



SPH REIT performance held steady

- 1Q 2018 DPU held steady at 1.34 cents
- Maintained track record of 100% committed occupancy

SINGAPORE, January 5, 2018 – SPH REIT Management Pte. Ltd. (“SPH RM” or the “Manager”), the Manager of SPH REIT, reported that gross revenue for the first quarter ended 30 November 2017 (“1Q 2018”) grew S\$0.9 million (1.7%) to S\$53.5 million, on the back of higher rental income. Net property income (“NPI”) of S\$42.2 million was S\$0.8 million (1.9%) higher in 1Q 2018 compared to the same quarter last year (“1Q 2017”).

Income available for distribution to unitholders increased by S\$0.2 million (0.5%) to S\$36.5 million for 1Q 2018. Distribution per unit (“DPU”) for 1Q 2018 held steady at 1.34 cents. The 1Q 2018 distribution will be paid to unitholders on 14 February 2018.

Operational performance

Both properties continued their track record of full occupancy amid headwinds in the retail environment.

In keeping with our long-standing philosophy of partnering tenants towards mutual success, the rental review for tenants takes into consideration occupancy cost. This will better position them to ride on the recent sales recovery since June 2017. Paragon recorded a rental reversion of -10.6% for new and renewed leases in 1Q 2018, which were mostly committed a year ago. This represented 4.4% of Paragon’s net lettable area. The Clementi Mall has only one tenancy change. The overall portfolio rental reversion remains at -10.6%.

Capital Management

SPH REIT has a staggered debt maturity profile, with gearing level of 25.4% and weighted average term to maturity of 1.8 years as at 30 November 2017. It registered an average cost of debt of 2.84% p.a. for Q1 2018.

Ms Susan Leng, CEO of SPH REIT Management Pte. Ltd. said: “SPH REIT has continued to maintain its track record of 100% committed occupancy and delivered steady performance. The Singapore economic outlook has improved and retail sales have shown some signs of recovery since June 2017. If the recent growth momentum sustains, SPH REIT malls will be well-poised to benefit from it. We remain focused to seek opportunities to continually strengthen the quality and positioning of our properties and create value for unitholders.”

Summary Results of SPH REIT

	1Q 2018 S\$'000	1Q 2017 S\$'000	Change %
Gross revenue	53,479	52,579	1.7
Net property income	42,190	41,422	1.9
Income available for distribution	36,540	36,374	0.5
Distribution to Unitholders ¹	34,380	34,182	0.6
Distribution per unit (cents)	1.34	1.34	-
Annualised distribution yield (%)	5.12 ²	5.60 ³	(8.6)

Notes:

1. For 1Q 2018, the distribution to unitholders was 94.1% of income available for distribution.
2. Based on S\$1.050 per unit closing price on 30 November 2017.
3. Based on S\$0.960 per unit closing price on 30 November 2016

For further information and enquiries, please contact:

Soon Suet Har
Chief Financial Officer &
Head of Investor Relations
SPH REIT Management Pte. Ltd.
Tel: +65 6303 8879
Email: ssuethar@sphreit.com.sg

Chin Soo Fang
Head
Corporate Communications & CSR
Singapore Press Holdings
Tel: +65 6319 1216
Email: soofang@sph.com.sg

ABOUT SPH REIT

SPH REIT is a Singapore-based real estate investment trust established principally to invest, directly or indirectly, in a portfolio of income-producing real estate which is used primarily for retail purposes in Asia-Pacific, as well as real estate-related assets.

Its portfolio of properties comprises a 99-year leasehold interest in Paragon commencing on 24 July 2013 and a 99-year leasehold interest in The Clementi Mall commencing on 31 August 2010. Valued at S\$3.278 billion with an aggregate net lettable area of approximately 910,000 sq ft, the properties have a committed occupancy of 100% and have a diverse and high quality tenant base of about 460 local and international retailers and medical specialists.

Visit SPH REIT's website at www.sphreit.com.sg for more details.

ABOUT THE REIT MANAGER: SPH REIT MANAGEMENT PTE. LTD.

SPH REIT is managed by SPH REIT Management Pte. Ltd., a wholly-owned subsidiary of Singapore Press Holdings Limited. The Manager's key objective for SPH REIT is to provide Unitholders with regular and stable distributions, and sustainable long-term growth in DPU and NAV per Unit, while maintaining an appropriate capital structure.

ABOUT THE SPONSOR: SINGAPORE PRESS HOLDINGS

Incorporated in 1984, main board-listed Singapore Press Holdings Ltd (SPH) is Asia's leading media organisation, engaging minds and enriching lives across multiple languages and platforms.

SPH's core business is publishing of newspapers, magazines and books in both print and digital editions. It also owns other digital products, online classifieds, radio stations and outdoor media.

On the property front, SPH owns 70% in a real estate investment trust called SPH REIT which comprises Paragon, a premier upscale retail mall and medical suite/office property in Orchard Road and The Clementi Mall, a mid-market suburban mall.

SPH also owns and operates The Seletar Mall. It built an upmarket residential condominium, Sky@eleven, at Thomson Road, and is developing a new commercial cum residential site at Woodleigh Road. It also has a stake in Chinatown Point.

It is in the aged care sector and owns Orange Valley, Singapore's largest private nursing home operator.

SPH runs a regional events arm and a chain of Buzz retail outlets. It also invested in the education business.

For more information, please visit www.sph.com.sg.

Important Notice

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, 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 current view of SPH REIT Management Pte. Ltd. (as the manager of SPH REIT) on future events.