



# Second Quarter FY 2018/19 Financial Results

29 January 2019

- Singapore • Australia • Malaysia • Japan • China





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## Financial Highlights

Wisma Atria  
Singapore

### → 2Q FY18/19 DPU at 1.13 cents

- Revenue and NPI for 2Q FY18/19 eased by 2.7% and 2.4% y-o-y respectively
- Higher contributions y-o-y from Singapore offices were offset by lower contributions from the retail portfolio in Singapore and the depreciation of the Australian dollar
- DPU for 2Q FY18/19 was lower by 3.4% y-o-y mainly due to lower NPI, higher interest costs and higher distributable income retained
- Annualised 2Q FY18/19 yield is 6.59%, based on closing unit price of S\$0.68 as at 31 December 2018

### → Property highlights

- Singapore office portfolio NPI for 2Q FY18/19 rose by 20.2% y-o-y
- Australia office committed occupancy more than doubled to 74.8%<sup>(1)</sup> as at 31 December 2018
- Singapore retail portfolio's committed occupancy remained resilient at 99.2%<sup>(1)</sup> as at 31 December 2018
- Wisma Atria achieved tenant sales growth of 2.9% y-o-y in 2Q FY18/19

### → Maintains strong financial position

- Stable gearing at 35.6% and about 91% of its borrowings are fixed/hedged as at 31 December 2018
- Average debt maturity is approximately 3.3 years as at 31 December 2018

**Note:**

1. Includes leases that have been contracted but have not commenced as at the reporting date.

## 2Q FY18/19 financial highlights



Period: 1 Oct – 31 Dec	3 months ended 31 Dec 2018 (2Q FY18/19)	3 months ended 31 Dec 2017 (2Q FY17/18)	% Change
Gross Revenue	\$51.0 mil	\$52.5 mil	(2.7%)
Net Property Income	\$39.5 mil	\$40.5 mil	(2.4%)
Income Available for Distribution	\$25.2 mil	\$25.7 mil	(2.0%)
Income to be Distributed to Unitholders	\$24.6 mil <sup>(1)</sup>	\$25.5 mil	(3.4%)
DPU	1.13 cents <sup>(2)</sup>	1.17 cents	(3.4%)

**Notes:**

1. Approximately \$0.5 million of income available for distribution for 2Q FY18/19 has been retained for working capital requirements.
2. The computation of DPU for 2Q FY18/19 is based on the number of units in issue as at 31 December 2018 of 2,181,204,435 (2Q FY17/18: 2,181,204,435) units.

## YTD FY18/19 financial highlights

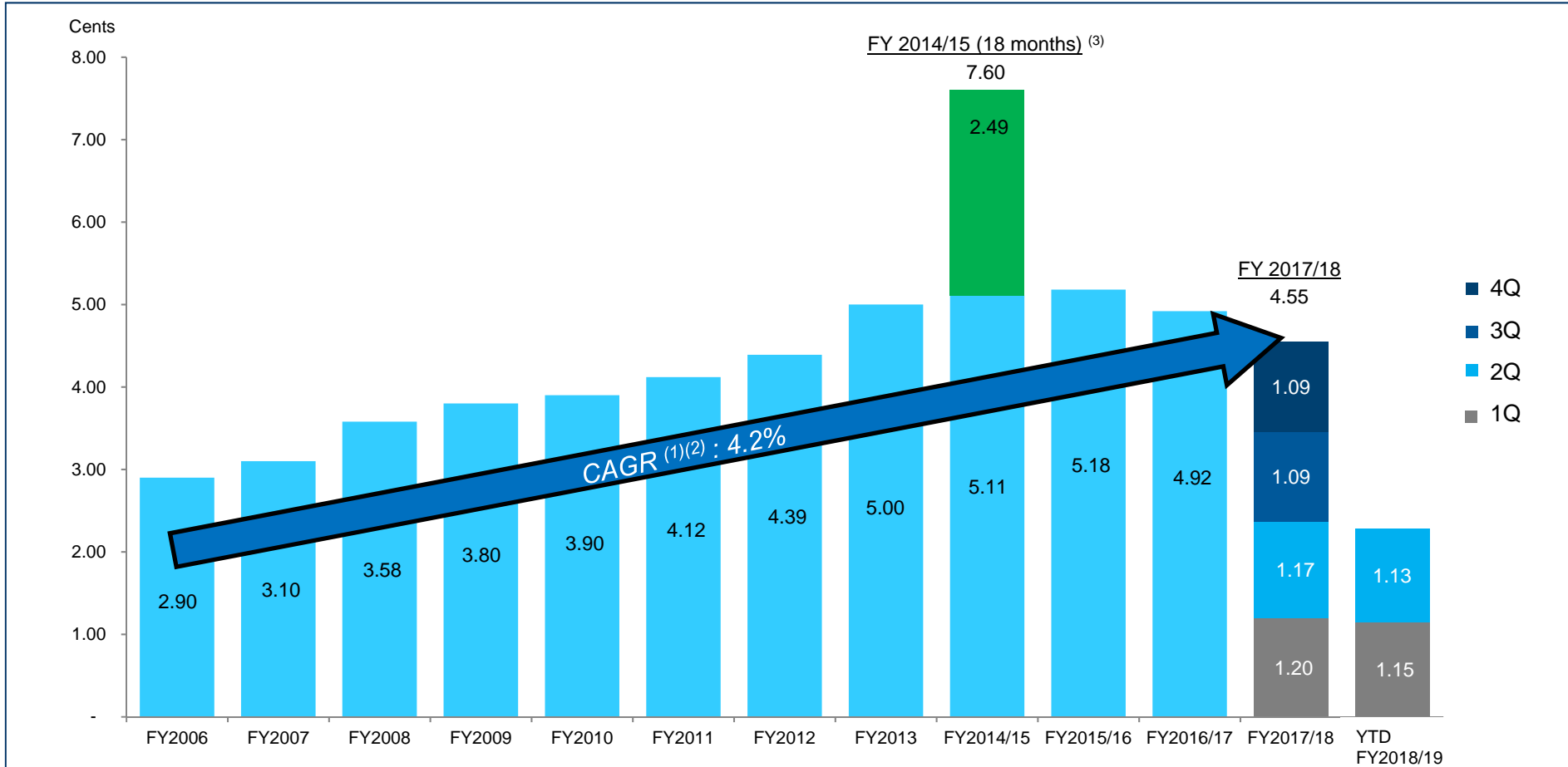


Period: 1 Jul – 31 Dec	6 months ended 31 Dec 2018 (YTD FY18/19)	6 months ended 31 Dec 2017 (YTD FY17/18)	% Change
Gross Revenue	\$103.1 mil	\$105.4 mil	(2.3%)
Net Property Income	\$79.9 mil	\$81.9 mil	(2.3%)
Income Available for Distribution	\$51.4 mil	\$52.4 mil	(2.0%)
Income to be Distributed to Unitholders	\$49.7 mil <sup>(1)</sup>	\$51.7 mil	(3.8%)
DPU	2.28 cents <sup>(2)</sup>	2.37 cents	(3.8%)

**Notes:**

1. Approximately \$1.6 million of income available for distribution for YTD FY18/19 has been retained for working capital requirements.
2. The computation of DPU for YTD FY18/19 is based on the number of units in issue as at 31 December 2018 of 2,181,204,435 (YTD FY17/18: 2,181,204,435) units.

# DPU performance



**Notes:**

1. DPU from 1Q 2006 to 2Q 2009 have been restated to include the 963,724,106 rights units issued in August 2009.
2. For the period from FY 2006 to FY 2017/18. DPU for FY 2014/15 (18 months ended 30 June 2015) has been annualised for the purpose of computing CAGR.
3. Following the change of Starhill Global REIT's financial year end from 31 December to 30 June, FY 2014/15 refers to the 18-month period from 1 January 2014 to 30 June 2015.

## 2Q FY18/19 financial results



\$'000	2Q FY18/19	2Q FY17/18	% Change
<b>Gross Revenue</b>	<b>51,041</b>	<b>52,456</b>	<b>(2.7%)</b>
Less: Property Expenses	(11,533)	(11,971)	(3.7%)
<b>Net Property Income</b>	<b>39,508</b>	<b>40,485</b>	<b>(2.4%)</b>
Less: Finance Income	233	238	(2.1%)
Management Fees	(3,997)	(4,051)	(1.3%)
Trust Expenses	(992)	(761)	30.4%
Finance Expenses	(9,794)	(9,308)	5.2%
Change in Fair Value of Derivative Instruments	(5,573)	825	NM
Foreign Exchange Gain/(Loss)	328	(43)	NM
Income Tax	(860)	(824)	4.4%
<b>Net Income After Tax</b>	<b>18,853</b>	<b>26,561</b>	<b>(29.0%)</b>
Add: Non-Tax Deductible/(Chargeable) items <sup>(1)</sup>	6,302	(881)	NM
<b>Income Available for Distribution</b>	<b>25,155</b>	<b>25,680</b>	<b>(2.0%)</b>
<b>Income to be Distributed to Unitholders</b>	<b>24,648</b>	<b>25,520</b>	<b>(3.4%)</b>
<b>DPU (cents)</b>	<b>1.13</b>	<b>1.17</b>	<b>(3.4%)</b>

**Note:**

1. Includes certain finance costs, sinking fund provisions, straight-line rent adjustment, fair value adjustment, trustee fees, commitment fees, deferred income tax, change in fair value of derivative instruments and foreign exchange differences.



# YTD FY18/19 financial results



\$'000	YTD FY18/19	YTD FY17/18	% Change
<b>Gross Revenue</b>	<b>103,063</b>	<b>105,437</b>	<b>(2.3%)</b>
Less: Property Expenses	(23,119)	(23,582)	(2.0%)
<b>Net Property Income</b>	<b>79,944</b>	<b>81,855</b>	<b>(2.3%)</b>
Less: Finance Income	448	474	(5.5%)
Management Fees	(8,005)	(8,115)	(1.4%)
Trust Expenses	(1,964)	(1,952)	0.6%
Finance Expenses	(19,281)	(19,845)	(2.8%)
Change in Fair Value of Derivative Instruments	(5,774)	2,250	NM
Foreign Exchange Loss	(64)	(210)	(69.5%)
Income Tax	(1,729)	(1,731)	(0.1%)
<b>Net Income After Tax</b>	<b>43,575</b>	<b>52,726</b>	<b>(17.4%)</b>
Add: Non-Tax Deductible/(Chargeable) items <sup>(1)</sup>	7,793	(324)	NM
<b>Income Available for Distribution</b>	<b>51,368</b>	<b>52,402</b>	<b>(2.0%)</b>
<b>Income to be Distributed to Unitholders</b>	<b>49,732</b>	<b>51,694</b>	<b>(3.8%)</b>
<b>DPU (cents)</b>	<b>2.28</b>	<b>2.37</b>	<b>(3.8%)</b>

**Note:**

1. Includes certain finance costs, sinking fund provisions, straight-line rent adjustment, fair value adjustment, trustee fees, commitment fees, deferred income tax, change in fair value of derivative instruments and foreign exchange differences.

