

## OFFER INFORMATION STATEMENT

This document is important. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.

The collective investment scheme offered in this document is an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"). A copy of this Offer Information Statement has been lodged with the Monetary Authority of Singapore (the "**Authority**"). The Authority assumes no responsibility for the contents of this Offer Information Statement. Lodgment of this Offer Information Statement with the Authority does not imply that the SFA, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the units being offered, or in respect of which an invitation is made, for investment.

An application will be made to Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for approval in-principle for the dealing in and quotation of the new Units (the "**New Units**") in Suntec Real Estate Investment Trust ("**Suntec REIT**") to be issued under the Private Placement (as defined herein), on the Main Board of the SGX-ST.

This Offer Information Statement is not for distribution, directly or indirectly, in or into the United States, Japan or Canada. It is not an offer of securities for sale into the United States, Japan or Canada. The New Units may not be offered or sold in the United States or to, or for the account or benefit of, US persons (as such term is defined in Regulation S ("**Regulation S**") under the US Securities Act of 1933, as amended ("**Securities Act**")) unless they are registered or exempt from registration. There will be no public offer of securities in the United States.

No units in Suntec Real Estate Investment Trust ("**Suntec REIT**") shall be allotted on the basis of this Offer Information Statement later than the date falling six months from the date of lodgment of this Offer Information Statement.

### OFFER AND PLACEMENT OF NEW UNITS IN SUNTEC REIT BY WAY OF A PRIVATE PLACEMENT OF 120,000,000 NEW UNITS TO INSTITUTIONAL AND OTHER INVESTORS AT AN ISSUE PRICE BETWEEN S\$1.48 AND S\$1.52 (THE "PRIVATE PLACEMENT").



(Constituted in the Republic of Singapore pursuant to a trust deed dated 1 November 2004 (as amended) (the "**Trust Deed**"))

Managed by

**ARA** Trust Management (Suntec) Limited

(Member of Cheung Kong Group)

**Financial Advisor, Lead Manager and Underwriter for the Private Placement**



Date of lodgment: 26 October 2006

## NOTICE TO UNITHOLDERS AND INVESTORS

No person has been authorised to give any information or make any representations other than those contained in this Offer Information Statement in connection with the Private Placement and, if given or made, such information or representations must not be relied upon as having been authorised by Suntec REIT, ARA Trust Management (Suntec) Limited (in its capacity as manager of Suntec REIT) (the “**Manager**”), HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Suntec REIT) (the “**Trustee**”) or Citigroup Global Markets Singapore Pte. Ltd. (“**Citigroup**” or the “**Financial Advisor, Lead Manager and Underwriter**”). Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of Suntec REIT or the Manager. Neither the delivery of this Offer Information Statement nor the issue of the New Units shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no material change in the affairs of Suntec REIT or in any of the information contained herein since the date of this Offer Information Statement. Where such changes occur after the date of this Offer Information Statement and are material and required to be disclosed by law and/or the SGX-ST, the Manager will announce such changes to the SGX-ST. All Unitholders and investors should take note of any such announcement and, upon the release of such announcement, shall be deemed to have notice of such changes.

This Offer Information Statement may not be used for the purpose of, and does not constitute, an offer, invitation or solicitation in any jurisdiction or in any circumstances in which such offer, invitation or solicitation is unlawful or unauthorised, or to any person to whom it is unlawful to make such offer, invitation or solicitation. In addition, no action has been or will be taken in any jurisdiction that would permit a public offering of the New Units or the possession, circulation or distribution of this Offer Information Statement or any other material relating to Suntec REIT or the New Units in any jurisdiction where action for that purpose is required. The New Units may not be offered or sold, directly or indirectly and neither this Offer Information Statement nor any other offering material or advertisements in connection with the New Units may be distributed or published in or from any country or jurisdiction except, in each case, under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. No information in this Offer Information Statement should be considered to be business, legal or tax advice regarding an investment in the New Units and/or the units in Suntec REIT (“**Units**”).

Citigroup makes no representation, warranty or recommendation whatsoever as to the merits of the Private Placement, the New Units, Suntec REIT, the acquisition of the Properties (as defined herein) (the “**Acquisitions**”), the legality of an investment in the New Units by any person under any investment or any other laws or regulations or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or the accompanying documents shall be construed as a business, legal or tax advice or as a recommendation to subscribe for or purchase the New Units. Prospective purchasers or subscribers of the New Units should rely on their own investigation, appraisal and determination of the merits of investing in Suntec REIT and shall be deemed to have done so.

This Offer Information Statement and the accompanying documents have been prepared solely for the purposes of the Private Placement and may not be relied upon for any other purposes.

The New Units have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the benefit of, U.S. Persons (as defined in Regulation S).

The distribution of this Offer Information Statement and the placement of the New Units in certain jurisdictions may be prohibited or restricted by law. Persons who come into possession of this Offer Information Statement and/or its accompanying documents are required by the Manager and Citigroup to inform themselves of, and observe, any such prohibitions and restrictions at their own cost and expense and without liability to the Manager, the Trustee or the Financial Advisor, Lead Manager and Underwriter.

The financial statements ("**Financial Statements**"), comprising 2005 Full Year Audited Financial Statements (as defined herein) and 2006 Full Year Unaudited Financial Statements (as defined herein) are deemed incorporated into this Offer Information Statement by reference, are current only as at the dates of such Financial Statements, and the incorporation of the Financial Statements by reference will not create any implication that there has been no change in the affairs of Suntec REIT since the respective dates of such Financial Statements or that the information contained in such Financial Statements is current as at any time subsequent to their respective dates.

Any statement contained in the Financial Statements shall be deemed to be modified or superseded for the purposes of this Offer Information Statement to the extent that a subsequent statement contained herein modifies or supersedes that statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to form a part of this Offer Information Statement.

Copies of the 2005 Full Year Audited Financial Statements and 2006 Full Year Unaudited Financial Statements are available on the website of Suntec REIT at <[www.suntecreit.com](http://www.suntecreit.com)> and are also available for inspection during normal business hours at the registered office of the Manager at 9 Temasek Boulevard, #09-01 Suntec Tower Two, Singapore 038989<sup>1</sup>, from the date of this Offer Information Statement up to and including the date falling six months after the date of this Offer Information Statement.

**Prospective investors are advised to obtain and read the documents incorporated by reference herein before making their investment decision in relation to the New Units.**

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding.

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<sup>1</sup> Prior appointment will be appreciated.

## IMPORTANT NOTICE

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

However, listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. Investors have no right to request the Manager to redeem their Units while the Units are listed.

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

This Offer Information Statement 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. A few special business factors or risks which are unlikely to be known or anticipated by the investor and which could materially affect profits are set out under **Appendix 1** of the Offer Information Statement.

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.

### **Pro Forma Impact of Deferred Units Issuance**

Suntec City Development Pte Ltd ("**SCDPL**"), the vendor of Suntec City Mall and Suntec City Office Towers (both as defined in the prospectus dated 29 November 2004 (the "**Prospectus**") issued in connection with the initial public offering of Units in November / December 2004 and together, the "**IPO Properties**") will be issued with 207,002,170 additional Units (the "**Deferred Units**") in satisfaction of the deferred payment consideration for the purchase for the IPO Properties. The Deferred Units will be issued in six equal instalments, with the first instalment to be issued on the date falling 42 months after 9 December 2004 (being the date of completion of the sale and purchase of the IPO Properties) and the rest semi-annually thereafter. Any change in rental rates, occupancy rates and Distributable Income of Suntec REIT can affect the impact of any dilution in the yields of Suntec REIT arising from the issuance of the Deferred Units in the future. The table below illustrates the pro forma impact under the scenario where the Deferred Units were entirely issued on 9 December 2004, the date of admission of Suntec REIT to the Official List of the SGX-ST (the "**Listing Date**"):

	<b>Distribution yield (%) under the scenario that all Deferred Units are issued on the Listing Date</b>	
	<b>Forecast Period 2005 (10 months from 1 December 2004 to 30 September 2005) (Annualised)</b>	<b>Projection Year 2006 (Full year from 1 October 2005 to 30 September 2006) (Annualised)</b>
Issue Price	<b>S\$1.00</b>	<b>S\$1.00</b>
Base Case	<b>5.82</b>	<b>6.13</b>
Scenario assuming all Deferred Units were issued on the Listing Date	<b>5.02</b>	<b>5.28</b>

The above forecast and projected yields are calculated based on the offering price of S\$1.00 per Unit (the “**Offering Price**”) under the initial public offering of the Units and on the Manager’s assumptions as set out in the Prospectus. Such yields will vary accordingly for investors who purchase Units in the secondary market at a market price different from the Offering Price. The forecast financial performance of Suntec REIT is not guaranteed and there is no certainty that it can be achieved.

***In this Offer Information Statement, capitalised terms not otherwise defined herein have the meaning given to them in the Glossary on pages 41 to 45 of this Offer Information Statement. Any discrepancies in the figures below are due to rounding.***

In the Offer Information Statement, provide the following information:

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**FRONT COVER**

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- (1) On the front cover of the offer information statement, provide -**
- (a) the date of lodgment of the offer information statement;**
  - (b) the following statements:**
    - (i) “This document is important. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.”; and**
    - (ii) “The collective investment scheme offered in this document is {an authorised/a recognised\*} scheme under the Securities and Futures Act. A copy of this offer information statement has been lodged with the Authority. The Authority assumes no responsibility for the contents of the offer information statement. Lodgment of the offer information statement with the Authority does not imply that the Securities and Futures Act, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the units being offered for investment.”;**
  - (c) the name of the collective investment scheme (referred to in this Schedule as the Scheme) in which units are being offered, and its place and date of constitution;**
  - (d) a statement to the effect that an application has been or will be made to a securities exchange to list for quotation or quote the units being offered on that securities exchange, and the name of such securities exchange; and**
  - (e) a statement that no units shall be allotted or allocated on the basis of the offer information statement later than 6 months after the date of lodgment of the offer information statement.**

**\* to state accordingly**

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Noted.

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## BASIC INFORMATION

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- (2) (a) the name and address of the registered office of the manager of the fund (the “**Manager**”); and
- (b) the names and addresses of the directors of the Manager as at the Latest Practicable Date;
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- (a) The Manager is ARA Trust Management (Suntec) Limited and its registered office is located at 9 Temasek Boulevard, #09-01 Suntec Tower Two, Singapore 038989.
- (b) The names and addresses of the directors of the Manager (the “**Directors**”) are set out in **Appendix 4** of this Offer Information Statement.
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- (3) State the names and addresses of:

- (a) the issue manager to the offer, if any;
- (b) the underwriter to the offer, if any; and
- (c) the legal adviser for or in relation to the offer, if any;
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### ***Issue Manager and Underwriter***

The financial advisor, lead manager and underwriter for the Private Placement (as defined below) is Citigroup Global Markets Singapore Pte. Ltd. (“**Citigroup**” or “**Financial Advisor, Lead Manager and Underwriter**”), which is located at 3 Temasek Avenue, #12-00 Centennial Tower Singapore 039190.

### ***Legal Adviser***

The legal adviser for the Private Placement, and to the Manager, is Allen & Gledhill, which is located at One Marina Boulevard #28-00, Singapore 018989.

The legal adviser to the Financial Advisor, Lead Manager and Underwriter in relation to the Private Placement is Venture Law LLC, which is located at 50 Raffles Place #31-01 Singapore Land Tower Singapore 048623.

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## OFFER STATISTICS AND TIMETABLE

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- (4) For each method of offer, state the number of units being offered;
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The Manager proposes an offering of 120 million New Units at an issue price per New Unit (the “**Issue Price**”) which is between S\$1.48 and S\$1.52 (the “**Issue Price Range**”) by way of a private placement to institutional and other investors so as to raise gross proceeds of

approximately S\$173.8 million.

The Issue Price will be determined following an accelerated book building process by agreement between the Manager and the Financial Advisor, Lead Manager and Underwriter on a date currently expected to be no later than 27 October 2006 (the “**Determination Date**”).

A SGXNET announcement would be posted on the Internet at the website [www.sgx.com.sg](http://www.sgx.com.sg) upon the determination of the Issue Price on the Determination Date.

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- (5) **Provide the information referred to in paragraphs 6 to 10 to the extent applicable to:**
- (a) **the offer procedure; and**
  - (b) **where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors;**
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Noted.

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- (6) **State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgment of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure shall be made public;**
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The Private Placement will commence from the time and date this Offer Information Statement is lodged with the Authority and will remain open until the close of the book of orders for the Private Placement, which is currently expected to be no later than 27 October 2006. Upon the close of the book of orders for the Private Placement, such closure will be announced by the Manager no later than the Market Day after the date of such closure.

After the Issue Price has been determined by agreement between the Manager and the Financial Advisor, Lead Manager and Underwriter, it will be announced by the Manager *via* SGXNET. The Issue Price is currently expected to be determined no later than 27 October 2006.

The Manager will announce the completion of the book building process, the results of the Private Placement and the Issue Price *via* an announcement through SGXNET.



The name and address of the Financial Advisor, Lead Manager and Underwriter, to whom the subscription applications under the Private Placement are to be submitted, have been set out in paragraph (3) above.

The selling restrictions in relation to the Private Placement are set out in **Appendix 8** of this Offer Information Statement.

The performance of the obligations of the Manager and the Financial Advisor, Lead Manager and Underwriter under the Placement Agreement will be conditional upon various conditions set out in the Placement Agreement having being satisfied on, or before, 6 November 2006 (the "**Completion Date**").

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**(7) State the method and time limit for paying up for the units and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid;**

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Upon the allocation of New Units to an investor under the Private Placement, an investor will be obliged to pay the Issue Price of the allocated New Units upon settlement, which is currently expected to be on 27 October 2006 or as otherwise agreed between the Manager and the Financial Advisor, Lead Manager and Underwriter.

Payment under the Private Placement shall be made by way of telegraphic transfer or such other means as agreed with the Financial Advisor, Lead Manager and Underwriter.

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**(8) State, where applicable, the methods of and time limits for:**

- (a) the delivery of the documents evidencing title to the units being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and**
  - (b) the book-entry transfers of the units being offered in favour of subscribers or purchasers;**
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No certificate shall be issued to Unitholders by either the Manager or HSBC Institutional Trust Services (Singapore) Limited, as trustee of Suntec REIT (the "**Trustee**"), in respect of the New Units. For so long as Suntec REIT is listed, quoted and traded on the SGX-ST and/or any other Recognised Stock Exchange (as defined herein) and the Units have not been suspended from such listing, quotation and trading for more than 60 consecutive calendar days or de-listed permanently, The Central Depository (Pte) Limited ("**CDP**") shall be appointed by the Manager as the Unit depository for Suntec REIT, and all Units issued will be represented by entries in the register of Unitholders kept by the Trustee or the agent appointed by the Trustee in the name of, and deposited with, CDP as the registered holder of such Units. CDP is appointed pursuant to the depository services agreement dated 26 November 2004 entered into between CDP, the Manager and the Trustee. The Manager or the agent appointed by the Manager shall issue to CDP no later than 10 Business Days (as defined below) after the issue of Units, a confirmation note

confirming the date of issue and the number of Units so issued and for the purposes of the Trust Deed, such confirmation note shall be deemed to be a certificate evidencing title to the Units issued.

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- (9) In the case of any pre-emptive rights to subscribe for or purchase the units being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised;**

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There are no such pre-emptive rights.

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- (10) Provide a full description of the manner in which results of the allotment or allocation of the units are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid);**

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An announcement though the SGXNET will be made by the Manager within one Market Day after the occurrence of each of the following events:

- completion of the book-building process; and
- allotment of the New Units to Placees under the Private Placement.

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#### KEY INFORMATION

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- (11) In the same section, provide the information set out in paragraphs 12 to 17;**

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Noted.

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- (12) Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph as the net proceeds). Where only a part of the net proceeds will go into the property of the Scheme, indicate such amount. If none of the proceeds will go into the property of the Scheme, provide a statement of that fact;**

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Based on the minimum Issue Price of S\$1.48, the amount of the net proceeds from the Private Placement, being the gross proceeds from the Private Placement less the estimated amount of underwriting and selling commissions as well as the other fees and expenses (including professional fees and expenses) incurred by Suntec REIT in connection with the Private Placement, is estimated to be S\$177.6 million. Based on the

maximum Issue Price of S\$1.52, the amount of the net proceeds from the Private Placement is estimated to be S\$182.4 million.

Suntec REIT intends to source for and acquire (the “**Programme**”) the office strata lots comprised in the office towers One, Two and Three of Suntec City which it does not presently own (the “**Residual Office Strata Units**”).

Subject to the relevant laws and regulations, the proceeds of the Private Placement may be used, at the Manager’s absolute discretion, to finance the acquisitions of those Residual Office Strata Units which amount to an aggregate consideration of approximately S\$173.5 million (the “**Properties**”) as well as to pay various other fees in connection with the Acquisitions<sup>2</sup>. Details of the Properties are set out in **Appendix 3** of this Offer Information Statement.

It is not expected that the Acquisitions will be completed by the Completion Date. As such, pending the deployment of the net proceeds from the Private Placement to finance some or all of the Acquisitions, the available net proceeds of the Private Placement may, at the Manager’s absolute discretion, be deposited with banks and/or financial institutions or used for any other purpose on a short-term basis, including using such net proceeds for working capital requirements or repayment of a portion of Suntec REIT’s existing borrowings in order to minimise Suntec REIT’s borrowing costs during the interim period between the Completion Date and the completion of the Acquisitions.

While the Manager currently intends to apply the net proceeds principally to finance the Acquisitions, the Private Placement is not subject to or conditional upon the acquisition of all or any of the Properties. In the unlikely event that some or all of the Acquisitions are not completed, the net proceeds may be used by Suntec REIT to reduce Suntec REIT’s indebtedness or for any other purposes deemed appropriate by the Manager. Please see paragraph (19(g)) below for details on the borrowings of Suntec REIT.

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<sup>2</sup> SCDPL has been appointed by the Manager as agent to source for the Acquisitions. Any fees in relation to the Acquisitions will be paid by the respective vendors.

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- (13) Disclose how the net proceeds from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the Manager, must be raised by the offer of units;**
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The Manager intends to use the net proceeds of the Private Placement to finance the Acquisitions as well as to pay various other fees in connection with the Acquisitions.

The estimated total acquisition costs of the Properties (excluding the costs relating to the Private Placement) amount to approximately S\$173.5 million, comprising the aggregate consideration for the Properties (S\$173.2 million) and other fees and expenses (including professional fees and expenses) incurred or to be incurred by the Manager in connection with the Acquisitions (S\$0.3 million)<sup>3</sup>.

It is not expected that the Acquisitions will be completed by the Completion Date. As such, pending the deployment of the net proceeds from the Private Placement to finance some or all of the Acquisitions, the available net proceeds of the Private Placement may, at the Manager's absolute discretion, be deposited with banks and/or financial institutions or used for any other purpose on a short-term basis, including using such net proceeds for working capital requirements or repayment of a portion of Suntec REIT's existing borrowings in order to minimise Suntec REIT's borrowing costs during the interim period between the Completion Date and the completion of the Acquisitions.

While the Manager currently intends to apply the net proceeds principally to finance the Acquisitions, the Private Placement is not subject to or conditional upon the acquisition of all or any of the Properties. In the unlikely event that some or all of the Acquisitions are not completed, the net proceeds may be used by Suntec REIT to reduce Suntec REIT's indebtedness or for any other purposes deemed appropriate by the Manager. Please see paragraph (19(g)) below for details on the borrowings of Suntec REIT.

The Manager will make periodic announcements of the utilisation of the net proceeds of the Private Placement through SGXNET as and when such funds are utilised.

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- (14) For each dollar of the proceeds from the offer, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer;**
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<sup>3</sup> Such fees would not include the acquisition fees payable to the Manager under the Trust Deed as the Manager has, on 3 August 2005, announced that it would waive its entitlement to acquisition fees under the Trust Deed.

On the basis of the minimum Issue Price of S\$1.48, the Manager intends to allocate the proceeds from the Private Placement in the following manner:

- approximately S\$173.8 million to finance the Acquisitions and related acquisition costs of the Acquisition;
- approximately S\$2.8 million to pay for the underwriting and selling commissions, and related expenses payable to the Lead Manager and Underwriter in connection with the Private Placement;
- approximately, S\$0.7 million to pay for financial advisory fees and related expenses payable to the financial advisors<sup>4</sup>; and
- approximately S\$0.3 million to pay for the professional and other fees and expenses expected to be incurred by Suntec REIT in connection with the Private Placement.

It is not expected that the Acquisitions will be completed by the Completion Date. As such, pending the deployment of the net proceeds from the Private Placement to finance some or all of the Acquisitions, the available net proceeds of the Private Placement may, at the Manager's absolute discretion, be deposited with banks and/or financial institutions or used for any other purpose on a short-term basis, including using such net proceeds for working capital requirements or repayment of a portion of Suntec REIT's existing borrowings in order to minimise Suntec REIT's borrowing costs during the interim period between the Completion Date and the completion of the Acquisitions.

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- (15) If any of the proceeds from the offer will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset has been or will be acquired from a person specified as an interested party by the Authority in the Code on Collective Investment Schemes, identify the interested party and state how the cost to the Scheme is or will be determined;**
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The Properties are being acquired by Suntec REIT in its ordinary course of business from independent third party vendors.

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- (16) If any of the proceeds from the offer will be used to finance or refinance the acquisition of a business, briefly describe the business and give information on the status of the acquisition;**
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None of the proceeds from the Private Placement will be used to finance or refinance the acquisition of a business.

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<sup>4</sup> ARA Financial Pte Ltd as Financial Advisor to the Acquisitions and Citigroup as Financial Advisor to the Private Placement.

- (17) If any material part of the proceeds from the offer will be used to discharge, reduce or retire the indebtedness of the Scheme, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put;**
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As set out in paragraph (13) above, the Manager intends to apply the net proceeds principally to finance the Acquisitions. Pending the deployment of the proceeds from the Private Placement to finance the Acquisitions, the net proceeds of the Private Placement may, at the Manager's absolute discretion, be used to temporarily reduce Suntec REIT's outstanding amounts under its revolving credit facilities.

While the Manager currently intends to apply the net proceeds principally to finance the Acquisitions, the Private Placement is not subject to or conditional upon the acquisition of all or any of the Properties. In the unlikely event that some or all of the Acquisitions are not completed, the net proceeds may be used by Suntec REIT to pare down Suntec REIT's existing revolving credit facility which is due for renewal in the first quarter of financial year 2007 or for any other purposes deemed appropriate by the Manager. Such short-term debt were use to finance the acquisitions of Park Mall and Chijmes. Please see paragraph (19(g)) below for details on the borrowings of Suntec REIT.

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- (18) In the section containing the information referred to in paragraphs 12 to 17 or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or other placement or selling agents in relation to the offer and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained;**
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The Manager shall pay to the Financial Advisors, Lead Manager and Underwriter:

- (a) an underwriting, selling and management fee of 1.6% of the gross proceeds under the Private Placement; and
- (b) a financial advisory fee of 0.2% of the gross proceeds under the Private Placement.

Subscribers of the New Units under the Private Placement may be required to pay brokerage (and if so required, such brokerage will be up to 1.0% of the Issue Price), any stamp duty and other similar charges in accordance with the laws and practices of the country of subscription, in addition to the Issue Price.

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**(19) Provide the following information:**

**(a) the nature of the operations and principal activities of the Scheme;**

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Suntec REIT is a Singapore-based unit trust established with the investment objective of owning and investing in real estate and real estate-related assets, whether directly or indirectly, through the ownership of companies whose primary purpose is to hold or own real properties. The Manager's principal investment strategy is to invest in income-producing real estate which is primarily used for retail and/or office purposes. The Manager aims to produce stable distributions for the holders of Units in Suntec REIT ("**Unitholders**") and to achieve long-term growth in the net asset value per Unit.

