STARHILL GLOBAL REIT

Celebrating 10 YEARS of Brilliance

STARHILL GLOBAL REIT
Annual Report
FY 2014/15

OVERVIEW

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, Australia, Malaysia, China and Japan, valued at about S$3,116.2 million as at 30 June 2015.

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 Property 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 subsidiary of YTL Corporation Berhad.

VISION

To be the most valued real estate investment trust in Singapore which is committed to delivering long-term superior returns to our Unitholders.

MISSION

To create and deliver superior returns to our investors through growth and value creation in our assets, products and services, unconstrained by boundary and reach.

To be the landlord of choice for our tenants and shoppers and be committed in our delivery of quality products and services.

To be a forward-thinking real estate company with strong management expertise and provide fulfilment for our people.

VALUES

The values to which we aspire can be summarised under six principles:

- Integrity
- Client commitment
- Strive for profitability
- Fulfilment for our people
- Teamwork
- Highest standards

Contents

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

Celebrating
10 YEARS of Brilliance

As we celebrate our 10th anniversary at Starhill Global REIT, we look back at how we transformed uncut stones into polished gems. Over the years, we have meticulously crafted the value of our prime properties through the right tenant mix and bold asset enhancements. We have created a shining portfolio of strength and resilience through prudent capital management. As we enter the next decade, we remain committed to delivering value to our Unitholders.

Financial Highlights

Income Available for Distribution
S$171.6m

Gross Revenue
S$294.8m

Net Property Income
S$237.6m

Net Asset Value
S$1,982.8m

Strong Occupancy
98.2%

Healthy Gearing
35.5%

Financial Summary

Statement of Total Return and Distribution for period:	18 Months from Jan 2014 to Jun 2015 ("FY 2014/15") (1)	12 Months from Jan 2013 to Dec 2013 ("FY 2013") (1)	Change (%)
Gross Revenue (million)	**S$294.8**	S$200.6	46.9%
Net Property Income (million)	**S$237.6**	S$157.9	50.5%
Income Available for Distribution (million)	**S$171.6** (2)	S$110.9	54.8%
Income to be Distributed to:			
– Unitholders (million)	**S$164.0**	S$104.8	56.5%
– CPU holder(s) (million)	**S$1.3** (3)	S$3.1 (3)	(57.9%)
Distribution Per Unit (DPU)	**7.60 cents** (4) (5)	5.00 cents (5) (6)	52.0%
Distribution Yield	**5.81%** (7) **(S$0.880)** (8)	6.37% (7) (S$0.785) (8)	NM
Total Return	**22.9%** (9)	5.9%	NM

Notes:
(1) Starhill Global REIT has changed its financial year end from 31 December to 30 June to correspond with the financial year end of its sponsor, YTL Corporation Berhad. The current financial year refers to the 18-month period from 1 January 2014 to 30 June 2015 ("FY 2014/15"). FY 2013 refers to the 12-month period from 1 January 2013 to 31 December 2013. As a result, the current amounts presented in relation to FY 2014/15 are not entirely comparable with the comparative amounts for FY 2013.
(2) Approximately S$6.3 million of income available for distribution for FY 2014/15 has been retained for working capital requirements.
(3) Convertible preferred units (CPU) distribution was based on S$ coupon of up to RM0.1322 per CPU, equivalent to a distribution rate of 5.65% per annum. The decrease was mainly due to the conversion of 152,727,825 CPU into 210,195,189 ordinary units in July 2013 and conversion of 20,334,750 CPU into 27,986,168 ordinary units in June 2015.
(4) Included two additional quarters of DPU during the current period of 18 months ended 30 June 2015.
(5) The computation of DPU for FY 2014/15 was based on the number of units entitled to distributions comprising 2,153,218,267 units in issue for 1Q to 5Q FY 2014/15 and number of units post-CPU conversion on 25 June 2015 of 2,181,204,435 units for 6Q FY 2014/15. The computation of DPU for FY 2013 was based on number of units entitled to distributions comprising 1,943,023,078 units in issue for 1Q 2013 and number of units post-CPU conversion on 5 July 2013 of 2,153,218,267 units for 2Q to 4Q FY 2013.
(6) Included one-time DPU payout of 0.19 cents due to receipt of accumulated rental arrears from the Toshin master lease (net of expenses) in 1Q 2013.
(7) For FY 2014/15, based on actual rolling 12-month DPU of 5.11 cents for the period from July 2014 to June 2015. For FY 2013, based on actual DPU of 5.00 cents for the 12 months ended December 2013.
(8) Based on the last traded price for the financial period.
(9) Based on the period of 18 months ended 30 June 2015.

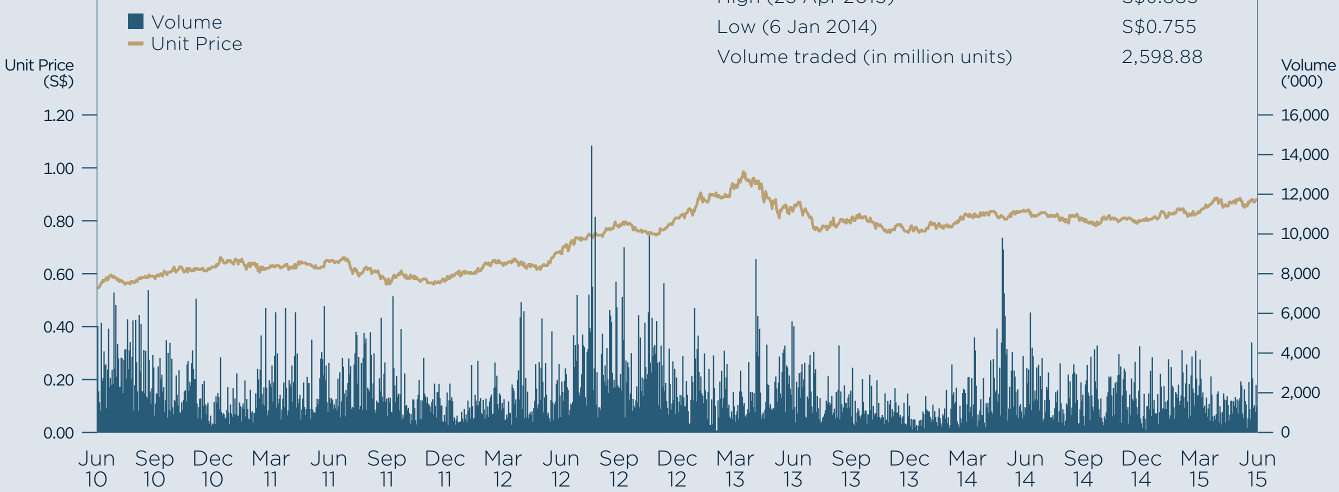
Balance Sheet as at:	30 Jun 2015	31 Dec 2013	Change (%)
Net Asset Value Per Unit	**S$0.91**	S$0.93	(2.2%)
Total Assets (million)	**S$3,193.4**	S$2,943.2	8.5%
Investment Properties			
– Number of Properties	**13** (1)	13	
– Valuation (million)	**S$3,116.2**	S$2,854.4	9.2%
Gearing	**35.5%**	29.0%	NM

Note:
(1) Number of properties included Myer Centre Adelaide acquired on 18 May 2015 and excluded Holon L divested on 19 March 2014.

Starhill Global REIT Unit Price & Daily Volume

(1 July 2010 – 30 June 2015)

From 1 January 2014 to 30 June 2015	
Opening price (1 Jan 2014)	S$0.785
Closing Price (30 Jun 2015)	S$0.880
High (23 Apr 2015)	S$0.885
Low (6 Jan 2014)	S$0.755
Volume traded (in million units)	2,598.88



Making *a* Statement

10-year CAGR
of 7.2%* in DPU

High occupancy
above 95% over
the last 10 years

10-year CAGR
of 9.3% in
investment
properties to
S$3.1 billion

* DPU from FY 2005 to 2Q FY 2009 have been restated to include the 963,724,106 rights units issued in August 2009. The computation excluded DPU for FY 2005 and the additional six months from January 2015 to June 2015 for FY 2014/15.

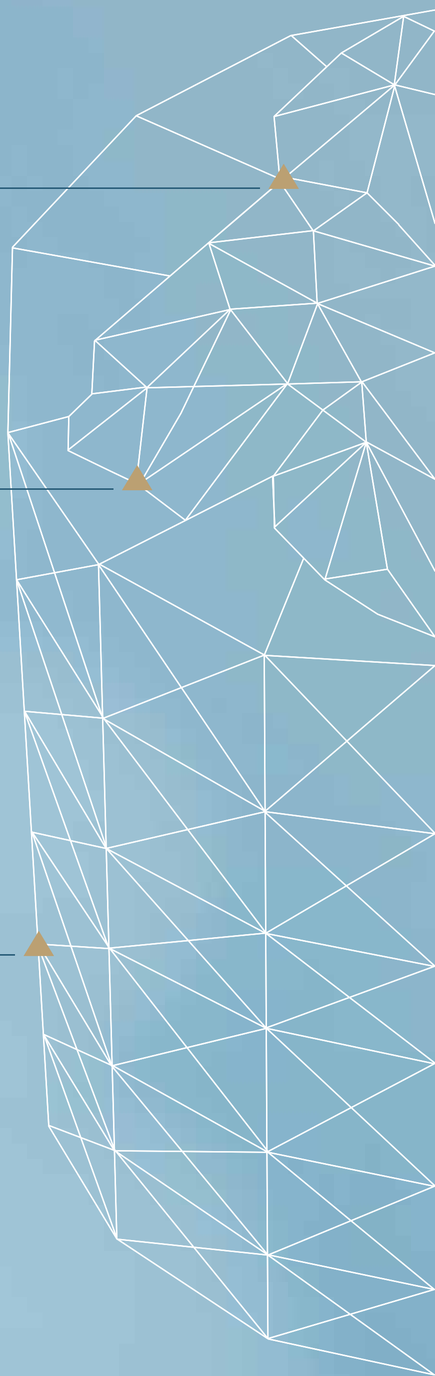
We have it, and proudly flaunt it.
Over the last 10 years, we have delivered steady growth in DPU through our quality assets in prime locations. From two properties since listing, we have grown our portfolio to 13 prime properties in five countries, and consistently maintained a resilient occupancy above 95%.

An Eye *for* Value

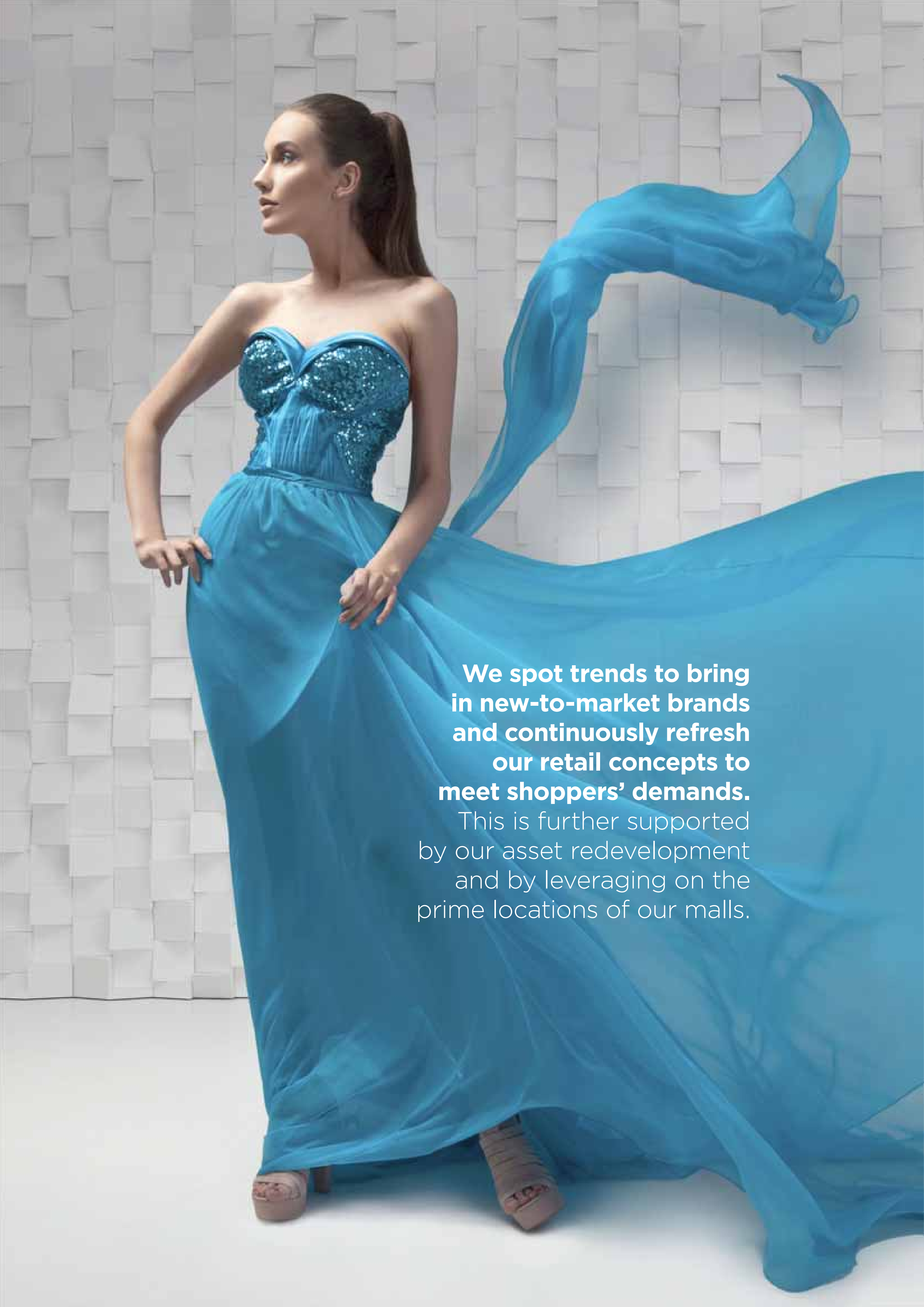
Myer Centre Adelaide, the largest CBD mall in the city and located in the city's premier retail area, was acquired in 2015 below replacement cost and at a yield of 6.6%

The Malaysia Properties, Starhill Gallery and Lot 10 Property located in Bukit Bintang in Kuala Lumpur, were acquired in 2010 at a yield of 7.2%

David Jones Building and Plaza Arcade, located along Murray Street and Hay Street, the only two retail pedestrian streets in Perth CBD, were acquired at yields of 7.9% and 7.8%, in 2010 and 2013 respectively



We always look out for great buying opportunities. We have seen our asset value grow over the years through yield-accretive acquisitions of prime assets.



We spot trends to bring in new-to-market brands and continuously refresh our retail concepts to meet shoppers' demands. This is further supported by our asset redevelopment and by leveraging on the prime locations of our malls.

A Centre *of* Attraction

Asset redevelopment of Wisma Atria Property in Singapore generated an ROI of 12.8%, exceeding the initial target of 8%

New-to-market tenants over the years include Tory Burch, H&M, Liu.Jo, Cotton On, Typo and Ben's Cookies; Level 3 of Lot 10 Property was repositioned as a Sports Hub with sportswear and sport equipment brands

Expansion of Louis Vuitton and Dior as they respectively tripled and doubled their store sizes at Starhill Gallery

Like a fine timepiece engineered to last, we adhere to the fundamentals of stability and prudence.

In the last 10 years, we have maintained good corporate ratings and healthy gearing through proactive refinancing. Our master tenancies and long-term leases coupled with active asset management provide a stable and balanced income stream.

Timeless Appeal

Master tenancies and long-term leases offer income stability with potential rental upside

Rated “BBB+” by Standard & Poor’s

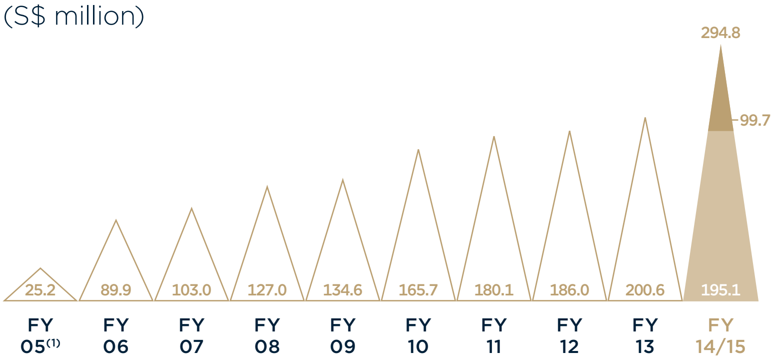
Average debt maturity of 3.5 years as at 30 June 2015

Healthy gearing of 35.5%

Celebrating 10 Years of Brilliance

Key Figures for 10 Years

Gross Revenue
(S$ million)

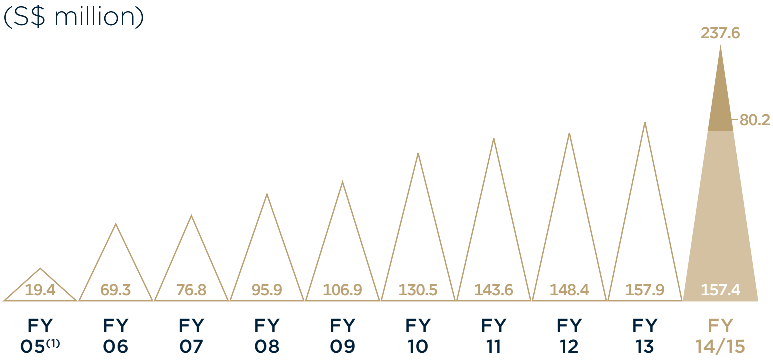


S$294.8m

FY 2014/15

CAGR (2) +10.2%

Net Property Income
(S$ million)

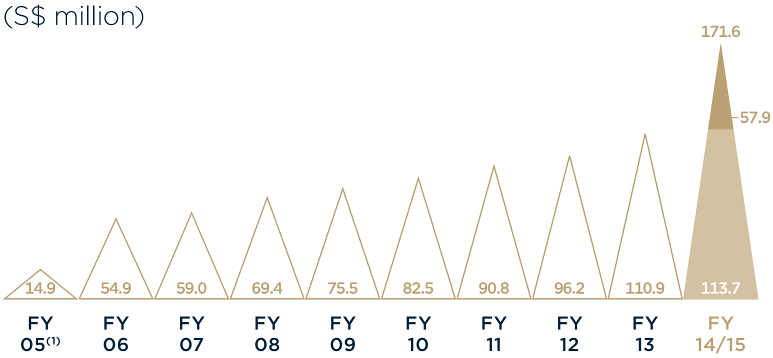


S$237.6m

FY 2014/15

CAGR (2) +10.8%

Income Available for Distribution
(S$ million)



S$171.6m

FY 2014/15

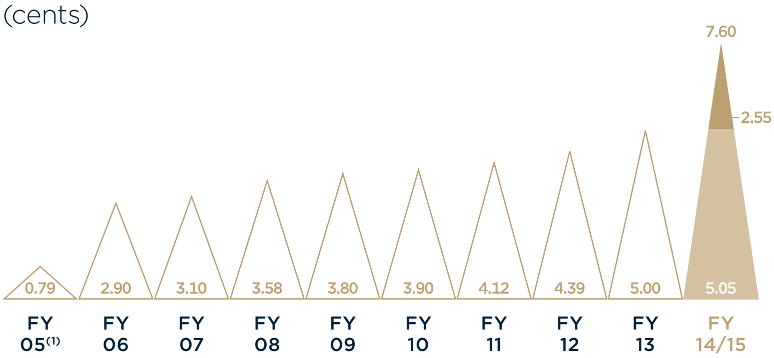
CAGR (2) +9.5%

January 2014 – December 2014
January 2015 – June 2015
As at 30 June 2015

Starhill Global REIT has delivered a steadfast performance since its public listing in 2005 through proactive lease management, sourcing accretive acquisitions and creative asset enhancements. Throughout, we maintained a sound financial standing, a strategy that enabled us to survive in the face of challenging economic cycles and deliver sustainable returns for our Unitholders.

DPU [3]

(cents)



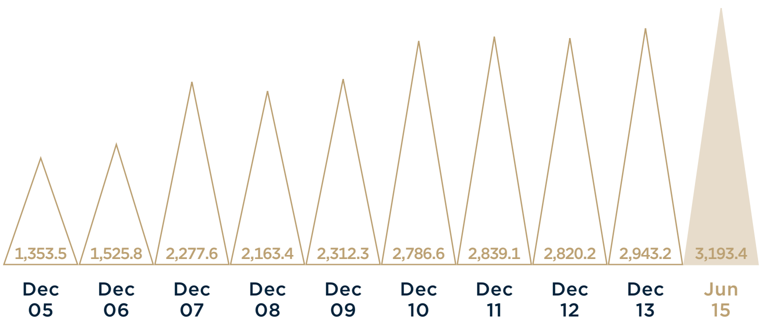
7.60¢

FY 2014/15

CAGR [2] [3] +7.2%

Total Assets

(S$ million)



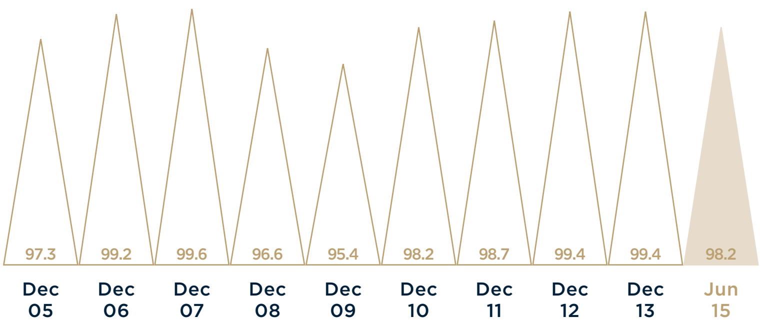
S$3,193.4m

JUNE 2015

CAGR +9.5%

Occupancy Rate

(%)



98.2%

JUNE 2015

Notes:
[1] For the period from IPO in September 2005 to December 2005.
[2] Excluded FY 2005 and the additional six months from January 2015 to June 2015 for FY 2014/15.
[3] DPU from FY 2005 to 2Q FY 2009 have been restated to include the 963,724,106 rights units issued in August 2009.

Celebrating 10 Years of Brilliance

Our 10-Year Milestone

2005

ASSET VALUE
S$1,327m

PROPERTIES
2
Singapore

DPU
1.58¢*
(20 Sep – 31 Dec) exceeding IPO forecast by 12.1%

- IPO closed with a huge subscription of 35 times. Prime REIT was listed on SGX-ST on 20 September
- Food Republic, the first modern food court with a 70s theme décor, officially opened on Level 4 of the Wisma Atria Property
- Prime REIT was renamed as Macquarie MEAG Prime REIT (MMP REIT)

2006

ASSET VALUE
S$1,498m

PROPERTIES
2
Singapore

DPU
2.90¢**

- MMP REIT was assigned a first time corporate family rating of "Baa1" with a stable outlook by Moody's

2007

ASSET VALUE
S$2,209m

PROPERTIES
10
Singapore
Chengdu, China
Tokyo, Japan

DPU
3.10¢**

- Acquired seven properties in Tokyo (Japan portfolio) for JPY14.4 billion
- Acquired a 100% stake in Renhe Spring Zongbei Property in Chengdu, China for RMB350 million
- Cotton On opened its first Asia store at Wisma Atria

2008

ASSET VALUE
S$2,103m

PROPERTIES
10
Singapore
Chengdu, China
Tokyo, Japan

DPU
3.58¢**

- Established S$2 billion multicurrency Medium Term Note (MTN) Programme and was assigned "Baa2" by Moody's
- Moody's assigns corporate family and unsecured ratings of "Baa2" and "Baa3" respectively with a stable outlook, following the strategic review of MMP REIT
- YTL Group announces its acquisition of 26% of MMP REIT and 50% of the holding company of the Manager from Macquarie Group
- MMP REIT is renamed Starhill Global REIT (SGREIT) and Tan Sri Dato' (Dr) Francis Yeoh is appointed Executive Chairman of the Manager
- Level 5 of Ngee Ann City was branded as "The Fifth - A Level Above Shopping"
- A 19.75% rent increase was secured for Toshin master lease at Ngee Ann City Property for a period of three years

2009

ASSET VALUE
S$1,982m

PROPERTIES
10
Singapore
Chengdu, China
Tokyo, Japan

DPU
3.80¢**

- 1-for-1 underwritten renounceable rights issue started trading in August, was 1.3 times subscribed, and expanded SGREIT's unit base to about 1.9 billion units, raising approximately S$337.3 million in gross proceeds

** pre-rights issue*

*** DPU from FY 2006 to FY 2009 have been restated to include the 963,724,106 rights units issued in August 2009*

**** Included two additional quarters of DPU for period from January 2015 to June 2015*

2010

ASSET VALUE
S$2,654m

PROPERTIES
13
Singapore
Kuala Lumpur, Malaysia
Perth, Australia
Chengdu, China
Tokyo, Japan

DPU
3.90¢

- Acquired David Jones Building in Perth, Australia for A$114.5 million
- YTL Group increased its indirect interest in the Manager and the Property Manager from 50% to 75%
- Acquired Starhill Gallery and Lot 10 in Kuala Lumpur, Malaysia for RM1,030 million, partially funded by the issue of 173.1 million convertible preferred units (CPU) to YTL Group
- Standard & Poor's assigns "BBB" and "BBB-" to SGREIT's corporate family rating and the S$2 billion MTN programme respectively, with a stable outlook

2011

ASSET VALUE
S$2,710m

PROPERTIES
13
Singapore
Kuala Lumpur, Malaysia
Perth, Australia
Chengdu, China
Tokyo, Japan

DPU
4.12¢

- Completed RM25 million redevelopment work at Starhill Gallery with an additional 8,100 sq ft of NLA
- Commenced S$31 million asset redevelopment works at Wisma Atria Property
- Completed facelift at Renhe Spring Zongbei Property in Chengdu, China. Ermenegildo Zegna expanded its floor space in the property, creating its flagship store for Chengdu

2012

ASSET VALUE
S$2,713m

PROPERTIES
13
Singapore
Kuala Lumpur, Malaysia
Perth, Australia
Chengdu, China
Tokyo, Japan

DPU
4.39¢

- YTL Group increased its indirect interest in the Manager and the Property Manager from 75% to 100%
- Completed asset redevelopment works at Wisma Atria Property, achieving an ROI of 12.8%. Wisma Atria houses the Singapore flagship stores of Coach and Tory Burch and the world's largest TAG Heuer boutique
- At Lot 10 Property, H&M opened its first flagship store of about 36,000 sq ft in Kuala Lumpur

2013

ASSET VALUE
S$2,854m

PROPERTIES
13
Singapore
Kuala Lumpur, Malaysia
Perth, Australia
Chengdu, China
Tokyo, Japan

DPU
5.00¢
(including one-time DPU payout of 0.19 cents due to receipt of accumulated rental arrears from Toshin master lease (net of expenses) in 1Q 2013)

- Roppongi Primo in Tokyo, Japan was divested for JPY700 million at valuation
- Acquired Plaza Arcade in Perth, Australia for A$48 million
- YTL Group converted 152.7 million CPU into 210.2 million Units, raising its stake in SGREIT to 36.27%
- Standard & Poor's upgraded SGREIT's corporate rating to "BBB+" from "BBB", with a stable outlook. Correspondingly, the S$2 billion MTN programme rating and notes were upgraded to "BBB+"
- Secured 10% rent increase for Toshin master lease at Ngee Ann City Property from June 2011
- Secured 6.7% rent increase for Toshin master lease at Ngee Ann City Property upon renewal of its master lease for 12 years from June 2013
- Secured a 7.2% rental reversion effective 28 June 2013 for its master leases of the Malaysia Properties

2014/15

ASSET VALUE
S$3,116m

PROPERTIES
13
Singapore
Kuala Lumpur, Malaysia
Adelaide, Australia
Perth, Australia
Chengdu, China
Tokyo, Japan

DPU
7.60¢***

- SGREIT changed its financial year end from 31 December to 30 June
- Holon L in Tokyo, Japan was divested for JPY1,026 million, 6% above valuation
- At Starhill Gallery, key luxury tenants Louis Vuitton and Dior tripled and doubled their store sizes respectively
- Secured a 6.12% rental uplift for David Jones' lease review with effect from 1 August 2014
- Level 3 of Lot 10 Property was repositioned into a Sports Hub showcasing a variety of popular sportswear and equipment brands
- A new pedestrian bridge connecting Bukit Bintang Monorail station to Lot 10 was completed, providing shoppers greater connectivity
- Level 3 of Ngee Ann City Property was repositioned to house fashion and lifestyle retailers following the relocation of Books Kinokuniya to Level 4
- Acquired Myer Centre Adelaide, South Australia for A$288 million
- YTL Group converted the remaining 20.3 million CPU into 28.0 million Units, raising its stake in SGREIT to 37.09%. Following this conversion, there are no more CPU
- The appointment of YTL Starhill Global Property Management Pte. Ltd. as property manager for SGREIT's Singapore assets, was extended for a further term of five years from 20 September 2015
- SGREIT's property portfolio was valued at approximately S$3.1 billion as at 30 June 2015

Celebrating 10 Years of Brilliance

Transforming our Spaces

LOT 10 PROPERTY
H&M opened its first flagship store of about 36,000 sq ft in Kuala Lumpur in 2012. In 2011, the property underwent asset repositioning.

In 2014, Zara expanded to reveal a three-storey store while level three was repositioned as a Sports Hub housing sport and fitness brands.

2005

WISMA ATRIA PROPERTY
New sleek and modern facade with double-storey shopfronts. Houses flagship stores of Coach and Timewise by Cortina Watch, the first Tory Burch boutique in Singapore and the largest TAG Heuer boutique in the world.

Asset Redevelopment

S$ 31m

ROI

12.8%
exceeding the initial projection of 8%

2012

2012

STARHILL GALLERY
Created an additional 8,100 sq ft of net lettable area and a new iconic facade. Fresh retail concepts within the newly-created space include Jaeger-LeCoultre, Sincere Fine Watches and a Hermès Horloger boutique.

Asset Redevelopment
RM25m

2011

2010

2010

Our Geographical Reach

CHENGDU, CHINA

RENHE SPRING ZONGBEI PROPERTY
Retail

TOKYO, JAPAN

DAIKANYAMA
Retail [1]

NAKAMEGURO PLACE
Retail

EBISU FORT
Retail [1]

ROPPONGI TERZO
Retail

HARAJYUKU SECONDO
Retail

SINGAPORE

WISMA ATRIA PROPERTY
Retail and Office

NGEE ANN CITY PROPERTY
Retail and Office

KUALA LUMPUR, MALAYSIA

STARHILL GALLERY
Retail [1]

LOT 10 PROPERTY
Retail [1]

PERTH, AUSTRALIA

DAVID JONES BUILDING
Retail

PLAZA ARCADE
Retail

ADELAIDE, AUSTRALIA

MYER CENTRE ADELAIDE [2]
Retail and Office

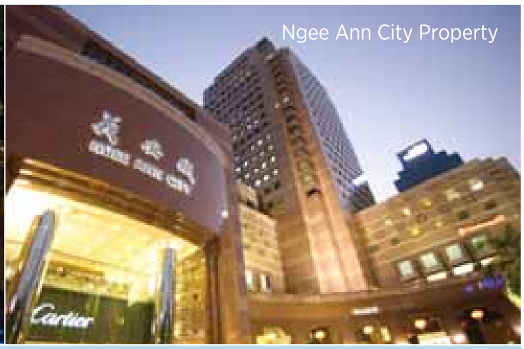
Starhill Global REIT's portfolio comprises 13 mid- to high-end properties – mainly retail assets – in five countries across the Asia-Pacific.

(1) Largely retail with a small office component.
(2) Myer Centre Adelaide was acquired in May 2015.

Asia-Pacific Countries

5


Wisma Atria Property


Ngee Ann City Property


Myer Centre Adelaide

Properties

13

Retail and Office Space

2.22m sq ft

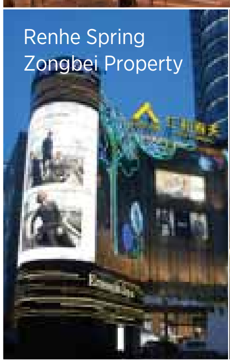

David Jones Building & Plaza Arcade

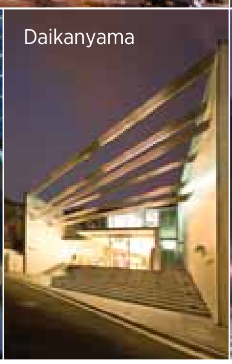

Starhill Gallery


Lot 10 Property

Starhill Global REIT's Asset Value

S$3,116.2m


Renhe Spring Zongbei Property


Daikanyama


Ebisu Fort


Harajyuku Secondo


Nakameguro Place


Roppongi Terzo

Letter to Unitholders

Tan Sri Dato' (Dr) Francis Yeoh Sock Ping
Executive Chairman

Mr Ho Sing
Chief Executive Officer & Executive Director

Starhill Global REIT delivers 10 years of positive growth and solid performance

"The sterling performance was achieved due to its focus on prime real estate."

Dear Unitholders

On behalf of the Board of YTL Starhill Global REIT Management Limited, the Manager of Starhill Global REIT, we are pleased to present the report and audited financial statements of Starhill Global REIT for the 18 months ended 30 June 2015 (FY 2014/15). The financial year end of Starhill Global REIT has been changed from 31 December to 30 June so as to align with our sponsor, YTL Corp. Thus the FY 2014/15 financial year is an 18-month period from 1 January 2014 to 30 June 2015.

ANOTHER YEAR OF CONSISTENT PERFORMANCE

For the 18 months ended 30 June 2015, Starhill Global REIT recorded a distribution per unit (DPU) of 7.60 cents. For the 12 months ended 30 June 2015, DPU would have been 5.11 cents (3.7% higher) compared to 4.93 cents achieved for the 12 months ended 30 June 2014. Based on Starhill Global REIT's closing price of 88 cents on 30 June 2015, the rolling 12-month DPU translates to an implied yield of 5.81%, representing the highest DPU [(1)] achieved since its listing in September 2005.

The strong performance for the 12 months ended 30 June 2015 was mainly attributed to the sustained growth from our core Singapore portfolio and maiden contribution of approximately 1.5 months from the newly acquired Myer Centre Adelaide. The overall performance of the REIT could have been stronger if not for the negative currency movements, weaker China contribution and the loss of income from the divestment of Holon L in Tokyo.

STRONG PERFORMANCE FROM SINGAPORE

Singapore continued its strong performance with a net property income (NPI) of S$106.0 million for the 12 months ended 30 June 2015, representing a growth of 3.9% over the corresponding period. Ngee Ann City retail continued to enjoy stable income from the long term lease to master tenant, Toshin. Wisma Atria retail recorded NPI growth of 6.0% to S$45.4 million for the 12 months ended 30 June 2015 driven by strong rental reversion of 7.8% for leases committed in the same period and sustained occupancy rate of 98.1% as at 30 June 2015. Our Singapore Properties' prime location on the most popular retail thoroughfare in Southeast Asia continues to be well sought after by international retailers.

Some of the more prominent retail operators and brands that have chosen Wisma Atria over the past 18 months include luxury watch retailers Hong Kong's Emperor Watch & Jewellery and Swiss luxury watch brand deLaCour, UK's Ben's Cookies, Spanish yogurt parlour llao llao, American luxury luggage brand Hartmann, Korean cosmetics Etude House, and gourmet burger restaurant Omakase Burger.

Level 3 of Ngee Ann City Property was repositioned following the relocation of Books Kinokuniya to Level 4. New fashion and lifestyle retailers include American Vintage, British India, Kiton, LaPrendo, La Cure Gourmande, Lululemon Athletica, and ABC Cooking Studio from Japan.