## 2Q FY18/19 financial results



Revenue				Net Property Income			
\$'000	2Q FY18/19	2Q FY17/18	% Change	\$'000	2Q FY18/19	2Q FY17/18	% Change
<b>Wisma Atria</b>				<b>Wisma Atria</b>			
Retail <sup>(1)</sup>	12,681	14,438	(12.2%)	Retail <sup>(1)</sup>	9,836	11,159	(11.9%)
Office	2,555	2,542	0.5%	Office	1,810	1,802	0.4%
<b>Ngee Ann City</b>				<b>Ngee Ann City</b>			
Retail	12,654	12,686	(0.3%)	Retail	10,441	10,506	(0.6%)
Office <sup>(2)</sup>	3,729	3,142	18.7%	Office <sup>(2)</sup>	3,004	2,203	36.4%
<b>Singapore</b>	<b>31,619</b>	<b>32,808</b>	<b>(3.6%)</b>	<b>Singapore</b>	<b>25,091</b>	<b>25,670</b>	<b>(2.3%)</b>
<b>Australia <sup>(3)</sup></b>	<b>11,386</b>	<b>11,577</b>	<b>(1.6%)</b>	<b>Australia <sup>(3)</sup></b>	<b>6,860</b>	<b>7,290</b>	<b>(5.9%)</b>
<b>Malaysia</b>	<b>6,899</b>	<b>6,902</b>	<b>(0.0%)</b>	<b>Malaysia</b>	<b>6,677</b>	<b>6,676</b>	<b>0.0%</b>
<b>Others <sup>(4) (5)</sup></b>	<b>1,137</b>	<b>1,169</b>	<b>(2.7%)</b>	<b>Others <sup>(4) (5)</sup></b>	<b>880</b>	<b>849</b>	<b>3.7%</b>
<b>Total</b>	<b>51,041</b>	<b>52,456</b>	<b>(2.7%)</b>	<b>Total</b>	<b>39,508</b>	<b>40,485</b>	<b>(2.4%)</b>

### Notes:

1. Mainly due to lower average occupancies and lower rent, partially offset by lower operating expenses.
2. Mainly due to higher average occupancies and lower operating expenses.
3. Mainly due to depreciation of A\$ and higher operating expenses.
4. Others comprise one property in Chengdu, China and two properties in Tokyo, Japan as at 31 December 2018.
5. Mainly due to lower operating expenses, partially offset by lower revenue.

# YTD FY18/19 financial results

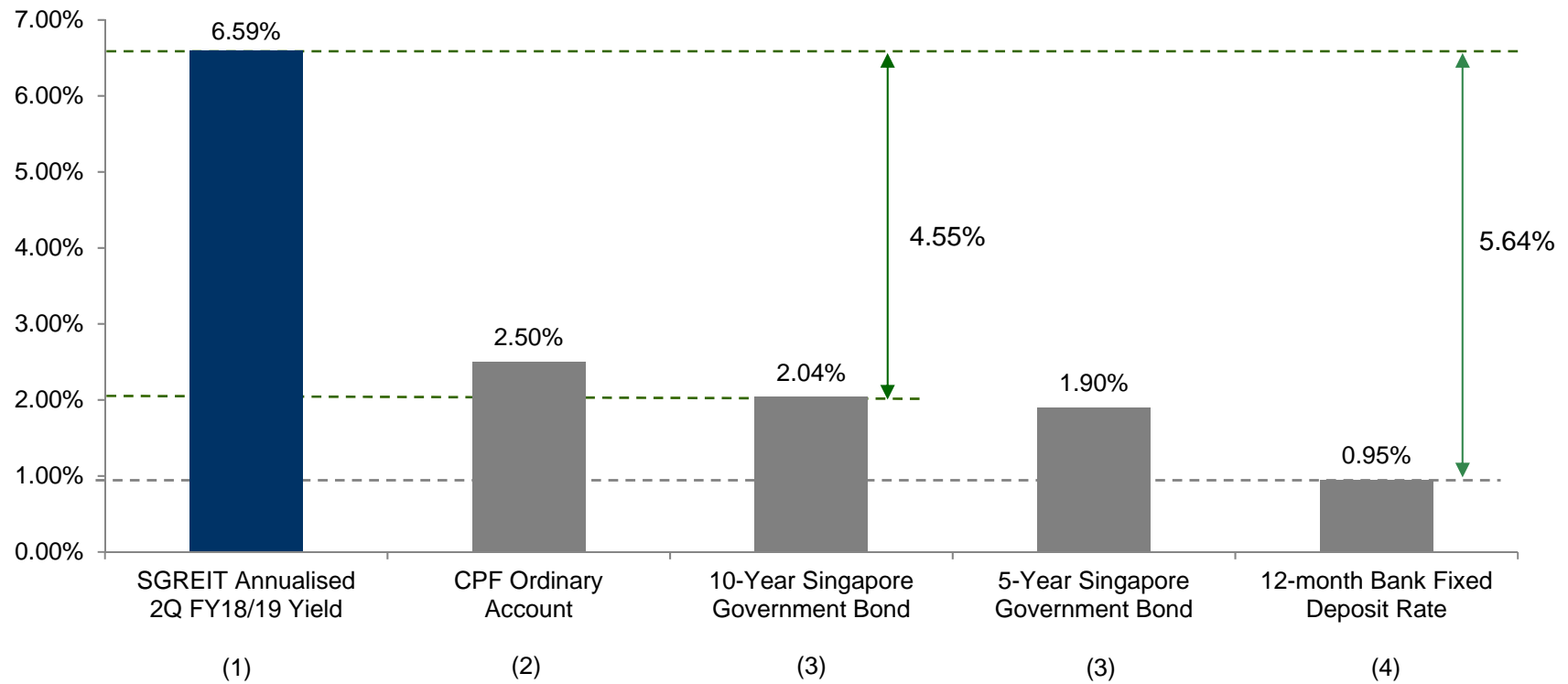


Revenue				Net Property Income			
\$'000	YTD FY18/19	YTD FY17/18	% Change	\$'000	YTD FY18/19	YTD FY17/18	% Change
<b>Wisma Atria</b>				<b>Wisma Atria</b>			
Retail <sup>(1)</sup>	25,715	28,413	(9.5%)	Retail <sup>(1)</sup>	19,864	22,400	(11.3%)
Office	5,075	5,172	(1.9%)	Office	3,600	3,710	(3.0%)
<b>Ngee Ann City</b>				<b>Ngee Ann City</b>			
Retail	25,284	25,377	(0.4%)	Retail	20,883	21,001	(0.6%)
Office <sup>(2)</sup>	7,463	6,237	19.7%	Office <sup>(2)</sup>	5,962	4,622	29.0%
<b>Singapore</b>	63,537	65,199	(2.5%)	<b>Singapore</b>	50,309	51,733	(2.8%)
<b>Australia</b> <sup>(3)</sup>	23,352	24,133	(3.2%)	<b>Australia</b> <sup>(3)</sup>	14,418	15,043	(4.2%)
<b>Malaysia</b>	13,872	13,632	1.8%	<b>Malaysia</b>	13,426	13,184	1.8%
<b>Others</b> <sup>(4) (5)</sup>	2,302	2,473	(6.9%)	<b>Others</b> <sup>(4) (5)</sup>	1,791	1,895	(5.5%)
<b>Total</b>	<b>103,063</b>	<b>105,437</b>	<b>(2.3%)</b>	<b>Total</b>	<b>79,944</b>	<b>81,855</b>	<b>(2.3%)</b>

**Notes:**

1. Mainly due to lower average occupancies and lower rent, partially offset by lower operating expenses.
2. Mainly due to higher average occupancies and lower operating expenses.
3. Mainly due to depreciation of A\$.
4. Others comprise one property in Chengdu, China and two properties in Tokyo, Japan as at 31 December 2018.
5. Mainly due to one-off management fee income in relation to tenant's renovation works for the China Property in 1Q FY17/18, partially offset by lower operating expenses.

# Attractive trading yield versus other investment instruments



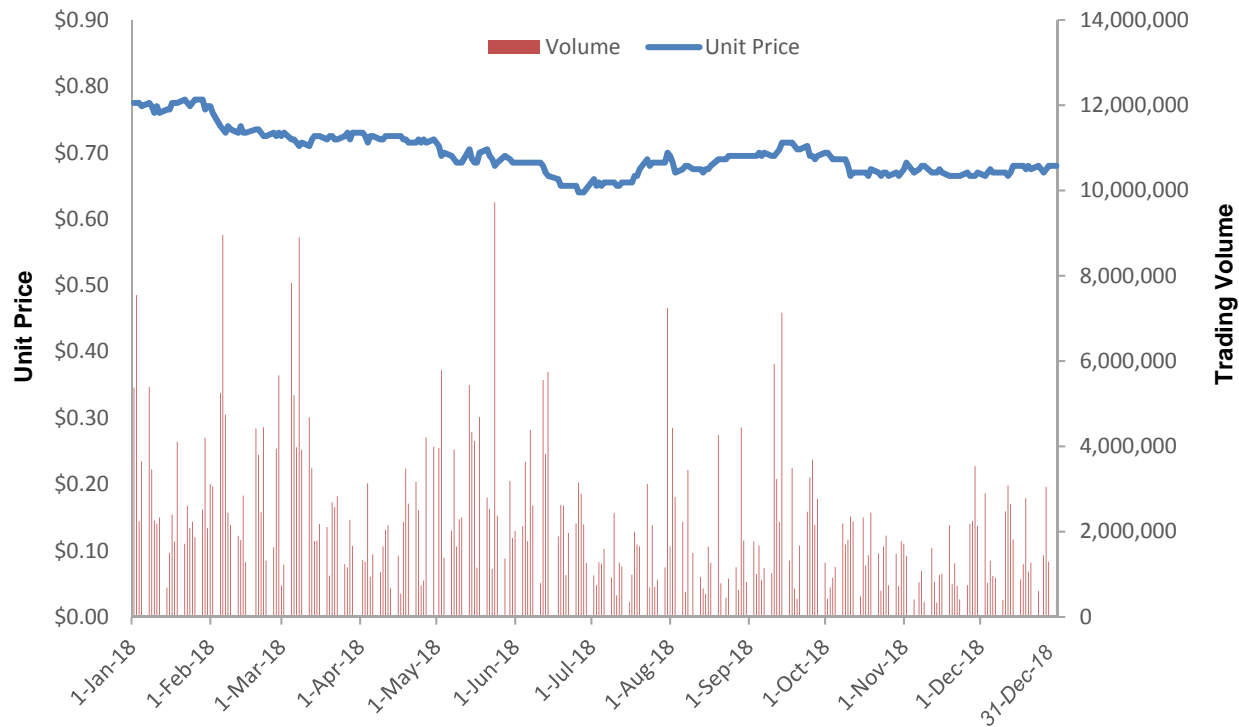
**Notes:**

1. Based on Starhill Global REIT's closing price of \$0.68 per unit as at 31 December 2018 and annualised 2Q FY18/19 DPU
2. Based on interest paid on Central Provident Fund (CPF) ordinary account in December 2018 (Source: CPF website)
3. As at 31 December 2018 (Source: Singapore Government Securities website)
4. As at 31 December 2018 (Source: DBS website)

# Unit price performance



**Starhill Global REIT's Unit Price Movement and Daily Traded Volume (1 Jan 2018 to 31 Dec 2018)**



### Liquidity statistics

Average daily traded volume for 2Q FY18/19 (units) <sup>1</sup>	1.4 mil
Estimated free float <sup>2</sup>	55%
Market cap (S\$) <sup>3</sup>	\$1,483 mil

Source: Bloomberg

**Notes:**

1. For the quarter ended 31 December 2018.
2. Free float as at 31 December 2018. The stake held by YTL Group is 37.1% while the stake held by AIA Group is 7.6% as at 29 August 2018.
3. By reference to Starhill Global REIT's closing price of \$0.68 per unit as at 31 December 2018. The total number of units in issue is 2,181,204,435.

