orchard Road and The Clementi Mall, a mid-market suburban mall. SPH's latest retail development is The Seletar Mall located in Sengkang.

For more information, please visit www.sph.com.sg.

Important Notice

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.



3Q FY15 Financial Results

7 July 2015



Disclaimer

This presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in SPH REIT (“Units”). The value of Units and the income derived from them may fall as well as 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 SPH REIT is not necessarily indicative of its future performance. This presentation may also 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. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

This presentation shall be read in conjunction with SPH REIT’s financial results for the third quarter and year-to-date ended 31 May 2015 in the SGXNET announcement.

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Credit Suisse (Singapore) Limited was the sole global coordinator and issue manager for the initial public offering of SPH REIT (the “Offering”). Credit Suisse (Singapore) Limited, DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited were the joint bookrunners and underwriters of the Offering (collectively, the “Joint Bookrunners”).

The Joint Bookrunners for the Offering assume no responsibility for the contents of this announcement.

Key highlights

- 3Q 2015 DPU was maintained at 1.35 cents, same as last year
- YTD 3Q FY15 DPU of 4.08 cents was higher than last year by 1.0%
- Annualised distribution yield of 5.25% (based on closing price of \$1.040 per unit on 29 May 2015)
- Healthy portfolio rental reversion of 9.2%
- Revitalise tenant mix
- Strong balance sheet, with gearing at 26.0%

3Q FY15 DPU maintained at 1.35 cents

	3Q FY15 S\$'000	3Q FY14 S\$'000	Change %
Gross revenue	51,235	50,406	1.6%
Property expenses	(11,908)	(12,691)	(6.2%)
Net property income (NPI)	39,327	37,715	4.3%
Income available for distribution	34,612	33,940	2.0%
Distribution to Unitholders ^(a)	34,094	33,940	0.5%
Distribution per unit (DPU) (cents)	1.35	1.35	-

Note:

(a) For 3Q FY15, SPH REIT had retained S\$0.5 million of taxable income available for distribution, for future distribution to unitholders.

