

**OUE COMMERCIAL REAL ESTATE INVESTMENT TRUST**

**Unaudited Financial Statements Announcement for the Third Quarter and Financial  
Period from 1 January 2016 to 30 September 2016**

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**Introduction**

OUE Commercial Real Estate Investment Trust (“OUE C-REIT”) was constituted by a trust deed dated 10 October 2013 (as amended) entered into by OUE Commercial REIT Management Pte. Ltd. as the Manager of OUE C-REIT (the “Manager”) and DBS Trustee Limited as the Trustee of OUE C-REIT (the “Trustee”).

OUE C-REIT is listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 27 January 2014. The principal investment strategy of OUE C-REIT is to invest, directly or indirectly, in a portfolio of income-producing real estate used primarily for commercial purposes (including real estate used primarily for office and/or retail purposes) in financial and business hubs within and outside of Singapore, as well as real estate-related assets. OUE C-REIT’s portfolio currently comprises three prime commercial properties located in Singapore and Shanghai:

- One Raffles Place: Integrated commercial development comprising two Grade-A office towers and a retail mall strategically located in the heart of Singapore’s central business district in Raffles Place. OUE C-REIT holds One Raffles Place (“ORP”) through its 83.33% interest in OUB Centre Limited (“OUBC”). As OUBC owns 81.54% of the beneficial interest in ORP, OUE C-REIT has an effective interest of 67.95% in ORP.
- OUE Bayfront: Premium Grade-A office building with ancillary retail facilities located between the new Marina Bay downtown and Raffles Place, within Singapore’s central business district.
- Lippo Plaza: Grade-A commercial building located along Huai Hai Middle Road in the Huangpu district, one of Shanghai’s established core commercial districts. OUE C-REIT has 91.2% strata ownership of Lippo Plaza.

**Summary of OUE C-REIT Group Results**

	<b>3Q 2016<sup>(1)</sup></b> <b>(S\$'000)</b>	<b>3Q 2015<sup>(2)</sup></b> <b>(S\$'000)</b>	<b>Change</b> <b>(%)</b>	<b>YTD Sep</b> <b>2016<sup>(1)</sup></b> <b>(S\$'000)</b>	<b>YTD Sep</b> <b>2015<sup>(2)</sup></b> <b>(S\$'000)</b>	<b>Change</b> <b>(%)</b>
Gross revenue	44,184	20,606	N/M	132,786	60,694	N/M
Net property income	35,328	15,561	N/M	103,811	45,961	N/M
Amount available for distribution	17,214 <sup>(3)</sup>	13,081	31.6	51,989 <sup>(3)</sup>	38,492	35.1
Distribution per Unit (“DPU”) (cents)	1.32	1.02	29.4	4.00	3.02	32.5

N/M: Not meaningful

Footnotes:

- (1) The current period results of OUE C-REIT’s foreign subsidiaries are translated using the SGD:CNY rate of 1:4.919 for 3Q 2016 and 1:4.794 for YTD Sep 2016.
- (2) The prior period results of OUE C-REIT’s foreign subsidiaries are translated using the SGD:CNY rate of 1:4.542 for 3Q 2015 and 1:4.579 for YTD Sep 2015.
- (3) Excludes amount reserved for distribution to convertible perpetual preferred units (“CPPU”) holder.

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**1(a) Consolidated Statement of Total Return and Distribution Statement**

<b>Statement of Total Return</b>	<b>Note</b>	<b>3Q 2016 <sup>(1)</sup> (S\$'000)</b>	<b>3Q 2015 <sup>(2)</sup> (S\$'000)</b>	<b>Change (%)</b>	<b>YTD Sep 2016 <sup>(1)</sup> (S\$'000)</b>	<b>YTD Sep 2015 <sup>(2)</sup> (S\$'000)</b>	<b>Change (%)</b>
Gross revenue		44,184	20,606	N/M	132,786	60,694	N/M
Property operating expenses		(8,856)	(5,045)	75.5	(28,975)	(14,733)	96.7
<b>Net property income</b>		<b>35,328</b>	<b>15,561</b>	<b>N/M</b>	<b>103,811</b>	<b>45,961</b>	<b>N/M</b>
Other income	1	608	1,744	(65.1)	2,070	6,193	(66.6)
Amortisation of intangible asset		(1,117)	(1,046)	6.8	(3,353)	(3,140)	6.8
Manager's management fees							
- Base fee		(2,359)	(1,446)	63.1	(7,038)	(3,968)	77.4
- Performance fee	2	(767)	-	N/M	(1,961)	-	N/M
Trustee's fee		(138)	(88)	56.8	(412)	(249)	65.5
Other expenses		(300)	(180)	66.7	(1,192)	(1,010)	18.0
Finance income	3	1,578	588	N/M	1,656	794	N/M
Finance costs	4	(15,729)	(6,039)	N/M	(43,270)	(15,357)	N/M
Foreign exchange differences		8	227	(96.5)	(664)	453	N/M
<b>Total return for the period before tax</b>		<b>17,112</b>	<b>9,321</b>	<b>83.6</b>	<b>49,647</b>	<b>29,677</b>	<b>67.3</b>
Tax expense	5	(4,376)	(1,286)	N/M	(12,747)	(3,937)	N/M
<b>Total return for the period</b>		<b>12,736</b>	<b>8,035</b>	<b>58.5</b>	<b>36,900</b>	<b>25,740</b>	<b>43.4</b>
<b>Attributable to:</b>							
Unitholders and CPPU holder		11,020	8,035	37.1	31,634	25,740	22.9
Non-controlling interests		1,716	-	N/M	5,266	-	N/M
<b>Total return for the period</b>		<b>12,736</b>	<b>8,035</b>	<b>58.5</b>	<b>36,900</b>	<b>25,740</b>	<b>43.4</b>
<b>Distribution Statement</b>							
Total return for the period attributable to Unitholders and CPPU holder		11,020	8,035	37.1	31,634	25,740	22.9
Less: Amount reserved for distribution to CPPU holder		(1,382)	-	N/M	(4,117)	-	N/M
Distribution adjustments	6	7,576	5,046	50.1	24,472	12,752	91.9
Amount available for distribution for the period		17,214	13,081	31.6	51,989	38,492	35.1
Comprising:							
From operations		7,280	9,539	(23.7)	22,771	28,259	(19.4)
From tax exempt income		8,747	-	N/M	18,670	-	N/M
From Unitholders' contributions		1,187	3,542	(66.5)	10,548	10,233	3.1
		17,214	13,081	31.6	51,989	38,492	35.1

N/M: Not meaningful

Footnotes:

- (1) The current period results of OUE C-REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:4.919 for 3Q 2016 and 1:4.794 for YTD Sep 2016.
- (2) The prior period results of OUE C-REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:4.542 for 3Q 2015 and 1:4.579 for YTD Sep 2015.

