



## **Suntec Real Estate Investment Trust 2019 First Quarter Unaudited Financial Statements & Distribution Announcement**

Suntec Real Estate Investment Trust ("Suntec REIT") is a real estate investment trust constituted by the Trust Deed entered into on 1 November 2004 (as amended) between ARA Trust Management (Suntec) Limited as the Manager of Suntec REIT and HSBC Institutional Trust Services (Singapore) Limited as the Trustee of Suntec REIT.

Suntec REIT owns Suntec City Mall which comprises 813,753 sq ft of net lettable area and certain office units in Suntec Towers One, Two and Three and the whole of Suntec Towers Four and Five, which form part of the integrated commercial development known as "Suntec City". The property portfolio also comprises 60.8 per cent effective interest in Suntec Singapore Convention & Exhibition Centre and 141,959 sq ft of net lettable area of Suntec City Mall ("Suntec Singapore"), a one-third interest in One Raffles Quay ("ORQ") and a one-third interest in Marina Bay Financial Centre Towers 1 and 2, and the Marina Bay Link Mall (collectively known as "MBFC Properties") and a 30.0 per cent interest in 9 Penang Road (formerly known as Park Mall). Suntec REIT also holds a 100 per cent interest in the commercial building located at 177 Pacific Highway, Sydney, Australia, a 50.0 per cent interest in Southgate Complex, Melbourne, Australia and a 50.0 per cent interest in a commercial building to be developed located at Olderfleet, 477 Collins Street, Melbourne, Australia.

The financial information for the period from 1 January 2019 to 31 March 2019 has not been audited but has been reviewed by our auditors in accordance with Singapore Standard on Review Engagements 2410.

Financial Statements Announcement  
For First Quarter ended 31 March 2019

**SUMMARY OF SUNTEC REAL ESTATE INVESTMENT TRUST RESULTS**

|   | Group                |                      |              |
|---|----------------------|----------------------|--------------|
|   | 1/1/19 to<br>31/3/19 | 1/1/18 to<br>31/3/18 | Change       |
|   | S\$'000              | S\$'000              | %            |
| <b>Gross revenue</b>                                | <b>89,677</b>        | <b>90,719</b>        | <b>-1.1%</b> |
| <b>Net property income</b>                          | <b>58,198</b>        | <b>62,988</b>        | <b>-7.6%</b> |
| <b>Income contribution from joint ventures</b>      | <b>24,020</b>        | <b>22,721</b>        | <b>5.7%</b>  |
| <b>Distributable income</b>                         | <b>65,353</b>        | <b>64,814</b>        | <b>0.8%</b>  |
| - from operations                                   | 58,853               | 58,314               | 0.9%         |
| - from capital <sup>(a)</sup>                       | 6,500                | 6,500                | 0.0%         |
| <b>Distribution per unit (cents) <sup>(b)</sup></b> | <b>2.434</b>         | <b>2.433</b>         | <b>0.0%</b>  |
| - from operations                                   | 2.192                | 2.189                | 0.1%         |
| - from capital <sup>(a)</sup>                       | 0.242                | 0.244                | -0.8%        |
| <b>Annualised distribution per unit (cents)</b>     | <b>9.871</b>         | <b>9.867</b>         | <b>0.0%</b>  |

**Footnote:**

(a) This relates to a portion of the sale proceeds from the disposal of Park Mall in December 2015 and is classified as capital distribution from a tax perspective. Capital distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who hold the Units as trading assets, the amount of capital gain distribution will be applied to reduce the cost base of their Units for the purpose of calculating the amount of taxable trading gains arising from the disposal of the Units.

(b) Please refer to Page 12 for the distribution per unit computation.

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**1 (a)(i) Statements of Total Return and Statement of Distribution for the First Quarter ended 31 March 2019**

| <b>Statement of total return</b>                                 | <b>Group</b>                 |                              |               |
|--|------------------------------|------------------------------|---------------|
|  | <b>1/1/19 to<br/>31/3/19</b> | <b>1/1/18 to<br/>31/3/18</b> | <b>Change</b> |
|  | <b>S\$'000</b>               | <b>S\$'000</b>               | <b>%</b>      |
| <b>Gross revenue</b> <sup>(a)</sup>                              | <b>89,677</b>                | <b>90,719</b>                | <b>-1.1%</b>  |
| Maintenance charges <sup>(b)</sup>                               | (9,851)                      | (5,036)                      | -95.6%        |
| Property management fees   | (2,446)                      | (2,460)                      | 0.6%          |
| Property tax   | (5,790)                      | (5,966)                      | 3.0%          |
| Other property expenses <sup>(c)</sup>                           | (13,392)                     | (14,269)                     | 6.1%          |
| <b>Property expenses</b>   | <b>(31,479)</b>              | <b>(27,731)</b>              | <b>-13.5%</b> |
| <b>Net property income</b>                                       | <b>58,198</b>                | <b>62,988</b>                | <b>-7.6%</b>  |
| Share of profit of joint ventures <sup>(d)</sup>                 | 18,483                       | 17,890                       | 3.3%          |
| Finance income <sup>(e)</sup>                                    | 7,577                        | 5,360                        | 41.4%         |
| Finance expenses <sup>(e)</sup>                                  | (26,608)                     | (22,234)                     | -19.7%        |
| Asset management fees - base fee                                 | (8,233)                      | (7,951)                      | -3.5%         |
| Asset management fees - performance fee                          | (3,754)                      | (3,855)                      | 2.6%          |
| Trust expenses   | (945)                        | (943)                        | -0.2%         |
| <b>Net income</b>  | <b>44,718</b>                | <b>51,255</b>                | <b>-12.8%</b> |
| Net change in fair value of financial derivatives <sup>(f)</sup> | (4,931)                      | 12,483                       | -139.5%       |
| <b>Total return before tax</b>                                   | <b>39,787</b>                | <b>63,738</b>                | <b>-37.6%</b> |
| Income tax expense <sup>(g)</sup>                                | (1,271)                      | (1,716)                      | 25.9%         |
| <b>Total return for the period after tax</b>                     | <b>38,516</b>                | <b>62,022</b>                | <b>-37.9%</b> |
| <b>Attributable to:</b>  |                              |                              |               |
| Unitholders  | 38,137                       | 60,186                       | -36.6%        |
| Non-controlling interests  | 379                          | 1,836                        | -79.4%        |
| <b>Total return for the period</b>                               | <b>38,516</b>                | <b>62,022</b>                | <b>-37.9%</b> |