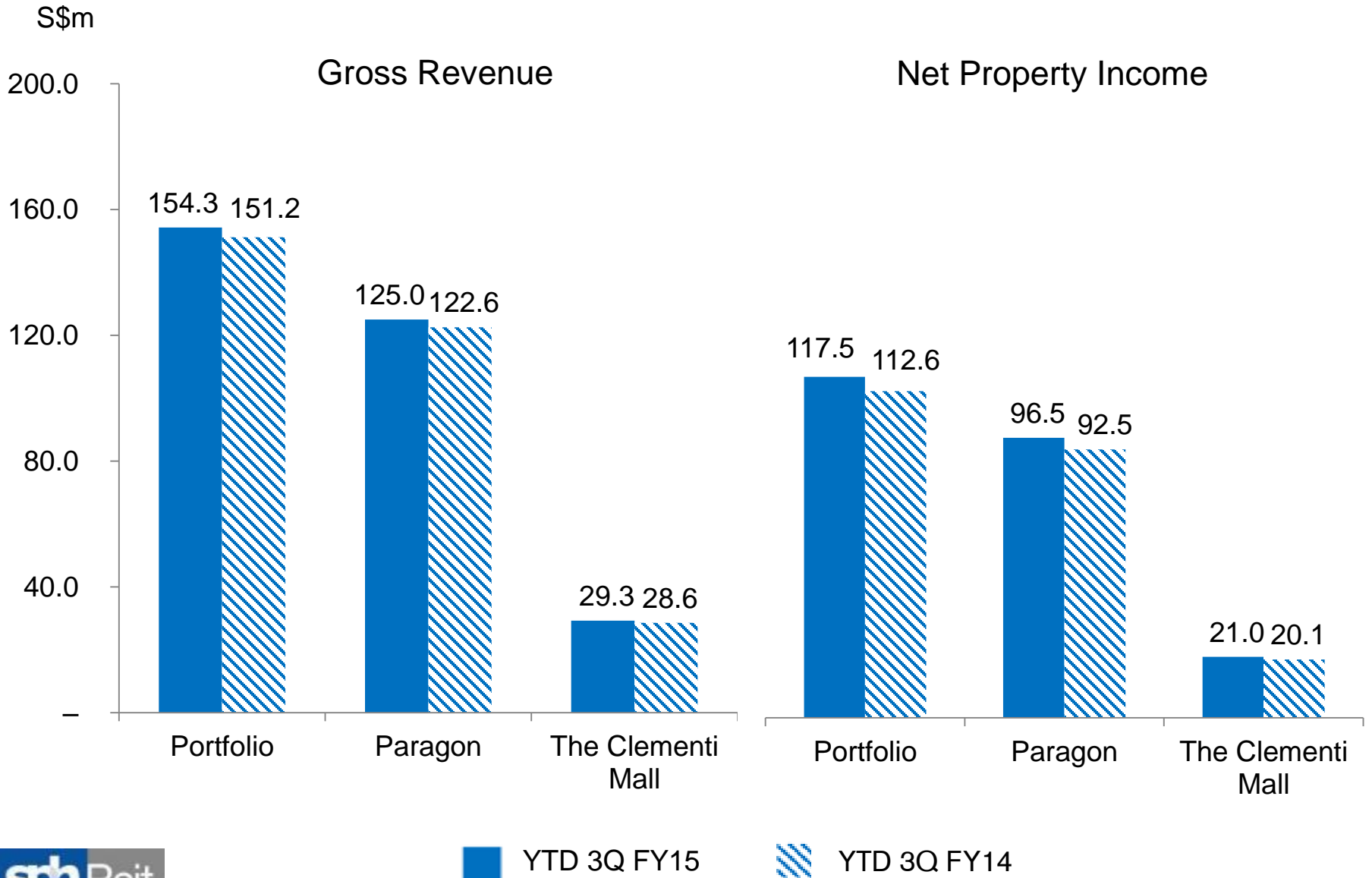
YTD 3Q FY15 DPU increased 1.0% year-on-year

	YTD 3Q FY15 S\$'000	YTD 3Q FY14 S\$'000	Change %
Gross revenue	154,324	151,168	2.1%
Property expenses	(36,869)	(38,521)	(4.3%)
Net property income (NPI)	117,455	112,647	4.3%
Income available for distribution	104,985	101,423	3.5%
Distribution to Unitholders ^(a)	102,886	101,423	1.4%
Distribution per unit (DPU) (cents)	4.08	4.04	1.0%