Aside from retail, the office portfolio in the Ngee Ann City Property and Wisma Atria Property continued to perform with NPI growth of 5.5% to S$21.1 million for the 12 months ended 30 June 2015 on the back of 6.0% positive rental reversion for leases committed in the same period and high occupancy rate of 99.3% as at 30 June 2015. The prime location along Orchard Road and the limited available new supply of space in the vicinity have contributed to the resilience of the office portfolio.

SUCCESSFULLY SECURED PRIME AUSTRALIAN ASSET IN ADELAIDE

The purchase price of A$288 million is lower than replacement cost, translates to NPI yield of 6.6% and is DPU accretive [(2)].

Australia has grown to become our second largest market following the acquisition of Myer Centre Adelaide in May 2015. Myer Centre Adelaide is the largest city mall located in the prime CBD retail stretch (Rundle Mall) in Adelaide, the only retail pedestrian stretch in the city. It benefits from its close proximity to the main office district, established universities, as well as the popular Riverbank Entertainment Precinct where the city's Convention Centre, Festival Theatre and the sports stadium are located.

The purchase price of A$288 million is lower than replacement cost, translates to NPI yield of 6.6% and is 2.8% accretive to DPU on a proforma basis [(2)]. Occupancy for the retail mall stands at 96.7% with Myer being the key anchor tenant while the occupancy rate for the office segment was 91.6% as at 30 June 2015. The property also comes with approximately 113,000 square feet of vacant space on levels 4 and 5 which present asset enhancement opportunities. Given the prime location, Myer Centre Adelaide is likely to be the preferred location for international retailers expanding into Adelaide. After the acquisition, the proportion of contribution from Australia increased from 9.3% of the Group's revenue for 5Q FY 2014/15 to 16.0% of the Group's revenue for 6Q FY 2014/15 based on the approximately 1.5 months contribution from Myer Centre Adelaide (or approximately 23% [(2)] based on full period contribution from Myer Centre Adelaide).

EXTRACTING VALUE FOR UNITHOLDERS

The resources unlocked from the Japan divestment will be channelled towards strengthening Starhill Global REIT's portfolio.

We continue to streamline our portfolio and focus on our strengths so as to extract value for Unitholders. In March 2014, we divested Holon L in Tokyo at a 6% premium to valuation. Proceeds were substantially used to repay JPY borrowings. The resources unlocked from the divestment will be channelled towards strengthening Starhill Global REIT's portfolio as demonstrated by the recent acquisition of Myer Centre Adelaide.

Asset redevelopment has been one of the key value creation strategies. In recent years, the rejuvenation of Wisma Atria Property and Starhill Gallery have contributed positively to income growth and keeping the assets relevant to shoppers. Looking ahead, we will be focusing our efforts on the redevelopment of Plaza Arcade in Perth, Australia. The property has received approval from the local authorities and we plan to convert approximately 9,000 square feet of space on the upper floor for more productive retail use.

PRUDENT CAPITAL MANAGEMENT

The fully debt-funded acquisition of Myer Centre Adelaide raised the gearing of Starhill Global REIT from 29.0% as at 31 December 2013 to about 35.5% as at 30 June 2015. Notwithstanding the higher level of

Letter to Unitholders

borrowings, the average interest cost of Starhill Global REIT only increased marginally to approximately 3.2% per annum as at 30 June 2015. Standard & Poor's Ratings Services has affirmed Starhill Global REIT's "BBB+" rating with a stable outlook in April 2015.

We have also been actively refinancing existing facilities ahead of maturities, diversifying funding sources by tapping the bond market, and extending the tenor of our loans as we locked in financing cost to mitigate interest rate exposure. While average debt maturity remained stable at 3.5 years as at 30 June 2015, the maturity profile is better staggered with maturity being extended up to year 2023. With the recent series of refinancing in July 2015, there will be no significant debt refinancing requirement until 2018 and average debt maturity has been extended to approximately 4.1 years.

Starhill Global REIT derived 67.3% (or approximately 57% [2] based on full period contribution from Myer Centre Adelaide) of the Group's revenue from its Singapore assets for FY 2014/15. Foreign exchange and interest rates environment have experienced recent volatility. Foreign exchange exposure for FY 2014/15 has been partially hedged via foreign currency borrowings and short-term foreign currency forward contracts. As at 30 June 2015, we have also proactively hedged all our interest rates exposure through interest rates swaps and caps thus mitigating the impact of interest rates fluctuation on DPU.

DELIVERING 10 YEARS OF GROWTH AND PERFORMANCE

This September 2015 will mark the 10 years' anniversary of Starhill Global REIT since the listing on the SGX-ST in September 2005. Over the course of this period, the REIT has delivered a compound annual growth rate (CAGR) of 7.2% [1] [3] in DPU. Starhill Global REIT is one of the largest REITs listed on the SGX-ST with market capitalisation at S$1.9 billion as at 30 June 2015, the 13th highest amongst 32 listed REITs. The sterling performance was achieved due to its focus on prime real estate. The portfolio has grown from just S$1.3 billion solely in Singapore to S$3.1 billion in five countries across the Asia-Pacific with overseas assets contributing about 33% of its revenue for FY 2014/15. With a balanced portfolio of master and long-term leases as well as actively managed leases, Starhill Global REIT has kept portfolio occupancy at above 95% over the last 10 years. We ended the past 10 years having delivered strong growth in assets and solid performance.

LOOKING AHEAD

The International Monetary Fund's regional economic outlook forecasts that growth in the Asia-Pacific area will moderate to 5.5% next year. This will lead to the moderation in regional tourism and retail spending growth in the immediate future. The prolonged manpower crunch in Singapore may also dampen some retailers' plans for expansion. The retail environment in Chengdu remains challenging with the ongoing austerity measures and new supply of malls. Interest rates and foreign exchange markets are expected to remain volatile.

Notwithstanding the above, Asia's growing middle income class will continue to underpin the longer term retail scene. Starhill Global REIT's portfolio of properties in prime locations is well-positioned to cater to the growing pool of international retailers seeking to establish their presence in the region. We will continue to refine our portfolio by further trimming exposure of non-core assets and selectively acquiring prime real estate in our core cities.

We remain focused on optimising the performance of our assets, while leveraging on our balanced retail mall portfolio and adopting a prudent capital management approach, to deliver sustainable long term returns to Unitholders.

ACKNOWLEDGEMENTS

The Board and Management would like to thank our directors for their invaluable contributions and guidance, our colleagues for their hard work and dedication, and our tenants, business partners and investors for their continued trust and support. We would also like to thank you, our Unitholders, for your support and confidence in Starhill Global REIT since listing.

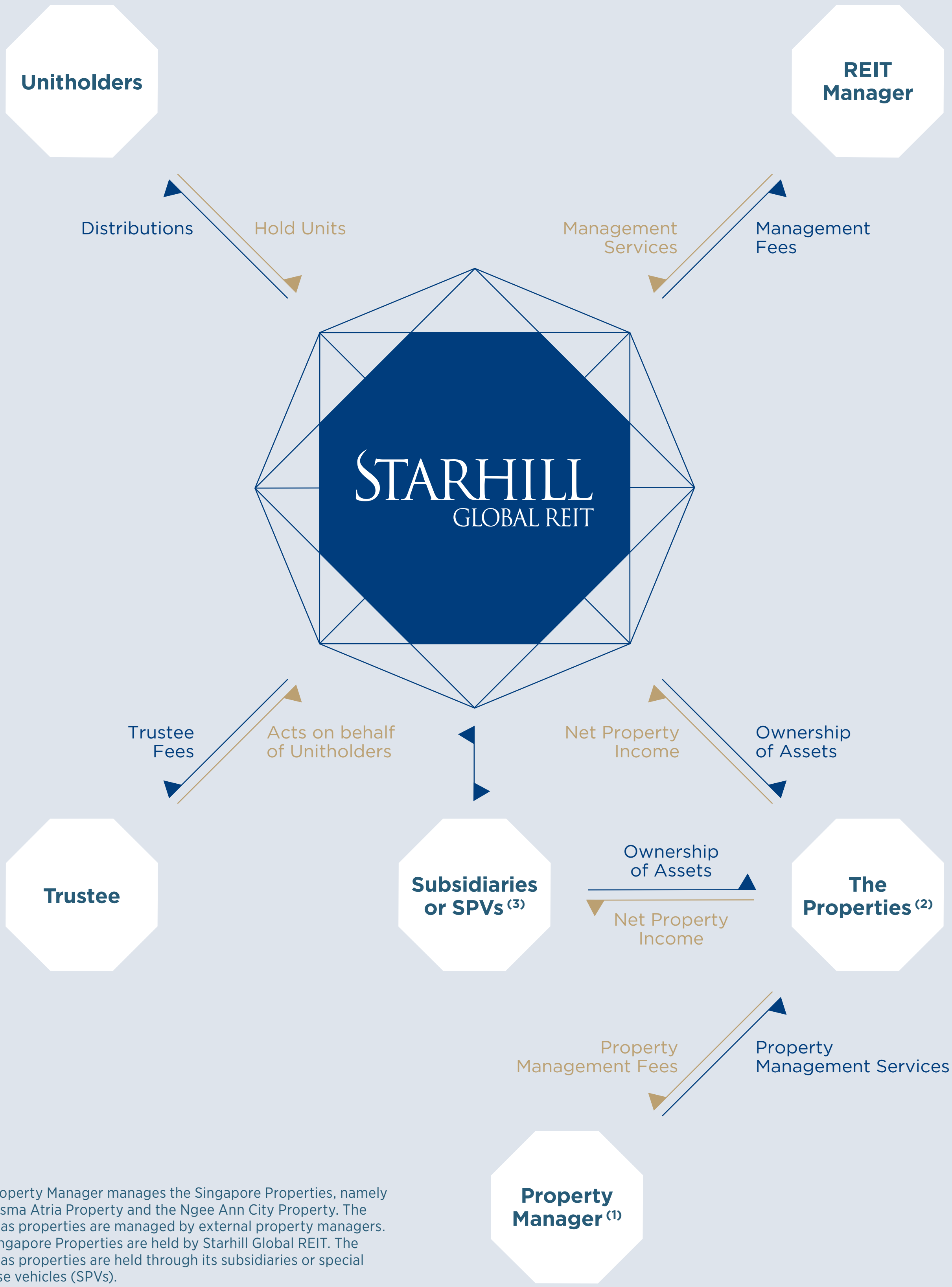
TAN SRI DATO' (DR) FRANCIS YEOH SOCK PING
PSM, CBE, FICE, SIMP, DPMS, DPMP, JMN, JP
Executive Chairman

HO SING
Chief Executive Officer and Executive Director

28 August 2015

Notes:
(1) The REIT's DPUs from FY 2005 to 2Q FY 2009 have been restated to include the 963,724,106 rights units issued in August 2009.
(2) Proforma financial effects are strictly for illustrative purposes only and were prepared based on the unaudited consolidated financial statements of Starhill Global REIT for the 12 months ended 31 December 2014.
(3) Excluded FY 2005 and the additional six months from January 2015 to June 2015 for FY 2014/15.

Trust Structure



Notes:

(1) The Property Manager manages the Singapore Properties, namely the Wisma Atria Property and the Ngee Ann City Property. The overseas properties are managed by external property managers.

(2) The Singapore Properties are held by Starhill Global REIT. The overseas properties are held through its subsidiaries or special purpose vehicles (SPVs).

(3) The net income from overseas properties are largely repatriated to Starhill Global REIT via a combination of trust distributions, dividends, interest, as well as repayment of shareholders' loans and/or redemption of redeemable preference shares.

Significant Events in FY 2014/15

2014

JANUARY 2014
Starhill Gallery's key luxury tenant Louis Vuitton tripled its presence in Starhill Gallery to approximately 16,000 sq ft with the opening of its first global boutique in Malaysia.

FEBRUARY 2014
Issued S$100 million seven-year unsecured fixed rate notes at 3.5% coupon per annum due 2021 (Series 002 Notes) under its S$2 billion multicurrency MTN Programme, and the notes were assigned a "BBB+" rating by Standard & Poor's.

MARCH 2014
Starhill Global REIT changed its financial year end from 31 December to 30 June. Therefore, the current financial year will be a 18-month period from 1 January 2014 to 30 June 2015.

Holon L in Tokyo, Japan was divested on 19 March 2014 for JPY1,026 million, at a 6.0% premium to its most recent valuation.

APRIL 2014
Starhill Gallery held its annual Fashion Week 2014, a preview of Spring/Summer collections by international designers.

MAY 2014
Lot 10 was the official venue for the Nike Women Run Free Rooftop Celebration 2014.

JUNE 2014
Soccer legend Michael Owen made a guest appearance on 28 June 2014 as part of Wisma Atria's GOAL! All The Way campaign.

At Starhill Gallery, Dior re-opened after renovations and doubled its store size to approximately 6,200 sq ft.

Entered into an agreement with the same bank to extend the maturity date of its existing secured A$63 million term loan by two years to June 2019.

AUGUST 2014
Secured a 6.12% rental uplift for David Jones' lease review with effect from 1 August 2014.

Ben's Cookies, a chain of cookie shops from the UK, established its first Singapore store at Wisma Atria.

SEPTEMBER 2014
Early refinanced its existing RM330 million Senior MTN ahead of maturity in June 2015, funded largely by the proceeds from a new issue of five-year secured fixed rate notes at a coupon of 4.48% per annum due to mature in September 2019. The new notes were assigned a "AAA" rating by RAM Rating Services Berhad.

A new pedestrian bridge from Bukit Bintang monorail station was completed in September 2014. Directly connected to Level 1 of Lot 10, it gives shoppers greater accessibility to the mall.

Spanning over 21,000 sq ft, the Lot 10 Sports Hub was officially launched on 18 September and graced by Singapore football icon Abbas Saad. Asia's first Liverpool FC boutique was officiated by former Liverpool striker Robbie Fowler.

OCTOBER 2014
Korean cosmetics brand Etude House opened its flagship Singapore concept store at Wisma Atria.

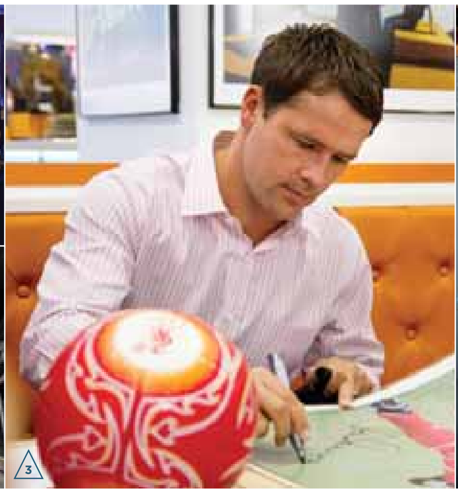
NOVEMBER 2014
Starhill Gallery hosted Asia's grandest luxury watch and jewellery show "A Journey Through Time VIII". Over 125 luxury brands including Bedat & Co, Cecil Purnell, Hermès, Omega, Hublot, Jaeger-LeCoultre, Ulysse Nardin, Breguet, Dior and Maîtres du Temps showcased their private collections, international product debuts and exquisite pieces.

DECEMBER 2014
Attracted shopper traffic of 26.6 million to the Wisma Atria Property in year 2014.

Starhill Global REIT's property portfolio was valued at S$2,854.8 million as at 31 December 2014.


1 The annual Starhill Gallery Fashion Week showcased a preview of collections by international designers.


2 The Nike Women Run Free Rooftop Celebration 2014 held at Lot 10.


3 Soccer legend Michael Owen made a guest appearance as part of Wisma Atria's GOAL! All The Way campaign.


4 Singapore luminary actress Zoe Tay (right) was a recipient of the inaugural StyleXStyle SG50 Awards held at Wisma Atria.

▲ 2015

JANUARY 2015
Hartmann, the American fashion luggage brand, opened its first Singapore boutique at Wisma Atria.

MARCH 2015
Starhill Gallery held its annual Fashion Week 2015 which showcased a preview of Spring/Summer collections by international designers.

APRIL 2015
Entered into a facility agreement with the same banks to secure a five-year unsecured term loan facility to early refinance its existing JPY6.3 billion term loan in July 2015, ahead of maturity in September 2016.

Starhill Global REIT was affirmed a "BBB+" rating by Standard & Poor's.

New tenants including Lululemon Athletica, La Cure Gourmande, ABC Cooking Studio from Japan and British India have moved into the newly reconfigured space on Level 3 of Ngee Ann City. Previous tenant, Books Kinokuniya has been relocated to Level 4.

Swiss luxury watch brand deLaCour opened its first flagship boutique in Asia, at Wisma Atria.

MAY 2015
Completed the acquisition of Myer Centre Adelaide for A$288 million, expanding Starhill Global REIT's footprint in Australia from 7.1% as at 31 December 2014 to approximately 16.1% by asset value as at 30 June 2015.

Entered into a A$145 million three-year secured term loan facility and a S$250 million three-year unsecured term loan facility to secure the funding for the acquisition of Myer Centre Adelaide in May 2015 and to early refinance its existing S$100 million term loan in June 2015, ahead of maturity in September 2016.

Issued S$125 million eight-year unsecured fixed rate notes at 3.4% coupon per annum due 2023 (Series 003 Notes) under its S$2 billion multicurrency MTN Programme. The notes were assigned a "BBB+" rating by Standard & Poor's.

Wisma Atria hosted the inaugural StyleXStyle SG50 Awards which recognised 50 individuals who have contributed passionately to fashion, music, food and art industries in Singapore.

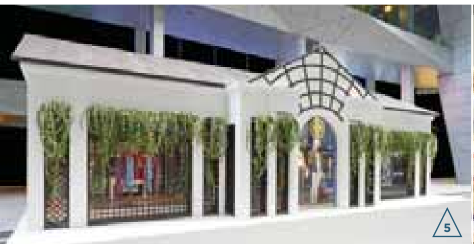
Tory Burch's showcase of the brand's Summer 2015 collection was officially unveiled at Wisma Atria with a pop-up shop inspired by the designer's own poolhouse.

The appointment of the Property Manager of Starhill Global REIT's interests in Ngee Ann City and Wisma Atria, YTL Starhill Global Property Management Pte. Ltd., was extended for a further term of five years from 20 September 2015.

JUNE 2015
YTL Group converted the remaining 20,334,750 CPU issued in June 2010 into 27,986,168 Units, raising its stake in Starhill Global REIT to 37.09%. Following this conversion, there are no more CPU.

Starhill Gallery hosted the Global Business Forum and post-event party of the International Indian Film Academy (IIFA) Awards 2015, which honours creative and technical talents of the Hindi film industry. The event was attended by Bollywood celebrities.

Starhill Global REIT's property portfolio, which includes the recently acquired Myer Centre Adelaide, was valued at S$3,116.2 million as at 30 June 2015.



5 The Tory Burch Getaway Boutique at Wisma Atria which showcased the brand's Summer 2015 collection.

6 A Journey Through Time VIII at Starhill Gallery.

7 The launch of Lot 10 Sports Hub was graced by Singapore football icon Abbas Saad (third from left).

8 Bollywood celebrity Hrithik Roshan (right) at Starhill Gallery which hosted the Global Business Forum segment of the International Indian Film Academy (IIFA) Awards.

Board of Directors

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1. TAN SRI DATO' (DR) FRANCIS YEOH SOCK PING
Executive Chairman

Tan Sri Dato' (Dr) Francis Yeoh joined the Board on 31 December 2008. Tan Sri Francis studied at Kingston University, UK, where he obtained a Bachelor of Science (Hons) in Civil Engineering and was conferred an Honorary Doctorate of Engineering in 2004. In July 2014, Tan Sri Francis was conferred an Honorary Degree of Doctor of Laws from the University of Nottingham. He was appointed as an Executive Director of YTL Corp in 1984 and has been the Managing Director of YTL Group since 1988. Under his stewardship, YTL Corp has grown from a single listed entity into a force comprising five listed entities, i.e. YTL Corp, YTL Power International Berhad, YTL Land & Development Berhad, YTL e-Solutions Berhad and YTL Hospitality REIT.

Tan Sri Francis is presently the Managing Director of YTL Corp, YTL Power International Berhad and YTL Land & Development Berhad, all listed on the Main Market of Bursa Malaysia Securities Berhad. Tan Sri Francis is also the Executive Chairman and Managing Director of YTL e-Solutions Berhad which is listed on the ACE Market of Bursa Malaysia Securities Berhad. Tan Sri Francis sits on the board of several public companies such as YTL Cement Berhad and YTL Industries Berhad, and private utilities companies including Wessex Water Limited and Wessex Water Services Limited in England and Wales, and YTL PowerSeraya Pte Limited in Singapore. He also sits on the board of trustee(s) of YTL Foundation. Tan Sri Francis is also an Independent Non-Executive Director of The Hongkong and Shanghai Banking Corporation Limited, and is a director and Chief Executive Officer of Pintar Projek Sdn Bhd, the manager of YTL Hospitality REIT.

Tan Sri Francis is a Founder Member of the Malaysian Business Council and The Capital Markets Advisory Council. He is also a member of The Nature Conservancy Asia Pacific Council, the Asia Business Council, Trustee of the Asia Society and Chairman for South East Asia of the International Friends of the Louvre. He is also a member of the Advisory Council of London Business School, Wharton School and INSEAD. He served as a member of Barclays Asia-Pacific Advisory Committee from 2005 to 2012.

Tan Sri Francis has been ranked by both Fortune and Businessweek magazines as one of Asia's 25 Most Powerful and Influential Business Personalities and by Asiamoney as one of Asia's Top Executives. He was named "Ernst & Young Master Entrepreneur of the Year" in Malaysia in 2002 and Malaysia's "CEO of the Year" by CNBC Asia Pacific in 2005.

In 2006, Tan Sri Francis was awarded the Commander of the Most Excellent Order of the British Empire (CBE) by Her Majesty Queen Elizabeth II and received a prestigious professional accolade when made a fellow of the Institute of Civil Engineers in London in 2008.

He was the Primus Inter Pares Honouree of the 2010 Oslo Business for Peace Award, for his advocacy of socially responsible business ethics and practices. The Award was conferred by a panel of Nobel Laureates in Oslo, home of the Nobel Peace Prize. He also received the Corporate Social Responsibility Award at CNBC's 9th Asia Business Leaders Awards 2010.

Tan Sri Francis is responsible for charting the strategic direction and growth of Starhill Global REIT in consultation with the Board and monitoring the translation of Board decisions into executive actions and the overall management of Starhill Global REIT's business and operations.

2. MR HO SING
Executive Director

Mr Ho Sing joined the Board on 20 April 2010. He is the Chief Executive Officer of the Manager. He assists the Executive Chairman and the Board in formulating strategies for Starhill Global REIT and is responsible for the day-to-day operations of Starhill Global REIT.

He has over 20 years of leadership and management experience with multi-national companies in engineering, medical, infrastructure, and real estate. These included senior positions in the Singapore Technologies Group, Dornier Medical, Sembcorp Industries and Guocoland Limited. He is currently an Independent Non-Executive Director of Daiman Development Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad.

Mr Ho holds a Bachelor of Science degree in Aerospace Engineering from the University of Texas, Austin, USA. He also completed the Stanford Executive Program at Stanford University in 2002.

3. DATO' YEOH SEOK KIAN
Non-Executive Director

Dato' Yeoh Seok Kian joined the Board on 31 December 2008. He has been an Executive Director of YTL Corp since 1984. He is currently the Deputy Managing Director of YTL Corp and YTL Power International Berhad, and the Executive Director of YTL Land & Development Berhad, all listed on the Main Market of Bursa Malaysia Securities Berhad.

Dato' Yeoh also serves on the board of several other public companies such as YTL Cement Berhad, YTL Industries Berhad and The Kuala Lumpur Performing Arts Centre, and private utilities company, Wessex Water Limited in England and Wales and YTL PowerSeraya Pte Limited in Singapore. He is also an Executive Director of Pintar Projek Sdn Bhd, the manager of YTL Hospitality REIT.

Dato' Yeoh holds a Bachelor of Science (Honours) degree in Building from Heriot-Watt University, Edinburgh, United Kingdom. He also attended the Advance Management Programme conducted by Wharton Business School, University of Pennsylvania and is a Fellow of the Faculty of Building, United Kingdom, as well as a Member of the Chartered Institute of Building (United Kingdom).

4. MR KEITH TAY AH KEE
Lead Independent Director

Mr Keith Tay joined the Board on 1 October 2007 and is the Chairman of the Audit Committee. He is the Chairman of Stirling Coleman Capital Limited and a Board Member of the Singapore International Chamber of Commerce (of which he was a past Chairman). In addition, Mr Tay also serves on the boards of several other companies listed on the SGX-ST, viz, FJ Benjamin Holdings Ltd, Singapore Post Limited, Rotary Engineering Limited and Singapore Reinsurance Corporation Ltd., and AMVIG Holdings Limited, a company listed on the Stock Exchange of Hong Kong Limited. He was the Chairman and Managing Partner of KPMG Peat Marwick Singapore from 1984 to 1993 and President of the Institute of Certified Public Accountants of Singapore (now known as Institute of Singapore Chartered Accountants) from 1982 to 1992.

His past principal directorships in the preceding three years include Singapore Institute of Directors and SATS Limited.

Mr Tay qualified as a Chartered Accountant in London, UK. He was conferred the BBM – Public Service Star in 1990 by the President of the Republic of Singapore. In 1988, he was conferred the First International Award by the Institute of Chartered Accountants in England & Wales for outstanding contributions to the profession. The Institute of Certified Public Accountants of Singapore conferred upon Mr Tay the Gold Medal for distinguished service to the profession and made him an Honorary Fellow in 1993.

5. DR HONG HAI
Independent Director

Dr Hong Hai joined the Board on 18 July 2005 and is a member of the Audit Committee. He is Adjunct Professor at Nanyang Business School, and Senior Fellow, Institute of Advanced Studies at Nanyang Technological University (NTU) in Singapore. He is a director of Asiamedic Limited, Poh Tiong Choon Logistics Ltd and China Merchant Holdings (Pacific) Ltd.

Dr Hong was previously Professor (2003 - 2013) and Dean (2003 - 2007) at the College of Business, NTU, and President and Chief Executive Officer of Haw Par Corporation Limited (1990 – 2003), and has taught at the Kellogg School of Management in Chicago and the National University of Singapore. His past principal directorships in the preceding three years include Luye Pharma Ltd.

Dr Hong holds a first class honours degree in Electrical Engineering from the University of Canterbury, Masters Degrees from Harvard University and Cambridge University, and PhDs from Carnegie-Mellon University and the London School of Economics. A former Member of Parliament and Chairman of the Parliamentary Select Committee on Land Transportation, he is an Honorary Council Member of the Singapore Chinese Chamber of Commerce & Industry.

6. MR MICHAEL HWANG
Independent Director

Mr Michael Hwang joined the Board on 1 January 2006 and is a member of the Audit Committee. He was formerly a Judicial Commissioner of the Supreme Court of Singapore from 1991 - 1992 and one of the first 12 Senior Counsel appointed in Singapore. Mr Hwang now practices as an independent barrister and international arbitrator and also serves as the Chief Justice of the Dubai International Financial Centre Courts. Currently, Mr Hwang also sits on the board of various companies, including Singapore Dance Theatre Ltd, Linyi Investments Pte Ltd and Religare Health Trust Trustee Manager Pte Ltd, the trustee-manager of Religare Health Trust.

Mr Hwang was a partner of Allen & Gledhill LLP from 1972 to 1991, and again from 1993 to 2002. His past appointments include being Singapore's Non-Resident Ambassador to Switzerland, a Commissioner of the UN Compensation Commission, President of the Law Society of Singapore, Vice President of the ICC International Court of Arbitration, Member of the Permanent Court of Arbitration at the Hague. Mr Hwang advised the Real Estate Developers' Association of Singapore for many years, including preparations for the establishment of REITs in Singapore. He has served on the boards of several publicly listed companies including The Straits Trading Company Ltd, Del Monte Pacific Limited, The Hour Glass Limited as well as PSA Corporation Ltd (and its predecessor the Port of Singapore Authority).

Mr Hwang holds undergraduate and post-graduate law degrees from the University of Oxford, and an Honorary Doctor of Laws degree from the University of Sydney.

Executive Officers of REIT Manager

1. **MR HO SING**
Chief Executive Officer

Mr Ho assists the Executive Chairman and the Board in formulating strategies for Starhill Global REIT. He works closely with other members of the Manager and the Property Manager to ensure these strategies are implemented. He is also responsible for the day-to-day operations of Starhill Global REIT.

Mr Ho holds a Bachelor of Science degree in Aerospace Engineering from the University of Texas, Austin, USA. He completed the Stanford Executive Program at Stanford University in 2002.

2. **MS ALICE CHEONG**
Chief Financial Officer

Ms Cheong oversees the Finance and Accounting, as well as the Investor Relations and Corporate Communications functions. Ms Cheong has over 20 years of financial advisory, mergers and acquisitions and corporate finance experience, with over 10 years in the real estate sector. Prior to joining YTL Starhill Global REIT Management Limited, she was a vice president in MEAG Pacific Star Asia Pte Ltd involved in real estate acquisitions in Asia. Ms Cheong had nine years of investment banking experience with HSBC, NM Rothschild & Sons and Hong Leong Bank in Singapore.

Ms Cheong graduated from Warwick University in the UK with a Bachelor of Science degree in Management Science. She is also a Chartered Financial Analyst (CFA Institute).

3. **MR STEPHEN YEO**
Senior Vice President,
Finance & Accounting

Mr Yeo is responsible for assisting the Chief Financial Officer in the finance and accounting matters of Starhill Global REIT including financial reporting, taxation, treasury, corporate finance and capital management. He has more than 10 years of experience in audit, accounting, statutory reporting, compliance and tax in Singapore and China. From 2000 to 2006, Mr Yeo was an auditor with Deloitte & Touche. Prior to joining the Manager, he was the financial controller of Sunshine Holding Limited, a China-based real estate developer listed on the Mainboard of the SGX-ST.

Mr Yeo holds a Bachelor of Accountancy degree from Nanyang Technological University in Singapore. He is also a non-practising member of the Institute of Singapore Chartered Accountants.

4. **MS ONG MEI-LYNN**
Senior Vice President,
Head of Asset Management

Ms Ong is responsible for the management of the REIT's portfolio and properties. She has more than 10 years of asset management, leasing and business development experience at property funds and developers in the Asia Pacific region. Her property experience covers the retail, office and industrial segments in Singapore, Malaysia, China, Japan and Australia. Prior to this, she was General Manager at YTL Starhill Global Property Management Pte. Ltd. where she led the leasing, property operations, marketing, finance and human resource functions. She was also previously Vice President, Asset Management with YTL Starhill Global REIT Management Limited. Ms Ong's former experience included asset management of logistics assets under Mapletree Logistics Trust, as well as leasing head managing commercial assets under the United Engineers group.

She holds a Bachelor of Arts from the National University of Singapore and a Master of Business Administration from Imperial College, London.

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5. **MS CLARE KOH**
Senior Vice President,
Head of Investments

Ms Koh has more than 10 years of experience in corporate finance, advisory and mergers and acquisitions (M&A). Ms Koh is responsible for the sourcing, structuring and execution of acquisitions and disposals for Starhill Global REIT. She was involved in Starhill Global REIT's IPO and its acquisitions in Japan, Australia and Malaysia, and Japan disposal. Prior to joining the Manager, she was with MEAG Pacific Star Asia Pte Ltd's investments team, and spent four years with HSBC investment bank in the execution of regional M&A and advisory transactions.

Ms Koh holds a Bachelor of Commerce from the University of Western Australia.

6. **MR LAM CHEE KIN**
Senior Vice President,
Legal & Compliance and
Company Secretary

Mr Lam is responsible for legal, compliance and company secretarial matters of the Manager and Starhill Global REIT. His legal career spans private practice in the litigation field before moving on to in-house legal counsel roles within SGX-ST listed companies and a REIT. His broad experience includes corporate commercial matters in various industries including real estate, cross-border acquisitions and divestments as well as financing and joint ventures.

Mr Lam holds a Bachelor of Law (Honours) degree from the National University of Singapore.

7. **MR JONATHAN KUAH**
Senior Vice President,
Investor Relations &
Corporate Communications

Mr Kuah is responsible for strategic communication with Unitholders, potential investors, analysts and media. He has over 20 years of experience in the financial industry, including 10 years in the real estate industry. Prior to joining the Manager, he spent five years with CapitaLand Limited as Vice President of Investor Relations. Mr Kuah has also held corporate banking positions at HSBC and Crédit Agricole Corporate & Investment Bank as well as investment analyst positions at various brokerages. Mr Kuah sits on the Board for Investor Relations Professionals Association (Singapore).

Mr Kuah holds a Bachelor of Science in Business Administration (Finance) from California State University, Long Beach, USA.

Executive Officers of Property Manager

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1. MR TAN BOON PIIN
General Manager

Mr Tan is responsible for the overall property management of the Wisma Atria Property and Ngee Ann City Property, including Leasing, Marketing, Property Operations, Finance and Human Resources. Mr Tan has more than 14 years of management experience in the luxury sector covering retail management, marketing and distribution of international brands in Southeast Asia and Greater China. Prior to this, he was the General Manager – Marketing, for Li & Fung Trinity Management Limited, a subsidiary of the Li & Fung Group. Mr Tan's brand management experience includes international brands such as Tiffany & Co., Burberry and Ermenegildo Zegna.

Mr Tan holds a Bachelor of Hospitality Management from Griffith University in Australia.

2. MS SANDRA LEE
Senior Vice President, Human Resource & Administration

Ms Lee is responsible for the full gamut of human resource management and office administration functions, including staffing, compensation and benefits, employee engagement and providing both strategic and tactical execution of all HR related programmes. She has over 20 years of HR and administration experience in real estate and construction related industries. Prior to this, she was HR and Administration Manager for Al Khaleej Investments (S) Pte Ltd (former owners of Wisma Atria and Forum The Shopping Mall) from 1987 to 2002 where she was involved in organisation change management and integration activities.

Ms Lee holds a Bachelor of Business (major in Human Resource Management) from the RMIT University, Australia and a Diploma in Management Studies from the Singapore Institute of Management.

3. MS SHEREEN BERNADETTE DE SOUZA
Vice President, Leasing

Ms De Souza is responsible for all leasing operations and tenant relationships for the Ngee Ann City Property and the office component of Wisma Atria Property. She has over 20 years of experience in leasing in the property management industry. She was previously the Assistant Manager at Raffles City for 18 years from 1987 to 2002 and from 2003 to 2006.

Ms De Souza holds a Diploma in Sales & Marketing from the Marketing Institute of Singapore.

4. **MS CHAN SHUK LING**
Vice President, Marketing

Ms Chan is responsible for conceptualising and implementing marketing programmes to attract shoppers and increase tenants' sales turnover at the Wisma Atria Property and Level 5 of the Ngee Ann City Property. Ms Chan has more than 10 years of marketing experience. From 2001 to 2002, she was with Wisma Development Pte Ltd where she was responsible for the advertising and promotional activities for the Wisma Atria Property. Prior to that, Ms Chan worked with Seiyu Department Store where she was in charge of implementing marketing programmes for their chain outlets.

Ms Chan holds a Bachelor of Arts from the National University of Singapore.

5. **MS KULANTHALVELU PARAMESHVARI**
Vice President, Finance

Ms Parameshvari, with more than 20 years' experience in the audit and finance industry, is responsible for finance, accounting and tax functions. Prior to joining the Property Manager, she was with Wisma Development Pte Ltd (WDPL) from 1986 to 2002 where she was responsible for its finance, accounting and tax functions and served as the chairman, treasurer, secretary and a council member (representing WDPL) of the Wisma Atria Management Corporation. She also worked in the audit department of Ernst and Young from 1979 to 1986.