| <b>Statement of distribution</b>   | <b>Group</b>                 |                              |               |
|--|------------------------------|------------------------------|---------------|
|  | <b>1/1/19 to<br/>31/3/19</b> | <b>1/1/18 to<br/>31/3/18</b> | <b>Change</b> |
|  | <b>S\$'000</b>               | <b>S\$'000</b>               | <b>%</b>      |
| <b>Total return for the period attributable to Unitholders before distribution</b> | <b>38,137</b>                | <b>60,186</b>                | <b>-36.6%</b> |
| Non-tax chargeable items <sup>(h)</sup>  | (6,824)                      | (29,581)                     | 76.9%         |
| <b>Taxable income</b>  | <b>31,313</b>                | <b>30,605</b>                | <b>2.3%</b>   |
| Dividend income <sup>(i)</sup>   | 27,540                       | 27,709                       | -0.6%         |
| <b>Income available for distribution to Unitholders</b>                            | <b>58,853</b>                | <b>58,314</b>                | <b>0.9%</b>   |
| Unitholders' distribution:   |                              |                              |               |
| - from operations  | 58,853                       | 58,314                       | 0.9%          |
| - from capital <sup>(i)</sup>  | 6,500                        | 6,500                        | 0.0%          |
| <b>Distributable amount to Unitholders</b>   | <b>65,353</b>                | <b>64,814</b>                | <b>0.8%</b>   |

## Financial Statements Announcement For First Quarter ended 31 March 2019

### Footnotes:

- (a) Gross revenue comprises mainly rental income from retail mall and offices, convention revenue and income from rental of atrium and media spaces. Please refer to Note 8(i) for breakdown in Gross revenue.
- (b) Maintenance charges for the current quarter ended 31 March 2019 was higher year-on-year due to sinking fund contribution for the upgrading works of the common area for all Suntec Office Towers with effect from 1 June 2018.
- (c) Other property expenses for the current quarter ended 31 March 2019 was lower compared to the corresponding period mainly due to fewer major convention events held during the current quarter.
- (d) This relates to the Group's one-third interest in One Raffles Quay Pte Ltd ("ORQPL"), one-third interest in BFC Development LLP ("BFCD LLP"), 30.0% interest in Park Mall Pte. Ltd and 50.0% interest in Southgate Trust. The increase was due to higher share of profit from Southgate Trust by S\$2.4 million following the acquisition of an additional 25.0% effective interest in May 2018, offset by lower share of profit from ORQPL & BFCD LLP by S\$0.9 million each.
- (e) Included in the finance income and finance expenses are the following:

|  | Group                |                      |               |
|--|----------------------|----------------------|---------------|
|  | 1/1/19 to<br>31/3/19 | 1/1/18 to<br>31/3/18 | Change        |
|  | S\$'000              | S\$'000              | %             |
| <b>Finance income:</b>                                   |                      |                      |               |
| Interest income  |                      |                      |               |
| - fixed deposits and current account                     | 255                  | 120                  | 112.5%        |
| - loans to joint ventures <sup>(1)</sup>                 | 6,421                | 5,240                | 22.5%         |
| - interest rate swaps                                    | 629                  | -                    | n.m.          |
| Net foreign currency exchange differences                | 272                  | -                    | n.m.          |
|  | <b>7,577</b>         | <b>5,360</b>         | <b>41.4%</b>  |
| <b>Finance expenses:</b>                                 |                      |                      |               |
| Interest expense   |                      |                      |               |
| - bank loans, notes and convertible bonds <sup>(2)</sup> | (24,062)             | (17,889)             | -34.5%        |
| - interest rate swaps <sup>(3)</sup>                     | (345)                | (1,594)              | 78.4%         |
| Amortisation and transaction costs                       | (2,201)              | (2,036)              | -8.1%         |
| Net foreign currency exchange differences                | -                    | (715)                | 100.0%        |
|  | <b>(26,608)</b>      | <b>(22,234)</b>      | <b>-19.7%</b> |
| <b>Net financing costs</b>                               | <b>(19,031)</b>      | <b>(16,874)</b>      | <b>-12.8%</b> |

(1) Interest income from loans to joint ventures was higher year-on-year due to increase in interest rates.

(2) Interest expense on bank loans, notes and convertible bonds for the current quarter was higher year-on-year due to increase in interest rates.

(3) Interest rate swaps costs for the current quarter decreased year-on-year due to higher interest rates.

- (f) This relates to the net loss arising from fair value remeasurement of the foreign currency forward contracts, interest rate swaps and convertible bonds. These have little impact on distributable income.
- (g) This relates to income tax on operating profits and non-tax transparent income received as well as deferred tax provision. The income tax was lower year-on-year mainly due to a lower provision of deferred tax made by a subsidiary in the quarter ended 31 March 2019.

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(h) Included in the non-tax deductible/(chargeable) items are the following:

|  | Group                |                      |               |
|--|----------------------|----------------------|---------------|
|  | 1/1/19 to<br>31/3/19 | 1/1/18 to<br>31/3/18 | Change        |
|  | S\$'000              | S\$'000              | %             |
| <b>Non-tax deductible/(chargeable) items</b>               |                      |                      |               |
| Amortisation of transaction costs                          | 2,110                | 1,918                | 10.0%         |
| Asset management fees paid/payable in units                | 8,874                | 8,744                | 1.5%          |
| Net change in fair value of financial derivatives          | 4,931                | (12,622)             | -139.1%       |
| Net foreign currency exchange differences                  | (233)                | 564                  | -141.3%       |
| Sinking fund contribution                                  | 4,815                | -                    | n.m.          |
| Temporary differences and other adjustments <sup>(1)</sup> | 817                  | 856                  | -4.6%         |
| Net profit from subsidiaries and/or joint ventures         | (28,138)             | (29,041)             | -3.1%         |
| <b>Total</b>   | <b>(6,824)</b>       | <b>(29,581)</b>      | <b>-76.9%</b> |

(1) This relates mainly to non-deductible expenses and chargeable income.

