

Media release by: YTL Starhill Global REIT Management Limited (YTL Starhill Global)

Manager of: Starhill Global Real Estate Investment Trust (SGREIT)

SGREIT's FY 2013 DPU up 13.9% to 5.00 cents – highest achieved since listing

HIGHLIGHTS

- 4Q 2013 earnings driven by strong Singapore portfolio performance and contribution from acquisition of Plaza Arcade, Perth
- NAV per unit increased 6.9% to S\$0.93 in 4Q 2013 mainly due to higher portfolio valuation
- SGREIT to continue to refine portfolio and create value from potential asset management initiatives

SINGAPORE, 24 January 2014 – YTL Starhill Global REIT Management Limited, the manager of SGREIT, today announced 4Q 2013 revenue of S\$49.1 million, 3.6% increase over that achieved in 4Q 2012. Net property income (“NPI”) for 4Q 2013 was S\$38.8 million, representing an increase of 3.4% over 4Q 2012, mainly attributable to the continued strong performance of the Singapore portfolio. FY 2013’s Distribution Per Unit (“DPU”) was 5.00 cents, 13.9% higher than the 4.39 cents achieved in FY 2012.

Income to be distributed to Unitholders in 4Q 2013 was S\$26.5 million, 20.6% higher than that of S\$22.0 million in 4Q 2012. Income to be distributed to CPU holder(s) in 4Q 2013 declined 88.6% y-o-y to S\$0.3 million following the CPU conversion into 210.2 million units by the YTL Group in July 2013. DPU for the period 1 October 2013 to 31 December 2013 was 1.23 cents, 8.8% higher compared to the 1.13 cents achieved for the previous corresponding period. On an annualised basis, the latest distribution represents a yield of 6.22%¹. Unitholders can expect to receive their 4Q 2013 DPU on 25 February 2014. Book closure date is on 4 February 2014 at 5.00 pm.

SGREIT’s investment properties have been assessed at S\$2,854.4 million as at 31 December 2013, as conducted by independent valuers. A net revaluation gain of S\$137.5 million in SGREIT’s investment properties is recorded in FY 2013, largely driven by the Singapore portfolio. The net asset value per unit in 4Q 2013 increased 6.9% q-o-q to S\$0.93.

¹ Based on closing unit price of S\$0.785 as at 31 December 2013.



Overview of Starhill Global REIT's financial results

(\$ million)	4Q 2013	4Q 2012	Change (%)	FY 2013	FY 2012	Change (%)
Revenue	49.1	47.4	3.6	200.6	186.0	7.9
Net property income	38.8	37.5	3.4	157.9	148.4	6.3
Income available for distribution	27.2	24.9	9.5	110.9	96.2	15.2
Income to be distributed to Unitholders ²	26.5	22.0	20.6	104.8	85.3	22.8
Income to be distributed to CPU holder(s)	0.3	2.3	(88.6)	3.1	9.2	(66.9)
Distribution per Unit (cents)						
- For the period 1 Oct – 31 Dec	1.23	1.13	8.8	n.m.	n.m.	n.m.
- Annualised	4.88	4.50	8.4	5.00	4.39	13.9

Tan Sri Dato' Dr Francis Yeoh, Executive Chairman of YTL Starhill Global, said, "Starhill Global REIT recorded its highest³ DPU in FY 2013. We have enhanced returns through our proactive approach towards portfolio and capital management. As we head into 2014, the U.S and European economies are showing positive signs of a turnaround and Asia should thus benefit from the positive knock-on effect, as well as through macroeconomic trends including tourism growth and rising consumption in the region. Against this positive backdrop, we will continue to refine our portfolio so as to tap on emerging opportunities."

Mr Ho Sing, CEO of YTL Starhill Global, said, "The positive momentum for the Singapore portfolio continued in 4Q 2013 with a 10.5% y-o-y increase in NPI. Sustained tourism growth, resilient consumer confidence and positive results of asset repositioning boosted sales efficiency at Wisma Atria to S\$138 psf in FY 2013. Healthy demand and limited new supply of office space in Orchard Road resulted in a 12.3% reversion for leases committed from January to December 2013. Going forward, we will continue to refine our portfolio through the divestment of non-core assets and reallocate resources to strengthen our position through our portfolio of prime retail assets in the Asia Pacific region. We look forward to asset enhancement opportunities in Singapore and Australia."

Review of portfolio performance

SGREIT's Singapore portfolio, comprising interests in Wisma Atria and Ngee Ann City on Orchard Road, contributed 65.8% of total revenue, or S\$132.0 million in FY 2013. The Singapore portfolio's NPI for FY 2013 grew 13.1% y-o-y to S\$102.6 million. The strong performance was led by

² Approximately S\$0.5 million of income available for distribution for 4Q 2013 (FY 2013: S\$3.0 million) has been retained for working capital requirements.