Ms Parameshvari is a Bachelor of Science graduate from the University of Madras. She is also a member of the Association of Chartered Certified Accountants and the Institute of Singapore Chartered Accountants.

6. **MR TAN HOW SONG**
Vice President, Property Operations

Mr Tan is responsible for the building operations of the Wisma Atria Property and the Ngee Ann City Property. Mr Tan has more than 10 years of experience in the property management industry. He was a project manager at Orchard Square Development Corporation (OSDC), a joint developer of Ngee Ann City, from 1997 to 2003, before joining the Property Manager. Prior to OSDC, he was the project manager managing construction activities, addition & alteration works and maintenance programmes at Metrobilt Construction, Kmart-Singapore and Omni Marco Polo Hotel Singapore.

Mr Tan holds a Bachelor of Science in Facilities Management from Heriot-Watt University, Edinburgh, United Kingdom.

Property Highlights

Name	Address	Description	NLA (sq ft) (as at 30 Jun 2015)	Title	Number of Tenants (as at 30 Jun 2015)
Wisma Atria Property	435 Orchard Road, Singapore 238877	257 strata lots in Wisma Atria representing 74.23% of the total share value of the strata lots in Wisma Atria	Retail: 127,026 Office: 98,889	Leasehold estate of 99 years, expiring on 31 March 2061	124
Ngee Ann City Property	391/391B Orchard Road, Singapore 238874	Four strata lots in Ngee Ann City representing 27.23% of the total share value of the strata lots in Ngee Ann City	Retail: 255,021 (1) Office: 139,165	Leasehold estate of 69 years, expiring on 31 March 2072	52
Myer Centre Adelaide (2)	14-38 Rundle Mall, Adelaide, Australia	An eight-storey retail centre with four basement levels, and office component which includes a six-storey office tower and two heritage buildings	Retail: 503,000 (3) Office: 98,000	Freehold	114
David Jones Building (5)	622-648 Hay Street Mall, Perth, Australia	Four-storey heritage-listed building for retail use	259,082 (GLA)	Freehold	6
Plaza Arcade (6)	650 Hay Street Mall & 185-191 Murray Street Mall, Perth, Australia	Three-storey heritage-listed building for retail use	24,212 (GLA)	Freehold	35
Starhill Gallery (7)	181 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia	Shopping centre comprising part of a seven-storey building with five basements and a 12-storey annex building with three basements	306,113*	Freehold	1
Lot 10 Property (7)	50 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia	137 strata parcels and two accessory parcels within Lot 10 shopping centre	256,811*	Leasehold estate of 99 years, expiring on 29 July 2076	1
Renhe Spring Zongbei Property (9)	No. 19, 4th Section, Renminnan Road, Chengdu, China	A four-storey plus mezzanine level retail podium forming part of a mixed use commercial development	100,854 (GFA)	Leasehold estate of 40 years, expiring on 27 December 2035	88
Daikanyama (11)	1-31-12 Ebisu Nishi, Shibuya-ku, Tokyo, Japan	Three-storey building for retail and office use	8,087*	Freehold	5
Ebisu Fort (11)	1-24-2 Ebisu Minami, Shibuya-ku, Tokyo, Japan	Seven-storey building for office and retail use	18,816*	Freehold	6
Harajyuku Secondo (11)	1-19-1 Jingumae, Shibuya-ku, Tokyo, Japan	Three-storey building for retail use	2,249	Freehold	2
Nakameguro Place (11)	1-20-2 Aobadai, Meguro-ku, Tokyo, Japan	Four-storey building for retail use	3,526	Freehold	2
Roppongi Terzo (11)	7-13-7 Roppongi, Minato-ku, Tokyo, Japan	Five-storey building for F&B and entertainment use	14,452	Freehold	1

* Largely retail with some office component

Notes:
(1) Includes 225,969 sq ft of gross lettable area leased to Toshin Development Singapore Pte. Ltd. on a master tenant basis.
(2) Myer Centre Adelaide was acquired on 18 May 2015 and based on the exchange rate of A$0.95:S$1 at acquisition. FY 2014/15 includes a maiden contribution of approximately 1.5 months.
(3) Excludes 113,000 sq ft of vacant area in the retail centre on level 4 and level 5.
(4) Based on the exchange rate of A$0.97:S$1 at 30 June 2015.
(5) David Jones Building was acquired on 20 January 2010 and based on the exchange rate of A$0.79:S$1 at acquisition.
(6) Plaza Arcade was acquired on 1 March 2013 and based on the exchange rate of A$0.79:S$1 at acquisition.
(7) Lot 10 Property and Starhill Gallery were acquired on 28 June 2010 and based on the exchange rate of RM2.32:S$1 at acquisition.

Purchase Price (S$ million)	Market Valuation (S$ million) (as at 30 Jun 2015)	Committed Occupancy 30 Jun 2015	Committed Occupancy 31 Dec 2013	Major Tenants and Brands	Revenue (S$ million) [13] Jan 2014 to Jun 2015	Revenue (S$ million) [13] Jan 2013 to Dec 2013	NPI (S$ million) [13] Jan 2014 to Jun 2015	NPI (S$ million) [13] Jan 2013 to Dec 2013
663.0	987.5	**Retail: 98.1%** **Office: 98.3%**	Retail: 99.6% Office: 100.0%	Coach, Tory Burch, TAG Heuer, Cortina Watch Pte Ltd, Emperor Watch & Jewellery (Singapore) Pte. Ltd., Cotton On, Wing Tai Retail Management Pte. Ltd., BreadTalk Group, Charles & Keith Group	**103.5**	65.8	**79.7**	49.3
640.0	1,084.0	**Retail: 100.0%** **Office: 100.0%**	Retail: 100.0% Office: 98.3%	Toshin Development Singapore Pte. Ltd. (master tenant), DBS Treasures Centre, Statoil Asia Pacific Pte Ltd	**94.8**	66.3	**77.8**	53.4
303.1 [2]	297.3 [4]	**Retail: 96.7%** **Office: 91.6%**	n.a.	Myer Pty Ltd, Max Mara, Nine West, Lush, Sunglass Hut, Rebel, Noni B, Jacqui E, Rubi Shoes	**4.1** [2]	–	**2.8** [2]	–
145.7 [5]	149.7 [4]	**97.4%**	100.0%	David Jones Limited, Jeanswest, Pandora, Bodyshop	**20.0**	13.8	**16.3**	11.2
61.0 [6]	53.2 [4]	**92.5%**	91.7%	Billabong, Just Jeans, Lush, Virgin Mobile	**8.3**	4.9	**6.0**	3.5
271.3 [7]	243.1 [8]	**100.0%**	100.0%	Katagreen Development Sdn Bhd (master tenant)	**27.2**	18.7	**26.2**	18.3
173.0 [7]	153.2 [8]	**100.0%**	100.0%	Katagreen Development Sdn Bhd (master tenant)	**16.6**	11.5	**16.0**	11.1
70.6 [9]	66.3 [10]	**100.0%**	100.0%	Ermenegildo Zegna, Alfred Dunhill, Bally, Hugo Boss, Armani Collezioni	**13.8**	13.9	**7.5**	8.3
22.8 [11]	13.0 [12]	**100.0%**	74.1%	Good Design Company, Zwiesel, Humans Brain, Seki Kagu	**1.0**	0.6	**0.7**	0.3
71.3 [11]	34.1 [12]	**100.0%**	100.0%	Defence Associates, Non Pi, Style Create, Plug-In, Wano KK	**2.3**	1.8	**1.6**	1.4
6.1 [11]	3.6 [12]	**100.0%**	37.9%	I-care, Marutomi	**0.3**	0.2	**0.2**	0.1
7.1 [11]	4.4 [12]	**48.2%**	48.2%	Ad Universe, Hataya	**0.2**	0.3	**0.1**	0.2
38.9 [11]	26.8 [12]	**100.0%**	100.0%	Feria Tokyo	**2.6**	2.1	**2.6**	0.3

(8) Based on the exchange rate of RM2.81:S$1 at 30 June 2015.
(9) Renhe Spring Zongbei Property was acquired on 28 August 2007 and based on the exchange rate of RMB4.96:S$1 at acquisition.
(10) Based on the exchange rate of RMB4.61:S$1 at 30 June 2015.
(11) Roppongi Terzo, Harajyuku Secondo, Daikanyama and Nakameguro Place were acquired on 30 May 2007 while Ebisu Fort was acquired on 26 September 2007 and based on the exchange rate of JPY79.97:S$1 at acquisition.
(12) Based on the exchange rate of JPY90.94:S$1 at 30 June 2015.
(13) Figures presented below refer to the 18-month period from 1 January 2014 to 30 June 2015 and 12-month period from 1 January 2013 to 31 December 2013. As a result, the current amounts presented in relation to FY 2014/15 are not entirely comparable with the comparative amounts for FY 2013.

Property Portfolio Summary

Starhill Global REIT's current portfolio comprises 13 prime properties (Portfolio) in Singapore, Australia, Malaysia, China and Japan. 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 Property in Kuala Lumpur, Malaysia; the Renhe Spring Zongbei Property in Chengdu, China and five properties in Tokyo, Japan.

DIVERSIFIED RETAIL AND OFFICE PORTFOLIO

The Portfolio's gross revenue is diversified across Singapore 67.3%, Malaysia 14.8%, Australia 11.0%, China 4.7% and Japan 2.2% for FY 2014/15. The retail and office components contributed 86.4% and 13.6% to the Portfolio's FY 2014/15 revenue respectively.

For June 2015, the top 10 tenants of the Portfolio contributed 53.7% of the Portfolio's gross rent. The top four tenants were Toshin Development Singapore Pte. Ltd. (Toshin), YTL Group, Myer Pty Ltd and David Jones Limited, accounting for 19.2%, 14.1%, 5.9% and 4.2% of the Portfolio's gross rent respectively. No other tenant accounted for more than 3% of the Portfolio's gross rent.

RESILIENT LEASE PROFILE

The Portfolio has several master leases and long-term leases, providing rental income stability. Toshin's lease at Ngee Ann City Property until June 2025 incorporates a rent review every three years, with the next review due in June 2016. The first rent review for the renewed lease in June 2013 was conducted at the point of renewal, increasing the base rent by 6.7%. The Malaysia Properties are under master leases with Katagreen Development Sdn Bhd for a fixed term of 3+3 years commencing on 28 June 2010. The landlord and the master tenant have a put and call option respectively to extend the lease for a further three years upon expiry of the second term in June 2016. The David Jones Building in Perth, Australia has a long-term lease expiring in 2032 with anchor tenant David Jones Limited, with upward-only rent reviews every three years. Myer department store has a long-term anchor tenant lease at the Myer Centre Adelaide expiring in 2032

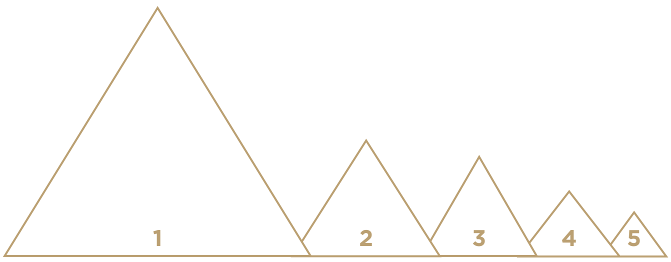
TOP 10 TENANTS

Tenant Name	Property	% of Portfolio Gross Rent (1) (2)
Toshin Development Singapore Pte. Ltd.	Ngee Ann City Property, Singapore	19.2%
YTL Group (3)	Ngee Ann City Property & Wisma Atria Property, Singapore Starhill Gallery & Lot 10 Property, Malaysia	14.1%
Myer Pty Ltd	Myer Centre Adelaide, Australia	5.9%
David Jones Limited	David Jones Building, Australia	4.2%
Cortina Watch Pte Ltd	Ngee Ann City Property & Wisma Atria Property, Singapore	2.2%
Cotton On Group	Wisma Atria Property, Singapore, Myer Centre Adelaide, Australia	2.0%
Wing Tai Retail Management Pte. Ltd.	Wisma Atria Property, Singapore	1.7%
BreadTalk Group	Wisma Atria Property, Singapore	1.7%
Coach Singapore Pte. Ltd.	Ngee Ann City Property & Wisma Atria Property, Singapore	1.5%
Charles & Keith Group	Wisma Atria Property, Singapore	1.2%

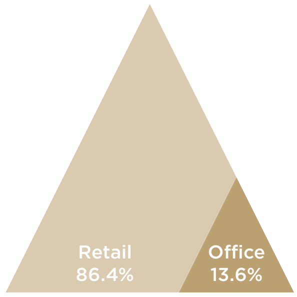
Notes:
(1) For the month of June 2015.
(2) The total portfolio gross rent is based on the gross rent of all the properties including the Renhe Spring Zongbei Property.
(3) Consists of Katagreen Development Sdn Bhd, YTL Singapore Pte. Ltd., YTL Starhill Global REIT Management Limited and YTL Starhill Global Property Management Pte. Ltd..

GROSS REVENUE BY COUNTRY
FY 2014/15

1	Singapore	**67.3%**
2	Malaysia	**14.8%**
3	Australia	**11.0%**
4	China	**4.7%**
5	Japan	**2.2%**

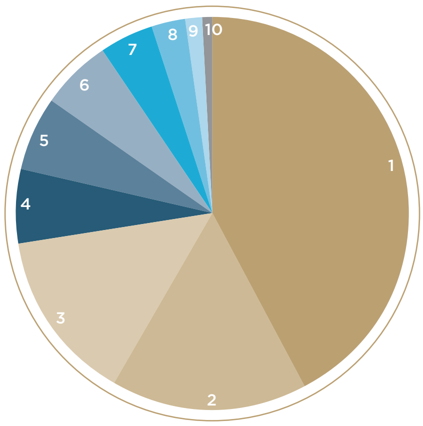


GROSS REVENUE BY RETAIL AND OFFICE
FY 2014/15

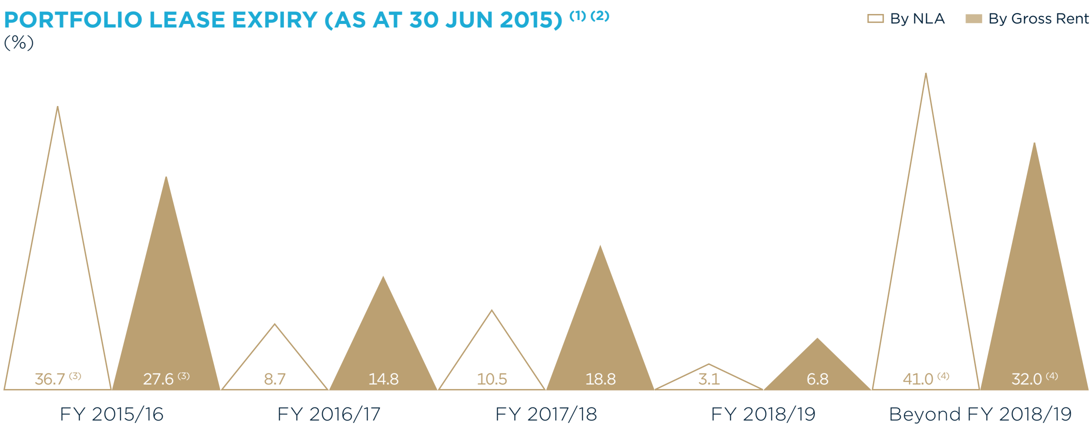


PORTFOLIO TRADE MIX
by gross rental contribution (for Jun 2015)

1	Master Tenancies & Long-Term Leases	**42.3%**
2	Fashion	**16.2%**
3	Office	**14.2%**
4	Jewellery & Watches	**6.1%**
5	F&B	**6.0%**
6	Beauty & Wellness	**5.8%**
7	Shoes & Accessories	**4.5%**
8	General Trade	**2.7%**
9	Services	**1.5%**
10	Others	**0.7%**



PORTFOLIO LEASE EXPIRY (AS AT 30 JUN 2015) [1] [2]
(%)



Notes:
(1) Portfolio lease expiry schedule includes Starhill Global REIT's properties in Singapore, Australia, Malaysia and Japan but excludes Renhe Spring Zongbei Property, China which operates as a department store with short-term concessionaire leases running three to 12 months.
(2) Lease expiry schedule based on committed leases as at 30 June 2015.
(3) Includes the master tenant leases in Malaysia that enjoy fixed rental escalation and have an option to be renewed for a further three-year term from June 2016.
(4) Includes the Toshin master lease that expires in 2025 and the long-term leases with David Jones Limited and Myer Pty Ltd which expire in 2032.

Property Portfolio Summary

which provides for an annual review. Collectively, these master leases and long-term leases accounted for 42.3% of the Portfolio's gross rent for June 2015.

The Manager actively manages the remaining leases of the Portfolio, which are on a short- to medium-term basis. For the Singapore Properties, besides the Toshin master lease, earnings are derived from retail leases in Wisma Atria Property and Ngee Ann City Level 5, as well as office leases which are generally contracted for a three-year period.

The Japan Properties generally have tenancies with two- to five-year lease terms while the specialty retail units in the David Jones Building and Plaza Arcade in Perth, as well as the Myer Centre Adelaide in Adelaide generally have one- to five-year lease terms. The Renhe Spring Zongbei Property in Chengdu operates as a department store with mostly short-term concessionaire leases running from three to 12 months.

As at 30 June 2015, the weighted average lease term expiry (by NLA) of the Portfolio is 6.8 years.

STRONG PERFORMANCE FOR THE SINGAPORE PROPERTIES

The Singapore Properties consist of both retail and office spaces, which enjoy a combined occupancy of 99.3% as at 30 June 2015. Prime retail spaces including Wisma Atria and Ngee Ann City enjoy strong demand from international retailers and new-to-market brands looking to launch their products in the region. The Wisma Atria Property (Retail) enjoyed positive rental reversions of 10.0% for leases committed in FY 2014/15, as well as centre sales of S$291.7 million in FY 2014/15.

The office portfolio in the Singapore Properties achieved a positive rental reversion of 8.8% for leases committed in FY 2014/15. The strong performance of the office properties can be attributed to their strategic location, which appeals especially to tenants from the fashion retail, medical and services industries.

WEAKENING GROWTH IN CHINA'S LUXURY RETAIL MARKET

In China, GDP growth continued to ease from 7.4% in 2014 to 7.0% in 1H 2015. Chengdu's GDP growth slowed down to 8.0% in 1H 2015, from 8.9% in 2014 but still outpacing the national level. As the ongoing austerity drive which started in 2012 continues to dampen the high-end luxury market, Chengdu's retail sales growth slowed from 13.6% in 1H 2014 to 10.9% for 1H 2015. With the influx of retail supply in recent and future years, the retail market in Chengdu continues to remain challenging. The Renhe Spring Zongbei Property will continue to enhance its tenant mix to maintain competitiveness in the market and contain costs.

VALUATION

Starhill Global REIT's property portfolio was valued at S$3,116.2 million as at 30 June 2015, an increase of approximately S$261.8 million compared to the valuation as at 31 December 2013. The increase was mainly driven by the acquisition of the Myer Centre Adelaide in Australia, offset by negative foreign currency movements and the drop in the value of the Renhe Spring Zongbei Property. Holon L in Tokyo, Japan was divested in March 2014 as part of our strategy to refine our portfolio.

As at 30 June 2015, the combined valuation of the Wisma Atria Property and the Ngee Ann City Property increased to S$2,071.5 million or a S$36.0 million increase from 31 December 2013, driven by higher rents secured for the retail and office components.

The combined valuation of the Australia Properties was A$484.5 million (approximately S$500.2 million), increasing from that as at 31 December 2013 due to the acquisition of Myer Centre Adelaide and lower capitalisation rates for the David Jones Building and Plaza Arcade to reflect recent transacted yields for retail properties. This increase was partially offset by the weaker Australian dollar in Singapore dollar terms.

The Malaysia Properties were valued at RM1,112.1 million (approximately S$396.3 million) which saw an increase in valuation in Malaysian Ringgit terms from the valuation as at 31 December 2013 mainly due to lower property tax expenses. The valuation of the Malaysia Properties in Singapore dollar terms was however affected by the weaker Malaysian ringgit as compared to 2013.

The valuation of Renhe Spring Zongbei Property declined RMB85.0 million (approximately S$15.4 million) compared to that as at 31 December 2013 due to lower income assumed. The Chinese Government launched a series of austerity measures which affected sales. The entry of new retail malls in Chengdu has also increased competition for tenants and reduced shopper traffic at the Renhe Spring Zongbei Property.

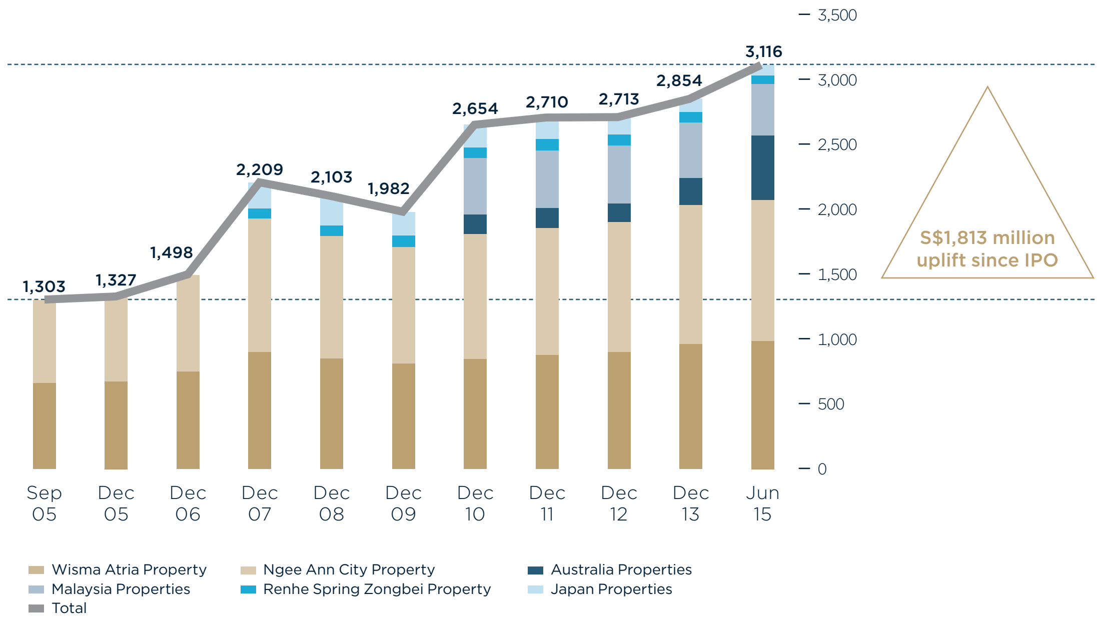
The Japan Properties were valued at JPY7,448.0 million (approximately S$81.9 million), a decrease of JPY964.0 million in local currency terms from the previous valuation as at 31 December 2013 due to the divestment of Holon L. Furthermore, the depreciation of the Japanese Yen caused the value of the remaining five Japanese properties to decrease 8.7% as compared to that as at 31 December 2013 in Singapore dollar terms. The Japan Properties are fully hedged by Yen denominated loans.

PORTFOLIO VALUATION

Description	30 Jun 2015 (S$ million)	31 Dec 2013 (S$ million)	Change (S$ million)	Change (%)
Wisma Atria Property	987.5	961.5	26.0	2.7%
Ngee Ann City Property	1,084.0	1,074.0	10.0	0.9%
Australia Properties (1)	500.2	208.1	292.1	140.3%
Malaysia Properties (2)	396.3	427.8	(31.5)	(7.4%)
Renhe Spring Zongbei Property (3)	66.3	81.7	(15.4)	(18.8%)
Japan Properties (4)	81.9	101.3	(19.4)	(19.2%)
	3,116.2	**2,854.4**	**261.8**	**9.2%**

Notes:
(1) Translated on 30 June 2015 at A$0.97:S$1 (31 December 2013: A$0.89:S$1).
(2) Translated on 30 June 2015 at RM2.81:S$1 (31 December 2013: RM2.59:S$1).
(3) Translated on 30 June 2015 at RMB4.61:S$1 (31 December 2013: RMB4.79:S$1).
(4) Translated on 30 June 2015 at JPY90.94: S$1 (31 December 2013: JPY83.03:S$1).

PORTFOLIO VALUATION
(S$ million)




COACH
NEW YORK
COACH.COM
COACH

Singapore Properties
Wisma Atria Property

Strategically located along the most prime stretch of Orchard Road between ION Orchard and Ngee Ann City, Wisma Atria Property enjoys more than 100 metres of prime street frontage and is one of the most popular malls with an established following among locals and tourists.

WISMA ATRIA
435 Orchard Road, Singapore 238877

257 Strata lots representing 74.23% of the total share value in Wisma Atria

TENURE
99 YEARS
Leasehold Estate (expiring on 31 Mar 2061)

124 NUMBER OF TENANTS as at 30 Jun 2015

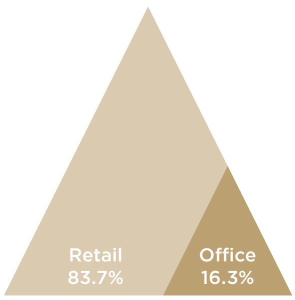
NLA (SQ FT)

Retail	127,026
Office	98,889
Total	225,915

S$663.0m PURCHASE PRICE

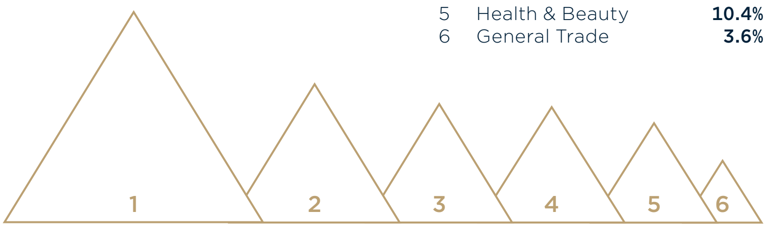
S$987.5m MARKET VALUATION
(as at 30 Jun 2015)

RETAIL & OFFICE MIX
by gross revenue (FY 2014/15)



RETAIL TRADE MIX
by gross rental contribution (for Jun 2015)

1	Fashion	42.1%
2	Jewellery & Watches	18.1%
3	F&B	13.3%
4	Shoes & Accessories	12.5%
5	Health & Beauty	10.4%
6	General Trade	3.6%



Wisma Atria shopping centre continues to attract international high-end retailers such as Emperor Watch & Jewellery, Hartmann and deLaCour, as well as popular offerings such as Ilao Ilao and Ben's Cookies. Etude House also set up their largest flagship store worldwide at the basement of Wisma Atria in October 2014.

The Wisma Atria Property comprises 257 strata lots representing 74.23% of the total share value of strata lots in Wisma Atria. These strata lots represent retail areas (excluding the space occupied by Isetan (Singapore) Limited and common area property) and the office tower.

STRATEGICALLY LOCATED ICONIC PROPERTY ALONG ORCHARD ROAD

Strategically located along the most prime stretch of Orchard Road between ION Orchard and Ngee Ann City, Wisma Atria enjoys more than 100 metres of prime street frontage and is one of the most popular malls with an established following among locals and tourists. It comprises a retail podium with four levels and one basement, three levels of car park space and an office tower with 13 levels of office space. The mall enjoys high pedestrian flow at street level from Orchard Road and its underground pedestrian linkway which connects Wisma Atria to the Orchard MRT station and Ngee Ann City. In 2014, Wisma Atria Property attracted shopper traffic of 26.6 million.

Wisma Atria continues to offer a wide variety of tenants to cater to shoppers' needs, hosting the flagship stores of international retailers including Coach, Emperor

Wisma Atria Property, Singapore.

Singapore Properties
Wisma Atria Property

Watch & Jewellery and Timewise by Cortina Watch. It is home to the first Tory Burch boutique in Singapore and the largest TAG Heuer boutique in the world.

Its positioning as a fashionista's haven is maintained with a good mix of international brands such as Cotton On, Etam, Forever New, Seafolly and Victoria's Secret, and local labels such as Lee Hwa Jewellery, Charles & Keith and Pedro. It also boasts various food & beverage selections, including Omakase Burger, Paris Baguette, Starbucks, Din Tai Fung and Food Republic with its mouth-watering local delights.

The Wisma Atria Property's office tower is especially attractive to tenants from the fashion retail and services sector due to its proximity to the retail stores and boutiques along Orchard Road. Among these tenants are Ermenegildo Zegna, Lane Crawford, L'Occitane, Valentino and ACCA Singapore. Besides the prestigious Orchard Road address and direct access to Orchard MRT station, tenants also enjoy convenient amenities such as gyms, restaurants and healthcare providers. As at 30 June 2015, Wisma Atria Property (Retail) was 98.1% occupied and Wisma Atria Property (Office) enjoyed 98.3% occupancy.

DIVERSIFIED TENANT MIX

For FY 2014/15, retail tenants contributed 83.7% of the Wisma Atria Property's gross revenue while office tenants contributed 16.3%. The Wisma Atria Property benefits from a diversified tenant base from various sectors.

ADVERTISING AND PROMOTION

Wisma Atria rolled out a robust marketing calendar of promotions and events during the year to encourage repeat visits and increase customer spending. The mall's outdoor atrium was a venue of many "first-in-Singapore" pop-up stores throughout the year.

In June 2014, popular former international soccer star Michael Owen was invited to Wisma Atria to grace the mall's activities held in conjunction with World Cup 2014. In August 2014, there was a showcase of five Lamborghinis at the outdoor atrium of Wisma Atria.

Etude House invited Korean and local stars as part of its opening event in October 2014 for its largest worldwide store and in December 2014, Ferrero Rocher created a first-of-its-kind pop-up Christmas store which showcased the artisan skills of expert chocolatiers.

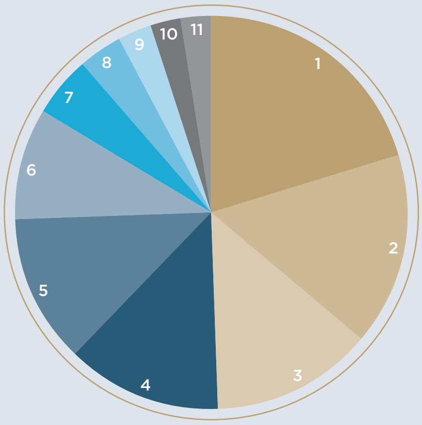
In May 2015, Tory Burch hosted a poolhouse boutique concept at the mall which was a resounding success. In the same month, Mediacorp held their SG50 StyleXStyle prize giving event at Wisma Atria for top local artistes in various fields and attracted many fans to the centre.

The newly renovated Coach flagship store at Wisma Atria Property.

OFFICE TRADE MIX

by gross rental contribution
(for Jun 2015)

1	Consultancy/Services	19.9%
2	Fashion Retail	16.0%
3	Beauty/Health	13.3%
4	Real Estate & Property Services	12.8%
5	Trading	12.4%
6	Petroleum Related	9.2%
7	Medical	5.2%
8	Others	3.4%
9	Information Technology	2.9%
10	Aerospace	2.5%
11	Government Related	2.4%



OCCUPANCY RATE

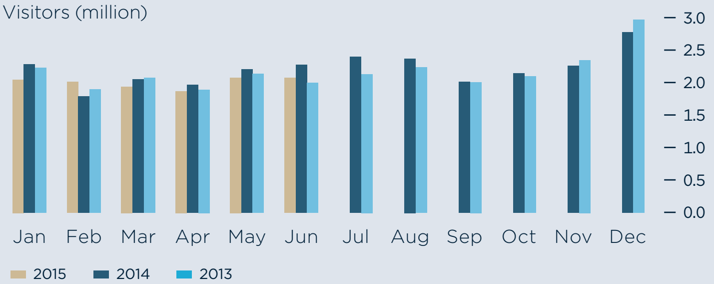
Retail 98.1%
Office 98.3%
30 Jun 2015

Retail 99.6%
Office 100.0%
31 Dec 2013

Retail 99.5%
Office 98.7%
31 Dec 2012

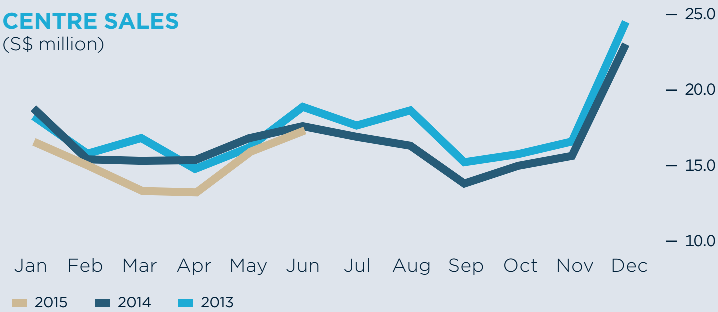
SHOPPER TRAFFIC

Visitors (million)



CENTRE SALES

(S$ million)



1 The world's largest Etude House store at Wisma Atria Property.

2 Emperor Watch & Jewellery boutique at Wisma Atria Property.

3 New-to-market Ben's Cookies store at Wisma Atria Property.


義安城
NGEE ANN CITY

Singapore Properties
Ngee Ann City Property

Ngee Ann City is popular with local shoppers and tourists – with luxury brands, high-street favourites and diverse dining options.

NGEE ANN CITY
391/391B Orchard Road,
Singapore 238874

4
Strata lots representing 27.23% of the total share value in Ngee Ann City

TENURE
69 YEARS
Leasehold Estate (expiring on 31 Mar 2072)

52 NUMBER OF TENANTS (including one master tenant) as at 30 Jun 2015

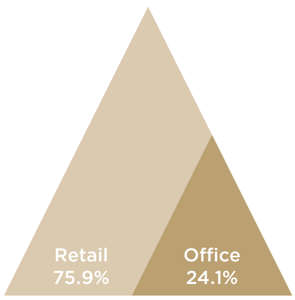
NLA (SQ FT)

Retail	255,021
Office	139,165
Total	394,186

S$640.0m
PURCHASE PRICE

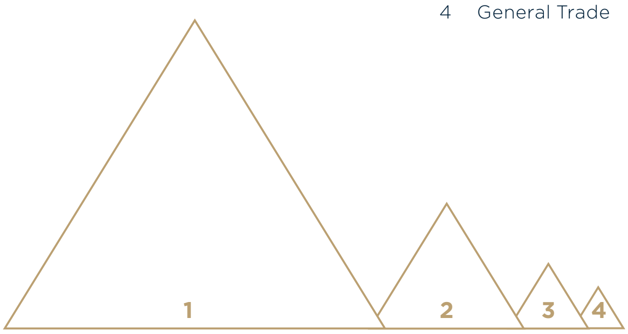
S$1,084.0m
MARKET VALUATION
(as at 30 Jun 2015)

RETAIL & OFFICE MIX
by gross revenue (FY 2014/15)



RETAIL TRADE MIX
by gross rental contribution
(for Jun 2015)

1	Toshin	**86.1%**
2	Beauty & Wellness	**10.1%**
3	Services	**2.7%**
4	General Trade	**1.1%**



Located on the prime stretch of the bustling Orchard Road, Ngee Ann City is easily accessible to locals and tourists alike. It enjoys connectivity to Orchard MRT station through the underground pedestrian linkway to Wisma Atria and other parts of Orchard Road through the underpasses. With its depth and diversity of retail offerings, Ngee Ann City remains the mall of choice on Orchard Road.

The Ngee Ann City Property consists of four strata lots representing 27.23% of the total share value of strata lots in Ngee Ann City. These lots include retail and office spaces which feature major brands such as Chanel, Louis Vuitton, Piaget and Roger Vivier.

As at 30 June 2015, Ngee Ann City Property (Retail) was 100.0% occupied and Ngee Ann City Property (Office) was 100.0% occupied.

