

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

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

SGREIT DIVESTS ITS FOURTH PROPERTY IN TOKYO, JAPAN, AT 22.4% PREMIUM TO VALUATION

Highlights

- **Harajuku Secondo Property sold for JPY410.2 million, a 22.4% premium to its valuation**
- **Ongoing strategy to streamline its portfolio and focus on strengths**

Singapore, 15 May 2017 – YTL Starhill Global REIT Management Limited, the Manager of Starhill Global REIT (“SGREIT”), is pleased to announce that SGREIT has divested Harajuku Secondo Property (“Harajuku Secondo”), a property located in Tokyo, for JPY410.2 million (approximately S\$5.1 million¹), at a 22.4% premium to its latest valuation¹. The transacted price translates to a yield of 2.5%².

Harajuku Secondo is a 3-storey retail building (net lettable area of 2,249 square feet) located in the Harajuku district, just off Takeshita retail pedestrian street. The building was last valued at JPY335.0 million (approximately S\$4.1 million¹) as at 31 March 2017, and accounts for 6.6% of the Japanese portfolio and 0.1% of SGREIT’s portfolio by asset value³.

Pursuant to this transaction, SGREIT’s portfolio in Japan will be reduced to three properties and the exposure to Japan by asset value³ will consequently be reduced by approximately 0.1% to 1.9% of SGREIT’s asset value. The net proceeds from the sale will be used to repay the Yen borrowings and/or for working capital purposes. SGREIT’s gearing is expected to decrease from 35.3%³ to 35.2% assuming that the net sales proceeds are substantially used to repay the Yen loans.

Mr Ho Sing, Chief Executive Officer of YTL Starhill Global, said, “The divestment is part of our strategy to streamline our portfolio and focus on our strengths. Since 2013, we have divested S\$57 million of Japanese properties but redeployed and reinvested A\$336 million into new prime properties in Perth and Adelaide in Australia. Going forward, we will continue to refine our portfolio, seek out opportunities in our core markets and rejuvenate our assets through enhancement initiatives.”

- End -

¹ Based on an exchange rate of S\$1.00: JPY80.74 as at 12 May 2017.

² Based on the net property income for the financial year ended 30 June 2016.

³ As at 31 March 2017.



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 (the "SGX-ST") on 20 September 2005, Starhill Global REIT has grown its initial portfolio from interests in two landmark properties on Orchard Road in Singapore to 11 properties in Singapore, Australia, Malaysia, China and Japan, valued at about S\$3.1 billion.

These comprise interests in Wisma Atria and Ngee Ann City on Orchard Road in Singapore, Myer Centre Adelaide, David Jones Building and Plaza Arcade in Australia, Starhill Gallery and Lot 10 in Kuala Lumpur, Malaysia, a retail property in Chengdu, China and three 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.

Analyst, Investor and Media Contact:

Jonathan Kuah

YTL Starhill Global REIT Management Limited

Tel: (65) 6835 8693; Mobile: (65) 9753 3930

Email: jonathan.kuah@ytlstarhill.com

Important Notice

The value of Starhill Global REIT units ("Units") and the income derived from them may fall or rise. The 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. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders of Starhill Global REIT may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This document is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of Starhill Global REIT is not necessarily indicative of the future performance of Starhill Global REIT.

This document 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 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.