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

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

SGREIT's 6Q FY14/15

DPU Up 3.2% Year-on-Year to 1.29 cents on contribution from new acquisition and Singapore portfolio performance

HIGHLIGHTS

- Singapore portfolio's NPI up 4.3% y-o-y on positive rental reversions and high occupancies
- Australia portfolio's NPI up 53.2% y-o-y on maiden contribution from newly-acquired Myer Centre Adelaide from May 2015
- No significant refinancing requirement until 2018

SINGAPORE, 29 July 2015 – YTL Starhill Global REIT Management Limited, the manager of SGREIT, is pleased to announce the results for the sixth quarter (6Q FY14/15)[1] ended 30 June 2015. Income to be distributed to Unitholders was S$28.1 million for 6Q FY14/15, 4.5% higher than that of S$26.9 million for the previous corresponding period (2Q FY14/15). Distribution Per Unit ("DPU") for the period from 1 April 2015 to 30 June 2015 was 1.29 cents, 3.2% higher compared to the 1.25 cents achieved for the previous corresponding period. On an annualised basis, the latest distribution represents a yield of 5.88%[2]. Unitholders can expect to receive their 6Q FY14/15 DPU on 28 August 2015. Book closure date is on 6 August 2015 at 5.00 pm.

Revenue for SGREIT group grew 6.9% over the previous corresponding period to S$51.8 million in 6Q FY14/15 and net property income ("NPI") for 6Q FY14/15 grew 5.5% over the previous corresponding period to S$41.3 million. The growth in revenue and NPI was mainly driven by the maiden contribution from the newly-acquired Myer Centre Adelaide from May 2015 and strong

[1] SGREIT's financial year end has been changed from 31 December to 30 June. Thus the FY14/15 financial year will be a 18-month period from 1 January 2014 to 30 June 2015.

[2] Based on the closing price of S$0.88 as at 30 June 2015.

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Singapore portfolio performance, partially offset by lower contributions from China and net foreign currency movements.

With the acquisition of Myer Centre Adelaide, gearing has risen from 28.7% in March 2015 to 35.5% in June 2015. Notwithstanding the higher borrowings, Standard & Poor's has affirmed SGREIT's "BBB+" rating with a stable outlook. There is no significant refinancing required until 2018 as SGREIT has secured committed facilities from banks as at 30 June 2015 to refinance bulk of the borrowings maturing in the next two years. SGREIT's weighted average debt maturity as at 30 June 2015 is approximately 3.5 years.

SGREIT group's investment properties have been assessed by independent valuers at S$3,116.2 million as at 30 June 2015 (December 2013: S$2,854.4 million), resulting in a combined net revaluation gain of S$9.1 million recorded in FY14/15 from the valuation exercises in December 2014 and June 2015. The higher portfolio valuation was mainly attributable to the addition of Myer Centre Adelaide in Australia and revaluation gains for the Singapore properties, partially offset by the divestment of Holon L in March 2014, decrease in valuation for Renhe Spring Zongbei Property and negative foreign currency movements.

Overview of Starhill Global REIT's financial results

(S$ million)	3 months ended 30 June 2015	3 months ended 30 June 2014	Change (%)
Revenue	51.8	48.4	6.9
Net property income	41.3	39.2	5.5
Income available for distribution	29.5	28.2	4.3
Income to be distributed to Unitholders[3]	28.1	26.9	4.5
Income to be distributed to CPU holder[4]	-	0.3	(100.0)
Distribution per Unit (cents)			
- For the period 1 Apr – 30 Jun	**1.29**	**1.25**	**3.2**
- Annualised	**5.17**	**5.01**	**3.2**

Tan Sri Dato' (Dr) Francis Yeoh, Executive Chairman of YTL Starhill Global, said, "I am happy to report another solid performance by SGREIT despite strong macro headwinds. This demonstrates the

[3] Approximately S$1.3 million of income available for distribution for the quarter ended 30 June 2015 has been retained for working capital requirements.

[4] There is no CPU distribution for 6Q FY14/15, following the conversion of the remaining 20,334,750 CPU into 27,986,168 new ordinary units. CPU distribution for 2Q FY14/15 was based on S$ coupon of up to RM0.1322 per CPU, equivalent to a distribution rate of 5.65% per annum.

resilience of SGREIT's quality assets in prime locations. This coming September also marks the REIT's 10th year anniversary. Over the decade, SGREIT has achieved a compounded annual growth rate of 7.2%[5] in DPU. In June, the YTL Group has converted the remaining 20 million convertible preferred units into 28 million new units, raising its stake in SGREIT to approximately 37.1%. The CPU conversion demonstrates YTL Group's confidence in the REIT and reinforces YTL's strong ongoing commitment to its sponsorship role in the REIT."