Suntec REIT currently owns the following properties:

- (a) Strata Lots in Suntec City, a commercial development comprising, among other things, a retail mall ("**Suntec City Mall**") and five office towers, comprising the following:
  - (i) all 95 strata lots in Suntec City Mall - a three storey linear shaped mall and an eight storey shopping podium within Suntec City; and
  - (ii) certain strata lots in the five office towers of Suntec City comprising:
    - (A) seven strata lots in tower One;
    - (B) one strata lot in tower Two;
    - (C) 76 strata lots in tower Three;
    - (D) all the 40 strata lots in tower Four; and
    - (E) all the 15 strata lots in tower Five;(the "**Suntec City Office Towers**")
- (b) Park Mall, a 15-storey office cum retail complex, located at 9 Penang Road; and
- (c) Chijmes, a mixed development comprising five buildings, including two historic buildings, Caldwell House and the Chijmes Hall, and located at the crossroads of North Bridge Road and Bras Basah Road.

(together, the "**Existing Properties**" and each, an "**Existing Property**").

Suntec REIT was established with the objective of producing attractive total returns to Unitholders by, among other things:

**(i) Active Asset Management Strategy**

The Manager intends to actively implement certain active asset management strategies in managing Suntec REIT's property portfolio with the objective of maximising returns from the Existing Properties. Such strategies involve active leasing and marketing, prudent control of property outgoings, programmes for the

regular maintenance of building structures and asset refurbishment and enhancement projects to maintain the competitive positioning of the assets.

(ii) **Acquisition Growth Strategy**

The Manager intends to selectively acquire properties and investments that meet its investment criteria. Such investments may be by way of direct acquisition and ownership of a property by Suntec REIT or may be effected indirectly through the acquisition and ownership of companies or other legal entities whose primary purpose is to hold or own real estate and real estate-related assets. It is intended that Suntec REIT's investments will be for the long-term.

(iii) **Capital Management Strategy**

The Manager aims to implement a capital and risk management strategy which involves employing appropriate debt and equity financing strategies when financing acquisitions, and utilising interest rate hedging strategies, where appropriate, to optimise risk adjusted returns to Unitholders.

The Manager does not expect the business currently carried on by Suntec REIT to change in any material aspect for the foreseeable future.

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- (19) (b) **the general development of the Scheme from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the Scheme since:**
- (i) **the end of the most recent completed financial year for which financial statements have been published; or**
  - (ii) **the end of any subsequent interim period if interim financial statements have been published;**

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***General Development of Suntec REIT***

The general development of the business of Suntec REIT since its inception is set out below:

<b>Date</b>	<b>Significant developments</b>
1 November 2004	: The establishment of Suntec REIT pursuant to a trust deed dated 1 November 2004.
12 November 2004	: The Trustee entered into the call option agreement with SCDPL pursuant to which the Trustee was granted the right to require SCDPL to enter into the property sale and purchase agreement for the sale of the IPO Properties to the Trustee.



Date	Significant developments
9 December 2004	<p>: The Units commenced trading on the SGX-ST on a “ready” basis.</p> <p>The property sale and purchase agreement in relation to Suntec City was completed.</p>
10 December 2004	<p>: The Manager announced that, based on the offering price of S\$1.00 per Unit under the initial public offering of Units (the “<b>Offering</b>”), 207,002,170 Deferred Units issued in connection with the initial public offering of Units in Suntec REIT in November / December 2004 will be issued by Suntec REIT to SCDPL. These Deferred Units will be issued in six equal instalments, the first of which is to be made on the date falling 42 months after the Listing Date, 9 December 2004, and the rest semi-annually thereafter.</p>
27 April 2005	<p>: The Manager announced Suntec REIT’s first interim financial results for the period from 1 November 2004 (date of constitution) to 31 March 2005, which showed that Suntec REIT’s actual distribution of 1.86 cents per Unit was 5.7% higher than the forecast<sup>5</sup> of 1.76 per Unit in the Prospectus for the same period.</p>
30 June 2005	<p>: The Manager announced that the Trustee had entered into a conditional sale and purchase agreements for the acquisitions of:</p> <ul style="list-style-type: none"> <li>(a) Park Mall with Wingain Investment Pte Ltd; and</li> <li>(b) 11 properties directly or indirectly owned by City Developments Limited (“<b>CDL</b>”) (collectively, the “<b>CDL Properties</b>”), namely Fuji Xerox Towers, Plaza By The Park, City House, Central Mall (Office Tower), The Arcade Units, Katong Shopping Centre Units, North Bridge Commercial Complex Units, Fortune Centre Units, Golden Mile Complex Units, People’s Park Centre Carpark Unit and Queensway Shopping Centre Carpark Unit.</li> </ul>

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<sup>5</sup> Based on the forecast for the period from 1 December 2004 to 30 September 2005, together with the accompanying assumptions, in the Suntec REIT Prospectus, pro-rated for the period from 9 December 2004 (date of listing) to 31 March 2005.

<b>Date</b>	<b>Significant developments</b>
26 July 2005	: The Manager announced Suntec REIT's results for the period from 1 April 2005 to 30 June 2005, which showed that Suntec REIT's actual distribution per Unit of 1.56 cents per Unit was 4.7% higher than the forecast <sup>6</sup> of 1.49 cents per Unit in the Prospectus for the same period.
3 August 2005	: The Manager announced that it would waive its entitlement to acquisition fees under the Trust Deed for future acquisitions.
11 October 2005	: The Manager announced the termination of the conditional sale and purchase agreements with CDL for the acquisition of the CDL Properties, as Suntec REIT was unable to obtain the necessary regulatory approvals in order to convene an extraordinary meeting of unitholders and to obtain the approval of its unitholders by 30 September 2005.
28 October 2005	: The Manager announced that Suntec REIT completed the acquisition of Park Mall for S\$230.0 million. Suntec REIT has drawn down S\$225.9 million from its term loan granted by Citibank N.A., Singapore branch towards the acquisition of Park Mall.
28 October 2005	: The Manager announced Suntec REIT's results for the period from 1 July 2005 to 30 September 2005 which showed that Suntec REIT's actual distribution of 1.61 cents per Unit was 7.3% higher than the forecast <sup>7</sup> of 1.50 cents per Unit in the Prospectus for the same period.
29 October 2005	: The Manager announced that the Trustee had entered into a conditional sale and purchase agreement with Chijmes Investment Pte Ltd for acquisition of Chijmes for S\$128.0 million.
1 December 2005	: The Manager announced that Suntec REIT completed the acquisition of Chijmes for S\$128.0 million. In connection with the acquisition of Chijmes, S\$95.0 million was drawn down from term loan facility arranged by the Manager from Citibank N.A. Singapore branch and about S\$30.0 million was drawn down from existing credit facilities on 1 December 2005.

<sup>6</sup> Based on the forecast for the period from 1 December 2004 to 30 September 2005, together with the accompanying assumptions, in the Suntec REIT Prospectus, pro-rated for the period from 1 April 2005 to 30 June 2005.

<sup>7</sup> Based on the forecast for the period from 1 December 2004 to 30 September 2005, together with the accompanying assumptions, in the Suntec REIT Prospectus, pro-rated for the period from 1 July 2005 to 30 September 2005.

Date	Significant developments
25 January 2006	: The Manager announced Suntec REIT's results for the period from 1 October 2005 to 31 December 2005, which showed that Suntec REIT's actual distribution of 1.72 cents per Unit was 14.0% higher than the forecast <sup>8</sup> of 1.50 cents per Unit in the Prospectus for the same period.
26 April 2006	: The Manager announced Suntec REIT's results for the period from 1 January 2006 to 31 March 2006, which showed that Suntec REIT's actual distribution per Unit of 1.81 cents was 19.8% higher than the forecast <sup>9</sup> of 1.51 cents per Unit in the Prospectus for the same period.
26 July 2006	: The Manager announced Suntec REIT's results for the period from 1 April 2006 to 30 June 2006, which showed that Suntec REIT's actual distribution per Unit of 1.88 cents was 20.9% higher than the forecast <sup>10</sup> of 1.55 cents per Unit in the Prospectus for the same period.
23 September 2006	: The Manager announced the launch of the Programme and the appointment of SCDPL as agent to source for the Acquisitions.
26 October 2006	The Manager announced Suntec REIT's results for the period from 1 July 2006 to 30 September 2006, which showed that Suntec REIT's actual distribution of 1.91 cents per Unit was 22.2% higher than the forecast <sup>11</sup> of 1.56 cents per Unit in the Prospectus for the same period.

Suntec REIT sees an opportunity to enlarge its portfolio with the acquisition of the Properties. The Manager is in favour of the Acquisitions by Suntec REIT as it believes that the inclusion of the Properties to Suntec REIT's portfolio will be beneficial to Suntec REIT and its Unitholders.

The Manager's rationale for the Acquisitions is set out in **Appendix 2** of this Offer Information Statement. In addition, further information about the Properties can be found in **Appendix 3** of this Offer Information Statement.

***Material Change in the Affairs of Suntec REIT***

Save as disclosed above, there have been no material changes in the affairs of Suntec REIT since the Listing Date.

<sup>8</sup> Based on the forecast for the period from 1 October 2005 to 30 September 2006, together with the accompanying assumptions, in the Suntec REIT Prospectus, pro-rated for the period from 1 October 2005 to 31 December 2005.

<sup>9</sup> Based on the forecast for the period from 1 October 2005 to 30 September 2006, together with the accompanying assumptions, in the Suntec REIT Prospectus, pro-rated for the period from 1 January 2006 to 31 March 2006.

<sup>10</sup> Based on the forecast for the period from 1 October 2005 to 30 September 2006, together with the accompanying assumptions, in the Suntec REIT Prospectus, pro-rated for the period from 1 April 2006 to 30 June 2006.

<sup>11</sup> Based on the forecast for the period from 1 October 2005 to 30 September 2006, together with the accompanying assumptions, in the Suntec REIT Prospectus, pro-rated for the period from 1 July 2006 to 30 September 2006.

No person is authorised to give any information or to make any representation not contained in this Offer Information Statement and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of Suntec REIT, the Manager, the Financial Advisor, Lead Manager and Underwriter or the Trustee. Neither the delivery of this Offer Information Statement nor any offer, subscription, sale or transfer made hereunder shall in the circumstances imply that the information herein is correct as of any date subsequent to the date hereof or constitute a representation that there has been no change or development reasonably likely to involve a material adverse change in the affairs, conditions and prospects of Suntec REIT, the Units or the Manager since the date hereof. Where such changes occur and are material or required to be disclosed by law, the SGX-ST and/or any other regulatory or supervisory body or agency, the Manager will make an announcement of the same to the SGX-ST and, if required, issue and lodge a supplementary document or replacement document. Investors should take notice of such announcements and documents and upon release of such announcements and documents shall be deemed to have notice of such changes. No representation, warranty or covenant, express or implied, is made by any of Suntec REIT, the Manager, the Financial Advisor, Lead Manager and Underwriter or the Trustee or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers as to the accuracy or completeness of the information contained herein, and nothing contained in this Offer Information Statement is, or shall be relied upon as, a promise, representation or covenant by any of Suntec REIT, the Manager, the Financial Advisor, Lead Manager and Underwriter or the Trustee or their respective affiliates, directors, officers, employees, agents, representatives or advisers.

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- (19) (c) **the participants' funds in and borrowings of the Scheme, as at the latest practicable date, showing:**
- (i) **in the case of the participants' funds, the number of units issued and the number of units outstanding; or**
  - (ii) **in the case of borrowings, the total amount of the borrowings outstanding, together with the rate of interest (whether fixed or floating) payable thereon;**

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(i) **Number of Units**

As at 25 October 2006 (being the "**Latest Practicable Date**"), there were 1,302,138,994 Units (including 2,201,468 Units issuable to the Manager by 30 October 2006 as partial satisfaction of asset management fees for the period 1 July 2006 to 30 September 2006) issued and outstanding.

(ii) **Borrowings**

The total outstanding amount of borrowings (excluding interest) of Suntec REIT as at 30 September 2006 is S\$1,031.8 million. The borrowings incurred a combination of fixed and floating interest rates averaging 3.36% for the period from 1 July 2006 to 30 September 2006.

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- (19) (d) **the number of units of the Scheme owned by each substantial participant as at the latest practicable date;**
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Please see **Appendix 5** for information concerning the Substantial Unitholders (being persons with an interest in one or more Units constituting not less than 5.0% of all Units in issue) and their respective interests (direct and deemed) in the Units as at the Latest Practicable Date.

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- (19) (e) **any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment of the offer information statement, a material effect on the Scheme's financial position or profitability;**
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As set out in paragraph (19(b)) above, on 30 June 2005, Suntec REIT entered into conditional sale and purchase agreements to acquire the CDL Properties. Pursuant to the agreements, refundable deposits of S\$5 million were made in respect of the proposed purchase. It was agreed that either party may terminate the sale and purchase agreements if any of the conditions precedent to completion were not fulfilled and in the event of such termination, the deposits made were to be refunded to Suntec REIT.

On 11 October 2005, Suntec REIT served termination notices on the respective vendors of the CDL Properties as one of the conditions precedent to completion was not fulfilled by the stipulated date. The vendors have not accepted the termination notices pending their investigation into the actions or steps taken by the Trust towards satisfaction of the Trust's best endeavours obligation to fulfil the relevant condition precedent.

The Trustee and Manager have reasonable grounds to believe that the deposits should be recoverable in accordance with the terms of the sale and purchase agreements and Suntec REIT is presently in the process of seeking a refund of the deposits.

Save as disclosed above, to the best of the Manager's knowledge and belief, there are no legal or arbitration proceedings, including those which are pending or known to be contemplated, which, in the opinion of the Manager, may have or have had in the last 12 months preceding the date of lodgment of this Offer Information Statement, a material effect on the financial position or profitability of Suntec REIT.

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- (19) (f) **where any units in the Scheme have been issued within the 12 months immediately preceding the latest practicable date:**
- (i) **if the units have been issued for cash, state the prices at which the units have been issued and the number of units issued at each price; or**
  - (ii) **if the units have been issued for services, state the nature and value of the services and give the name and address of the person who received the units; and**

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Within the 12 months immediately preceding the Latest Practicable Date:

- (i) 2,010,519 Units were issued to the Manager on 28 October 2005 as part payment of their management fees for the period from 1 July 2005 to 30 September 2005.
- (ii) 2,347,604 Units were issued to the Manager on 27 January 2006 as part payment of their management fees for the period from 1 October 2005 to 31 December 2005.
- (iii) 2,178,145 Units were issued to the Manager on 2 May 2006 as part payment of their management fees for the period from 1 January 2006 to 31 March 2006.
- (iv) 2,420,957 Units were issued to the Manager on 27 July 2006 as part payment of their management fees for the period from 1 April 2006 to 30 June 2006.
- (v) 2,201,468 Units are issuable to the Manager by 30 October 2006 as part payment of their management fees for the period from 1 July 2006 to 30 September 2006)

Save as aforesaid, no Units have been issued by Suntec REIT for cash or for services within 12 months immediately preceding the Latest Practicable Date.

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- (19) (g) **a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the trustee for the Scheme (acting in its capacity as trustee of the Scheme) is a party, for the period of 2 years before the date of lodgment of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the Scheme;**

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There were no material contracts entered into by the Trustee or the Manager, other than contracts entered into in Suntec REIT's ordinary course of business,

for the period commencing on the Listing Date and ending on the day before the date of lodgment of this Offer Information Statement save for:

- (a) the loan and security documents entered into by the Trustee in connection with the borrowings described in paragraph (19)(c)(ii) as follows:
  - (i) secured facilities of S\$750.0 million, comprising a S\$700.0 million term loan facility and a S\$50.0 million revolving credit facility (“RCF”), each for a term of five years. The term loan is fully drawn down as at 31 December 2005 and is repayable after five years from 9 December 2004. The amount outstanding under the RCF was S\$29.7 million as at 30 September 2006; and
  - (ii) unsecured facilities comprising of S\$150 million from a revolving credit facility granted by Citibank N.A., Singapore Branch, of which the amount outstanding under this RCF is S\$92 million, and S\$215 million from Sunshine Assets Limited *via* a medium term note program; and
- (b) the placement agreement dated 26 October 2006 entered into between the Manager and the Financial Advisor, Lead Manager and Underwriter in relation to the Private Placement and described in paragraph (35) below;

The material contracts entered into by Suntec REIT prior to the Listing Date (not being contracts entered into in the ordinary course of the business of Suntec REIT) have been set out in the Prospectus.

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## OPERATING AND FINANCIAL REVIEW AND PROSPECTS

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- (20) (1) **Provide selected data from:**
  - (a) **the audited income statement of the Scheme for each financial year (being one of the 3 most recent completed financial years) for which that statement has been published; and**
  - (b) **any interim income statement of the Scheme for any subsequent period for which that statement has been published.**
- (2) **The data referred to in sub-paragraph (1) shall include the line items in the income statement of the Scheme and shall in addition include the following items:**
  - (a) **distribution per unit;**
  - (b) **earnings or loss per unit; and**
  - (c) **earnings or loss per unit after any adjustment to reflect the sale of new units.**

Copies of the 2005 Full Year Audited Financial Statements and 2006 Full Year Unaudited Financial Statements are also set out in **Appendix 7** of this Offer Information Statement. The 2006 Full Year Unaudited Financial Statements have not been audited but have been reviewed by Suntec REIT's auditors.

For illustrative purposes only and assuming that the Acquisitions had been completed on 1 November 2004 (the date of constitution of Suntec REIT) the pro forma financial effects on the earnings of Suntec REIT for the financial year ended 2005 are as follows:

**EPU under the scenario that Deferred Units have not been issued**

	Existing Properties	Enlarged Portfolio
Profit before Tax and Minority Interest (S\$ million)	57.36	64.15
Earnings per Unit (cents) <sup>12</sup>	4.44	4.54

**EPU under the scenario that Deferred Units have been issued on Listing Date**

	Existing Properties	Enlarged Portfolio
Profit before Tax and Minority Interest (S\$ million)	57.36	64.15
Earnings per Unit (cents)	3.82	3.96

For illustrative purposes only and assuming that the Acquisitions had been completed on 1 October 2005 the pro forma financial effects on the earnings of Suntec REIT for the financial year ended 2006 are as follows:

**EPU under the scenario that Deferred Units have not been issued**

	Existing Properties	Enlarged Portfolio
Profit before Tax and Minority Interest (S\$ million)	79.16	85.95
Earnings per Unit (cents)	6.08	6.04

**EPU under the scenario that Deferred Units have been issued on Listing Date**

	Existing Properties	Enlarged Portfolio
Profit before Tax and Minority Interest (S\$ million)	79.16	85.95
Earnings per Unit (cents)	5.25	5.28

(21) (1) In respect of:

<sup>12</sup> Assuming an issue price of S\$1.48 per Unit



- (a) each financial year (being one of the 3 most recent completed financial years) for which financial statements have been published; and
- (b) any subsequent period for which interim financial statements have been published,

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected income available for distribution to participants after tax, and indicate the extent to which such income was so affected.

- (2) Describe any other significant component of revenue or expenditure necessary to understand the income available for distribution to participants after tax for each of the financial periods referred to in subparagraph (1).

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#### ***Financial Year ended 30 September 2005***

For the period from 9 December 2004 (listing date) to 30 September 2005, Suntec REIT reported an annualised DPU of 6.20 cents, which was 6.2% higher than the forecast<sup>13</sup> of 5.84 cents (based on the forecast in the Prospectus) for the period between 9 December 2004 and 30 September 2005.

A strengthening office market coupled with a pro-active leasing strategy enabled Suntec REIT to secure close to 180,000 square feet of new leases for its financial period which commenced on 9 December 2004 and ended on 30 September 2005. These comprised 37 new leases from tenants including ABN AMRO, Standard Chartered, Templeton Investments, Li & Fung Limited, Compuware, Cable & Wireless and the Monitor Group. As at 30 September 2005, committed office occupancy for the Suntec City Office Towers was 90.4%, compared to 83.0% as at 30 June 2004.

For the period from 9 December 2004 to 30 September 2005, Suntec City Mall enjoyed an average increase in rental rates of 16.5%, as well as a committed occupancy of 98.5% as at 30 September 2005. In the course of the period, the Manager implemented several initiatives to boost retail revenue through advertising and promotional activities and the rental of pushcarts and kiosks.

#### ***Financial Year ended 30 September 2006***

For the period from 1 October 2005 to 30 September 2006, Suntec REIT distributed 7.29 cents per unit, which was 18.9% higher than the forecast<sup>14</sup> of 6.13 cents in the Prospectus for the period.

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<sup>13</sup> The forecast figures are derived by prorating the forecast figures for the year ending 30 September 2005 as disclosed in the Prospectus. The forecast figures are for the properties in Suntec City only, and it does not include Park Mall and Chijmes as the acquisitions were completed on 28 October 2005 and 1 December 2005 respectively.

<sup>14</sup> The forecast figures are derived by prorating the forecast figures for the year ending 30 September 2005 as disclosed in the Prospectus. The forecast figures are for the properties in Suntec City only, and it does not include Park Mall and Chijmes as the acquisitions were completed on 28 October 2005 and 1 December 2005 respectively.

Suntec REIT continued to benefit from the strengthening office market, with the occupancy hitting another high since the listing of Suntec REIT. Suntec City Office Towers achieved a committed occupancy of 97.6% while Park Mall's actual office occupancy strengthened to 93.1% as at 30 September 2006.

For the financial year ended 30 September 2006, the retail portfolio enjoyed sustained double digit growth in rental rates. Occupancy rates remained strong. The committed occupancy for Suntec City Mall was 97.6%, while Park Mall and Chijmes achieved full committed occupancy as at 30 September 2006.

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- (22) (1) **Provide selected data from the balance sheet of the Scheme as at the end of:**
- (a) **the most recent completed financial year for which audited financial statements have been published; or**
- (b) **if interim financial statements have been published for any subsequent period, that period.**
- (2) **The data referred to in sub-paragraph (1) shall include the line items in the audited or interim balance sheet of the Scheme and shall in addition include the following items:**
- (a) **number of units after any adjustment to reflect the sale of new units;**
- (b) **net asset value per unit; and**
- (c) **net asset value per unit after any adjustment to reflect the sale of new units;**
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Copies of the 2005 Full Year Audited Financial Statements and 2006 Full Year Unaudited Financial Statements are set out in **Appendix 7** of this Offer Information Statement.

The pro forma financial effects of the Acquisitions on the consolidated NAV of Suntec REIT as at 30 September 2006, as if the Acquisitions were completed on 30 September 2006, are set out in the tables below:

**NAV under the scenario that Deferred Units have not been issued**

	<b>Existing Properties</b>	<b>Enlarged Portfolio<sup>(1)</sup></b>
NAV (S\$'000)	1,956,034	2,129,194
Issued Units <sup>(2)</sup> ('000)	1,302,139 <sup>(3)</sup>	1,422,139
NAV per Unit (S\$)	1.502	1.497

**Notes:**

- (1) Assuming the total net proceeds of the Private Placement are fully utilised towards the Acquisitions.
- (2) Excluding Deferred Units

(3) Includes 2,201,468 Units issuable to the Manager by 30 October 2006 as partial satisfaction of asset management fees for the period 1 July 2006 to 30 September 2006

(4) Assumes issue price of S\$1.48 per Unit

**NAV under the scenario that all Deferred Units have been issued on Listing Date**

	<b>Existing Properties</b>	<b>Enlarged Portfolio<sup>(1)</sup></b>
NAV (S\$'000)	2,163,036	2,332,196
Issued Units <sup>(2)</sup> ('000)	1,509,141	1,629,141
NAV per Unit (S\$)	1.433	1.434

**Notes:**

(1) Assuming the total net proceeds of the Private Placement are fully utilised towards the Acquisitions.