**Notes to Consolidated Statement of Total Return and Distribution Statement:**

**(1) Other income**

Other income mainly comprises income support relating to the top-up payments from OUE Limited (the "Sponsor") pursuant to the Deed of Income Support dated 9 January 2014 (the "Deed of Income Support").

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**(2) Manager's management fees – Performance fee**

Manager's performance fee is calculated as 25% of the difference in DPU in a financial year with the DPU in the preceding financial year (calculated before accounting for the performance fee but after accounting for the base fee in each financial year) multiplied by the weighted average number of Units in issue for such financial year.

**(3) Finance income**

Finance income comprises the following:

	<b>3Q 2016 (S\$'000)</b>	<b>3Q 2015 (S\$'000)</b>	<b>Change (%)</b>	<b>YTD Sep 2016 (S\$'000)</b>	<b>YTD Sep 2015 (S\$'000)</b>	<b>Change (%)</b>
Interest income	14	413	(96.6)	92	619	(85.1)
Ineffective portion of changes in fair value of cash flow hedges	1,500	175	N/M	1,500	175	N/M
Change in fair value of financial derivatives	64	-	N/M	64	-	N/M
<b>Finance income</b>	<b>1,578</b>	<b>588</b>	<b>N/M</b>	<b>1,656</b>	<b>794</b>	<b>N/M</b>

N/M: Not meaningful

**(4) Finance costs**

Finance costs comprise the following:

	<b>3Q 2016 (S\$'000)</b>	<b>3Q 2015 (S\$'000)</b>	<b>Change (%)</b>	<b>YTD Sep 2016 (S\$'000)</b>	<b>YTD Sep 2015 (S\$'000)</b>	<b>Change (%)</b>
Borrowing costs	9,619	3,741	N/M	29,017	10,857	N/M
Amortisation of debt establishment costs	2,081	1,146	81.6	6,055	3,348	80.9
Ineffective portion of changes in fair value of cash flow hedges	-	-	-	4,169	-	N/M
Change in fair value of financial derivatives	-	1,152	N/M	-	1,152	N/M
Hedging reserve transferred from unitholders' funds	4,029	-	N/M	4,029	-	N/M
<b>Finance costs</b>	<b>15,729</b>	<b>6,039</b>	<b>N/M</b>	<b>43,270</b>	<b>15,357</b>	<b>N/M</b>

N/M: Not meaningful

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**(5) Tax expense**

Tax expense comprises of income tax, deferred tax and withholding tax relating to OUE C-REIT's subsidiaries.

	<b>3Q 2016 (S\$'000)</b>	<b>3Q 2015 (S\$'000)</b>	<b>Change (%)</b>	<b>YTD Sep 2016 (S\$'000)</b>	<b>YTD Sep 2015 (S\$'000)</b>	<b>Change (%)</b>
Current tax						
- Current period	3,164	619	N/M	9,590	2,063	N/M
- Under provision in respect of prior period	-	-	-	-	106	N/M
Deferred tax						
- Current period	904	501	80.4	2,272	1,488	52.7
- Over provision in respect of prior period	-	-	-	-	(164)	N/M
Withholding tax	308	166	85.5	885	444	99.3
	<b>4,376</b>	<b>1,286</b>	<b>N/M</b>	<b>12,747</b>	<b>3,937</b>	<b>N/M</b>

N/M: Not meaningful

**(6) Distribution adjustments**

	<b>3Q 2016 (S\$'000)</b>	<b>3Q 2015 (S\$'000)</b>	<b>Change (%)</b>	<b>YTD Sep 2016 (S\$'000)</b>	<b>YTD Sep 2015 (S\$'000)</b>	<b>Change (%)</b>
Amortisation of intangible asset	1,117	1,046	6.8	3,353	3,140	6.8
Ineffective portion of changes in fair value of cash flow hedges	(1,500)	(175)	N/M	2,669	(175)	N/M
Change in fair value of financial derivatives	(64)	1,152	N/M	(64)	1,152	N/M
Hedging reserve transferred from unitholders' funds	4,029	-	N/M	4,029	-	N/M
Amortisation of debt establishment costs	2,081	1,146	81.6	6,055	3,348	80.9
Manager's fees paid/payable in Units	2,271	1,446	57.1	7,208	3,968	81.7
Trustee's fees	138	88	56.8	412	249	65.5
Foreign exchange differences	(8)	(227)	(96.5)	664	(453)	N/M
Deferred tax expense	904	501	80.4	2,272	1,324	71.6
Others	(1,392)	69	N/M	(2,126)	199	N/M
Net distribution adjustments	<b>7,576</b>	<b>5,046</b>	<b>50.1</b>	<b>24,472</b>	<b>12,752</b>	<b>91.9</b>

N/M: Not meaningful

Please refer to Section 8 on Review of the Performance.

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**1(b)(i) Statements of Financial Position**