DISTINCTIVE LANDMARK PROPERTY

The distinctive architecture of Ngee Ann City makes it one of the most prominent landmarks along Orchard Road. Ngee Ann City comprises a podium with five levels and two basement levels of retail space, and three levels of car park space. Its twin towers host 18 levels of office space each. Besides attracting the affluent, young and families, the outstanding retailers and dining places draw tourists and business travellers from many nearby hotels.

STRONG AND STABLE POSITIONING

Ngee Ann City is popular amongst retailers and shoppers. Affluent shoppers are attracted to the mall's stable of luxury retailers such as Berluti, Loewe and Goyard;

Ngee Ann City Property, Singapore.

Singapore Properties
Ngee Ann City Property

the young and trendy enjoy Guess, Massimo Dutti and Zara; and families look out for inter-generational favourites such as Books Kinokuniya.

Above the retail podium, office tenants enjoy the well-furnished spaces designed for their convenience and comfort. The close proximity to amenities such as restaurants, gyms and shopping outlets is a plus for tenants which mainly belong to the fashion retail and services sectors. Among these tenants are Chanel, Coach, Cortina Watch, Embraer, Ralph Lauren and Tiffany & Co..

TENANT MIX
For FY 2014/15, 75.9% of the Ngee Ann City Property's gross revenue was from retail tenants and 24.1% from office tenants.

RETAIL TENANT MIX
The top contributors to Ngee Ann City Property's retail gross rent are Toshin and DBS Bank. For June 2015, Toshin accounted for 57.3% of the NLA of the Ngee Ann City Property. Toshin is a wholly-owned subsidiary of Toshin Development Co., Ltd., which is in turn 100% owned by Takashimaya Company Limited, listed on the Tokyo Stock Exchange. The Toshin lease has periodic rent reviews which provide opportunities for organic growth for Starhill Global REIT, while ensuring income stability and potentially mitigating fluctuations in the retail market. The Manager actively manages the beauty & wellness cluster on Level 5, also known as "The Fifth", constantly rejuvenating the tenant mix to bring about complementary offerings such as the DBS Treasures privilege banking service.

There was a major asset repositioning to Levels 3 and 4 of the Ngee Ann City Property retail floors. Books Kinokuniya moved up one floor to a smaller floor plate on Level 4, and Level 3 was reconfigured and leased to many popular international retailers such as FREYWILLE, Kiton, Lululemon Athletica, Zadig & Voltaire and ABC Cooking Studio from Japan.

OFFICE TENANT MIX
Fashion retail, consultancy & services and beauty & healthcare are the three key trade sectors contributing to the Ngee Ann City Property's office gross rent.

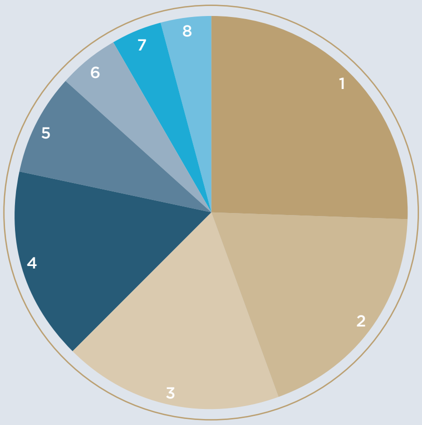
ADVERTISING AND PROMOTION
Ngee Ann City's large outdoor semi-circular Civic Plaza continued to be a popular venue for many prestigious events including concerts, fairs, product launches, road shows, fashion showcases, carnivals and lifestyle launches. Ngee Ann City's large event hall, Takashimaya Square, is also a popular venue for regular bazaars and events that draw throngs of shoppers.

Chanel's double-storey boutique at Ngee Ann City Property.

OFFICE TRADE MIX

by gross rental contribution
(for Jun 2015)

1	Fashion Retail	25.6%
2	Consultancy/Services	19.0%
3	Beauty/Health	17.9%
4	Petroleum Related	16.1%
5	Real Estate & Property Services	8.2%
6	Banking and Financial Services	5.0%
7	Others	4.3%
8	Aerospace	3.9%



OCCUPANCY RATE

	Retail	Office
30 Jun 2015	100.0%	100.0%
31 Dec 2013	100.0%	98.3%
31 Dec 2012	100.0%	98.0%

The expanded Loewe boutique at Ngee Ann City Property.

1

2

Goyard store at Ngee Ann City Property.


MYER
CENTRE
G-STAR RAW
bossini
THE SACK
IS BACK
LUSH

Australia Properties
Adelaide

Myer Centre Adelaide is the largest CBD shopping mall in the central business district, and is popular with locals and tourists. It is located on the premier retail stretch of Rundle Mall – the city's only retail pedestrian street – which attracts 24 million shoppers annually.

MYER CENTRE ADELAIDE

14-38 Rundle Mall, Adelaide
SA 5000, Australia

An **eight-storey retail centre with four basement levels**, and office component which includes a six-storey office tower and two heritage buildings

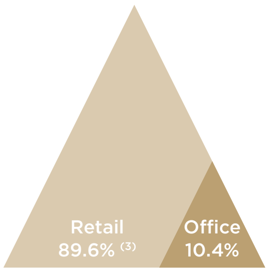
TENURE
Freehold

114 NUMBER OF TENANTS (including one anchor tenant) as at 30 Jun 2015

S$303.1m (1)
PURCHASE PRICE

S$297.3m
MARKET VALUATION
(as at 30 Jun 2015)

RETAIL & OFFICE MIX
by gross revenue (FY 2014/15)



NLA (SQ FT)
(as at 30 Jun 2015)

Retail	503,000
Office	98,000
Total	601,000 (2)

Notes:
(1) The property was acquired from Novion RE Limited on 18 May 2015 at A$288 million. The purchase price is equal to the independent valuation done as at 26 March 2015 which was derived using the income capitalisation and discounted cashflow methods.
(2) Excludes 113,000 sq ft vacant area in the highest two floors of the retail centre.
(3) Includes income from storage space, sundry and carpark.

LARGEST SHOPPING MALL IN ADELAIDE'S CBD

Myer Centre Adelaide was acquired in May 2015, boosting Starhill Global REIT's presence in Australia. A prominent landmark in the heart of Adelaide CBD, the 503,000 sq ft retail centre is anchored by the popular Myer department store and 84 other specialty tenants, including Lush, Max Mara, Nine West, Sunglass Hut and the first Move store in South Australia. Located along the city's premier retail area along Rundle Mall – the city's only retail pedestrian street which attracts 24 million shoppers annually – Myer Centre Adelaide is the largest shopping mall in the central business district, and is popular with locals and tourists. Myer Centre Adelaide is also within walking distance to the newly refurbished Riverbank Entertainment Precinct, which includes the convention centre, Festival Centre and multisports stadium, the Adelaide Oval. It is within the vicinity of universities and hostels, as well as the city's art galleries, museums and casino.

Completed in 1991, the property last went through a major A$35 million asset enhancement in 2013 and 2014 which included the refurbishment of the five-storey Myer department store. A 600-seat foodcourt is located at the basement of the retail centre and is the biggest in the Adelaide CBD. Myer Centre Adelaide comprises an eight-storey retail centre with four basement levels of car park space, and an office component which includes a six-storey office tower which sits atop the retail centre and two heritage buildings. The Myer department store occupies 324,000 sq ft and its lease which expires in 2032 provides for an annual rent review. Most leases at the property also incorporate an annual upward-only review.

Myer Centre Adelaide's office component includes Terrace Towers, a six-storey 81,000 sq ft office tower which sits atop the retail centre and two heritage buildings (Shell House and Goldsbrough House). The University of Adelaide and Law Society of South Australia are among its tenants. Panoramic views of the Riverbank Entertainment Precinct and the city's cultural precinct can be enjoyed from the office suites. As at 30 June 2015, Myer Centre Adelaide (Retail) was 96.7% occupied and Myer Centre Adelaide (Office) enjoyed 91.6% occupancy.

Myer Centre Adelaide retail centre along Rundle Mall.

Australia Properties
Adelaide

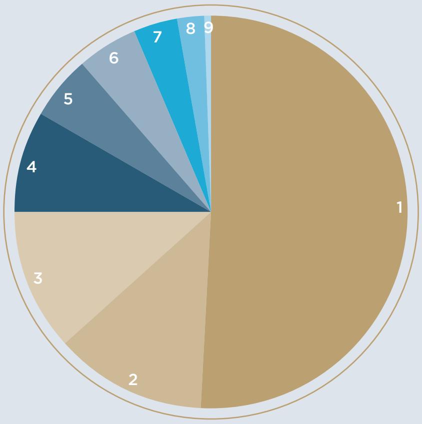
1 Myer Centre Adelaide's ground floor retail.

2 Nine West store at Myer Centre Adelaide.

3 Max Mara's boutique at Myer Centre Adelaide.

RETAIL TRADE MIX
by gross rental contribution
(for Jun 2015)

1	Myer department store	50.9%
2	Fashion	12.5%
3	F&B	11.6%
4	General Trade	8.5%
5	Jewellery & Watches	5.3%
6	Shoes & Accessories	4.9%
7	Services	3.7%
8	Beauty & Health	2.3%
9	Others	0.3%



DAVID JONES BUILDING

622-648 Hay Street Mall,
Perth, Australia

S$145.7m
PURCHASE PRICE

S$149.7m
MARKET VALUATION
(as at 30 Jun 2015)

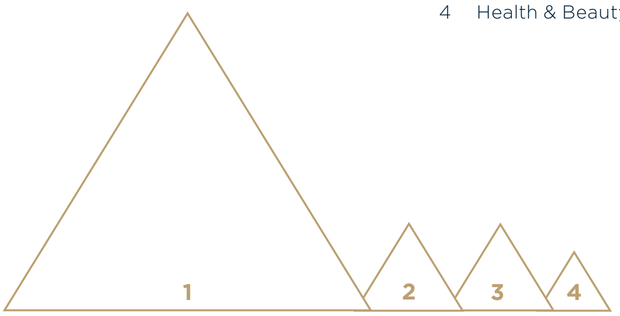
6 NUMBER OF TENANTS
(including one anchor tenant)
as at 30 Jun 2015

TENURE
Freehold

TOTAL GLA (SQ FT)
259,082

RETAIL TRADE MIX
by gross rental contribution
(for Jun 2015)

1	David Jones	**82.0%**
2	Jewellery & Watches	**7.2%**
3	Fashion	**7.2%**
4	Health & Beauty	**3.6%**



Four-storey building for retail use with a heritage-listed building formerly known as the Savoy Hotel

David Jones Building and Plaza Arcade along Hay and Murray Street Mall.

Australia Properties
Perth

The Perth Properties, David Jones Building and Plaza Arcade, are located in Perth's central business district. Both properties enjoy dual frontage to the bustling Murray Street and Hay Street, the only two retail pedestrian streets in the city.

PLAZA ARCADE

650 Hay Street Mall &
185-191 Murray Street Mall,
Perth, Australia

A **three-storey heritage-listed retail building** located next to the David Jones Building. The property was renovated in 2006 and has 35 specialty retail tenants located mostly at the ground floor.

35 NUMBER OF TENANTS as at 30 Jun 2015

TENURE
Freehold

TOTAL GLA (SQ FT)
24,212

S$61.0m
PURCHASE PRICE

S$53.2m
MARKET VALUATION
(as at 30 Jun 2015)

RETAIL TRADE MIX
by gross rental contribution
(for Jun 2015)

1	Fashion	**44.6%**
2	General Trade	**18.4%**
3	Services	**11.3%**
4	Shoes & Accessories	**9.2%**
5	F&B	**7.8%**
6	Health & Beauty	**7.2%**
7	Jewellery & Watches	**1.5%**

DAVID JONES BUILDING
Centrally located in Perth's prime retail stretch along the bustling Murray Street and Hay Street, David Jones Building is anchored by the upmarket David Jones department store.

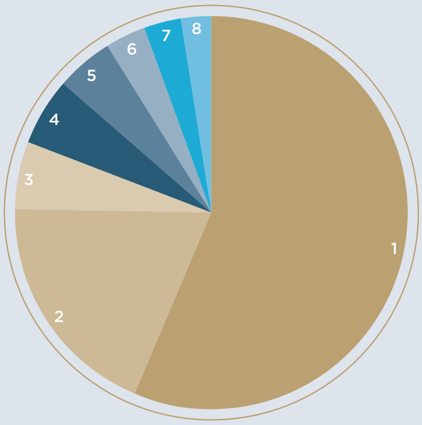
The David Jones Building sits on a freehold site of approximately 71,473 sq ft in the Perth CBD in Australia. It enjoys dual frontage to the bustling Murray Street and Hay Street, the only two retail pedestrian streets in the city. The property is a few minutes' walk from the Perth Central train station. The building is also linked seamlessly to another major shopping centre via a covered walkway. The four-level property, which has heritage-listed components, including a building constructed circa 1910 that was formerly the Savoy Hotel, is anchored by the popular David Jones department store and five other specialty tenancies. As at 30 June 2015, the property's occupancy was 97.4%. David Jones Limited, which has a long-term lease in the building until 2032, occupies approximately 246,528 sq ft or 95% of the total gross lettable area. It accounts for 82.0% of the gross rent for David Jones Building for June 2015. David Jones Limited, colloquially known as DJs, is an upmarket Australian-listed operator of premium department stores across the country.

Five specialty tenancies occupy a GLA of about 5,783 sq ft and include Australian and international brands such as Bodyshop, Jeanwest, Pandora, Michael Hill and Connor. The long-term lease with David Jones Limited provides resilient and stable income, with the benefit of an upward-only rent review every three years, with the next review due in August 2017. The leases for

PERTH PROPERTIES RETAIL TRADE MIX

by gross rental contribution
(for Jun 2015)

1	David Jones department store	**56.6%**
2	Fashion	**18.7%**
3	General Trade	**5.7%**
4	Jewellery & Watches	**5.5%**
5	Health & Beauty	**4.7%**
6	Services	**3.5%**
7	Shoes & Accessories	**2.9%**
8	F&B	**2.4%**



PERTH PROPERTIES OCCUPANCY RATE

30 Jun 2015	31 Dec 2013	31 Dec 2012
Retail 97.0%	Retail 99.3%	Retail 100.0% [1]

Note:
[1] Excludes Plaza Arcade which was acquired in March 2013.

the other established specialty tenants also incorporate an annual upward-only rent review.

PLAZA ARCADE

Located next to the David Jones Building, Plaza Arcade is in the heart of the city centre and sits on a freehold site of approximately 26,221 sq ft. The property is one of the two main thoroughfares with entrances at both Hay and Murray Street Malls. Renovated in 2006, it comprises a three-storey heritage-listed retail building with 35 specialty tenancies located mostly at the ground floor. The property has a GLA of approximately 24,212 sq ft and enjoys an occupancy of 92.5% as at 30 June 2015.

The tenant mix is diversified, comprising services, food & beverage, fashion, shoes, jewellery & accessories, giftware and mobile shops. Established brands include Billabong, Just Jeans, Lush and Virgin Mobile. Most leases at the property enjoy rental upside from an annual upward-only rent review.

There are synergies to be reaped between the Plaza Arcade and the adjacent David Jones Building.

Both Savoy Hotel (which is part of David Jones Building) and the Plaza Arcade have unutilised space on the upper levels.

The Manager has obtained the development approval for an asset enhancement initiative for the facade of Plaza Arcade facing Murray Street. It plans to convert approximately 9,000 sq ft of space on the upper floor for more productive retail use, and is in negotiations with a few prospective tenants.

1 Pandora and Michael Hill specialty stores at David Jones Building.

2 Specialty stores Jeanswest and The Body Shop at David Jones Building.

Malaysia Properties
Starhill Gallery & Lot 10 Property

STARHILL GALLERY 181 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia	S$271.3m PURCHASE PRICE	S$243.1m MARKET VALUATION (as at 30 Jun 2015)

NUMBER OF TENANTS
1
as at 30 Jun 2015
(master tenant)

TENURE
Freehold

TOTAL NLA (SQ FT)
306,113

Shopping centre comprising part of a **seven-storey building with five basements** and a 12-storey annex building with three basements

Starhill Gallery
in Bukit Bintang.

The upcoming Bukit Bintang station of the Klang Valley MRT project's Sungai Buloh-Kajang Line is slated to be diagonally opposite Lot 10 when it is completed in 2017.

LOT 10 PROPERTY

50 Jalan Sultan Ismail,
50250 Kuala Lumpur, Malaysia

S$173.0m
PURCHASE PRICE

S$153.2m
MARKET VALUATION
(as at 30 Jun 2015)

NUMBER OF TENANTS
1
as at 30 Jun 2015
(master tenant)

TENURE
99 YEARS
Leasehold Estate (expiring on 29 Jul 2076)

TOTAL NLA (SQ FT)
256,811

Eight-storey building with a basement and lower ground floor for retail use and a seven-storey annex building (excludes Isetan)

Lot 10 Property in Bukit Bintang.

Malaysia Properties
Starhill Gallery & Lot 10 Property

Starhill Gallery and Lot 10 Property are located in the heart of the popular Bukit Bintang shopping district in Kuala Lumpur's Golden Triangle. The Malaysia Properties are strategically situated as the ritzy Bukit Bintang district is set to remain as one of Kuala Lumpur's premier shopping districts, being home to many prestigious international hotels, prime office buildings and shopping complexes.

STARHILL GALLERY AND LOT 10 PROPERTY

The Malaysia Properties comprise distinctive and vibrant shopping malls strategically located in Bukit Bintang, Kuala Lumpur's premier shopping and entertainment district. Starhill Gallery features a high profile tenant base with some of the most recognised international designer labels and luxury watch and jewellery brands. Lot 10 offers young and trendy urbanites a wide range of fashion, dining and entertainment offerings.

Starhill Gallery and Lot 10 Property are located in the heart of the popular Bukit Bintang shopping district in Kuala Lumpur's Golden Triangle. The Malaysia Properties are strategically situated as the ritzy Bukit Bintang district is set to remain as one of Kuala Lumpur's premier shopping districts, being home to many prestigious international hotels, prime office buildings and shopping complexes. Lot 10 is located next to Bukit Bintang monorail station, with the H&M store directly connected to the station via a platform. In addition, the future Bukit Bintang station of the Klang Valley MRT project's Sungai Buloh-Kajang Line is slated to be located diagonally opposite the mall when fully completed in 2017, with the station also in close proximity to Starhill Gallery.

LUXURY SHOPPING AT STARHILL GALLERY

Starhill Gallery has a total NLA of 306,113 sq ft and sits on a freehold site connected to two luxury hotels, the JW Marriott Hotel Kuala Lumpur and The Ritz Carlton Kuala Lumpur.

The enlarged Louis Vuitton boutique at Starhill Gallery.

Starhill Gallery attracts affluent tourists and high-end shoppers and comprises seven retail floors each offering a distinct and unique shopping experience. Starhill Gallery houses flagship stores of watch brands such as Audemars Piguet, Jaeger-LeCoultre, Chopard, Bedat & Co and Richard Mille. In addition, Starhill Gallery has a wide range of fashion and lifestyle offerings including luxury labels Louis Vuitton, Valentino, Van Cleef & Arpels, McQ by Alexander McQueen and British department store Debenhams. Existing tenants have also continued to up the ante in luxury shopping experiences. Louis Vuitton re-opened its approximately 16,000 sq ft boutique in January 2014, almost three times the size of its original store. Dior also re-opened its expanded flagship store of approximately 6,200 sq ft in June 2014, which is almost double the size of its original store.

In FY 2014/15, the luxury mall continued to pique the interest of international high-end brands, welcoming new tenants including Newens Tea House, Cortina Watch, independent Swiss luxury watch brand HYT Watches, and French niche oud perfume brand Fragrance Du Bois. Starhill Gallery also hosts the annual "A Journey Through Time" exhibition, one of Asia's most prestigious watch and jewellery showcases. In its eighth year, the 2014 event was held from 21 to 28 November 2014.

FASHION AND ENTERTAINMENT FOR YOUNG URBANITES AT LOT 10

Lot 10 Property sits on a 99-year leasehold site expiring on 29 July 2076 with a NLA of 256,811 sq ft. Lot 10 Property is repositioned to appeal to young urbanites with a "Forest in the City" concept, taking advantage of Lot 10's distinct green facade and building on it by creating landscaped gardens and extensive greenery. The flagship H&M store in Lot 10 was the first to open in Malaysia in 2012. The H&M store expanded in 2014 and offers a full range of merchandise over three storeys with an NLA of approximately 41,000 sq ft. In May 2014, Zara expanded its store to three storeys with an NLA of approximately 16,000 sq ft. Spanning over 21,000 sq ft of the mall, Lot 10 Sports Hub was launched in September 2014, housing sport and fitness brands including Hundred%, The Marathon Shop, Converse, Asia's first Liverpool FC boutique, and real-life escape game room Lockdown Kuala Lumpur. Other notable tenants in Lot 10 include Birkenstock, Braun Buffel, Celebrity Fitness, Timberland, Hush Puppies, Alpha Hub and the Yes! Mobile flagship store. In addition, the basement houses the Lot 10 Hutong, a heritage gourmet village where one can find a myriad of Malaysian gastronomic delights housed under one roof.

STABLE INCOME FROM MASTER LEASE

A master lease with Katagreen Development Sdn Bhd, an indirect wholly owned subsidiary of YTL Corporation Berhad, is in place at both Starhill Gallery and Lot 10 Property. The leases have a fixed term of 3+3 years commencing on 28 June 2010 with a put and call option by the landlord and the master tenant respectively to extend the tenancy for the Malaysia Properties for a further three years upon expiry of the second term in June 2016. The leases also have fixed step-up features, guaranteeing a 6.7% increase in rent upon renewal.

1 The expanded Dior flagship store at Starhill Gallery.

2 Sergio Rossi boutique at Starhill Gallery.

3 The expanded Zara store at Lot 10 Property.

4 Hush Puppies store at Lot 10 Property.

China Property

Renhe Spring Zongbei Property

The Renhe Spring Zongbei Property is located in a high income area and surrounded by grade A buildings and high-end residences.

RENHE SPRING ZONGBEI PROPERTY

No. 19, 4th Section,
Renminnan Road, Chengdu, China

TENURE
40 YEARS
Leasehold Estate (expiring on 27 Dec 2035)

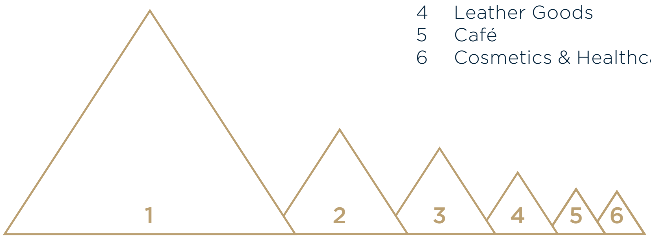
TOTAL GFA (SQ FT)
100,854

S$70.6m
PURCHASE PRICE

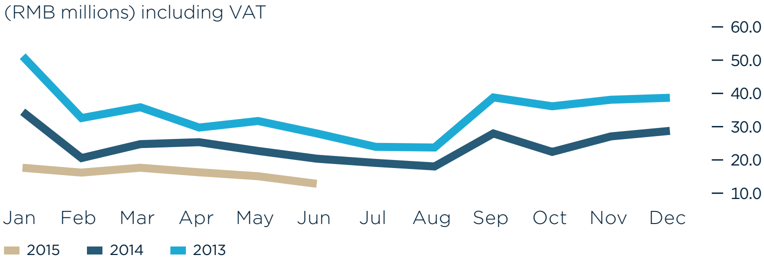
S$66.3m
MARKET VALUATION
(as at 30 Jun 2015)

RETAIL TRADE MIX
by gross rental contribution
(for Jun 2015)

1	Fashion	**74.6%**
2	Accessories	**11.2%**
3	Jewellery & Watches	**7.7%**
4	Leather Goods	**3.7%**
5	Café	**1.5%**
6	Cosmetics & Healthcare	**1.3%**



MONTHLY SALES YOY COMPARISON
(RMB millions) including VAT



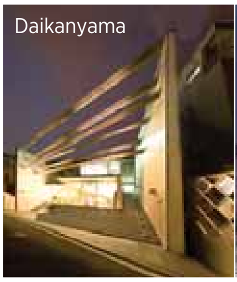
Renhe Spring Zongbei Property is located in Chengdu, the capital city of Sichuan province and well-known as the hometown of pandas, a popular tourist destination. Chengdu is one of the most populous cities of China with a population of 14 million and is the transit centre and financial hub of Western China. To accommodate increased transportation demand, a second airport has been planned with scheduled completion in 2018.

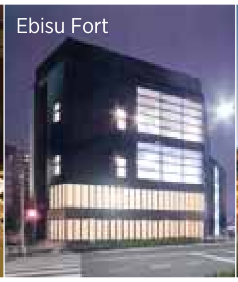
The central government continued the austerity economic strategy which affected sales and the high-end luxury retail market. Nationwide retail sales growth in 1H 2015 eased to 10.3%, down from 12.4% in 1H 2014. In Chengdu, retail sales growth in 1H 2015 also eased to 10.9% compared to 13.6% in 1H 2014.

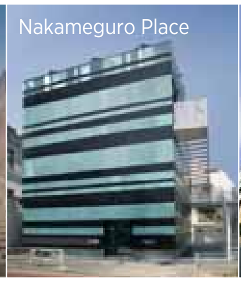
The property comprises four levels of retail space and a café on a mezzanine floor with a GFA of approximately 100,854 sq ft. Both basement and road level parking facilities are available. A Mass Rapid Transit station is also located in front of the property. It is surrounded by consulates and high-end residences. Operating as a department store with concessionaires, international brands present include Armani Collezioni, Dunhill, Ermenegildo Zegna, Hugo Boss, Max Mara Weekend and Rolex. Occupancy has been maintained at 100% since acquisition in August 2007.

Oversupplied retail space during the austerity measures period intensified the market competition. The retail landscape in Chengdu continued to be challenging which negatively affected the performance of Renhe Spring Zongbei Property for FY 2013 and FY 2014/15. Nonetheless, Renhe Spring Zongbei Property remains focused on fine-tuning the tenancy mix and cost containment.

Japan Properties







Starhill Global REIT's Japan portfolio consists of five contemporary commercial buildings located within walking distance from major subway stations in prime Tokyo areas.

16
NUMBER OF TENANTS
as at 30 Jun 2015

TENURE
Freehold

TOTAL NLA (SQ FT)
47,130

S$146.2 m (1)
PURCHASE PRICE

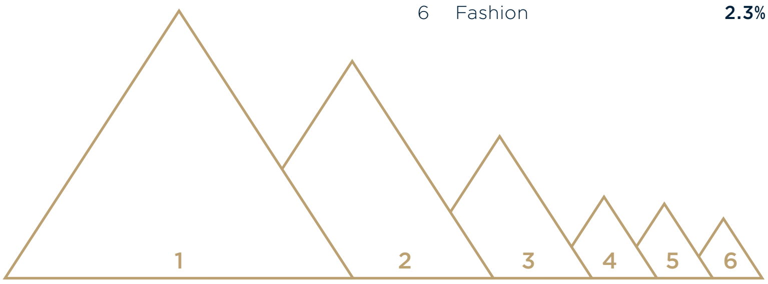
S$81.9 m
MARKET VALUATION
(as at 30 Jun 2015)

OCCUPANCY RATE

RETAIL TRADE MIX

by gross rental contribution
(for Jun 2015)

1	F&B	46.0%
2	Others	30.4%
3	Services	13.3%
4	General Trade	4.4%
5	Health & Beauty	3.6%
6	Fashion	2.3%



As at 30 June 2015, Starhill Global REIT's Japan portfolio consists of five contemporary commercial buildings located in the heart of prime Tokyo in areas such as Harajyuku, Ebisu and Roppongi, within walking distance from major subway stations. The portfolio was refined in March 2014 with the divestment of Holon L at a sale consideration of JPY1,026.0 million (or approximately S$12.8 million).

These five properties are targeted to appeal to young and stylish urbanites from the mid-income segment. As at 30 June 2015, the Japan Properties with a total NLA of approximately 47,130 sq ft enjoyed an overall portfolio occupancy of 96.1%, with four of them fully occupied.

Having weighed the costs and benefits of earthquake insurance for the Japanese assets, the claimable sum and that their contribution to Starhill Global REIT's portfolio is approximately 2.6% by asset value as at 30 June 2015, no specific earthquake insurance has been taken up, which is consistent with the industry practice in Japan.

Note:
(1) Excludes Holon L which was divested to Tadashi Kumazaki in March 2014 at JPY1,026 million, 6% above the independent valuation done as at 31 December 2013. The open market value was derived using the discounted cash flow and income capitalisation methods.

Market Overview

SINGAPORE RETAIL PROPERTY MARKET

According to Singapore's Ministry of Trade and Industry (MTI), Singapore's GDP expanded by 1.8% yoy in the second quarter of 2015 based on advanced estimates, a decline from the 2.8% growth recorded in 1Q 2015 [1]. The first half of the year recorded weaker than expected global economic performance, while growth outlook for the regional economies remain soft on the back of further easing in China's growth. The country's economy is expected to grow by 2.0% to 2.5% in 2015, from the earlier projected 2.0% to 4.0% [1].

Tourist arrivals to Singapore from January to June 2015 reached 7.3 million, representing a 10.0% yoy decline [2]. However in 2014, tourism receipts held steady at S$23.6 billion over 2013, despite a 3% fall in international visitor arrivals to 15.1 million [3]. In recognition of headwinds in Singapore's tourism sector this year, Singapore Tourism Board ("STB") announced a slew of marketing campaigns including a S$35 million joint campaign between Changi Airport Group (CAG) and STB [4] and a S$20 million global marketing campaign which will be done in conjunction with Singapore's Golden Jubilee celebrations [5]. STB projects tourist arrivals to remain stable between 15.1 to 15.5 million in 2015, with tourism receipt to range between S$23.5 billion and S$24.0 billion [5].

According to CBRE, the average prime Orchard Road retail rents was relatively flat yoy in 2Q 2015 at S$34.00 per square foot per month (psfpm) as the industry continued to be challenged with lower number of tourist arrivals and manpower restrictions [6]. However, demand for prime Orchard Road space continues to hold up as there is no known major supply from 2015 onwards [6] and Singapore's luxury goods demand continues to be supported by the increase in per capita expenditure of tourists [7]. According to CBRE, Singapore remains attractive to international retailers seeking a presence in the Asia-Pacific region, with 58 new-to-market entrants in 2014 [8]. However, the domestic labour market is expected to remain tight and consequently, labour-intensive sectors such as retail and food services may see their growth weighed down by manpower constraints. The retail landscape in Singapore remains tepid with the retail sales index in Singapore (excluding motor vehicle sales) declining 3.9% yoy in June 2015 [9].

SINGAPORE OFFICE PROPERTY MARKET

For the office sector, average rents for Grade A and B space increased to S$11.30 psfpm and S$8.05 psfpm respectively on the back of tightness of available space and lower vacancies[6]. However, the large influx of new supply from 2H 2016 onwards will likely exceed expected absorption levels which might result in a slowdown in rental demand [6]. According to CBRE, there is no known office supply in the pipeline within the Orchard Road vicinity till 2018.

AUSTRALIA RETAIL PROPERTY MARKET

On a seasonally-adjusted chain volume basis, the Australian economy grew 0.2% in 2Q 2015, a qoq decline from the 0.9% growth in 1Q 2015, owing to reduced mining and consumption activity, coupled with a decline in exports [10]. Retail sentiment remains buoyed by low interest rates, with the national retail turnover at 4.8% yoy growth in seasonally-adjusted terms for the 12 months to June 2015 [10]. Australia's prime CBD retail precincts continue to attract international retailers with more than 40 new foreign retailers entered the market in 2014 [11]. The retail market in Adelaide is showing signs of strength as a number of international retailers begin their store roll-outs [12], as Rundle Mall remains the prime location in the Adelaide CBD [11]. International retailers, Topshop and Zara, opened their new stores in Perth in October 2014, while Williams Sonoma opened its Pottery Barn, Pottery Barn Kids and West Elm stores in Hay Street Mall in July 2015 [13].

MALAYSIA RETAIL PROPERTY MARKET

In the second quarter of 2015, Malaysia's economy expanded at 4.9% supported by continued expansion in services and a turnaround in agricultural production [14]. The introduction of the goods and services tax, weakening ringgit and current political issues have affected consumer sentiments in Malaysia, thus having a negative impact on the retail sector, said the Retail Group Malaysia. It hopes the current trends are temporary and that they would recover by year-end. In July 2015, the Malaysia Retailers Association had also revised its growth outlook for 2015 from 4.9% to 4% on the back of higher cost of living resulting from weaker ringgit and rising cost of doing business [15]. Tourist arrivals declined 8.6% yoy for the first quarter of 2015 [16] in view of the impact of the airline tragedies in 2014. However, the Malaysian tourism authority believes the weakened ringgit would be beneficial to the industry [17]. According to Knight Frank, Klang Valley is expected to see up to 4.5 million sq ft of retail space expansion up by early 2016 after adding about 1.9 million sq ft in 1H 2015. However, the core Bukit Bintang shopping district is likely to see limited new retail supply till 2017 [18].

CHENGDU RETAIL PROPERTY MARKET

In China, the government's effort to moderate economic growth continued to impact market sentiment. Based on preliminary readings, GDP growth eased to 7.0% in 1H 2015 from 7.4% in FY 2014 [19] owing to macroeconomic factors and downward pressure of domestic economic development. Mirroring the slowdown, nationwide retail sales growth in 1H 2015 eased to 10.3%, compared to 12.4% in 1H 2014 [19]. In Chengdu, retail sales growth have also eased to 10.9% in 1H 2015, compared to 13.6% in 1H 2014 [20] as the ongoing anti-corruption and austerity drive continue to impact the high-end luxury market. Chengdu's retail landscape continues to be challenged with high future supply pipeline with 1.8 million square metres of space expected by 2016 [21].

JAPAN RETAIL PROPERTY MARKET

According to preliminary estimates, Japan's GDP declined at an annualised 1.6% for the second quarter of 2015 after posting growth for the previous two quarters, due to weaker consumption and slow exports [22]. In July 2015, the Bank of Japan trimmed its forecast for growth in the current fiscal year to March 2016 from 2.0% to 1.7% but kept its current monetary policy unchanged, as it maintained that the economy would continue to grow moderately for the current fiscal year [23]. Retail sales in Japan rose 0.9% yoy in June 2015, following a 3% and 5% gain in May and April 2015 respectively [22]. Competition for retail space along the main streets remains tight as a wide variety of retailers including luxury, fast fashion and sportswear brands continue to adopt a positive attitude towards expansion [24].

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FINANCIAL REVIEW – FY 2014/15 (18 MONTHS) VERSUS FY 2013 (12 MONTHS)

Due to the change in Starhill Global REIT's financial year end from December to June, which resulted in a longer 18-month period from January 2014 to June 2015 for FY 2014/15 compared to a 12-month period from January 2013 to December 2013 for FY 2013, the figures presented below are not directly comparable.