(2) Including Deferred Units

(3) Includes 2,201,468 Units issuable to the Manager by 30 October 2006 as partial satisfaction of asset management fees for the period 1 July 2006 to 30 September 2006

(4) Assuming issue price of S\$1.48 per Unit

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**(23) Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of:**

**(a) the most recent completed financial year for which financial statements have been published; and**

**(b) if interim financial statements have been published for any subsequent period, that period.**

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Copies of the 2005 Full Year Audited Financial Statements and 2006 Full Year Unaudited Financial Statements are set out in **Appendix 7** of this Offer Information Statement.

***Financial Year ended 30 September 2005***

For the year ended 30 September 2005, the cash balance for Suntec REIT increased to S\$18.4 million. The increase was mainly due to S\$1,390.7 million cash outflows from investing activities, offset by the cash inflows generated from operating activities and financing activities of S\$93.0 million and S\$1,316.2 million respectively.

The most significant cash inflows from financing activities were the S\$681.4 million proceeds from the issue of new Units and S\$725.0 million proceeds from interest-bearing bank loans, offset by distributions to Unitholders, repayment of interest-bearing loans and financing costs.

The S\$1,390.7 million cash outflow from investing activities related mainly to the purchase of investment properties.

***Financial Year ended 30 September 2006***

For the year ended 30 September 2006, the cash balance for Suntec REIT decreased to S\$5.2 million. The decrease was mainly due to the cash inflows generated from operating activities and financing activities of S\$138.7 million and S\$215.8 million respectively, offset by S\$367.6 million cash flows from investing activities.

The net cash outflows were mainly related to the purchase of investment properties, the increase of capital expenditure, distribution to Unitholders, repayment of interest-bearing loans and financing costs of S\$362.8 million, S\$5.2 million, S\$90.9 million, S\$338.9 million and S\$30.1 million respectively, offset from the proceeds of the interest-bearing loans of S\$675.5 million.

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- (24) Provide a statement by the Manager as to whether, in its reasonable opinion, the working capital available to the Scheme as at the date of lodgment of the offer information statement is sufficient for present requirements and, if insufficient, how the additional working capital considered by the Manager to be necessary is proposed to be provided.**
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The Manager is of the view that, in its reasonable opinion, the working capital available to Suntec REIT, after taking into account the loan facilities available to Suntec REIT and the estimated net proceeds from the Private Placement, as at the date of lodgment of this Offer Information Statement, is sufficient for the present requirements of Suntec REIT.

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- (25) If the Scheme is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Scheme's financial position and results or business operations, or the investments by participants in the Scheme, provide:**
- (a) a statement of that fact;**
  - (b) details of the credit arrangement or bank loan; and**
  - (c) any action taken or to be taken by the Manager to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable);**
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To the best of the Manager's knowledge and belief, Suntec REIT is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect Suntec REIT's financial position and results or business operations, or the investments by Unitholders.

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- (26) Discuss, for at least the current financial year, the business and financial prospects of the Scheme, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on**

revenue, net property income, profitability, liquidity or capital resources, or that would cause the financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.

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#### ***Financial and business prospects of Suntec REIT***

The Manager's principal investment strategy is to invest in income-producing real estate which is primarily used for retail and/or office purposes. Since the inception of Suntec REIT, the Manager has endeavoured to deliver regular and stable distributions to Unitholders and achieve long-term growth in the net asset value per Unit so as to provide Unitholders with a competitive rate of return for their investments. The Manager intends to continue to focus on proactive management by:

- active asset management strategy;
- acquisition growth strategy; and
- capital management strategy.

#### ***Liquidity and Capital Resources***

The Manager does not foresee any material factors affecting the liquidity and capital resources of Suntec REIT for the current financial year.

#### ***Significant trends and competitive conditions of the commercial property market***

The five office towers of Suntec City comprise prime Grade A quality office properties.

Office rentals have continued their up-trend in the quarter ended 30 September 2006. According to CB Richard Ellis, prime office rents rose 15.0% from the previous quarter to S\$6.90 per square foot per month in the quarter ended 30 September 2006. During the same period, the rents of Grade A office properties improved by 11.8% to S\$7.60 per square foot per month.<sup>15</sup> Led by strong demand for office space from financial institutions and banks, the average occupancy rate for Grade A office properties also rose from 97.3% in the previous quarter to 99.3% as the quarter ended 30 September 2006. At this level, the vacancy rate for Grade A office properties is the lowest since the first quarter of 2001.

The Manager believes that the outlook for the office market is positive. Supply of Grade A office space in the CBD will be limited up till 2010. At the same time, good economic performance has created strong demand for office space. Vacancy rates have fallen,

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<sup>15</sup> Source: CB Richard Ellis (Pte) Ltd's MarketView Singapore - Third Quarter 2006 published in October 2006, available on the website of CBRE at <www.cbre.com.sg>. CBRE has not provided its consent, for purposes of Section 249 (read with Section 302) of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Section 302) of the SFA. While the Manager and Financial Advisor, Lead Manager and Underwriter have taken reasonable actions to ensure that the information from the relevant report published by CBRE is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, the Manager, the Financial Advisor, Lead Manager and Underwriter or any other party has not conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

rents have started to climb, and this upward trend is likely to continue for the next few years.

The retail trade industry continues to perform well. The Retail Sales Index<sup>16</sup> in August 2006 grew 4.7% year on year, whilst tourist arrivals in the same month rose by 7.2% from a year ago. In view of the healthy demand for prime retail space from both local and international retailers until 2008, retail occupancies and rents are expected to remain firm.

***Other Material Information – special business factors or risks (if any) which are unlikely to be known or anticipated by the general public and which could materially affect profits***

Notwithstanding the above, a few special business factors or risks which are unlikely to be known or anticipated by the investor and which could materially affect the profits of Suntec REIT are set out in **Appendix 1** of this Offer Information Statement.

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- (27) (1) **Except as provided in sub-paragraphs (2) and (3), the offer information statement shall not:**
- (a) **include any prediction, projection or forecast as to the future or likely performance of the Scheme; or**
  - (b) **use words such as “targeted” or “expected” or any similar words or description in relation to a rate of return.**
- (2) **The offer information statement may include a prediction, projection or forecast on the economy or the economic trends of the markets which are targeted by the Scheme, but such prediction, projection or forecast shall be accompanied by a prominent statement to the effect that the prediction, projection or forecast is not necessarily indicative of the future or likely performance of the Scheme.**
- (3) **The offer information statement may include a forecast or projection in relation to the Scheme (including, where applicable, any yield to be generated by any new asset or property proposed to be acquired by the Scheme) in the offer information statement, provided that:**
- (a) **if the forecasted or projected yields of the units in the Scheme are stated in percentage terms:**
    - (i) **such yields are presented on an annualised basis; and**
    - (ii) **it is prominently stated in the offer information statement that such forecasted or projected yields are calculated based on a stated reference price or standard reference prices and that such yields will vary accordingly for**

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<sup>16</sup> The Retail Sales Index is compiled every month by the Department of Statistics, Singapore, to monitor the short-term performance of the retail sector. Retail sales are defined as those sold directly for personal and household consumption.

investors who purchase units in the secondary market at a market price higher or lower than the stated reference price or prices;

- (b) the assumptions underlying such forecast or projection are reasonable, and are stated clearly and explicitly in the offer information statement; and
  - (c) the forecast or projection is accompanied by the items referred to in sub-paragraph (4).
- (4) The items referred to in sub-paragraph (3) (c) are:
- (a) a statement by an auditor of the Scheme as to whether such forecast or projection is:
    - (i) properly prepared on the basis of the assumptions;
    - (ii) consistent with accounting policies adopted by the Manager in respect of the Scheme; and
    - (iii) presented in accordance with acceptable accounting standards adopted by the Manager in the preparation of the financial statements of the Scheme;
  - (b) where:
    - (i) the forecast or projection is in respect of a period ending on a date not later than the end of the current financial year of the Scheme:
      - (A) a statement by the issue manager to the offer or any other person whose profession or reputation gives authority to the statement made by him, that the forecast or projection has been stated by the Manager after due and careful enquiry and consideration; or
      - (B) a statement by an auditor of the Scheme, prepared on the basis of his examination of the evidence supporting the assumptions and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the forecast or projection; or
    - (ii) the forecast or projection is in respect of a period ending on a date after the end of the current financial year of the Scheme:

- (A) a statement by the issue manager to the offer or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the forecast or projection; or
- (B) a statement by an auditor of the Scheme, prepared on the basis of his examination of the evidence supporting the assumptions and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the forecast or projection;
- (c) a sensitivity analysis; and
- (d) a confirmation from the Manager that the forecast or projection has been properly prepared on the basis of appropriate and reasonable assumptions.

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Not applicable.

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- (28) Disclose any event that has occurred from the end of:
- (a) the most recent completed financial year for which financial statements have been published; or
  - (b) if interim financial statements have been published for any subsequent period, that period

to the latest practicable date which may have a material effect on the financial position and results of the Scheme or, if there is no such event, provide an appropriate negative statement.

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To the best of the Manager's knowledge and belief, no event has occurred from 30 September 2006, being the last day of the period covered by the 2006 Full Year Unaudited Financial Results to the Latest Practicable Date, which may have a material effect on the financial position and results of Suntec REIT.

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- (29) In this Part, “published” includes publication in a prospectus, in an annual report or on the SGXNET.

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Noted.

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#### THE OFFER AND LISTING

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- (30) Indicate the price at which the units are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgment of the offer information statement, the method by which the offer price is to be determined must be explained.

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The Issue Price will be within the Issue Price Range. The Issue Price will be determined between the Manager and the Financial Advisor, Lead Manager and Underwriter after an accelerated book-building process on the Determination Date.

The Manager will announce the Issue Price *via* SGXNET after it has been determined by agreement between the Manager and the Financial Advisor, Lead Manager and the Underwriter. Such agreement is currently expected to be reached no later than 27 October 2006.

Subscribers of the New Units under the Private Placement may be required to pay brokerage (and if so required, such brokerage will be up to 1.0% of the Issue Price), any stamp duty and other similar charges in accordance with the laws and practices of the country of subscription, in addition to the Issue Price.

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- (31) If:
- (a) any of the Scheme’s participants have pre-emptive rights to subscribe for or purchase the units being offered; and
  - (b) the exercise of the rights by the participant is restricted, withdrawn or waived,

indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.

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This item is not applicable as none of the Unitholders have pre-emptive rights to subscribe for or purchase the New Units.

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- (32) If units in the Scheme and of the same class as those being offered are listed for quotation on any securities exchange:

- (a) in a case where the first-mentioned units have been listed for quotation on the securities exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned units:
- (i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and
  - (ii) for the period from the beginning of the calendar month which the latest practicable date falls to the latest practicable date;

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The closing price range for the Units and the average daily volume of Units traded on the SGX-ST for each of the twelve calendar months immediately preceding 25 October 2006 and for the period commencing on 1 October 2006 to the Latest Practicable Date are set out in **Appendix 6** of this Offer Information Statement.

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- (32) (b) in a case where the first-mentioned units have been listed for quotation on the securities exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned units:
- (i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and
  - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;

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This item is not applicable as Suntec REIT was listed on the SGX-ST on 9 December 2004 which is more than 12 months immediately preceding the Latest Practicable Date.

- 
- (32) (c) disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the units have been listed for quotation for less than 3 years, during the period from the date on which the units were first listed on the securities exchange, to the latest practicable date; and

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The Manager is not aware of any significant trading suspension on the SGX-ST for the period commencing from the Listing Date to the Latest Practicable Date.

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- (32) (d) disclose information on any lack of liquidity, if the units are not regularly traded on the securities exchange.
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The Manager believes that the Units are regularly traded on the SGX-ST.

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(33) **Where the units being offered are not identical to the units already issued in the same collective investment scheme, provide:**

- (a) **a statement of the rights, preferences and restrictions attached to the units being offered; and**
  - (b) **an indication of the resolutions, authorisations and approvals by virtue of which the Manager may create or issue further units to rank in priority to or *pari passu* with the units being offered.**
- 

Suntec REIT's policy is to distribute its Distributable Income (if any) on a quarterly basis to Unitholders. The next distribution originally scheduled to take place was to be in respect of Suntec REIT's Distributable Income for the period from 1 July 2006 to 30 September 2006 (the "**Scheduled Distribution**"). However, in conjunction with the Private Placement, the Manager will declare, in lieu of the Scheduled Distribution, a distribution (the "**Cumulative Distribution**") of Suntec REIT's Distributable Income for the period from 1 July 2006 to the day immediately preceding the date on which New Units are issued pursuant to the Private Placement (the New Units are expected to be issued on 6 November 2006). The next distribution thereafter will comprise Suntec REIT's Distributable Income for the period from the day the New Units are issued pursuant to the Private Placement (expected to be 6 November 2006) to 31 December 2006. Quarterly distributions will resume subsequently.

The Cumulative Distribution is proposed as a means to ensure fairness to holders of the Existing Units. By implementing the Cumulative Distribution, the Distributable Income accrued by Suntec REIT up to the day immediately preceding the issue of the New Units (which at that point, would be entirely attributable to the investment represented by the Existing Units) will only be distributed, in a single distribution, in relation to the Existing Units.

It is the Manager's current expectation that the quantum of the distribution per Existing Unit under the Cumulative Distribution will be between 2.607 cents and 2.667 cents.

Notice was given on 26 October 2006 that the date and time on which the Transfer Books and Register of Unitholders of Suntec REIT will be closed to determine Unitholders' entitlements to the Cumulative Distribution is 3 November 2006 at 5 pm. The Manager currently expects to make payment of the Cumulative Distribution on or about 29 November 2006.

**For the avoidance of doubt, the New Units will not be entitled to participate in the Cumulative Distribution.**

*Status of New Units Issued Pursuant to the Private Placement*

Following the Cumulative Distribution, the New Units will, upon issue, rank *pari passu* in all respects with the Existing Units, including the right to any distributions which may be

paid for the period from the date the New Units are issued to 31 December 2006, as well as all distributions thereafter.

- 
- (34) Indicate the amount, and outline briefly the plan of distribution, of the units that are to be offered otherwise than through underwriters. If the units are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.**
- 

All the units that are to be offered for the Private Placement are to be placed by Citigroup.

*Placement of New Units to Capital Group*

The Manager has obtained a waiver from the SGX-ST from the requirements of Rule 812(1) of the Listing Manual for an issue of such New Units to the Capital Group Companies, Inc ("**Capital Group**"), being a Substantial Unitholder, under the Private Placement, up to such number of New Units necessary to maintain Capital Group's pre-placement unitholdings, in percentage terms, in Suntec REIT, subject to the conditions that (i) the Manager certifies that it is independent of Capital Group; (ii) the Manager announces via SGXNET, the rationale for such placement; and (iii) the Manager announces such waiver, stating clearly the Manager's reasons for requesting the waiver.

The Manager therefore certifies that it is independent of Capital Group and will announce any such placement accordingly.

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- (35) Provide a summary of the features of the underwriting relationship together with the amount of units being underwritten by each underwriter.**
- 

Under the placement agreement dated 26 October 2006 (the "**Placement Agreement**") entered into between the Manager and the Financial Advisor, Lead Manager and Underwriter, the Private Placement is underwritten by the Financial Advisor, Lead Manager and Underwriter at the Base Issue Price.

In the event that there are New Units which are not taken up under the Private Placement, such New Units would be taken up by the Financial Advisor, Lead Manager and Underwriter at the Base Issue Price.

The Manager has agreed in the Placement Agreement to indemnify the Financial Advisor, Lead Manager and Underwriter against certain liabilities.

The Placement Agreement also provides that the obligations of the Financial Advisor, Lead Manager and Underwriter, as placement agent, to subscribe for or procure the subscription of the New Units in the Private Placement, are subject to certain conditions contained in the Placement Agreement.

The Placement Agreement may be terminated by the Financial Advisor, Lead Manager and Underwriter at any time prior to payment being made for the New Units, upon the occurrence of certain events including, among other things, any material adverse change in national or international financial, political or economic conditions, foreign exchange controls, or a moratorium on banking activities, or any material adverse change or development involving a prospective material adverse change in taxation in Singapore, in each case the effect of which is such as would, in the opinion of the Lead Manager and Underwriter, in consultation with the Manager, be likely to prejudice materially the success of the Private Placement or dealings in the Units in the secondary market or be likely to have a material adverse effect on the condition (financial or otherwise) or in the prospects, earnings, business, undertakings, assets or properties of Suntec REIT.

The Financial Advisor, Lead Manager and Underwriter and their affiliates may engage in transactions with, and perform services for, the Manager in the ordinary course of business and have engaged, and may in the future engage, in commercial banking and/or investment banking transactions with the Manager for which they have received, or may in the future receive, customary compensation.

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#### ADDITIONAL INFORMATION

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- (36) Where a statement or report attributed to a person as an expert is included in the offer information statement, provide the name, address and qualifications of that person.**

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This offer information statement does not contain any statement or report attributed to a person as an expert.

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- (37) Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert:**

- (a) state the date on which the statement was made;**
- (b) state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and**
- (c) include a statement that the expert has given and has not withdrawn his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**

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This offer information statement does not contain any statement or report attributed to a person as an expert.

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- (38) Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.**
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The Financial Advisor, Lead Manager and Underwriter have given, and have not, before the lodgment of this Offer Information Statement, withdrawn their written consent to being named in this Offer Information Statement as the financial advisor, lead manager and underwriter to the Private Placement. The underwriting for the Private Placement is provided on the terms of the Placement Agreement referred to in paragraph (35) above.

Without prejudice to the foregoing, the Financial Advisor, Lead Manager and Underwriter do not make, or purport to make, any statement in this Offer Information Statement and none of them is aware of any statement in this Offer Information Statement which purports to be based on a statement made by it and each of them makes no representation, express or implied, regarding, and, subject to applicable law and regulations, takes no responsibility for, any statement in or omission from this Offer Information Statement.

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- (39) Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly:**
- (a) the operations or financial position or results of the Scheme; or**
  - (b) investments by participants of the Scheme.**
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Suntec REIT is subject to the Code on Collective Investment Schemes issued by the Authority. The Code on Collective Investment Schemes can currently be viewed on the website of the Authority at <http://www.mas.gov.sg>.

Suntec REIT may, in the future, be subject to the Singapore Code on Take-overs and Mergers issued by the Authority. On 21 June 2006, the Securities Industry Council issued the "Consultation Paper on Revision of the Singapore Code on Take-overs and Mergers". One of the key proposals is for the Singapore Code of Take-overs and Mergers to apply to REITs.

Save as disclosed in this Offer Information Statement, including the Appendices to this Offer Information Statement, the Manager is not aware of any other matters which could materially affect, directly or indirectly the operations or financial position or results of Suntec REIT or Unitholders.

Statements contained in this Offer Information Statement, which are not historical facts, may be forward-looking statements. Any such statements are based on the assumptions set forth in this section and are subject to certain risks and uncertainties which could cause actual results to differ materially from those forecast. Under no circumstances

should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by the Manager or any other person or that these results will be achieved or are likely to be achieved.

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**ADDITIONAL INFORMATION REQUIRED FOR OFFER OF UNITS  
BY WAY OF RIGHTS ISSUE**

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**(40) Provide:**

- (a) the particulars of the rights issue;**
- (b) the last day and time for splitting of the provisional allotment of the units to be issued pursuant to the rights issue;**
- (c) the last day and time for acceptance of and payment for the units to be issued pursuant to the rights issue;**
- (d) the last day and time for renunciation of and payment by the renounee for the units to be issued pursuant to the rights issue;**
- (e) the terms and conditions of the offer of units to be issued pursuant to the rights issue;**
- (f) the particulars of any undertaking from the substantial participants of the Scheme to subscribe for their entitlements; and**
- (g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.**

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This is not applicable as Suntec REIT is not making a rights issue.

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Dated 26 October 2006

**Directors of the Manager**

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Mr Chiu Kwok Hung, Justin  
Chairman and Director

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Mr Lim Hwee Chiang, John  
Director

---

Mr Ip Tak Chuen, Edmond  
Director

---

Mr Tan Kian Chew  
Independent Director

---

Mrs Sng Sow-Mei (Phoon Sui Moy alias Poon  
Sow Mei)  
Independent Director

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Mr Lim Lee Meng  
Independent Director

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Mr Yeo See Kiat  
Director and Chief Executive Officer



## GLOSSARY

In this Offer Information Statement, the following definitions apply throughout unless otherwise stated:

<b>2005 Full Year Audited Financial Statements</b>	:	The audited financial statements of Suntec REIT for the financial year ending 30 September 2005
<b>2006 Full Year Unaudited Financial Statements</b>	:	The unaudited financial statements of Suntec REIT for the financial year ending 30 September 2006
<b>Acquisitions</b>	:	The acquisitions of the Properties
<b>Aggregate Leverage</b>	:	The ratio of Suntec REIT's borrowings and deferred payments (including deferred payments for assets whether to be settled in cash or Units) to the value of its Deposited Property, adjusted for the distribution of any accrued Distributable Income
<b>Authority</b>	:	Monetary Authority of Singapore
<b>Base Issue Price</b>	:	Means S\$1.48 per Unit
<b>Business Day</b>	:	Any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading
<b>Capital Group</b>	:	The Capital Group Companies, Inc
<b>Chijmes</b>	:	The property located at the crossroads of North Bridge Road and Bras Basah Road in the city centre
<b>Citigroup</b>	:	Citigroup Global Markets Singapore Pte. Ltd.
<b>CDL</b>	:	City Developments Limited
<b>CDL Properties</b>	:	Fuji Xerox Towers, Plaza By The Park, City House, Central Mall (Office Tower), The Arcade Units, Katong Shopping Centre Units, North Bridge Commercial Complex Units, Fortune Centre Units, Golden Mile Complex Units, People's Park Centre Carpark Unit and Queensway Shopping Centre Carpark Unit)
<b>CDP</b>	:	The Central Depository (Pte) Limited
<b>Completion Date</b>	:	The date of completion of the Private Placement, being 6 November 2006
<b>Cumulative Distribution</b>	:	The proposed distribution of the Distributable Income for the period from 1 July 2006 to the day immediately preceding the date the New Units are issued under the Private Placement, in lieu of the Scheduled Distribution

<b>Deferred Units</b>	:	The 207,002,170 units issued in connection with the initial public offering of Units in Suntec REIT which will be issued by Suntec REIT to SCDPL. These Deferred Units will be issued in six equal instalments, the first of which is to be made on the date falling 42 months after the Listing Date and the rest semi-annually thereafter
<b>Deposited Property</b>	:	The gross assets of Suntec REIT, including all its authorised investments held or deemed to be held upon the trusts under the Trust Deed
<b>Determination Date</b>	:	The date on which the Issue Price will be determined by agreement between the Manager and the Financial Advisor, Lead Manager and Underwriter following an accelerated book-building process. This date is currently expected to be no later than 27 October 2006
<b>Directors</b>	:	Directors of the Manager
<b>Distributable Income</b>	:	Suntec REIT's taxable income and tax-exempt income (if any)
<b>DPU</b>	:	Distribution per Unit
<b>Existing Properties</b>	:	Suntec City Mall, Suntec City Office Towers, Park Mall and Chijmes (and each an " <b>Existing Property</b> ")
<b>Existing Units</b>	:	The 1,302,138,994 Units in issue as at the Latest Practicable Date (including 2,201,468 Units issuable to the Manager by 30 October 2006 as partial satisfaction of asset management fees for the period 1 July 2006 to 30 September 2006)
<b>Financial Statements</b>	:	The 2005 Full Year Audited Financial Statements and the 2006 Full Year Unaudited Financial Statements
<b>Gross Rent</b>	:	Comprises net rental income (after rent rebates and provisions for rent free periods and business tax (where applicable)), service charge (which is a contribution paid by tenant(s) towards covering the operating maintenance expenses of the relevant property) and licence fees (where applicable)
<b>Gross Revenue</b>	:	Consists of (i) Gross Rent and (ii) other income earned from the relevant property or properties
<b>IPO Properties</b>	:	Suntec City Mall and Suntec City Office Towers
<b>Issue Date</b>	:	The issue date of the New Units under the Private Placement
<b>Issue Price</b>	:	The price per New Unit to be issued under the Private Placement, which will be determined by the Manager and the Financial Advisor, Lead Manager and Underwriter after an accelerated book-building process