	Note	Group			Trust		
		30 Sep 2016 <sup>(1)</sup> (S\$'000)	31 Dec 2015 <sup>(2)</sup> (S\$'000)	Change (%)	30 Sep 2016 (S\$'000)	31 Dec 2015 (S\$'000)	Change (%)
<b>Non-current assets</b>							
Plant and equipment		521	661	(21.2)	-	-	-
Investment properties	1	3,370,695	3,403,178	(1.0)	1,146,005	1,146,000	-
Intangible asset	2	10,321	13,674	(24.5)	10,321	13,674	(24.5)
Investments in subsidiaries		-	-	-	1,400,935	1,400,935	-
Trade and other receivables		355	493	(28.0)	-	-	-
Financial derivatives	3	-	6,573	N/M	-	6,573	N/M
		<b>3,381,892</b>	<b>3,424,579</b>	<b>(1.2)</b>	<b>2,557,261</b>	<b>2,567,182</b>	<b>(0.4)</b>
<b>Current assets</b>							
Trade and other receivables	4	11,420	13,600	(16.0)	2,090	5,862	(64.3)
Financial derivatives	3	-	30	N/M	-	30	N/M
Cash and cash equivalents		26,033	25,913	0.5	4,890	5,690	(14.1)
		<b>37,453</b>	<b>39,543</b>	<b>(5.3)</b>	<b>6,980</b>	<b>11,582</b>	<b>(39.7)</b>
<b>Total assets</b>		<b>3,419,345</b>	<b>3,464,122</b>	<b>(1.3)</b>	<b>2,564,241</b>	<b>2,578,764</b>	<b>(0.6)</b>
<b>Non-current liabilities</b>							
Loans and borrowings	5	973,397	1,302,184	(25.2)	633,455	975,011	(35.0)
Trade and other payables	6	39,248	39,277	(0.1)	12,606	14,051	(10.3)
Financial derivatives	3	19,164	180	N/M	16,304	180	N/M
Deferred tax liabilities		59,805	60,481	(1.1)	-	-	-
		<b>1,091,614</b>	<b>1,402,122</b>	<b>(22.1)</b>	<b>662,365</b>	<b>989,242</b>	<b>(33.0)</b>
<b>Current liabilities</b>							
Loans and borrowings	5	345,013	1,732	N/M	345,013	-	N/M
Trade and other payables	7	54,745	54,060	1.3	16,369	12,757	28.3
Financial derivatives	3	35	-	N/M	35	-	N/M
Current tax liabilities	8	13,086	10,954	19.5	-	-	-
		<b>412,879</b>	<b>66,746</b>	<b>N/M</b>	<b>361,417</b>	<b>12,757</b>	<b>N/M</b>
<b>Total liabilities</b>		<b>1,504,493</b>	<b>1,468,868</b>	<b>2.4</b>	<b>1,023,782</b>	<b>1,001,999</b>	<b>2.2</b>
<b>Net assets</b>							
		<b>1,914,852</b>	<b>1,995,254</b>	<b>(4.0)</b>	<b>1,540,459</b>	<b>1,576,765</b>	<b>(2.3)</b>
<b>Represented by:</b>							
Unitholders' funds	9	1,157,388	1,233,064	(6.1)	1,011,077	1,047,484	(3.5)
CPPU holder's funds	10	529,382	529,281	-	529,382	529,281	-
Non-controlling interests	11	228,082	232,909	(2.1)	-	-	-
		<b>1,914,852</b>	<b>1,995,254</b>	<b>(4.0)</b>	<b>1,540,459</b>	<b>1,576,765</b>	<b>(2.3)</b>

N/M: Not meaningful

Footnotes:

- (1) The statements of financial position of OUE C-REIT's foreign subsidiaries as at 30 September 2016 are translated using the SGD:CNY rate of 1:4.897.
- (2) The statements of financial position of OUE C-REIT's foreign subsidiaries as at 31 December 2015 are translated using the SGD:CNY rate of 1:4.589.

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**Notes to Statements of Financial Position:**

(1) **Investment properties**

Investment properties are carried at the last fair market value based on independent valuations as at 31 December 2015, with additions made in 2016. The decrease was mainly due to the depreciation of the CNY against the SGD between December 2015 and September 2016.

(2) **Intangible asset**

Intangible asset represents the unamortised income support receivable by OUE C-REIT from the Sponsor pursuant to the Deed of Income Support. The decrease was due to the amortisation of the intangible assets.

(3) **Financial derivatives**

Financial derivatives represent the fair value of the interest rate swaps ("IRS") entered to hedge the floating interest rate exposure of OUE C-REIT Group's borrowings. The movement for the financial period from December 2015 to September 2016 was due to net unfavourable changes in the fair value of the IRS as at 30 September 2016 and the fair value of IRS entered into during the period.

(4) **Trade and other receivables – Current**

The decrease in the Group's and Trust's trade and other receivables is mainly due to the receipt of income support for the period 1 July 2015 to 31 December 2015 from the Sponsor in 2016, partially offset by the lower income support receivable from the Sponsor for the period 1 July 2016 to 30 September 2016.

(5) **Loans and borrowings**

The decrease in the Group's and Trust's non-current loans and borrowings and the increase in the Group's and Trust's current loans and borrowings is mainly due to the reclassification of certain loans and borrowings from non-current to current as they are due for refinancing within the next 12 months.

(6) **Trade and other payables – Non-current**

The Group's and Trust's non-current trade and other payables comprise tenants' security deposits. The decrease in the Trust's non-current trade and other payables is mainly due to the reclassification of tenants' security deposits from non-current to current in 2016.

(7) **Trade and other payables - Current**

The increase in the Trust's current trade and other payables is mainly due to the reclassification of tenants' security deposits from non-current to current trade and other payables (see note (6) above) and the increase in other payables as at 30 September 2016.

(8) **Current tax liabilities**

The increase in current tax payable is mainly due to the better performance of Lippo Plaza and ORP, resulting in a higher current tax provision. This increase is offset by the payment of prior year's tax liability of Lippo Plaza and ORP.

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(9) **Unitholders' funds**

The decrease in unitholders' funds is mainly due to the distributions paid to Unitholders in February and September 2016, the net unfavourable movement in the fair value reserve of the IRS as at 30 September 2016 and the depreciation of the CNY against the SGD from 31 December 2015 to 30 September 2016.

(10) **CPPU holder's funds**

On 8 October 2015, 550.0 million CPPUs amounting to S\$550.0 million were issued to Clifford Development Pte. Ltd. ("Clifford") (a wholly-owned subsidiary of OUE Limited, the vendor of Beacon), as partial satisfaction of the purchase consideration for the acquisition of ORP. The CPPU holder is entitled to a coupon distribution of 1.0% per annum. The CPPUs have been recognised at its fair value as at the end of the financial period/year.

(11) **Non-controlling interests**

OUE C-REIT holds an 83.33% indirect interest in OUBC. Non-controlling interests represent the equity in OUBC that is not attributable to OUE C-REIT Group.

**1 (b)(ii) Aggregate Amount of Borrowings and Debt Securities for OUE C-REIT Group**

	<b>30 Sep 2016 <sup>(1)</sup></b> <b>(S\$'000)</b>	<b>31 Dec 2015 <sup>(2)</sup></b> <b>(S\$'000)</b>
Secured borrowings		
Amount repayable within one year, or on demand	346,000	1,743
Amount repayable after one year	983,503	1,319,327
Less: Debt establishment costs <sup>(3)</sup>	(11,093)	(17,154)
Total secured borrowings	1,318,410	1,303,916
Unsecured borrowings	-	-
Total borrowings	1,318,410	1,303,916

Footnotes:

- (1) The borrowings of OUE C-REIT's foreign subsidiaries as at 30 September 2016 are translated using the SGD:CNY rate of 1:4.897.
- (2) The borrowings of OUE C-REIT's foreign subsidiaries as at 31 December 2015 are translated using the SGD:CNY rate of 1:4.589.
- (3) Debt establishment costs are amortised over the tenure of the respective loan facilities.