(i) This relates to the dividend/distribution income received and receivable from:

|  | Group                |                      |              |
|--|----------------------|----------------------|--------------|
|  | 1/1/19 to<br>31/3/19 | 1/1/18 to<br>31/3/18 | Change       |
|  | S\$'000              | S\$'000              | %            |
| Wholly-owned subsidiaries:                   |                      |                      |              |
| Comina Investment Limited <sup>(1)</sup>     | 5,574                | 6,410                | -13.0%       |
| Suntec Harmony Pte. Ltd. <sup>(2)</sup>      | 2,736                | 2,736                | 0.0%         |
| Suntec REIT Capital Pte. Ltd. <sup>(3)</sup> | 4,700                | 5,000                | -6.0%        |
| Suntec REIT (Australia) Trust <sup>(4)</sup> | 6,280                | 4,392                | 43.0%        |
|  | 19,290               | 18,538               | 4.1%         |
| Joint venture:                               |                      |                      |              |
| BFC Development LLP <sup>(5)</sup>           | 8,250                | 9,171                | -10.0%       |
|  | <b>27,540</b>        | <b>27,709</b>        | <b>-0.6%</b> |

(1) Comina Investment Limited ("CIL") has a one-third interest in ORQ.

(2) Suntec Harmony Pte. Ltd. ("SHPL") has a 60.8% effective interest in Suntec Singapore.

(3) Suntec REIT Capital Pte. Ltd provides shareholder loans to Suntec REIT (Australia) Trust ("SRAust") for its investments in Australia.

(4) SRAust has a 100% effective interest in 177 Pacific Highway, a 50.0% effective interest in Southgate Complex and a 50.0% effective interest in Olderfleet, 477 Collins Street.

(5) BFCD LLP has a one-third interest in MBFC Properties.

(j) This relates to a portion of the sales proceed from the disposal of Park Mall in December 2015 and is classified as capital distribution from a tax perspective.

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**1 (b)(i) Statements of Financial Position as at 31 March 2019**

|  | Group            |                  | Trust            |                  |
|--|------------------|------------------|------------------|------------------|
|  | 31/3/19          | 31/12/18         | 31/3/19          | 31/12/18         |
|  | S\$'000          | S\$'000          | S\$'000          | S\$'000          |
| <b>Non-current assets</b>                  |                  |                  |                  |                  |
| Plant and equipment                        | 1,962            | 1,860            | 262              | 231              |
| Investment properties                      | 6,514,860        | 6,493,964        | 5,110,525        | 5,110,000        |
| Interests in joint ventures <sup>(a)</sup> | 2,860,355        | 2,855,238        | 1,466,196        | 1,466,196        |
| Interests in subsidiaries <sup>(b)</sup>   | -                | -                | 1,567,149        | 1,539,802        |
| Derivative assets <sup>(c)</sup>           | 496              | 573              | 496              | 573              |
| <b>Total non-current assets</b>            | <b>9,377,673</b> | <b>9,351,635</b> | <b>8,144,628</b> | <b>8,116,802</b> |
| <b>Current assets</b>                      |                  |                  |                  |                  |
| Derivative assets <sup>(c)</sup>           | 1,155            | 943              | 1,155            | 943              |
| Trade and other receivables <sup>(d)</sup> | 36,626           | 23,168           | 33,907           | 16,220           |
| Cash and cash equivalents                  | 121,920          | 136,657          | 78,999           | 96,432           |
| <b>Total current assets</b>                | <b>159,701</b>   | <b>160,768</b>   | <b>114,061</b>   | <b>113,595</b>   |
| <b>Total assets</b>                        | <b>9,537,374</b> | <b>9,512,403</b> | <b>8,258,689</b> | <b>8,230,397</b> |
| <b>Current liabilities</b>                 |                  |                  |                  |                  |
| Interest-bearing borrowings <sup>(e)</sup> | 753,961          | 513,770          | 753,961          | 513,770          |
| Trade and other payables <sup>(f)</sup>    | 101,184          | 112,749          | 48,347           | 54,844           |
| Derivative liabilities <sup>(c)</sup>      | 4,355            | 3,408            | 4,355            | 3,408            |
| Current portion of security deposits       | 19,462           | 19,744           | 17,033           | 17,107           |
| <b>Total current liabilities</b>           | <b>878,962</b>   | <b>649,671</b>   | <b>823,696</b>   | <b>589,129</b>   |
| <b>Non-current liabilities</b>             |                  |                  |                  |                  |
| Interest-bearing borrowings <sup>(e)</sup> | 2,794,716        | 2,978,075        | 2,430,434        | 2,613,884        |
| Non-current portion of security deposits   | 49,599           | 49,133           | 46,661           | 46,352           |
| Derivative liabilities <sup>(c)</sup>      | 30,366           | 27,397           | 28,211           | 26,474           |
| Deferred tax liabilities <sup>(g)</sup>    | 40,528           | 40,021           | -                | -                |
| <b>Total non-current liabilities</b>       | <b>2,915,209</b> | <b>3,094,626</b> | <b>2,505,306</b> | <b>2,686,710</b> |
| <b>Total liabilities</b>                   | <b>3,794,171</b> | <b>3,744,297</b> | <b>3,329,002</b> | <b>3,275,839</b> |
| <b>Net assets</b>                          | <b>5,743,203</b> | <b>5,768,106</b> | <b>4,929,687</b> | <b>4,954,558</b> |
| Represented by:                            |                  |                  |                  |                  |
| Unitholders' funds <sup>(h)</sup>          | 5,613,005        | 5,636,523        | 4,929,687        | 4,954,558        |
| Non-controlling interests                  | 130,198          | 131,583          | -                | -                |
| <b>Total Equity</b>                        | <b>5,743,203</b> | <b>5,768,106</b> | <b>4,929,687</b> | <b>4,954,558</b> |

**Footnotes:**

(a) In respect of the Group's joint ventures, this relates to the one-third interest in ORQPL, one-third interest in BFCD LLP, 30.0% interest in Park Mall Investment Limited ("PMIL") and 50.0% interest in Southgate Trust. In respect of the Trust's joint ventures, this relates to the one-third interest in BFCD LLP.