<b>Issue Price Range</b>	:	The issue price range between S\$1.48 and S\$1.52 per New Unit to be issued under the Private Placement
<b>Financial Advisor, Lead Manager and Underwriter</b>	:	Citigroup
<b>Latest Practicable Date</b>	:	25 October 2006, being the latest practicable date prior to the lodgment of this Offer Information Statement
<b>Listing Date</b>	:	9 December 2004, being the date of listing of Suntec REIT on the SGX-ST
<b>Listing Manual</b>	:	The Listing Manual of the SGX-ST
<b>Manager</b>	:	ARA Trust Management (Suntec) Limited, as manager of Suntec REIT
<b>Market Day</b>	:	A day on which the SGX-ST is open for trading in securities
<b>New Units</b>	:	The new Units to be issued by Suntec REIT for placement under the Private Placement
<b>Offering Price</b>	:	The subscription of each Unit under the initial public offering of Units in Suntec REIT
<b>Park Mall</b>	:	The residue of the leasehold estate in respect of the whole of Lot 259A of Town Subdivision 20 for a term of 99 years commencing from 2 June 1969 on the terms of the Head Lease, held under the Certificate of Title Volume 96 Folio 93, together with the building erected thereon and known as "Park Mall", 9 Penang Road, Singapore 238459
<b>Placee</b>	:	A person who acquires New Units in the Private Placement
<b>Placement Agreement</b>	:	The placement agreement entered into between the Manager and the Financial Advisor, Lead Manager and Underwriter in relation to the Private Placement on 26 October 2006
<b>Private Placement</b>	:	The issue of 120,000,000 New Units for placement by the Financial Advisor, Lead Manager and Underwriter to investors
<b>Programme</b>	:	Suntec REIT's acquisition programme targeting the Residual Office Strata Units in Suntec City
<b>Properties</b>	:	The Residual Office Strata Units which are presently expected to be funded by the Private Placement, and which amount to an aggregate consideration of approximately S\$173.5 million
<b>Property Manager</b>	:	Suntec City Development Pte Ltd
<b>Prospectus</b>	:	The prospectus dated 29 November 2004 issued by Suntec REIT in connection with its initial public offering of Units
<b>RCF</b>	:	Revolving credit facility

<b>Recognised Stock Exchange</b>	:	Any stock exchange of repute in any part of the world
<b>Regulation S</b>	:	Regulation S under the Securities Act
<b>Residual Office Strata Units</b>	:	The office strata lots comprised in Suntec City which are not presently owned by Suntec REIT, and which are targeted for acquisition by Suntec REIT
<b>Restricted Placees</b>	:	<ul style="list-style-type: none"> <li>(a) The Directors, and Substantial Unitholders;</li> <li>(b) The spouse, children, adopted children, step-children, siblings and parents of (i) the Directors and (ii) Substantial Unitholders;</li> <li>(c) Substantial shareholders, related companies (as defined in Section 6 of the Companies Act, Chapter 50 of Singapore), associated companies and sister companies of the Substantial Unitholders;</li> <li>(d) Corporations in which the Directors and the Substantial Unitholders have an aggregate interest of at least 10.0%; and</li> <li>(e) Any person who, in the opinion of the SGX-ST, falls within categories (a) to (d)</li> </ul>
<b>SCDPL</b>	:	Suntec City Development Pte Ltd
<b>Scheduled Distribution</b>	:	The distribution in relation to the quarterly Distributable Income for the period from 1 July 2006 to 30 September 2006
<b>Securities Account</b>	:	Securities account maintained by a Depositor with CDP
<b>Securities Act</b>	:	US Securities Act of 1933, as amended, and the rules and regulations of the United States Securities and Exchange Commission promulgated thereunder
<b>SGX-ST</b>	:	Singapore Exchange Securities Trading Limited
<b>Sq ft</b>	:	Square feet
<b>Substantial Unitholder</b>	:	A person with an interest in one or more Units constituting not less than 5.0% of all Units in issue
<b>Suntec City</b>	:	Suntec City commercial development comprising Suntec City Mall, five office towers and the Suntec Singapore International Convention and Exhibition Centre
<b>Suntec City Mall</b>	:	A three storey linear shaped mall and an eight storey shopping podium within Suntec City comprising 95 strata lots

<b>Suntec City Office Towers</b>	: The strata lots in the five office towers presently owned by Suntec REIT comprising: <ul style="list-style-type: none"> <li>(i) seven strata lots in tower One;</li> <li>(ii) one strata lot in tower Two;</li> <li>(iii) 76 strata lots in tower Three;</li> <li>(iv) all the 40 strata lots in tower Four; and</li> <li>(v) all the 15 strata lots in tower Five</li> </ul>
<b>Suntec REIT</b>	: Suntec Real Estate Investment Trust, a unit trust constituted on 1 November 2004 under the laws of the Republic of Singapore
<b>S\$ and cents</b>	: Singapore dollars and cents
<b>Trust Deed</b>	: The trust deed dated 1 November 2004 constituting Suntec REIT entered into between the Trustee and the Manager
<b>Trustee</b>	: HSBC Institutional Trust Services (Singapore) Limited, as trustee of Suntec REIT
<b>Unit</b>	: A unit representing an undivided interest in Suntec REIT
<b>Unitholder</b>	: A depositor whose securities account with CDP is credited with Unit(s)
<b>%</b>	: Per centum or percentage

The terms “Depositor” and “Depository Register” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act, Chapter 50 of Singapore.

Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Offer Information Statement to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a time of day and to dates in this Offer Information Statement shall be a reference to Singapore time and dates unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to one decimal place.

Save for the Financial Statements which are deemed incorporated into this Offer Information Statement by reference, information contained in the Manager’s website does not constitute part of this Offer Information Statement.

**SPECIAL BUSINESS FACTORS OR RISKS**

Details of a few special business factors or risks which are unlikely to be known or anticipated by the investor and which could materially affect profits are set out below. Details of other risk factors are set out in the Prospectus.

The Gross Revenue earned from, and the value of, Suntec REIT's properties may be adversely affected by a number of factors, including:

- (i) the Property Manager's ability to collect rent from tenants on a timely basis or at all;
- (ii) the amount and extent to which Suntec REIT is required to grant rental rebates to tenants due to market pressure;
- (iii) defects affecting the properties in Suntec REIT's portfolio which could result in the inability of the relevant tenants to operate on such properties and thereby resulting in the inability of such tenants to make timely payments of rent;
- (iv) tenants requesting waiver of interest on late payment of rent;
- (v) tenants seeking the protection of bankruptcy laws which could result in delays in the receipt of rent payments, inability to collect rental income, or delays in the termination of the tenant's lease, or which could hinder or delay the re-letting of the space in question or the sale of the relevant property;
- (vi) the local and international economic climate and real estate market conditions (such as oversupply of, or reduced demand for retail and office properties, changes in market rental rates and operating expenses for Suntec REIT's properties);
- (vii) vacancies following the expiry or termination of tenancies that lead to reduced occupancy rates which reduce Suntec REIT's Gross Revenue and its ability to recover certain operating costs through service charges;
- (viii) the amount of rent payable by tenants and other terms on which tenancy renewals and new tenancies are agreed being less favourable than those under current tenancies;
- (ix) the Manager's ability to provide adequate management and maintenance or to purchase or put in place adequate insurance in relation to Suntec REIT's properties;
- (x) competition for tenants from other retail and office properties which may affect rental income or occupancy levels at Suntec REIT's properties;
- (xi) changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes and government charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure needed to ensure compliance. Rights related to the relevant properties may also be restricted by legislative actions, such as revisions to the laws relating to building standards or town planning laws, or the enactment of new laws related to condemnation and redevelopment; and

- (xii) natural disasters, acts of God, wars, terrorist attacks, riots, civil commotions, widespread communicable diseases and other events beyond the control of the Manager.

**Suntec REIT depends on certain key personnel and the loss of any key personnel may adversely affect its operations.**

Suntec REIT's success depends, in part, upon the continued service and performance of members of the Manager's senior management team and certain key senior personnel. These key personnel may leave the Manager in the future and compete with it and/or Suntec REIT. The loss of any of these key employees could have a material adverse effect on Suntec REIT's business, results of operations and financial condition.

**The loss of key tenants or a downturn in the business of Suntec REIT's tenants could have an adverse effect on its financial condition and results of operations.**

Suntec REIT's financial condition and results of operations and ability to make distributions may be adversely affected by the bankruptcy, insolvency or downturn in the business of its key tenants, including the decision by any such tenants not to renew their leases or, in cases where a key tenant has termination rights exercisable by written notice, to terminate their leases before they expire.

**Suntec REIT may be adversely affected by the illiquidity of real estate investments.**

Suntec REIT invests primarily in real estate which entails a higher level of risk than a portfolio which has a diverse range of investments. Real estate investments, particularly investments in properties such as those in which Suntec REIT intends to invest, are relatively illiquid. Such illiquidity may affect Suntec REIT's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, real estate market or other conditions. Moreover, Suntec REIT may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. These factors could have an adverse effect on Suntec REIT's financial condition and results of operations, with a consequential adverse effect on Suntec REIT's ability to make distributions to Unitholders.

**A substantial number of the Existing Properties' and the Properties' leases are for periods of up to three years, which exposes the Existing Properties and the Properties' to significant rates of lease expiries each year**

A substantial number of the tenancies for the Existing Properties and the Properties are for periods of up to three years, which reflects the general practice in the Singapore retail and commercial property market for tenancies. As a result, each of the Existing Properties experiences lease cycles in which a substantial number of the leases expire each year. This exposes Suntec REIT to certain risks, including the risk that vacancies following non-renewal of leases may lead to reduced occupancy levels which will in turn reduce the net property income (as defined herein). If a large number of tenants do not renew their leases in a year with a high concentration of lease expiries, this would have a material adverse effect on the income from the relevant Existing Property or the Properties and could affect Suntec REIT's net property income.

**Issue of a substantial number of Deferred Units to SCDPL in satisfaction of the deferred payment consideration may substantially dilute the value of each Unit and reduce the distribution per Unit to the Unitholders**

As set out at page 38 of the Prospectus, the issue of the Deferred Units to SCDPL in satisfaction of the deferred payment consideration may result in a dilution of the net asset value of each Unit. In addition, unless there is a corresponding increase in the net income of Suntec REIT during the relevant distribution period, the increase in the number of Units in issue will also result in a decrease in the distribution per Unit to the Unitholders.



**RATIONALE FOR THE ACQUISITIONS**

The principal investment strategy of Suntec REIT is to invest in income-producing real estate which is primarily used for retail and/or office purposes. Suntec REIT's acquisition growth strategy is underpinned by its key financial objective to provide Unitholders with a competitive rate of return for their investment by ensuring regular and stable distributions to Unitholders and long-term growth in distributions and net asset value per unit. In this regard, the Manager adopts a disciplined investment approach, in terms of asset evaluation and pricing strategy, in order to enhance the returns of Unitholders through potential for future earnings and capital growth.

Apart from enhancing Suntec REIT's reputation as a provider of premium office cum retail space, the Manager believes that the Acquisitions offer the following benefits:

**1. Increased Earnings**

The Manager believes that the Acquisitions will strengthen the earnings of Suntec REIT as each of the Properties will be acquired at an attractive price relative to the cash flow it generates. On the back of a strengthening Singapore office market, the Manager believes that there will be upside potential in terms of rental rates for the Properties. The Manager intends to acquire the Properties at a property yield of above 4.8%, which is higher than the overall property yield of 4.0% for the Existing Properties for the quarter ended 30 September 2006 on an annualised basis.

**2. Greater exposure to the Singapore Office Market**

The Acquisitions will consist of strata office units in Suntec City office towers thereby increasing Suntec REIT's exposure to the strengthening Singapore office market. The strata office units offer potential for rental growth opportunities upon renewal or replacement.

The outlook for the office market is positive. Supply of Grade A office space in the CBD will be limited up till 2010. At the same time, good economic performance has created strong demand for office space. Vacancy rates have fallen, rents have started to climb, and this upward trend is likely to continue for the next few years.

**3. Strategic and Prime Location**

Suntec City is strategically located in the Singapore Central Business District's Marina Centre area and in close proximity to the commercial corridors of Raffles Place and Orchard Road. Further, Suntec REIT is poised to capitalize on the future growth of the Marina Bay district. The proposed Integrated Resort, Circle Line MRT Stations and other commercial and recreational developments at Marina Bay will all contribute to make the area a vibrant and sought-after location.

**4. Economies of Scale and Synergy**

The Acquisitions will enable Suntec REIT to consolidate and strengthen its core assets at Suntec City. With increased ownership of the Residual Office Strata Units, Suntec REIT will be able to reap the benefits of economies of scale and synergy.

**7. Increased Market Capitalisation and Liquidity**

Assuming that Suntec REIT issues 120 million New Units under the Private Placement, the number of Units in issue will increase by approximately 9.2%. This increase in the number of Units in issue and Unitholder base should further improve the level of trading liquidity of the Units.

**INFORMATION ON THE PROPERTIES AND EXISTING PROPERTIES**

*The following sections set out selected information in respect of the Properties and the Existing Properties relating to the Acquisitions. Any discrepancies in the tables, charts or diagrams between the listed figures and totals thereof are due to rounding.*

**A. INFORMATION ABOUT THE PROPERTIES**

The Properties are strata lots in Suntec City towers One, Two and Three, which amount to an aggregate consideration of approximately S\$173.5 million. In total, approximately 1.05m sq ft of office strata lots is currently owned by other subsidiary proprietors.

**Summary of Strata Office Space at Suntec City Office Towers**

	Tower 1	Tower 2	Tower 3	Tower 4	Tower 5	Total
<b>Owned by Suntec REIT</b>						
<b>(sq ft)</b>	40,645	2,336	333,436	474,477	388,850	1,239,744
<b>Owned by other Subsidiary Proprietors</b>						
<b>(sq ft)</b>	433,768	472,163	140,793	-	-	1,046,724
<b>Total Strata Space</b>						
<b>(sq ft)</b>	474,413	474,499	474,229	474,477	388,850	2,286,468

More information about Suntec City is found in Section B - Information about the Existing Properties - Suntec City below.

**B. INFORMATION ABOUT THE EXISTING PROPERTIES - SUNTEC CITY**

Suntec City is the single largest integrated commercial development in Singapore and comprises the Suntec City Mall and five office towers.

Suntec City is a landmark property strategically located in the Singapore Central Business District's Marina Centre area, within walking distance from the Esplanade — Theatres by the Bay, and in close proximity to the commercial corridors of Raffles Place and Orchard Road.

The Singapore Master Plan 2003 aims to further develop the Downtown @ Marina Bay areas into an exciting and distinctive waterfront district for business, leisure, and living anchored around the areas' international business and financial hubs which combine modern architecture with arts, cultural, and entertainment attractions.

Suntec City is well-served by public transport facilities such as buses and the Mass Rapid Transit (“MRT”) system. When the MRT Circle Line becomes operational (expected to be in or around 2010), Suntec City will be directly served by two MRT stations: (i) the Esplanade Station located at the front of the Galleria section of Suntec City Mall and (ii) the Promenade Station located next to Suntec Tower Four and the Entertainment Centre section of Suntec City Mall.

Suntec City Mall is the second largest shopping mall in Singapore with approximately 823,000 sq ft of net lettable retail space as at 30 September 2006. Suntec City Mall is a popular shopping mall among both local shoppers and tourists. Its immediate catchment area includes tourist and business travellers from nearby hotels, a large number of executives and office workers from the five office towers at Suntec City and nearby buildings within the Marina Centre and City Hall areas, and convention participants from the world-class Suntec Singapore International Convention and Exhibition Centre.

The five office towers of Suntec City comprise prime Grade A quality office properties totalling approximately 2.3 million sq ft of strata space. The office units properties offer column-free space with a three-compartment under-floor trunking system and an intelligent building management system. The office units also have commanding views of the city, the Marina Bay area and the sea and are currently leased to many major financial institutions, multinational corporations, prominent local companies and other businesses.

**C. INFORMATION ABOUT THE EXISTING PROPERTIES - PARK MALL**

Park Mall is bounded by Penang Road and Fort Canning Road and situated directly opposite the Dhoby Ghaut MRT Interchange Station. Park Mall comprises a 15-storey office cum retail complex which was completed around 1971. In 1991, it was extensively refurbished and in 1995, it was conceptualised as a premier furniture and lifestyle shopping mall. Within the complex, there are shops from the basement level to the fourth storey, 346 parking lots from the fourth storey to the sixth storey and offices on the remaining upper storeys. In addition, there is a standalone glass annex extension.

**D. INFORMATION ABOUT THE EXISTING PROPERTIES - CHIJMES**

Chijmes is located in the heart of the city, at the junction of Victoria Street, Bras Basah Road and North Bridge Road. A recipient of numerous conservation awards, Chijmes is a unique development, comprising five buildings, including two historic buildings, Caldwell House and the Chijmes Hall. Located adjacent to the City Hall MRT Station, Chijmes offers a wide range of retail services and food and beverage outlets, including several fine dining restaurants. Chijmes Hall serves as a multi-function venue for selective performances and recitals, weddings and special events. Restoration work for this landmark property was completed in 1996 at a cost of S\$100.0 million.

## APPENDIX 4

### NAME AND ADDRESS OF THE DIRECTORS

<b>Name</b>	<b>Position</b>	<b>Address</b>
Mr Chiu Kwok Hung, Justin	Chairman and Independent Director	Suite 39-B, Tregunter III Tregunter, 14 Tregunter Path Mid-Levels Hong Kong
Mr Lim Hwee Chiang, John	Director	11 Goodman Road Singapore 438976
Mr Ip Tak Chuen, Edmond	Director	Flat B2, 10/F, Park Place No 7 Tai Tam Reservoir Road Hong Kong
Mr Tan Kian Chew	Independent Director	17 Sea Breeze Avenue Singapore 487541
Mrs Sng Sow-Mei (Phoon Sui Moy alias Poon Sow Mei)	Independent Director	5000D Marine Parade #12-14, Singapore 449287
Mr Lim Lee Meng	Independent Director	1F Pine Grove #08-29 Singapore 595001
Mr Yeo See Kiat	Director and Chief Executive Officer	125 Arthur Road #14-02, Arthur Mansions Singapore 439829

### NUMBER OF UNITS OWNED BY EACH SUBSTANTIAL UNITHOLDER

Based on the Register of Substantial Unitholders maintained by the Manager, the Substantial Unitholders and their respective interests (direct and deemed) in the Units as at the Latest Practicable Date are as follows:

Substantial Unitholder	Direct Interest	% of issued and outstanding Units	Deemed Interest	% of issued and outstanding Units	Total Interest	Total Percentage of Issued and Outstanding Units
The Capital Group Companies, Inc. <sup>(1)</sup>			79,400,000	6.1%	79,400,000	6.1%
Dr Lee Shau Kee	75,138,300	5.8%			75,138,300	5.8%
Shaw Trustee (Private) Limited <sup>(2)</sup>			75,138,300	5.8%	75,138,300	5.8%

Notes:

- (1) The Capital Group Companies, Inc. is deemed to be interested in the 79,400,000 Units held by its nominee, Raffles Nominees Pte Ltd.  
(2) Shaw Trustee (Private) Limited is deemed to be interested in the 75,138,300 Units held by Asean Investments Corp.

## APPENDIX 6

### PRICE RANGE OF THE UNITS AND TRADING VOLUME ON THE SGX-ST

The highest and lowest closing prices of the Units and the average daily volume of Units traded on the SGX-ST for each of the twelve calendar months immediately preceding October 2006 and for the period commencing on 1 October 2006 to the Latest Practicable Date are as follows:

Month	Price Range (S\$ per Unit)		Average Daily Volume Traded ('000 Units)
	Minimum Price	Maximum Price	
October 2005	1.04	1.15	6,130
November 2005	1.03	1.08	3,817
December 2005	1.07	1.10	2,106
January 2006	1.08	1.14	2,955
February 2006	1.13	1.20	4,933
March 2006	1.15	1.32	6,964
April 2006	1.27	1.32	5,168
May 2006	1.25	1.35	3,505
June 2006	1.16	1.28	3,144
July 2006	1.19	1.28	3,231
August 2006	1.22	1.31	3,048
September 2006	1.27	1.48	6,127
1 October 2006 to the Latest Practicable Date	1.46	1.57	6,488

Source: Bloomberg<sup>17</sup>

<sup>17</sup> Bloomberg has not provided its consent, for purposes of Section 249 (read with Section 302) of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Section 302) of the SFA. While the Manager and Financial Advisor, Lead Manager and Underwriter have taken reasonable actions to ensure that the information from the information published by Bloomberg is reproduced in its proper form and context, and that the information is extracted accurately and fairly, the Manager, the Financial Advisor, Lead Manager and Underwriter or any other party has not conducted an independent review of the information or verified the accuracy of the contents of the relevant information.

**CERTAIN FINANCIAL INFORMATION RELATING TO SUNTEC REIT**

Copies of the 2005 Full Year Audited Financial Statements and the 2006 Full Year Unaudited Financial Statements are available on the website of Suntec REIT at <[www.suntecreit.com](http://www.suntecreit.com)> and are also available for inspection during normal business hours at the registered office of the Manager at 9 Temasek Boulevard, #09-01 Suntec Tower Two, Singapore 038989, from the date of this Offer Information Statement up to and including the date falling six months after the date of this Offer Information Statement<sup>18</sup>. The 2006 Full Year Unaudited Financial Statements have not been audited but have been reviewed by Suntec REIT's auditors.

Copies of the 2005 Full Year Audited Financial Statements and the 2006 Full Year Unaudited Financial Statements are also set out below.

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<sup>18</sup> Prior appointment will be appreciated.





**Suntec Real Estate Investment Trust  
Financial Statements  
for the financial period from 1 November 2004 (date of constitution) to 30  
September 2005**

These financial statements for the period from 1 November 2004 (date of constitution) to 30 September 2005 have not been audited but have been reviewed by our auditors.

Suntec Real Estate Investment Trust ("Suntec REIT") is a real estate investment trust constituted by the Trust Deed entered into on 1 November 2004 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 was listed on the Singapore Exchange Securities Trading Limited on 9 December 2004.

In relation to the offering of units in November / December 2004, the joint financial advisors were Citigroup Global Markets Singapore Pte. Ltd. ("Citigroup") and DBS Bank Ltd ("DBS Bank"), the joint lead underwriters and bookrunners were Citigroup, DBS Bank and Deutsche Bank AG, Singapore Branch, and BNP Paribas Peregrine (Singapore) Ltd was the co-manager in the transaction.

Suntec REIT owns the Suntec City Mall and certain 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".

Where appropriate, comparisons are made against the prorated pro forma figures or prorated forecast figures for the period from 9 December 2004 (date of listing) to 30 September 2005 or for the quarter from 1 July 2005 to 30 September 2005 (the "Pro forma" or the "Forecast") as disclosed in the prospectus for the offering dated 29 November 2004 ("the Prospectus").