Group	FY 2014/15 (S$'000)	FY 2013 (S$'000)	Change (%)
Gross revenue	**294,789**	200,616	46.9%
Property expenses	**(57,160)**	(42,760)	33.7%
Net property income	**237,629**	157,856	50.5%
Non property expenses	**(72,288)**	(47,188)	53.2%
Net income before tax	**165,341**	110,668	49.4%
Change in fair value of derivative instruments	**(479)**	4,643	NM
Change in fair value of investment properties	**9,120**	137,528	(93.4%)
Total return for the period before tax and distribution	**173,982**	252,839	(31.2%)
Income tax	**559**	(2,861)	NM
Total return for the period after tax, before distribution	**174,541**	249,978	(30.2%)
Non-tax (chargeable)/deductible items	**(2,965)**	(139,125)	(97.9%)
Income available for distribution	**171,576**	110,853	54.8%
Income to be distributed to:			
– Unitholders	**164,007**	104,781	56.5%
– CPU holder(s)	**1,287**	3,056	(57.9%)
Total income to be distributed	**165,294**	107,837	53.3%
Distribution per Unit	**7.60 cents**	5.00 cents	52.0%

Gross revenue of S$294.8 million for FY 2014/15 was 46.9% higher than S$200.6 million achieved in FY 2013, mainly due to the additional six months in FY 2014/15, as well as stronger performance of Singapore Properties and Australia Properties following the acquisition of Myer Centre Adelaide in May 2015. The increase was partially offset by one-time receipt of accumulated rental arrears in 1Q FY 2013 from the master tenant Toshin at Ngee Ann City Property for the period June 2011 to December 2012, as well as lower contribution from Renhe Spring Zongbei Property and weaker foreign currencies. NPI for the Group increased by 50.5% to S$237.6 million for FY 2014/15.

Singapore, Malaysia and Australia are our three largest contributors to NPI, accounting for 94.7% of the Group's NPI for FY 2014/15.

Non property expenses were S$72.3 million for FY 2014/15, 53.2% higher than in FY 2013, mainly attributed to the additional six months in FY 2014/15.

The income tax credit for FY 2014/15 was mainly attributed to the deferred tax reversal arising from downward property revaluation of Renhe Spring Zongbei Property.

The loss on derivative instruments for FY 2014/15 represents mainly the change in the fair value of interest rate swaps and caps entered into for the Group's borrowings. The change in fair value on investment properties of S$9.1 million for FY 2014/15 represented the net revaluation gain on the Group's investment properties.

Income available for distribution and income to be distributed to the Unitholders and holder of CPU for FY 2014/15 was S$171.6 million and S$165.3 million respectively. Total DPU for FY 2014/15 was 7.60 cents.

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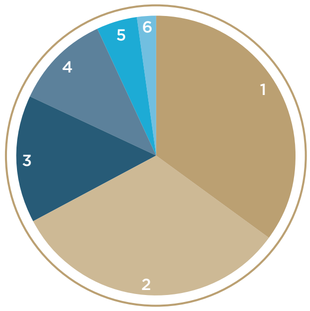
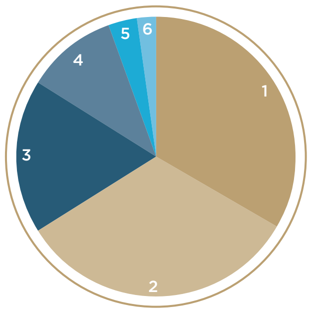
GROSS REVENUE
FY 2014/15 (18 months)

		S$ million	%
1	Wisma Atria Property	**103.5**	**35.1**
2	Ngee Ann City Property	**94.8**	**32.2**
3	Malaysia Properties	**43.8**	**14.8**
4	Australia Properties [1]	**32.4**	**11.0**
5	Renhe Spring Zongbei Property	**13.8**	**4.7**
6	Japan Properties	**6.6**	**2.2**

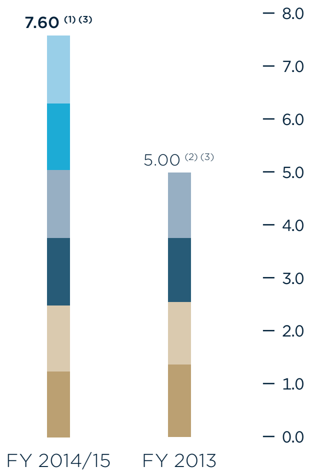


NET PROPERTY INCOME
FY 2014/15 (18 months)

		S$ million	%
1	Wisma Atria Property	**79.7**	**33.6**
2	Ngee Ann City Property	**77.8**	**32.7**
3	Malaysia Properties	**42.2**	**17.8**
4	Australia Properties [1]	**25.1**	**10.6**
5	Renhe Spring Zongbei Property	**7.5**	**3.1**
6	Japan Properties	**5.3**	**2.2**



DISTRIBUTION PER UNIT
(cents)



	FY 2014/15	FY 2013
6Q	**1.29** [1]	NA
5Q	**1.26**	NA
4Q	**1.29**	1.23
3Q	**1.27**	1.21
2Q	**1.25**	1.19
1Q	**1.24**	1.37 [2]

Notes:
(1) Included contribution from the newly acquired Myer Centre Adelaide from May 2015.
(2) Included one-time DPU payout of 0.19 cents due to receipt of accumulated rental arrears from Toshin master lease (net of expenses).
(3) The computation of DPU for FY 2014/15 is based on the number of units entitled to distributions comprising 2,153,218,267 units in issue for 1Q to 5Q FY 2014/15 and the number of units post-CPU conversion on 25 June 2015 of 2,181,204,435 units for 6Q FY 2014/15. The computation of DPU for FY 2013 is based on the number of units entitled to distributions comprising 1,943,023,078 units in issue for 1Q FY 2013 and the number of units post-CPU conversion on 5 July 2013 of 2,153,218,267 units for 2Q to 4Q FY 2013.

FINANCIAL REVIEW – JULY 2014 TO JUNE 2015 (12 MONTHS) VERSUS JULY 2013 TO JUNE 2014 (12 MONTHS)

For the purposes of providing a 12-month yoy analysis of Starhill Global REIT's financial performance, the figures for the 12-month period from 1 July 2014 to 30 June 2015 ("current 12-month period") and the corresponding 12-month period from 1 July 2013 to 30 June 2014 ("corresponding 12-month period") are presented below:

Group	July 2014 – June 2015 (S$'000)	July 2013 - June 2014 (S$'000)	Change (%)
Gross revenue	**197,152**	195,491	0.8%
Property expenses	**(37,785)**	(40,384)	(6.4%)
Net property income	**159,367**	155,107	2.7%
Non property expenses	**(48,984)**	(46,935)	4.4%
Net income before tax	**110,383**	108,172	2.0%
Change in fair value of derivative instruments	**2,145**	(4,152)	NM
Change in fair value of investment properties	**9,120**	137,528	(93.4%)
Total return for the period before tax and distribution	**121,648**	241,548	(49.6%)
Income tax	**2,077**	(2,239)	NM
Total return for the period after tax, before distribution	**123,725**	239,309	(48.3%)
Non-tax (chargeable)/deductible items	**(8,265)**	(128,881)	(93.6%)
Income available for distribution	**115,460**	110,428	4.6%
Income to be distributed to:			
- Unitholders	**110,392**	106,154	4.0%
- CPU holder(s)	**770**	1,042	(26.1%)
Total income to be distributed	**111,162**	107,196	3.7%
Distribution per Unit	**5.11 cents**	4.93 cents	3.7%

Gross revenue for the current 12-month period was S$197.2 million, an increase of S$1.7 million or 0.8% over the corresponding 12-month period, mainly due to stronger performance of Singapore Properties and higher contribution from Australia Properties following the acquisition of Myer Centre Adelaide in May 2015. The increase was partially offset by lower contribution from Renhe Spring Zongbei Property and weaker foreign currencies. NPI grew by S$4.3 million or 2.7% over the corresponding 12-month period to reach S$159.4 million for the current 12-month period, mainly in line with the higher gross revenue and lower property expenses of the Group.

Singapore Properties contributed 67.4% of total revenue or S$132.9 million for the current 12-month period, 2.4% higher than the corresponding 12-month period. NPI increased by 3.9% to S$106.0 million, primarily due to positive rent reversions and lower operating expenses.

Malaysia Properties contributed 14.7% of total revenue or S$29.0 million in the current 12-month period, 2.2% lower than the corresponding 12-month period. NPI for the current 12-month period of S$28.2 million was a 0.9% drop from the corresponding 12-month period, mainly due to the depreciation of RM.

Australia Properties contributed 11.5% of total revenue or S$22.6 million in the current 12-month period, 17.5% higher than the corresponding 12-month period. NPI for the current 12-month period was S$17.6 million, 17.6% higher than the corresponding 12-month period, mainly due to contribution from newly acquired Myer Centre Adelaide from May 2015 and positive rent reversion on the leases for David Jones Building (including the rent review for David Jones lease from August 2014). The increase was partially offset by depreciation of A$.

Renhe Spring Zongbei Property in Chengdu, China, contributed 4.3% of total revenue or S$8.5 million in the current 12-month period, 26.9% lower than the corresponding 12-month period. NPI for the current 12-month period was S$4.3 million, 34.8% lower than the corresponding 12-month period, largely due to lower revenue amidst contraction of the high-end and luxury retail segment resulting from the government austerity drive and increased competition from new and upcoming retail developments in the city.

Japan Properties contributed 2.1% of total revenue or S$4.2 million in the current 12-month period, 20.1% lower than the corresponding 12-month period. NPI for the current 12-month period was S$3.3 million, 7.1% higher than the

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corresponding 12-month period, mainly due to reversal of rental arrears provision in the current 12-month period. The increase was partially offset by depreciation of JPY and loss of income contribution following the divestment of Holon L in March 2014.

Non property expenses for the current 12-month period were S$49.0 million, a S$2.0 million or 4.4% increase over the corresponding 12-month period. This was mainly due to higher finance expenses and management fees in the current 12-month period.

Finance expenses for the current 12-month period were S$31.7 million, a S$1.5 million or 4.9% increase over the corresponding 12-month period. This was mainly due to additional interest costs incurred for the A$145 million loan and the S$125 million MTN drawn/issued in May 2015, full period of interest cost from the S$100 million MTN issued in February 2014, as well as amortisation of the remaining capitalised borrowing costs for the early refinancing of JPY6.3 billion and S$100 million term loans, and RM330 million MTN. The increase was partially offset by lower interest costs incurred on the existing foreign currency borrowings.

Management fees for the current 12-month period were S$15.0 million, a S$0.5 million or 3.6% increase over the corresponding 12-month period. The increase was in line with the higher average value of trust property during the current 12-month period.

Trust expenses for the current 12-month period were S$3.0 million, a S$0.1 million or 2.0% drop from the corresponding 12-month period. The S$0.4 million gain on divestment in the corresponding 12-month period represented the difference between the net proceeds and the carrying amount of Holon L divested in March 2014.

Income tax credit for the current 12-month period was S$2.1 million as compared to income tax expenses of S$2.2 million in the corresponding 12-month period. This was mainly attributed to the deferred tax reversal arising from downward property revaluation of Renhe Spring Zongbei Property, lower net income of Renhe Spring Zongbei Property for the current 12-month period, as well as lower withholding tax provision for Renhe Spring Zongbei Property and the Japan Properties. The variance was partially offset by higher withholding tax provision for the Australia Properties.

The change in fair value of derivative instruments of S$2.1 million for the current 12-month period represented mainly fair value gain on interest rate swaps and caps for the Group's borrowings. The change in fair value on investment properties of S$9.1 million for the current 12-month period represented the net revaluation gain on the Group's investment properties.

Income available for distribution for the current 12-month period was S$115.5 million, an increase of S$5.0 million or 4.6% over the corresponding 12-month period. Income to be distributed to the Unitholders and holder of CPU for the current 12-month period was S$111.2 million, an increase of S$4.0 million or 3.7% over the corresponding 12-month period.

Total DPU for the current 12-month period from 1 July 2014 to 30 June 2015 was 5.11 cents, representing an increase of 3.7% over DPU of 4.93 cents achieved for the corresponding 12-month period from 1 July 2013 to 30 June 2014.

ASSETS AND LIABILITIES

The Group's total assets as at 30 June 2015 were S$3,193.4 million, representing an increase of S$250.2 million or 8.5% compared to S$2,943.2 million as at 31 December 2013, mainly due to the newly acquired Myer Centre Adelaide in May 2015. The Group's portfolio of 13 prime properties across five countries was independently revalued at approximately S$3,116.2 million as at 30 June 2015, recording a net revaluation gain of S$9.1 million for FY 2014/15. The geographic breakdown of the portfolio by asset value as at 30 June 2015 was as follows: Singapore 66.5%, Australia 16.1%, Malaysia 12.7%, Japan 2.6% and China 2.1%.

The Group's total liabilities as at 30 June 2015 were S$1,210.6 million, representing an increase of S$277.6 million or 29.8%, compared to S$933.0 million as at 31 December 2013, mainly in line with the additional borrowings drawn to fund the Myer Centre Adelaide acquisition. Gearing increased from 29.0% as at 31 December 2013 to 35.5% as at 30 June 2015.

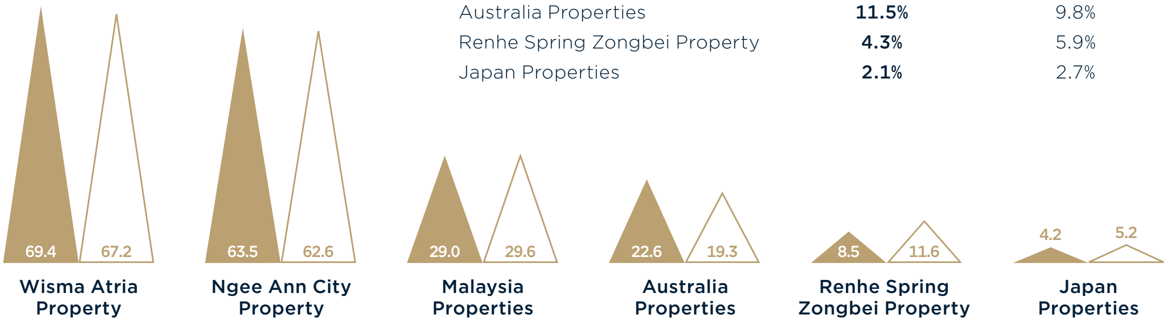
The Group's net asset value remained largely stable at S$1,982.8 million (NAV per Unit of S$0.91) as at 30 June 2015, compared to S$2,010.1 million (NAV per Unit of S$0.93) as at 31 December 2013.

CASH FLOW

Total net cash outflow (excluding effects of exchange rate differences) for FY 2014/15 was S$3.7 million, largely comprising cash outflow from investing activities of S$315.8 million, partially offset by net cash flows from operating activities of S$212.4 million and cash inflow from financing activities of S$99.8 million. The cash outflow from investing activities related mainly to the purchase of Myer Centre Adelaide in May 2015. Cash flows from financing activities comprised mainly proceeds from borrowings, partially offset by repayment of borrowings and distributions paid to Unitholders.

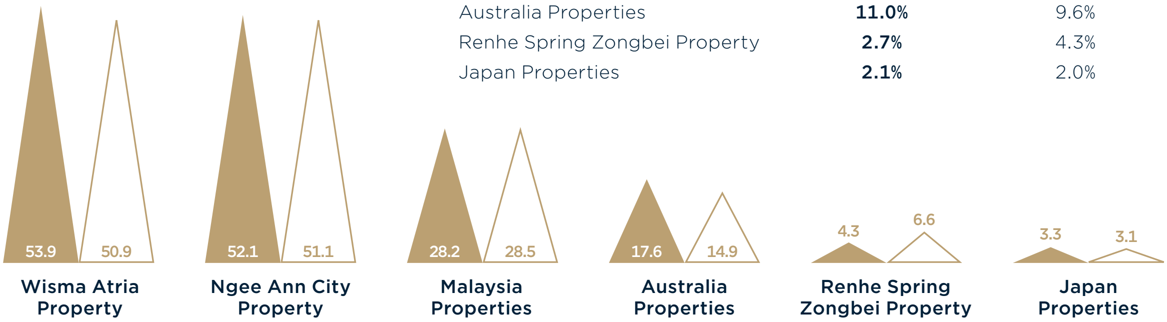
GROSS REVENUE
(S$ million)

% contributed by:	12 months from Jul 14 – Jun 15	12 months from Jul 13 – Jun 14
Wisma Atria Property	**35.2%**	34.4%
Ngee Ann City Property	**32.2%**	32.0%
Malaysia Properties	**14.7%**	15.2%
Australia Properties	**11.5%**	9.8%
Renhe Spring Zongbei Property	**4.3%**	5.9%
Japan Properties	**2.1%**	2.7%



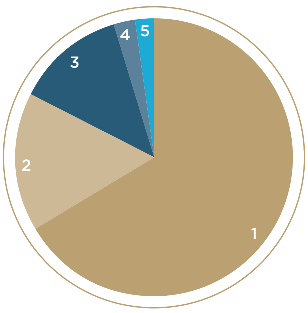
NET PROPERTY INCOME
(S$ million)

% contributed by:	12 months from Jul 14 – Jun 15	12 months from Jul 13 – Jun 14
Wisma Atria Property	**33.8%**	32.8%
Ngee Ann City Property	**32.7%**	33.0%
Malaysia Properties	**17.7%**	18.3%
Australia Properties	**11.0%**	9.6%
Renhe Spring Zongbei Property	**2.7%**	4.3%
Japan Properties	**2.1%**	2.0%



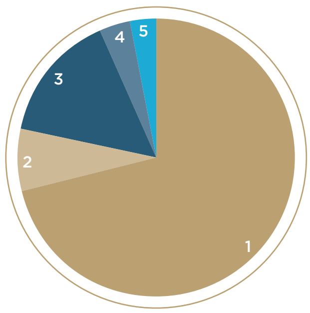
ASSET VALUE BY COUNTRY
As at 30 Jun 2015

1	Singapore	**66.5%**
2	Australia	**16.1%**
3	Malaysia	**12.7%**
4	Japan	**2.6%**
5	China	**2.1%**



As at 31 Dec 2013

1	Singapore	**71.3%**
2	Australia	**7.3%**
3	Malaysia	**15.0%**
4	Japan	**3.5%**
5	China	**2.9%**



Capital Management

PRUDENT CAPITAL MANAGEMENT TO OPTIMISE UNITHOLDERS' RETURNS

Starhill Global REIT's main objective when managing capital is to optimise Unitholders' returns through a mix of available capital sources. The Group monitors capital on the basis of both the gearing ratio and interest service coverage ratio and maintains them within the approved limits. The Group assesses its capital management approach as a key part of the Group's overall strategy and this is continuously reviewed by the Manager.

In February 2014, the Group issued S$100 million unsecured seven-year 3.5% Series 002 MTN (maturing in February 2021) under its S$2 billion multicurrency MTN programme, with the net proceeds used to repay the existing debts and for working capital purposes.

In May 2014 and June 2014, approximately JPY0.2 billion (S$2.5 million) of JPY1.4 billion bond and JPY0.7 billion (S$8.6 million) of JPY7 billion term loan were repaid using sales proceeds from the divestment of Holon L. In June 2014, the Group extended the maturity of its existing secured A$63 million term loan by two years to June 2019, at a lower interest margin effective from June 2014.

In September 2014, the Group completed the refinancing of RM330 million MTN ahead of its expected maturity in June 2015 by buying back and cancelling the First Senior MTN and issuing new five-year secured and fixed-rate Second Senior MTN of a nominal value of RM330 million at a discounted cash consideration of approximately RM325 million. The Second Senior MTN bear a fixed coupon rate of 4.48% per annum and have a carrying amount of approximately RM326.2 million (S$116.2 million) as at 30 June 2015.

In April 2015, the Group entered into an agreement with the same banks to secure a five-year unsecured loan facility to refinance the JPY6.3 billion term loan ahead of its maturity in September 2016. The loan was subsequently drawn in July 2015 and the maturity extended to July 2020.

In May 2015, the Group entered into a three-year unsecured term loan facility of S$250 million, of which S$100 million was drawn in June 2015 to refinance the S$100 million term loan ahead of its maturity in September 2016. The remaining S$150 million term loan facility was drawn in July 2015. The Group also entered into a three-year secured term loan facility of A$145 million, which was drawn in May 2015 to partially fund the acquisition of Myer Centre Adelaide in Australia.

In May 2015, the Group issued S$125 million unsecured eight-year 3.4% Series 003 MTN (maturing in May 2023), with the net proceeds used to repay existing debts and for working capital purposes.

As at 30 June 2015, Starhill Global REIT's outstanding debt stood at approximately S$1,135 million with a gearing ratio of 35.5%, and approximately S$2.3 billion (73%) of the Group's investment properties are unencumbered, enhancing its financial flexibility. The Manager intends to continue with its prudent capital management.

Starhill Global REIT's current financial risk management policy is described in greater details below.

INTEREST RATE RISK MANAGEMENT

In order to protect the Group's earnings from interest rate volatility and provide stability to Unitholders' returns, Starhill Global REIT may hedge substantially its interest rate exposure within the short to medium term by using fixed rate debt and interest rate derivatives including interest rate swaps and caps.

As at 30 June 2015, Starhill Global REIT hedged 100% of its debt, of which 81% were hedged by a combination of fixed rate debt and interest rate swaps, and the remaining 19% were hedged using interest rate caps. The weighted average interest rate was approximately 3.19% per annum as at 30 June 2015. The interest service coverage ratio was a healthy 5.2 times for the 18 months ended 30 June 2015. The Manager intends to continue to secure diversified funding sources from both financial institutions and capital markets when opportunities arise, while keeping Starhill Global REIT's ongoing cost of debt competitive.

FOREIGN EXCHANGE RISK MANAGEMENT

As at 30 June 2015, Starhill Global REIT is exposed to foreign exchange risk arising from its investments in Australia, Malaysia, China and Japan. The income generated from these investments and net assets are denominated in foreign currencies. In managing its currency risks associated with its foreign investments, Starhill Global REIT has adopted the following income and capital hedging strategies.

Income hedging

Starhill Global REIT's core portfolio is largely based in Singapore, which contributed approximately 67% of its revenue for the 18 months ended 30 June 2015. Starhill Global REIT actively monitors the exchange rates and assesses hedging on a case-by-case basis. The impact of the volatility in the foreign currencies namely Australian dollar, Malaysian Ringgit and Japanese Yen on its distributions has been partially mitigated by having foreign currency denominated borrowing as a natural hedge, and short-term foreign currency forward contracts to hedge part of its net foreign income.

Capital hedging

In managing the currency risks associated with the capital values of Starhill Global REIT's overseas assets, borrowings are denominated in the same currency as the underlying assets to the extent feasible, to provide a natural currency hedge. As the investments in overseas assets are generally long term in nature, the remaining net positions of the foreign exchange risk on such investments are not hedged.

DEBT GEARING AND HIGHLIGHTS

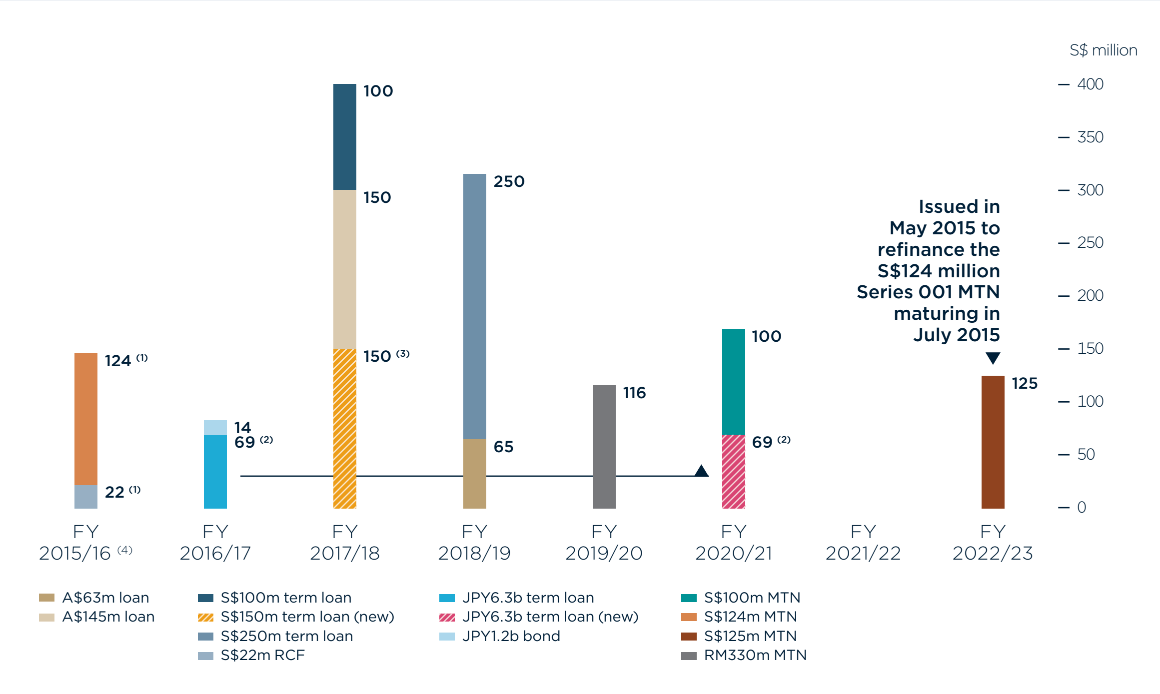
As at 30 June 2015

SGD term loans	S$350m
JPY term loan	S$69m
SGD RCF	S$22m
Singapore MTNs	S$349m
Malaysia MTN	S$116m
Australia loans	S$215m
Japan bond	S$14m
Total Debt	**S$1,135m**
Gearing ratio [1]	35.5%
Fixed/hedged debt ratio [2]	100%
Unencumbered assets ratio	73%
Interest cover for the 18 months ended 30 June 2015	5.2x
Weighted average interest rate per annum [3]	3.19%
Starhill Global REIT corporate rating:	
– Standard & Poor's [4]	BBB+

Notes:
[1] Based on consolidated deposited property.
[2] Including interest rate derivatives such as interest rate swaps and caps.
[3] As at 30 June 2015. Includes interest rate derivatives but excludes upfront costs.
[4] Standard & Poor's has affirmed its "BBB+" rating in April 2015, with a stable outlook.

DEBT MATURITY PROFILE

As at 30 June 2015



Notes:
[1] In July 2015, the Group has fully repaid the S$124 million Series 001 MTN upon maturity and the outstanding short-term RCF of S$22 million.
[2] In July 2015, the Group has refinanced its unsecured JPY6.3 billion term loan ahead of maturity in September 2016 with the same banks, with a new maturity in July 2020.
[3] In July 2015, the Group has utilised the remaining S$150 million from a three-year unsecured S$250 million term loan facility, which was earmarked to partially fund the acquisition of Myer Centre Adelaide.
[4] Post July 2015, the Group's average debt maturity profile is approximately 4.1 years and there is no significant debt refinancing requirement until year 2018.

Risk Management

The Manager has put in place an enterprise risk management framework for Starhill Global REIT, comprising procedures and protocol to identify and initiate mitigation of enterprise risks which may arise in the management and operations of Starhill Global REIT, particularly in the areas of asset acquisitions, asset integration, financial risk management, and workplace safety and health. To address each of these areas, the Manager has adopted policies and/or hired or designated staff with specific expertise in that area, and continues to assess the potential impact of risks which may arise and the necessary response or process to effectively mitigate those risks.

ASSET ACQUISITION PROCESS

Prior to any new acquisition, each of the key risks attributable to the acquisition or the subsequent management of the asset is assessed. Functional heads in the Manager are responsible for this process. The Board is made aware of all key risks considered and that these have been addressed or mitigated appropriately.

ASSET INTEGRATION PROCESS

Following every successful acquisition, it is imperative that each asset is quickly integrated into Starhill Global REIT's existing portfolio, from financial, operational and compliance perspectives. This process is activated before the closing of each acquisition, and completed as soon as practicable thereafter.

WORKPLACE SAFETY AND HEALTH

The Manager complies in all material respects with the Singapore's Workplace Safety and Health Act. We have also put in place appropriate fire safety practices for the Singapore assets of Starhill Global REIT.

FINANCIAL RISK MANAGEMENT POLICY

Starhill Global REIT's returns are primarily from net operating income and capital appreciation of its assets. However, these returns are exposed to financial risks including credit, liquidity, interest rates and foreign currency risks. Where appropriate, the Manager may hedge against the volatility of interest rates, foreign currency net income and foreign currency investments. Starhill Global REIT has a system of controls in place to create an acceptable balance between the cost of the financial risks occurring and the cost of managing these risks. The Manager continuously monitors the Group's financial risk management process to ensure that an appropriate balance between risk and control is achieved. Financial risk management policies and systems are reviewed regularly to reflect changes in market conditions and Starhill Global REIT's activities.

The policies contain the parameters and processes for managing these risks, and define the roles and responsibilities of those who manage the process. For more information on financial risk management, please refer to pages 120 to 124 of this Annual Report.

BUSINESS CONTINUITY PLANNING

The Manager has developed a plan to address the impact and recovery of unforeseen disruptions or emergency circumstances to its business and operations. Key areas such as information technology, finance, regulatory compliance, vital record storage and recovery are addressed, to ensure smooth continuation of the Manager's and the Property Manager's essential business operations, in the event of a major disruption or contingency.

OPERATIONAL RISK SELF ASSESSMENTS (ORSA)

The Manager has an ORSA protocol to ensure a regular review and assessment of the internal processes which have been implemented under the enterprise risk management framework. The Manager periodically conducts ORSA to assess the key risks and controls identified. This process also ensures that adequate resources are allocated to mitigate these risks.

RISK REPORTING

The Manager actively assesses and manages legal and compliance risks for Starhill Global REIT. Such risks may arise in each of the various jurisdictions Starhill Global REIT has assets located in, with the application of different laws and regulatory requirements, the enforceability of counterparty obligations and/or in the process of appropriately documenting all contractual agreements. Quarterly reports are made to the Manager's Audit Committee (on an exceptions basis), and the Board is regularly updated on all such matters.

WHISTLE BLOWING POLICY

The Board has established a whistle blowing policy, pursuant to which employees and any other persons may, in confidence, raise concerns about potential or actual improprieties in financial or other operational matters, so as to facilitate independent investigations of such matters and ensure that appropriate remedial and follow-up action is taken. On an ongoing basis, the whistle blowing policy is covered during staff orientation to promote fraud awareness.

Investor Relations and Communications

Starhill Global REIT keeps Unitholders and the financial community abreast of its latest developments and strategic direction through equitable, timely and effective communications. The Manager employs communications channels such as announcements, press releases, briefing sessions, investor presentations, annual reports, the corporate video, corporate website and emails to disseminate and share information on its financial and operational performance, business plans and latest developments.

The Manager is active in engaging investors and analysts through regular meetings, property tours and attending conferences both locally and overseas throughout the year. In FY 2014/15, the Manager participated in a number of investor conferences and roadshows in Singapore, Hong Kong, Japan, Malaysia, United Kingdom and the United States. In May 2015, a site visit to the recently acquired Myer Centre Adelaide was conducted for media and analysts. As at 30 June 2015, Starhill Global REIT is covered by a total of 11 research houses.

The Manager continues to be proactive in reaching out to Unitholders, prospective investors and analysts. It continues to be committed to the provision of accurate information to the investing public in a timely manner.

RESEARCH COVERAGE

CIMB Research
Daiwa Securities Capital Markets
DBS Vickers Research
Macquarie Capital Securities
Maybank Kim Eng Research
OCBC Securities
Phillip Securities
Religare Capital Markets
RHB Research
UBS Investment Research
UOB Kay Hian Research

UNITHOLDERS' ENQUIRIES

If you have any enquiries or would like to find out more about Starhill Global REIT, please contact:

THE MANAGER

YTL Starhill Global REIT Management Limited
391B Orchard Road
#21-08 Ngee Ann City Tower B
Singapore 238874
Phone: +65 6835 8633
Fax: +65 6835 8644
Email: info@ytlstarhill.com
Website: www.starhillglobalreit.com

THE UNIT REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623
Phone: +65 6536 5355
Fax: +65 6438 8710
Website: www.boardroomlimited.com

For depository-related matters such as change of details pertaining to Unitholders' investment records, please contact:

UNITHOLDER DEPOSITORY

The Central Depository (Pte) Limited
9 North Buona Vista Drive
#01-19/20 The Metropolis
Singapore 138588

Phone: +65 6535 7511
Fax: +65 6535 0775
Email: asksgx@sgx.com
Website: www1.cdp.sgx.com

FY 2014/15 INVESTOR RELATIONS ACTIVITIES

1Q FY 2014/15

Release of FY 2013 financial results and analysts' results briefing
Release of FY 2013 Annual Report
Post-FY 2013 financial results investors' lunch hosted by Maybank
Maybank Non-Deal Roadshow, Kuala Lumpur

2Q FY 2014/15

Release of 1Q FY 2014/15 financial results
Post-1Q FY 2014/15 financial results investors' lunch hosted by UBS
Annual General Meeting
DBS Vickers Securities The Pulse of Asia Conference, New York and San Francisco
Maybank Invest ASEAN 2014 Conference, Singapore
Maybank Non-Deal Roadshow, Boston and New York
UBS Non-Deal Roadshow, London

3Q FY 2014/15

Release of 2Q FY 2014/15 financial results and analysts' results briefing
Post-2Q FY 2014/15 financial results investors' lunch hosted by Macquarie
DBS Pulse of Asia Conference, Singapore
Macquarie ASEAN Conference 2014, Singapore
UBS ASEAN Conference 2014, Singapore
Daiwa Non-Deal Roadshow, Tokyo
Macquarie Non-Deal Roadshow, Hong Kong

4Q FY 2014/15

Release of 3Q FY 2014/15 financial results
Post-3Q FY 2014/15 financial results investors' lunch hosted by DBS
Morgan Stanley 13th Annual Asia Pacific Summit, Singapore

5Q FY 2014/15

Release of 4Q FY 2014/15 financial results and analysts' results briefing
Post-4Q FY 2014/15 financial results investors' lunch hosted by RHB Research
JP Morgan Asia Pacific Real Estate Conference, Singapore

6Q FY 2014/15

Release of 5Q FY 2014/15 financial results
Post-5Q FY 2014/15 financial results investors' lunch hosted by CIMB
Media and analysts' site visit to Myer Centre Adelaide
Macquarie Non-Deal Roadshow, Tokyo
Citi Asia-Pacific Property Conference, Hong Kong

Sustainability

Environment, People and Community

Starhill Global REIT is committed to creating long-term value for our Unitholders not only through growing our businesses in a sustainable manner, but also through continual, conscious efforts in doing our part for the environment, nurturing our people, giving back to the community and staying committed to strong governance.

ENVIRONMENT	PEOPLE	COMMUNITY	GOVERNANCE
Environmental protection not only makes business sense but it also forms the Manager's responsibility as a responsible corporate citizen. We complement our sustainability efforts by embracing practices that are more environmentally-friendly, raising awareness on climate change among our employees and by encouraging customers to make sustainable choices.	Human capital is one of our key assets. Our People make the difference in delivering the competitive edge. In our commitment to drive long-term sustainability and business growth in this dynamic operating environment, we remain focused on building organisational capability, employee engagement and strengthening leadership skills.	Our corporate social responsibility initiatives are in support of the underprivileged through various programmes and activities that contribute meaningfully to our local communities.	Our commitment to business excellence is driven by our focus on strong corporate governance. We believe that strong and effective corporate governance is essential in protecting the interests of the Unitholders of Starhill Global REIT and is critical to the success of our performance.

ENVIRONMENT

Environmental protection not only makes business sense but it also forms the Manager's responsibility as a responsible corporate citizen. We complement our sustainability efforts by embracing practices that are more environmentally-friendly, raising awareness on climate change among our employees and by encouraging customers to also make sustainable choices.

2014

Earth Hour 2014
29 March 2014
Wisma Atria celebrated Earth Hour for the seventh consecutive year. As part of the mall's continued commitment to the global environment initiative, most stores and offices switched off non-essential lights and the mall's facade lights from 8.30pm to 10.00pm. Selected F&B outlets offered candlelight dining and there were fire-eating performances and instaprints to entertain shoppers.