## Distribution timetable



<b>Distribution Period</b>	<b>1 October 2018 to 31 December 2018</b>
<b>Distribution Amount</b>	<b>1.13 cents per unit</b>

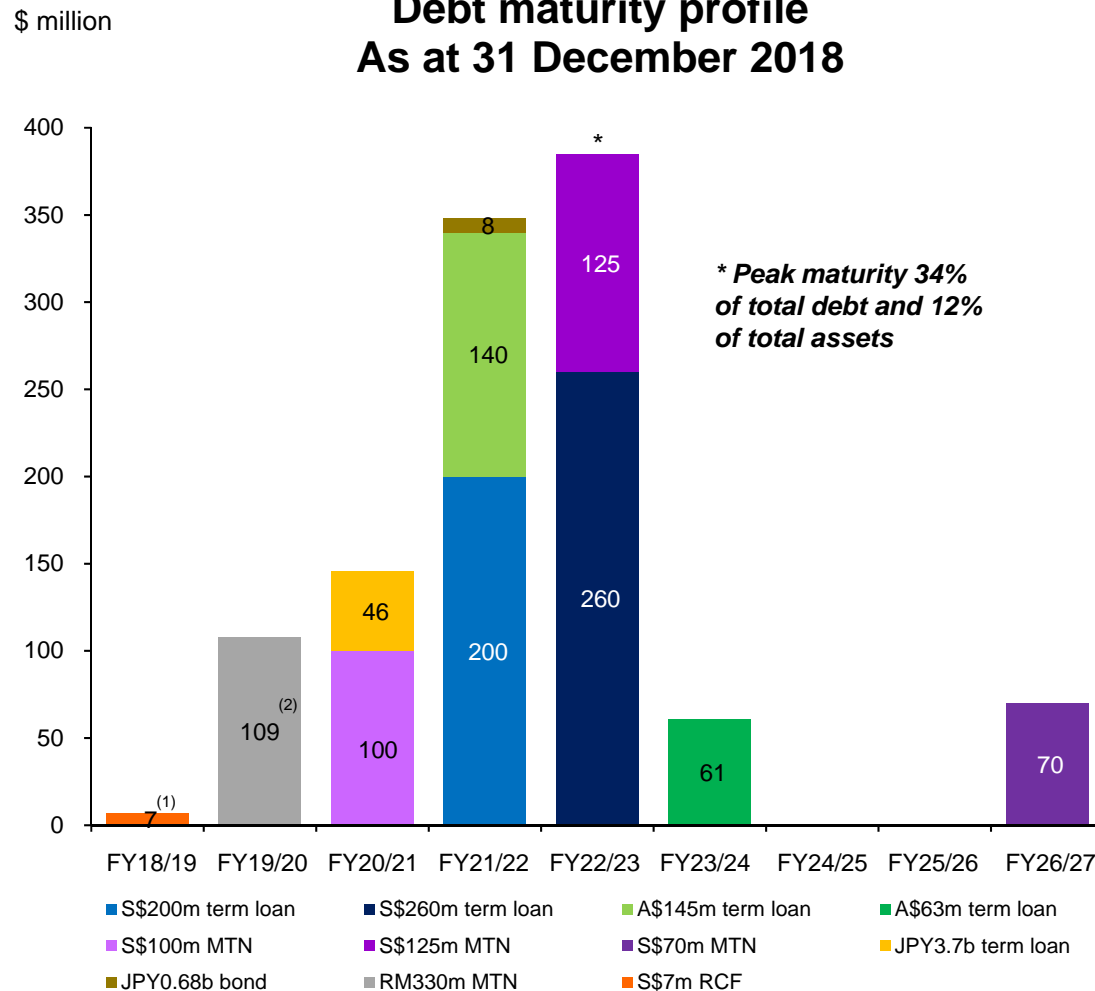
### **Distribution Timetable**

<b>Notice of Books Closure Date</b>	29 January 2019
<b>Last Day of Trading on “Cum” Basis</b>	4 February 2019, 5.00 pm
<b>Ex-Date</b>	7 February 2019, 9.00 am
<b>Book Closure Date</b>	8 February 2019, 5.00 pm
<b>Distribution Payment Date</b>	28 February 2019

# Staggered debt maturity profile averaging 3.3 years as at 31 December 2018



## Debt maturity profile As at 31 December 2018

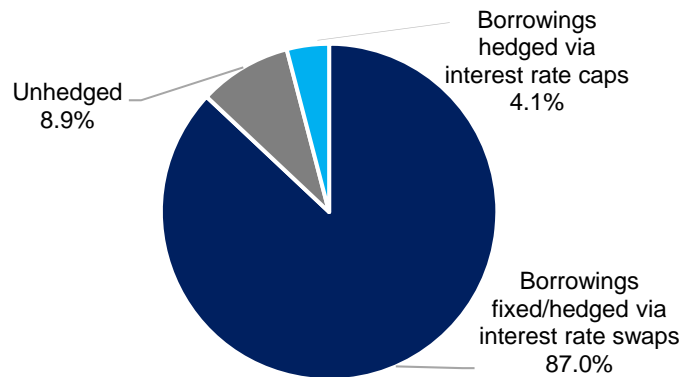


Financial Ratios	31 Dec 2018
Total debt	\$1,125 million
Gearing	35.6%
Interest cover <sup>(3)</sup>	3.7x
Average interest rate p.a. <sup>(4)</sup>	3.29%
Unencumbered assets ratio	74%
Fixed/hedged debt ratio <sup>(5)</sup>	91%
Weighted average debt maturity	3.3 years

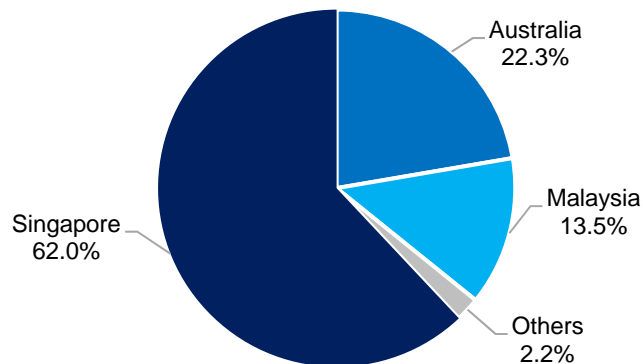
### Notes:

1. The Group has fully repaid the outstanding short-term RCF of \$7 million in January 2019.
2. The Group has available undrawn long-term committed revolving credit facilities to cover the RM330 million (or approximately \$109 million) medium term notes maturing in September 2019.
3. For quarter ended 31 December 2018.
4. Includes interest rate derivatives and benchmark rates but excludes upfront costs.
5. Includes interest rate derivatives such as interest rate swaps and caps.

## BORROWINGS AS AT 31 DECEMBER 2018



## 2Q FY18/19 GROSS REVENUE BY COUNTRY



### Interest rate exposure

- ➔ Borrowings as at 31 December 2018 are about 91% hedged
- ➔ Of the above, 87% of the borrowings are hedged by a combination of fixed rate debt and interest rate swaps, while 4% hedged are via interest rate caps

### Foreign exchange exposure

Foreign currency exposure which accounts for about 38% of revenue for 2Q FY18/19 are partially mitigated by:

- ➔ Foreign currency denominated borrowings (natural hedge);
- ➔ Short-term FX forward contracts



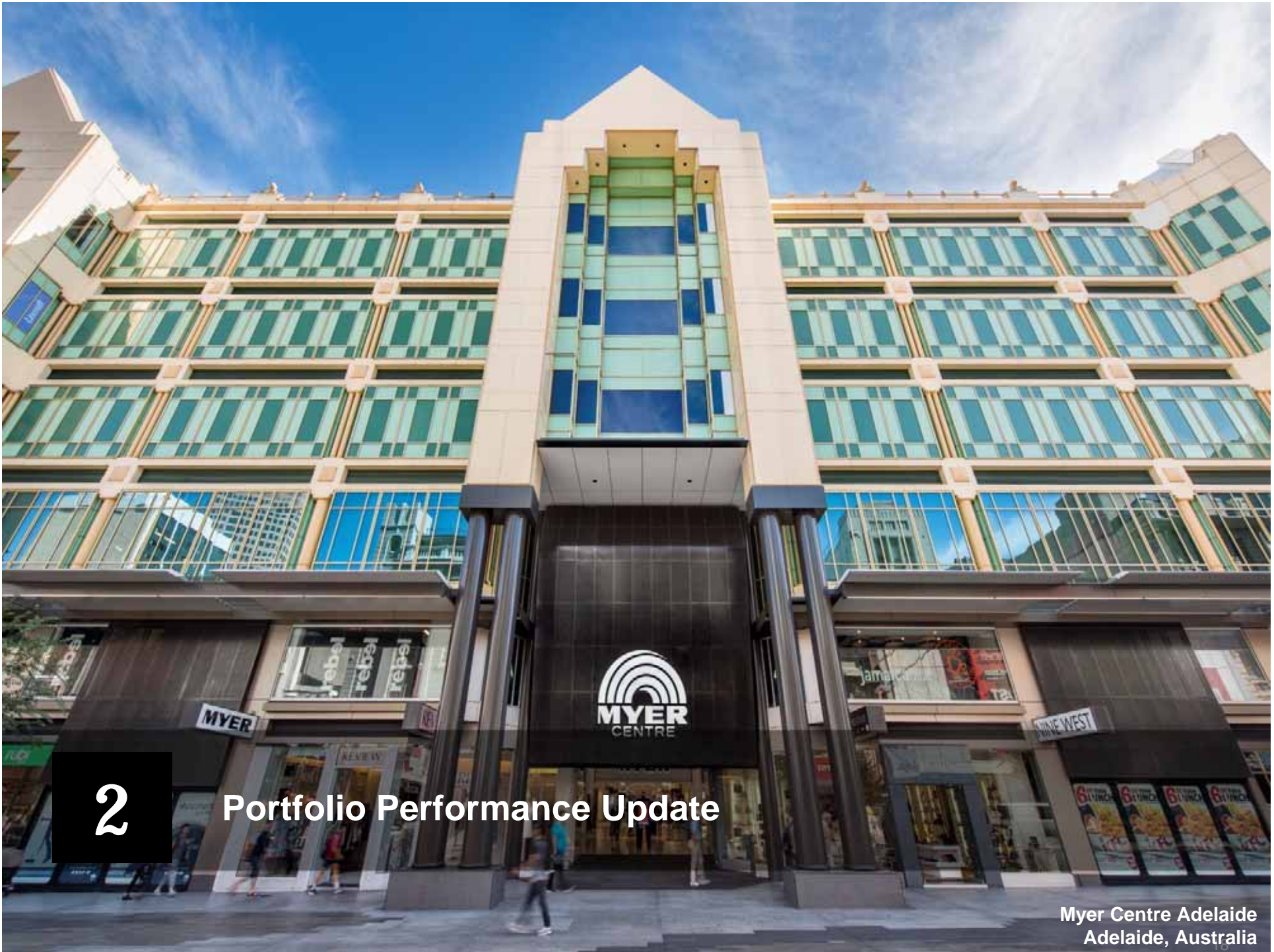
Balance sheet remains strong  
Total assets of approximately \$3.2 billion



As at 31 December 2018	\$'000		NAV statistics
Non Current Assets	3,091,755	<b>NAV Per Unit</b> (as at 31 December 2018) <sup>(1)</sup>	\$0.90
Current Assets	67,861		
<b>Total Assets</b>	<b>3,159,616</b>	<b>Adjusted NAV Per Unit</b> (net of distribution)	\$0.89
Non Current Liabilities	1,039,725	Closing price as at 31 December 2018	\$0.68
Current Liabilities <sup>(2)</sup>	155,878		
<b>Total Liabilities</b>	<b>1,195,603</b>	<b>Unit Price Premium/(Discount) To:</b>	
		▪ NAV Per Unit	(24.4%)
		▪ Adjusted NAV Per Unit	(23.6%)
<b>Net Assets</b>	<b>1,964,013</b>		
<b>Unitholders' Funds</b>	<b>1,964,013</b>	<b>Corporate Rating (S&amp;P)</b>	BBB+

**Notes:**

1. The computation of NAV per unit is based on 2,181,204,435 units in issue as at 31 December 2018.
2. Includes RM330 million (or approximately \$109 million) medium term notes maturing in September 2019, which is covered by the Group's undrawn long-term committed revolving credit facilities.