**Financial Statements Announcement**  
**For financial period ended 30 September 2005**

**1 (a) (i) Income statement together with a comparative statement for the corresponding period of the immediately preceding financial year**

**Statement of Total Return for the Quarter and Financial Period ended 30 September 2005**

	<b>Actual</b> <b>1/7/05 to</b> <b>30/9/05</b>	<b>Pro forma</b> <b>1/7/04 to</b> <b>30/9/04<sup>(a)</sup></b>	<b>Increase /</b> <b>(Decrease)</b>	<b>Actual YTD</b> <b>1/11/04 to</b> <b>30/9/05<sup>(b)</sup></b>	<b>Pro forma</b> <b>9/12/03 to</b> <b>30/9/04<sup>(a)</sup></b>	<b>Increase /</b> <b>(Decrease)</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Gross revenue <sup>(a)</sup></b>	<b>34,155</b>	<b>34,767</b>	<b>(1.8%)</b>	<b>107,040</b>	<b>111,860</b>	<b>(4.3%)</b>
Maintenance charges <sup>(a)</sup>	(4,384)	(4,434)	(1.1%)	(14,641)	(14,265)	2.6%
Property management fee <sup>(a)</sup>	(992)	(926)	7.1%	(2,814)	(2,980)	(5.6%)
Property tax <sup>(a)</sup>	(2,851)	(2,482)	14.9%	(8,741)	(7,985)	9.5%
Other property expenses <sup>(a)</sup>	(1,165)	(1,103)	5.6%	(2,721)	(3,549)	(23.3%)
<b>Property expenses</b>	<b>(9,392)</b>	<b>(8,945)</b>	<b>5.0%</b>	<b>(28,917)</b>	<b>(28,779)</b>	<b>0.5%</b>
<b>Net property income</b>	<b>24,763</b>	<b>25,822</b>	<b>(4.1%)</b>	<b>78,123</b>	<b>83,081</b>	<b>(6.0%)</b>
Other income <sup>(a)</sup>	-	-	NM	3,500	-	NM
Interest income	96	-	NM	257	-	NM
Asset management fees	(2,861)	(2,802)	2.1%	(9,038)	(9,016)	0.2%
Finance costs (net) <sup>(a)</sup>	(3,657)	(4,741)	(22.9%)	(13,768)	(15,252)	(9.7%)
Trust expenses <sup>(a)</sup>	(831)	(364)	128.3%	(1,710)	(1,172)	45.9%
<b>Net income before tax</b>	<b>17,510</b>	<b>17,915</b>	<b>(2.3%)</b>	<b>57,364</b>	<b>57,641</b>	<b>(0.5%)</b>
<b>Income tax expense</b>	<b>-</b>	<b>-</b>	<b>NM</b>	<b>(700)</b>	<b>-</b>	<b>NM</b>
<b>Net income after tax</b>	<b>17,510</b>	<b>17,915</b>	<b>(2.3%)</b>	<b>56,664</b>	<b>57,641</b>	<b>(1.7%)</b>
Net surplus on revaluation of investment properties <sup>(a)</sup>	-	-	NM	107,405	-	NM
<b>Total return for the period</b>	<b>17,510</b>	<b>17,915</b>	<b>(2.3%)</b>	<b>164,069</b>	<b>57,641</b>	<b>184.6%</b>

**Footnotes:**

NM - Not meaningful

(a) The Pro forma figures are derived by prorating and extrapolating the Pro forma figures for the nine months ended 30 June 2004 disclosed in the Prospectus for the period from 1 July 2004 to 30 September 2004 and 9 December 2003 to 30 September 2004.

(b) Although Suntec REIT was established on 1 November 2004, the acquisition of properties was only completed on 9 December 2004 and it was officially listed on Singapore Exchange Securities Trading Limited on 9 December 2004. Consequently, the actual income derived from the properties for the current period was from 9 December 2004 to 30 September 2005. The results of Suntec REIT during its private trust period from 1 November 2004 to 8 December 2004 are insignificant.

**Financial Statements Announcement  
For financial period ended 30 September 2005**

- (c) *Gross revenue comprises mainly base rentals, service charges from retail mall and offices, promotion fund from retail mall and income from rentals of atrium spaces, push carts, kiosks and media spaces.*

*The lower gross revenue both for the quarter and year-to-date as compared to the Pro forma figure is mainly due to non-renewal of leases from office tenants (example Microsoft Singapore Pte Ltd and Fuji Xerox Singapore Pte Ltd); and negative rental reversions from office tenants. The negative rental reversions and non-renewal of leases by office tenants are expected and are in line with the Forecast as disclosed in the Prospectus.*

- (d) *The Pro forma year-to-date maintenance charges have assumed the reduced rate charged by the Management Corporation which only took effect from 1 January 2005.*

- (e) *The higher property management fee and other property expenses as compared to the Pro forma figures for the quarter are mainly due to the step-up rates in property management fee upon achieving certain revenue thresholds and the additional rental paid to The Management Corporation Strata Title No. 2197 for the leasing of the common areas in the Suntec City Mall respectively.*

*The lower year-to-date property management fee and other property expenses are in line with the lower gross revenue recorded.*

- (f) *The Pro forma property tax is lower due to tax refunds for the prior periods.*

- (g) *Other income relates to a non-recurring amount paid by Suntec City Development Pte Ltd, as the sponsor of Suntec REIT, for services rendered in relation to the completion of sale of properties forming the initial portfolio of Suntec REIT and the initial public offering of units in Suntec REIT.*

- (h) *This comprises the following:*

	<b>Actual 1/7/05 to 30/9/05</b>	<b>Actual YTD 1/11/04 to 30/9/05</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<i>Ineffective portion of change in fair value of cash flow hedge*</i>	(1,127)	(1,310)
<i>Finance costs</i>	4,784	15,078
	<u>3,657</u>	<u>13,768</u>

*\*A 5-year interest rate swap was entered into on 21 December 2004 to hedge the interest rate risk on S\$500 million of the term loan facility at an all-in effective rate of 2.55% p.a. (the "Hedge").*

- (i) *The higher trust expenses are mainly due to the costs incurred in relation to acquisition of certain properties, which was subsequently aborted, for the period from April to September 2005 and cost of an additional insurance for mortgage interest taken up to satisfy a condition precedent for the drawdown of the credit facilities.*

- (j) *A valuation was carried out by Knight Frank Pte Ltd ("KF") on 1 May 2005. The investment properties are valued by KF at S\$2.28 billion and hence a revaluation surplus of S\$107.4 million arises.*

**Financial Statements Announcement  
For financial period ended 30 September 2005**

**Distribution Statement**

	<b>Actual 1/7/05 to 30/9/05</b>	<b>Actual 1/11/04 to 30/9/05<sup>(a)</sup></b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Net income before tax</b>	<b>17,510</b>	<b>57,364</b>
Non-tax deductible / (chargeable) items:		
Amortisation of transaction costs	338	1,096
Asset management fees payable in units	2,288	7,230
Non-tax deductible interest expense	882	2,839
Non chargeable financial income	(1,127)	(1,310)
Temporary differences and other adjustments	872	1,151
Taxable income	20,763	68,370
Less: Other income <sup>(b)</sup>	-	(3,500)
<b>Income currently available for distribution</b>	<b>20,763</b>	<b>64,870</b>

**Footnotes:**

- (a) *Although Suntec REIT was established on 1 November 2004, the acquisition of properties was only completed on 9 December 2004 and it was officially listed on Singapore Exchange Securities Trading Limited on 9 December 2004. Consequently, the actual income derived from the properties for the current period was from 9 December 2004 to 30 September 2005. The results of Suntec REIT during its private trust period from 1 November 2004 to 8 December 2004 are insignificant.*

*No comparative distribution statement has been presented as Suntec REIT was formed on 1 November 2004 (date of constitution). The first financial period is from 1 November 2004 to 30 September 2005.*

- (b) *Suntec REIT's current distribution policy is to distribute 100% of its income available for distribution, after adjustments for non-tax deductible expenses and non-chargeable items. This amount of other income does not enjoy tax transparency and is only distributable after tax assessment.*

**Financial Statements Announcement**  
**For financial period ended 30 September 2005**

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**1 (b)(i) Balance sheet, together with a comparative statement as at the end of the immediately preceding financial year**

	<b>Actual 30/9/05</b>	<b>Pro forma 30/6/04<sup>(a)</sup></b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Non-current assets</b>		
Plant and equipment	263	-
Investment properties <sup>(b)</sup>	2,282,174	2,150,000
<b>Total non-current assets</b>	<b>2,282,437</b>	<b>2,150,000</b>
<b>Current assets</b>		
Trade and other receivables <sup>(c)</sup>	17,663	21,634
Cash and cash equivalents	18,426	30,858
<b>Total current assets</b>	<b>36,089</b>	<b>52,492</b>
<b>Total assets</b>	<b>2,318,526</b>	<b>2,202,492</b>
<b>Current liabilities</b>		
Trade and other payables	35,249	30,810
Provision for taxation	700	-
<b>Total current liabilities</b>	<b>35,949</b>	<b>30,810</b>
<b>Non-current liability</b>		
Interest-bearing loan (secured) <sup>(d)</sup>	694,346	748,200
<b>Total liabilities</b>	<b>730,295</b>	<b>779,010</b>
<b>Net assets</b>	<b>1,588,231</b>	<b>1,423,482</b>
<b>Unitholders' funds <sup>(e)</sup></b>	<b>1,588,231</b>	<b>1,423,482</b>

**Financial Statements Announcement  
For financial period ended 30 September 2005**

**Footnotes:**

- (a) *There was no comparative balance sheet as at preceding financial year end, i.e. 30 September 2004 as Suntec REIT was only formed on 1 November 2004 (date of constitution). The first financial period is from 1 November 2004 to 30 September 2005. As such, the Pro forma balance sheet as at 30 June 2004 which was disclosed in the Prospectus has been presented for information only. Certain figures in the Pro forma balance sheet are reclassified to conform with the current period presentation.*
- (b) *A valuation was carried out by Knight Frank Pte Ltd ("KF") on 1 May 2005. The investment properties are valued by KF at S\$2.28 billion and hence a revaluation surplus of S\$107.4 million arises.*
- (c) *Included in the balances as at 30 September 2005 is a derivative asset relating to the fair value of the Hedge of \$9.0 million.*
- (d) *The interest-bearing loan (secured) are stated at amortised cost.*
- (e) *Please refer to statement of movements in unitholders' funds for details.*

**1 (b)(ii) Aggregate amount of borrowings<sup>(a)</sup>**

	<b>Actual</b>	<b>Actual</b>
	<b>Secured</b>	<b>Secured</b>
	<b>30/9/05</b>	<b>30/6/05</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Amount repayable in one year or less, or on demand	-	-
Amount repayable after one year	700,000	700,000

**Footnote:**

- (a) *Suntec REIT has in place secured facilities of S\$750 million, comprising a S\$700 million term loan facility and a S\$50 million revolving credit facility ("RCF"), each for a term of five years (the "Facilities"). The term loan is repayable after five years from 9 December 2004. Currently, there is no amount outstanding under the RCF.*

*The Facilities are secured on the following:*

- *A first legal mortgage on the investment properties;*
- *A first fixed charge over the central collection rental collection account;*
- *An assignment of Suntec REIT's rights, title and interest in the property management agreement in relation to the investment properties;*
- *An assignment of Suntec REIT's rights, title and interest in the tenancy documents and the proceeds in connection with the investment properties;*
- *An assignment of Suntec REIT's rights, title and interest in the insurance policies in relation to the investment properties;*
- *A fixed and floating charge over the assets of Suntec REIT in relation to the investment properties, agreements, collateral, as required by the financial institution granting the facilities; and*
- *An assignment of any interest swap facility which may be entered into by Suntec REIT in relation to the facilities.*

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**1 (c) Cash flow statement**

	<b>Actual 1/7/05 to 30/9/05<sup>(a)</sup></b>	<b>Actual 1/11/04 to 30/9/05<sup>(a)</sup></b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Operating activities</b>		
Net income before tax	17,510	57,364
Adjustments for:		
Depreciation	21	21
Interest income	(96)	(257)
Asset management fees paid in units	2,288	7,230
Financing costs (net)	3,657	13,768
Allowance for doubtful receivables	96	217
Operating income before working capital changes	23,476	78,343
Changes in working capital		
Trade and other receivables	(391)	6,373
Trade and other payables	1,310	8,234
<b>Cash flows from operating activities</b>	<b>24,395</b>	<b>92,950</b>
<b>Investing activities</b>		
Interest received	96	257
Purchase of plant and equipment	(163)	(284)
Net cash outflow on purchase of investment properties <sup>(b)</sup>	-	(1,388,874)
Subsequent capital expenditure on investment properties	(1,831)	(1,831)
<b>Cash flows from investing activities</b>	<b>(1,898)</b>	<b>(1,390,732)</b>
<b>Financing activities</b>		
Proceeds from interest-bearing loan	-	725,000
Proceeds from issue of units	-	681,350
Financing costs paid	(3,553)	(21,037)
Repayment of interest-bearing loan	-	(25,000)
Distributions to unitholders	(20,152)	(44,105)
<b>Cash flows from financing activities</b>	<b>(23,705)</b>	<b>1,316,208</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,208)</b>	<b>18,426</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>19,634</b>	<b>-</b>
<b>Cash and cash equivalents at end of the period</b>	<b>18,426</b>	<b>18,426</b>

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**Footnotes:**

- (a) *There was no comparative cash flow statement as at 30 September 2005 because Suntec REIT was formed on 1 November 2004 (date of constitution). The first financial period is from 1 November 2004 to 30 September 2005.*
- (b) *The details on net cash outflow on purchase of investment properties and related assets and liabilities are as follows:*

	<b>Actual 1/11/04 to 30/9/05 S\$'000</b>
Investment properties	2,107,000
Cash	25,815
Security deposits	(25,815)
<b>Net identifiable assets and liabilities acquired</b>	<b><u>2,107,000</u></b>
Purchase consideration	2,107,000
Less:	
Deferred consideration	(207,002)
Units issued to vendor as partial satisfaction of purchase consideration	(565,000)
<b>Cash consideration paid</b>	<b><u>1,334,998</u></b>
Acquisition costs paid:	
Stamp duties and professional fees	65,594
Goods and services tax (subsequently refunded)	14,097
Cash acquired	(25,815)
<b>Net cash outflow</b>	<b><u>1,388,874</u></b>

- (c) *There were the following significant non-cash transactions during the financial period:*
- the Trust issued 565,000,000 units at an unit price of S\$1.00 per unit to the vendor as partial satisfaction of the purchase consideration on Suntec City Mall and Suntec Office Towers; and*
  - the Trust has issued or will be issuing a total of 5,990,820 units to the Manager at various unit prices amounting to \$7.23 million as satisfaction of asset management fees payable in units.*



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**1 (d)(i) Statement of movements in unitholders' funds**

	<b>Actual 1/7/05 to 30/9/05<sup>(a)</sup></b>	<b>Actual 1/11/04 to 30/9/05<sup>(a)</sup></b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Balance at the beginning of the period</b>	<b>1,584,108</b>	-
<b>Operations</b>		
Net income after tax	17,510	56,664
Net surplus on revaluation of investment properties <sup>(b)</sup>	-	107,405
<b>Net increase in net assets resulting from operations</b>	<b>17,510</b>	<b>164,069</b>
<b>Hedging transaction <sup>(c)</sup></b>	<b>4,477</b>	<b>7,685</b>
<b>Unitholders' transactions</b>		
Creation of units		
- initial public offering <sup>(d)</sup>	-	722,000
- partial satisfaction of purchase consideration on investment properties acquired <sup>(e)</sup>	-	565,000
- asset management fee paid in units <sup>(d)</sup>	-	4,942
Units to be issued		
- asset management fee payable in units <sup>(d)</sup>	2,288	2,288
- deferred consideration on properties acquired (or Deferred Units) <sup>(d)</sup>	-	207,002
Issue expenses <sup>(d)</sup>	-	(40,650)
Distributions to unitholders <sup>(d)</sup>	(20,152)	(44,105)
<b>Net (decrease) / increase in net assets resulting from unitholders' transactions</b>	<b>(17,864)</b>	<b>1,416,477</b>
<b>Unitholders' funds as at end of period</b>	<b>1,588,231</b>	<b>1,588,231</b>

**Footnotes:**

- (a) Prior period comparatives as at 30 September 2004 are not available as Suntec REIT was listed on Singapore Exchange Securities Trading Limited only on 9 December 2004.
- (b) A valuation was carried out by Knight Frank Pte Ltd ("KF") on 1 May 2005. The investment properties are valued by KF at S\$2.28 billion and hence a revaluation surplus of S\$107.4 million arises.
- (c) Hedging transaction arising from the change in fair value that relates to the effective portion of the Hedge.
- (d) This represents the units issued during the initial public offering.
- (e) This represents 565,000,000 units issued as partial satisfaction of the purchase consideration for the initial portfolio of properties.

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- (f) This represents 3,980,301 units issued as partial satisfaction of the management fee for the period ended 30 June 2005.
- (g) This represents 2,010,519 units to be issued as partial satisfaction of the management fee incurred for the quarter ended 30 September 2005. The units will be issued by 31 October 2005.
- (h) Deferred Units, comprising 207,002,170 units, will be issued to the Suntec City Development Pte Ltd over six equal installments, the first of which falls 42 months after 9 December 2004, as partial satisfaction of the purchase consideration for the initial portfolio of properties. The deferred units will be issued in six equal installments, with the first installment to be issued on the date falling 42 months after 9 December 2004 (being the date of completion of the sale and purchase of the initial portfolio of properties) and the rest semi-annually thereafter.
- (i) Issue expenses comprise professional and other fees, underwriting and selling commission and miscellaneous issue expenses.
- (j) Distribution to unitholders for the quarter comprises distribution income for the period from 1 April to 30 June 2005 and distribution to unitholders for period from 1 November 2004 to 30 September 2005 comprises distribution income for the period 9 December 2004 to 30 June 2005.

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

	Actual 1/7/05 to 30/9/05	Actual 1/11/04 to 30/9/05 <sup>(a)</sup>
	Units	Units
<b>Issued units at the beginning of the period</b>	1,289,155,878	-
Creation of units:		
- initial public offering	-	722,000,000
- partial satisfaction of purchase consideration on investment properties acquired	-	565,000,000
- as payment for asset management fee	1,824,423	3,980,301
<b>Issued units at the end of the period</b>	1,290,980,301	1,290,980,301
Units to be issued:		
- asset management fee payable in units <sup>(b)</sup>	2,010,519	2,010,519
- as satisfaction of deferred consideration on investment properties acquired <sup>(b)</sup>	207,002,170	207,002,170
<b>Issuable units at the end of the period</b>	209,012,689	209,012,689
<b>Total issued and issuable units</b>	<b>1,499,992,990</b>	<b>1,499,992,990</b>

**Footnotes:**

- (a) Although Suntec REIT was established on 1 November 2004, the acquisition of properties was only completed on 9 December 2004 and it was officially listed on Singapore Exchange Securities Trading Limited on 9 December 2004. The first 1,287,000,000 units were issued only on 9 December 2004.
- (b) There are additional 2,010,519 units to be issued to the Manager by 31 October 2005 as partial satisfaction of asset management fee incurred for the period from 1 July 2005 to 30 September 2005.

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(c) *Deferred Units, comprising 207,002,170 Suntec REIT units, will be issued to Suntec City Development Pte Ltd in satisfaction of the deferred payment consideration for the purchase of the properties. The deferred units will be issued in six equal instalments, with the first instalment to be issued on the date falling 42 months after 9 December 2004 (being the date of completion of the sale and purchase of the initial portfolio of properties) and the rest semi-annually thereafter.*

**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 have not been audited but have been reviewed by the auditors in accordance with Singapore Statement of Auditing Practice 11: "Review of Interim Financial Information".

**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**

Not applicable.

**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 ("EPU") and Distribution per unit ("DPU") for the financial period**

	Actual 1/7/05 to 30/9/05	Forecast 1/7/05 to 30/9/05 <sup>(d)</sup>	Actual 1/11/04 to 30/9/05	Forecast 9/12/04 to 30/9/05 <sup>(d)</sup>
Weighted average number of units <sup>(a)</sup>	1,498,004,324		1,325,854,064	
Earnings per unit for the period based on the weighted average number of units in issue (cents) - Basic <sup>(a)</sup>	1.17		4.27	
Number of issued and issuable units at end of period (excluding Deferred Units) <sup>(a)</sup>	1,292,990,820		1,292,990,820	
Distribution per unit for the period based on the total number of units entitled to distribution (cents)	1.61	1.50	5.02	4.74
Distribution per unit for the period including Deferred Units (cents)	1.38	1.29	4.33	4.09

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**Footnotes:**

- (a) *The actual weighted average number of units used for computation of EPU for the quarter from 1 July 2005 to 30 September 2005 and for the financial period from 1 November 2004 to 30 September 2005 is 1,498,004,324 and 1,325,854,064 respectively. This comprises:*
- (i) *Weighted average number of units in issue and Deferred Units as follows:*
- (a) *1,287,000,000 units and 207,002,170 units respectively for the quarter from 1 July 2005 to 30 September 2005.*
- (b) *1,140,574,850 units and 183,451,025 units respectively for the period from 1 November 2004 to 30 September 2005.*
- The Deferred Units will be issued in six equal installments, with the first installment to be issued on the date falling 42 months after 9 December 2004 (being the date of completion of the sale and purchase of the initial portfolio of properties) and the rest semi-annually thereafter, and*
- (ii) *Weighted average number of the units issued and issuable to the Manager as partial satisfaction of asset management fee for the quarter from 1 July 2005 to 30 September 2005 and for financial period from 1 November 2004 to 30 September 2005 of 4,002,154 units and 1,828,189 units respectively.*
- (b) *The computation of actual DPU is based on the number of units entitled to the distribution:*
- (i) *The number of units in issue as at 30 September 2005 of 1,290,980,301; and*
- (ii) *The units issuable to the Manager by 31 October 2005 as partial satisfaction of management fee incurred for the period from 1 July 2005 to 30 September 2005 of 2,010,519.*
- (c) *Diluted earnings per unit is the same as the basic earnings per unit as there are no dilutive instruments in issue during the period.*
- (d) *The figures shown are prorated from the Forecast as disclosed in the Prospectus.*

**7. Net asset value ("NAV") per unit at the end of current period**

	<b>Actual 30/9/05<sup>(a)</sup></b>	<b>Pro forma 30/6/04<sup>(b)</sup></b>
NAV per unit (S\$)	1.06	0.95

**Footnotes:**

- (a) *The number of units used for computation of actual NAV per unit is 1,499,992,990. This comprises:*
- (i) *The number of units in issue as at 30 September 2005 of 1,290,980,301;*
- (ii) *The units issuable to the Manager by 31 October 2005 as partial satisfaction of asset management fee for the period from 1 July 2005 to 30 September 2005 of 2,010,519 and*
- (iii) *The Deferred Units, comprising 207,002,170 units, will be issued to Suntec City Development Pte Ltd as partial satisfaction of the deferred payment consideration for the purchase of the initial portfolio of properties. The deferred units will be issued in six equal installments, with the first installment to be issued on the date falling 42 months after 9 December 2004 (being the date of completion of the sale and purchase of the initial portfolio of properties) and the rest semi-annually thereafter.*
- (b) *The figure shown is extracted from the Pro forma balance sheet as at 30 June 2004 as disclosed in the Prospectus.*

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**8. Review of the performance**

Please refer to Section 9 below on the review of actual performance against the prorated Forecast for the 10-month period ending 30 September 2005 stated in the Prospectus.