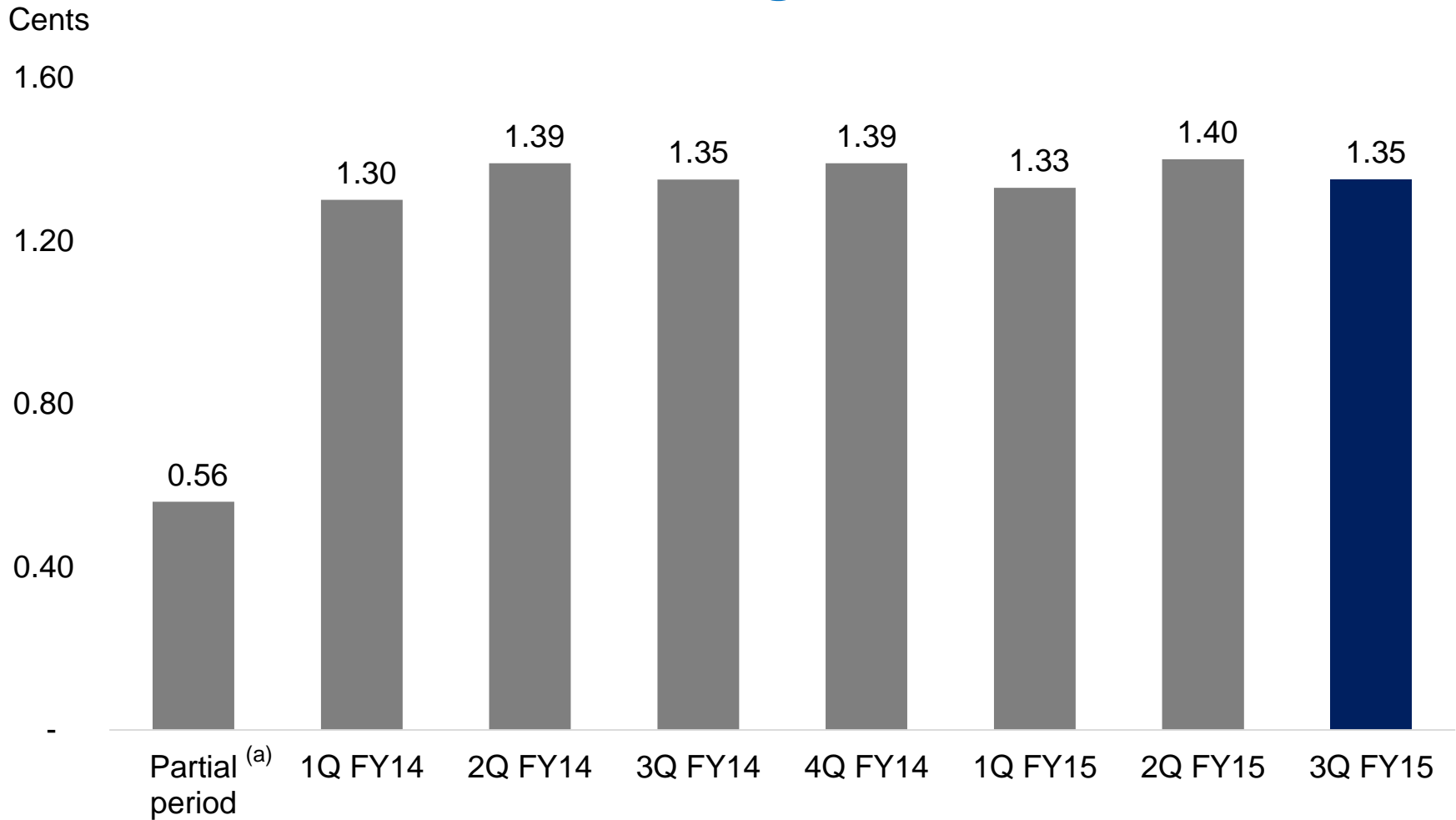
Note:

(a) For YTD 3Q FY15, SPH REIT had retained S\$2.1 million of taxable income available for distribution, for future distribution to unitholders.

Higher Gross Revenue and NPI



Stable and regular DPU



Note:

(a) For the period from 24 July 2013 (listing date) to 31 August 2013.