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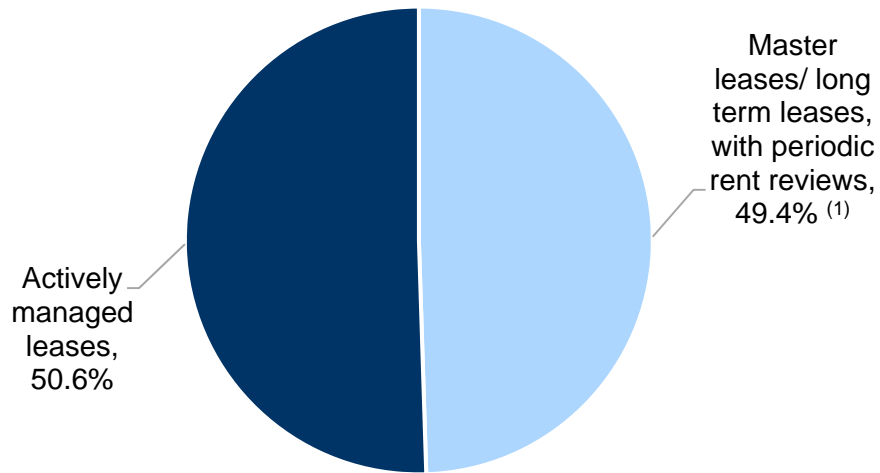
## Portfolio Performance Update

Myer Centre Adelaide  
Adelaide, Australia

# Balance of long term and short term leases



➔ Master leases and long-term leases, incorporating periodic rent reviews, represent approximately 49.4% of gross rent as at 31 December 2018



Includes the following: -



Ngee Ann City Property Retail (Singapore)  
Expires in 2025 with a 5.5% increase in base rent from 8 June 2016. Next rent review in June 2019



Starhill Gallery & Lot 10 (KL, Malaysia)  
Expires in June 2019



Myer Centre (Adelaide, Australia)  
Expires in 2032



David Jones Building (Perth, Australia)  
Expires in 2032. Next rent review in August 2020

**Note:**

1. Excludes tenants' option to renew or pre-terminate.

# Retail portfolio occupancy rate resilient at 97.8%



As at	31 Dec 06	31 Dec 07	31 Dec 08	31 Dec 09	31 Dec 10	31 Dec 11	31 Dec 12	31 Dec 13	30 Jun 15	30 Jun 16	30 Jun 17	30 Jun 18 <sup>(1)</sup>	31 Dec 18 <sup>(1)</sup>
SG Retail	100.0%	100.0%	98.3%	100.0%	99.1%	98.3%	99.8%	99.9%	99.4%	99.2%	99.2%	98.7% (99.1%) <sup>(2)</sup>	97.8% (99.2%) <sup>(2)</sup>
SG Office	97.8%	98.7%	92.4%	87.2%	92.5%	95.3%	98.3%	99.0%	99.3%	95.6%	92.9%	90.3% (95.0%) <sup>(2)</sup>	93.1% (93.6%) <sup>(2)</sup>
<b>Singapore</b>	<b>99.2%</b>	<b>99.5%</b>	<b>96.0%</b>	<b>95.1%</b>	<b>96.5%</b>	<b>97.1%</b>	<b>99.2%</b>	<b>99.5%</b>	<b>99.3%</b>	<b>97.9%</b>	<b>96.8%</b>	<b>95.5%</b>	<b>96.0%</b>
<b>Japan</b>	<b>-</b>	<b>100.0%</b>	<b>97.1%</b>	<b>90.4%</b>	<b>86.7%</b>	<b>96.3%</b>	<b>92.7%</b>	<b>89.8%</b>	<b>96.1%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>China</b>	<b>-</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>96.4%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Australia</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>99.3%</b>	<b>96.2%</b>	<b>89.7%</b>	<b>91.1%</b>	<b>88.8%</b>	<b>88.8%</b> <b>(93.6%)<sup>(2)</sup></b>
<b>Malaysia</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>SG REIT portfolio</b>	<b>99.2%</b>	<b>99.6%</b>	<b>96.6%</b>	<b>95.4%</b>	<b>98.2%</b>	<b>98.7%</b>	<b>99.4%</b>	<b>99.4%</b>	<b>98.2%</b>	<b>95.1%</b>	<b>95.5%</b>	<b>94.2%</b>	<b>94.3%</b>

  
**Retail Occupancy<sup>(1)</sup>**  
**97.8%**

**Notes:**

1. Based on commenced leases as at reporting date. For prior years, the reported occupancy rates were based on committed leases, which include leases that have been contracted but have not commenced as at the reporting date.
2. Based on committed leases as at reporting date.

## Top 10 tenants contribute 57.1% of portfolio gross rents



Tenant Name	Property	% of Portfolio Gross Rent <sup>(1) (2)</sup>
Toshin Development Singapore Pte Ltd	Ngee Ann City, Singapore	22.0%
YTL Group <sup>(3)</sup>	Ngee Ann City & Wisma Atria, Singapore Starhill Gallery & Lot 10, Malaysia	15.1%
Myer Pty Ltd	Myer Centre Adelaide, Australia	6.9%
David Jones Limited	David Jones Building, Australia	4.6%
BreadTalk Group	Wisma Atria, Singapore	2.0%
Coach Singapore Pte Ltd	Wisma Atria, Singapore	1.6%
LVMH Group	Wisma Atria, Singapore	1.5%
Charles & Keith Group	Wisma Atria, Singapore	1.3%
Cotton On Group	Wisma Atria, Singapore, Myer Centre Adelaide, Australia	1.1%
Tory Burch Singapore Pte Ltd	Wisma Atria, Singapore	1.0%

**Notes:**

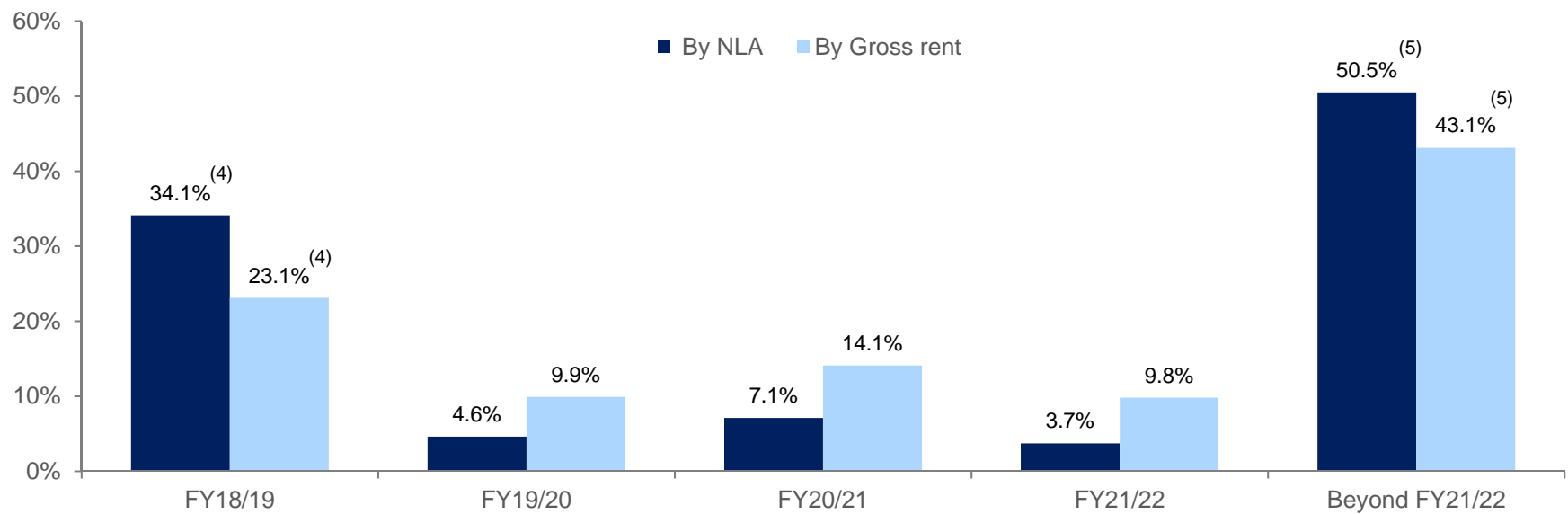
1. As at 31 December 2018.
2. The total portfolio gross rent is based on the gross rent of all the properties.
3. Consists of Katagreen Development Sdn Bhd, YTL Singapore Pte Ltd, YTL Hotel (Singapore) Pte. Ltd., YTL Starhill Global REIT Management Limited and YTL Starhill Global Property Management Pte Ltd.

# Staggered portfolio lease expiry profile



Weighted average lease term of 5.7<sup>(1)</sup> and 4.2<sup>(1)</sup> years (by NLA and gross rent respectively)

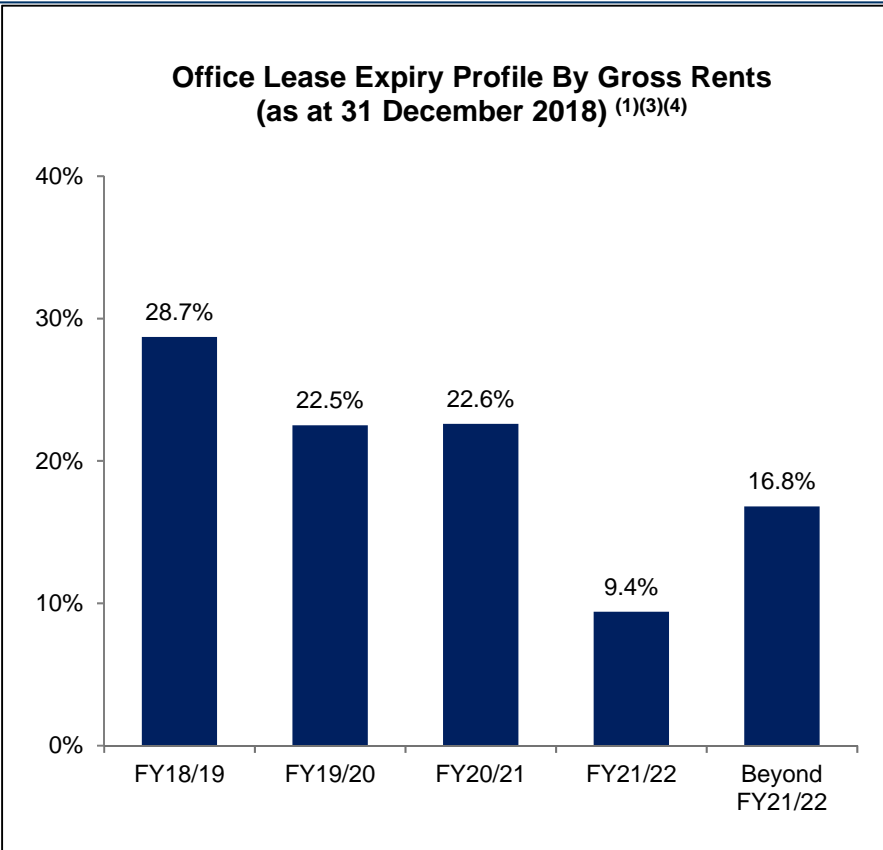
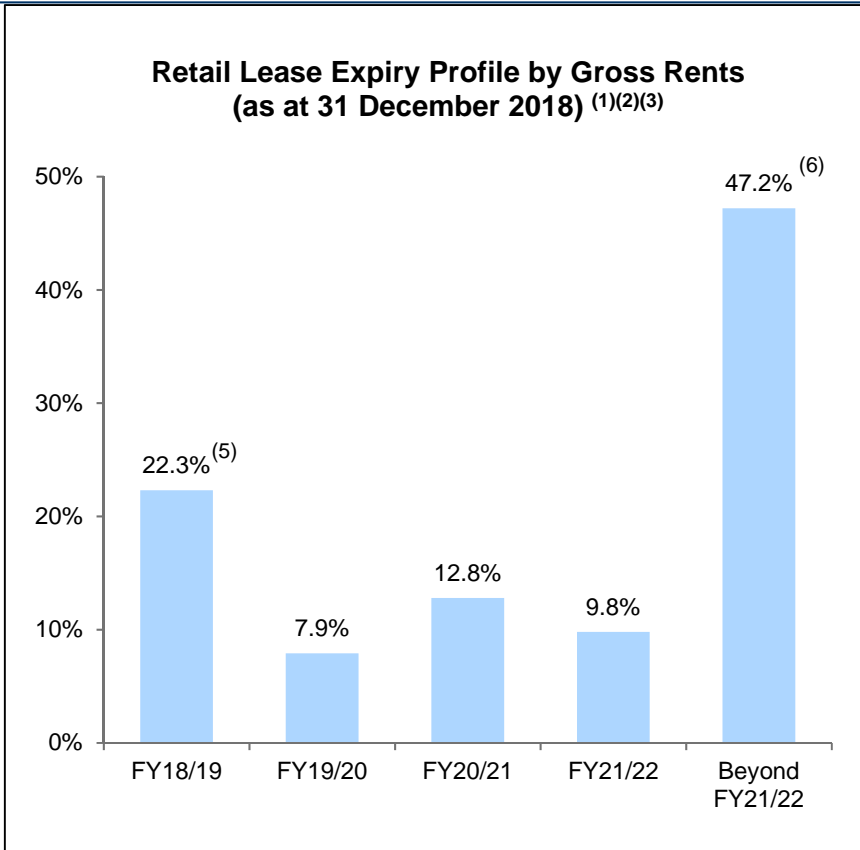
Portfolio lease expiry (as at 31 December 2018) <sup>(2)(3)</sup>