**9 (a) Statements of Total Return and Distribution**

**Statement of Total Return for the Quarter and the Period ended 30 September 2005**

	<b>Actual 1/7/05 to 30/9/05</b>	<b>Forecast 1/7/05 to 30/9/05<sup>(a)</sup></b>	<b>Increase / (Decrease)</b>	<b>Actual YTD 1/11/04 to 30/9/05<sup>(b)</sup></b>	<b>Forecast 9/12/05 to 30/9/05<sup>(a)</sup></b>	<b>Increase / (Decrease)</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Gross revenue <sup>(a)</sup></b>	<b>34,155</b>	<b>33,118</b>	<b>3.1%</b>	<b>107,040</b>	<b>106,528</b>	<b>0.5%</b>
Maintenance charges	(4,384)	(4,384)	0.0%	(14,641)	(14,641)	0.0%
Property management fee <sup>(a)</sup>	(992)	(872)	13.8%	(2,814)	(2,795)	0.7%
Property tax <sup>(a)</sup>	(2,851)	(2,683)	6.3%	(8,741)	(8,640)	1.2%
Other property expenses <sup>(a)</sup>	(1,165)	(750)	55.3%	(2,721)	(2,755)	(1.2%)
<b>Property expenses</b>	<b>(9,392)</b>	<b>(8,689)</b>	<b>8.1%</b>	<b>(28,917)</b>	<b>(28,831)</b>	<b>0.3%</b>
<b>Net property income</b>	<b>24,763</b>	<b>24,429</b>	<b>1.4%</b>	<b>78,123</b>	<b>77,697</b>	<b>0.5%</b>
Other income <sup>(a)</sup>	-	-	NM	3,500	-	NM
Interest income	96	5	1820.0%	257	18	NM
Asset management fees <sup>(a)</sup>	(2,861)	(2,746)	4.2%	(9,038)	(8,793)	2.8%
Finance costs (net) <sup>(a)</sup>	(3,657)	(4,807)	(23.9%)	(13,768)	(15,465)	(11.0%)
Trust expenses <sup>(a)</sup>	(831)	(333)	149.5%	(1,710)	(1,080)	58.3%
<b>Net income before tax</b>	<b>17,510</b>	<b>16,548</b>	<b>5.8%</b>	<b>57,364</b>	<b>52,377</b>	<b>9.5%</b>
<b>Income tax expense</b>	<b>-</b>	<b>-</b>	<b>NM</b>	<b>(700)</b>	<b>-</b>	<b>NM</b>
<b>Net income after tax</b>	<b>17,510</b>	<b>16,548</b>	<b>5.8%</b>	<b>56,664</b>	<b>52,377</b>	<b>8.2%</b>
Net surplus on revaluation of investment properties <sup>(a)</sup>	-	-	NM	107,405	-	NM
<b>Total return for the period</b>	<b>17,510</b>	<b>16,548</b>	<b>5.8%</b>	<b>164,069</b>	<b>52,377</b>	<b>213.2%</b>

**Footnotes:**

NM - Not meaningful

(a) The Forecast figures are derived by prorating the Forecast figures for the ten months ending 30 September 2005 disclosed in the Prospectus for the period from 1 July 2005 to 30 September 2005.

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- (b) Although Suntec REIT was established on 1 November 2004, the acquisition of properties was only completed on 9 December 2004 and it was officially listed on Singapore Exchange Securities Trading Limited on 9 December 2004. Consequently, the actual income derived from the properties for the current period was from 9 December 2004 to 30 June 2005. The results of Suntec REIT during its private trust period from 1 November 2004 to 8 December 2004 are insignificant.
- (c) The Forecast figures are derived by prorating the Forecast figures for the ten months ending 30 September 2005 disclosed in the Prospectus for the period from 9 December 2004 (date of acquisition of properties) to 30 September 2005 (see note (a) above).
- (d) Gross revenue comprises mainly base rentals, service charges from retail mall and offices, promotion fund from retail mall and income from rentals of atrium spaces, push carts, kiosks and media spaces.

The higher gross revenue as compared to the Forecast figure for the quarter and period is mainly due to higher rentals from increased office occupancy and higher revenue generated from atrium spaces, push carts, kiosks and media spaces.

- (e) The higher property management fee, property tax and other property expenses for the quarter are in line with the higher gross revenue recorded. The increase in other property expenses is mainly due to the rental paid to The Management Corporation Strata Title No. 2197 for the leasing of the common areas in the Suntec City Mall which was not provided for in the Forecast.

In addition, during the quarter, higher fitting out expenses were incurred for offices and sub-division of units in Suntec City Mall. There were also a number of promotional events in this quarter such as the Singapore food festival, Suntec dance and mid-autumn festival. On an overall basis, it should be noted that the other property expenses are still lower than the Forecast for the period despite the higher revenue.

- (f) Other income relates to the non-recurring amount paid by Suntec City Development Pte Ltd, as the sponsor of Suntec REIT, for services rendered in relation to the completion of sale of properties forming the initial portfolio of the Suntec REIT and the initial public offering of units in the Suntec REIT.
- (g) The higher asset management fee as compared to the Forecast is due to the higher net property income achieved and the increase in the property value of Suntec City.
- (h) This comprises the following:

	<b>Actual 1/7/05 to 30/9/05</b>	<b>Actual YTD 1/11/04 to 30/9/05</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Ineffective portion of change in fair value of cash flow hedge*	(1,127)	(1,310)
Finance costs	4,784	15,078
	3,657	13,768

\*A 5-year interest rate swap was entered into on 21 December 2004 to hedge the interest rate risk on S\$500 million of the term loan facility at an all-in effective rate of 2.55% p.a. (the "Hedge").

- (i) The higher trust expenses due to the costs incurred in relation to acquisition of certain properties, which was subsequently aborted, for the period from April to September 2005 and cost of an additional insurance for mortgage interest taken up to satisfy a condition precedent for the drawdown of the credit facilities.
- (j) A valuation was carried out by Knight Frank Pte Ltd ("KF") on 1 May 2005. The investment properties are valued by KF at S\$2.28 billion and hence a revaluation surplus of S\$107.4 million arises.

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**Distribution Statement for the quarter and year ended 30 September 2005**

	<b>Actual 1/7/05 to 30/9/05</b>	<b>Forecast 1/7/05 to 30/9/05<sup>(a)</sup></b>	<b>Increase / (Decrease)</b>	<b>Actual 1/11/04 to 30/9/05<sup>(b)</sup></b>	<b>Forecast 9/12/04 to 30/9/05<sup>(b)</sup></b>	<b>Increase / (Decrease)</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Net income before tax</b>	<b>17,510</b>	<b>16,548</b>	<b>5.8%</b>	<b>57,364</b>	<b>52,377</b>	<b>9.5%</b>
Non-tax deductible / (chargeable) items:						
Amortisation of transaction costs	338	380	(11.1%)	1,096	1,223	(10.4%)
Asset management fees payable in units	2,288	2,197	4.1%	7,230	7,035	2.8%
Non-tax deductible interest expense	882	-	NM	2,839	-	NM
Non chargeable financial income	(1,127)	-	NM	(1,310)	-	NM
Temporary differences and other adjustments	872	193	351.8%	1,151	626	83.9%
Taxable income	20,763	19,318	7.5%	68,370	61,261	11.6%
Less: Other income <sup>(d)</sup>	-	-	NM	(3,500)	-	NM
<b>Income currently available for distribution</b>	<b>20,763</b>	<b>19,318</b>	<b>7.5%</b>	<b>64,870</b>	<b>61,261</b>	<b>5.9%</b>

**Footnotes:**

NM - Not meaningful

- (a) The Forecast figures are derived by prorating the Forecast figures for the ten months ending 30 September 2005 disclosed in the Prospectus for the period from 1 July 2005 to 30 September 2005.
- (b) Although Suntec REIT was established on 1 November 2004, the acquisition of properties was only completed on 9 December 2004 and it was officially listed on Singapore Exchange Securities Trading Limited on 9 December 2004. Consequently, the actual income derived from the properties for the current period was from 9 December 2004 to 30 September 2005. The results of Suntec REIT during its private trust period from 1 November 2004 to 8 December 2004 are insignificant.
- (c) The Forecast figures are derived by prorating the Forecast figures for the ten months ending 30 September 2005 disclosed in the Prospectus for the period from 9 December 2004 to 30 September 2005 (see note (a) above).
- (d) Suntec REIT's current distribution policy is to distribute 100% of its income available for distribution, after adjustments for non-tax deductible expenses and non-chargeable items. This amount of other income does not enjoy tax transparency and is only distributable after tax assessment.

**9 (b) Review of the performance for the quarter ended 30 September 2005**

Income available for distribution of S\$20.8 million was 7.5% above Forecast. Net property income and gross revenue were above Forecast at S\$24.8 million and S\$34.2 million respectively, and as compared to the previous quarter, they were 1.8% and 3.2% higher respectively.

Gross revenue from the Suntec office towers exceeded forecast by over S\$0.8 mil or 7.3%. Committed occupancy registered a post-REIT record high of 90.4% as at 30 September 2005 as a result of an additional 179,000 square feet of space leased since 9<sup>th</sup> December 2004. Actual occupancy was 85.5%, 4.7% higher than the IPO Forecast. The average rent recorded for new office leases during the period increased by 3.0% from the previous quarter to S\$4.48<sup>1</sup> per square feet per month.

Retail revenue grew 3.6% quarter-on-quarter, exceeding forecast by S\$0.2 mil. Underpinning the growth in retail revenue was the continued double digit increase in rentals of new and renewed leases during the period compared to preceding rentals. This was boosted by a 16.8% increase in rentals from replacement leases as the Manager's asset and revenue enhancement initiatives to reconfigure retail spaces into small units came to fruition. A total of 45,817 square feet of retail space was reconfigured from 2 units into 36 units, including a large new children and family lifestyle specialty area called Happy Kidz Zone. The Happy Kidz Zone enjoys a 100% occupancy and is anchored by Toys R Us. The remaining retail space have been fully committed at an average rent of over S\$12 per square feet to-date and comprises some 32 other exciting specialty shop units offering a wide variety of children and family fashion, gifts, accessories, and enrichment products & services. As such, the occupancy rate of Suntec City Mall increased from 95.7% in the previous quarter to 98.5% as at 30 September 2005.

Overall, property operating expenses for the period under review was slightly higher than Forecast due to higher advertising and promotion expenses. The cost-to-revenue ratio recorded for the quarter and the period 9 December 2004 – 30 September 2005 were approximately 27.5% and 27.0% respectively.

Financing costs for the period under review were 0.5%<sup>2</sup> below Forecast. A 5-year interest rate swap was entered into on 21 December 2004 to hedge the interest rate risk for S\$500 million of the term loan facility at an all-in effective rate of 2.55% p.a.. Hence, for the current period, a financial income of S\$1.1 million arose from the ineffective portion of change in fair value of the cash flow hedge. However, such a financial adjustment has no impact on the distribution per unit and the cumulative financial income arising from it is S\$1.3 million.

The total interest-bearing loan of \$700 million was 30.2% of the total deposited property value. For the purposes of complying with the recent guidelines issued by Monetary Authority of Singapore ("MAS"), the deferred units would be included as part of the new aggregate leverage limit computation which would be 39.1% of the total deposited property value.

**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 continued its upward growth momentum in 3Q 2005, expanding by 6% in the quarter, according to advanced estimates from the Ministry of Trade and Industry. On a quarter-on-quarter seasonally adjusted annualized basis, real GDP expanded by 3.2%. The strong performance was driven mainly by robust biomedical output and expanding financial and business services sectors. It is expected that the GDP growth for 2005 will hover at the upper range of the official growth forecast range of 3.5% - 4.5%.

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<sup>1</sup> Excludes leases where the terms and conditions (including rental) were committed before the Initial Public Offering of Suntec REIT.

<sup>2</sup> Excludes S\$1.1 million of financial adjustment arising from the ineffective portion of change in fair value of the cash flow hedge.



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The average islandwide office rent averaged \$3.55<sup>3</sup> psf per month at the end of the third quarter, up by 7.6% since the beginning of 2005. Prime Grade A office rents continued to move up, with average rent rising to \$5.35 per sq ft in 3Q 2005, registering a 4.9% increase over 2Q 2005. Since the current prime rent level only represents a 16% increase from the bottom of the market, it is believed that there is still much room for further rental upside in view of the continued economic growth and the limited supply of office space.

The retail trade industry continued to perform well and remain robust. The Retail Sales Index (RSI) soared by 10.1%<sup>4</sup> in July as compared to a year ago while visitor arrivals in August registered a 8.6% growth over the same period from the year earlier. The average prime rents showed improvements in all major micro-markets. According to Jones Lang LaSalle<sup>3</sup>, the average prime Orchard Road rent rose 0.3% at end September while the average prime suburban rent edged up by 0.4%.

Sentiments in the retail market will remain high as the Singapore government rolls out plans for the two integrated resorts, as well as the upgrading Orchard Road infrastructure. Going forward, it is likely that retail rents and occupancy rates will remain on the uptrend, given the limited supply and the strong demand for retail space.

**Outlook for the next financial year ending 30 September 2006**

The Manager of Suntec REIT is optimistic of the prospect of delivering the projected distribution per unit for FY2006 as stated in the Prospectus dated 29 November 2004, barring any unforeseen circumstances.

**11. Distributions**

**(a) Current financial period**

Any distribution declared for the current period?	Yes
Name of distribution	Final distribution for the period from 1 July 2005 to 30 September 2005
Distribution Type	Taxable income
Distribution Rate	1.605 cents per unit
Par value of units	NM
Tax Rate	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).

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<sup>3</sup> Jones Lang LaSalle 3<sup>rd</sup> Quarter 2005 Property Research Paper – Singapore

<sup>4</sup> Department of Statistics, Singapore

**Financial Statements Announcement  
For financial period ended 30 September 2005**

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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?	NA
Name of distribution	NA
Distribution Type	NA
Distribution Rate	NA
Par value of units	NM
Tax Rate	NA

**Footnotes:**

*NA - Not applicable  
NM - Not meaningful*

**(c) Date payable:** 29 November 2005

**(d) Books Closure Date:** 10 November 2005

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

Not applicable.

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.

**All forecasts and projections are based on the offering price of S\$1.00 per Unit under the initial public offering of Units in November/December 2004 and the assumptions set out in the Prospectus. The forecast and projected yield will vary accordingly for investors who purchase Units in the secondary market at a market price higher or lower than the offering price of each Unit under the initial public offering of Units in November/December 2004.**

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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 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.

**Pro Forma Impact of Deferred Units Issuance**

Suntec City Development Pte Ltd, the vendor of Suntec City Mall and Suntec City Office Towers (both as defined in the prospectus dated 29 November 2004 (the "**Prospectus**") issued in connection with the initial public offering of units in Suntec REIT ("**Units**") in November/December 2004 and together, the "**Properties**"), will be issued with 207,002,170 additional Units (the "**Deferred Units**") in satisfaction of the deferred payment consideration for the purchase of the Properties. The Deferred Units will be issued in six equal instalments, with the first instalment to be issued on the date falling 42 months after 9 December 2004 (being the date of completion of the sale and purchase of the Properties) and the rest semi-annually thereafter. Any change in rental rates, occupancy rates and distributable income of Suntec REIT can affect the impact of any dilution in the yields of Suntec REIT arising from the issuance of the Deferred Units in the future. The table below illustrates the pro forma impact under the scenario where the Deferred Units were entirely issued on 9 December 2004, the date of admission of Suntec REIT to the Official List of the SGX-ST (the "**Listing Date**"):

	<b>Distribution per unit ("DPU") under the scenario that all Deferred Units are issued on the Listing Date</b>	
	<b>Actual (1 July – 30 September 05)</b>	<b>Forecast (1 July – 30 September 05)</b>
<b>DPU based on total number of units entitled to the distribution (cents)</b>	<b>1.61</b>	<b>1.50</b>
DPU assuming Deferred Units were issued on the Listing Date (cents)	1.38	1.29

BY ORDER OF THE BOARD  
 ARA TRUST MANAGEMENT (SUNTEC) LIMITED  
 AS MANAGER OF SUNTEC REAL ESTATE INVESTMENT TRUST

John Lim Hwee Chiang  
 Director  
 28 October 2005



**Suntec Real Estate Investment Trust  
Financial Statements  
for the financial period from 1 October 2005 to 30 September 2006**

These financial statements for the quarter and full year from 1 October 2005 to 30 September 2006 have not been audited but have been reviewed by our auditors.

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 was listed on the Singapore Exchange Securities Trading Limited on 9 December 2004.

Suntec REIT owns Suntec City Mall 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", Park Mall and Chijmes.

Where appropriate, comparisons are made against the corresponding actual figures for the period 1 July 2005 to 30 September 2005 or prorated forecast figures for the financial year ended 30 September 2006 as disclosed in the prospectus for the offering dated 29 November 2004 ("the Prospectus") for the full year from 1 October 2006 to 30 September 2006 (the "Actual" or the "Forecast").

**Financial Statements Announcement**  
**For financial period ended 30 September 2006**

**1 (a)(i) Income statement together with a comparative statement for the corresponding period of the immediately preceding financial year**

**Statement of Total Return for the Quarter and Full Year ended 30 September 2006**

	Actual 1/7/06 to 30/9/06	Actual 1/7/05 to 30/9/05	Increase / (Decrease)	YTD 1/10/05 to 30/9/06	YTD 1/11/04 to 30/9/05 <sup>(a)</sup>	Increase / (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Gross revenue</b> <sup>(b)</sup>	<b>44,895</b>	<b>34,155</b>	<b>31.4%</b>	<b>171,356</b>	<b>107,040</b>	<b>60.1%</b>
Maintenance charges <sup>(c)</sup>	(3,646)	(4,384)	(16.8%)	(15,323)	(14,641)	4.7%
Property management fee <sup>(c)</sup>	(1,213)	(992)	22.3%	(4,580)	(2,814)	62.8%
Property tax <sup>(c)</sup>	(3,696)	(2,851)	29.6%	(14,031)	(8,741)	60.5%
Other property expenses <sup>(c)</sup>	(3,680)	(1,165)	215.9%	(11,583)	(2,721)	325.7%
<b>Property expenses</b>	<b>(12,235)</b>	<b>(9,392)</b>	<b>30.3%</b>	<b>(45,517)</b>	<b>(28,917)</b>	<b>57.4%</b>
<b>Net property income</b>	<b>32,660</b>	<b>24,763</b>	<b>31.9%</b>	<b>125,839</b>	<b>78,123</b>	<b>61.1%</b>
Other income <sup>(c)</sup>	-	-	NM	-	3,500	NM
Interest income	146	96	52.1%	578	257	124.9%
Asset management fees	(3,926)	(2,861)	37.2%	(14,121)	(9,038)	56.2%
Trust expenses <sup>(c)</sup>	(503)	(831)	(39.5%)	(2,249)	(1,710)	31.5%
Net financing costs <sup>(c)</sup>	(7,944)	(3,657)	117.2%	(30,883)	(13,768)	124.3%
<b>Net income before tax</b>	<b>20,433</b>	<b>17,510</b>	<b>16.7%</b>	<b>79,164</b>	<b>57,364</b>	<b>38.0%</b>
Income tax expense	-	-	NM	-	(700)	(100.0%)
<b>Net income after tax</b>	<b>20,433</b>	<b>17,510</b>	<b>16.7%</b>	<b>79,164</b>	<b>56,664</b>	<b>39.7%</b>
Net surplus on revaluation of investment properties	460,119	-	NM	565,772	107,405	NM
<b>Total Return for the period</b>	<b>480,552</b>	<b>17,510</b>	<b>2644.4%</b>	<b>644,936</b>	<b>164,069</b>	<b>293.1%</b>

**Footnotes:**

NM - Not meaningful

(a) Suntec REIT was established on 1 November 2004 and the acquisition of Suntec City was only completed on 9 December 2004. It was then officially listed on Singapore Exchange Securities Trading Limited on 9 December 2004. Consequently, the actual figures shown for the corresponding preceding year to date figures were from 9 December 2004 to 30 September 2005. The results of Suntec REIT during its private trust period from 1 November 2004 to 8 December 2004 were insignificant.

(b) Gross revenue comprises mainly base rentals, service charges from retail mall and offices, promotion fund from retail mall and income from rentals of atrium spaces, push carts, kiosks and media spaces.

The higher gross revenue as compared to the actual figure for the corresponding period was mainly due to:

(i) the addition of Park Mall and Chijmes to the Suntec REIT portfolio; and

**Financial Statements Announcement  
For financial period ended 30 September 2006**

- (ii) *for Suntec City, higher rentals from increased office occupancy and higher revenue generated from atrium spaces, push carts, kiosks and media spaces.*
- (c) *The maintenance charges relate to amount payable to The Management Corporation Strata Title No. 2197 ("Management Corporation") for Suntec City. There is a reduction in rate charged by the Management Corporation with effect from 1 January 2006.*
- (d) *The higher property management fee, property tax and other property expenses as compared to the actual figures for the corresponding period were mainly attributed to the addition of Park Mall and Chijmes to the Suntec REIT portfolio and the higher gross revenue recorded.*
- (e) *Other income referred to a non-recurring amount paid by Suntec City Development Pte Ltd, as the sponsor of Suntec REIT, for services rendered in relation to the completion of sale of properties forming the initial portfolio of Suntec REIT and the initial public offering of units in Suntec REIT.*
- (f) *The higher trust expenses were mainly due to the one-time set up costs and professional fees incurred for the implementation of the Medium Term Note ("MTN") program in relation to the refinancing of the short term loans of \$350.5 million used for the acquisition of Park Mall and Chijmes; and the addition of Park Mall and Chijmes to the Suntec REIT portfolio.*
- (g) *This comprised the following:*

	<b>Actual 1/7/06 to 30/9/06</b>	<b>Actual 1/7/05 to 30/9/05</b>	<b>YTD 1/10/05 to 30/9/06</b>	<b>YTD 1/11/04 to 30/9/05<sup>(a)</sup></b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<i>Ineffective portion of change in fair value of cash flow hedge</i>	348	1,127	(1,309)	1,310
<i>Gain arising from remeasurement of derivatives</i>	603	-	3,093	-
<i>Finance costs</i>	(8,895)	(4,784)	(32,667)	(15,078)
	(7,944)	(3,657)	(30,883)	(13,768)

*The higher net finance costs were mainly due to the increase in interest bearing borrowings of \$349.7 million used for the financing of the acquisition of Park Mall and Chijmes.*

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**For financial period ended 30 September 2006**

**Distribution Statement**

	<b>Actual 1/7/06 to 30/9/06</b>	<b>Actual 1/7/05 to 30/9/05</b>	<b>YTD 1/10/05 to 30/9/06</b>	<b>YTD 1/11/04 to 30/9/05<sup>(a)</sup></b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Net income before tax</b>	<b>20,433</b>	<b>17,510</b>	<b>79,164</b>	<b>57,364</b>
Non-tax deductible / (chargeable) items:				
Amortisation of transaction costs	399	338	1,459	1,096
Asset management fees payable in units	3,141	2,288	11,297	7,230
Non-tax deductible interest expense	704	882	2,840	2,839
Non-tax deductible financial expense / (non-chargeable financial income)	(348)	(1,127)	1,309	(1,310)
Non-tax deductible loss / (non-chargeable gain) arising from remeasurement of derivatives	(603)	-	(3,093)	-
Temporary differences and other adjustments	1,113	872	1,959	1,151
<b>Taxable income</b>	<b>24,839</b>	<b>20,763</b>	<b>94,935</b>	<b>68,370</b>
Less: other income <sup>(b)</sup>	-	-	-	(3,500)
<b>Income currently available for distribution</b>	<b>24,839</b>	<b>20,763</b>	<b>94,935</b>	<b>64,870</b>

**Footnotes:**

- (a) Although Suntec REIT was established on 1 November 2004, the acquisition of Suntec City was only completed on 9 December 2004 and was officially listed on Singapore Exchange Securities Trading Limited on 9 December 2004. The results of Suntec REIT during its private trust period from 1 November 2004 to 8 December 2004 are insignificant. Hence, the comparative distribution statement presented was for the distribution period from 1 November 2004 to 30 September 2005.
- (b) Suntec REIT's current distribution policy is to distribute 100% of its income available for distribution, after adjustments for non-tax deductible expenses and non-chargeable items. This amount of other income does not enjoy tax transparency and is only distributable after tax assessment.