(b) This relates to CIL, SHPL, Suntec REIT MTN Pte. Ltd. ("SRMTN"), Suntec REIT Capital Pte. Ltd., SRAust and Suntec (PM) Pte. Ltd., which are wholly-owned subsidiaries of Suntec REIT.

(c) This relates to the foreign currency forward contracts and interest rate swaps at fair value through profit or loss and the embedded derivative relating to convertible bonds.

(d) The increase for both the Group and the Trust was mainly due to dividend receivable from joint ventures.

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- (e) *The interest-bearing borrowings are stated at amortised cost. The current portion of the interest-bearing borrowings as at 31 March 2019 relates to a S\$10 million revolving credit facility (“RCF”), S\$350 million loan due in the second quarter of 2019, S\$310.0 million euro medium term notes due in the first quarter of 2020 and S\$87.5 million convertible bonds due in 2021 is redeemable by bondholders on 5 September 2019. The RCF and loan facility will be refinanced on 22 April 2019.*
- (f) *The decrease in trade and other payables mainly relate to lower accruals of progress billings for Olderfleet, 477 Collins Street at the group level and decrease in interest payable following payments of interest during the quarter.*
- (g) *The increase in deferred tax liabilities mainly relate to a subsidiary’s provision of deferred tax for the quarter ended 31 March 2019.*
- (h) *Please refer to statement of movements in unitholders’ funds item 1(e) for details.*

**1 (c) Aggregate amount of borrowings and debt securities**

|  | Group     |           | Trust     |           |
|--|-----------|-----------|-----------|-----------|
|  | 31/3/19   | 31/12/18  | 31/3/19   | 31/12/18  |
|  | S\$'000   | S\$'000   | S\$'000   | S\$'000   |
| Amount repayable in one year or less, or on demand |           |           |           |           |
| - Unsecured <sup>(b)</sup>                         |           |           |           |           |
| (i) financial institutions                         | 359,928   | 429,796   | 359,928   | 429,796   |
| (ii) notes & convertible bonds                     | 394,033   | 83,974    | 84,287    | 83,974    |
| (iii) subsidiary                                   | -         | -         | 309,746   | -         |
|  | 753,961   | 513,770   | 753,961   | 513,770   |
| Amount repayable after one year                    |           |           |           |           |
| - Secured <sup>(a)</sup>                           | 364,282   | 364,191   | -         | -         |
| - Unsecured <sup>(b)</sup>                         |           |           |           |           |
| (i) financial institutions                         | 1,525,704 | 1,500,019 | 1,525,704 | 1,500,019 |
| (ii) notes & convertible bonds                     | 904,730   | 1,113,865 | 276,615   | 275,686   |
| (iii) subsidiary                                   | -         | -         | 628,115   | 838,179   |
|  | 2,794,716 | 2,978,075 | 2,430,434 | 2,613,884 |
|  | 3,548,677 | 3,491,845 | 3,184,395 | 3,127,654 |

**Details of borrowings and collaterals**

- (a) *The Group has in place a secured term loan facility and revolving credit facility amounting to S\$406.0 million with a panel of banks. As at 31 March 2019, the Group has drawn down S\$366.0 million of secured facilities.*

*The facility is secured on the following:*

- *A first legal mortgage on Suntec Singapore (the “Property”);*
- *A first fixed charge over the central rental collection account in relation to the Property;*
- *An assignment of the subsidiary’s rights, title and interest in the key documents and the proceeds in connection with the Property;*
- *An assignment of the subsidiary’s rights, title and interest in the insurance policies in relation to the Property; and*
- *A fixed and floating charge over the assets of the subsidiary in relation to the Property, agreements, collateral, as required by the financial institutions granting the facility.*

- (b) *The Group has unsecured interest-bearing borrowings and revolving credit facilities amounting to S\$2,420.0 million from various institutional banks. As at 31 March 2019, the Group has drawn down S\$1,892.8 million of bank borrowings, S\$387.5 million of convertible bonds and S\$940.0 million euro medium term notes issued by SRMTN and on-lent to the Trust.*

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**1 (d) Statements of Cash Flow**

|   | Group                |                      |
|---|----------------------|----------------------|
|   | 1/1/19 to<br>31/3/19 | 1/1/18 to<br>31/3/18 |
|   | S\$'000              | S\$'000              |
| <b>Operating activities</b>                                 |                      |                      |
| Net income  | 44,718               | 51,255               |
| Adjustments for:  |                      |                      |
| Depreciation of plant and equipment                         | 215                  | 316                  |
| Loss on disposal of plant and equipment                     | 4                    | 10                   |
| Asset management fees paid/payable in units                 | 8,874                | 8,744                |
| Net financing costs <sup>(a)</sup>                          | 19,031               | 16,874               |
| Allowance for doubtful receivables                          | 235                  | 577                  |
| Share of profit of joint ventures                           | (18,483)             | (17,890)             |
| Operating income before working capital changes             | 54,594               | 59,886               |
| Changes in working capital                                  |                      |                      |
| Trade and other receivables                                 | (873)                | (6,010)              |
| Trade and other payables                                    | (7,375)              | (6,564)              |
| <b>Cash flows generated from operations</b>                 | <b>46,346</b>        | <b>47,312</b>        |
| Income tax paid   | -                    | -                    |
| <b>Net cash flow from operating activities</b>              | <b>46,346</b>        | <b>47,312</b>        |
| <b>Investing activities</b>                                 |                      |                      |
| Interest received   | 6,695                | 5,361                |
| Dividend received from joint ventures                       | 5,314                | 1,987                |
| Change in investment in joint ventures                      | (3,660)              | (4,181)              |
| Capital expenditure on investment properties                | (565)                | (568)                |
| Purchase of plant and equipment                             | (322)                | (182)                |
| Proceeds from disposal of plant and equipment               | -                    | 1                    |
| Progress payments on construction <sup>(b)</sup>            | (23,009)             | (9,748)              |
| <b>Net cash flow used in investing activities</b>           | <b>(15,547)</b>      | <b>(7,330)</b>       |
| <b>Financing activities</b>                                 |                      |                      |
| Proceeds from interest-bearing loans                        | 25,215               | -                    |
| Proceeds from euro medium term notes                        | 100,000              | -                    |
| Unit issue costs paid                                       | -                    | (30)                 |
| Proceeds from settlement of derivatives                     | 512                  | -                    |
| Financing costs paid  | (30,294)             | (22,766)             |
| Repayment of interest-bearing loans                         | (70,000)             | -                    |
| Dividend paid to non-controlling interest                   | (1,764)              | (1,764)              |
| Distributions to unitholders                                | (69,458)             | (69,364)             |
| <b>Net cash flow used in financing activities</b>           | <b>(45,789)</b>      | <b>(93,924)</b>      |
| <b>Net decrease in cash and cash equivalents</b>            | <b>(14,990)</b>      | <b>(53,942)</b>      |
| <b>Cash and cash equivalents at beginning of the period</b> | <b>136,657</b>       | <b>172,655</b>       |
| <b>Effect on exchange rate fluctuations on cash held</b>    | <b>253</b>           | <b>(778)</b>         |
| <b>Cash and cash equivalents at end of the period</b>       | <b>121,920</b>       | <b>117,935</b>       |