**Notes:**

- 1. Excludes tenants' option to renew or pre-terminate.
- 2. Lease expiry schedule based on commenced leases as at 31 December 2018.
- 3. Portfolio lease expiry schedule includes all of SGREIT's properties.
- 4. Includes the master tenant leases in Malaysia that expire in June 2019.
- 5. Includes the Toshin master lease, the long-term leases in Australia and China.

# Staggered portfolio lease expiry profile by category



**Notes:**

1. Based on commenced leases as at 31 December 2018.
2. Includes all of SGREIT's retail properties.
3. Excludes tenants' option to renew or pre-terminate.
4. Comprises Wisma Atria, Ngee Ann City and Myer Centre Adelaide office properties only.
5. Includes the master tenant leases in Malaysia that expire in June 2019.
6. Includes the Toshin master lease, the long-term leases in Australia and China.

# Singapore Retail (Wisma Atria & Ngee Ann City)

## Toshin master lease provides income stability



### Singapore Retail

- ➔ Revenue and NPI for 2Q FY18/19 decreased 6.6% and 6.4% y-o-y respectively
- ➔ Wisma Atria: Tenant sales in 2Q FY18/19 grew by 2.9% y-o-y
- ➔ Ngee Ann City: Revenue and NPI were largely stable on the back of the Toshin master lease, which is due for a rent review in 2019



E-commerce fashion retailer Love & Bravery opens its brick & mortar storefront in November 2018



International multi-label sneakers-apparel store AW LAB opens at Wisma Atria in December 2018



International cutting-edge fashion eyewear brand MUJOSH LAB opens its store in November 2018

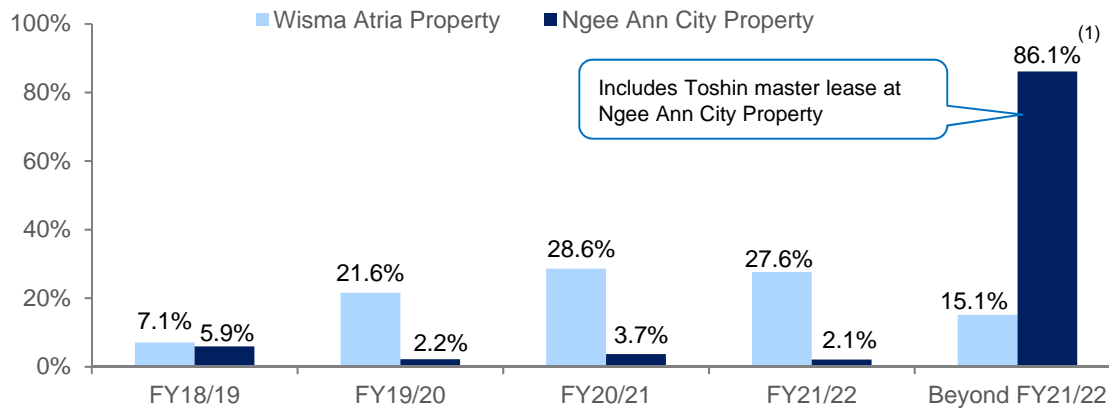


# Singapore Retail

Occupancy remains resilient amidst soft retail climate and islandwide supply glut



Lease expiry schedule (by gross rent) as at 31 December 2018

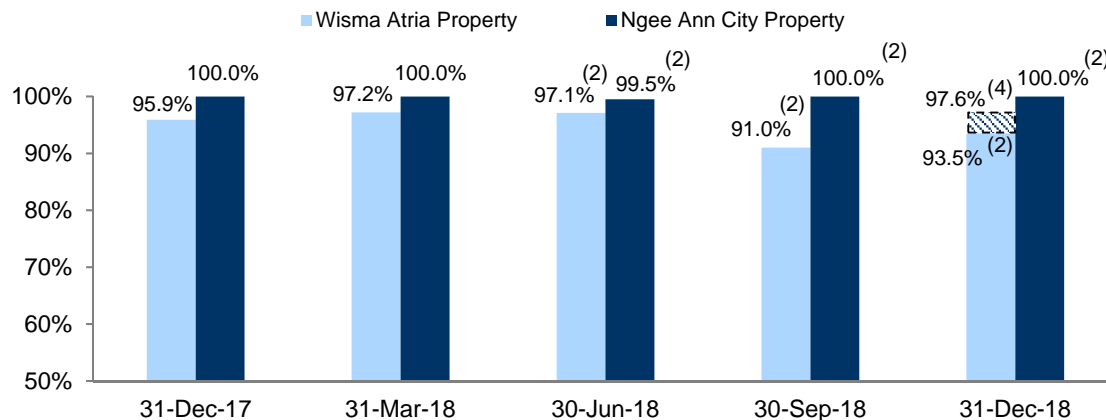


➔ Proactive leasing

➔ Singapore Retail portfolio's actual and committed occupancy were 97.8%<sup>(3)</sup> and 99.2%<sup>(4)</sup> as at 31 December 2018 respectively

- Ngee Ann City Property (Retail) maintained full occupancy
- Wisma Atria Property (Retail) maintained high occupancy rates of 93.5%<sup>(3)</sup> and 97.6%<sup>(4)</sup> on an actual and committed basis respectively as at 31 December 2018, albeit at a softer rent

Occupancy rates (by NLA)



**Notes:**

1. Includes the master tenancy lease with Toshin Development Singapore Pte Ltd which expires in 2025.
2. Based on commenced leases as at reporting date. For prior years, the reported occupancy rates were based on committed leases, which include leases that have been contracted but have not commenced as at the reporting date.
3. Based on commenced leases as at 31 December 2018.
4. Based on committed leases as at 31 December 2018.

# Singapore Offices

Continues to deliver with upward momentum maintained



- ➔ 2Q FY18/19 revenue and NPI jumped 10.6% and 20.2% y-o-y respectively on office recovery
- ➔ Committed occupancy rose to 93.6%<sup>(1)</sup> as at 31 December 2018 from 89.4%<sup>(1)</sup> as at 31 December 2017



*The Great Room at Ngee Ann City Property*



*Embraer at Ngee Ann City Property*



*Longchamp at Wisma Atria Property*

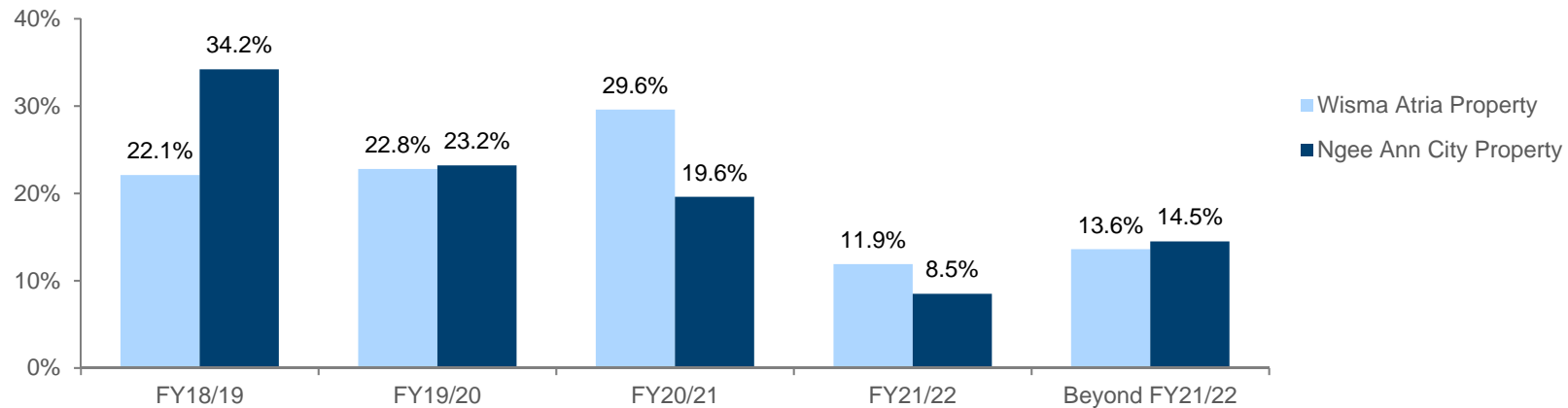
**Note:**

1. Based on committed leases as at reporting date.

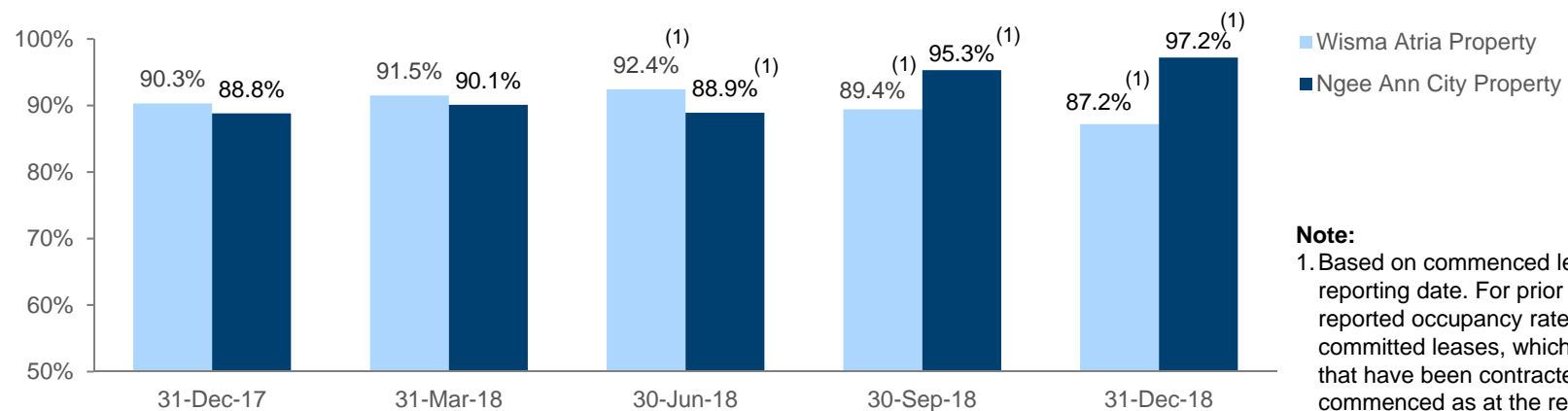
# Singapore Offices



Lease expiry schedule (by gross rent) as at 31 December 2018



Occupancy rates (by NLA)