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**Details of any collaterals**

As at 30 September 2016, the Group's loans and borrowings outstanding amounted to S\$1,277.2 million which includes the proportionate share of loans and borrowings in OUBC.

The Group has put in place the following credit facilities:

- (i) term loan facilities of \$580.0 million comprising (a) a five-year term loan facility of \$280.0 million and (b) a three-year term loan facility of \$300.0 million;
- (ii) a three-year revolving credit facility of \$100.0 million;
- (iii) a three-year term loan facility of \$360.0 million;
- (iv) a three-year term loan and revolving credit facility of \$370.0 million;
- (v) an eight-year onshore term loan facility of RMB144.5 million.

The Group's secured bank loans are secured on the following:

- investment properties with a total carrying amount of \$1,636.4 million;
- assignment of insurance policies on the above investment properties;
- assignment of all rights, titles, benefits and interests in connection with the sale and tenancy agreements, tenancy deposits/proceeds, sales deposits/proceeds, property management agreements and the receivables of certain properties;
- assignment of all rights, titles, benefits and interests in connection with the Deed of Income Support over OUE Bayfront;
- a debenture incorporating a fixed charge over book debts, charged accounts, goodwill, intellectual property and plant and machinery in connection with OUE Bayfront and floating charge over generally all of the present and future assets of the Trust in connection with OUE Bayfront;
- first priority fixed charge over the shares of certain subsidiaries; and
- the account control or charge over certain bank accounts of the Trust and certain subsidiaries.

**Unsecured Medium Term Notes**

In August 2015, OUE C-REIT, through its wholly-owned subsidiary, established a S\$1.5 billion Multicurrency Debt Issuance Programme (the "Programme"). Under the Programme, OUE C-REIT may from time to time issue notes ("Notes") and/or perpetual securities ("Perpetual") in series or tranches. As at 30 September 2016, no Notes and/or Perpetual have been issued under the Programme.

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**1 (c) Consolidated Statement of Cash Flows**

Note	3Q 2016 (S\$'000)	3Q 2015 (S\$'000)	YTD Sep 2016 (S\$'000)	YTD Sep 2015 (S\$'000)
<b>Cash flows from operating activities</b>				
Total return for the period	12,736	8,035	36,900	25,740
Adjustments for:				
Amortisation of intangible asset	1,117	1,046	3,353	3,140
Depreciation of plant and equipment	53	2	154	5
Manager's fees paid/payable in Units	2,271	1,446	7,208	3,968
Finance costs	15,729	6,039	43,270	15,357
Finance income	(1,578)	(588)	(1,656)	(794)
Tax expense	4,376	1,286	12,747	3,937
Operating income before working capital changes	34,704	17,266	101,976	51,353
Changes in working capital:				
Trade and other receivables	(384)	1,847	2,565	1,687
Trade and other payables	(405)	3,903	4,095	3,287
<b>Cash generated from operating activities</b>	<b>33,915</b>	<b>23,016</b>	<b>108,636</b>	<b>56,327</b>
Tax paid	(3,451)	(654)	(7,991)	(1,804)
<b>Net cash from operating activities</b>	<b>30,464</b>	<b>22,362</b>	<b>100,645</b>	<b>54,523</b>
<b>Cash flow from investing activities</b>				
Additions to plant and equipment	(11)	(1)	(15)	(3)
Payment for capital expenditure on investment properties	(39)	(579)	(292)	(798)
Interest received	14	262	92	468
<b>Net cash used in investing activities</b>	<b>(36)</b>	<b>(318)</b>	<b>(215)</b>	<b>(333)</b>
<b>Cash flows from financing activities</b>				
Distributions paid to Unitholders	(34,710)	(25,377)	(65,399)	(50,154)
Distributions paid to CPPU holder	(2,735)	-	(4,016)	-
Distribution paid to non-controlling interests	-	-	(10,000)	-
Interest paid	(10,988)	(3,473)	(30,406)	(10,728)
Payment of transaction costs related to the issue of Units arising from rights issue	-	(2,752)	-	(2,752)
Proceeds from issue of Units from rights issue	-	218,285	-	218,285
Proceeds from borrowings	62,355	17,000	141,855	31,000
Repayment of borrowings	(44,355)	(8,444)	(131,255)	(30,525)
Movement in restricted cash	970	-	1,719	652
<b>Net cash (used in)/from financing activities</b>	<b>(29,463)</b>	<b>195,239</b>	<b>(97,502)</b>	<b>155,778</b>
<b>Net increase in cash and cash equivalents</b>	<b>965</b>	<b>217,283</b>	<b>2,928</b>	<b>209,968</b>
Cash and cash equivalents at beginning of the period	24,456	21,995	24,149	28,736
Effect of exchange rate fluctuations on cash held	612	411	(1,044)	985
<b>Cash and cash equivalents at end of the period</b>	<b>26,033</b>	<b>239,689</b>	<b>26,033</b>	<b>239,689</b>

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**Note to Consolidated Statement of Cash Flows:**

- (1) 393,305,817 Units amounting to S\$218.3 million were issued on 4 August 2015 pursuant to the rights issue. Transaction costs relating to the rights issue were paid out from the gross proceeds from the rights issue. Such costs were incurred in accordance with pages 20 to 22 of the Offer Information Statement dated 3 July 2015. The gross proceeds from the rights issue have been materially disbursed on 8 October 2015 to partially fund the acquisition of ORP.
- (2) For purpose of the Consolidated Statement of Cash Flows, the Group's cash and cash equivalents comprise the following:

	<b>30 Sep 2016 (S\$'000)</b>	<b>30 Sep 2015 (S\$'000)</b>
Bank and cash balances	20,283	20,399
Fixed deposits	5,750	221,057
Cash and cash equivalents at end of the year	26,033	241,456
Less: Restricted cash	-	(1,767)
Cash and cash equivalents	26,033	239,689

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**1 (d)(i) Statements of Changes in Unitholders' Funds**