In Malaysia, both Starhill Gallery and Lot 10 participated by switching off their facade lights. An Earth Hour-themed flash mob dance, featuring members of the public, was organised in front of Lot 10. Prior to the event day, the Manager organised a visit for its staff to the Public Utilities Board's NEWater Visitor Centre to educate staff on the importance of water conservation. A lunch hour movie screening on an environmental-themed movie was also organised for its staff to raise awareness on the importance of environmental conservation.

WWF Underwater Planet/ Give a Gift That Means The World – World Wide Fund for Nature (Singapore) Limited
14-20 July 2014
Wisma Atria was the venue sponsor for indoor event space for WWF Underwater Planet, an exhibit to raise awareness of the threats to Southeast Asia's coral reefs and the importance of marine parks and public aquaria as a means of protecting them.

2015

Ngee Ann City – BCA Green Mark Award
26 February 2015
Ngee Ann City was awarded the BCA Green Mark Platinum Award. The BCA Green Mark Scheme was launched in January 2005 as an initiative to shape a more environmentally-friendly and sustainable built environment.

Eco Office Recertification
13 March 2015
In Singapore, the offices of the REIT Manager and Property Manager were recognised for their green efforts at Project Eco-Office, an initiative between Singapore Environment Council and City Developments Limited that recognises environmentally-friendly practices in workplaces.

Earth Hour 2015
29 March 2015
Wisma Atria celebrated Earth Hour for the eighth consecutive year. As part of the mall's continued commitment to the global environment initiative, most stores and offices switched off non-essential lights and the mall's facade lights from 8.30pm to 10.00pm, while selected F&B outlets offered candlelight dining.

The Malaysia Properties, Starhill Gallery and Lot 10 Property, commemorated the event by switching off the malls' facade lights. Over at Lot 10 Property, an artisan

market featuring an art workshop demonstration and craft activities using natural organic ingredients were organised.

For its staff, the Manager organised a visit to the power station of YTL Power Seraya to raise awareness of the importance of electricity conservation. A group of staff spent the morning touring the plant facility and learning more about electricity generation, as well as efforts by the environmentally-conscious company in sourcing clean energy options.

Reserved Lots for Electric Cars

At Wisma Atria and Lot 10, there are designated parking lots reserved for electric cars, whereby owners are able to charge their cars at these lots when they visit the malls.

PEOPLE

Success is a team sport and a Team is only as good as its players.

As we mark our 10th anniversary this year, the core to the Company's success has been our People.

It has been a wonderful decade of achievements with the continued support, commitment and high performing teams. Our People have grown together with the Company and witnessed our listing of the REIT on SGX-ST in 2005. Our People, our Culture and our Shared Values underpin our success over the last 10 years.

Human capital is one of our key assets and the Manager firmly believes that human assets are similar to physical assets that need to be nurtured and developed. We instil a strong sense of belonging among our people through our Purpose, Values and Principles which are the building blocks of our culture. Our Purpose unifies us in a shared vision, our Values guide our work behaviours, and our Principles articulate our mission in business.

Growth and Strive for Continued Excellence: Skills-Future Readiness for the Future Organisation

The Manager believes in the need to constantly strengthen the education and training infrastructure in building a sustainable skills pipeline throughout the employee life-cycle. To be future-ready, it is vital to nurture our people to stay relevant in their skill-sets and to take on larger roles.

Our people development framework provides a wide range of learning, development and educational opportunities. It equips them with the skills and competencies to make positive contributions to the organisation, keep pace with changing work dynamics and enables our people to grow personally and professionally. Investments are made in various programmes covering training, workshops and seminars ranging from management, technical, communication, leadership to soft-skills. In our aspiration to develop and strengthen the leadership core, the "Executive Development Programme" was rolled out, aimed at nurturing business unit leaders. Selected high potential executives acquire broad-based knowledge and update their general management skills so that they are well positioned for future growth opportunities.

Recognising the importance of internal collaboration and synergy, cross functional appreciation in subject matters such as Tenancy Contract Law, Finance for Non-Finance Personnel and Management Corporation Strata Title structure were organised. The learning principle – "Back to Basics" – serves to strengthen individual understanding of work requirements and broaden staff perspectives beyond the functional domain. Internal expertise and external professionals were engaged to address knowledge gaps and coach technical mastery in tandem with execution excellence. Above all, this platform brings about shared understanding and team integration across different functional departments.

The People Equation: Workplace Diversity; Engaging Minds, Enriching Work-life

Professional success cannot be fully enjoyed without work-life integration. A diverse workforce spanning different generations, genders and nationalities generate significant value to a harmonious workplace. In building an inclusive workplace, we advocate the importance of team integration, a positive workplace culture and work ethos.

The Manager cares about its People and the demands each individual faces at different life stages. Family-friendly initiatives such as staggered work-hours and monthly "Bright Sky Day" are implemented at the workplace. On Bright Sky Day, staff can start their weekend early by leaving early on Friday to spend more time with their families, or to pursue their personal interests and for better work-life harmony. For the seventh year running, we supported the national campaign "Eat With Your Family Day".

We continually promote the merits of healthy living and encourage staff to take control of their physical and mental health as part of a holistic lifestyle. Comprehensive health screening programmes, influenza vaccination and regular fruit treats were organised for our People as part of our Health & Wellness initiative. Our Workplace Health Programme offers many varied sports and fitness activities such as yoga, archery,

1 Staff visit to YTL Power Seraya.

2 Staff learning to cook local cuisine at the staff incentive trip to Bali.

Sustainability
Environment, People and Community

rock climbing and ice-skating for our People to learn a sport, unwind and interact with their fellow colleagues. Lunch talks and workshops covering skin care and beauty tips, healthy cooking, weight loss, personal financial management and stress management knowledge were provided by wellness specialists and nutritionists. As part of building an engaging culture, festive events such as Chinese New Year and Mid-Autumn Festival were celebrated together.

Our continuous efforts in implementing workplace health activities ensure that our people continue to live well-balanced work lives resulting in a happier, healthier and productive workforce. As a testament of our sustained commitment in promoting workplace health and employee health management practices, we are the proud recipient of the Gold Singapore HEALTH Award 2015, conferred by the Health Promotion Board.

Fun and play are weaved into work to make learning a meaningful experience. To educate our people on retail brands, an excursion to Johor Premium Outlet, Malaysia was organised.

To forge stronger team dynamics and foster employee dedication, the company organised incentive trips to Seoul and Bali as part of our people-centric and staff engagement initiatives.

The Success Story Continues

A Company is only as great as the people who embody its mission. We firmly believe each and every individual has potential and can make a positive difference. The broad array of employees' capabilities and experiences can only be powerful when these are assembled to shape and support the Company's growth plans.

We believe the importance of holistic work-life experience and care about providing fulfilment for our People. In our commitment to drive long-term sustainability and continued business growth, we remain focused on strengthening organisational capabilities, employee engagement and the leadership bench. To be future-ready and to meet the evolving business needs, we will continue to inspire our people to embrace the unceasing need for knowledge and renew their skills.

Growing together with our People is a journey. The strategic imperative is to be future-ready and the Manager remains committed to take the company to greater excellence.

COMMUNITY

Our corporate social responsibility initiatives are in support of the underprivileged. Through various programmes and activities, we aim to contribute meaningfully to our local communities.

28 June 2014

Soccer legend Michael Owen made a guest appearance on 28 June 2014 as part of Wisma Atria's GOAL! All The Way campaign. Eight children beneficiaries with special needs, who were selected by the Community Chest, interacted with him at the football simulator machine. Funds were also raised by the public for the football simulator machine, and a personal jersey from the soccer legend himself was donated to the Community Chest.

Canossaville Children's Home
18 November 2014

The Manager partnered with Canossaville Children's Home and invited youth beneficiaries (six to 12 years old) from underprivileged families for a cooking and baking session during the year-end school holidays. It was an afternoon of fun as staff volunteers enjoyed interacting with the children while teaching them how to make burgers and bake cookies. Tenants Ben's Cookies, Craftholic and Typo sponsored goodies for the children.

NKF Prosperity for Generation
12 April – 30 August 2015

Wisma Atria was the official mall sponsor for the NKF Prosperity for Generation from 12 April – 30 August 2015. The unveiling of two SG50 vases, which were out of 138 pairs commissioned by Mr S.R. Nathan, former President of Singapore, was graced by Mr Koh Poh Tiong, NKF Chairman; Mr Edmund Kwok, NKF CEO; Mr Tan Boon Piin, General Manager of YTL Starhill Global Property Management Pte. Ltd. and Isa Halim, Captain of LionsXII.

3 Lunch & Learn Workshop - Finance for Non-Finance Professionals.

4 Staff Rock Climbing Workshop.

5 Cooking session with children from Canossaville Children's Home.

CORPORATE GOVERNANCE

MANAGER OF STARHILL GLOBAL REIT

YTL Starhill Global REIT Management Limited was appointed the Manager of Starhill Global REIT in accordance with the terms of the Starhill Global REIT Trust Deed dated 8 August 2005 (as amended) ("Trust Deed").

The Manager of Starhill Global REIT has general power of management over the assets of Starhill Global REIT. The primary role of the Manager is to set the strategic direction of Starhill Global REIT and to make recommendations to HSBC Institutional Trust Services (Singapore) Limited, as trustee of Starhill Global REIT ("Trustee") on acquisitions, divestments and enhancement of the assets of Starhill Global REIT, in accordance with its stated business strategy and the terms of the Trust Deed. Other important functions and responsibilities of the Manager include:

1. using its best endeavours to ensure that the business of Starhill Global REIT is carried out and conducted in a proper and efficient manner and to conduct all transactions with, or for Starhill Global REIT, at arm's length;
2. preparing property business plans on a regular basis, which may contain proposals and forecasts on net income, capital expenditure, sales and valuations, explanations of major variances to previous forecasts, written commentary on key issues and underlying assumptions on rental rates, occupancy costs and any other relevant assumptions. The purpose of these plans is to manage the performance of Starhill Global REIT's assets;
3. ensuring compliance with applicable laws and regulations, and the Trust Deed;
4. attending to all communications with Unitholders; and
5. supervising the property managers in performing the day-to-day property management functions (such as leasing, marketing, maintenance, promotion and accounting) for the properties, pursuant to the property management agreements.

Starhill Global REIT, which is constituted as a trust, has no direct staff of its own (other than the staff of its China subsidiary). It is externally managed by the Manager, who appoints experienced and well-qualified management staff to run its operations. All Directors and employees of the Manager are remunerated by the Manager, and not by Starhill Global REIT.

The Trust Deed provides *inter alia* for the removal of the Manager in certain situations, including by way of resolution passed by a simple majority of Unitholders present and voting at a general meeting duly convened, with no Unitholder being disenfranchised.

On 16 September 2010, the Manager obtained a capital markets services licence from the MAS to conduct REIT management activities under the Securities and Futures Act, Chapter 289 of Singapore ("SFA").

CORPORATE GOVERNANCE CULTURE

The Manager believes that strong and effective corporate governance is essential in protecting the interests of the Unitholders of Starhill Global REIT and is critical to the success of its performance as the Manager.

The Manager is committed to the highest standards of corporate governance and transparency in the management of Starhill Global REIT and operates in the spirit of the Code of Corporate Governance 2012 ("Code") in the discharge of its responsibilities as Manager. The following sections describe the Manager's primary corporate governance policies and practices with specific references to the Code, which incorporate measures for avoiding conflicts of interest, including prioritising the interests of Unitholders over those of the Manager. These policies and practices also ensure that applicable laws and regulations including the listing rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Code of Collective Investment Schemes ("CIS Code") (including the Property Funds Appendix) issued by the MAS, the SFA and the tax ruling dated 20 May 2005 issued by the Inland Revenue Authority of Singapore are complied with, and that the Manager's obligations in the Trust Deed are honoured.

(A) BOARD MATTERS

The Board's Conduct of Affairs

Principle 1:

Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the success of the company. The Board works with Management to achieve this and Management remains accountable to the Board.

The Board of Directors of the Manager ("Board") is responsible for the overall management and corporate governance of the Manager and Starhill Global REIT, including establishing performance objectives for the management team of the Manager ("Management") and monitoring the achievement of these objectives. All Board members participate in matters relating to corporate governance, business operations and risk management, and financial performance.

Each Director must act honestly, with due care and diligence, and in the best interest of Unitholders. This obligation ties in with the Manager's prime responsibility in managing the assets and liabilities of Starhill Global REIT for the benefit of Unitholders. Decisions are taken objectively in the interests of Starhill Global REIT. The Manager has adopted guidelines, details of which are set out on pages 78 to 79 for related party transactions and dealing with conflicts of interests.

Sustainability
Corporate Governance

Board meetings are scheduled and held at least once every quarter. Six Board meetings were held in FY 2014/15. The Articles of Association of the Manager permit Board meetings to be held by way of teleconference and videoconference. Directors meet to discuss and review the strategies and policies of Starhill Global REIT, including any significant matters pertaining to acquisitions and disposals, the annual budget, and the financial performance of Starhill Global REIT measured against a previously approved budget. The Board also reviews and approves the release of Starhill Global REIT's quarterly and annual results. The Board will generally review matters which have an impact on the business risks and management of liability of Starhill Global REIT, and acts on comments and recommendations from the auditors of Starhill Global REIT.

The Board has reviewed environmental sustainability and work environment initiatives and community outreach programmes as set out on pages 68, 69 and 70.

In the discharge of its functions, the Board is supported by an Audit Committee that provides independent oversight of Management and which also serves to ensure that there are appropriate checks and balances. The Board has established a framework for the Management and Starhill Global REIT, including a system of internal controls and an enterprise risk management framework. The application of the policies and protocol under the framework is further described in the section "Risk Management" on page 66. The Board has adopted a set of internal controls with approval limits for capital expenditure, investments and divestments, bank borrowings and cheque signatories, amongst others. Apart from matters that specifically require Board approval, such as the issue of new units, income distributions and other returns to Unitholders, the Board approves transactions exceeding certain threshold limits, while delegating authority for matters below those limits to Management to facilitate operational efficiency.

Changes to regulations, policies and accounting standards are monitored closely. Where the changes have significant impact on Starhill Global REIT and its obligations of continuing disclosure, the Directors will be briefed during Board meetings or by circulation of Board papers. Further, Directors have access to programmes, courses or seminars organised by the Singapore Institute of Directors. The Board has reviewed the current training and professional development programmes in place for the Directors.

Newly appointed directors are briefed on their roles and responsibilities as Directors of the Manager, and of the business activities and strategic directions of Starhill Global REIT. Upon appointment, a formal letter setting out the director's duties, obligations and responsibilities, together with the Trust Deed and latest annual report will be given to the director. Appropriate training will also be provided to first-time directors.

Board Composition
Principle 2:

There should be a strong and independent element on the Board, which is able to exercise objective judgment on corporate affairs independently, in particular, from Management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision-making.

The Board comprises six members, three of whom are independent non-executive Directors. As such, there is a strong and independent element on the Board. A Director who has no relationship with the Manager, its shareholders who hold 10% or more of the voting shares in the Manager, Unitholders who hold 10% or more of the units in issue of Starhill Global REIT, its related corporation or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment in the best interests of Starhill Global REIT is considered to be independent. The Board noted that Dr Hong Hai and Mr Michael Hwang have served on the Board for more than nine years from the date of their respective appointments and the Board subjected their independence to rigorous review. The Board (excluding the relevant director in question) considered that each of Dr Hong and Mr Hwang has remained independent of character and judgment and should continue to be deemed as independent director. Each of them has continued to express independent, impartial and autonomous viewpoints, debate issues objectively, scrutinise and challenge management on important issues and sought clarification and amplification when deemed necessary. As such, the Board decided to continue to retain the valuable expertise and experience of these directors.

The composition of the Board as at 30 June 2015 is as follows:

Tan Sri Dato' (Dr) Francis Yeoh Sock Ping
Executive Chairman (Non-independent)

Mr Ho Sing
Executive Director & Chief Executive Officer (Non-independent)

Dato' Yeoh Seok Kian
Non-executive Director (Non-independent)

Mr Keith Tay Ah Kee
Lead Independent Director (Non-executive) (Independent)

Dr Hong Hai
Non-executive Director (Independent)

Mr Michael Hwang
Non-executive Director (Independent)

As Lead Independent Director, Mr Keith Tay has the discretion to hold meetings with the Independent Directors (without the presence of Management) as he deems appropriate or necessary. The non-executive Directors participate in setting and developing strategies and goals for Management, and reviewing and assessing Management's performance. This enables Management to benefit from their external and objective perspective of issues that are brought before the Board. It also enables the Board to interact and work with Management through a healthy exchange of ideas and views to help shape the strategic process.

The size of the Board and core competencies of its members in various fields of accounting, finance, business management and legal, together with their relevant industry knowledge and strategic planning experience, effectively serve Starhill Global REIT and the Manager. Management is able to benefit from their diverse and objective perspectives on issues that are brought before the Board with a healthy exchange of ideas and views between the Board and Management. The Board is of the view that its current composition comprises persons who, as a group, provide the necessary core competencies and that the current Board size is appropriate, taking into consideration the nature and scope of Starhill Global REIT's operations. When the Board decides to appoint new directors, it will consider suitable candidates of both gender. However, the ultimate choice should primarily be based on merit.

The profiles of the Directors are set out on pages 26 and 27 of this Annual Report.

Chairman and Chief Executive Officer

Principle 3:

There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

The positions of Executive Chairman and Chief Executive Officer ("CEO") are held by two separate persons in order to maintain effective segregation of duties. There is a clear separation of the roles and responsibilities between the Executive Chairman and the CEO. The Executive Chairman and the CEO are not related.

The Executive Chairman charts the strategic direction and growth of Starhill Global REIT in consultation with the Board, monitors the translation of the Board's decisions into executive action and is responsible for the overall management of Starhill Global REIT's business and operations. He also facilitates active Board discussion on matters concerning the business of Starhill Global REIT, and ensures that the Board satisfactorily oversees and evaluates the implementation of Starhill Global REIT's strategy, policies, business plans and Board decisions. In addition, the Executive Chairman ensures that the members of the Board receive complete, adequate and timely information, facilitates the effective contribution of non-executive Directors, encourages constructive relations within the Board and between the Board and Management, ensures effective communication with Unitholders and promotes a high standard of corporate governance.

The CEO assists the Executive Chairman and the Board in formulating strategies for Starhill Global REIT and is responsible for implementing Starhill Global REIT's strategies and its day-to-day operations.

Board Membership

Principle 4:

There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.

As the Manager is not itself a listed entity, the Manager, taking into account the activities and scale of the business of Starhill Global REIT, the limited number of independent director appointments and the fact that independent directors constitute half of the Board of the Manager, does not consider it necessary for the Board to establish a nominating committee. The Board performs the functions that such a committee would otherwise perform. Directors of the Manager are not subject to periodic retirement by rotation.

The composition of the Board is reviewed regularly to ensure that it has the appropriate mix of expertise and experience. The composition of the Board (including the selection of candidates for new appointments as part of the Board's renewal process) is determined in accordance with the following principles:

1. The Board should comprise directors with a broad range of commercial experience including expertise in fund management and experience in all facets of the property or real estate industry; and
2. At least half of the Board should comprise independent directors.

A director with multiple board representation is expected to ensure sufficient attention is given to the affairs of the Manager and Starhill Global REIT. The Manager believes that putting a maximum limit on the number of directorships a Director can hold is arbitrary, given that time requirements and complexity for each vary, and thus should not be prescriptive. A sufficient safeguard is requiring each Director to confirm his ability to devote sufficient time and attention to the affairs of the Manager and Starhill Global REIT, having regard to all his other listed company board representations and other principal commitments.

Any Director may source for and nominate new Directors to be appointed by the Board of Directors, through their extensive networks and contacts. If necessary, the Board

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may seek advice from the Singapore Institute of Directors or external search consultants. Selections and nominations are made based on the following guidelines:

- Integrity;
- Relevant expertise (sector and functional) and the degree to which his or her skill set complements the skill set of the other Board members;
- Reputation and standing in the market; and
- In the case of prospective Independent Directors, independence based on the criteria in the Code.

Board Performance
Principle 5:
There should be a formal assessment of the effectiveness of the Board as a whole and its Board committees and the contribution by each director to the effectiveness of the Board.

The Manager believes that the performance of the Manager, and the Board, is reflected in the long term success of Starhill Global REIT.

Reviews of Board performance are conducted once a year. Directors are required to complete a questionnaire evaluating the Board and the Audit Committee. The questionnaire covers areas such as Board composition, access to information, Board processes, risk management, Board training and development programme, understanding of the business, strategic planning and any specific areas where improvements may be made. Pursuant to the Board evaluation process, the Board is satisfied that it has achieved its performance objectives for FY 2014/15.

In cases where the Director(s) have multiple listed board representations, the Board conducts an annual review to ensure that they are able to and have been devoting sufficient time to discharge their responsibilities adequately. Each Director confirmed his ability to devote sufficient time and attention to the affairs of the Manager and Starhill Global REIT, having regard to all his other listed company board representations and other principal commitments. Notwithstanding that some of the Directors have multiple board representations, the Board is satisfied that each Director is able to and has been adequately carrying out his duties as a Director of the Manager.

The Manager believes that contributions from each Director go beyond his attendance at Board and committee meetings. Contributions by an individual Board member take other forms, including providing objective perspectives of issues, facilitating business opportunities and strategic relationships, and accessibility to Management outside of a formal environment of Board and/or Audit Committee meetings. A Director of the Manager would have been appointed on the principles outlined earlier in this statement, and on his/her ability to contribute to the proper guidance of the Manager in its management of Starhill Global REIT.

In the year under review, the number of Board and Audit Committee meetings held and attended by each Board member is as follows:

	Board	Audit Committee
	No. of meetings held in FY 2014/15: 6	No. of meetings held in FY 2014/15: 6
	Attended	Attended
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	5	NA
Mr Ho Sing	6	NA
Dato' Yeoh Seok Kian	6	NA
Mr Keith Tay Ah Kee	6	6
Dr Hong Hai	6	6
Mr Michael Hwang	6	5

Access to Information
Principle 6:
In order to fulfil their responsibilities, Directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

Management provides the Board with regular updates on financial results, market and business developments, and business and operational information. Board papers and agenda are provided to each Director in advance of Board meetings so that Directors can review and consider the matters being tabled beforehand. Management provides the Board with management accounts of Starhill Global REIT on a quarterly basis to enable the Board to keep abreast of Starhill Global REIT's financial performance. In addition, as and when any significant matter arises, Management promptly brings these matters to the Board's attention and provides the Board with the relevant financial information.

Where necessary, senior members of Management participate in Board meetings to provide additional insights and to respond to any queries from Directors. The Board has unfettered access to senior members of Management and the company secretary at all times. The Board also has access to independent professional advice (legal, financial or otherwise) where appropriate or necessary. The company secretary of the Manager will render necessary assistance to the Board and will ensure that the Board procedures are followed and that applicable laws and regulations are complied with. Under the direction of the Executive Chairman, the company secretary's responsibilities include ensuring good information flow between the Board and its committees and between Management and non-executive Directors and advising the Board on all governance matters. The company secretary attends all Board and Audit Committee meetings of the Manager to take minutes. The appointment and removal of the company secretary is a Board reserved matter.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 7:

There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

Level and Mix of Remuneration

Principle 8:

The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.

Disclosure on Remuneration

Principle 9:

Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration in the company's Annual Report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

The remuneration of Directors and staff of the Manager is paid by the Manager from the fees it receives from Starhill Global REIT, and not by Starhill Global REIT itself. As Starhill Global REIT does not bear the remuneration of the Manager's Board and staff, and the Manager is a wholly-owned subsidiary of YTL Corp, the Manager does not consider it necessary to have a remuneration committee or to include a report on remuneration of its Directors and key executives.

(C) ACCOUNTABILITY AND AUDIT

Accountability

Principle 10:

The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Manager provides Unitholders with quarterly and annual financial statements. The Board, with the support of Management, is responsible for providing a balanced and informed assessment of Starhill Global REIT's performance, position and prospects, including interim and other price-sensitive public reports, and reports to regulators (if required). Management provides the Board with management accounts on a quarterly basis and as the Board may require from time to time to enable the Board to make a balanced and informed assessment. Financial reports and other material information are disseminated to Unitholders through announcements to SGX-ST via SGXNET, Starhill Global REIT's website and where applicable, press releases, of the performance, position and prospects of Starhill Global REIT.

Risk Management and Internal Controls

Principle 11:

The Board is responsible for the governance of risk. The Board should ensure that the Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

Effective risk management is a fundamental part of Starhill Global REIT's business strategy. Recognising and managing risk is central to the business and to protecting Unitholders' interests and value. The Manager has in place an enterprise risk management framework and policies, which have been approved by the Board that provide a structured approach to identifying and managing the material risks that could arise in the course of managing Starhill Global REIT. The framework and policies are monitored and reviewed by the Board as and when appropriate, and major developments and significant revisions to the framework or policies will be submitted to the Board for approval. An independent consultant also reviews the risk management framework and the identified risks and control activities, and provide a report to the Board once every two years. Material risks at both the Manager and Starhill Global REIT levels are managed through this risk management framework.

The Audit Committee has also been tasked by the Board to include risk management within its oversight role. This includes the review of material risks identified by management with respect to the business operations of the Manager, Starhill Global REIT and the assets of Starhill Global REIT.

Application of the policies and protocol under the framework in respect of Starhill Global REIT assets and operations is further described in the section "Risk Management" on page 66.

The Manager has put in place a system of internal controls, compliance procedures and processes to safeguard Starhill Global REIT's assets and Unitholders' interests, manage risks and ensure compliance with high standards of corporate governance. Financial risk management is exercised in accordance with a robust policy. During

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the year, the Audit Committee and the Board, with the assistance of the internal and external auditors, has reviewed the adequacy and effectiveness of Starhill Global REIT's system of risk management and internal controls that address material risks, including material financial, operational, compliance and information technology risks. No significant weaknesses were noted from the auditors' respective scope of reviews. The findings were discussed, followed up and where appropriate, rectifications were made by Management.

The Board has also received assurance from the Chief Executive Officer and Chief Financial Officer of the Manager that:

(a) The financial records of Starhill Global REIT have been properly maintained and the consolidated financial statements give a true and fair view of Starhill Global REIT's operations and finances; and
(b) Starhill Global REIT's system of risk management and internal controls in place within the Group were adequate and effective as at 30 June 2015 in addressing the material risks in the Group, including material financial, operational, compliance and information technology risks.

Based on the system of risk management and internal controls established and maintained by the Manager, work performed by the internal and external auditors, reviews performed by Management, and the assurance from the Chief Executive Officer and Chief Financial Officer of the Manager, the Board with the concurrence of the Audit Committee is of the opinion that Starhill Global REIT's system of risk management and internal controls in place within the Group were adequate and effective as at 30 June 2015 in addressing the material risks in the Group, including material financial, operational, compliance and information technology risks. The Chief Executive Officer and the Chief Financial Officer of the Manager have obtained similar assurances from the function heads of the Manager.

The Board notes that the system of risk management and internal controls provides reasonable, but not absolute, assurance that Starhill Global REIT will not be adversely affected by any event that could be reasonably foreseen as it works to achieve its business objectives.

In this regard, the Board also notes that no system of risk management and internal controls can provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities.

Audit Committee
Principle 12:
The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.

The Audit Committee is established by the Board from amongst the Directors of the Manager and currently comprises three members, all of whom are independent non-executive Directors. The members of the Audit Committee are Mr Keith Tay Ah Kee (Chairman), Dr Hong Hai and Mr Michael Hwang. The members of the Audit Committee, collectively, have relevant accounting and financial management expertise or experience and are qualified to discharge the Audit Committee's responsibilities.

The Audit Committee assists the Board in overseeing the risk management framework and any matters of significance affecting financial reporting and internal controls of Starhill Global REIT. The terms of reference for the Audit Committee include:

1. reviewing audit reports to ensure that where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by Management;
2. monitoring the procedures in place to ensure compliance with applicable legislation, the listing manual of the SGX-ST and the Property Funds Appendix;
3. reviewing and making recommendations to the Board in relation to the financial statements and the audit report;
4. monitoring the procedures established to regulate Related Party Transactions (as defined below), including ensuring compliance with the provisions of the relevant regulations;
5. making recommendations to the Board on the appointment, reappointment and removal of the external auditors, and approving the remuneration and terms of engagement of such auditors; and
6. ensuring that the internal audit function is adequately resourced through outsourcing the appointment to a reputable accounting firm where appropriate and approving their appointment, removal and remuneration.

The Audit Committee is responsible for the nomination of external auditors and internal auditors, and reviewing the adequacy and effectiveness of existing audits in respect of cost, scope and performance. The Audit Committee meets with the internal and external auditors at least once a year without the presence of Management, to discuss any matters which the Audit Committee or the auditors believe should be discussed privately without the presence of Management.

The Audit Committee is authorised to investigate any matters within its terms of reference. It has unfettered access to and cooperation from Management and to reasonable resources to enable it to discharge its functions. The Audit Committee has also reviewed all non-audit services provided by the external auditors and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. The aggregate amount of fees paid and payable to the external auditors for FY 2014/15 and the breakdown into audit fees and non-audit fees are set out on page 115. Pursuant to Rule 1207(6)(c) of the listing manual of the SGX-ST, the Manager confirms that Starhill Global REIT has complied with Rules 712 and 715 of the listing manual in relation to the appointment of the external auditors.

The Audit Committee has reviewed the procedures in place to ensure that employees of the Manager and any other persons are provided with well-defined and accessible channels to report on potential or actual improprieties in financial or other operational matters, in confidence, and for the independent investigation of any reports by employees and any other persons and appropriate follow up action. Reports may be made to the compliance officer and to the chairman of the Audit Committee via email at whistleblowing@ytlstarhill.com.

The Audit Committee generally meets at least once every quarter.

Internal Audit

Principle 13:

The company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

The Audit Committee has appointed PricewaterhouseCoopers LLP to perform the internal audit functions. The internal auditor subscribes to, and is guided by the Standards for the Professional Practice of Internal Auditing developed by the Institute of Internal Auditors, Inc ("IIA") and has incorporated these standards into its audit practices and meets with the standards set by the IIA. To ensure that the internal audits are performed effectively, the internal auditor recruits and employs suitably qualified professional staff with the requisite skill sets and experience. The Audit Committee has reviewed the adequacy and effectiveness of the internal audit function and was satisfied that the internal audit function was adequately resourced and has appropriate standing within Starhill Global REIT and the Manager.

The internal auditor provides risk assessment services and controls assurance in order to ensure internal controls are aligned to business objectives and address related risks, and reports directly to the Audit Committee. Management is responsible for addressing issues identified by the internal auditor. The internal auditor will also audit and report on the appropriateness and effectiveness of processes for the management of Related Party Transactions twice a year. In addition, the Trustee also has a right to review the internal audit reports so as to ascertain that the Property Funds Appendix has been complied with. The internal auditor has unrestricted access to the Audit Committee, and access to the Manager's and Starhill Global REIT's documents, records, properties and personnel, where relevant to their work.

(D) UNITHOLDER RIGHTS AND RESPONSIBILITIES

Principle 14:

Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

Principle 15:

Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.

Principle 16:

Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

The Manager upholds a strong culture of continuous disclosure and transparent communication with Unitholders and the investing community. The Manager has in place a dedicated team performing the investor relations function and has developed a communications policy, the cornerstone of which is delivery of timely and full disclosure of all material information relating to Starhill Global REIT by way of announcements via SGXNET in the first instance and then including the announcements on Starhill Global REIT's website at www.starhillglobalreit.com. More details on the Manager's investor relations activities and efforts are set out on page 67.

Starhill Global REIT's website contains recent announcements, press releases, presentations, and past and current reports to Unitholders. The website also provides visitors with the option of signing up for a free email alert service on public materials released by the Manager in relation to Starhill Global REIT.

The Manager also participates in investor conferences locally and overseas as part of its efforts to cultivate and maintain regular contact with investors and analysts and to build interest in and strengthen the branding of Starhill Global REIT.

All Unitholders are sent a copy of the Starhill Global REIT Annual Report prior to an Annual General Meeting. As and when an Extraordinary General Meeting of the Unitholders is to be held, each Unitholder is sent a copy of a circular to Unitholders which contains details of the matters to be proposed for Unitholders' consideration and approval.

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Proxy forms containing voting rules and procedures are provided to Unitholders. During the meeting, Unitholders are also briefed on the detailed voting procedures. All resolutions are put to vote by poll and detailed results showing the number of votes cast for and against each resolution and the respective percentages are announced on SGXNET. For the Annual General Meeting held in 2014, voting was done through electronic poll.

The Manager is in full support of unitholder participation at AGMs. For those who hold their units through CPF nominees and who are not registered as unitholders of Starhill Global REIT, the Manager welcomes them to attend the AGM as observers.

Notices for the general meetings of Unitholders setting out all items of business to be transacted at the general meetings are also announced on SGXNET. Members of the Board, representatives of the Trustee, the Manager's senior management and the external auditors of Starhill Global REIT are in attendance at such general meetings, and Unitholders are given the opportunity to air their views and ask questions regarding the matters to be tabled at the general meetings. Resolutions put to the general meeting are separate unless they are interdependent and linked, and the reasons and material implications are explained. Minutes of general meetings will be made available to Unitholders at their request. A Unitholder is allowed to appoint one or two proxies to attend and vote at the general meetings in his/her stead.

The Manager discloses the distribution policy of Starhill Global REIT on page 100 of this Annual Report.

(E) ADDITIONAL INFORMATION

Dealing With Related Party Transactions

Review procedures for related party transactions

The Manager has established internal control procedures to ensure that transactions involving the Trustee, as trustee for Starhill Global REIT, and any Interested Person or Interested Party as defined in the listing manual of the SGX-ST and the Property Funds Appendix respectively ("Related Party Transactions") are undertaken on normal commercial terms and will not be prejudicial to the interests of Starhill Global REIT or the Unitholders. As a general rule, the Manager would have to demonstrate to the Audit Committee that such transactions satisfy the foregoing criteria, which may entail obtaining (where practicable) quotations from parties unrelated to the Manager, or obtaining valuations from independent professional valuers (in accordance with the Property Funds Appendix).

In addition, the following procedures are followed:

1. Transactions (either individually or as part of a series or if aggregated with other transactions involving the same related party during the same financial year) below 3.0% of Starhill Global REIT's latest audited net tangible assets will be subject to review by the Audit Committee;
2. Transactions (either individually or as part of a series or if aggregated with other transactions involving the same related party during the same financial year) equal to or exceeding 3.0% but below 5.0% of Starhill Global REIT's latest audited net tangible assets will be subject to the review and prior approval of the Audit Committee. Such approval shall only be given if the transactions are on normal commercial terms and consistent with similar types of transactions made by the Trustee, as trustee for Starhill Global REIT, with third parties which are unrelated to the Manager; and
3. Transactions (either individually or as part of a series or if aggregated with other transactions involving the same related party during the same financial year) equal to or exceeding 5.0% of Starhill Global REIT's latest audited net tangible assets will be subject to review and prior approval of the Audit Committee which may, as it deems fit, request advice on the transaction from independent sources or advisers, including obtaining valuations from professional valuers. Further, under the listing manual of the SGX-ST and the Property Funds Appendix, such transactions would have to be approved by Unitholders at a meeting of Unitholders.

Where matters concerning Starhill Global REIT relate to transactions entered into or to be entered into by the Trustee for and on behalf of Starhill Global REIT with a related party of the Manager or Starhill Global REIT, the Trustee is required to satisfy itself that such transactions are conducted on normal commercial terms and are not prejudicial to the interests of Starhill Global REIT or Unitholders and are in accordance with all applicable requirements of the Property Funds Appendix and/or the listing manual of the SGX-ST relating to the transaction in question. Further, the Trustee has the ultimate discretion under the Trust Deed to decide whether or not to enter into a transaction involving a related party of the Manager or Starhill Global REIT. If the Trustee is to sign any contract with a related party of the Manager or Starhill Global REIT, the Trustee will review the contract to ensure that it complies with the requirements relating to interested party transactions in the Property Funds Appendix and the provisions of the listing manual of the SGX-ST relating to interested person transactions as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX-ST or other relevant authority to apply to real estate investment trusts.