**Footnote:**

(a) Please refer to footnote (e) under note 1(a)(i) Statement of Total Return and Statement of Distribution for the quarter ended 31 March 2019 on page 4.

(b) This relates to progress payments made in relation to Olderfleet, 477 Collins Street in Melbourne, Australia which is currently under development.



**Financial Statements Announcement  
For First Quarter ended 31 March 2019**

**1 (e) Statements of Movements in Unitholders' Funds**

|   | Group                |                      | Trust                |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | 1/1/19 to<br>31/3/19 | 1/1/18 to<br>31/3/18 | 1/1/19 to<br>31/3/19 | 1/1/18 to<br>31/3/18 |
|   | S\$'000              | S\$'000              | S\$'000              | S\$'000              |
| <b>Balance at the beginning of the period</b>                                 | <b>5,636,523</b>     | <b>5,639,074</b>     | <b>4,954,558</b>     | <b>4,954,212</b>     |
| <b>Operations</b>   |                      |                      |                      |                      |
| Total return for the period attributable to unitholders                       | 38,137               | 60,186               | 38,684               | 44,207               |
| <b>Net increase in net assets resulting from operations</b>                   | <b>38,137</b>        | <b>60,186</b>        | <b>38,684</b>        | <b>44,207</b>        |
| Effective portion of changes in fair value of cash flow hedges <sup>(a)</sup> | 334                  | 123                  | -                    | -                    |
| Translation differences from financial statements of foreign entities         | 1,566                | (30,228)             | -                    | -                    |
| Net gain/(loss) recognised directly in Unitholders' funds                     | 1,900                | (30,105)             | -                    | -                    |
| <b>Unitholders' transactions</b>  |                      |                      |                      |                      |
| Creation of units   |                      |                      |                      |                      |
| - conversion of convertible bonds <sup>(b)</sup>                              | -                    | 500                  | -                    | 500                  |
| Units to be issued  |                      |                      |                      |                      |
| - asset management fees payable in units <sup>(c)</sup>                       | 5,871                | 5,660                | 5,871                | 5,660                |
| Unit issue expenses   | -                    | (30)                 | -                    | (30)                 |
| Distributions paid to unitholders <sup>(d)</sup>                              | (69,426)             | (69,292)             | (69,426)             | (69,292)             |
| <b>Net decrease in net assets resulting from unitholders' transactions</b>    | <b>(63,555)</b>      | <b>(63,162)</b>      | <b>(63,555)</b>      | <b>(63,162)</b>      |
| <b>Unitholders' funds as at end of period</b>                                 | <b>5,613,005</b>     | <b>5,605,993</b>     | <b>4,929,687</b>     | <b>4,935,257</b>     |

**Footnotes:**

- (a) This represents the share of fair value change from interest rate swaps of the cash flow hedges of a joint venture.
- (b) This represents the value at closing market prices of 242,718 units issued on conversion of convertible bonds on 25 January 2018 and 28 February 2018.
- (c) This represents the value of units issued and to be issued to the Manager as partial satisfaction of the asset management fee incurred for the quarter. The asset management base fee units for the quarter ended 31 March 2019 are to be issued within 30 days from quarter end.
- (d) This includes tax withheld in relation to distribution paid during the quarter.

**Financial Statements Announcement  
For First Quarter ended 31 March 2019**

**1 (f) Details of any changes in the units since the end of the previous period reported on**

|  | Group and Trust               |                               |
|--|-------------------------------|-------------------------------|
|  | 1/1/19 to<br>31/3/19<br>Units | 1/1/18 to<br>31/3/18<br>Units |
| <b>Issued units at the beginning of the period</b>     | 2,670,632,751                 | 2,652,435,452                 |
| Creation of units:                                     |                               |                               |
| - as payment for asset management fee                  | 9,904,077                     | 8,415,529                     |
| - conversion of convertible bonds in Units             | -                             | 242,718                       |
| <b>Issued units at the end of the period</b>           | 2,680,536,828                 | 2,661,093,699                 |
| Units to be issued:                                    |                               |                               |
| - asset management fee payable in Units <sup>(a)</sup> | 3,004,969                     | 2,970,092                     |
| <b>Issuable units at the end of the period</b>         | 3,004,969                     | 2,970,092                     |
| <b>Total issued and issuable units</b>                 | <b>2,683,541,797</b>          | <b>2,664,063,791</b>          |

**Footnotes:**

(a) These are units to be issued to the Manager as partial satisfaction of asset management base fee incurred for the quarter ended 31 March 2019 and 31 March 2018 respectively.

**1 (g) Number of shares that may be issued on conversion of all outstanding convertibles**

**Convertible Bonds – Group & Trust**

**(a) Convertible Bonds due 2021**

On 5 September 2016, Suntec REIT issued S\$300.0 million in principal amount of Convertible Bonds due in 2021 (“CB 2021”). To-date, \$212.5 million in principal amount of CB 2021 had been converted or redeemed as the case may be and cancelled in accordance with the terms of CB 2021.

As at 31 March 2019, S\$87.5 million (31 March 2018: S\$87.5 million) of CB 2021 remained outstanding which are convertible by holders into units of Suntec REIT (“Unit”) at any time on or after 16 October 2016 at an adjusted conversion price of S\$2.01 per new Unit (31 March 2018: S\$2.06 per new Unit).

