



Trust Management (Suntec) Limited

Press Release

31 October 2011

Manager of



SUNTEC REIT ANNOUNCES REMAKING OF SUNTEC CITY AEI EXPECTED TO DELIVER ROI OF 10.1%

Singapore, 31 October 2011 – ARA Trust Management (Suntec) Limited, the manager of Suntec Real Estate Investment Trust (“Suntec REIT”), today announced a S\$410 million remake of Suntec City. The remaking will transform Suntec City into a more exciting shopping and MICE destination.

The Asset Enhancement Initiative (“AEI”), which is scheduled to start in mid-2012, will comprise a S\$230 million capital expenditure in remaking Suntec City Mall and a further S\$180 million on Suntec Singapore International Convention and Exhibition Centre (“Suntec Singapore”), which Suntec REIT holds an effective interest of 60.8%. On completion in mid-2015, Suntec City will offer almost 1 million sq ft of retail lettable space.

Upon completion, Suntec City Mall's net property income is expected to increase by 33% or S\$23 million. This would represent a 10.1% return on investment for unitholders and an 84% increase in capital value over capital expenditure¹.

Exciting retail mix

Suntec City Mall will be repositioned and revitalised with specialty retail stores, enhanced food and beverage offerings, and new anchor tenants. Visitors can expect a diverse and wide range of food & beverage choices, new restaurant concepts, stylish cafes and new food courts. The new Level 3 Sky Garden will feature new rooftop alfresco restaurants and watering holes set amidst breezy, landscaped gardens. The AEI works will create an exciting new destination to the 5.2 million sq ft integrated Suntec City, with a catchment of about 36,000 office population and more than 24 million visitors each year.

¹ Based on current capitalization rate of 5.5% for retail property

Connectivity and Convenience

Connectivity within Suntec City will see significant improvements with the integration of new retail space at levels 1 and 2 of Suntec Singapore with Suntec City Mall, enabling visitors to enjoy a seamless shopping experience.

With its 3,100 lots basement car park, two MRT stations on the circle line and soon to be opened downtown line station, Suntec City will offer easy accessibility, connectivity and greater convenience to all visitors. When completed, the link bridges connecting to South Beach and the Marina Bay area will further enhance the connectivity in the Marina Bay precinct.

MICE Enhancements

Suntec Singapore, which has hosted more than 18,000 events over the last 16 years that included some of the world's biggest exhibitions and conventions such as the World Trade Organisation Ministerial Conference (1996), the 2006 Annual Meetings of the Board of Governors of the International Monetary Fund and the World Bank Group as well as the 2009 APEC Singapore Leaders' Week will also receive its own makeover. The re-design of the venue will pay particular attention to flexibility, functionality and convertibility while integrating a high degree of advanced technology which includes an impressive 2-storey interactive digital wall and a modernized facade. The convention centre will operate from levels 2 to 7 with the grand entrance on level 3, served by express escalators from the ground level.

Mr. Yeo See Kiat, Chief Executive Officer of ARA Trust Management (Suntec) Limited, which manages Suntec REIT said, "This major AEI project, when completed, will revitalize Suntec City and offer a new shopping experience in the exciting Marina Bay precinct. We have carefully planned the implementation phases to minimise disruptions to both tenants and visitors. The AEI, when completed, would significantly enhance value to all our stakeholders."

Mr. Yeo added, "During the execution of the AEI works, we would use part of the sale proceeds from Chijmes to mitigate the temporary dip in DPU."

ABOUT SUNTEC REIT

Listed on 9 December 2004, Suntec REIT holds properties in Suntec City, Singapore's largest integrated commercial development (including one of Singapore's largest shopping mall), Park Mall, Chijmes, a one-third interest in One Raffles Quay, a one-third interest in Marina Bay Financial Centre Towers 1 and 2 and the Marina Bay Link Mall, and a 60.8% interest in Suntec Singapore International Convention & Exhibition Centre. Its aim is to invest in income-producing real estate which is primarily used for retail and/or office purposes. Suntec REIT is managed by an external manager, ARA Trust Management (Suntec) Limited. For more details, please visit www.suntecreit.com.

ABOUT ARA TRUST MANAGEMENT (SUNTEC) LIMITED

ARA Trust Management (Suntec) Limited, part of the ARA Asset Management Limited group ("ARA"), is the manager of Suntec REIT. ARA, a real estate fund management company, is an affiliate of the Cheung Kong Group, and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited. ARA's business segments comprise REIT management, private real estate fund management, and specialist equity fund management and corporate finance advisory services. For more details, please visit www.ara-asia.com.

IMPORTANT NOTICE

The value of 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 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.

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