³ The REIT's DPUs from 2005 to 2Q 2009 have been restated to take into account 963,724,106 rights units issued in August 2009.



high occupancies and positive rental reversions. In 4Q 2013, Ngee Ann City Retail NPI gained 16.6% y-o-y, largely driven by the upward rent reversions from the rent review exercises with master tenant Toshin in 1Q and 2Q 2013. Tourism growth and positive consumer sentiments improved tenant sales by 20.0% y-o-y to S\$209.7 million in FY 2013, translating to an enhanced sales efficiency of S\$138 psf at Wisma Atria. Positive rental reversions of 8.1% in FY 2013 and full-year contribution of the asset redevelopment units at Wisma Atria Retail increased NPI by 5.0% y-o-y in 4Q 2013. Healthy demand and limited new supply of office space in Orchard Road benefitted the office segment. The office portfolio also maintained high occupancy of 99.0% and achieved a positive rental reversion of 12.3% based on leases committed between January and December 2013.

SGREIT's Malaysia portfolio, comprising Starhill Gallery and interest in Lot 10 along Bukit Bintang in Kuala Lumpur, contributed 15.1% of total revenue, or S\$30.2 million in FY 2013. NPI for FY 2013 was S\$29.4 million, 2.1% lower than in FY 2012. The portfolio continues to benefit from the 7.2% rental reversion from its master tenant from June 2013 and the step-up rental income has been straight-lined over the fixed term of 3+3 years. Starhill Gallery continues to solidify its position as a luxury shopping destination. Key luxury tenant Louis Vuitton re-opened its approximately 16,000 sq ft boutique in January 2014 which is almost three times the size of its original store. Dior is revamping and doubling the size of its store to approximately 6,200 sq ft. The new boutique is expected to open in 2Q 2014.

SGREIT's Australia portfolio, comprising the David Jones Building and Plaza Arcade in Perth, contributed 9.3% of total revenue, or S\$18.7 million, in FY 2013. NPI for FY 2013 was S\$14.7 million, an increase of 21.6% y-o-y, with the contribution from Plaza Arcade offsetting the depreciation of the Australian Dollar against the Singapore Dollar. As at 31 December 2013, occupancy for the Australia portfolio was 99.3%. Retail sentiment is seeing positive upside in Western Australia with a growth of 3.7% y-o-y in November 2013, above the national growth of 2.9% for the same corresponding period. Perth continues to attract new-to-market international fashion brands seeking to establish a presence in the city.

Renhe Spring Zongbei Property in Chengdu, China, contributed 7.0% of total revenue, or S\$13.9 million in FY 2013. NPI for FY 2013 was S\$8.3 million, a decline of 16.1% y-o-y. The decline was underpinned by increased competition from an influx of large newly-developed and upcoming retail space in the city and higher promotional costs. The high-end and luxury retail segments continue their contraction as the Chinese Government's ongoing austerity programme impacted consumer sentiments. However, sales performance in 4Q 2013 rebounded to a rise of 30.9% q-o-q from 3Q 2013's low, driven by increased promotions during the festive season where the mall leveraged on the department store's base of VIP customers. Renhe Spring Zongbei Property remains focused as a



high-end shopping destination and will continue to fine-tune its tenancy mix aimed at increasing the VIP customer base.

SGREIT's Japan portfolio, which comprises six properties located in central Tokyo as at 31 December 2013, contributed 2.8% of the Group's total revenue in FY 2013. NPI for FY 2013 was S\$2.8 million. The decline in NPI was mainly due loss of income contribution following the divestment of Roppongi Primo in 1Q 2013, depreciation of the Japanese Yen against the Singapore Dollar, and provision for rental arrears.

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About Starhill Global REIT

Starhill Global REIT is a Singapore-based real estate investment trust investing primarily in real estate used for retail and office purposes, both in Singapore and overseas. Since its listing on the Mainboard of the Singapore Exchange Securities Trading Limited on 20 September 2005, Starhill Global REIT has grown its initial portfolio from interests in two landmark properties on Orchard Road in Singapore to 13 properties in Singapore, Malaysia, Australia, China, and Japan, valued at about S\$2.8 billion.

These comprise interests in Wisma Atria and Ngee Ann City on Orchard Road in Singapore, Starhill Gallery and Lot 10 in Kuala Lumpur, Malaysia, the David Jones Building and Plaza Arcade in Perth, Australia, full ownership of a premier retail property in Chengdu, China, and six properties in the prime areas of Tokyo, Japan. Starhill Global REIT remains focused on sourcing attractive property assets in Singapore and overseas, while driving organic growth from its existing portfolio, through proactive leasing efforts and creative asset enhancements.

Starhill Global REIT is managed by an external manager, YTL Starhill Global REIT Management Limited. The Manager is a wholly-owned subsidiary of YTL Starhill Global REIT Management Holdings Pte. Ltd. which is in turn an indirect wholly-owned subsidiary of YTL Corporation Berhad.

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