<b>Group</b>	<b>Unitholders</b>	<b>CPPU</b>	<b>Total</b>	<b>Non-</b>	<b>Total</b>
<b>3Q 2016</b>	<b>(S\$'000)</b>	<b>holder</b>	<b>(S\$'000)</b>	<b>controlling</b>	<b>(S\$'000)</b>
		<b>(S\$'000)</b>	<b>(S\$'000)</b>	<b>interests</b>	<b>(S\$'000)</b>
				<b>(S\$'000)</b>	
<b>Net assets attributable to owners at 1 July 2016</b>	1,179,715	530,735	1,710,450	226,142	1,936,592
<b>Operations</b>					
Total return for the period	11,020	-	11,020	1,716	12,736
Less: Amount reserved for distribution to CPPU holder	(1,382)	1,382	-	-	-
<b>Net increase in net assets resulting from operations</b>	9,638	1,382	11,020	1,716	12,736
<b>Transactions with owners</b>					
<b>Contributions by and distributions to owners:</b>					
Issue of new Units					
- Manager's fees paid/payable in Units	2,271	-	2,271	-	2,271
Distribution paid to Unitholders	(34,710)	-	(34,710)	-	(34,710)
Distribution paid to CPPU Holder	-	(2,735)	(2,735)	-	(2,735)
<b>Net decrease in net assets resulting from transactions with owners</b>	(32,439)	(2,735)	(35,174)	-	(35,174)
<b>Movement in foreign currency translation reserve</b>	(182)	-	(182)	-	(182)
<b>Hedging transactions</b>					
Effective portion of change in fair value of cash flow hedges	(3,034)	-	(3,034)	(115)	(3,149)
Hedging reserve transferred to statement of total return	3,690	-	3,690	339	4,029
<b>Net movement in hedging transactions</b>	656	-	656	224	880
<b>Net assets attributable to owners at 30 September 2016</b>	1,157,388	529,382	1,686,770	228,082	1,914,852

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**1 (d)(i) Statements of Changes in Unitholders' Funds (cont'd)**

<b>Group</b>	<b>Unitholders (S\$'000)</b>	<b>CPPU holder (S\$'000)</b>	<b>Total (S\$'000)</b>	<b>Non- controlling interests (S\$'000)</b>	<b>Total (S\$'000)</b>
<b>YTD September 2016</b>					
<b>Net assets attributable to owners at 1 January 2016</b>	1,233,064	529,281	1,762,345	232,909	1,995,254
<b>Operations</b>					
Total return for the period	31,634	-	31,634	5,266	36,900
Less: Amount reserved for distribution to CPPU holder	(4,117)	4,117	-	-	-
<b>Net increase in net assets resulting from operations</b>	27,517	4,117	31,634	5,266	36,900
<b>Transactions with owners</b>					
<b>Contributions by and distributions to owners:</b>					
Issue of new Units					
- Manager's fees paid/payable in Units	7,208	-	7,208	-	7,208
Distributions paid to Unitholders	(65,399)	-	(65,399)	-	(65,399)
Distributions paid to CPPU Holder	-	(4,016)	(4,016)	-	(4,016)
Dividends paid	-	-	-	(10,000)	(10,000)
<b>Net decrease in net assets resulting from transactions with owners</b>	(58,191)	(4,016)	(62,207)	(10,000)	(72,207)
<b>Movement in foreign currency translation reserve</b>	(26,107)	-	(26,107)	-	(26,107)
<b>Hedging transactions</b>					
Effective portion of change in fair value of cash flow hedges	(22,585)	-	(22,585)	(432)	(23,017)
Hedging reserve transferred to statement of total return	3,690	-	3,690	339	4,029
<b>Net movement in hedging transactions</b>	(18,895)	-	(18,895)	(93)	(18,988)
<b>Net assets attributable to owners at 30 September 2016</b>	1,157,388	529,382	1,686,770	228,082	1,914,852

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**1 (d)(i) Statements of Changes in Unitholders' Funds (cont'd)**

<b>Trust</b>	<b>Unitholders</b>	<b>CPPU holder</b>	<b>Total</b>
<b>3Q 2016</b>	<b>(\$'000)</b>	<b>(\$'000)</b>	<b>(\$'000)</b>
<b>Net assets attributable to owners at 1 July 2016</b>	1,046,830	530,735	1,577,565
<b>Operations</b>			
Total loss for the period	(1,467)	-	(1,467)
Less: Amount reserved for distribution to CPPU holder	(1,382)	1,382	-
<b>Net (decrease)/increase in net assets resulting from operations</b>	<b>(2,849)</b>	<b>1,382</b>	<b>(1,467)</b>
<b>Transactions with owners</b>			
<b><i>Contributions by and distributions to owners</i></b>			
Issue of new Units			
- Manager's fees paid/payable in Units	2,271	-	2,271
Distribution paid to Unitholders	(34,710)	-	(34,710)
Distribution paid to CPPU holder	-	(2,735)	(2,735)
<b>Net decrease in net assets resulting from transactions with owners</b>	<b>(32,439)</b>	<b>(2,735)</b>	<b>(35,174)</b>
<b>Hedging transactions</b>			
Effective portion of change in fair value of cash flow hedges	(2,459)	-	(2,459)
Hedging reserve transferred to statement of total return	1,994	-	1,994
<b>Net movement in hedging transactions</b>	<b>(465)</b>	<b>-</b>	<b>(465)</b>
<b>Net assets attributable to owners at 30 September 2016</b>	<b>1,011,077</b>	<b>529,382</b>	<b>1,540,459</b>

<b>Trust</b>	<b>Unitholders</b>	<b>CPPU holder</b>	<b>Total</b>
<b>YTD September 2016</b>	<b>(\$'000)</b>	<b>(\$'000)</b>	<b>(\$'000)</b>
<b>Net assets attributable to owners at 1 January 2016</b>	1,047,484	529,281	1,576,765
<b>Operations</b>			
Total return for the period	44,333	-	44,333
Less: Amount reserved for distribution to CPPU holder	(4,117)	4,117	-
<b>Net increase in net assets resulting from operations</b>	<b>40,216</b>	<b>4,117</b>	<b>44,333</b>
<b>Transactions with owners</b>			
<b><i>Contributions by and distributions to owners</i></b>			
Issue of new Units			
- Manager's fees paid/payable in Units	7,208	-	7,208
Distributions paid to Unitholders	(65,399)	-	(65,399)
Distributions paid to CPPU holder	-	(4,016)	(4,016)
<b>Net decrease in net assets resulting from transactions with owners</b>	<b>(58,191)</b>	<b>(4,016)</b>	<b>(62,207)</b>
<b>Hedging transactions</b>			
Effective portion of change in fair value of cash flow hedges	(20,426)	-	(20,426)
Hedging reserve transferred to statement of total return	1,994	-	1,994
<b>Net movement in hedging transactions</b>	<b>(18,432)</b>	<b>-</b>	<b>(18,432)</b>
<b>Net assets attributable to owners at 30 September 2016</b>	<b>1,011,077</b>	<b>529,382</b>	<b>1,540,459</b>