Financial Statements Announcement  
For financial period ended 30 September 2006

1 (b)(i) Balance sheet, together with a comparative statement as at the end of the immediately preceding financial year

	Actual 30/9/06	Actual 30/9/05
	S\$'000	S\$'000
<b>Non-current assets</b>		
Plant and equipment	240	263
Investment properties <sup>(a)</sup>	3,212,000	2,282,174
<b>Total non-current assets</b>	<b>3,212,240</b>	<b>2,282,437</b>
<b>Current assets</b>		
Trade and other receivables <sup>(b)</sup>	32,379	17,663
Cash and cash equivalents	5,232	18,426
<b>Total current assets</b>	<b>37,611</b>	<b>36,089</b>
<b>Total assets</b>	<b>3,249,851</b>	<b>2,318,526</b>
<b>Current liabilities</b>		
Interest bearing loans <sup>(c)</sup>	196,621	-
Trade and other payables <sup>(d)</sup>	16,700	6,219
Current portion of security deposits	10,893	5,808
Provision for taxation	700	700
<b>Total current liabilities</b>	<b>224,914</b>	<b>12,727</b>
<b>Non-current liabilities</b>		
Interest bearing loans <sup>(c)</sup>	835,174	694,346
Non-current portion of security deposits	26,727	23,222
<b>Total non-current liabilities</b>	<b>861,901</b>	<b>717,568</b>
<b>Total liabilities</b>	<b>1,086,815</b>	<b>730,295</b>
<b>Net assets</b>	<b>2,163,036</b>	<b>1,588,231</b>
<b>Unitholders' funds<sup>(e)</sup></b>	<b>2,163,036</b>	<b>1,588,231</b>



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For financial period ended 30 September 2006**

**Footnotes:**

- (a) Two additional properties, Park Mall and Chijmes were acquired during the first quarter for \$230.6 million and \$128.2 million respectively. The amounts stated were inclusive of acquisition costs.

The investment properties were revalued on 30 September 2006 as follows:

<b>Property</b>	<b>Tenure</b>	<b>Date of Valuation</b>	<b>Valuation S\$ million</b>	<b>Independent Valuer</b>
<p>Suntec City comprising</p> <ul style="list-style-type: none"> <li>• Seven strata lots with 8.6% of the total strata area in Suntec Tower One</li> <li>• One strata lot with 0.5% of the total strata area in Suntec Tower Two</li> <li>• 76 strata lots with 70.3% of the total strata area in Suntec Tower Three</li> <li>• All strata lots in Suntec Tower Four</li> <li>• All strata lots in Suntec Tower Five</li> <li>• Suntec City Mall</li> </ul>	99 years from 1989	30 September 2006	2,830	Knight Frank Pte Ltd
Park Mall	99 years from 1969	30 September 2006	247	CB Richard Ellis (Pte) Ltd
CHIJMES	99 years from 1991	30 September 2006	135	Knight Frank Pte Ltd

The revaluation gives rise to a revaluation surplus of \$565.8 million (2005: \$107.4 million).

- (b) Included in the balances as at 30 September 2006 was a derivative asset relating to the fair value of the derivatives of \$21.0 million.
- (c) The interest-bearing loans are stated at amortised cost.
- (d) Included in the balances as at 30 September 2006 was a derivative liability relating to the fair value of the derivatives of \$0.8 million.
- (e) Please refer to statement of movements in unitholders' funds for details.

**Financial Statements Announcement**  
**For financial period ended 30 September 2006**

**1 (b)(ii) Aggregate amount of borrowings <sup>(a),(b)</sup>**

	Actual	Actual	Actual	Actual
	Unsecured	Unsecured	Secured	Secured
	30/9/06	30/9/05	30/9/06	30/9/05
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	166,938	-	29,683	-
Amount repayable after one year	139,478	-	695,696	694,346

**Footnotes:**

- (a) *Suntec REIT has in place secured facilities of S\$750.0 million, comprising a S\$700.0 million term loan facility and a S\$50.0 million revolving credit facility ("RCF"), each for a term of five years (the "Facilities"). The term loan is repayable after five years from 9 December 2004. The amount outstanding under the RCF is \$29.7 million as at 30 September 2006.*

*The Facilities are secured on the following:*

- *A first legal mortgage on Suntec City;*
- *A first fixed charge over the central collection rental collection account in relation to Suntec City;*
- *An assignment of Suntec REIT's rights, title and interest in the property management agreement in relation to Suntec City;*
- *An assignment of Suntec REIT's rights, title and interest in the tenancy documents and the proceeds in connection with Suntec City;*
- *An assignment of Suntec REIT's rights, title and interest in the insurance policies in relation to Suntec City;*
- *A fixed and floating charge over the assets of Suntec REIT in relation to Suntec City, agreements, collateral, as required by the financial institution granting the facilities; and*
- *An assignment of any interest swap facility, which may be entered into by Suntec REIT in relation to the Facilities.*

- (b) *The interest-bearing loans (unsecured) comprise \$92 million from a revolving credit facility granted by CitiBank N.A., Singapore Branch and \$215 million from Sunshine Assets Limited via a medium term note program.*

**Financial Statements Announcement  
For financial period ended 30 September 2006**

**1 (c) Cash flow statement**

	<b>Actual 1/7/06 to 30/9/06</b>	<b>Actual 1/7/05 to 30/9/05</b>	<b>YTD 1/10/05 to 30/9/06</b>	<b>YTD 1/11/04 to 30/9/05<sup>(a)</sup></b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Operating activities</b>				
Net income before tax	20,433	17,510	79,164	57,364
Adjustments for:				
Depreciation	23	21	102	21
Interest income	(146)	(96)	(578)	(257)
Asset management fees paid in units	3,141	2,288	11,297	7,230
Financing costs (net)	7,944	3,657	30,883	13,768
Allowance for doubtful receivables	19	96	112	217
Operating income before working capital changes	31,414	23,476	120,980	78,343
Changes in working capital				
Trade and other receivables	732	(391)	(1,837)	6,373
Trade and other payables	1,405	1,310	19,512	8,234
<b>Cash flow from operating activities</b>	<b>33,551</b>	<b>24,395</b>	<b>138,655</b>	<b>92,950</b>
<b>Investing activities</b>				
Interest received	146	96	578	257
Purchase of plant and equipment	-	(163)	(79)	(284)
Net cash outflow on purchase of investment properties <sup>(b)</sup>	-	-	(362,849)	(1,388,874)
Subsequent capital expenditure on investment properties	(1,917)	(1,831)	(5,248)	(1,831)
<b>Cash flow from investing activities</b>	<b>(1,771)</b>	<b>(1,898)</b>	<b>(367,598)</b>	<b>(1,390,732)</b>
<b>Financing activities</b>				
Proceeds from interest-bearing loans	-	-	675,543	725,000
Proceeds from issue of units (net of issue costs)	-	-	-	681,350
Financing costs paid	(9,294)	(3,553)	(30,082)	(21,037)
Repayment of interest-bearing loan	(13,000)	-	(338,860)	(25,000)
Distributions to unitholders	(24,386)	(20,152)	(90,852)	(44,105)
<b>Cash flow from financing activities</b>	<b>(46,680)</b>	<b>(23,705)</b>	<b>215,749</b>	<b>1,316,208</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(14,900)</b>	<b>(1,208)</b>	<b>(13,194)</b>	<b>18,426</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>20,132</b>	<b>19,634</b>	<b>18,426</b>	<b>-</b>
<b>Cash and cash equivalents at end of the period</b>	<b>5,232</b>	<b>18,426</b>	<b>5,232</b>	<b>18,426</b>

**Financial Statements Announcement  
For financial period ended 30 September 2006**

**Footnotes:**

- (a) *Suntec REIT was established on 1 November 2004, the acquisition of Suntec City was only completed on 9 December 2004 and it was officially listed on Singapore Exchange Securities Trading Limited on 9 December 2004. Consequently, the comparative cashflow statement presented was only for the period from 1 November 2004 (date of constitution) to 30 June 2005.*
- (b) *The details on net cash outflow on purchase of investment properties and related assets and liabilities were as follows:*

	Actual 1/7/06 to 30/9/06	Actual 1/7/05 to 30/9/05	YTD 1/10/05 to 30/9/06	YTD 1/11/04 to 30/9/05 <sup>(a)</sup>
	S\$'000	S\$'000	S\$'000	S\$'000
Investment properties	-	-	358,000	2,107,000
Cash	-	-	6,456	25,815
Security deposits	-	-	(6,408)	(25,815)
Prepayments	-	-	69	-
Accrued income and accruals	-	-	(117)	-
<b>Net identifiable assets and liabilities acquired</b>	-	-	<b>358,000</b>	<b>2,107,000</b>
Purchase consideration	-	-	358,000	2,107,000
Less:				
Deferred consideration	-	-	-	(207,002)
Units issued to vendor as partial satisfaction of purchase consideration	-	-	-	(565,000)
<b>Cash consideration paid</b>	-	-	<b>358,000</b>	<b>1,334,998</b>
Acquisition costs paid:				
Stamp duties and professional fees	-	-	806	65,594
Goods and services tax (refunded)	-	-	11,500	14,097
Less:				
Cash acquired	-	-	(6,456)	(25,815)
Deposit paid in previous period	-	-	(1,000)	-
<b>Net cash outflow on acquisitions for the period</b>	-	-	<b>362,850</b>	<b>1,388,874</b>

- (c) *The significant non-cash transactions for the period ended 30 September 2006 were as follows:*
- the Trust issued a total of 6,946,706 units to the Manager amounting to \$8.16 million as satisfaction of asset management fees payable in units in respect of the financial period ended 30 June 2006.*
  - the Trust will be issuing a total of 2,201,468 units to the Manager amounting to \$3.14 million as satisfaction of asset management fees payable in units in respect of the financial quarter ended 30 September 2006.*
- The significant non-cash transactions for the period ended 30 September 2005 were as follows:*
- the Trust issued 565,000,000 units at an issue price of \$1.00 per unit to the vendor as partial satisfaction of the purchase consideration for the initial portfolio of properties.*
  - the Trust issued a total of 5,990,820 units to the Manager amounting to \$7.23 million as satisfaction of asset management fees payable in units in respect of the financial period ended 30 September 2005.*

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**1 (d)(i) Statement of movements in unitholders' funds**

	Actual 1/7/06 to 30/9/06	Actual 1/7/05 to 30/9/05	YTD 1/10/05 to 30/9/06	YTD 1/11/04 to 30/9/05 <sup>(a)</sup>
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at the beginning of the period</b>	<b>1,710,920</b>	<b>1,584,108</b>	<b>1,588,231</b>	<b>-</b>
<b>Operations</b>				
Net income after tax	20,433	17,510	79,164	56,664
Net surplus on revaluation of investment properties	460,119	-	565,772	107,405
<b>Net increase in net assets resulting from operations</b>	<b>480,552</b>	<b>17,510</b>	<b>644,936</b>	<b>164,069</b>
<b>Hedging transaction<sup>(b)</sup></b>	<b>(7,191)</b>	<b>4,477</b>	<b>9,424</b>	<b>7,685</b>
<b>Unitholders' transactions</b>				
Creation of units				
- initial public offering <sup>(c)</sup>	-	-	-	722,000
- partial satisfaction of purchase consideration on investment properties acquired <sup>(d)</sup>	-	-	-	565,000
- management fee paid in units <sup>(c)</sup>	-	-	8,156	4,942
Units to be issued				
- asset management fee payable in units <sup>(c)</sup>	3,141	2,288	3,141	2,288
- deferred consideration on properties acquired (or Deferred Units) <sup>(d)</sup>	-	-	-	207,002
Issue expenses <sup>(c)</sup>	-	-	-	(40,650)
Distributions to unitholders <sup>(c)</sup>	(24,386)	(20,152)	(90,852)	(44,105)
<b>Net (decrease) / increase in net assets resulting from unitholders' transactions</b>	<b>(21,245)</b>	<b>(17,864)</b>	<b>(79,555)</b>	<b>1,416,477</b>
<b>Unitholders' funds as at end of period</b>	<b>2,163,036</b>	<b>1,588,231</b>	<b>2,163,036</b>	<b>1,588,231</b>

**Footnotes:**

- (a) Suntec REIT was established on 1 November 2004, the acquisition of Suntec City was only completed on 9 December 2004 and it was officially listed on Singapore Exchange Securities Trading Limited on 9 December 2004. Consequently, the comparative statement of movements in unitholders' funds presented was only for the period from 1 November 2004 (date of constitution) to 30 June 2005.
- (b) Hedging transaction arises from the change in fair values that relate to the effective portion of the cash flow hedge.
- (c) This represents the units issued during the initial public offering.
- (d) This represents 565,000,000 units issued as partial satisfaction of the purchase consideration for the initial portfolio of properties.

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- (e) *These represent the value of units issued and to be issued as partial satisfaction of the management fee incurred for the respective quarters. The units are issued within 30 days from quarter end.*
- (f) *Deferred Units, comprising 207,002,170 units, will be issued to the Suntec City Development Pte Ltd over six equal installments, the first of which falls 42 months after 9 December 2004, as partial satisfaction of the purchase consideration for the initial portfolio of properties. The deferred units will be issued in six equal installments, with the first installment to be issued on the date falling 42 months after 9 December 2004 (being the date of completion of the sale and purchase of the initial portfolio of properties) and the rest semi-annually thereafter.*
- (g) *Issue expenses comprise professional and other fees, underwriting and selling commission and miscellaneous issue expenses.*
- (h) *Distribution to unitholders for the quarter comprises distribution income for the period from 1 April 2006 to 30 June 2006.*

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

	Actual 1/7/06 to 30/9/06 Units	Actual 1/7/05 to 30/9/05 Units	YTD 1/7/05 to 30/9/06 Units	YTD 1/1/04 to 30/9/05 Units
Issued units at the beginning of the period	1,297,516,569	1,289,155,878	1,290,980,301	-
Creation of units:				
- as units issued for placement	-	-	-	722,000,000
- as consideration paid in units	-	-	-	565,000,000
- as payment for asset management fee	2,420,957	1,824,423	8,957,225	3,980,301
Issued units at the end of the period	1,299,937,526	1,290,980,301	1,299,937,526	1,290,980,301
Units to be issued:				
- asset management fee payable in units <sup>(a)</sup>	2,201,468	2,010,519	2,201,468	2,010,519
- as satisfaction of deferred consideration on investment properties acquired <sup>(b)</sup>	207,002,170	207,002,170	207,002,170	207,002,170
Issuable units at the end of the period	209,203,838	209,012,689	209,203,838	209,012,689
Total issued and issuable units	1,509,141,164	1,499,992,990	1,509,141,164	1,499,992,990

**Footnotes:**

- (a) *There are additional 2,201,468 units to be issued to the Manager by 30 October 2006 as partial satisfaction of asset management fee incurred for the period from 1 July 2006 to 30 September 2006.*
- (b) *Deferred Units, comprising 207,002,170 Suntec REIT units, will be issued to Suntec City Development Pte Ltd in satisfaction of the deferred payment consideration for the purchase of the properties. The deferred units will be issued in six equal instalments, with the first instalment to be issued on the date falling 42 months after 9 December 2004 (being the date of completion of the sale and purchase of the initial portfolio of properties) and the rest semi-annually thereafter.*

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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 have not been audited but have been reviewed by the auditors in accordance with Singapore Statement of Auditing Practice 11: "Review of Interim Financial Information".

**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**

Yes.

**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 ("EPU") and Distribution per unit ("DPU") for the financial period**

	Actual 1/7/06 to 30/9/06	Forecast 1/7/06 to 30/9/06**	Actual 1/10/05 to 30/9/06	Actual 1/11/04 to 30/9/05***
Weighted average number of units <sup>1(a)</sup>	1,506,963,625		1,503,476,203	1,325,854,064
Earnings per unit for the period based on the weighted average number of units in issue (cents)	1.356		5.265	4.274
Number of issued and issuable units at end of period (excluding Deferred Units) <sup>1(b)</sup>	1,302,138,994		1,302,138,994	1,292,990,820
Number of issued and issuable units at end of period (including Deferred Units) <sup>1(b)</sup>	1,509,141,164		1,509,141,164	1,499,992,990
Distribution per unit for the period based on the total number of units entitled to distribution (cents)	1.907	1.558	7.291	5.017
Distribution per unit for the period including Deferred Units (cents)	1.646	1.344	6.291	4.324

**Footnotes:**

(a) The actual weighted average number of units used for computation of EPU for the quarter from 1 July 2006 to 30 September 2006 is 1,506,963,625. This comprised:

(i) Weighted average number of units in issue of 1,299,937,526 and Deferred Units of 207,002,170 as at 30 September 2006.

The Deferred Units will be issued in six equal installments, with the first installment to be issued on the date falling 42 months after 9 December 2004 (being the date of completion of the sale and purchase of the initial portfolio of properties) and the rest semi-annually thereafter, and

(ii) Weighted average number of the units issuable to the Manager as partial satisfaction of asset management fee for the quarter from 1 July 2006 to 30 September 2006 of 23,929 units.

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- (b) *The computation of actual DPU is based on the number of units entitled to the distribution:*
- (i) *The number of units in issue as at 30 September 2006 of 1,299,937,526; and*
  - (ii) *The units issuable to the Manager by 30 October 2006 as partial satisfaction of management fee incurred for the period from 1 July 2006 to 30 September 2006 of 2,201,468.*
- (c) *The computation of DPU for the period including Deferred Units is based on the number of issued and issuable units at the end of the period (including Deferred Units):*
- (i) *The number of units in issue as at 30 September 2006 of 1,299,937,526;*
  - (ii) *The units issuable to the Manager by 30 October 2006 as partial satisfaction of management fee incurred for the period from 1 July 2006 to 30 September 2006 of 2,201,468; and*
  - (iii) *Deferred Units of 207,002,170 as at 30 September 2006.*
- (d) *The figures shown were prorated from the Forecast as disclosed in the Prospectus.*
- (e) *Suntec REIT was established on 1 November 2004 and the acquisition of Suntec City was only completed on 9 December 2004. It was then officially listed on Singapore Exchange Securities Trading Limited on 9 December 2004. Consequently, the actual figures shown for the corresponding preceding year to date figures were from 9 December 2004 to 30 September 2005. The results of Suntec REIT during its private trust period from 1 November 2004 to 8 December 2004 were insignificant.*
- (f) *Diluted earnings per unit was the same as the basic earnings per unit as there were no dilutive instruments in issue during the period.*

**7. Net asset value ("NAV") per unit at the end of current period**

	<b>Actual 30/9/06<sup>(a)</sup></b>	<b>Actual 30/9/05</b>
NAV per unit (S\$)	1.433	1.059

**Footnotes:**

- (a) *The number of units used for computation of actual NAV per unit is 1,509,141,164. This comprised:*
- (i) *The number of units in issue as at 30 September 2006 of 1,299,937,526;*
  - (ii) *The units issuable to the Manager by 30 October 2006 as partial satisfaction of asset management fee for the period from 1 July 2006 to 30 September 2006 of 2,201,468; and*
  - (ii) *The Deferred Units, comprising 207,002,170 units, will be issued to Suntec City Development Pte Ltd as partial satisfaction of the deferred payment consideration for the purchase of the initial portfolio of properties. The deferred units will be issued in six equal installments, with the first installment to be issued on the date falling 42 months after 9 December 2004 (being the date of completion of the sale and purchase of the initial portfolio of properties) and the rest semi-annually thereafter.*



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**8. Review of the performance**

Please refer to Section 9 below on the review of actual performance against the prorated Forecast for the quarter and full year ended 30 September 2006 stated in the Prospectus.

**9 (a) Statements of Total Return and Distribution**

**Statement of Total Return for the Quarter and Full Year ended 30 September 2006**

	Actual 1/7/06 to 30/9/06	Forecast 1/7/06 to 30/9/06 <sup>(a)</sup>	Increase / (Decrease)	Actual 1/10/05 to 30/9/06	Forecast 1/10/05 to 30/9/06 <sup>(a)</sup>	Increase / (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Gross revenue</b> <sup>(b)</sup>	<b>44,895</b>	<b>34,450</b>	<b>30.3%</b>	<b>171,356</b>	<b>135,682</b>	<b>26.3%</b>
Maintenance charges	(3,646)	4,384	(183.2%)	(15,323)	(17,534)	(12.6%)
Property management fee <sup>(c)</sup>	(1,213)	(1,068)	13.6%	(4,580)	(3,599)	27.3%
Property tax <sup>(c)</sup>	(3,696)	(2,795)	32.2%	(14,031)	(10,998)	27.6%
Other property expenses <sup>(c)</sup>	(3,680)	(9,563)	(61.5%)	(11,583)	(3,455)	235.3%
<b>Property expenses</b>	<b>(12,235)</b>	<b>(9,042)</b>	<b>35.3%</b>	<b>(46,517)</b>	<b>(35,586)</b>	<b>27.9%</b>
<b>Net property income</b>	<b>32,660</b>	<b>25,408</b>	<b>28.5%</b>	<b>125,839</b>	<b>100,096</b>	<b>25.7%</b>
Interest income	146	6	NM	578	23	NM
Asset management fees	(3,926)	(2,785)	41.0%	(14,121)	(11,019)	28.2%
Net financing cost <sup>(d)</sup>	(7,944)	(4,833)	64.4%	(30,883)	(19,177)	61.0%
Trust expenses <sup>(e)</sup>	(503)	(339)	48.4%	(2,249)	(1,350)	66.6%
<b>Net income before tax</b>	<b>20,433</b>	<b>17,457</b>	<b>17.0%</b>	<b>79,164</b>	<b>68,573</b>	<b>15.4%</b>
<b>Income tax</b>	<b>-</b>	<b>-</b>	<b>NM</b>	<b>-</b>	<b>-</b>	<b>NM</b>
<b>Net income after tax</b>	<b>20,433</b>	<b>17,457</b>	<b>17.0%</b>	<b>79,164</b>	<b>68,573</b>	<b>15.4%</b>
Net surplus on revaluation of investment properties	460,119	-	NM	565,772	-	NM
<b>Total Return for the period</b>	<b>480,552</b>	<b>17,457</b>	<b>2652.8%</b>	<b>644,936</b>	<b>68,573</b>	<b>840.5%</b>

**Footnotes:**

NM - Not meaningful

(a) The Forecast figures were derived by prorating the Forecast figures disclosed in the Prospectus for the period from 1 July 2006 to 30 September 2006 and for the full year from 1 October 2005 to 30 September 2006.

(b) Gross revenue comprises mainly base rentals, service charges from retail mall and offices, promotion fund from retail mall and income from rentals of atrium spaces, push carts, kiosks and media spaces.

The higher gross revenue as compared to the Forecast figure was mainly due to:

- (iii) the addition of Park Mall and Chijmes to the Suntec REIT portfolio; and
- (iv) for Suntec City, higher rentals from increased office occupancy and higher revenue generated from atrium spaces, push carts, kiosks and media spaces.