Balance sheet



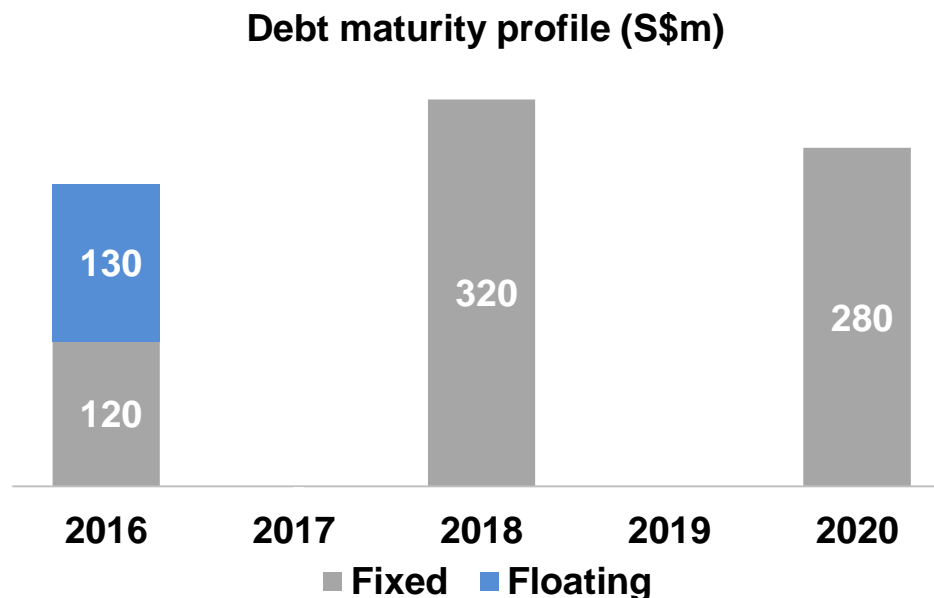
Financial position

	As at 31 May 2015 S\$'000	As at 31 Aug 2014 S\$'000
Total assets	3,266,741	3,269,033
Total liabilities	912,381	915,967
Net assets	2,354,360	2,353,066
Net asset value per unit	S\$0.93	S\$0.93
Gearing ^(a)	26.0%	26.0%

(a) Gearing is computed based on total debt/ total assets

No refinancing required till 2016

- Increased percentage of total borrowing on fixed interest rate basis from 55% to 85%.
- Revised the maturity profile of the existing loan facility for the purpose of rebalancing costs and average maturity. Certain loan tranches maturing in July 2018 and July 2020, totalling \$135 million, were revised to a 3-year maturity period ending in March 2018.
- Weighted average term to maturity: 3.2 years
- Average cost of debt: 2.55%



Valuation of properties about S\$3.16b

	Valuation as at 31 Aug 2014 S\$m ^(a)	Capitalisation rate
Paragon	2,588.0	4.85% - Retail 4.25% - Medical Suite/Office
The Clementi Mall ^(b)	571.0	5.00%
SPH REIT Portfolio	3,159.0	

Notes

(a) Valuations as at 31 August 2014 were conducted by DTZ.

(b) The Clementi Mall's valuation excludes income support. The guaranteed Net Property Income (NPI) per year is S\$31 million and the aggregate top up NPI shall not exceed \$20 million over five years from 24 July 2013 (Listing date).



Operational performance



Steady and resilient performance

- Portfolio occupancy was 99.8% as at 31 May 2015, after an unexpected lease termination of an office unit in Paragon. However, Paragon is now fully committed.
- YTD 3Q visitor traffic held steady year-on-year
- Healthy portfolio rental reversion of 9.2%

Rental reversions up 9.2% for the portfolio

	Number of renewals / new leases ^(a)	NLA renewed / new leases (sf)	As a % of properties' NLA	Change compared to preceding rental rates ^(c)
Paragon	75	146,637	20.7%	9.8%
The Clementi Mall	14	6,515	3.4%	- 11.4% ^(d)
SPH REIT Portfolio	89	153,152	17.0% ^(b)	9.2%

Notes:

(a) For expiries in the YTD 3Q FY15 from 1 September 2014 to 31 May 2015.

(b) As a % of SPH REIT portfolio's total Net Lettable Area ("NLA") of 900,310sf as at 31 May 2015.

(c) The change is measured between average rents of the renewed & new lease terms and the average rents of the preceding lease terms. The leases are typically committed three years ago.

(d) Negative rental reversion was recorded as The Clementi Mall continues to balance the tenancy mix and strengthen the offering to a wider base of shoppers.

Strategy to revitalise tenant mix

- Strategy to continually revitalise tenant mix to keep the properties relevant and elevate the properties' positioning
- Has embarked on these initiatives to strengthen the various clusters
- Reconfiguration works for new tenants and relocation of some tenants will be staggered to minimise disruption to tenants and shoppers