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**1 (d)(i) Statements of Changes in Unitholders' Funds (cont'd)**

	Group		Trust	
	3Q 2015 (S\$'000)	YTD Sep 2015 (S\$'000)	3Q 2015 (S\$'000)	YTD Sep 2015 (S\$'000)
<b>Net assets attributable to owners</b>				
<b>Balance at beginning of the financial period</b>	962,971	957,785	819,913	829,611
<b>Operations</b>				
Total return for the period	8,035	25,740	4,848	16,641
<b>Net increase in net assets resulting from operations</b>	8,035	25,740	4,848	16,641
<b>Transactions with owners</b>				
<b>Contributions by and distributions to owners</b>				
Issue of new Units				
- Rights Issue	218,285	218,285	218,285	218,285
- Manager's fees paid/payable in Units	1,446	3,968	1,446	3,968
Issue expenses	(6,000)	(6,000)	(6,000)	(6,000)
Distribution paid to Unitholders	(25,377)	(50,154)	(25,377)	(50,154)
<b>Net increase in net assets resulting from transactions with owners</b>	188,354	166,099	188,354	166,099
<b>Movement in foreign currency translation reserve</b>	7,284	16,256	-	-
<b>Hedging transactions</b>				
Effective portion of change in fair value of cash flow hedges	3,094	3,858	3,094	3,858
<b>Net assets attributable to owners as at end of the period</b>	1,169,738	1,169,738	1,016,209	1,016,209

**1 (d)(ii) Details of Any Changes in Units (Group and Trust)**

	3Q 2016 ( '000)	3Q 2015 ( '000)	YTD Sep 2016 ( '000)	YTD Sep 2015 ( '000)
<b>Units in issue:</b>				
At the beginning of the financial period	1,292,335	874,013	1,285,799	870,197
Issue of new Units relating to:				
- Rights Issue Units	-	393,306	-	393,306
- Manager's fees paid in Units	2,801	1,554	9,337	5,370
At the end of the period	1,295,136	1,268,873	1,295,136	1,268,873
<b>Units to be issued:</b>				
Manager's fee payable in Units	5,035	2,262	5,035	2,262
At the end of the period	1,300,171	1,271,135	1,300,171	1,271,135

On 8 October 2015, 14,663,132 new Units have been issued as payment for the acquisition fee of S\$10.7 million in relation to the acquisition of ORP. The acquisition fee was paid in Units as the acquisition of ORP constitutes an interested party transaction. These Units shall not be sold by the Manager within one year from their date of issue.

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

The figures have not been audited or reviewed by OUE C-REIT's auditors.

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

Not applicable.

**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 adopted in the preparation of the financial statements for the current report financial year are consistent with those described in the audited financial statements for the financial year ended 31 December 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**

Not applicable.

**6 Earnings per Unit and Distribution per Unit**

**Earnings per Unit attributable to Unitholders ("EPU")**

	<b>3Q 2016</b>	<b>3Q 2015</b>	<b>YTD Sep 2016</b>	<b>YTD Sep 2015</b>
Weighted average number of Units	1,295,165,066	1,123,545,218	1,292,348,240	957,594,008
Basic EPU (cents)	0.74	0.72	2.13	2.69
Weighted average number of Units	1,951,815,317 <sup>(1)</sup>	1,123,545,218	1,951,815,317 <sup>(1)</sup>	957,594,008
Diluted EPU (cents)	0.56	0.72	1.62	2.69

Footnote:

(1) The weighted average number of Units includes the potential Units to be issued assuming all the CPPUs were converted at S\$0.841 per Unit.

550.0 million CPPUs were issued in October 2015 as partial satisfaction of the purchase consideration for the acquisition of ORP. The CPPUs cannot be converted for a period of four years commencing from the date of issue ("Restriction Period") save in certain limited circumstances and thereafter, not more than one-third of the CPPUs initially issued can be converted in any one year. After the Restriction Period, the CPPUs can be converted into Units at S\$0.841 per Unit and will impact the EPU upon conversion. Upon full conversion, 653,983,353 Units will be issued.



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**6 Earnings per Unit and Distribution per Unit (cont'd)**

**Distribution per Unit attributable to Unitholders ("DPU")**

	<b>3Q 2016</b>	<b>3Q 2015</b>	<b>YTD Sep 2016</b>	<b>YTD Sep 2015</b>
No of Units entitled to distribution	1,297,831,964 <sup>(1)</sup>	1,285,798,463 <sup>(2)</sup>	1,297,831,964 <sup>(1)</sup>	1,285,798,463 <sup>(2)</sup>
Distribution per Unit (Cents)	1.32	1.02	4.00	3.02

Footnotes:

- (1) Comprises the Units in issue as at 30 September 2016 of 1,295,135,759 Units (note 1(d)(ii)) and Units to be issued to the Manager as partial satisfaction of Manager's base management fee payable for 3Q 2016 of 2,696,205.
- (2) Comprises the Units in issue and to be issued as at 30 September 2015 of 1,271,135,331 Units (note 1(d)(ii)) and 14,663,132 new Units issued pursuant to the acquisition fee of S\$10.7 million in relation to the acquisition of ORP on 8 October 2015.

**7 Net Asset Value per Unit and Net Tangible Asset per Unit attributable to Unitholders**

	<b>Group</b>		<b>Trust</b>	
	<b>30 Sep 2016</b>	<b>31 Dec 2015</b>	<b>30 Sep 2016</b>	<b>31 Dec 2015</b>
No of Units in issue and to be issued at end of period/year	1,300,171,320	1,289,451,569	1,300,171,320	1,289,451,569
Net asset value ("NAV") per Unit (S\$)	0.89	0.96	0.78	0.81
Net tangible asset ("NTA") per Unit (S\$)	0.88	0.95	0.77	0.80

The NAV per Unit and NTA per Unit are computed based on the Units in issue and to be issued as at the end of the financial period/year.

