



SPH REIT 3Q FY19 Distribution Income 4.8% Higher Year-on-Year

- 3Q FY19 DPU was 1.39 cents, an increase of 1.5% year-on-year
- Maintained high occupancy of 99.0%

SINGAPORE, July 11, 2019 – SPH REIT Management Pte. Ltd. (“SPH RM” or the “Manager”), the Manager of SPH REIT, reported that net property income (“NPI”) for the third quarter ended 31 May 2019 (“3Q FY19”) was S\$46.3 million, an increase of S\$5.8 million (14.2%) compared to the same quarter last year, mainly due to contributions from acquisitions of The Rail Mall in Singapore and Figtree Grove Shopping Centre in New South Wales, Australia.

Income available for distribution to unitholders of S\$36.8 million for 3Q FY19 was higher by S\$1.7 million (4.8%) compared to 3Q FY18. Distribution per unit (“DPU”) for 3Q 2019 was 1.39 cents, an increase of 1.5% against 3Q FY18. The 3Q FY19 distribution will be paid to unitholders on 22 August 2019.

Operational performance

SPH REIT’s properties maintained high occupancy at 99.0% as at 3Q FY19.

Paragon continued to record positive rental reversion of 8.6% for new and renewed leases for YTD 3Q FY19. This represented 21.4% of Paragon’s net lettable area.

The Clementi Mall and The Rail Mall recorded positive rental reversion of 5.8% and 9.1% respectively for YTD 3Q FY19. The overall portfolio registered a positive rental reversion of 8.4%.

Capital Management

SPH REIT proactively manages its financing risk by ensuring that the debt maturity profile is well spread out without major concentration of debts maturing in a single year. Based on the proportionate share of borrowings for Figtree Grove Shopping Centre, portfolio gearing was 30.1% and weighted average term to maturity was 1.8 years as at 31 May 2019. The annualized average cost of debt was 2.89% p.a. for YTD 3Q FY19.

Ms Susan Leng, CEO of SPH REIT Management Pte. Ltd. said: “SPH REIT continues to maintain high occupancy and delivers stable distribution. We are pleased to report the overall portfolio registered a positive rental reversion of 8.4% for YTD 3Q FY19, supported by growth in overall tenant sales. For this quarter we also benefited from the contributions from The Rail Mall and Figtree Grove Shopping Centre, which we acquired in 2018.

The tourist arrivals and spend for 2018 ended on a positive note and we believe Paragon would stand to benefit with this trend. The Clementi Mall is well poised in the suburban to continue to serve its immediate catchment. The Rail Mall is a unique cluster of shop units, with opportunity for us to further strengthen its current F&B mix and create a differentiated positioning for the asset. Our focus remains to drive long-term value of our properties and deliver sustainable returns for our unitholders.”

Summary Results of SPH REIT

	3Q FY19 S\$'000	3Q FY18 S\$'000	Change %
Gross revenue	58,333	51,769	12.7
Net property income	46,328	40,559	14.2
Income available for distribution	36,794	35,095	4.8
Distribution to Unitholders	35,953	35,205	2.1
Distribution per unit (cents)	1.39	1.37	1.5

	YTD 3Q FY19 S\$'000	YTD 3Q FY18 S\$'000	Change %
Gross revenue	170,261	158,840	7.2
Net property income	133,969	125,017	7.2
Income available for distribution	109,668	107,734	1.8
Distribution to Unitholders ¹	106,995	105,532	1.4
Distribution per unit (cents)	4.14	4.11	0.7
Annualised distribution yield (%)	5.32 ²	5.55 ³	(4.1)

Notes:

1. For YTD 3Q FY19, the distribution to unitholders was 97.6% of income available for distribution.
2. Based on S\$1.040 per unit closing price on 31 May 2019.
3. Based on S\$0.990 per unit closing price on 31 May 2018.

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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.

SPH REIT has a portfolio of four assets in Singapore and Australia.

Its portfolio of properties in Singapore comprises a 99-year leasehold interest in Paragon commencing on 24 July 2013, a 99-year leasehold interest in The Clementi Mall commencing on 31 August 2010 and a 99-year leasehold interest in The Rail Mall commencing on 18 March 1947. Valued at S\$3.368 billion as at August 2018 with an aggregate net lettable area of approximately 960,000 sq. ft.

In Australia, SPH REIT owns a 85% stake in Figtree Grove Shopping Centre, a freehold sub-regional shopping centre in Wollongong, New South Wales, Australia. Valued at A\$206.0 million as at October 2018 with an aggregate gross lettable area of approximately 236,000 sq. ft.

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, The Clementi Mall, a mid-market suburban mall and The Rail Mall, a stretch of shopping and dining outlets along Upper Bukit Timah Road. SPH REIT also holds 85% equity stake in Figtree Grove, a freehold sub-regional shopping centre in Wollongong, New South Wales, Australia. SPH owns and operates The Seletar Mall. It is developing a new commercial cum residential site at Woodleigh. It also has acquired a portfolio of Purpose-Built Student Accommodation (PBSA) in the United Kingdom.

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.