Well-staggered portfolio lease renewal

Weighted Average Lease Expiry (WALE) as at 31 May 2015

By NLA 2.1 years

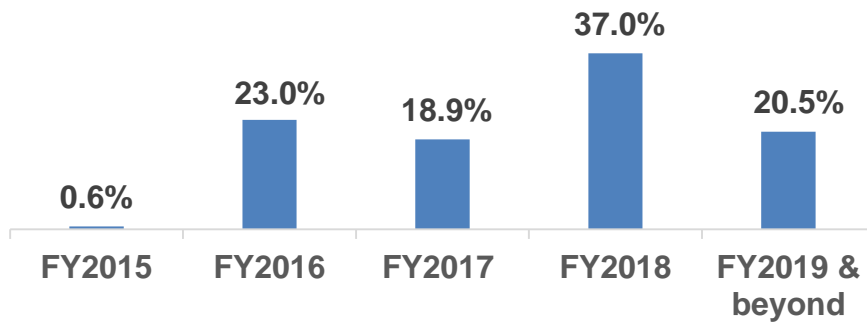
By Gross Rental Income 2.3 years

Lease expiry as at 31 May 2015

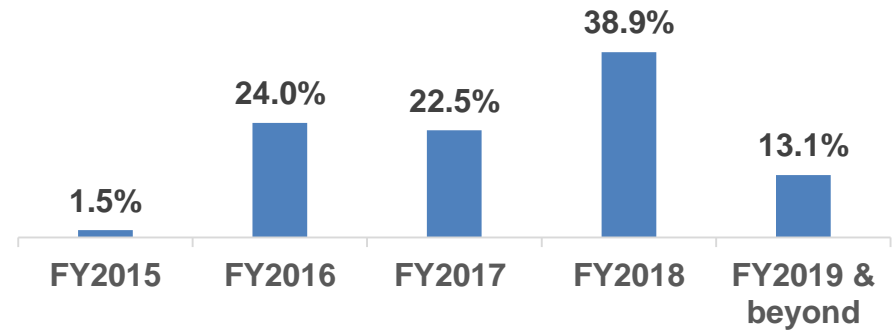
	FY2015	FY2016	FY2017	FY2018	FY2019 and beyond
Expiries as a % of total NLA	1.2%	21.2%	35.8%	31.6%	10.2%
Expiries as a % of Gross rental income	0.5%	20.3%	31.3%	31.2%	16.7%

