

PRESS RELEASE
For Immediate Release

OUE Commercial REIT's First Financial Results Exceed Forecast by 3.6%

Highlights:

- Distributable Income is 3.6% higher than Forecast¹
- Distribution per Unit of 1.00 cent is 4.2% higher than Forecast
- 36.7% of expiring leases in 2014 have been renewed with positive rental reversion

8 May 2014 – OUE Commercial REIT Management Pte. Ltd., the Manager of OUE Commercial REIT (“OUE C-REIT”), is pleased to report that OUE C-REIT’s distributable income was S\$8.6 million for the period from 27 January to 31 March 2014. This is 3.6% higher than the Forecast for the same period. Distribution per Unit (“DPU”) for the period was 1.00 cent, 4.2% higher than the Forecast of 0.96 cents. This translates into an annualised yield of 7.2% based on the closing price on 31 March 2014 of S\$0.795.

Standard Chartered Securities (Singapore) Pte. Limited, CIMB Bank Berhad, Singapore Branch and Oversea-Chinese Banking Corporation Limited were the joint global coordinators and issue managers for the initial public offering of OUE C-REIT (the “Issue Managers”).

The Issue Managers assume no responsibility for the contents of this press release.

¹ As disclosed in OUE C-REIT’s initial public offering prospectus dated 17 January 2014 (the “Prospectus”).

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	Period from 27 Jan 2014 to 31 Mar 2014 ²		
(S\$'000)	Actual	Forecast ³	Change
Gross revenue	13,819	13,687	+1.0%
Net property income	10,317	10,170	+1.4%
Amount available for distribution	8,643	8,340	+3.6%
Distribution per Unit (cents)	1.00	0.96	+4.2%

Ms Tan Shu Lin, Chief Executive Officer of the Manager, said, "We are pleased to announce a strong first set of results for OUE C-REIT, attributed to improvements in occupancy rates and healthy rental reversions from both Lippo Plaza and OUE Bayfront. The portfolio committed occupancy has increased to 98.2%, with the office occupancy of OUE Bayfront at 100%. This compares well with the core CBD occupancy rate in Singapore of 95.7% as at 31 March 2014. Leasing momentum has been positive, with 36.7% of OUE C-REIT's leases expiring in 2014 already renewed at rents higher than preceding rents. We will continue to drive performance of our properties to deliver sustainable returns for our Unitholders."

Steady Operational Performance

OUE Bayfront, a prime Grade A office building located at Collyer Quay between the Marina Bay downtown and Raffles Place in Singapore, has achieved 100% occupancy as at 31 March 2014. About 40% of its office leases have been renewed during the period from 27 January 2014 to 31 March 2014 with a rental uplift of about 13.9%. Committed rents achieved for renewals and new leases during the period were in the range of S\$10.50 psf per month to S\$12.50 psf per month.

Lippo Plaza, a Grade A commercial building located in Huangpu, central Shanghai, has also registered an improvement in occupancy rates. Its office occupancy rate as at 31 March 2014 was 95.9%, up from 90.1% as at 31 December 2013. Rental reversions for leases renewed during the period is healthy at 9.2%.

² OUE C-REIT was incorporated on 10 October 2013 but was dormant until its listing on the Main Board of the Singapore Exchange Securities Trading Limited on 27 January 2014 ("Listing Date").

³ Forecast for the period was derived by pro-rating the forecast for 2014 as disclosed in the Prospectus.

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Capital Management

The Manager adopts a proactive approach towards capital management. To mitigate interest rate risk, about 50.3% of OUE C-REIT's interest rate exposure is hedged for the next 3.78 years. As at 31 March 2014, OUE C-REIT's aggregate leverage is 40.8% with an average cost of debt of 2.47%. With an average term to maturity for its debt of 3.65 years, OUE C-REIT has no refinancing requirement until 2017.

As OUE C-REIT's distribution policy is to make distributions to Unitholders on a semi-annual basis, the amount available for distribution for the period 27 January 2014 to 31 March 2014 will be paid together with the second quarter amount available for distribution on or before 28 September 2014.

Outlook

According to the Ministry of Trade and Industry, Singapore's GDP is expected to grow moderately between 2.0% to 4.0% in 2014 given the uncertainties in the global economy. Nonetheless, rents in the Singapore CBD are expected to increase given the limited supply in Grade A office over the next few years.

In China, the International Monetary Fund projects 2014 GDP growth of 7.5%, moderating from the 7.7% growth achieved in 2013. Based on figures released by the National Bureau of Statistics, China's 1Q 2014 GDP growth was 7.4%. The more measured pace of growth is a reflection of the government's focus on rebalancing the economy away from investment- and export-led growth to a more sustainable model. The outlook for Shanghai CBD office is expected to be stable, with steady rental growth.

Barring any unforeseen event and any weakening of the economic environment, the Manager expects OUE C-REIT to meet its forecast distribution for 2014.

- End -

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About OUE Commercial Trust

OUE C-REIT is a Singapore real estate investment trust listed on the Mainboard of Singapore Exchange Securities Trading Limited. It was established with the principal investment strategy of investing, directly or indirectly, in a portfolio of income-producing real estate which is used primarily for commercial purposes (including real estate used primarily for office and/or retail purposes) in financial and business hubs within and outside of Singapore, as well as real estate-related assets.

OUE C-REIT's initial portfolio comprising OUE Bayfront in Singapore and Lippo Plaza in Shanghai, has a total asset value of about S\$1.6 billion.

OUE C-REIT is managed by OUE Commercial REIT Management Pte. Ltd., which is a wholly-owned subsidiary of OUE Limited.

For more information, please visit www.ouect.com

About the Sponsor : OUE Limited

OUE Limited ("OUE") is a diversified real estate owner, developer and operator with a real estate portfolio located in prime locations in Asia and the U.S.. The OUE Group focuses its business across the commercial, hospitality, retail and residential sectors. It develops and holds commercial and retail properties for investment and rental income purposes while it develops residential properties for sale.

OUE is listed on the Main Board of SGX-ST in Singapore with a market capitalization of S\$2.0 billion as at 31 March 2014. OUE has an experienced management team and an established track record of operations dating back to 1964.

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

IMPORTANT NOTICE

The value of units in OUE C-REIT ("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. The past performance of OUE C-REIT is not necessarily indicative of the future performance of OUE C-REIT.

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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.

This press 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 costs), property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.