**Note:**

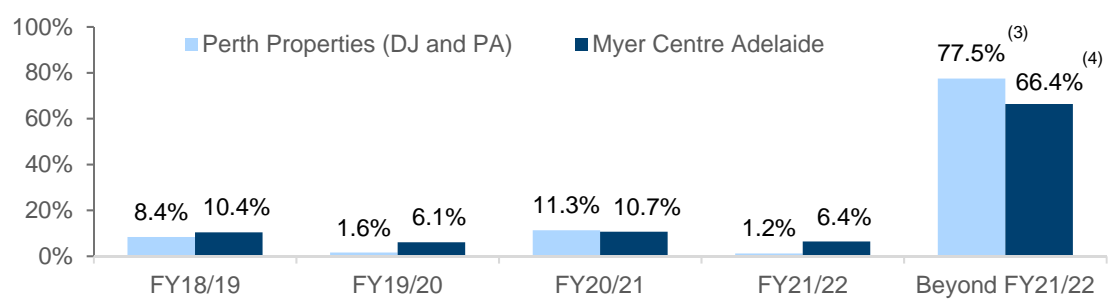
1. Based on commenced leases as at reporting date. For prior years, the reported occupancy rates were based on committed leases, which include leases that have been contracted but have not commenced as at the reporting date.

# Australia Properties

## Long-term leases with David Jones and Myer

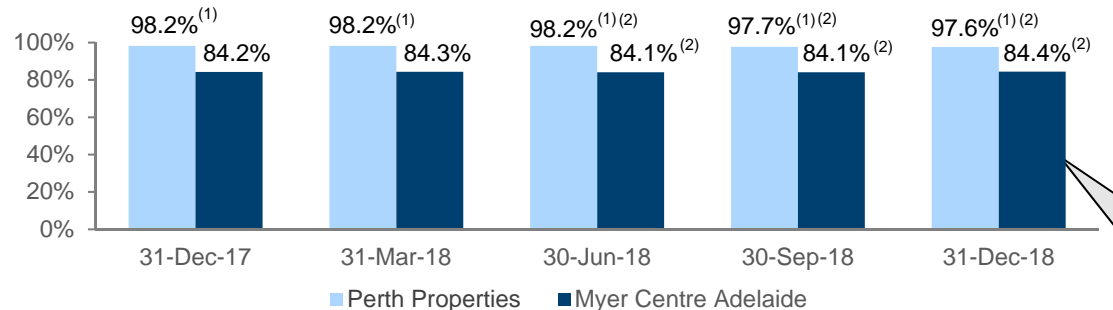


**Lease expiry schedule (by gross rent) as at 31 December 2018 <sup>(1)(2)</sup>**



- Notes:**
- Based on commenced leases as at 31 December 2018.
  - Excludes tenants' option to renew or pre-terminate.
  - Includes the long-term lease with David Jones Limited which is subject to periodic rent reviews and expires in 2032.
  - Includes the long-term lease with Myer Pty Ltd which is subject to periodic rent reviews and expires in 2032.

**Occupancy rates (by NLA)**



- Notes:**
- Includes the lease with UNIQLO at Plaza Arcade.
  - Based on commenced leases as at reporting date. For prior years, the reported occupancy rates were based on committed leases, which include leases that have been contracted but have not commenced as at the reporting date.
  - Based on committed leases as at reporting date.

- ➔ Revenue and NPI for 2Q FY18/19 was 1.6% and 5.9% respectively lower than in 2Q FY17/18
- ➔ Lower NPI was mainly due to the depreciation of Australian dollar against Singapore dollar and higher operating expenses
- ➔ David Jones' and Myer's long term leases account for 22.7% and 33.6% of Australia portfolio by gross rent as at 31 December 2018

Committed occupancy for Myer Centre Adelaide portfolio rose to 91.7%<sup>(3)</sup>, with a new anchor tenant coming onboard, lifting the committed occupancy of Myer Centre Adelaide's Office to 74.8%<sup>(3)</sup>

Occupancy rate for the Australia retail portfolio stood at 95.8%<sup>(2)</sup>

# Malaysia – Starhill Gallery and Lot 10 Property

## Master tenancy and asset enhancement discussions



- Revenue and NPI in 2Q FY18/19 were stable over the previous corresponding period in 2Q FY17/18
- Evaluating master tenancy renewal proposal for Malaysia Properties, which includes an asset enhancement initiative for Starhill Gallery
- The existing master leases for Malaysia Properties are due to expire in June 2019 and contribute approximately 14.1% of the portfolio gross rent as at 31 December 2018

# Others

## China Property and Japan Properties



- NPI for 2Q FY18/19 was 3.7% higher compared to 2Q FY17/18, mainly due to lower operating expenses
- The long-term fixed lease tenancy with a periodic step-up provides a stable income for the Group
- Sole tenant Markor International Home Furnishings Co., Ltd is listed on the Shanghai Stock Exchange with a market capitalisation of approximately RMB7.0 billion<sup>(1)</sup> (S\$1.4 billion)<sup>(2)</sup>



**Notes:**

1. As at 31 December 2018.
2. Based on exchange rate of S\$1.00:RMB5.04 as at 31 December 2018.



3

## Outlook

### → Prime shopping places are still valued despite a slowing economy

- Singapore's economy grew by 2.2% y-o-y in 4Q 2018, easing from the 2.3% growth in 3Q 2018
- Retail sales (excluding motor vehicles) declined 0.2% y-o-y in November 2018
- International visitor arrivals rose 6.6% y-o-y to 16.9 million for January to November 2018
- While the retail sector continues to face headwinds due to weak consumer sentiment and islandwide retail space oversupply, prime shopping places are still valued

### → Demand for office space remains healthy

- For the Singapore office sector, interest for Grade B offices has risen as the availability of Grade A space has tightened



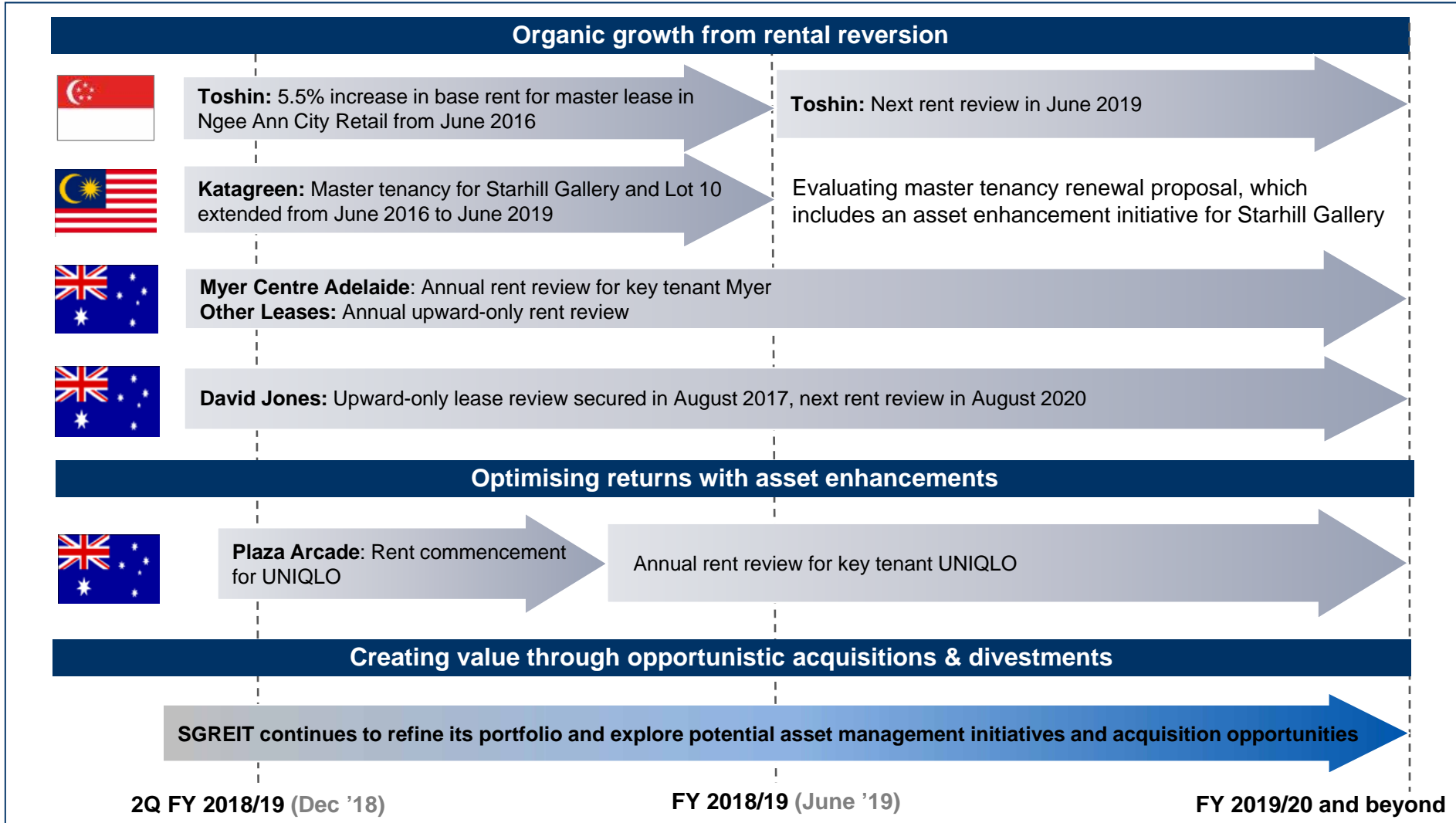
### → Adelaide sees pick up in office demand

- For Australia, retail sales for South Australia grew 3.4% y-o-y but eased by 0.3% for Western Australia for the 12 months to October 2018
- Adelaide CBD office vacancy rate declines to its lowest rate since 2014 on the back of defence, engineering and mining contracts being awarded recently

### → Muted retail sales and rising supply of retail space in Malaysia

- In Malaysia, retail sales in 2019 is projected to grow by a muted 4.5%, reflecting a slower economic outlook
- With supply continuing to outstrip demand, lesser established and new shopping centres without high pre-committed take-up will continue to face challenges in the diluted retail market