Unless previously redeemed by the bondholders on 5 September 2019, or by the Trust at any time on or after 5 September 2019 and not less than 7 business days prior to 5 September 2021, the final redemption date of the bonds will be 5 September 2021.

Assuming CB 2021 are fully converted based on the adjusted conversion price, the number of new Units to be issued would be 43,532,338 (31 March 2018: 42,475,728), representing 1.62% (31 March 2018: 1.59%) of the total number of Units in issue as at 31 March 2019.

**(b) Convertible Bonds due 2024**

On 30 November 2017, Suntec REIT issued S\$300.0 million in principal amount of Convertible Bonds due in 2024 (“CB 2024”) which are convertible by holders into Units at any time on or after 9 January 2018 at an adjusted conversion price of S\$2.14 per new Unit (31 March 2018: \$2.189 per new Unit).

Unless previously redeemed by the bondholders on 30 November 2020, or by the Trust at any time on or after 30 November 2020 and not less than 7 business days prior to 30 November 2024, the final redemption date of the bonds will be 30 November 2024.

Assuming CB 2024 are fully converted based on the adjusted conversion price, the number of new Units to be issued would be 140,186,915 (31 March 2018: 137,048,880), representing 5.22% (31 March 2018: 5.14%) of the total number of Units in issue as at 31 March 2019.

**Financial Statements Announcement  
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- 2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

*The figures for the financial quarter ended 31 March 2019 have not been audited but have been reviewed by the auditors in accordance with Singapore Standard on Review Engagements 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 see attached review report.*

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

*Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2018.*

- 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 Group has adopted new Financial Reporting Standards in Singapore ("FRSs") and interpretations effective for the financial period beginning 1 January 2019 as follows:*

*FRS 116 Leases*

*FRS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.*

*There was no significant impact to the financial statements of the Group arising from the adoption of FRS 116.*

**Financial Statements Announcement  
For First Quarter ended 31 March 2019**

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

**Earnings per unit**

|   | Group                |                      |
|---|----------------------|----------------------|
|   | 1/1/19 to<br>31/3/19 | 1/1/18 to<br>31/3/18 |
| Weighted average number of issued/issuable units <sup>(a)</sup>                                 | 2,680,570,217        | 2,661,016,129        |
| Earnings per unit for the period based on the weighted average number of units in issue (cents) | 1.423                | 2.262                |
| Weighted average number of units on the fully diluted basis                                     | 2,685,078,989        | 2,845,206,640        |
| Earnings per unit for the period based on the fully diluted basis (cents) <sup>(b)</sup>        | 1.420                | 1.706                |

**Footnotes:**

- (a) For the purpose of calculating the basic EPU, the weighted average number of units issued/issuable took into account the asset management fees – base fees paid/payable in units (31 March 2018: the weighted average number of units issued/issuable took into account the asset management fees – base fees paid/payable in units and new units issued from the conversion of \$500,000 of the convertible bonds).
- (b) For the purpose of calculating the diluted EPU, the weighted average number of units in issue is adjusted to take into account the asset management fees – base and performance fees payable in units and dilutive effect arising from full conversion of convertible bonds to units.

**Distribution per Unit**

In computing the DPU, the number of units as at the end of each period is used for the computation. The DPU for the Group and Trust are the same.

|  | Group                |                      |
|--|----------------------|----------------------|
|  | 1/1/19 to<br>31/3/19 | 1/1/18 to<br>31/3/18 |
| Number of issued and issuable units at end of period entitled to distribution <sup>(a)</sup>             | 2,683,541,797        | 2,664,063,791        |
| Distribution per unit for the period based on the total number of units entitled to distribution (cents) | 2.434 <sup>(1)</sup> | 2.433 <sup>(1)</sup> |

- (1) The distribution per unit for the quarter ended 31 March 2019 of **2.434 cents per unit** (31 March 2018: **2.433 cents per unit**) comprised a taxable income component of **1.917 cents per unit** (31 March 2018: **1.859 cents per unit**), a tax exempt income component of **0.275 cents per unit** (31 March 2018: **0.330 cents per unit**) and a capital distribution of **0.242 cents per unit** (31 March 2018: **0.244 cents per unit**).

**Footnotes:**

- (a) The computation of actual DPU for the period from 1 January 2019 to 31 March 2019 is based on the number of units entitled to the distribution:
- (i) The number of units in issue as at 31 March 2019 of 2,680,536,828; and
- (ii) The units issuable to the Manager by 30 April 2019 as partial satisfaction of asset management base fees incurred for the period from 1 January 2019 to 31 March 2019 of 3,004,969.

**Financial Statements Announcement  
For First Quarter ended 31 March 2019**

**7. Net asset value (“NAV”) and Net Tangible Asset (“NTA”) per unit as at 31 March 2019**

|                          | Group                  |          | Trust                  |          |
|--------------------------|------------------------|----------|------------------------|----------|
|                          | 31/3/19 <sup>(a)</sup> | 31/12/18 | 31/3/19 <sup>(a)</sup> | 31/12/18 |
| NAV / NTA per unit (S\$) | 2.092                  | 2.103    | 1.837                  | 1.848    |

**Footnotes:**

(a) The number of units used for computation of actual NAV per unit is 2,683,541,797. This comprised:

- (i) The number of units in issue as at 31 March 2019 of 2,680,536,828; and
- (ii) The units issuable to the Manager by 30 April 2019 as partial satisfaction of asset management base fees incurred for the period from 1 January 2019 to 31 March 2019 of 3,004,969.