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**8 Review of the Performance**

<b>Statement of Total Return</b>	<b>3Q 2016 <sup>(1)</sup></b> <b>(S\$'000)</b>	<b>3Q 2015 <sup>(2)</sup></b> <b>(S\$'000)</b>	<b>Change</b> <b>(%)</b>	<b>YTD Sep</b> <b>2016 <sup>(1)</sup></b> <b>(S\$'000)</b>	<b>YTD Sep</b> <b>2015 <sup>(2)</sup></b> <b>(S\$'000)</b>	<b>Change</b> <b>(%)</b>
Gross revenue	44,184	20,606	N/M	132,786	60,694	N/M
Property operating expenses	(8,856)	(5,045)	75.5	(28,975)	(14,733)	96.7
<b>Net property income</b>	<b>35,328</b>	<b>15,561</b>	<b>N/M</b>	<b>103,811</b>	<b>45,961</b>	<b>N/M</b>
Other income	608	1,744	(65.1)	2,070	6,193	(66.6)
Amortisation of intangible asset	(1,117)	(1,046)	6.8	(3,353)	(3,140)	6.8
Manager's management fees						
- Base fee	(2,359)	(1,446)	63.1	(7,038)	(3,968)	77.4
- Performance fee	(767)	-	N/M	(1,961)	-	N/M
Trustee's fee	(138)	(88)	56.8	(412)	(249)	65.5
Other expenses	(300)	(180)	66.7	(1,192)	(1,010)	18.0
Finance income	1,578	588	N/M	1,656	794	N/M
Finance costs	(15,729)	(6,039)	N/M	(43,270)	(15,357)	N/M
Foreign exchange differences	8	227	(96.5)	(664)	453	N/M
<b>Total return for the period before tax</b>	<b>17,112</b>	<b>9,321</b>	<b>83.6</b>	<b>49,647</b>	<b>29,677</b>	<b>67.3</b>
Tax expense	(4,376)	(1,286)	N/M	(12,747)	(3,937)	N/M
<b>Total return for the period</b>	<b>12,736</b>	<b>8,035</b>	<b>58.5</b>	<b>36,900</b>	<b>25,740</b>	<b>43.4</b>
<b>Attributable to:</b>						
Unitholders and CPPU holder	11,020	8,035	37.1	31,634	25,740	22.9
Non-controlling interests	1,716	-	N/M	5,266	-	N/M
<b>Total return for the period</b>	<b>12,736</b>	<b>8,035</b>	<b>58.5</b>	<b>36,900</b>	<b>25,740</b>	<b>43.4</b>

N/M: Not meaningful

Footnotes:

- (1) The current period results of OUE C-REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:4.919 for 3Q 2016 and 1:4.794 for YTD Sep 2016.
- (2) The prior period results of OUE C-REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:4.542 for 3Q 2015 and 1:4.579 for YTD Sep 2015.

**Review of OUE C-REIT Group's performance 3Q 2016 vs 3Q 2015**

Higher gross revenue of S\$44.2 million was mainly due to revenue contribution from ORP, which was acquired in October 2015, coupled with improved performance at OUE Bayfront and Lippo Plaza.

Higher property operating expenses was mainly due to the expenses incurred by ORP which was acquired in October 2015. This was partially offset by lower property tax at OUE Bayfront and lower leasing commissions incurred at Lippo Plaza.

As a result, 3Q 2016 net property income increased to S\$35.3 million from S\$15.6 million in 3Q 2015.

Other income of S\$0.6 million was 65.1% lower, mainly due to lower drawdown of income support as a result of better performance at OUE Bayfront.

Manager's base management fee of S\$2.4 million and Trustee's fee of S\$0.1 million were 63.1% and 56.8% higher respectively, mainly due to higher deposited property as at 30 September 2016 arising from the acquisition of ORP.

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Manager's performance fee is calculated as 25% of the difference in DPU in a financial year with the DPU in the preceding financial year. Manager's performance fee was accrued in 2016 due to higher expected DPU in 2016 compared to 2015.

Other expenses was 66.7% higher in 3Q 2016 compared to 3Q 2015 mainly due to the expenses incurred by ORP which was acquired in October 2015.

Higher finance income of S\$1.6 million included the ineffective portion of changes in fair value of certain IRS accounted for as cash flow hedges which has no impact on DPU.

Higher finance cost of S\$15.7 million was mainly due to higher amount of loans outstanding and higher interest rate in 3Q 2016 compared to 3Q 2015. The higher amount of loans outstanding was due to the drawdown of new loans to part finance the acquisition of ORP as well as contribution from ORP's finance costs. The increase also included the effect of transferring the hedging reserve from unitholders' funds of S\$4.0 million due to the termination of hedge accounting for certain IRS which has no impact on DPU.

Higher tax expenses of S\$4.4 million was mainly due to the inclusion of ORP's tax expenses and higher tax provision as a result of better performance of Lippo Plaza.

**Review of OUE C-REIT Group's performance YTD September 2016 vs YTD September 2015**

Higher gross revenue of S\$132.8 million achieved in YTD September 2016 was mainly due to revenue contribution from ORP, which was acquired in October 2015, coupled with improved performance at OUE Bayfront and Lippo Plaza.

Similarly, property operating expenses was higher at S\$29.0 million in YTD September 2016 mainly resulting from expenses incurred by ORP, which was acquired in October 2015.

As a result, YTD September 2016 net property income increased to S\$103.8 million from S\$46.0 million in YTD September 2015.

Other income of S\$2.1 million was 66.6% lower, mainly due to lower drawdown of income support as a result of better performance at OUE Bayfront.

Manager's base management fee of S\$7.0 million and Trustee's fee of S\$0.4 million were 77.4% and 65.5% higher respectively, mainly due to higher deposited property as at 30 September 2016 arising from the acquisition of ORP. Manager's performance fee is calculated as 25% of the difference in DPU in a financial year with the DPU in the preceding financial year. Manager's performance fee was accrued in 2016 due to higher expected DPU in 2016 compared to 2015.

Higher finance income of S\$1.7 million included the ineffective portion of changes in fair value of certain IRS accounted for as cash flow hedges which has no impact on DPU.