Internal control procedures

The Manager's internal control procedures are intended to ensure that Related Party Transactions are conducted on normal commercial terms and are not prejudicial to Unitholders. The Manager maintains a register to record all Related Party Transactions (and the basis, including, where practicable, the quotations obtained to support such basis, on which they are entered into) which are entered into by Starhill Global REIT. The Manager has incorporated into its internal audit plan a review of all Related Party Transactions entered into by Starhill Global REIT.

The Audit Committee reviews the internal audit reports to ascertain that the guidelines and procedures established to monitor Related Party Transactions have been complied with. The Audit Committee periodically reviews all Related Party Transactions to ensure compliance with the internal control procedures and with the relevant provisions of the listing manual of the SGX-ST and the Property Funds Appendix. The review includes the examination of the nature of the transaction and its supporting documents or such other data deemed necessary by the Audit Committee. If a member of the Audit Committee or any Director has an interest in a transaction, he is to abstain from participating in the review and approval process in relation to that transaction. The Manager discloses in Starhill Global REIT's annual report the aggregate value of Related Party Transactions (equal to or exceeding S$100,000 each in value) entered into during the relevant financial year.

Dealing With Conflicts Of Interest

The Manager has instituted the following procedures to deal with potential conflicts of interest issues which may arise in managing Starhill Global REIT:

1. The Manager will not manage any other real estate investment trust which invests in the same type of properties as Starhill Global REIT;
2. All executive officers will be employed by the Manager;
3. All resolutions in writing of the Directors of the Manager in relation to matters concerning Starhill Global REIT must be approved by a majority of the Directors, including at least one independent Director;
4. At least half of the Board shall comprise independent Directors;
5. All Related Party Transactions must be reviewed by the Audit Committee and/or approved by a majority of the Audit Committee in accordance with the materiality thresholds and procedures outlined above. If a member of the Audit Committee has an interest in a transaction, he will abstain from voting;
6. In respect of matters in which a Director of the Manager or his Associates (as defined in the listing manual of the SGX-ST) have an interest, direct or indirect, such interested Director will abstain from voting. In such matters, the quorum must comprise a majority of the Directors of the Manager and must exclude such interested Director; and
7. The Manager and its Associates are prohibited from being counted in a quorum for or voting at any meeting of Unitholders convened to approve any matter in which the Manager or any of its Associates have a material interest.

The Directors of the Manager are under a fiduciary duty to Starhill Global REIT to act in its best interests in relation to decisions affecting Starhill Global REIT when they are voting as a member of the Board. In addition, the Directors and executive officers of the Manager are expected to act with integrity at all times. It is also provided in the Trust Deed that if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of Starhill Global REIT with a related party of the Manager, the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) on the matter. If the said law firm is of the opinion that the Trustee has a prima facie case against the party allegedly in breach under such agreement, the Manager shall be obliged to take appropriate action in relation to such agreement. The Directors of the Manager (including its independent Directors) have a duty to ensure that the Manager so complies.

Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of Starhill Global REIT with a related party of the Manager and the Trustee may take such action as it deems necessary to protect the rights of Unitholders and/or which is in the interests of Unitholders. Any decision by the Manager not to take action against a related party of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such related party.

Dealing In Starhill Global REIT Units

Each Director of the Manager is required to give notice to the Manager of his acquisition of units or of changes in the number of units which he holds or in which he has an interest, within two business days after such acquisition or changes in interest. All dealings in units by Directors of the Manager are announced via SGXNET.

The Directors and employees of the Manager are encouraged, as a matter of internal policy, to hold units but are prohibited from dealing in the units during the following periods:

1. a one-month period preceding the announcement of annual financial results;
2. a two-week period preceding the announcement of quarterly financial results; or
3. any period when there exists any matter which constitutes non-public price sensitive information in relation to the securities of Starhill Global REIT.

The Directors and employees of the Manager are advised not to deal in the units on short-term considerations. In addition, the Manager will announce via SGXNET the particulars of its holdings in the units and any changes thereto within one business day after the date on which it acquires or disposes of any units, as the case may be. The Manager has also undertaken to MAS that it will not deal in the units during the period commencing one month before the public announcement of Starhill Global REIT's annual and half-year financial results and two weeks before the public announcement of Starhill Global REIT's quarterly financial results, and ending on the date of announcement of the relevant results.

Financial Statements

Report of the Trustee

HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") is under a duty to take into custody and hold the assets of Starhill Global Real Estate Investment Trust (the "Trust") and its subsidiaries (the "Group") in trust for the unitholders. In accordance with the Securities and Futures Act, Chapter 289 of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of YTL Starhill Global REIT Management Limited (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 8 August 2005, first supplemental deed dated 20 April 2006, first amended and restated deed dated 8 August 2007, second amending and restating deed dated 10 December 2007, second supplemental deed dated 22 April 2010, third supplemental deed dated 7 June 2010 and fourth supplemental deed dated 17 March 2014 (the "Trust Deed") between the Manager and the Trustee in each annual accounting period and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Group during the period from 1 January 2014 to 30 June 2015 covered by these financial statements, set out on pages 84 to 126 in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,
HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED

ESTHER FONG
Senior Vice President, Trustee Services

Singapore
28 August 2015

Statement by the Manager

In the opinion of the directors of YTL Starhill Global REIT Management Limited (the "Manager"), the accompanying financial statements set out on pages 84 to 126, comprising the balance sheets, statements of total return, distribution statements and statements of movements in unitholders' funds of the Group and of the Trust, the investment properties portfolio statement and cash flow statement of the Group and a summary of significant accounting policies and other explanatory information, are drawn up so as to give a true and fair view of the financial position of Starhill Global Real Estate Investment Trust (the "Trust") and its subsidiaries (the "Group") as at 30 June 2015, the total return, distributable income and movements in unitholders' funds of the Group and the Trust, and the cash flows of the Group for the period from 1 January 2014 to 30 June 2015 in accordance with the recommendations of *Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts"* issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager,
YTL STARHILL GLOBAL REIT MANAGEMENT LIMITED

HO SING
Director

Singapore
28 August 2015

Independent Auditors' Report

Unitholders of Starhill Global Real Estate Investment Trust
(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 8 August 2005 (as amended))

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Starhill Global Real Estate Investment Trust (the "Trust") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Trust, the investment properties portfolio statement of the Group as at 30 June 2015, the statements of total return, distribution statements and statements of movements in unitholders' funds of the Group and the Trust and the cash flow statement of the Group for the period from 1 January 2014 to 30 June 2015, and a summary of significant accounting policies and other explanatory information, as set out on pages 84 to 126.

THE MANAGER'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Manager of the Trust is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of *Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts"* issued by the Institute of Singapore Chartered Accountants and for such internal control as the Manager of the Trust determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager of the Trust, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements of the Group and the financial statements of the Trust present fairly, in all material respects, the financial position of the Group and the Trust as at 30 June 2015, the total return, distributable income and movements in unitholders' funds of the Group and the Trust, and the cash flows of the Group for the period from 1 January 2014 to 30 June 2015 in accordance with the recommendations of *Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts"* issued by the Institute of Singapore Chartered Accountants.

KPMG LLP

Public Accountants and
Chartered Accountants

Singapore
28 August 2015

Balance Sheets

As at 30 June 2015

	Note	Group		Trust	
		30 June 2015 $'000	31 December 2013 $'000	**30 June 2015 $'000**	31 December 2013 $'000
Non-current assets					
Investment properties	4	**3,116,155**	2,854,443	**2,071,500**	2,035,500
Plant and equipment	5	**1,050**	1,234	**423**	–
Interests in subsidiaries	6	**–**	–	**703,217**	573,748
Intangible asset	7	**11,185**	10,517	**–**	–
Derivative financial instruments	8	**4,454**	2,647	**4,357**	2,389
Trade and other receivables	9	**3,674**	6,053	**2,344**	3,533
		3,136,518	2,874,894	**2,781,841**	2,615,170
Current assets					
Derivative financial instruments	8	**121**	29	**121**	29
Trade and other receivables	9	**5,184**	10,192	**4,853**	12,514
Cash and cash equivalents	10	**51,571**	58,038	**9,708**	14,359
		56,876	68,259	**14,682**	26,902
Total assets		**3,193,394**	2,943,153	**2,796,523**	2,642,072
Non-current liabilities					
Trade and other payables	11	**26,013**	23,379	**20,422**	18,067
Derivative financial instruments	8	**1,042**	–	**705**	–
Deferred tax liabilities	12	**14,884**	18,552	**–**	–
Borrowings	13	**983,249**	792,330	**639,692**	577,634
		1,025,188	834,261	**660,819**	595,701
Current liabilities					
Trade and other payables	11	**37,190**	43,040	**23,198**	25,596
Derivative financial instruments	8	**17**	–	**17**	–
Income tax payable		**2,208**	2,136	**–**	–
Borrowings	13	**146,000**	53,572	**146,000**	52,433
		185,415	98,748	**169,215**	78,029
Total liabilities		**1,210,603**	933,009	**830,034**	673,730
Net assets		**1,982,791**	2,010,144	**1,966,489**	1,968,342
Represented by:					
Unitholders' funds	14	**1,982,791**	1,989,764	**1,966,489**	1,947,962
Convertible preferred units ("CPU")	15	**–**	20,380	**–**	20,380
		1,982,791	2,010,144	**1,966,489**	1,968,342
Units in issue ('000)	16	**2,181,204**	2,153,218	**2,181,204**	2,153,218
Net asset value per unit ($) based on:					
– Units issued at the end of the period/year		**0.91**	0.93	**0.90**	0.91
– Units issued at the end of the period/year, assuming full conversion of CPU outstanding		**0.91**	0.92	**0.90**	0.90

The accompanying notes form an integral part of these financial statements.

Statements of Total Return

18 months ended 30 June 2015

	Note	Group		Trust	
		18-month period from 1 January 2014 to 30 June 2015 $'000	12-month period from 1 January 2013 to 31 December 2013 $'000	**18-month period from 1 January 2014 to 30 June 2015 $'000**	12-month period from 1 January 2013 to 31 December 2013 $'000
Gross revenue	17	**294,789**	200,616	**198,240**	132,045
Property operating expenses	18	**(57,160)**	(42,760)	**(40,725)**	(29,402)
Net property income		**237,629**	157,856	**157,515**	102,643
Interest income from fixed deposits and bank balances		**1,551**	541	**330**	72
Interest income from subsidiaries		**–**	–	**6,639**	6,482
Dividend income from subsidiaries	19	**–**	–	**30,289**	26,169
Fair value adjustment on security deposits		**(505)**	38	**(170)**	233
Management fees	20	**(22,399)**	(14,216)	**(20,792)**	(13,088)
Performance fees	20	**–**	–	**–**	–
Trust expenses	21	**(4,425)**	(3,099)	**(3,548)**	(2,168)
Gain/(Loss) on divestment of investment property [1]		**364**	(300)	**–**	–
Finance expenses	22	**(46,874)**	(30,152)	**(30,343)**	(17,904)
		165,341	110,668	**139,920**	102,439
Change in fair value of derivative instruments		**(479)**	4,643	**140**	4,327
Unrealised foreign exchange loss		**–**	–	**(14,010)**	(8,023)
Change in fair value of investment properties	4	**9,120**	137,528	**36,000**	131,841
Total return for the period/year before tax and distribution		**173,982**	252,839	**162,050**	230,584
Income tax	23	**559**	(2,861)	**–**	–
Total return for the period/year after tax, before distribution		**174,541**	249,978	**162,050**	230,584
Non-tax (chargeable)/deductible items		**(2,965)**	(139,125)	**9,526**	(119,731)
Income available for distribution		**171,576**	110,853	**171,576**	110,853
Earnings per unit (cents)					
Basic	24	**8.05**	12.06	**7.47**	11.12
Diluted	24	**8.00**	11.46	**7.43**	10.57

Note:

[1] Represents the difference between the net proceeds (including directly attributable costs) from divestment and the carrying amount of Holon L divested in March 2014 (2013: Roppongi Primo in February 2013).

The accompanying notes form an integral part of these financial statements.

Distribution Statements

18 months ended 30 June 2015

	Group		Trust	
	18-month period from 1 January 2014 to 30 June 2015 $'000	12-month period from 1 January 2013 to 31 December 2013 $'000	**18-month period from 1 January 2014 to 30 June 2015 $'000**	12-month period from 1 January 2013 to 31 December 2013 $'000
Income available for distribution at the beginning of the period/year	**37,567**	32,058	**37,567**	32,058
Total return after tax, before distribution	**174,541**	249,978	**162,050**	230,584
Net tax adjustments (Note A below)	**(2,965)**	(139,125)	**9,526**	(119,731)
Income available for distribution	**209,143**	142,911	**209,143**	142,911
Distributions for the period/year:				
Unitholders				
Distribution of 1.23 cents (2012: 1.13 cents) per unit for the period 1 October to 31 December 2013	**(26,485)**	(21,956)	**(26,485)**	(21,956)
Distribution of 1.24 cents (2013: 1.37 cents) per unit for the period 1 January to 31 March 2014	**(26,700)**	(26,619)	**(26,700)**	(26,619)
Distribution of 1.25 cents (2013: 1.19 cents) per unit for the period 1 April to 30 June 2014	**(26,915)**	(25,623)	**(26,915)**	(25,623)
Distribution of 1.27 cents (2013: 1.21 cents) per unit for the period 1 July to 30 September 2014	**(27,346)**	(26,054)	**(27,346)**	(26,054)
Distribution of 1.29 cents per unit for the period 1 October to 31 December 2014	**(27,777)**	–	**(27,777)**	–
Distribution of 1.26 cents per unit for the period 1 January to 31 March 2015	**(27,131)**	–	**(27,131)**	–
CPU holder(s)				
Distribution of 1.2904 cents (2012: 1.3280 cents) per CPU for the period 1 October to 31 December 2013	**(262)**	(2,298)	**(262)**	(2,298)
Distribution of 1.2588 cents (2013: 1.3074 cents) per CPU for the period 1 January to 31 March 2014	**(256)**	(2,262)	**(256)**	(2,262)
Distribution of 1.2814 cents (2013: 1.3207 cents) per CPU for the period 1 April to 30 June 2014	**(261)**	(269)	**(261)**	(269)
Distribution of 1.3080 cents (2013: 1.2955 cents) per CPU for the period 1 July to 30 September 2014	**(266)**	(263)	**(266)**	(263)
Distribution of 1.2590 cents per CPU for the period 1 October to 31 December 2014	**(256)**	–	**(256)**	–
Distribution of 1.2191 cents per CPU for the period 1 January to 31 March 2015	**(248)**	–	**(248)**	–
	(163,903)	(105,344)	**(163,903)**	(105,344)
Income available for distribution at the end of the period/year	**45,240**	37,567	**45,240**	37,567

The accompanying notes form an integral part of these financial statements.

	Group		Trust	
	18-month period from 1 January 2014 to 30 June 2015 $'000	12-month period from 1 January 2013 to 31 December 2013 $'000	**18-month period from 1 January 2014 to 30 June 2015 $'000**	12-month period from 1 January 2013 to 31 December 2013 $'000
Number of units at end of the period/year ('000)	**2,181,204**	2,153,218	**2,181,204**	2,153,218
Number of CPU at end of the period/year ('000)	**–**	20,335	**–**	20,335
Distribution per unit for the period/year (cents)	**7.60**	5.00	**7.60**	5.00
Distribution per CPU for the period/year (cents)	**6.3263**	5.2140	**6.3263**	5.2140

Note A – Net tax adjustments

Non-tax deductible/(chargeable) items:				
– Finance costs	**1,857**	1,666	**3,505**	2,848
– Sinking fund contribution	**2,712**	1,548	**2,712**	1,548
– Depreciation	**367**	–	**367**	–
– Change in fair value of derivative instruments	**479**	(4,643)	**(140)**	(4,327)
– Change in fair value of investment properties	**(9,120)**	(137,528)	**(36,000)**	(131,841)
– Deferred tax	**(4,349)**	(1,324)	**–**	–
– Unrealised foreign exchange loss	**–**	–	**14,010**	8,023
– Fair value adjustment on security deposits	**505**	(38)	**170**	(233)
– Other items	**4,584**	1,194	**4,114**	1,553
– Net overseas income not distributed to the Trust, net of amount received	**–**	–	**20,788**	2,698
Net tax adjustments	**(2,965)**	(139,125)	**9,526**	(119,731)

Statements of Movements in Unitholders' Funds

18 months ended 30 June 2015

	Group		Trust	
	18-month period from 1 January 2014 to 30 June 2015 $'000	12-month period from 1 January 2013 to 31 December 2013 $'000	**18-month period from 1 January 2014 to 30 June 2015 $'000**	12-month period from 1 January 2013 to 31 December 2013 $'000
Unitholders' funds at the beginning of the period/year	**1,989,764**	1,708,618	**1,947,962**	1,669,657
Operations				
Change in unitholders' funds resulting from operations, before distributions	**174,541**	249,978	**162,050**	230,584
Increase in unitholders' funds resulting from operations	**174,541**	249,978	**162,050**	230,584
Foreign currency translation reserve				
Translation differences from financial statements of foreign entities	**(23,981)**	(8,530)	**–**	–
Exchange differences on monetary items forming part of net investment in foreign operations	**(14,010)**	(8,023)	**–**	–
Net loss recognised directly in unitholders' funds	**(37,991)**	(16,553)	**–**	–
Unitholders' transactions				
Distributions to CPU holder(s)	**(1,549)**	(5,092)	**(1,549)**	(5,092)
Distributions to unitholders	**(162,354)**	(100,252)	**(162,354)**	(100,252)
CPU conversion [1]	**20,380**	153,065	**20,380**	153,065
(Decrease)/Increase in unitholders' funds resulting from unitholders' transactions	**(143,523)**	47,721	**(143,523)**	47,721
Unitholders' funds at the end of the period/year	**1,982,791**	1,989,764	**1,966,489**	1,947,962

Note:

[1] Represents the values of 152,727,825 CPU and the remaining 20,334,750 CPU being converted into ordinary units at a conversion price of $0.7266 per unit in July 2013 and June 2015 respectively.

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

As at 30 June 2015

Group

Description of property	Tenure	Term of lease	Remaining term of lease	Location	Existing use	Occupancy rate	At valuation		Percentage of total net assets	
						30 June 2015 %	**30 June 2015 $'000**	31 December 2013 $'000	**30 June 2015 %**	31 December 2013 %
Wisma Atria Property	Leasehold	Leasehold estate of 99 years expiring on 31 March 2061	46 years	435 Orchard Road, Singapore 238877	Retail/Office	**98.1/98.3**	**987,500** [5]	961,500	**49.8**	47.8
Ngee Ann City Property	Leasehold	Leasehold estate of 69 years expiring on 31 March 2072	57 years	391/391B Orchard Road, Singapore 238874	Retail/Office	**100.0**	**1,084,000** [5]	1,074,000	**54.7**	53.4
Myer Centre Adelaide [1]	Freehold	–	–	14-38 Rundle Mall, Adelaide, Australia	Retail/Office	**96.7/91.6**	**297,288** [6]	–	**15.0**	–
David Jones Building [1]	Freehold	–	–	622-648 Hay Street Mall, Perth, Australia	Retail	**97.4**	**149,676** [7]	150,593	**7.5**	7.5
Plaza Arcade [1]	Freehold	–	–	650 Hay Street Mall and 185-191 Murray Street Mall, Perth, Australia	Retail	**92.5**	**53,161** [7]	57,531	**2.7**	2.9
Starhill Gallery [2]	Freehold	–	–	181 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia	Retail/Office	**100.0**	**243,066** [8]	262,253	**12.3**	13.0
Lot 10 Property [2]	Leasehold	Leasehold estate of 99 years expiring on 29 July 2076	61 years	50 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia	Retail/Office	**100.0**	**153,231** [8]	165,573	**7.7**	8.2
Renhe Spring Zongbei Property [3]	Leasehold	Leasehold estate of 40 years expiring on 27 December 2035	20 years	No 19, Renminnan Road, Chengdu, China	Retail	**100.0**	**66,335** [9]	81,679	**3.3**	4.1
Ebisu Fort [4]	Freehold	–	–	1-24-2 Ebisu-Minami, Shibuya-ku, Tokyo, Japan	Retail/Office	**100.0**	**34,088** [10]	37,336	**1.7**	1.9
Roppongi Terzo [4]	Freehold	–	–	7-13-7 Roppongi, Minato-ku, Tokyo, Japan	F&B/ Entertainment	**100.0**	**26,830** [10]	29,387	**1.4**	1.5
Daikanyama [4]	Freehold	–	–	1-31-12 Ebisu-Nishi, Shibuya-ku, Tokyo, Japan	Retail/Office	**100.0**	**12,975** [10]	14,212	**0.7**	0.7
Holon L [4]	Freehold	–	–	3-12-13 Kita Aoyama, Minato-ku, Tokyo, Japan	NA	**NA**	**–**	11,659	**–**	0.6
Nakameguro Place [4]	Freehold	–	–	1-20-2 Aobadai, Meguro-ku, Tokyo, Japan	Retail	**48.2**	**4,453** [10]	4,878	**0.2**	0.2
Harajyuku Secondo [4]	Freehold	–	–	1-19-1 Jingumae, Shibuya-ku, Tokyo, Japan	Retail	**100.0**	**3,552** [10]	3,842	**0.2**	0.2
Investment properties at valuation							**3,116,155**	2,854,443	**157.2**	142.0
Other assets and liabilities (net)							**(1,133,364)**	(844,299)	**(57.2)**	(42.0)
Net assets							**1,982,791**	2,010,144	**100.0**	100.0

Notes:

(1) David Jones Building, Plaza Arcade and Myer Centre Adelaide (the "Australia Properties") were acquired on 20 January 2010, 1 March 2013 and 18 May 2015 respectively.

(2) Starhill Gallery and Lot 10 Property (the "Malaysia Properties") were acquired on 28 June 2010.

(3) Renhe Spring Zongbei Property was acquired on 28 August 2007.

(4) The Japan Properties comprise five properties (2013: six) as at 30 June 2015. Holon L was divested on 19 March 2014. Four of these properties (Roppongi Terzo, Harajyuku Secondo, Daikanyama and Nakameguro Place) were acquired on 30 May 2007, whilst the fifth property, Ebisu Fort, was acquired on 26 September 2007.

(5) Based on the valuation performed by Savills Valuation and Professional Services (S) Pte Ltd as at 30 June 2015.

(6) Based on the valuation performed by CIVAS (VIC) Pty Ltd as at 30 June 2015 and translated at the exchange rate of A$0.97:$1.00.

(7) Based on the valuation performed by Knight Frank Australia Pty Ltd as at 30 June 2015 and translated at the exchange rate of A$0.97:$1.00 (2013: A$0.89:$1.00).

(8) Based on the valuation performed by Rahim & Co Chartered Surveyors Sdn Bhd as at 30 June 2015 and translated at the exchange rate of RM2.81:$1.00 (2013: RM2.59:$1.00).

(9) Based on the valuation performed by DTZ Debenham Tie Leung Limited as at 30 June 2015 and translated at the exchange rate of RMB4.61:$1.00 (2013: RMB4.79:$1.00).

(10) Based on the valuation performed by DTZ Debenham Tie Leung K.K. as at 30 June 2015 and translated at the exchange rate of JPY90.94:$1.00 (2013: JPY83.03:$1.00).

The Manager believes that the above independent valuers have appropriate professional qualifications and recent experience in the location and category of the Group's investment properties being valued.

The accompanying notes form an integral part of these financial statements.

Consolidated Cash Flow Statement

18 months ended 30 June 2015

	Group	
	18-month period from 1 January 2014 to 30 June 2015 $'000	12-month period from 1 January 2013 to 31 December 2013 $'000
Cash flows from operating activities		
Total return for the period before tax and distribution	**173,982**	252,839
Adjustments for:		
Finance income	**(1,551)**	(541)
Fair value adjustment on security deposits	**505**	(38)
Depreciation	**1,006**	489
Finance expenses	**46,874**	30,152
(Gain)/Loss on divestment of investment property	**(364)**	300
Change in fair value of derivative instruments	**479**	(4,643)
Change in fair value of investment properties	**(9,120)**	(137,528)
Operating income before working capital changes	**211,811**	141,030
Trade and other receivables	**7,390**	(228)
Trade and other payables	**(3,053)**	3,789
Cash generated from operating activities	**216,148**	144,591
Income tax paid	**(3,766)**	(3,503)
Net cash from operating activities	**212,382**	141,088
Cash flows from investing activities		
Net cash outflows on purchase of investment property	**(325,336)** [1]	(65,243) [2]
Net proceeds on divestment of investment property	**12,428**	9,068
Capital expenditure on investment properties	**(3,683)**	(3,208)
Purchase of plant and equipment	**(798)**	(20)
Interest received on deposits	**1,549**	533
Net cash used in investing activities	**(315,840)**	(58,870)
Cash flows from financing activities		
Borrowing costs paid	**(44,362)**	(34,810)
Proceeds from borrowings	**754,507**	557,459
Repayment of borrowings	**(446,470)**	(519,099)
Distributions paid to CPU holder(s)	**(1,549)**	(5,092)
Distributions paid to unitholders	**(162,354)**	(100,252)
Net cash from/(used in) financing activities	**99,772**	(101,794)
Net decrease in cash and cash equivalents	**(3,686)**	(19,576)
Cash and cash equivalents at 1 January	**58,038**	79,376
Effects of exchange rate differences on cash	**(2,781)**	(1,762)
Cash and cash equivalents at 30 June/31 December	**51,571**	58,038

Notes:

[1] Net cash outflows on the purchase of Myer Centre Adelaide include the purchase consideration of A$288 million ($303.1 million) and related acquisition costs of approximately $22.2 million, but exclude settlement adjustments of approximately $0.9 million on completion in May 2015.

[2] Net cash outflows on the purchase of Plaza Arcade include acquisition costs paid.

Significant non-cash transaction

On 25 June 2015 (2013: 5 July 2013), the remaining 20,334,750 CPU (2013: 152,727,825) were converted into 27,986,168 ordinary units (2013: 210,195,189) at a conversion price of $0.7266 per unit.

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 28 August 2015.

1. GENERAL

Starhill Global Real Estate Investment Trust (the "Trust") is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 8 August 2005 and any amendments or modifications thereof between YTL Starhill Global REIT Management Limited (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"), governed by the laws of the Republic of Singapore ("Trust Deed"). On 8 August 2005, the Trust was declared an authorised unit trust scheme under the Trustees Act, Chapter 337.

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 20 September 2005 and was included under the Central Provident Fund ("CPF") Investment Scheme on 14 June 2005.

The principal activity of the Trust and its subsidiaries (the "Group") is to invest primarily in prime real estate used mainly for retail and/or office purposes, with the objective of delivering regular and stable distributions to unitholders and to achieve long-term growth in the net asset value per unit.

The Trust has entered into several significant service agreements in relation to the management of the Group and its operations. The fee structure of these services is as follows:

(a) Property management fees and leasing commission

YTL Starhill Global Property Management Pte Ltd (the "Property Manager") is entitled to receive a fee of 3.0% per annum of gross revenue of the Wisma Atria Property and Ngee Ann City Property ("Singapore Properties") (excluding GST) for the provision of property management, lease management as well as marketing and marketing co-ordination services. The Property Manager's fee is to be paid on a monthly basis in arrears.

The Property Manager is also entitled to receive leasing commission at the rates set out below when it secures a tenant or a tenancy renewal:

(i) one month's base rental for securing a tenancy of three years or more;
(ii) two thirds of one month's base rental for securing a tenancy of two years or more but less than three years;
(iii) one third of one month's base rental for securing a tenancy of one year or more but less than two years;
(iv) one quarter of one month's base rental for securing a renewal of tenancy of three years or more;
(v) one eighth of one month's base rental for securing a renewal of tenancy of two years or more but less than three years; and
(vi) one twelfth of one month's base rental for securing a renewal of tenancy of one year or more but less than two years.

Property management fees also include fees payable to third party property managers of the Australia Properties, Renhe Spring Zongbei Property and Japan Properties.

(b) Management fees

Management fees include fees payable to the Manager, third party asset manager of the Japan Properties, as well as servicer of the Malaysia Properties.

Under the Trust Deed, the Manager is entitled to receive a base fee and a performance fee as follows:

Base fee

The Manager is entitled to receive a base fee of 0.5% per annum of the Value of Trust Property (excluding GST) ("Base Fee") or such higher percentage as may be fixed by an Extraordinary Resolution of a meeting of unitholders.

The Value of Trust Property means:

(i) the value of all authorised investments of the Group other than real estate related assets;
(ii) the value of real estate related assets of any entity held by the Group if such holding is less than 30.0% of the equity of such entity; and

Notes to the Financial Statements

(iii) where the Group invests in 30.0% or more of a real estate related asset of any entity, including any class of equity, equity-linked securities and/or securities issued in real estate securitisation, the Group's proportionate interest in the value of the underlying real estate of the entity issuing the equity which comprises the real estate related asset.

The Manager may opt to receive the Base Fee in respect of its properties in cash or units or a combination of cash and units (as it may determine).

The portion of the Base Fee payable in cash shall be payable monthly in arrears and the portion of the Base Fee payable in the form of units shall be payable quarterly in arrears. If a trigger event occurs, resulting in the Manager being removed, the Manager is entitled to be paid the Base Fee up to the day on which the trigger event occurs.

Performance fee

The Manager is entitled to a performance fee ("Performance Fee") where the accumulated return (comprising capital gains and accumulated distributions and assuming all distributions are re-invested in the Trust) of the units (expressed as the "Trust Index") in any six-month period ending 30 June or 31 December ("Half-Year") exceeds the accumulated return (comprising capital gains and accumulated distributions and assuming re-investment of all distributions) of a benchmark index ("Benchmark Index").

The Performance Fee is calculated in two tiers as follows:

- a Tier 1 Performance Fee equal to 5.0% of the amount by which the accumulated return of the Trust Index exceeds the accumulated return of the Benchmark Index, multiplied by the equity market capitalisation of the Trust; and
- a Tier 2 Performance Fee which is applicable only where the accumulated return of the Trust Index is in excess of 2.0% per annum (1.0% for each Half-Year) above the accumulated return of the Benchmark Index. This tier of the fee is calculated at 15.0% of the amount by which the accumulated return of the Trust Index is in excess of 2.0% per annum above the accumulated return of the Benchmark Index, multiplied by the equity market capitalisation of the Trust.

For the purposes of the Tier 1 Performance Fee and the Tier 2 Performance Fee, the amount by which the accumulated return of the Trust Index exceeds the accumulated return of the Benchmark Index shall be referred to as outperformance.

The outperformance of the Trust Index is assessed on a cumulative basis and any prior underperformance will need to be recovered before the Manager is entitled to any Performance Fee.

The Performance Fee, whether payable in any combination of cash and units or solely in cash or units will be payable half-yearly in arrears. If a trigger event occurs in any Half-Year, resulting in the Manager being removed, the Manager is entitled to payment of any Performance Fee (whether structured in cash or in the form of units) to which it might otherwise have been entitled for that Half-Year in cash, which shall be calculated, as if the end of the Half-Year was the date of occurrence of the trigger event, in accordance with Clause 15.1.4 of the Trust Deed. If a trigger event occurs at a time when any accrued Performance Fee has not been paid, resulting in the Manager being removed, the Manager is entitled to payment of such accrued Performance Fee in cash.

The management fees (Base Fee and Performance Fee, including any accrued Performance Fee which has been carried forward from previous financial years but excluding any acquisition fee or divestment fee) to be paid to the Manager in respect of a financial year, whether in cash or in units or a combination of cash and units, is capped at an amount equivalent to 0.8% per annum of the Value of the Trust Property as at the end of the financial year (referred to as the "annual fee cap").

If the amount of such fees for a financial year exceeds the annual fee cap, the Base Fee of the financial year shall be paid to the Manager and only that portion of the Performance Fee equal to the balance of an amount up to the annual fee cap will be paid to the Manager. The remaining portion of the Performance Fee, which will not be paid, shall be accrued and carried forward for payment to the Manager in future Half-Years. If, at the end of a Half-Year, there is any accrued Performance Fee which has been accrued for a period of at least three years prior to the end of that Half-Year, such accrued Performance Fee shall be paid to the Manager if the accumulated return of the Trust Index in that three-year period exceeds the accumulated return of the Benchmark Index over the same period. The payment of such accrued Performance Fee shall not be subject to the annual fee cap.

(c) Acquisition and divestment fees

The Manager is entitled to receive an acquisition fee of 1.0% of the value of the real estate acquired. For any acquisition made by the Group in Singapore, any payment to third party agents or brokers in connection with the acquisition shall be borne by the Manager, and not additionally out of the Group. For any acquisition made by the Group outside Singapore, any payment to third party agents or brokers shall be borne by the Group, provided that the Manager shall charge an acquisition fee of 0.6% instead of 1.0%.

The Manager is entitled to receive a divestment fee of 0.5% of the value of the real estate divested. For any divestment made by the Group in Singapore, any payment to third party agents or brokers in connection with the divestment shall be borne by the Manager, and not additionally out of the Group. For any divestment made outside Singapore, any payment to third party agents or brokers shall be borne by the Group, provided that the Manager shall charge a divestment fee of 0.5% of the sale price. The Manager also receives acquisition fees and divestment fees in instances other than an acquisition and divestment of real estate.

(d) Trustee's fee

Under the Trust Deed, the Trustee's fee shall not exceed 0.1% per annum of the value of the deposited property (subject to a minimum of $8,000 per month excluding out of pocket expenses and GST) or such higher percentage as may be fixed by an Extraordinary Resolution of a meeting of unitholders. The Trustee's fee is payable out of the deposited property of the Group on a monthly basis, in arrears. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

Based on the current agreement between the Manager and the Trustee, the Trustee's fee is less than 0.1% per annum of the value of the deposited property (subject to a minimum of $8,000 per month excluding out of pocket expenses and GST).

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with the *Statement of Recommended Accounting Practice ("RAP") 7 "Reporting Framework for Unit Trusts"* issued by the Institute of Singapore Chartered Accountants ("ISCA"), the applicable requirements of the Code on Collective Investment Schemes ("CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires that accounting policies adopted should generally comply with the principles relating to recognition and measurement of the Singapore Financial Reporting Standards ("FRS").

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis, except as set out in the accounting policies below.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the functional currency of the Trust. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and any future periods affected.

Notes to the Financial Statements

Significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 4 – Valuation of investment properties
- Note 6 – Impairment on interests in subsidiaries
- Notes 8 and 26 – Valuation of financial instruments

2.5 Adoption of new/revised FRSs

(i) Subsidiaries

From 1 January 2014, in accordance with the transitional provisions of FRS 110 *Consolidated Financial Statements*, the Group has reassessed the control conclusion for its investees. FRS 110 *Consolidated Financial Statements* introduces a new control model that is applicable to all investees, by focusing on whether the Group has power over an investee, exposure, or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. In particular, FRS 110 requires the Group to consolidate investees that it controls on the basis of de facto circumstances. Based on its assessments, the Group concluded that there is no change in the investees it is consolidating and no financial effect on the results and financial position of the Group for the current and previous financial period.

