



SPH REIT 2Q 2019 Distribution Income 2.5% Higher Year-on-Year

- 2Q 2019 DPU was 1.41, an increase of 0.7% year-on-year
- Maintained high occupancy of 99.2%
- Acquired fourth asset – Figtree Grove Shopping Centre

SINGAPORE, April 5, 2019 – SPH REIT Management Pte. Ltd. (“SPH RM” or the “Manager”), the Manager of SPH REIT, reported that net property income (“NPI”) for the second quarter ended 28 February 2019 (“2Q 2019”) was S\$45.8 million, an increase of S\$3.6 million (8.5%) compared to the same quarter last year, mainly due to contributions from acquisitions of The Rail Mall and Figtree Grove Shopping Centre.

Income available for distribution to unitholders of S\$37.0 million for 2Q 2019 was higher by S\$0.9 million (2.5%) compared to 2Q 2018. Distribution per unit (“DPU”) for 2Q 2019 was 1.41 cents, an increase of 0.7% against 2Q 2018. The 2Q 2019 distribution will be paid to unitholders on 17 May 2019.

Operational performance

SPH REIT’s properties maintained high occupancy at 99.2% as at 2Q 2019.

Paragon continue to record positive rental reversion of 8.6% for new and renewed leases for 1H 2019. This represented 15.2% of Paragon’s net lettable area.

The Clementi Mall and The Rail Mall recorded positive rental reversion of 5.0% and 6.2% respectively for 1H 2019. The overall portfolio registered a positive rental reversion of 8.4%.

Capital Management

SPH REIT proactively manages its financing risk by staggering the debt maturity profile to avoid major concentration of debts maturing in any single year. New loans were established in December 2018 to finance the acquisition of Figtree Grove Shopping Centre with total borrowings of S\$1.1 billion as at 28 February 2019. Including our proportionate share of borrowings, the gearing was 30.1% and weighted average term to maturity of 2.1 years as at 28 February 2019. The annualized average cost of debt was 2.88% p.a. for 1H 2019.

Ms Susan Leng, CEO of SPH REIT Management Pte. Ltd. said: “SPH REIT continues to maintain high occupancy and delivers stable distribution. The overall portfolio registered a positive rental reversion of 8.4% for 1H 2019 supported by growth in overall tenant sales.

On 21 December 2018, SPH REIT completed the acquisition of 85% stake in Figtree Grove Shopping Centre, an established sub-regional shopping centre in Wollongong, New South Wales, Australia. Tenant sales at Figtree Grove Shopping Centre was 47.7% above benchmark for malls in the same category as reported by the independent national valuer, m3 Property Pty Ltd. The acquisition of this quality asset is in-line with our strategy to acquire yield-accretive retail properties. We continue to seek opportunities to enhance our properties and create long-term sustainable value for our unitholders.”

Summary Results of SPH REIT

	2Q 2019 S\$'000	2Q 2018 S\$'000	Change %
Gross revenue	58,123	53,592	8.5
Net property income	45,855	42,268	8.5
Income available for distribution	37,018	36,099	2.5
Distribution to Unitholders	36,440	35,947	1.4
Distribution per unit (cents)	1.41	1.40	0.7

	1H 2019 S\$'000	1H 2018 S\$'000	Change %
Gross revenue	111,928	107,071	4.5
Net property income	87,641	84,458	3.8
Income available for distribution	72,874	72,639	0.3
Distribution to Unitholders ¹	71,042	70,327	1.0
Distribution per unit (cents)	2.75	2.74	0.4
Annualised distribution yield (%)	5.38 ²	5.53 ³	(2.7)

Notes:

1. For 1H 2019, the distribution to unitholders was 97.5% of income available for distribution.
2. Based on S\$1.030 per unit closing price on 28 February 2019.
3. Based on S\$1.000 per unit closing price on 28 February 2018.

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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.

SPH REIT has a portfolio of four assets in Singapore and Australia.

Its portfolio of properties in Singapore comprises a 99-year leasehold interest in Paragon commencing on 24 July 2013, a 99-year leasehold interest in The Clementi Mall commencing on 31 August 2010 and a 99-year leasehold interest in The Rail Mall commencing on 18 March 1947. Valued at S\$3.368 billion as at August 2018 with an aggregate net lettable area of approximately 960,000 sq. ft.

In Australia, SPH REIT owns a 85% stake in Figtree Grove Shopping Centre, a freehold sub-regional shopping centre in Wollongong, New South Wales, Australia. Valued at A\$206.0 million as at October 2018 with an aggregate gross lettable area of approximately 236,000 sq. ft.

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.

SPH's core business is publishing of newspapers, magazines and books in both print and digital editions. It also owns other digital products, online classifieds, radio stations and outdoor media.

On the property front, SPH owns 70% in a real estate investment trust called SPH REIT which comprises Paragon, a premier upscale retail mall and medical suite/office property in Orchard Road, The Clementi Mall, a mid-market suburban mall and The Rail Mall, a stretch of shopping and dining outlets along Upper Bukit Timah Road. SPH REIT also holds 85% equity stake in Figtree Grove, a freehold sub-regional shopping centre in Wollongong, New South Wales, Australia. SPH owns and operates The Seletar Mall. It is developing a new commercial cum residential site at Woodleigh. It also has a stake in Chinatown Point and acquired a portfolio of Purpose-Built Student Accommodation (PBSA) in the United Kingdom.

It is in the aged care sector and owns Orange Valley, Singapore's largest private nursing home operator.

SPH runs a regional events arm and a chain of Buzz retail outlets. It also invested in the education business.

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.