



SPH REIT Q1 FY2020 Net Property Income 12.4% Higher Year-on-Year

- Declares Q1 FY2020 DPU of S\$1.38 cents
- Maintained high portfolio occupancy rate of 99.3%
- Completed acquisition of a 50% stake in Westfield Marion on 6 December 2019

SINGAPORE, January 10, 2020 – SPH REIT Management Pte. Ltd. (“SPH RM” or the “Manager”), the Manager of SPH REIT, reported that net property income (“NPI”) for the first quarter ended 30 November 2019 (“Q1 FY2020”) was S\$46.9 million, an increase of S\$5.2 million (12.4%) compared to the same quarter last year.

Paragon, The Clementi Mall and The Rail Mall registered positive rental reversions. Paragon and The Clementi recorded an increase of NPI of S\$1.8 million and S\$0.2 million, respectively whilst The Rail Mall NPI remains flat. Figtree Grove Shopping Centre, an Australian asset acquired in Q2 FY2019 contributed S\$3.1 million to the increase in NPI.

Income available for distribution to unitholders for Q1 FY2020 is S\$35.8 million which is 0.2% (S\$56k) lower compared to Q1 FY2019. This is mainly due to the issuance of perpetual securities of S\$300 million in August 2019, before payment on 6 December 2019 for the acquisition of a 50% stake in Westfield Marion Shopping Centre (“Westfield Marion”). Distribution per unit (“DPU”) for Q1 FY2020 was S\$1.38 cents. Q1 FY2020 distribution will be paid to unitholders on 14 February 2020.

Operational performance

SPH REIT’s portfolio maintained a high occupancy rate of 99.3%. The Singapore assets registered an occupancy rate of 99.4% with a positive rental reversion of 10.9% for Q1 FY2020. Occupancy at Figtree Grove Shopping Centre remained strong at 99.2%.

Capital Management

SPH REIT proactively manages its debt maturity profile by ensuring that it is well staggered and spread out to avoid major concentration of debts maturing in any single year. As at 30 November 2019, total borrowings were approximately S\$1.1 billion with a debt gearing ratio of 26.8%. The average debt term to maturity was 2.2 years with an annualized average cost of debt of 2.91% p.a.

Ms Susan Leng, CEO of SPH REIT Management Pte. Ltd. said: “We are delighted that SPH REIT’s acquisition of Figtree Grove Shopping Centre in December 2018 and the continued performance of its Singapore portfolio has delivered improved DPU to our unitholders.

We have also announced SPH REIT’s second acquisition in Australia of a 50% stake in Westfield Marion which is expected to be DPU accretive. This acquisition was completed in December 2019. Westfield Marion is the dominant asset in South Australia and will further enhance SPH REIT’s portfolio of quality assets.”

Summary Results of SPH REIT

	Q1 FY2020 S\$'000	Q1 FY2019 S\$'000	Change %
Gross revenue	60,137	53,805	11.8
Net property income	46,964	41,786	12.4
Income available for distribution	35,800	35,856	(0.2)
Distribution to Unitholders ¹	35,800	34,602	3.5
Distribution per unit (cents)	1.38 ¹	1.34	3.0
Annualised distribution yield (%)	5.21% ²	5.37% ³	(1.7)

Notes:

1. Includes foreign-sourced income derived from FY2019 and received in Q1 FY2020.
2. Based on S\$1.06 per unit closing price on 30 November 2019.
3. Based on S\$1.00 per unit closing price on 30 November 2018.

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ABOUT SPH REIT

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

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

Its portfolio of properties in Singapore comprises a 99-year leasehold interest in Paragon, a 99-year leasehold interest in The Clementi Mall and a 99-year leasehold interest in The Rail Mall. These Singapore properties have an aggregate net lettable area of approximately 960,000 sq. ft.

In Australia, SPH REIT owns an 85% stake in Figtree Grove Shopping Centre, a freehold sub-regional shopping centre in Wollongong, New South Wales, Australia. SPH REIT also owns a 50% stake in Westfield Marion Shopping Centre, the largest regional shopping centre in Adelaide, South Australia. Both Australian properties have an aggregate gross lettable area of approximately 1.7 million 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 SPONSOR: SINGAPORE PRESS HOLDINGS LTD

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 approximately 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. In Australia, SPH REIT also holds an 85% equity stake in Figtree Grove Shopping Centre, a freehold sub-regional shopping centre in Wollongong, New South Wales Australia, and a 50% stake in Westfield Marion Shopping Centre, the largest and only super regional shopping centre in Adelaide, South Australia. SPH owns and operates The Seletar Mall and is developing a new commercial cum residential site, The Woodleigh Residences and The Woodleigh Mall. It also owns a portfolio of Purpose-Built Student Accommodation (PBSA) in the United Kingdom.

It is in the aged care sector and owns Orange Valley, one of Singapore's largest nursing homes.

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.

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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.