**8. Review of the performance for the First Quarter ended 31 March 2019**

8(i) Gross revenue and Net Property Income contribution by properties

| Properties                       | Group                |                      |              |
|----------------------------------|----------------------|----------------------|--------------|
|                                  | 1/1/19 to<br>31/3/19 | 1/1/18 to<br>31/3/18 | Change       |
|                                  | S\$'000              | S\$'000              | %            |
| <b>Gross Revenue:</b>            |                      |                      |              |
| Suntec City                      | 60,010               | 58,352               | 2.8%         |
| 177 Pacific Highway              | 9,859                | 10,500               | -6.1%        |
| Suntec Singapore                 | 19,808               | 21,867               | -9.4%        |
| <b>Total gross revenue</b>       | <b>89,677</b>        | <b>90,719</b>        | <b>-1.1%</b> |
| <b>Net Property Income:</b>      |                      |                      |              |
| Suntec City                      | 43,408               | 44,768               | -3.0%        |
| 177 Pacific Highway              | 8,489                | 9,073                | -6.4%        |
| Suntec Singapore                 | 6,301                | 9,147                | -31.1%       |
| <b>Total net property income</b> | <b>58,198</b>        | <b>62,988</b>        | <b>-7.6%</b> |

8(ii) Income contribution from joint ventures

|  | Group                |                      |             |
|--|----------------------|----------------------|-------------|
|  | 1/1/19 to<br>31/3/19 | 1/1/18 to<br>31/3/18 | Change      |
|  | S\$'000              | S\$'000              | %           |
| <b>Joint ventures:</b>                             |                      |                      |             |
| One-third interest in ORQ:                         |                      |                      |             |
| - Interest income                                  | 599                  | 518                  | 15.6%       |
| - Dividend income                                  | 5,574                | 6,410                | -13.0%      |
|  | 6,173                | 6,928                | -10.9%      |
| One-third interest in MBFC Properties:             |                      |                      |             |
| - Interest income                                  | 5,821                | 4,722                | 23.3%       |
| - Distribution income                              | 8,250                | 9,171                | -10.0%      |
|  | 14,071               | 13,893               | 1.3%        |
| 50% interest in Southgate Complex <sup>(a)</sup> : |                      |                      |             |
| - Dividend/Distribution income                     | 3,776                | 1,900                | 98.7%       |
|  | 3,776                | 1,900                | 98.7%       |
| <b>Total income contribution</b>                   | <b>24,020</b>        | <b>22,721</b>        | <b>5.7%</b> |

**Footnote:**

(a) The effective interest was increased from 25.0% to 50.0% after the completion of the acquisition of an additional 25.0% effective interest in May 2018.

## **Financial Statements Announcement For First Quarter ended 31 March 2019**

### **Review of performance 1Q FY19 vs 1Q FY18**

For 1Q FY19, the gross revenue was S\$89.7 million, a decrease of S\$1.0 million or 1.1% lower year-on-year. The decrease was mainly due to lower revenue from Suntec Singapore (by \$2.1 million to S\$19.8 million) and lower revenue from 177 Pacific Highway due to the weakened Australian dollar, despite maintaining committed occupancy at 100%. This was partially offset by an increase in revenue from Suntec City (by S\$1.7 million to S\$60.0 million).

Suntec Singapore's revenue contribution for the quarter of S\$19.8 million comprises S\$14.6 million from convention and S\$5.2 million from retail. The convention revenue declined 12.8% due to fewer major convention events held in 1Q FY19 partially offset by higher corporate functions revenue achieved. Suntec Singapore's retail revenue increased 1.7% as compared to 1Q FY18 due to higher occupancy and rental rates.

Suntec City revenue improved S\$1.7 million year-on-year, mainly due to increase in retail revenue of S\$1.7 million as a result of positive rental reversions. Office revenue increased by a slight \$0.03 million as replacement leases secured in prior quarters commenced operations. As at 31 March 2019, Suntec City Office occupancy declined by 0.2% year-on-year to 98.9% while the committed occupancy of Suntec City Mall declined by 0.9% year-on-year to 97.7% due to the on-going asset enhancement works.

The net property income for 1Q FY19 was S\$58.2 million, S\$4.8 million or 7.6% lower year-on-year, mainly attributable to the sinking fund contribution for Suntec City Office upgrading works amounting to S\$4.8 million which has no impact on distributable income. Excluding the sinking fund contribution, Suntec City net property income increased by S\$2.7 million, offset by lower net property income from Suntec Singapore of S\$2.0 million. 177 Pacific Highway net property income was S\$0.6 million lower year-on-year due to the weakened Australian dollar.

The total income contribution from joint ventures comprising ORQ, MBFC Properties and Southgate Complex for the quarter was S\$24.0 million which was 5.7% higher mainly due to the stronger performance of and additional 25.0% interest in Southgate Complex and better performance of MBFC Properties. This was partially offset by lower contribution from ORQ due to lower occupancy of 96.1%, a decline of 3.9% year-on-year. The committed occupancy at MBFC Towers 1 & 2 maintained at 100% while the Marina Bay Link Mall committed occupancy improved by 0.6% to 99.5%. Southgate Complex's office occupancy improved from 92.5% to 99.5%.

The overall committed occupancy for the office and retail portfolios stood at 98.9% and 97.4% respectively as at 31 March 2019.

Net financing costs for the quarter was S\$19.0 million, an increase of S\$2.2 million mainly due to additional borrowings and higher interest rates. The all-in financing cost for the group was 3.04% per annum for the quarter and the aggregate leverage ratio at 38.6% as at 31 March 2019.

Total distributable income for the quarter of S\$65.4 million was S\$0.5 million or 0.8% higher year-on-year. The distribution per unit ("DPU") for the quarter was 2.434 cents per unit, slightly higher than 1Q FY18 DPU of 2.433 cents per unit. This includes a capital distribution of S\$6.5 million which was the same amount as 1Q 18.

### **9. Variance between the forecast and actual results**

The current results are broadly in line with the Trust's commentary made in the FY2018 Financial Results Announcement under item 10. The Trust has not disclosed any financial forecast to the market.

**Financial Statements Announcement  
For First Quarter ended 31 March 2019**

**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**

The Singapore economy improved in the first quarter of 2019. Based on the report released by the Ministry of Trade and Industry (“MTI”) on 12 April 2019, the Singapore economy grew by 1.3% on a year-on-year basis.

The Singapore office market continued to improve in the first quarter of 2019. Against the backdrop of a firm leasing market and tightening of supply, overall CBD rents grew by 3.7% from the previous quarter to S\$10.63 psf/mth while the overall CBD occupancy also increased by 1.1% to 94.0%.<sup>1</sup>

Looking ahead, given the limited supply coming on-stream in 2019, the occupancy and rental levels for the Singapore office portfolio are expected to further improve. The Manager will continue its proactive asset management to strengthen the office proposition.