# Looking ahead



# Summary



<b>Quality Assets: Prime Locations</b>	<ul style="list-style-type: none"><li>10 mid- to high-end retail properties in five countries<ul style="list-style-type: none"><li>- Singapore makes up about 69.5% of total assets with Australia and Malaysia about 27.8% of total assets as core markets. China and Japan account for the balance of the portfolio</li></ul></li><li>Quality assets with strong fundamentals located strategically</li></ul>
<b>Strong Financials: Financial Flexibility</b>	<ul style="list-style-type: none"><li>Stable gearing at 35.6%</li><li>Corporate rating of 'BBB+' by Standard &amp; Poor's</li><li>S\$2 billion unsecured MTN programme rating of 'BBB+' by Standard &amp; Poor's</li></ul>
<b>Developer Sponsor: Strong Synergies</b>	<ul style="list-style-type: none"><li>Strong synergies with the YTL Group, one of the largest companies listed on the Bursa Malaysia, which has a combined market capitalisation of US\$4.6 billion together with three listed entities in Malaysia as at 31 December 2018</li><li>Track record of success in real estate development and property management in Asia Pacific region</li></ul>
<b>Management Team: Proven Track Record</b>	<ul style="list-style-type: none"><li>Demonstrated strong sourcing ability and execution by acquiring 5 quality malls over the last 8 years<ul style="list-style-type: none"><li>- Myer Centre Adelaide (Adelaide, Australia), DJ Building and Plaza Arcade (Perth, Australia), Starhill Gallery and Lot 10 (Kuala Lumpur, Malaysia)</li></ul></li><li>Asset redevelopment of Wisma Atria, Lot 10, Plaza Arcade and China Property demonstrates the depth of the manager's asset management expertise</li><li>International and local retail and real estate experience</li></ul>



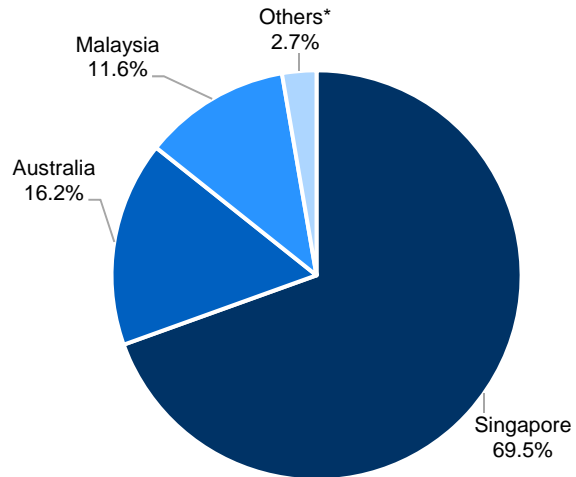
4 Appendices

Starhill Gallery  
Kuala Lumpur, Malaysia

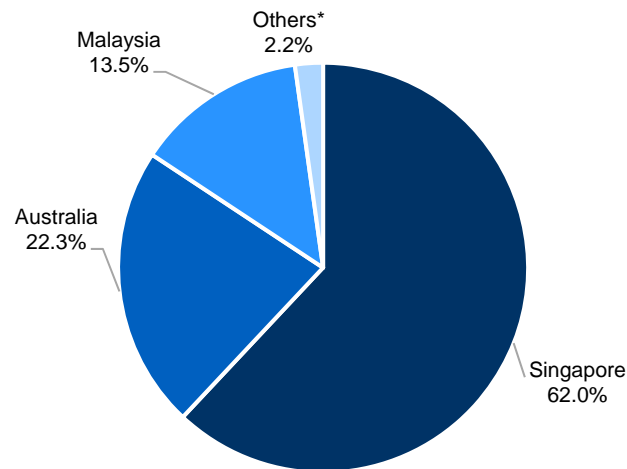
~69.5% of total asset value attributed to Singapore



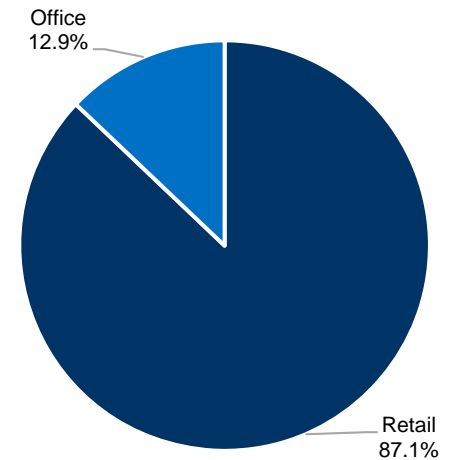
ASSET VALUE BY COUNTRY AS AT 31 DEC 2018



2Q FY18/19 GROSS REVENUE BY COUNTRY



2Q FY18/19 GROSS REVENUE RETAIL/OFFICE



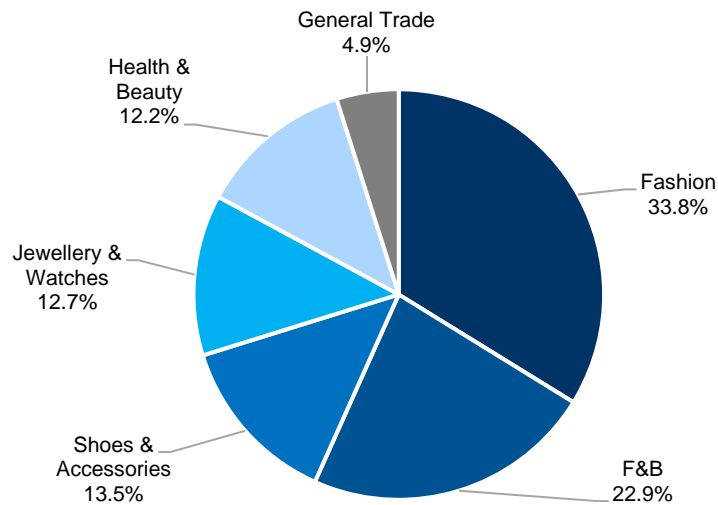
\*Others comprise one property in Chengdu, China and two properties located in central Tokyo, Japan, as at 31 December 2018.

# Singapore – Wisma Atria Property

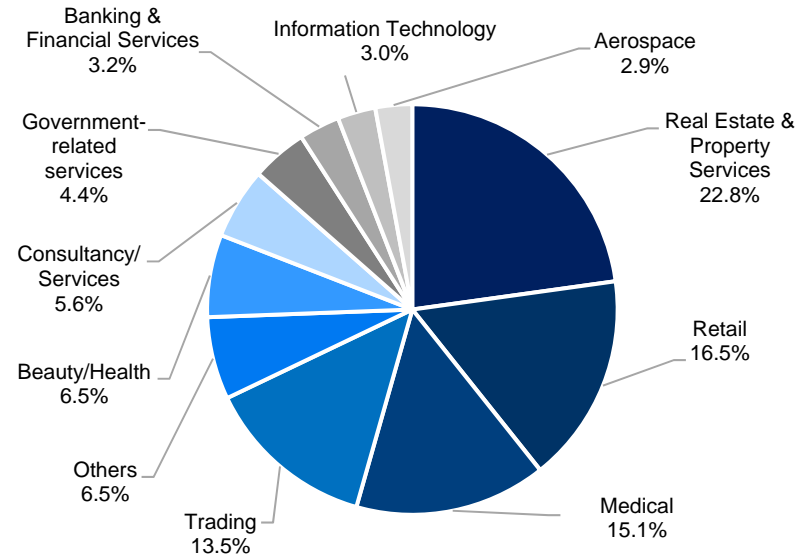
## Diversified tenant base



**WA retail trade mix – by % gross rent**  
(as at 31 December 2018)



**WA office trade mix – by % gross rent**  
(as at 31 December 2018)

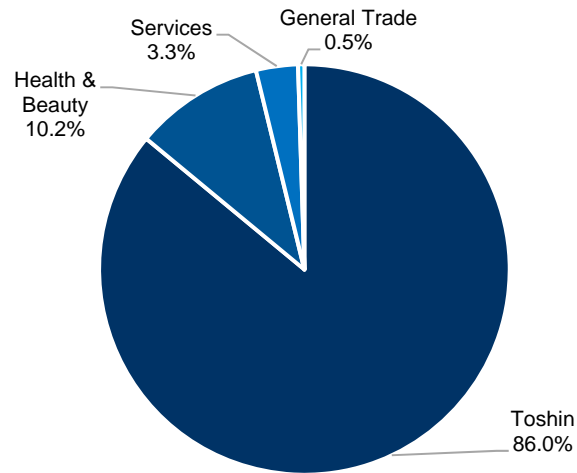


# Singapore – Ngee Ann City Property

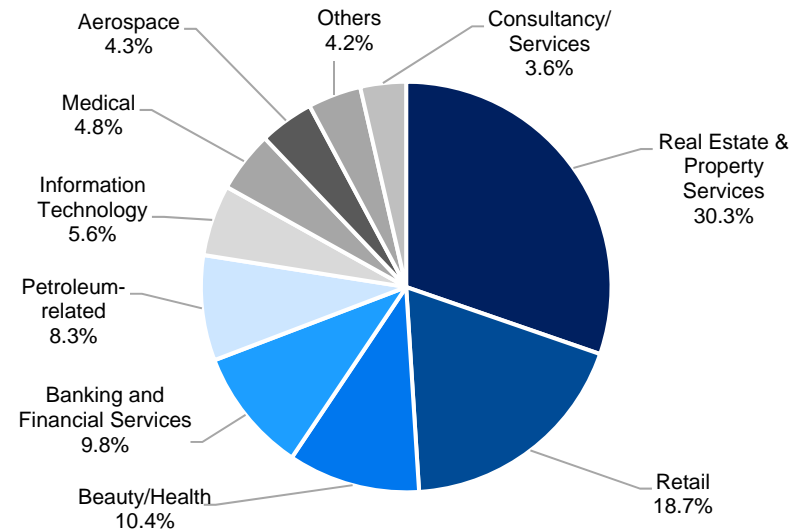
## Stable of quality tenants



**NAC retail trade mix – by % gross rent**  
(as at 31 December 2018)



**NAC office trade mix – by % gross rent**  
(as at 31 December 2018)



# Singapore – Wisma Atria Property



Address	435 Orchard Road, Singapore 238877
Description	<p>Wisma Atria comprises a podium block with four levels and one basement level of retail, three levels of car parking space and 13 levels of office space in the office block.</p> <p>Starhill Global REIT's interest in Wisma Atria comprises 257 strata lots representing 74.23% of the total share value of the strata lots in Wisma Atria (Wisma Atria Property).</p>
Net lettable area	225,129 sq ft <sup>(1)</sup> (Retail – 126,240 sq ft; Office - 98,889 sq ft)
Number of tenants	121 <sup>(1)</sup>
Selected Tenants <sup>(1)</sup>	<ul style="list-style-type: none"> <li>• Tory Burch</li> <li>• COACH</li> <li>• TAG Heuer</li> <li>• Paris Baguette</li> <li>• AW LAB</li> <li>• MUJOSH LAB</li> <li>• Love &amp; Bravery</li> </ul>
Title	Leasehold estate of 99 years expiring on 31 March 2061
Valuation	S\$997.0 million <sup>(2)</sup>



- ➔ Retail and office development located on Orchard Road, Singapore's premier shopping belt, with approximately 100 metres of prime street frontage
- ➔ The mall's underground pedestrian linkway connects Wisma Atria to the Orchard MRT station and Ngee Ann City

