



## **SPH REIT's 2Q FY14 Distribution of 1.39 cents exceeds Forecast by 4.5%**

- Paragon and The Clementi Mall achieved healthy rental reversion of 13.6% and 5.1% respectively. Full occupancy maintained.

**SINGAPORE, April 8, 2014** – SPH REIT Management Pte. Ltd. (“SPH RM” or the “Manager”), the Manager of SPH REIT, reported that SPH REIT’s income distributable to unitholders was \$34.9m for the second quarter ended 28 February 2014 (“2Q FY14”). This translated to a distribution per unit (“DPU”) of 1.39 cents for 2Q FY14, an increase of 4.5% against IPO forecast. The aggregate DPU of 3.25 cents for the period from 24 July 2013 to 28 February 2014 (“YTD period”) was higher than forecast by 3.2%. The 2Q FY14 distribution will be paid to unitholders on 14 May 2014.

### **Steady and resilient operational performance**

Both Paragon and The Clementi Mall were fully leased. For the YTD period, gross revenue for both properties was in line with forecast. Net property income of Paragon and The Clementi Mall exceeded forecast by 2.4% and 1.7% respectively.

Paragon continues to achieve consistently robust performance with rental uplift of 13.6% for the YTD period. The Clementi Mall has completed the first lease renewal cycle and more than 90% of the tenants (by net lettable area) have committed for another lease term. The rental reversion for the YTD period<sup>1</sup> was 5.1%.

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<sup>1</sup> The Clementi Mall opened in two phases in January 2011 and March 2011. For the YTD period ended 28 February 2014, there were 45 new or renewed leases representing 26.9% of net lettable area at The Clementi Mall.

## Capital Management

SPH REIT has a well-staggered debt profile with no refinancing requirement till 2016 and weighted average term to maturity of 4.5 years. It registered gearing level of 26.9% and average cost of debt of 2.33% as at 28 February 2014.

Ms Susan Leng, CEO of SPH REIT Management Pte. Ltd., said, “SPH REIT has delivered another quarter of strong operating and financial performance that exceeded forecast in 2Q FY14. Barring any unforeseen circumstances, the two retail properties are expected to turn in a steady performance. To sustain returns to unitholders, we will continue to strengthen the partnership with our tenants and pursue opportunities to enhance the premier positioning of the malls.”

Credit Suisse (Singapore) Limited was the sole global coordinator and issue manager for the initial public offering of SPH REIT (the “Offering”). Credit Suisse (Singapore) Limited, DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited were the joint bookrunners and underwriters of the Offering (collectively, the “Joint Bookrunners”).

The Joint Bookrunners for the Offering assume no responsibility for the contents of this announcement.

## Summary Results of SPH REIT

2Q FY14	Actual \$'000	Forecast <sup>2</sup> \$'000	Change %
Gross revenue	51,044	50,361	1.4
Net property income	38,822	37,115	4.6
Total amount distributable to unitholders	34,938	33,223	5.2
Distribution per unit (cents)	1.39	1.33	4.5
Annualised distribution yield (%)			
- Based on \$0.90 per unit (IPO price)	6.26	5.99	4.5
- Based on \$0.975 per unit (closing price on 28 February 2014)	5.78	5.53	4.5

<b>For the period from 24 July 2013 (listing date) to 28 February 2014</b>	<b>Actual<sup>1</sup> \$'000</b>	<b>Forecast<sup>2</sup> \$'000</b>	<b>Change %</b>
Gross revenue	121,442	121,256	0.2
Net property income	90,193	88,210	2.2
Total amount distributable to unitholders	81,464	78,896	3.3
Distribution per unit (cents)	3.25	3.15	3.2
Annualised distribution yield (%)			
- Based on \$0.90 per unit (IPO price)	5.99	5.81	3.1
- Based on \$0.975 per unit (closing price on 28 February 2014)	5.53	5.36	3.2

*Footnotes:*

1. *Although SPH REIT was constituted on 9 July 2013, the results of SPH REIT during its private trust period from 9 July 2013 to 23 July 2013 are insignificant.*
2. *The forecast figures were derived from the Forecast Period 2H FY2013 (for the period 24 July 2013 to 31 August 2013) and Projection Year FY2014 (for the period 1 September 2013 to 28 February 2014) as disclosed in the Prospectus dated 17 July 2013.*

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## **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 the date of listing of SPH REIT and a 99-year leasehold interest in The Clementi Mall commencing on 31 August 2010. Valued at over S\$3.0 billion with an aggregate net lettable area of approximately 900,000 sq ft, the properties have a committed occupancy of 100% and have a diverse and high quality tenant base of about 430 local and international retailers and medical specialists.

Visit SPH REIT's website at [www.sphreit.com.sg](http://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**

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 has 19 titles licensed under the Newspaper Printing and Presses Act, of which nine are daily newspapers across four languages, and over 100 magazine titles in Singapore and the region. On an average day, – 3.05 million individuals or 76 percent of people above 15 years old, read one of SPH's news publications. SPH's internet editions of its major newspapers enjoy over 300 million page views with 20 million unique visitors each month. Other new media initiatives include AsiaOne, omy.sg, ST701, Stomp and The Straits Times RazorTV. SPH has also ventured into book publishing, broadcasting, out-of-home advertising and properties. For more information, please visit [www.sph.com.sg](http://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.