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- (c) *The higher property management fee, property tax and other property expenses as compared to the Forecast figures for the quarter were mainly attributed to the addition of Park Mall and Chijmes to the Suntec REIT portfolio and the higher gross revenue recorded.*
- (d) *This comprised the following:*

	<b>Actual 1/7/06 to 30/9/06</b>	<b>Forecast 1/7/06 to 30/9/06<sup>(a)</sup></b>	<b>Actual 1/10/05 to 30/9/06</b>	<b>Forecast 1/10/05 to 30/9/06<sup>(a)</sup></b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Ineffective portion of change in fair value of cash flow hedges	348	-	(1,309)	-
(Loss)/ Gain arising from remeasurement of derivatives	603	-	3,093	-
Finance costs	(8,895)	(4,833)	(32,667)	(19,177)
	<b>(7,944)</b>	<b>(4,833)</b>	<b>(30,883)</b>	<b>(19,177)</b>

*The higher net finance costs was mainly due to the increase in interest bearing borrowings of \$349.7 million used for the financing of the additional properties, comprising Park Mall and Chijmes.*

- (e) *The higher trust expenses were mainly due to the one-time set up costs and professional fees incurred for the implementation of the MTN program in relation to the refinancing of the short-term loans of \$350.5 million used for the acquisition of Park Mall and Chijmes; and the addition of Park Mall and Chijmes to the Suntec REIT portfolio.*

**Distribution Statement for the Quarter and Full Year ended 30 September 2006**

	<b>Actual 1/7/06 to 30/9/06</b>	<b>Forecast 1/7/06 to 30/9/06<sup>(a)</sup></b>	<b>Increase / (Decrease) %</b>	<b>Actual 1/10/05 to 30/9/06</b>	<b>Forecast 1/10/05 to 30/9/06<sup>(a)</sup></b>	<b>Increase / (Decrease) %</b>
	<b>S\$'000</b>	<b>S\$'000</b>		<b>S\$'000</b>	<b>S\$'000</b>	
Net investment income before tax	20,433	17,456	17.1%	79,164	68,574	15.4%
<b>Non-tax deductible / (chargeable) items:</b>						
Amortisation of upfront fee for transaction costs	399	380	5.0%	1,469	1,507	(3.2%)
Asset management fees payable in units	3,141	2,228	41.0%	11,297	8,815	28.2%
Non-tax deductible interest expense	704	-	NM	2,840	-	NM
Non-tax deductible financial expense / (non-chargeable financial income)	(348)	-	NM	1,309	-	NM
Non-tax deductible expense / (Non-chargeable gain) arising from remeasurement of derivatives	(603)	-	NM	(3,093)	-	NM
Temporary differences and other adjustments	1,113	198	462.1%	1,959	786	149.2%
<b>Income currently available for distribution<sup>(b)</sup></b>	<b>24,839</b>	<b>20,262</b>	<b>22.6%</b>	<b>94,935</b>	<b>79,882</b>	<b>19.1%</b>

**Footnotes:**

NM - Not meaningful

- (a) *The Forecast figures were derived by prorating the Forecast figures for the year ending 30 September 2006 disclosed in the Prospectus for the period from 1 July 2006 to 30 September 2006 and for the full year from 1 October 2005 to 30 September 2006.*
- (b) *Suntec REIT's current distribution policy is to distribute 100% of its income available for distribution, after adjustments for non-tax deductible expenses and non-chargeable items.*

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**9 (b) Review of the performance for the quarter and full year ended 30 September 2006**

For the quarter under review, gross revenue achieved was S\$44.9 million, exceeding Forecast by S\$10.4 million or 30.3%. Net property income and income available for distribution rose to S\$32.7 million and S\$24.8 million, a growth of 28.5% and 22.6% above Forecast respectively.

For the financial year ended 30 September 2006, gross revenue achieved was S\$171.4 million, exceeding Forecast by S\$35.7 million or 26.3%. Net property income and income available for distribution rose to S\$125.8 million and S\$94.9 million, a growth of 25.7% and 19.1% above Forecast respectively.

Gross office revenue for the quarter achieved was S\$15.5 million, exceeding Forecast by S\$3.7 million or 31.8%, driven by higher occupancy and rental rates at Suntec City, and from the inclusion of Park Mall's revenue of S\$1.4 million. For the year ended 30 September 2006 gross office revenue achieved was S\$58.1 million, exceeding Forecast by S\$11.4 million or 24.5%.

Suntec City achieved a committed office occupancy of 97.6% while Park Mall's actual office occupancy strengthened to 93.1% as at 30 September 2006. Overall occupancy achieved for the office portfolio stood at 97.2% as at 30 September 2006.

Gross retail revenue for the quarter achieved was S\$29.4 million, exceeding Forecast by S\$6.7 million or 29.5%, of which Park Mall and Chijmes contributed S\$5.4 million. The gross retail revenue achieved for the year ended 30 September 2006 was S\$113.3 million, exceeding forecast by S\$24.2 million or 27.2%. Strong growth in retail revenue has boosted the average passing rents for all properties. The passing rents for Suntec City Mall, Park Mall and Chijmes were S\$9.45 per sq ft per month, S\$6.33 per sq ft per month and S\$10.30 per sq ft per month respectively as at 30 September 2006.

Committed retail occupancy for Suntec City Mall was 97.6%, while Park Mall and Chijmes attained full committed occupancy as at 30 September 2006. The overall occupancy level for the retail portfolio was 98.1% as at 30 September 2006.

For the quarter ended 30 September 2006 a net revaluation surplus of S\$460.1 million was derived from the revaluation of Suntec REIT's portfolio of investment properties in September 2006. Together with the earlier surplus of S\$105.7 million recorded in April 2006 the total revaluation surplus amounted to S\$565.8 million for the year ended 30 September 2006.

Property operating expenses for the quarter and year under review were higher than Forecast due to higher property taxes and property expenses attributable to the inclusion of Park Mall and Chijmes. The resulting cost-to-revenue ratio for the quarter was 27.2% as compared with 25.5% last quarter while the overall cost-to-revenue ratio for the year was 26.6%, as compared with 27.0% in FY2005.

Financing costs for the quarter averaged 3.36%, excluding the financial adjustment arising from the ineffective portion of change in fair value of the cash flow hedge and remeasurement of derivatives. Such financial adjustments have no impact on the distribution per unit.

As at 30 September 2006 the net debt position was S\$1.03 billion comprising a total of S\$730 million hedged at an all-in rate of 2.85%, out of which S\$500 million has been hedged at an all-in annual rate of 2.55% p.a. up to 2009.

**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 recorded robust growth in 3Q2006, with advanced estimates from the Ministry of Trade and Industry projecting GDP growth for the third quarter ex-September data at 7.1%, leading to an upward revision in the official growth forecast for 2006 towards the upper range of 6.5-7.5%.

The office market is enjoying a strong growth momentum underpinned by sustained demand amid tight supply, translating into further rental growth in the third quarter of 2006. According to property

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consultant CB Richard Ellis<sup>1</sup>, prime office rents and Grade A prime rents have risen to S\$6.90 per sq ft and \$7.60 per sq ft per month in the quarter ended September 2006, a growth of 15% and 11.8% respectively as compared to the previous quarter. The recovery cycle is now in full swing, with market rents hitting the last seen peak levels in 2000/2001 however they are still 30% below that of the mid-1990's. The positive outlook for the sector is expected to be sustainable well into 2009.

Similarly, the retail sector is expected to see sustained growth, with healthy occupancy levels and moderate increase in average prime rents underpinned by demand for quality retail space. The planned asset revamps undertaken by landlords will continue to attract more varied retailers carrying international brand names, culminating in a more vibrant sector with differentiated offerings.

**Outlook for the Financial Year 2007**

In view of the improving economic and sector prospects and the Manager's proactive asset management strategies, barring any unforeseen circumstances the Manager expects Suntec REIT to reap positive benefits in both its office and retail segments in the coming year ahead.

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<sup>1</sup> CB Richard Ellis Market View Singapore 3Q 2006.

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**11. Distributions**

**(a) Current financial period**

Any distribution declared for the current period?	Yes
Name of distribution	Distribution for the period from 1 July 2006 to 5 November 2006 (expected to be the day immediately prior to the date on which new units are issued under Private Placement)
Distribution Type	Taxable income
Distribution Rate	Between 2.607 cents to 2.667 per unit, and no less than 2.607 cents per unit. The actual distribution will be confirmed in due course.
Par value of units	NM
Tax Rate	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).
Remarks	Please refer to the notice of cumulative distribution books closure and distribution payment date for further details.

**(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	Third distribution for the period from 1 July 2005 to 30 September 2005
Distribution Type	Taxable income
Distribution Rate	1.605 cents per unit
Par value of units	NM
Tax Rate	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).

**Footnotes:**

*NM - Not meaningful*

**(c) Date payable:** 29 November 2006

**(d) Books Closure Date:** 3 November 2006

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

Not applicable.

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**PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**13. Segmented revenue and results for business or geographical segments (of the group)**

**Business segments**

	Office 2006 \$'000	Retail 2006 \$'000	Total 2006 \$'000
Property income and expenses			
Gross revenue	58,090	113,266	171,356
Segment net property income	<u>42,383</u>	<u>83,466</u>	125,839
Interest income			578
Unallocated expenses			<u>(47,253)</u>
Net income before tax			79,164
Income tax expense			<u>-</u>
Net income after tax			79,164
Net appreciation on revaluation of investment properties	437,779	127,993	565,772
Total return for the period			<u>644,836</u>
Assets and liabilities			
Segment assets	1,504,166	1,711,825	3,215,981
Unallocated assets			33,870
- trade and other receivables			<u>28,638</u>
- cash and cash equivalents			<u>5,232</u>
Total assets			<u>3,249,851</u>
Segment liabilities	13,271	24,209	37,480
Unallocated assets			1,049,335
- trade and other payables			<u>16,840</u>
- provision for taxation			<u>700</u>
- interest-bearing loans			<u>1,031,795</u>
Total liabilities			<u>1,086,815</u>
Other segmental information			
Allowance for doubtful receivables	-	112	112
Plant and equipment			
- Capital expenditure	-	5,327	5,327
- Depreciation	-	102	102

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	Office Period from 1/11/04 to 30/9/05** \$'000	Retail Period from 1/11/04 to 30/9/05** \$'000	Total Period from 1/11/04 to 30/9/05** \$'000
<b>Property income and expenses</b>			
Gross revenue	38,460	68,580	107,040
Segment net property income	26,789	51,334	78,123
Interest income			257
Other income			3,500
Unallocated expenses			(24,518)
Net income before tax			57,364
Income tax expense			(700)
Net income after tax			56,664
Net appreciation on revaluation of investment properties	18,987	88,418	107,405
Total return for the period			164,069
<b>Assets and liabilities</b>			
Segment assets	980,045	1,303,661	2,283,706
Unallocated assets			34,820
- trade and other receivables			16,394
- cash and cash equivalents			18,426
Total assets			2,318,526
Segment liabilities	10,622	18,408	29,030
Unallocated assets			701,265
- trade and other payables			6,219
- provision for taxation			700
- interest-bearing loans			694,346
Total liabilities			730,295
<b>Other segmental information</b>			
Allowance for doubtful receivables	-	217	217
Plant and equipment			
- Capital expenditure	-	2,175	2,175
- Depreciation	-	21	21

**Footnotes:**

(a) Suntec REIT was established on 1 November 2004, the acquisition of Suntec City was only completed on 9 December 2004 and it was officially listed on Singapore Exchange Securities Trading Limited on 9 December 2004.

**14. In the review of performance, the factors leading to any changes in contributions to turnover and earnings by the business or geographical segments**

Please refer to Section 9 for the review of the actual performance.

**15. Breakdown of sales**

	Actual 1/10/05 to 30/9/06 S\$'000	Actual 1/11/04 to 30/9/06** S\$'000	Increase / (Decrease) %
Gross revenue reported for first half year	82,546	39,788	107.5%
Net income after tax for the first half year	39,280	24,246	62.0%
Gross revenue reported for second half year	88,810	67,252	32.1%
Net income after tax for second half year	39,884	32,419	23.0%

**Footnotes:**

(a) Suntec REIT was established on 1 November 2004, the acquisition of Suntec City was only completed on 9 December 2004 and it was officially listed on Singapore Exchange Securities Trading Limited on 9 December 2004.

**Financial Statements Announcement  
For financial period ended 30 September 2006**

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**16. Breakdown of the total distribution for the financial year ended 30 September 2006**

Annual distribution to Unitholders

	Actual 1/10/05 to 30/9/06	Actual 1/1/04 to 30/9/06 <sup>(a)</sup>
	S\$'000	S\$'000
1 April 2006 to 30 June 2006	24,387	-
1 January 2006 to 31 March 2006	23,498	-
1 October 2005 to 31 December 2005	22,215	-
1 July 2005 to 30 September 2005	20,752	-
1 April 2005 to 30 June 2005	-	20,152
9 December 2004 to 31 March 2005	-	23,953

**Footnotes:**

- (a) *Suntec REIT was established on 1 November 2004, the acquisition of Suntec City was only completed on 9 December 2004 and it was officially listed on Singapore Exchange Securities Trading Limited on 9 December 2004.*



**Financial Statements Announcement**  
**For financial period ended 30 September 2006**

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.

**All forecasts and projections are based on the offering price of S\$1.00 per Unit under the initial public offering of Units in November/December 2004 and the assumptions set out in the Prospectus. The forecast and projected yield will vary accordingly for investors who purchase Units in the secondary market at a market price higher or lower than the offering price of each Unit under the initial public offering of Units in November/December 2004.**

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 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.

**Pro Forma Impact of Deferred Units Issuance**

Suntec City Development Pte Ltd, the vendor of Suntec City Mall and Suntec City Office Towers (both as defined in the prospectus dated 29 November 2004 (the "**Prospectus**") issued in connection with the initial public offering of units in Suntec REIT ("**Units**") in November/December 2004 and together, the "**Properties**"), will be issued with 207,002,170 additional Units (the "**Deferred Units**") in satisfaction of the deferred payment consideration for the purchase of the Properties. The Deferred Units will be issued in six equal instalments, with the first instalment to be issued on the date falling 42 months after 9 December 2004 (being the date of completion of the sale and purchase of the Properties) and the rest semi-annually thereafter. Any change in rental rates, occupancy rates and distributable income of Suntec REIT can affect the impact of any dilution in the yields of Suntec REIT arising from the issuance of the Deferred Units in the future. The table below illustrates the pro forma impact under the scenario where the Deferred Units were entirely issued on 9 December 2004, the date of admission of Suntec REIT to the Official List of the SGX-ST (the "**Listing Date**"):

	Distribution per unit ("DPU") under the scenario that all Deferred Units are issued on the Listing Date	
	Actual (1 July 06 – 30 September 06)	Forecast (1 July 06 – 30 September 06)
<b>DPU based on total number of units entitled to the distribution (cents)</b>	<b>1.907</b>	<b>1.558</b>
DPU assuming Deferred Units were issued on the Listing Date (cents)	1.646	1.344

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

Yeo See Kiat  
 Director  
 26 October 2006

**SELLING RESTRICTIONS**

*No action has been or will be taken in any jurisdiction that would permit a public offering of the Units or the possession, circulation or distribution of this Offer Information Statement or any offering or publicity material relating to Suntec REIT or the Units in any country or jurisdiction (other than Singapore) where action for that purpose is required. Accordingly, the Units may not be offered or sold, directly or indirectly, and neither this Offer Information Statement nor any other offering material, circular, form of application or advertisement in connection with the Units may be distributed or published, in or from any country or jurisdiction, except under circumstances that will result in compliance with all applicable laws and regulations of any such country or jurisdiction.*

*Any person subscribing for New Units under the Private Placement shall be deemed to have represented to the Manager and the Financial Advisor, Lead Manager and Underwriter that such person is not a Restricted Placee (as defined herein), other than such Restricted Placee subscribing in accordance with the terms of any waivers granted by the SGX-ST.*

**Australia**

This Offer Information Statement has not been lodged with the Australian Securities and Investments Commission (the “**ASIC**”), and is not a disclosure document or product disclosure statement for the purposes of Australian law.

The provision of this Offer Information Statement to any person in Australia does not constitute an offer of the New Units to that person or an invitation to that person to subscribe for the New Units unless the recipient is a person to whom an offer of the New Units may be made in Australia without the need for a product disclosure statement under Chapter 7.9 of the Corporations Act 2001 (Cth). This Offer Information Statement is not, and under no circumstances is to be construed as, an advertisement or a public offering of the New Units in Australia. Suntec REIT is not a registered scheme in Australia. Neither ASIC nor any other similar authority in Australia has reviewed or in any way approved this document or the merits of investing in the New Units. The New Units may not be resold in Australia within a period of 12 months after the date of issue of the New Units unless a product disclosure statement is not required for the sale in accordance with sections 1012D or 1012DA of the Corporations Act 2001 (Cth).

This is not a securities recommendation or investment advice. You should seek your own financial advice.

This Offer Information Statement has been prepared without taking account of any investor’s objectives, financial situation or needs, and before acting on it, investors should consider the appropriateness of the information in this Offer Information Statement, having regard to their own objectives, financial situation and needs.

**Denmark**

This Offer Information Statement has not been filed with or approved by the Danish Financial Supervisory Authority or any other regulatory authority in the Kingdom of Denmark. The New

Units may not be offered, sold or delivered, directly or indirectly, in Denmark, except (i) to Qualified Investors as defined in the Council Directive 2003/71 EC of 4 November 2003 or (ii) otherwise in compliance with Chapter 6 of the Danish Act on Trading in Securities and the Danish Executive Order No. 306 of 28 April 2005 on the prospectus to be published before securities are admitted to listing or trading on a regulated market or if securities with a value of more than EUR 2,500,000 are being offered to the public.

### **European Economic Area**

In relation to each member state of the European Economic area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) each purchaser of New Units must not make an offer of securities to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of securities to the public in that Relevant Member State at any time:

- (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than EUR 43,000,000 and (3) an annual turnover of more than EUR 50,000,000, as shown in its last annual or consolidated accounts;
- (c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the lead manager for any such offer; or
- (d) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of New Units shall result in a requirement for the publication by the Issuer or the Manager of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of securities to the public” in relation to any securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe the securities, as the same may be varied in that member state by any measure implementing the prospectus directive in that member state and the expression “Prospectus Directive” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

### **Finland**

This Offer Information Statement has not been approved by or filed with the Finnish Financial Supervision Authority pursuant to the Finnish Securities Market Act (1989/495 as amended). The

New Units may not be offered or sold, directly or indirectly, to the public in the Republic of Finland and any offer or sale of the New Units in the Republic of Finland may be made only as permitted by the Finnish Securities Market Act.

## **France**

This document is not being distributed in the context of a public offering in France within the meaning of Article L.411-1 of the *Code monétaire et financier*, and has therefore not been and will not be submitted to the *Autorité des marchés financiers* for prior approval and clearance procedure. Accordingly, the New Units have not been offered or sold, and will not be offered or sold, directly or indirectly, to the public in France, and this Offer Information Statement has not been and will not be distributed or caused to be distributed, to the public in France. Such offers, sales and distributions have only been and shall only be made in France to: (i) providers of investment services relating to portfolio management; and/or (ii) qualified investors (*investisseurs qualifiés*); and/or (iii) a restricted circle of investors (*cercle restreint d'investisseurs*), all as defined in and in accordance with Articles L.411-2, D.411-1 and D.411-2 of the *Code monétaire et financier*. Investors in France falling within the qualified investors or restricted circle of investors exemption, may only participate in the issue of New Units for their own account in accordance with the conditions set out in Articles L.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the *Code monétaire et financier*. The sale or resale of New Units, directly or indirectly, to the public in France may only be carried out in accordance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the *Code monétaire et financier*.

## **Germany**

The New Units have not been notified for public distribution in Germany under the German Investment Act (*Investmentgesetz*). Therefore, the New Units and this Offer Information Statement and any other document relating to the New Units shall not be distributed in Germany by way of a public offer, public advertising or in a similar manner.

## **Hong Kong**

This Offer Information Statement has not been approved by the Securities and Futures Commission of Hong Kong and accordingly none of the New Units may be offered or sold in Hong Kong by means of this Offer Information Statement, and no person may issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the New Units which is directed at, or the contents of which are likely to be accessed by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong), other than with respect to New Units which are or are intended to be disposed of only to persons outside of Hong Kong, or only to "professional investors", as defined in the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong and any rules made under that Ordinance.

## **Japan**

The New Units have not been and will not be registered under the Securities and Exchange Law of Japan (the "SEL") and the Investment Trust and Investment Company Law of Japan (the "ITICL"). Accordingly, New Units will not, directly or indirectly, be offered or sold in Japan or to, or

for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the SEL and the ITICL and otherwise in compliance with such law and any other applicable laws, regulations and ministerial guidelines of Japan.

### **The Netherlands**

The New Units may not be offered or sold, directly or indirectly, in the Netherlands, as part of the initial distribution of the Financial Advisor, Lead Manager and Underwriter or as part of any re-offering, and neither this Offer Information Statement nor any other document in respect of the Private Placement may be distributed or circulated in the Netherlands, other than to individuals or legal entities who or which, in the conduct of a business or profession, deal or invest in investment objects (*beleggingsobjecten*) within the meaning of article 1 of the Regulation in implementation of section 14 of the Investment Institutions Supervision Act (*Uitvoeringsregeling ex artikel 14 Wet toezicht beleggingsinstellingen*).

### **Norway**

This Offer Information Statement has not been approved by or registered with the Oslo Stock Exchange or the Norwegian Register of Business Enterprises under Chapter 5 of the Norwegian Securities Trading Act 1997, and the New Units may not be offered or sold, and will not be offered or sold to any persons in Norway in any way that would constitute an offer to the public, other than in circumstances where an exemption from the duty to publish a prospectus under the Norwegian Securities Trading Act 1997 shall be applicable.

### **Sweden**

This Offer Information Statement is not a prospectus within the meaning of the Swedish Financial Instruments Trading Act (1991:980) (the "**Act**"). Pursuant to the exemption under Chapter 2, Section 4, Item 2 of the Act, this Offer Information Statement has not been registered or approved by the Swedish Financial Supervisory Authority or any other governmental or regulatory agency in Sweden. Accordingly, this Offer Information Statement may not be made available, nor may the New Units otherwise be marketed and offered for sale in Sweden, other than in: (i) circumstances which are deemed not to constitute an offer to the public in Sweden within the meaning of the Act; or (ii) in circumstances which are deemed to constitute an offer to the public in Sweden but fall under one or more of the exemptions to the prospectus requirements under the Act.

### **Switzerland**

Neither this Offer Information Statement nor the New Units have been approved by any Swiss regulatory authority. Accordingly, the New Units must not be publicly (as defined by Swiss law)

offered, sold or marketed in any way to any investors domiciled in Switzerland or to or for the account or the benefit of persons domiciled in Switzerland. This Offer Information Statement does not constitute a prospectus within the meaning of Article 652a and Article 1156 of the Swiss Code of Obligations.

The New Units will be distributed and offered in Switzerland and this Offer Information Statement will be distributed or otherwise made available in Switzerland on a private placement basis to a limited number of individually selected and approached institutional investors with a professional treasury without any public distribution, offering or marketing in or from Switzerland.

#### **For United Arab Emirates residents only**

The New Units have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and/or sale of securities, including those laws applicable in the Dubai International Financial Centre. The information contained in this Offer Information Statement does not constitute a public offer of securities in the United Arab Emirates in accordance with the Commercial Companies Law (Federal Law No. 8 of 1984 (as amended)) or otherwise, and is not intended to be an offer or an invitation to subscribe for or purchase any New Units. Further, the information contained in this Offer Information Statement is not intended to lead to the conclusion of any contract of whatsoever nature within the territory of the United Arab Emirates.

#### **United Kingdom**

Any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) in connection with the issue or sale of any New Units may only be communicated or caused to be communicated in circumstances in which Section 21(1) of the FSMA does not apply to the issuer.

Each purchaser of the New Units must comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the New Units in, from or otherwise involving the United Kingdom.

Any purchaser of the New Units must be a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and such purchaser must not offer or sell the New Units other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the New Units would otherwise constitute a contravention of Section 19 of the FSMA by Suntec REIT.

#### **United States of America**

The New Units have not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