Mr Ho Sing, CEO of YTL Starhill Global, said, "We are pleased to have successfully completed the acquisition of Myer Centre Adelaide located in the city's premier shopping street. The maiden contribution from the asset this quarter boosted the Australia NPI by 53.2% to S$6.0 million. Singapore, our core market, continued its strong performance with NPI growth of 4.3% on the back of healthy rental reversions and high occupancies. Our overall financial position remains strong with a gearing of 35.5% and no significant refinancing is required until 2018. Standard & Poor's has also recently affirmed SGREIT's corporate rating of "BBB+". Looking ahead, we will focus on asset enhancement works in Australia and will continue to sharpen and improve the quality of our portfolio."

Review of portfolio performance

SGREIT's Singapore portfolio, comprising interests in Wisma Atria and Ngee Ann City on Orchard Road, contributed 65.0% of total revenue, or S$33.6 million in 6Q FY14/15. NPI for 6Q FY14/15 increased by 4.3% y-o-y to S$26.8 million, led by positive rental reversions and high occupancies for both the retail and office units. Wisma Atria Retail revenue increased 6.3% y-o-y and its NPI grew 6.1% over the previous corresponding period on the back of higher revenue. Wisma Atria Retail achieved positive rental reversions of 3.9% for leases committed in 6Q FY14/15. Tenant sales at Wisma Atria decreased 6.7% y-o-y in 6Q FY14/15, but was up 3.5% over the previous quarter. The decline in tenant sales is largely attributable to ongoing renovations which accounted for 7.9% of the mall's prime floor net lettable area, as well as decline in tourist arrivals, muted retail sentiments and closure of Isetan's own area. Revenue from Ngee Ann City Retail gained 0.3% y-o-y while NPI increased 0.5% y-o-y. The Singapore office portfolio continued to benefit from healthy leasing demand amidst limited upcoming office supply space in Orchard Road as revenue increased 4.7% and NPI increased 8.1% in 6Q FY14/15 over the previous corresponding period, on the back of 4.5% positive rental reversions for leases committed in 6Q FY14/15.

[5] DPU from 1Q 2006 to 2Q 2009 have been restated to include the 963,724,106 rights units issued in August 2009. The computation also excludes 5Q FY14/15 DPU of 1.26 cents and 6Q FY14/15 DPU of 1.29 cents.

SGREIT's Australia portfolio, comprising Myer Centre Adelaide in Adelaide, South Australia, and the David Jones Building and adjoining Plaza Arcade in Perth, Western Australia, contributed 16.0% of total revenue, or S$8.3 million in 6Q FY14/15. NPI for 6Q FY14/15 was S$6.0 million, 53.2% higher than the previous corresponding period mainly due to the maiden contribution (approximately 1.5 months) from the new acquisition, partially offset by depreciation of the Australian dollar against the Singapore dollar and lower occupancies. For the asset redevelopment plans at Plaza Arcade to accommodate anchor tenants and optimise upper-storey space, we are finalising plans with prospective anchor tenants.

SGREIT's Malaysia portfolio, comprising Starhill Gallery and interest in Lot 10 along Bukit Bintang in Kuala Lumpur, contributed 13.5% of total revenue, or S$7.0 million in 6Q FY14/15. NPI for 6Q FY14/15 was approximately S$6.7 million, 4.4% lower than the previous corresponding period, mainly due to depreciation of the Malaysian ringgit against the Singapore dollar, partially offset by lower property taxes.

Renhe Spring Zongbei in Chengdu, China, contributed 3.5% of total revenue, or S$1.8 million in 6Q FY14/15. NPI for 6Q FY14/15 was S$0.9 million, a decline of 41.5% from the previous corresponding period. The decline was largely attributed to lower revenue as the high-end luxury retail segment continues to be impacted by the austerity measures the central government has put in place, as well as heightened competition from new and upcoming malls in the city. As we continue to review our long-term China strategy, we maintain our efforts in cost containment measures and fine-tuning the tenancy mix.

In 6Q FY14/15, SGREIT's Japan portfolio, which comprises five properties located in central Tokyo, contributed 2.0% of total revenue. NPI for 6Q FY14/15 was S$0.9 million, 11.3% lower than in the previous corresponding period, largely attributable to depreciation of the Japanese yen against the Singapore dollar. The overall committed portfolio occupancy was maintained at 96.1% as at 30 June 2015 with full occupancies in four out of its five properties. The portfolio is fully hedged by yen denominated debt, mitigating foreign exchange volatility.

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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 (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 13 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 five 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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