**Notes:**  
 1. As at 31 December 2018.  
 2. As at 30 June 2018.



# Singapore – Ngee Ann City Property



Address	391/391B Orchard Road, Singapore 238874
Description	<p>Ngee Ann City is a commercial complex with 18 levels of office space in the twin office tower blocks (Tower A and B) and a seven-storey podium with three basement levels comprising retail and car parking space.</p> <p>Starhill Global REIT's interest in Ngee Ann City comprises four strata lots representing 27.23% of the total share value of the strata lots in Ngee Ann City (Ngee Ann City Property).</p>
Net lettable area	395,168 sq ft <sup>(1)</sup> (Retail - 255,021 sq ft; Office - 140,147 sq ft)
Number of tenants	54 <sup>(1)</sup>
Title	Leasehold estate of 69 years and 4 months expiring on 31 March 2072
Selected brands of tenants <sup>(1)</sup>	<ul style="list-style-type: none"> <li>• Louis Vuitton</li> <li>• Chanel</li> <li>• Berluti</li> <li>• Goyard</li> <li>• Roger Vivier</li> <li>• Hugo Boss</li> <li>• Piaget</li> <li>• Loewe</li> <li>• DBS Treasures</li> </ul>
Valuation	S\$1,150.0 million <sup>(2)</sup>



- ➔ Retail and office development located on Orchard Road, providing more than 90 metres of prime Orchard Road frontage
- ➔ Located next to Wisma Atria, Ngee Ann City is easily accessible via a network of major roads and on foot through the underground pedestrian linkway to Wisma Atria and the underpasses along Orchard Road

**Notes:**  
 1. As at 31 December 2018.  
 2. As at 30 June 2018.

# Adelaide, Australia – Myer Centre Adelaide



Address	14-38 Rundle Mall, Adelaide SA 5000, Australia
Description	Myer Centre Adelaide comprises a retail centre, three office buildings and four basement levels. The retail centre is spread across eight floors and anchored by the popular Myer department store and specialty tenancies. The office component includes a six-storey office tower which sits atop the retail centre and two heritage buildings.
Net lettable area	600,008 sq ft <sup>(1)(2)</sup> (Retail – 501,915 sq ft; Office – 98,093 sq ft)
Number of tenants	95 <sup>(2)</sup>
Title	Freehold
Selected brands of tenants <sup>(2)</sup>	<ul style="list-style-type: none"> <li>• Myer</li> <li>• LUSH</li> <li>• Sunglass Hut</li> <li>• Rebel</li> <li>• Nine West</li> <li>• Noni B</li> <li>• Jacqui E</li> <li>• Katies</li> <li>• Daiso</li> <li>• Rubi Shoes</li> <li>• Thomas Sabo</li> </ul>
Valuation	S\$296.2 million <sup>(3)</sup>



- Largest CBD shopping mall in the city, is located in the heart of the city's premier retail area along Rundle Mall
- Located within walking distance to the newly refurbished Riverbank Entertainment Precinct, and also within the vicinity of universities and hostels, as well as the city's art galleries and museums

**Notes:**  
 1. Excludes 113,000 sq ft vacant area on the highest two floors of the retail centre.  
 2. As at 31 December 2018.  
 3. As at 30 June 2018.

# Perth, Australia – David Jones Building & Plaza Arcade



David Jones Building	
Address	622-648 Hay Street Mall, Perth, Western Australia
Description	A four-storey property, which includes a heritage-listed building constructed circa 1910 that was formerly the Savoy Hotel. The property is anchored by the popular David Jones department store and specialty tenants.
Gross lettable area	259,080 sq ft <sup>(1)</sup>
Number of tenants	6 <sup>(1)</sup>
Title	Freehold
Selected brands of tenants <sup>(1)</sup>	David Jones, LUSH and Superdry
Valuation	S\$166.3 million <sup>(2)</sup>

Plaza Arcade	
Address	650 Hay Street Mall & 185-191 Murray Street Mall, Perth, Western Australia
Description	A three storey heritage listed retail building located next to the David Jones Building. The property is anchored by global apparel retailer UNIQLO and specialty tenants.
Gross lettable area	36,933 sq ft <sup>(1)</sup>
Number of tenants	16 <sup>(1)</sup>
Title	Freehold
Selected brands of tenants <sup>(1)</sup>	UNIQLO, Surf Dive 'n' Ski
Valuation	S\$54.4 million <sup>(2)</sup>



→ Both properties are located next to the other in the heart of Perth's central business district, along the bustling Murray and Hay Street – the only two pedestrian retail streets in the city

**Notes:**

- 1. As at 31 December 2018.
- 2. As at 30 June 2018.

# Kuala Lumpur, Malaysia – Starhill Gallery



Address	181 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia
Description	Starhill Gallery is a shopping centre comprising part of a seven-storey building with five basements and a 12-storey annex building with three basements.
Net lettable area	306,113 sq ft
Number of tenants	1 <sup>(1)(2)</sup>
Title	Freehold
Selected brands of tenants <sup>(2)</sup>	<ul style="list-style-type: none"> <li>• Louis Vuitton</li> <li>• Dior</li> <li>• Audemars Piguet</li> <li>• Richard Mille</li> <li>• Van Cleef &amp; Arpels</li> <li>• Newens Tea House</li> <li>• Rolex</li> <li>• Omega</li> <li>• Cortina Watch</li> </ul>
Valuation	S\$221.2 million <sup>(3)</sup>



- Located in Bukit Bintang, Kuala Lumpur's premier shopping and entertainment district, Starhill Gallery features a high profile tenant base of international designer labels and luxury watch and jewellery brands, attracting discerning tourists and shoppers
- Starhill Gallery is connected to two luxury hotels, the JW Marriott Hotel Kuala Lumpur and The Ritz-Carlton Kuala Lumpur

**Notes:**

1. Master lease with Katagreen Development Sdn Bhd.
2. As at 31 December 2018.
3. As at 30 June 2018.

# Kuala Lumpur, Malaysia – Lot 10 Property



Address	50 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia
Description	137 parcels and 2 accessory parcels of retail and office spaces held under separate strata titles within a shopping centre known as Lot 10 Shopping Centre which consists of an 8-storey building with a basement and a lower ground floor, together with a 7-storey annex building with a lower ground floor (Lot 10 Property).
Net lettable area	256,811 sq ft
Number of tenants	1 <sup>(1)(2)</sup>
Title	Leasehold estate of 99 years expiring on 29 July 2076
Selected brands of tenants <sup>(2)</sup>	<ul style="list-style-type: none"> <li>• H&amp;M</li> <li>• Zara</li> <li>• Liverpool F.C. Store</li> <li>• Celebrity Fitness</li> <li>• Lot 10 Hutong</li> <li>• Samsung</li> </ul>
Valuation	S\$146.2 million <sup>(3)</sup>



- Located within the heart of the popular Bukit Bintang shopping and entertainment precinct in Kuala Lumpur
- Lot 10 is located next to Bukit Bintang monorail station. The H&M store connects to the Bukit Bintang monorail station via a platform at Level 1
- The entrance to the new Bukit Bintang MRT Station (Sungai Buloh-Kajang Line) is located directly in front of the mall. The MRT line opened in July 2017

**Notes:**  
 1. Master lease with Katagreen Development Sdn Bhd.  
 2. As at 31 December 2018.  
 3. As at 30 June 2018.

# Chengdu, China – China Property



Address	No.19, Renminnan Road, Chengdu, China
Description	A four-storey building completed in 2003. Part of a mixed-use commercial complex comprising retail and office.
Gross floor area	100,854 sq ft <sup>(1)</sup>
Number of tenants	1 <sup>(1)</sup>
Title	Leasehold estate expiring on 27 December 2035
Lease type	The existing department store has been converted into a long-term tenant model with a fixed rent lease, with a periodic step-up.
Tenant <sup>(1)</sup>	Markor International Home Furnishings Co., Ltd
Valuation	S\$29.8 million <sup>(2)</sup>



➔ Located close to consulates in Chengdu and in a high-end commercial and high income area

**Notes:**

- 1. As at 31 December 2018.
- 2. As at 30 June 2018.

# Japan Properties – Properties are within five minutes' walk from nearest subway stations

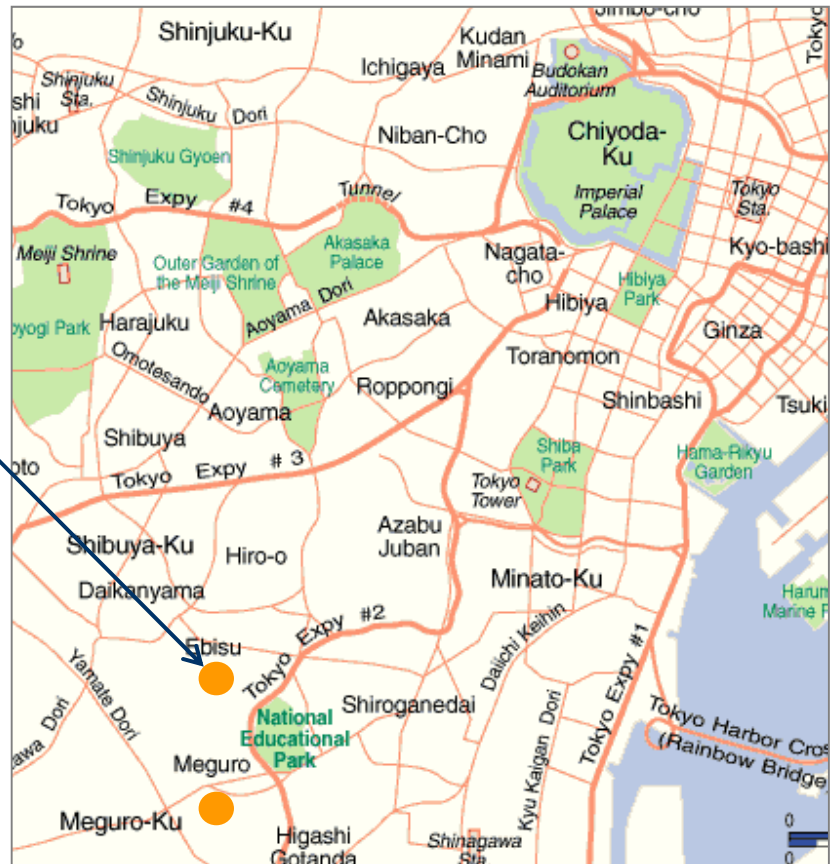


Daikanyama Building

Ebisu:  
 1) Daikanyama Building  
 2) Ebisu Fort



Ebisu Fort



No. of Properties	2
Net lettable area	26,903 sq ft <sup>(1)</sup>
Number of tenants	11 <sup>(1)</sup>
Title	Freehold
Total Valuation	S\$57.2 million <sup>(2)</sup>

**Notes:**  
 1. As at 31 December 2018.  
 2. As at 30 June 2018.

## References used in this presentation



**1Q, 2Q, 3Q, 4Q** means where applicable, the periods between 1 July to 30 September; 1 October to 31 December; 1 January to 31 March and 1 April to 30 June

**2Q FY18/19** means the period of 3 months from 1 October 2018 to 31 December 2018

**2Q FY17/18** means the period of 3 months from 1 October 2017 to 31 December 2017

**YTD FY18/19** means the period of 6 months from 1 July 2018 to 31 December 2018

**YTD FY17/18** means the period of 6 months from 1 July 2017 to 31 December 2017

**DPU** means distribution per unit

**FY** means the financial year

**FY18/19** means the period of 12 months from 1 July 2018 to 30 June 2019

**FY17/18** means the period of 12 months from 1 July 2017 to 30 June 2018

**GTO** means gross turnover

**IPO** means initial public offering (Starhill Global REIT was listed on the SGX-ST on 20 September 2005)

**NLA** means net lettable area

**NPI** means net property income

**pm** means per month

**psf** means per square foot

**WA and NAC** mean the Wisma Atria Property (74.23% of the total share value of Wisma Atria) and the Ngee Ann City Property (27.23% of the total share value of Ngee Ann City) respectively

*All values are expressed in Singapore currency unless otherwise stated*

*Note: Discrepancies in the tables and charts between the listed figures and totals thereof are due to rounding*



# Disclaimer



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Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate and foreign exchange 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. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s view of future events.

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