Higher finance cost of S\$43.3 million was mainly due to higher amount of loans outstanding and higher interest rate. The higher amount of loans outstanding was due to the drawdown of new loans to part finance the acquisition of ORP as well as contribution from ORP's finance costs. The increase also included the ineffective portion of changes in fair value of certain IRS accounted for as cash flow hedges and the effect of transferring the hedging reserve of S\$4.0 million from unitholders' funds due to the termination of hedge accounting for certain IRS. These changes in fair value of cash flow hedges have no impact on DPU.

Higher tax expenses of S\$12.7 million was mainly due to the inclusion of ORP's tax expenses and higher tax provision as a result of better performance of Lippo Plaza.

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**9 Variance between Actual and Forecast Results**

OUE C-REIT has not made any forecast.

**10 Commentary on the 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**

Singapore

Advance estimates by the Ministry of Trade and Industry (“MTI”) indicate that Singapore’s 3Q 2016 GDP grew by 0.6%<sup>1</sup> year-on-year (“YoY”), moderating from 2.0% in 2Q 2016. On a quarter-on-quarter (“QoQ”) seasonally adjusted basis, the economy contracted by 4.1%, reversing the 0.2% growth in the preceding quarter. Both the manufacturing as well as services sectors contracted during the quarter, by 1.1% YoY and 0.1% YoY, respectively. Lower output from transport engineering, biomedical manufacturing and general manufacturing clusters, as well as weakness in the wholesale and retail trade sectors weighed on growth. Given weaker economic indicators such as rising unemployment as well as slower growth projections, the official GDP growth forecast for 2016 was narrowed to 1.0% to 2.0%, from 1.0% to 3.0% previously.

According to CBRE, leasing momentum picked up markedly in 3Q 2016, resulting in net absorption of 820,420 sq ft<sup>2</sup>, reversing four consecutive quarters of contraction. However leasing activity continues to mainly be driven by “flight to quality” relocations, and increased pre-commitment levels at new office projects. Consequently, Grade A office rents contracted at a slower pace of 2.1% QoQ to S\$9.30 psf per month. Core CBD office occupancy at end-3Q 2016 increased 0.8 percentage points (“ppt”) QoQ to 95.9%, though it is noted that as result of occupiers of the upcoming office projects fulfilling existing lease terms before relocation, vacancy levels are expected to rise once these occupiers vacate existing premises in the coming quarters. With underlying new demand remaining muted, challenges faced in back-filling secondary office space as well as potential uncommitted future supply may impact vacancy and rents.

China

China’s 3Q 2016 GDP growth was stable at 6.7%<sup>3</sup>, unchanged from the previous two quarters and in line with the official GDP growth forecast of between 6.5% and 7.0%. The economy continued its shift toward consumption, with retail sales growth of 10.7% in September 2016 outpacing the rise in industrial production. However, investment spending continued to be led by the public sector, with subdued business spending due to high levels of debt. With the stabilisation in growth, authorities are expected to rein in excessive credit and rising property prices so as to achieve a more sustainable economy.

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According to Colliers International, Shanghai CBD Grade A office vacancy rose 2.6 ppt QoQ to 9.8%<sup>4</sup> as at end-3Q 2016, due to the completion of four new office projects totalling 206,000 sq m in the quarter. Net absorption rebounded to positive territory at 33,700 sq m, supported mainly by pre-commitments at the newly completed buildings. Nonetheless, average CBD Grade A office rents in Shanghai increased by 2.5% QoQ to RMB10.5 psm per day, due to the implementation of value-added tax included in the headline rental figures. In Puxi, Grade A office vacancy increased 3.5 ppt QoQ to 10.0% as at end-September 2016, with average Grade A rents rising 2.1% QoQ to RMB9.6 psm per day. In view of further new supply coming on-stream in 2016 and beyond, the overall Shanghai vacancy rate may continue to increase in the coming quarters and hence the rental outlook is expected to be subdued.

Outlook

OUE C-REIT's portfolio of strategically located Grade A office properties continue to record healthy occupancy levels which provide stability in income. In 2016, OUE C-REIT will enjoy a full year's contribution from its effective 67.95% indirect interest in One Raffles Place which was acquired on 8 October 2015.

Barring any unforeseen event and unexpected weakening of the economic environment, the Manager expects OUE C-REIT's financial performance to remain stable in 2016.

<sup>1</sup> Singapore Ministry of Trade and Industry Press Release, 14 October 2016

<sup>2</sup> CBRE, Singapore MarketView 3Q 2016

<sup>3</sup> National Bureau of Statistics of China Press Release, 19 October 2016

<sup>4</sup> Colliers International, Shanghai Research and Forecast Report 3Q 2016

**11 Distribution**

**(a) Current financial period**

Any distribution declared for the current financial period?

No

**(b) Corresponding period of the immediately preceding financial year**

Any distribution declared for the corresponding period of the immediate preceding financial period?

No

**12 If no distribution has been declared / recommended, a statement to that effect**

Not applicable.

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- 13 If OUE C-REIT has obtained a general mandate from Unitholders for interested person transactions, the aggregate value of such transactions are required under Rule 920(1)(a)(ii). If no interested person transactions mandate has been obtained, a statement to that effect.**

OUE C-REIT did not obtain a general mandate from Unitholders for interested person transactions.

- 14 Confirmation pursuant to Rule 705(5) of the Listing Manual**

We, on behalf of the Directors of OUE Commercial REIT Management Pte. Ltd. (as Manager of OUE C-REIT), hereby confirm that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Manager which may render the unaudited financial results of OUE C-REIT Group for the period from 1 January 2016 to 30 September 2016 to be false or misleading in any material respect.

- 15 Confirmation pursuant to Appendix 7.7 under Rule 720(1) of the Listing Manual**

We, on behalf of the Directors of OUE Commercial REIT Management Pte. Ltd. (as Manager of OUE C-REIT), hereby confirms that the undertakings from all its directors and executive officer as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

On behalf of the Board of the Manager

Christopher Williams  
Chairman and Non-Executive Director

Tan Shu Lin  
Chief Executive Officer and Executive Director

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*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 costs), property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.*

*The value of units in OUE C-REIT ("Units") and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. The past performance of OUE C-REIT is not necessarily indicative of the future performance of OUE C-REIT.*

*Investors should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.*

By Order of the Board

Ng Ngai

Company Secretary

**OUE Commercial REIT Management Pte. Ltd.**

(as Manager of OUE Commercial Real Estate Investment Trust)

(Company registration no. 201327018E)

1 November 2016