The Singapore retail market was stable in the first quarter of 2019. Demand for retail space were driven by expansions of existing brands, spinoffs by F&B groups and activity-based retailers.<sup>1</sup> In 2018, the Manager had strengthened the tenancy mix of Suntec City mall and will continue to build on this in 2019. Looking ahead, the mall is poised to continue to perform well, notwithstanding the continuing challenges in the retail sector.

According to the Australian Bureau of Statistics, the Australian economy on a year-on-year basis, grew by 2.3% in the fourth quarter of 2018. On 2 April 2019, the Reserve Bank of Australia maintained the cash rate unchanged at 1.5%.

In Australia, the national office CBD occupancy increased by 0.5% to 91.4% in the fourth quarter of 2018. Leasing activity continues to be positive in the Sydney and Melbourne office markets driven mainly by flight to quality and expansionary activities. Looking ahead in 2019, occupancy and rental levels for our assets in Australia are expected to remain high given the strong demand coupled with limited new supply.<sup>2</sup>

In view of the higher interest rate environment, the Manager will continue its prudent capital management strategy, improve the underlying performance of its assets and source for accretive acquisitions to enhance unitholders value.

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<sup>1</sup> JLL, Office and Retail Market Reports 1Q 2019.

<sup>2</sup> JLL, Australia Office Overview and Outlook, Sydney CBD Office, North Shore Office and Melbourne CBD Office Market Reports 4Q 2018.

**Financial Statements Announcement  
For First Quarter ended 31 March 2019**

**11. Distributions**

**(a) Current financial period**

Any distribution declared for the current period? Yes

Name of distribution Distribution for the period from 1 January 2019 to 31 March 2019

| Distribution Type    | Distribution Rate Per Unit (cents) |
|----------------------|------------------------------------|
| Taxable income       | 1.917                              |
| Tax-exempt income    | 0.275                              |
| Capital distribution | 0.242                              |
| <b>Total</b>         | <b>2.434</b>                       |

Distribution Type  
 i) Taxable income  
 ii) Tax-exempt income  
 iii) Capital distribution

Par value of units Not meaningful

Tax Rate  
**Taxable income**  
 These distributions are made out of Suntec REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through partnership or as trading assets).

**Tax-exempt income**  
 Tax-exempt income distribution is exempt from tax in the hands of all Unitholders.

**Capital distribution**  
 Capital distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who hold the Units as trading assets, the amount of capital gain distribution will be applied to reduce the cost base of their Units for the purpose of calculating the amount of taxable trading gains arising from the disposal of the Units.

Remark Nil



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

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

Name of distribution Distribution for the period from 1 January 2018 to 31 March 2018

| Distribution Rate | Distribution Type    | Distribution Rate Per Unit (cents) |
|-------------------|----------------------|------------------------------------|
|                   | Taxable income       | 1.859                              |
|                   | Tax-exempt income    | 0.330                              |
|                   | Capital distribution | 0.244                              |
|                   | <b>Total</b>         | <b>2.433</b>                       |

Distribution Type i) Taxable income  
ii) Tax-exempt income  
iii) Capital distribution

Par value of units Not meaningful

**Tax Rate**  
**Taxable income**  
These distributions are made out of Suntec REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through partnership or as trading assets).

**Tax-exempt income**  
Tax-exempt income distribution is exempt from tax in the hands of all Unitholders.

**Capital distribution**  
Capital distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who hold the Units as trading assets, the amount of capital gain distribution will be applied to reduce the cost base of their Units for the purpose of calculating the amount of taxable trading gains arising from the disposal of the Units.

Remark Nil

**(c) Date paid/payable:** 30 May 2019

**(d) Books Closure Date:** 8 May 2019

**Financial Statements Announcement  
For First Quarter ended 31 March 2019**

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

Not applicable.

**13. Aggregate value of Interested Person Transactions under Rule 920(1)(a)(ii)**

Suntec REIT does not have in place a general mandate for interested person transactions.

**14. Negative confirmation 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 of Suntec REIT (the "Manager") which may render the unaudited interim financial statements of the Group and Trust (comprising the statement of financial position as at 31 March 2019, statement of total return & distribution statement, cash flow statement and statement of changes in unitholders' funds for the quarter ended on that date), together with their accompanying notes, to be false or misleading, in any material aspect.

On behalf of the Board of the Manager  
ARA TRUST MANAGEMENT (SUNTEC) LIMITED

Lim Hwee Chiang, John  
Director

Chong Kee Hiong  
Director and Chief Executive Officer

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

The Board of Directors of ARA Trust Management (Suntec) Limited (as Manager for Suntec REIT) hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

**16. Certificate pursuant to Paragraph 7.3 of the Property Funds Appendix**

The Manager hereby certifies that in relation to the distribution to the Unitholders of Suntec REIT for the quarter ended 31 March 2019:

- a. Suntec REIT will declare a distribution which is classified as capital distribution from a tax perspective, being derived from a portion of the sales proceeds from the sale of Park Mall in December 2015, in addition to the income available for distribution for the quarter ended 31 March 2019,
- b. The Manager is satisfied on reasonable grounds that, immediately after making the distributions, Suntec REIT will be able to fulfill, from its deposited properties, its liabilities as they fall due.

The distribution is computed based on the accounts of Suntec REIT for the quarter ended 31 March 2019 and is verified by our external tax consultant.

Suntec REIT's current distribution policy is to distribute at least 90.0% of its taxable income to Unitholders.

**Financial Statements Announcement  
For First Quarter ended 31 March 2019**

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 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 the current views of management on future events.

The value of units in Suntec REIT ("**Units**") and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, ARA Trust Management (Suntec) Limited (as the manager of Suntec REIT) (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.

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 Singapore Exchange Securities Trading Limited (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.

The past performance of Suntec REIT is not necessarily indicative of the future performance of Suntec REIT.

BY ORDER OF THE BOARD  
ARA TRUST MANAGEMENT (SUNTEC) LIMITED  
AS MANAGER OF SUNTEC REAL ESTATE INVESTMENT TRUST  
(Company registration no. 200410976R)

Chong Kee Hiong  
Director  
24 April 2019