Paragon: well staggered lease expiry

Expiry by Gross Rental Income

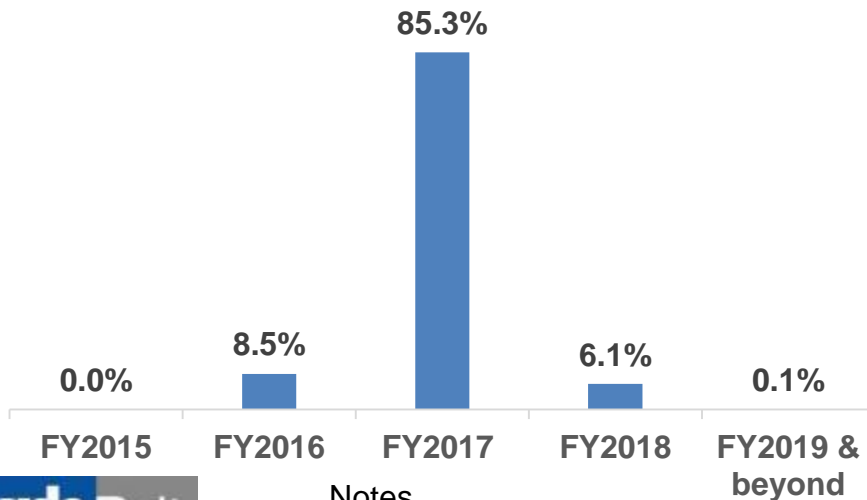


Expiry by NLA

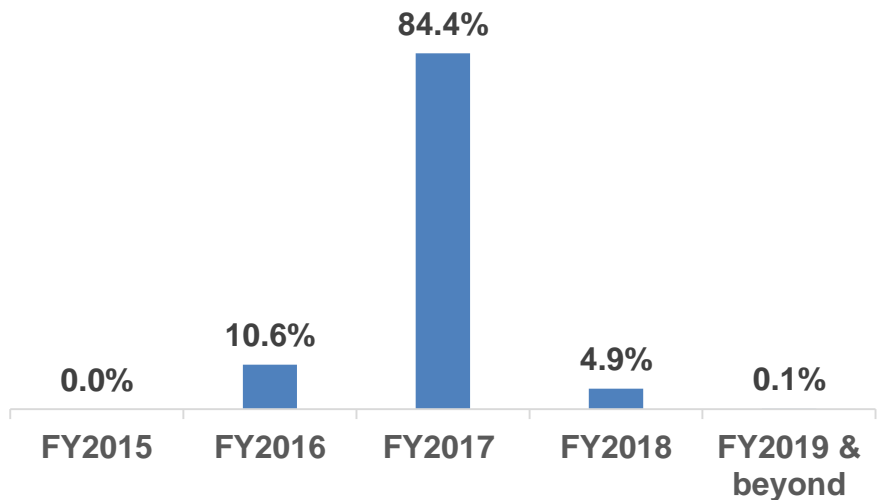


The Clementi Mall (a) : tenant retention rate of more than 90% for first renewal cycle

Expiry by Gross Rental Income



Expiry by NLA



Notes

(a) The Clementi Mall officially opened in May 2011 with first lease renewal cycle in 2014.

Key Events



**Ikebana International –
Secret Garden Exhibition
2 - 12 April**



**Orchard Road Business Association
SG Next50: Fashion Futurism
17 April - 24 May**



**Great Singapore Sales Visual Merchandise
Linkway 29 May - 5 August**



**Great Singapore Sales Visual Merchandise
Linkway 29 May - 5 August**

Multi-pronged growth strategy to ensure growth

Proactive asset management and asset enhancement strategy

- Ensure that interests of all stakeholders, including tenants, shoppers and unitholders are protected while keeping its properties at the forefront of evolving retail mall trends and relevant to changing demands of consumers
- Continually optimise tenant mix of its properties
- Deliver high quality service to tenants and become the landlord of choice in the Singapore retail real estate space
- Implement asset enhancement initiatives and implement proactive marketing plans

Investments and acquisition growth strategy

- ROFR on the Sponsor's future income-producing properties used primarily⁽¹⁾ for retail purposes in Asia Pacific
 - Currently one applicable ROFR property, The Seletar Mall, which has opened on 28 November 2014 with 99.6% committed occupancy rate.
 - Explore acquisition opportunities that will add value to SPH REIT's portfolio and improve returns to unitholders

Note

(1) 'primarily' means more than 50.0% of net lettable area or (in the case of a property where the concept of net lettable area is not applicable) gross floor area.

Continual asset enhancement in progress

- Creation of approximately 5,000sf of net lettable area for the chiller decanting project, and works are expected to complete by FY 2016.

New Brands

COLE HAAN



Expansion



Market outlook

- **Outlook for Singapore economy remains modest**
 - The Singapore economy grew by 2.6% year-on-year in the first quarter of 2015. The outlook for Singapore economy remains modest with the MTI's growth forecast of 2.0% to 4.0% for 2015.
 - Growth in labour-intensive segments such as retail and food services may be weighed down by manpower constraints.
- **STB has forecast visitor arrivals and tourist receipts to post flat-to-modest growth in 2015**
 - International visitor arrivals declined 5.4% year-on-year for the first four months of 2015.
 - STB launched the Golden Jubilee campaign and partnered more than 40 stakeholders to offer deals and experiences as part of the S\$20 million marketing outreach in seven key markets.
- **Retail sales declined**
 - The Retail Sales Index (excluding motor vehicles) fell year-on-year by 0.4% in November 2014, 3.2% in December 2014, 3.4% in March 2015, and 0.7% in April 2015. The months of January and February 2015 were excluded as the fluctuations were mainly due to different timing for Chinese New Year in 2014 and 2015.

Distribution details and timetable

Distribution period	3Q FY15 (1 March 2015 – 31 May 2015)
Distribution per unit	1.35 cents per unit
Ex-date	13 July 2015
Record date	15 July 2015
Payment date	14 August 2015

Thank You

Please visit www.sphreit.com.sg for more information.