



Trust Management (Suntec) Limited

Suntec Real Estate Investment Trust
("Suntec REIT")

Manager of



PRIVATE PLACEMENT UNITS IN SUNTEC REIT MORE THAN FIVE TIMES OVERSUBSCRIBED

Successfully raised S\$152.9 million gross proceeds at S\$1.19 per unit

Singapore, 11 December 2009 – ARA Trust Management (Suntec) Limited ("ARA Suntec"), as manager of Suntec REIT, is pleased to announce that the private placement of 128,500,000 new units in Suntec REIT ("New Units", and the private placement of New Units, the "Private Placement") have been fully subscribed at an issue price of S\$1.19 per unit in Suntec REIT (the "Issue Price"). The Issue Price represents a discount of (i) 6.5% to the volume weighted average price of S\$1.2724 per unit in Suntec REIT ("Unit") and (ii) 4.6% to the adjusted volume weighted average price¹ of S\$1.2475 per Unit for trades done for the full market day on 10 December 2009.

The Private Placement saw strong participation from both existing unitholders of Suntec REIT ("Unitholders") and new investors, with the New Units allocated to more than 60 quality institutional investors. The net proceeds from the Private Placement which amount to approximately S\$149.0 million, and will be used to reduce existing indebtedness. Assuming that the net proceeds from the Private Placement are fully used to repay debt facilities, Suntec REIT's gearing² is expected to fall from 34.3% to 31.5% (based on Suntec REIT's third quarter unaudited financial results) and Suntec

1 The adjusted volume weighted average price is computed based on the volume weighted average price of all trades in the Units on Singapore Exchange Securities Trading Limited (the "SGX-ST") on 10 December 2009 and subtracting the mid-point of the Advanced Distribution (as defined herein) of approximately 2.44 to 2.54 cents per Unit. The estimated distribution for the period from 1 October 2009 to the day immediately prior to the date on which the New Units are issued pursuant to the Private Placement is based on the Manager's pro-rated estimate of Suntec REIT's revenue and expenses for the quarter.

2 "Gearing" refers to the ratio of Suntec REIT's borrowings at amortised cost (excluding deferred payment for assets whether to be settled in cash or Units) to the value of its deposited property.

REIT's aggregate leverage³ is expected to fall from 36.2% to 33.4% (based on Suntec REIT's third quarter unaudited financial results).

Mr. Yeo See Kiat, Chief Executive Officer of ARA Suntec, said, "We are delighted to receive such an overwhelming response for the Private Placement priced at the upper end of the price range, following an accelerated book building process which closed within three hours. The proceeds from the Private Placement will strengthen Suntec REIT's balance sheet and put us in a stronger position to take advantage of growth opportunities."

In connection with the Private Placement, existing Unitholders will be entitled to receive a distribution income for the period from 1 October 2009 to the day immediately prior to the New Units to be issued pursuant to the Private Placement (the "**Advanced Distribution**")⁴. The deferred Units which were issued on 9 December 2009 as part satisfaction of the purchase consideration for Suntec REIT's initial public offering portfolio of properties (the "**Deferred Units**"), and which are currently trading under a temporary stock counter (*i.e.* SuntecReit A), will also be entitled to advanced distributions from 9 December 2009 to the day immediately prior to the date on which the New Units are issued pursuant to the Private Placement. The New Units will not be entitled to this Advanced Distribution. The next distribution thereafter will comprise Suntec REIT's distributable income for the period from the day the New Units are issued to 31 December 2009. Quarterly distributions will resume thereafter.

The actual quantum of the Advanced Distribution will be announced at a later date after the management accounts of Suntec REIT for the relevant period have been finalised.

The New Units, which represent approximately 7.7% of the number of Units in issue as at 10 December 2009 are expected to be issued and listed on the Main Board of Singapore Exchange Securities Trading Limited (the "**SGX-ST**") or around 22 December 2009, subject to, *inter alia*, the approval in-principle of the SGX-ST for the listing of these New Units. The New Units issued will upon issue, rank *pari passu* in all respects with the then existing Units, including the right to any distributions which may be paid for the period from the date on which the New Units are issued, to 31 December 2009, as well as all distributions thereafter.

-- END --

3 "Aggregate Leverage" is defined in the Property Funds Guidelines as 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.

4 Please see the announcement dated 11 December 2009 issued by the Manager in relation to the notification of the time and date on which the transfer books and register of Unitholders will be closed to determine Unitholders' entitlement to the Advanced Distribution.

Media and investor contacts

Yeo See Kiat

Chief Executive Officer

Tel: +65 6835 9232

seekiatyeo@ara.com.hk

Yip Kam Thai

Chief Operating Officer

Tel: +65 6835 9232

kamthaiyip@ara.com.hk

Richard Tan

Finance Director

Tel: +65 6835 9232

richardtan@ara.com.hk

Marilyn Tan

Manager, Investor Relations

Tel: +65 6835 9232

marilyntan@ara.com.hk

ABOUT SUNTEC REIT

Listed on 9 December 2004, Suntec REIT holds properties in Suntec City, Singapore's largest integrated commercial development (including one of Singapore's largest shopping mall), Park Mall, Chijmes, and one-third interest in One Raffles Quay. Its aim is to invest in income-producing real estate which is primarily used for retail and/or office purposes. Suntec REIT is managed by an external manager, ARA Trust Management (Suntec) Limited.

ABOUT ARA TRUST MANAGEMENT (SUNTEC) LIMITED

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

IMPORTANT NOTICE

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

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

The past performance of Suntec REIT is not necessarily indicative of the future performance of Suntec REIT. This announcement is not an offer of securities for sale in the United States or elsewhere. The securities of Suntec REIT have not been and will not be registered under the United States Securities Act of 1933, as amended (the Securities Act), and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the Securities Act. There will be no public offering of the securities in the United States.