(ii) Offsetting of financial assets and financial liabilities

From 1 January 2014, the Group has adopted the Amendments to FRS 32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*. Under the amendments, to qualify for offsetting, the right to set off a financial asset and a financial liability must not be contingent on a future event and must be enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties. Based on its assessments, the Group concluded that there is no financial effect on the results and financial position of the Group for the current and previous financial period.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently by the Group and the Trust to all periods in these financial statements, and have been applied consistently by Group entities.

3.1 Basis of consolidation

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control exists when the Group is exposed to or has rights to variable returns from its involvement with an entity and has the ability to affect those returns through its power over the entity.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the statement of total return.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the statement of total return.

Subsidiaries

Subsidiaries are entities controlled by the Group and include entities that are created to accomplish a narrow and well defined objective such as the execution of a specific transaction where the substance of the relationship is that the Group controls the entity. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Accounting for subsidiaries by the Trust

Interests in subsidiaries are stated in the Trust's balance sheet at cost less accumulated impairment losses.

3.2 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rates at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Foreign currency differences arising on retranslation are recognised in the statement of total return.

Foreign operations

The assets and liabilities of foreign operations are translated to Singapore dollars at exchange rates at the end of the reporting period. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Foreign currency differences are recognised in foreign currency translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount is transferred to the statement of total return.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in the Trust's statement of total return, and are reclassified to the foreign currency translation reserve in the consolidated financial statements.

3.3 Plant and equipment

Recognition and measurement

Plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and when the Group has an obligation to remove the asset or restore the site, an estimate of the cost of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

The gain or loss on disposal of an item of plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of plant and equipment, and is recognised in the statement of total return.

Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The cost of the day-to-day servicing of plant and equipment are recognised in the statement of total return as incurred.

Notes to the Financial Statements

Depreciation

Depreciation on plant and equipment is recognised in the statement of total return on a straight-line basis over their estimated useful lives of 2 to 8 years.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

3.4 Investment properties

Investment properties is property held either to earn rental income or for capital appreciation or for both. Investment properties are measured at cost on initial recognition, and subsequently at fair value with any changes therein recognised in the statement of total return. Fair value is determined in accordance with the Trust Deed, which requires investment properties to be valued by independent registered valuers in such manner and frequency required under Appendix 6 of the CIS Code ("Property Fund Appendix") issued by MAS.

Subsequent expenditure relating to investment properties that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

When an investment property is disposed of, the resulting gain or loss recognised in the statement of total return is the difference between net disposal proceeds and the carrying amount of the property.

3.5 Intangible asset

Goodwill

Goodwill and negative goodwill arise upon the acquisition of subsidiaries.

Goodwill represents the excess of the fair value of the consideration transferred over the Group's interest in the net fair value of the identifiable assets acquired and liabilities and contingent liabilities assumed.

Goodwill arising on the acquisition of subsidiaries is presented in intangible asset. Goodwill is measured at cost less accumulated impairment losses, and tested for impairment. Negative goodwill is recognised immediately in the statement of total return.

3.6 Financial instruments

(i) Non-derivative financial assets

The Group initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated at fair value through the statement of total return) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial assets expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the following category: loans and receivables.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents, and trade and other receivables. Cash and cash equivalents comprise cash at bank and fixed deposits.

(ii) Non-derivative financial liabilities

The Group initially recognises debt securities issued on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through the statement of total return) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise borrowings and trade and other payables.

(iii) Unitholders' funds

Unitholders' funds represent the residual interest in the Group's net assets upon termination and are classified as equity. Expenses incurred in the issuance and placement of units (if any) in the Group are deducted directly against unitholders' funds.

(iv) Convertible preferred units

Convertible preferred units issued by the Trust are classified as equity based on the principal terms of the CPU as disclosed in Note 15. Any directly attributable transaction costs are recognised as a deduction from the fair value of the consideration received.

(v) Derivative financial instruments and hedging activities

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures arising from operating, financing and investing activities. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments. As at 30 June 2015 and 31 December 2013, the Group did not adopt hedge accounting for its derivative financial instruments.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the statement of total return as incurred.

Subsequent to initial recognition, derivatives are measured at fair value. All changes in fair value is recognised immediately in the statement of total return. However, if derivatives qualify for hedge accounting, subsequent to initial recognition, changes in fair value therein are accounted for as described below.

Cash flow hedges

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect total return, the effective portion of changes in the fair value of the derivative is recognised and presented in the hedging reserve in unitholders' funds. The amount recognised in unitholders' funds is removed and included in the statement of total return in the same period as the hedged cash flows affect total return under the same line item in the statement of total return as the hedged item. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in total return.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in unitholders' funds remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognised in unitholders' funds is transferred to the carrying amount of the asset when it is recognised. In other cases, the amount recognised in unitholders' funds is transferred to the statement of total return in the same period that the hedged item affects total return.

Notes to the Financial Statements

Fair value hedges

Changes in the fair value of a derivative hedging instrument designated as a fair value hedge are recognised in the statement of total return. The hedged item is also stated at fair value in respect of the risk being hedged; the gain or loss attributable to the hedged risk is recognised in the statement of total return with an adjustment to the carrying amount of the hedged item.

3.7 Impairment

Non-derivative financial assets

A financial asset not carried at fair value through the statement of total return is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a tenant, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a tenant or issuer will enter bankruptcy. In addition, for an investment, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Loans and receivables

The Group considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together loans and receivables with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for the Manager's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in the statement of total return and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the statement of total return.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in the statement of total return. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (groups of CGUs) and then to reduce the carrying amount of the other assets in the CGU (groups of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

3.8 Employee benefits

Short-term employee benefit obligations, including contributions to defined contribution pension plans, if any, are measured on an undiscounted basis and are expensed as the related service is provided in the statement of total return.

A liability is recognised for the amount expected to be paid under short-term cash bonus where the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.9 Revenue recognition

Rental income from operating leases

Rental income receivable under operating leases is recognised in the statement of total return on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental to be received. Contingent rentals, which include gross turnover rental, are recognised as income in the accounting period on a receipt basis. No contingent rentals are recognised if there are uncertainties due to the possible return of amounts received.

Dividend income

Dividend income is recognised in the statement of total return on the date that the Trust's right to receive payment is established.

3.10 Finance income and finance expenses

Finance income comprises interest income on funds invested and derivative financial instruments. Interest income is recognised as it accrues in the statement of total return, using the effective interest method.

Finance expenses comprises interest expense on borrowings and derivative financial instruments and amortisation of loan acquisition expenses. All borrowing costs are recognised in the statement of total return using the effective interest method.

3.11 Expenses

(i) Property operating expenses

Property operating expenses are recognised on an accrual basis. Included in property operating expenses are mainly property tax, maintenance and sinking fund contributions, leasing and upkeep expenses, marketing expenses, administrative expenses and the property management fees and leasing commission which is based on the applicable formula stipulated in Note 1(a).

(ii) Management fees

Management fees are recognised on an accrual basis based on the applicable formula stipulated in Note 1(b).

(iii) Trust expenses

Trust expenses are recognised on an accrual basis. Included in trust expenses is the Trustee's fee which is described in Note 1(d).

3.12 Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the statement of total return except to the extent that it relates to a business combination, or items directly related to unitholders' funds, in which case it is recognised in unitholders' funds.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Notes to the Financial Statements

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The temporary differences on initial recognition of assets or liabilities that affect neither accounting nor taxable profit are not provided for. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling dated 20 May 2005 ("Tax Ruling") on the taxation of the Trust for income earned and expenditure incurred after its listing on the SGX-ST. Subject to meeting the terms and conditions of the Tax Ruling, the Trustee will not be assessed to tax on the taxable income of the Trust. Instead, the Trustee and the Manager will deduct income tax at the prevailing corporate tax rate from the distributions made to unitholders that are made out of the taxable income of the Trust. However, where the beneficial owners are individuals or qualifying unitholders, the Trustee and the Manager will make the distributions to such unitholders without deducting any income tax. Also, where the beneficial owners are foreign non-individual unitholders, the Trustee and the Manager will deduct Singapore income tax at the reduced rate of 10% for such distributions.

A qualifying unitholder is a unitholder who is:

(i) a Singapore-incorporated company which is a tax resident in Singapore;
(ii) a body of persons, other than a company or a partnership, registered or constituted in Singapore (for example, a town council, a statutory board, a registered charity, a registered co-operative society, a registered trade union, a management corporation, a club and a trade and industry association); and
(iii) a Singapore branch of a foreign company.

A foreign non-individual unitholder is one who is not a resident of Singapore for income tax purposes and

(i) which does not have a permanent establishment in Singapore; or
(ii) which carries on any operation in Singapore through a permanent establishment in Singapore where the funds used to acquire the units are not obtained from that operation in Singapore.

The Trust is exempt from Singapore income tax under Section 13(12) of the Income Tax Act on the following income:

(i) dividends;
(ii) interest on shareholder's loans; and
(iii) foreign-sourced trust distribution

payable by its subsidiaries out of underlying rental income derived from the overseas investment properties. This exemption is granted subject to certain conditions, including the condition that the Trustee is a tax resident of Singapore.

The Trust's distribution policy is to distribute at least 90% of its taxable income for the period from 1 January 2014 to 30 June 2015 (2013: 90%). For any remaining amount of taxable income not distributed, tax will be assessed on, and collected from, the Trustee on such remaining amount (referred to as retained taxable income). In the event where a distribution is subsequently made out of such retained taxable income, the Trustee and the Manager will not have to make a further deduction of income tax from the distribution.

The above Tax Ruling does not apply to gains from sale of real properties, if considered to be trading gains derived from a trade or business carried on by the Trust. Tax on such gains or profits will be assessed, in accordance with Section 10(1)(a) of the Income Tax Act, Chapter 134 and collected from the Trustee. Where the gains are capital gains, it will not be assessed to tax and the Trustee and the Manager may distribute the capital gains without tax being deducted at source.

3.13 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4. INVESTMENT PROPERTIES

	Group $'000	Trust $'000
At 1 January 2013	2,713,003	1,903,000
Additions and acquisition of investment property	66,447	659
Divestment	(9,368)	–
Change in fair value of investment properties	137,528	131,841
Translation differences	(53,167)	–
At 31 December 2013	2,854,443	2,035,500
Additions and acquisition of investment property	326,058	–
Divestment	(12,064)	–
Change in fair value of investment properties	9,120	36,000
Translation differences	(61,402)	–
At 30 June 2015	**3,116,155**	**2,071,500**

Investment properties are stated at fair value based on valuations performed by independent professional valuers having appropriate recognised professional qualifications and recent experience in the location and category of property being valued.

In determining the fair value, the valuers have used valuation techniques which involve certain estimates. In relying on the valuation reports, the Manager has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions. The valuation reports are prepared in accordance with recognised appraisal and valuation standards. The estimates underlying the valuation techniques in the next financial year may differ from current estimates, which may result in valuations that may be materially different from the valuations as at balance sheet date.

The valuers have considered the capitalisation approach and/or discounted cash flows in arriving at the open market value as at the balance sheet date. The capitalisation approach capitalises an income stream into a present value using single-year capitalisation rates. The income stream used is adjusted to market rentals currently being achieved within comparable investment properties and recent leasing transactions achieved within the investment property. The discounted cash flow method involves the estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value. The discounted cash flow method requires the valuer to assume a rental growth rate indicative of market and the selection of a target internal rate of return consistent with current market requirements.

At 30 June 2015, investment properties with a carrying value of approximately $843.3 million (2013: $578.4 million) are mortgaged to secure credit facilities for the Group (Note 13).

Fair value hierarchy

The Group's investment properties are valued based on unobservable inputs and classified in Level 3 of the fair value hierarchy. The different levels of the fair value hierarchy are defined in Note 26.

The following table shows the key unobservable inputs used in the valuation models of the investment properties as at 30 June 2015:

Investment properties	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Commercial properties for leasing	• Capitalisation rates from 4.25% to 11.50% depending on the location (2013: from 4.25% to 11.50%) • Discount rates from 4.10% to 11.50% (2013: from 4.10% to 11.50%)	The estimated fair value would increase if capitalisation rates and discount rates were lower.

Notes to the Financial Statements

Key unobservable inputs correspond to:

- Capitalisation rates derived from specialised publications from the related markets and comparable transactions.
- Discount rate, based on the risk-free rate for 10-year bonds issued by the government in the relevant market, adjusted for a risk premium to reflect both the increased risk of investing in the asset class.

5. PLANT AND EQUIPMENT

	Group $'000	Trust $'000
Cost:		
At 1 January 2013	2,351	–
Additions	20	–
Disposal/write off	(105)	–
Translation differences	149	–
At 31 December 2013	2,415	–
Additions	798	790
Disposal/write-off	(2)	–
Translation differences	91	–
At 30 June 2015	**3,302**	**790**
Accumulated depreciation:		
At 1 January 2013	(735)	–
Depreciation charge	(489)	–
Disposal/write off	99	–
Translation differences	(56)	–
At 31 December 2013	(1,181)	–
Depreciation charge	(1,006)	(367)
Disposal/write-off	2	–
Translation differences	(67)	–
At 30 June 2015	**(2,252)**	**(367)**
Carrying amount:		
At 31 December 2013	1,234	–
At 30 June 2015	**1,050**	**423**

6. INTERESTS IN SUBSIDIARIES

	Trust	
	30 June 2015 $'000	31 December 2013 $'000
Equity investments at cost	**573,181**	441,027
Advances to subsidiaries	**197,036**	199,721
	770,217	640,748
Less: allowance for impairment loss	**(67,000)**	(67,000)
	703,217	573,748

Advances to subsidiaries are unsecured and stated at cost less impairment loss. The advances form part of the Trust's interests in subsidiaries as settlement of these amounts is neither planned nor likely to occur in the foreseeable future.

The Manager has reassessed for impairment by comparing the recoverable amount of the Trust's interests in subsidiaries against the Group's investment in subsidiaries. The recoverable amount of the cash generating unit was estimated based on its value in use, and using the discounted cash flow method. This involves the estimation and projection of an income stream over a period at a rental growth rate indicative of market, and discounting the income stream with an internal rate of return. The recoverable amount was estimated to approximate the net carrying amount of the Group's interest in these subsidiaries, and no impairment loss was recognised for the 18 months ended 30 June 2015 and 12 months ended 31 December 2013.

The movement in the allowance for impairment loss in respect of interests in subsidiaries during the period/year was as follows:

	Trust	
	30 June 2015 $'000	31 December 2013 $'000
At beginning and end of period/year	**(67,000)**	(67,000)

Details of the subsidiaries are as follows:

		Effective interest	
Name of subsidiary	Country of incorporation	**30 June 2015**	31 December 2013
		%	%
Starhill Global REIT Japan SPC One Pte Ltd (1)	Singapore	**100**	100
Starhill Global REIT Japan SPC Two Pte Ltd (1)	Singapore	**100**	100
Starhill Global REIT MTN Pte Ltd (1)	Singapore	**100**	100
SG REIT (M) Pte Ltd (1)	Singapore	**100**	100
SG REIT (WA) Pte Ltd (1)	Singapore	**100**	100
Starhill Global REIT One TMK (2)	Japan	**100**	100
Starhill Global ML K.K. (3)	Japan	**100**	100
Top Sure Investment Limited (4)	Hong Kong	**100**	100
Renhe Spring Department Store Co., Ltd (2)	China	**100**	100
SG REIT (WA) Trust (2)	Australia	**100**	100
SG REIT (WA) Sub-Trust1 (2)	Australia	**100**	100
SG REIT (SA) Sub-Trust2 (2)	Australia	**100**	–
Ara Bintang Berhad (2)	Malaysia	**100**	100

(1) Audited by KPMG LLP
(2) Audited by other member firms of KPMG International
(3) Not required to be audited by the laws of the country of incorporation
(4) Audited by other auditors

7. INTANGIBLE ASSET

The intangible asset represents goodwill on acquisition of Top Sure Investment Limited ("Top Sure") in August 2007. Top Sure owns, through its wholly owned subsidiary, Renhe Spring Zongbei Property in China.

For the purpose of impairment testing, goodwill is allocated to the Group's operations in China which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes. The recoverable amount of the China cash-generating unit was based on its value in use. This involves the estimation and projection of an income stream over a period at a rental growth rate indicative of market, and discounting the income stream with an internal rate of return. The recoverable amount was estimated to approximate the net carrying amount of Top Sure's interest in its subsidiary, and no impairment loss was recognised for the 18 months ended 30 June 2015 and 12 months ended 31 December 2013. The movement during the period was due to the retranslation of goodwill at the exchange rate at the reporting date.

Notes to the Financial Statements

8. DERIVATIVE FINANCIAL INSTRUMENTS

	30 June 2015		31 December 2013	
	Contract notional amount $'000	**Fair value $'000**	Contract notional amount $'000	Fair value $'000
Group				
Non-current assets				
Interest rate swaps and caps	718,800	4,454	549,800	2,647
	718,800	4,454	549,800	2,647
Current assets				
Foreign exchange forwards	2,400	121	2,300	29
	2,400	121	2,300	29
	721,200	4,575	552,100	2,676
Non-current liabilities				
Interest rate swaps	374,600	1,042	–	–
	374,600	1,042	–	–
Current liability				
Foreign exchange option	1,600	17	–	–
	1,600	17	–	–
	376,200	1,059	–	–
Trust				
Non-current assets				
Interest rate swaps and caps	571,200	4,357	459,400	2,389
	571,200	4,357	459,400	2,389
Current assets				
Foreign exchange forwards	2,400	121	2,300	29
	2,400	121	2,300	29
	573,600	4,478	461,700	2,418
Non-current liabilities				
Interest rate swaps	225,000	705	–	–
	225,000	705	–	–
Current liability				
Foreign exchange option	1,600	17	–	–
	1,600	17	–	–
	226,600	722	–	–

The Group's derivative transactions are entered into under International Swaps and Derivatives Association Master Agreements ("ISDA Master Agreements") with various bank counterparties. The derivative financial instruments presented above are not offset in the balance sheet as the right of set-off of recognised amounts is enforceable only following the occurrence of a termination event as set out in such ISDA Master Agreements. In addition, the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

As at 30 June 2015 and 31 December 2013, the Group's derivative financial assets and liabilities do not have any balances that are eligible for offsetting under the enforceable master netting arrangements.

The net fair value of the derivative financial instruments represents 0.2% (2013: 0.1%) of the Group's unitholders' funds as at 30 June 2015. The Group's and the Trust's contractual maturities analysis for derivative financial liabilities is disclosed in Note 13.

9. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	30 June 2015 $'000	31 December 2013 $'000	**30 June 2015 $'000**	31 December 2013 $'000
Non-current				
Lease incentives	**3,674**	6,053	**2,344**	3,533
	3,674	6,053	**2,344**	3,533
Current				
Trade receivables	**641**	626	**351**	90
Deposits	**254**	291	**254**	231
Prepayments	**642**	1,030	**171**	256
Other receivables	**2,118**	6,185	**2,686**	10,240
Lease incentives	**1,529**	2,060	**1,391**	1,697
	5,184	10,192	**4,853**	12,514
	8,858	16,245	**7,197**	16,047

Concentration of credit risk relating to trade receivables is limited due to the Group's and the Trust's varied mix of tenants and credit policy of obtaining security deposits from tenants for leasing the Group's and the Trust's investment properties. As at 30 June 2015, the Group and the Trust have security deposits received in cash of approximately $30.4 million (2013: $29.8 million) and $23.4 million (2013: $22.6 million) respectively (Note 11).

There is no impairment loss arising from the Group's other receivables balances, none of which are past due at the reporting date. Included in other receivables of the Trust are dividend and interest income receivable from its subsidiaries of approximately $2.6 million (2013: $8.5 million) as at 30 June 2015.

The maximum exposure to credit risk for the loans and receivables at the reporting date by geographic region was:

	Group		Trust	
	30 June 2015 $'000	31 December 2013 $'000	**30 June 2015 $'000**	31 December 2013 $'000
Singapore	**666**	852	**3,291**	10,561
Australia	**736**	1,028	**–**	–
Malaysia	**196**	418	**–**	–
China	**1,324**	4,619	**–**	–
Japan	**91**	185	**–**	–
	3,013	7,102	**3,291**	10,561

Impairment losses

The ageing of trade receivables at the reporting date is:

	Gross 30 June 2015 $'000	Impairment losses 30 June 2015 $'000	Gross 31 December 2013 $'000	Impairment losses 31 December 2013 $'000
Group				
Not past due	**777**	**(171)**	532	(189)
Past due 0 – 30 days	**115**	**(80)**	249	(179)
Past due 31 – 120 days	**5**	**(5)**	570	(432)
More than 120 days	**580**	**(580)**	849	(774)
	1,477	**(836)**	2,200	(1,574)
Trust				
Not past due	**506**	**(155)**	279	(189)
Past due 0 – 30 days	**40**	**(40)**	36	(36)
Past due 31 – 120 days	**3**	**(3)**	1	(1)
More than 120 days	**36**	**(36)**	8	(8)
	585	**(234)**	324	(234)

The movement in the allowance for impairment in respect of trade receivables during the period was as follows:

	Group		Trust	
	30 June 2015 $'000	31 December 2013 $'000	**30 June 2015 $'000**	31 December 2013 $'000
At 1 January	**(1,574)**	(366)	**(234)**	(252)
Net impairment loss reversed/ (recognised)	**649**	(1,394)	**–**	–
Written off	**19**	109	**–**	18
Translation differences	**70**	77	**–**	–
At 30 June/31 December	**(836)**	(1,574)	**(234)**	(234)

The Group's and the Trust's historical experience in collection of trade receivables falls within the recorded allowances. Due to these factors, the Manager believes that, apart from the above, no additional credit risk beyond amounts provided for collection losses is inherent in the Group's and the Trust's remaining trade receivables as these are substantially covered by security deposits.

10. CASH AND CASH EQUIVALENTS

	Group		Trust	
	30 June 2015 $'000	31 December 2013 $'000	**30 June 2015 $'000**	31 December 2013 $'000
Cash at bank and in hand	**32,884**	37,211	**9,708**	9,738
Fixed deposits with financial institutions	**18,687**	20,827	**–**	4,621
	51,571	58,038	**9,708**	14,359

The weighted average effective interest rates per annum relating to fixed deposits with financial institutions at the balance sheet date for the Group is 2.9% (2013: 3.0%). Interest rates reprice at intervals of one day to three months (2013: one to three months).

The Trust issued 963,724,106 new units pursuant to the rights issue in August 2009 and received total gross proceeds of $337.3 million in consideration. Usage of the proceeds is as follows:

	Group and Trust
	$'000
Gross proceeds from rights issue	337,303
Rights issue expenses and related costs	(9,427)
	327,876
Repayment of revolving credit facilities	(50,900)
Payment for acquisition of investment properties	(235,708)
Payment for asset redevelopment costs of Wisma Atria Property	(27,152)
Payment to subscribe for second junior MTNs issued by Ara Bintang Berhad	(10,174)
Balance as at 31 December 2013	3,942
Payment for asset redevelopment costs and capital expenditure of Wisma Atria Property	(3,055)
Balance of net proceeds included in cash and cash equivalents as at 30 June 2015	**887**

The above utilisations are in accordance with the intended use, and the percentage allocated for the use, of the proceeds of the rights issue as stated in the announcement dated 22 June 2009 in respect of the rights issue. The balance of net proceeds will be used for payment of the remaining asset redevelopment costs of Wisma Atria Property.

11. TRADE AND OTHER PAYABLES

	Group		Trust	
	30 June 2015 $'000	31 December 2013 $'000	**30 June 2015 $'000**	31 December 2013 $'000
Non-current				
Deferred income	**–**	78	**–**	78
Security deposits [1]	**26,013**	23,301	**20,422**	17,989
	26,013	23,379	**20,422**	18,067
Current				
Trade payables	**7,260**	12,142	**3,594**	3,650
Accrued expenses	**5,231**	6,669	**1,208**	3,797
Amounts due to:				
– the Manager [2]	**2,842**	2,331	**2,842**	2,331
– the Property Manager [2]	**609**	1,068	**609**	1,068
– the Trustee [2]	**82**	74	**82**	74
Interest payable	**4,722**	2,374	**3,875**	2,292
Deferred income	**221**	389	**221**	389
Security deposits [1]	**4,386**	6,468	**2,950**	4,623
Other payables	**11,837**	11,525	**7,817**	7,372
	37,190	43,040	**23,198**	25,596
	63,203	66,419	**43,620**	43,663

[1] Security deposits represent cash deposits received from tenants to secure leases of the Group's and the Trust's investment properties.
[2] The amounts due to the Manager, Property Manager and Trustee are mainly trade in nature, unsecured and interest free.

The Group's and the Trust's exposure to liquidity and currency risks related to trade and other payables are disclosed in Notes 13 and 26.

Notes to the Financial Statements

12. DEFERRED TAX LIABILITIES

	Group	
	30 June 2015 $'000	31 December 2013 $'000
Deferred tax liabilities [1]	**14,884**	18,552

[1] The deferred tax liability is mainly in respect of Renhe Spring Zongbei Property in China and has been estimated on the basis of an asset sale at the current book value.

Movements in deferred tax liabilities of the Group (prior to offsetting of balances) during the period are as follows:

	At 1 January $'000	Recognised in statement of total return (Note 23) $'000	Translation differences $'000	At 30 June/ 31 December $'000
Group				
30 June 2015				
Deferred tax liabilities				
Investment properties	**18,502**	**(4,300)**	**682**	**14,884**
Borrowings	**50**	**(49)**	**(1)**	**–**
Total	**18,552**	**(4,349)**	**681**	**14,884**
31 December 2013				
Deferred tax liabilities				
Investment properties	18,578	(1,279)	1,203	18,502
Borrowings	90	(45)	5	50
Total	18,668	(1,324)	1,208	18,552

13. BORROWINGS

	Group		Trust	
	30 June 2015 $'000	31 December 2013 $'000	**30 June 2015 $'000**	31 December 2013 $'000
Non-current				
Secured borrowings	**330,947**	198,431	**–**	–
Unsecured borrowings	**658,018**	600,790	**644,275**	583,308
Unamortised loan acquisition expenses	**(5,716)**	(6,891)	**(4,583)**	(5,674)
	983,249	792,330	**639,692**	577,634
Current				
Unsecured borrowings	**146,000**	53,639	**146,000**	52,500
Unamortised loan acquisition expenses	**–**	(67)	**–**	(67)
	146,000	53,572	**146,000**	52,433
Total borrowings (net of borrowing costs)	**1,129,249**	845,902	**785,692**	630,067

The contractual terms of the Group's and the Trust's borrowings, which are measured at amortised cost are disclosed below. The Group's and the Trust's exposure to interest rate, currency and liquidity risk, is disclosed in Note 26.

Terms and debt repayment schedule

Terms and conditions of the outstanding borrowings are as follows:

	Currency	Nominal interest rate per annum %	Year of maturity	30 June 2015 Face value $'000	Carrying amount $'000
Group					
JPY term loan facility [1]	JPY	1.01 – 1.10	2016	**69,275**	**69,275**
SGD term loan facilities [1]	SGD	1.41 – 2.44	2018	**350,000**	**350,000**
SGD revolving credit facilities [1] [2]	SGD	1.20 – 2.18	2016 & 2018	**22,000**	**22,000**
Singapore MTNs [3]	SGD	3.40 – 3.50	2015, 2021 & 2023	**349,000**	**349,000**
Japan bond [4]	JPY	2.10 – 2.14	2016	**13,743**	**13,743**
Australia loans [5]	A$	3.39 – 5.10	2018 & 2019	**214,708**	**214,708**
Malaysia MTN [6]	RM	4.48	2019	**117,596**	**116,239**
				1,136,322	**1,134,965**
Trust					
JPY term loan facility [1]	JPY	1.01 – 1.10	2016	**69,275**	**69,275**
SGD term loan facilities [1]	SGD	1.41 – 2.44	2018	**350,000**	**350,000**
SGD revolving credit facilities [1] [2]	SGD	1.20 – 2.18	2016 & 2018	**22,000**	**22,000**
Intercompany loans [3]	SGD	3.40 – 3.50	2015, 2021 & 2023	**349,000**	**349,000**
				790,275	**790,275**

	Currency	Nominal interest rate per annum %	Year of maturity	31 December 2013 Face value $'000	Carrying amount $'000
Group					
JPY term loan facility [1]	JPY	1.10	2016	84,308	84,308
SGD term loan facilities [1]	SGD	1.41 – 1.66	2016 & 2018	350,000	350,000
SGD revolving credit facilities [1] [2]	SGD	1.20 – 1.66	2014 & 2018	77,500	77,500
Singapore MTN [3]	SGD	3.41	2015	124,000	124,000
Japan bond [4]	JPY	2.14 – 2.19	2016	17,482	17,482
China loan [7]	RMB	–	2014	1,194	1,139
Australia loan [5]	A$	5.00 – 5.52	2017	71,067	71,067
Malaysia MTN [6]	RM	5.35	2015	127,364	127,364
				852,915	852,860
Trust					
JPY term loan facility [1]	JPY	1.10	2016	84,308	84,308
SGD term loan facilities [1]	SGD	1.41 – 1.66	2016 & 2018	350,000	350,000
SGD revolving credit facilities [1] [2]	SGD	1.20 – 1.66	2014 & 2018	77,500	77,500
Intercompany loan [3]	SGD	3.41	2015	124,000	124,000
				635,808	635,808

Notes to the Financial Statements

[1] The Group has in place three-year and five-year unsecured loan facilities with a club of eight banks at inception, comprising:

(i) JPY6.3 billion ($69.3 million) (2013: JPY7.0 billion or $84.3 million equivalent) and $100 million (2013: $100 million) three-year term loans maturing in September 2016;
(ii) $250 million (2013: $250 million) five-year term loan maturing in September 2018; and
(iii) $250 million (2013: $250 million) five-year revolving credit facilities maturing in September 2018, including a $50 million uncommitted tranche. There is no amount outstanding (2013: $25 million drawn) under the committed tranche as at 30 June 2015.

In June 2015, the Group utilised $100 million from its new three-year unsecured loan facilities of $250 million (maturing in June 2018) with four banks, to early refinance the above $100 million term loan due in September 2016.

The interest rate on the above unsecured loan facilities was largely hedged using a combination of interest rate swaps and caps.

[2] The Group has drawn down $22 million (2013: $52.5 million) of short term loan from its other unsecured multicurrency revolving credit facility as at 30 June 2015.

[3] The Group has outstanding medium term notes ("MTN") of $349 million (2013: $124 million) as at 30 June 2015 issued under its $2 billion multicurrency MTN programme and rated at "BBB+" by Standard & Poor's Rating Services, comprising:

(i) $124 million unsecured five-year Singapore MTN (the "Series 001 Notes") (maturing in July 2015) which bear a fixed rate interest of 3.405% per annum payable semi-annually in arrears;
(ii) $100 million unsecured seven-year Singapore MTN (the "Series 002 Notes") (issued in February 2014 and maturing in February 2021) which bear a fixed rate interest of 3.50% per annum payable semi-annually in arrears; and
(iii) $125 million unsecured eight-year Singapore MTN (the "Series 003 Notes") (issued in May 2015 and maturing in May 2023) which bear a fixed rate interest of 3.40% per annum payable semi-annually in arrears.

The proceeds from the above issuances were extended as intercompany loans to the Trust at the same repayment terms.

[4] The Group has JPY1.2 billion ($13.7 million) (2013: JPY1.5 billion or $17.5 million equivalent) Japan bond outstanding as at 30 June 2015, maturing in November 2016. The interest rate for the Japan bond has been hedged via interest rate cap. Whilst no security has been pledged, the bondholders of the Japan bond have a statutory preferred right, under the Japan Asset Liquidation Law, to receive payment of all obligations under the Japan bond prior to other creditors out of the assets of the issuer (Starhill Global REIT One TMK).

[5] The Group has outstanding term loans of A$208 million ($214.7 million) (2013: A$63 million or $71.1 million equivalent) as at 30 June 2015, comprising:

(i) A$63 million ($65.0 million) (maturing in June 2019) loan which has been hedged via interest rate caps and is secured by a general security deed over all the assets of SG REIT (WA) Trust and a mortgage over David Jones Building. The maturity date of the loan (which was originally due to mature in June 2017) was extended with the same bank in June 2014 by two years to June 2019.
(ii) A$145 million ($149.7 million) (maturing in May 2018) loan obtained in May 2015, which has been hedged via interest rate swaps and is secured by a general security deed over all the assets of SG REIT (SA) Sub-Trust2 and a mortgage over Myer Centre Adelaide.

[6] The Group acquired the Malaysia Properties through an asset-backed securitisation structure in June 2010. Under the structure, the properties were acquired by Ara Bintang Berhad (a bankruptcy-remote special purpose vehicle) which issued five-year fixed-rate RM330 million Senior MTN ("First Senior MTN") to partially fund the acquisition of the Malaysia Properties. A refinancing was undertaken in September 2014 by buying back and cancelling the First Senior MTN and issuing new five-year fixed-rate senior MTN of a nominal value of RM330 million ($117.6 million) ("Second Senior MTN") at a discounted cash consideration of approximately RM325 million. The Second Senior MTN have a carrying amount of approximately RM326.2 million ($116.2 million) (2013: RM330 million or $127.4 million equivalent) as at 30 June 2015. The Second Senior MTN have an expected maturity in September 2019 and legal maturity in March 2021, and are secured, inter alia, by a fixed and floating charge over all the assets of Ara Bintang Berhad.

[7] The carrying amount of $1.1 million as at 31 December 2013 represents the discounted value of RMB5.7 million ($1.2 million) loan payable to a third party and was assumed as part of the acquisition of the Renhe Spring Zongbei Property in China in August 2007. The loan was interest-free and repayable in equal and annual instalments over seven years, of which the final instalment of RMB5.7 million has been fully repaid as at 30 June 2015.

The contractual maturities by type of financial liabilities, including estimated interest payments and excluding the impact of netting agreements, are as follows:

				Cash flows		
	Note	Carrying amount $'000	Contractual cash flows $'000	Within 1 year $'000	After 1 year but within 5 years $'000	After 5 years $'000
Group						
30 June 2015						
Non-derivative financial liabilities						
JPY term loan facility	13	**69,275**	**(70,204)**	**(739)**	**(69,465)**	**–**
SGD term loan facilities	13	**350,000**	**(373,271)**	**(7,303)**	**(365,968)**	**–**
SGD revolving credit facilities	13	**22,000**	**(22,014)**	**(22,014)**	**–**	**–**
Singapore MTNs	13	**349,000**	**(406,136)**	**(133,865)**	**(31,021)**	**(241,250)**
Japan bond	13	**13,743**	**(14,184)**	**(293)**	**(13,891)**	**–**
Australia loans	13	**214,708**	**(240,271)**	**(7,679)**	**(232,592)**	**–**
Malaysia MTN	13	**116,239**	**(140,011)**	**(5,283)**	**(134,728)**	**–**
Trade and other payables	11	**63,203**	**(66,848)**	**(37,604)**	**(29,244)**	**–**
Total financial liabilities measured at amortised cost		**1,198,168**	**(1,332,939)**	**(214,780)**	**(876,909)**	**(241,250)**
Derivative financial liabilities						
Interest rate swaps	8	**1,042**	**–**	**–**	**–**	**–**
– inflow			**14,102**	**4,660**	**9,442**	**–**
– outflow			**(20,656)**	**(6,404)**	**(14,252)**	**–**
Currency option	8	**17**	**–**	**–**	**–**	**–**
Total held for trading		**1,059**	**(6,554)**	**(1,744)**	**(4,810)**	**–**
		1,199,227	**(1,339,493)**	**(216,524)**	**(881,719)**	**(241,250)**
31 December 2013						
Non-derivative financial liabilities						
JPY term loan facility	13	84,308	(86,865)	(926)	(85,939)	–
SGD term loan facilities	13	350,000	(373,766)	(5,599)	(368,167)	–
SGD revolving credit facilities	13	77,500	(79,693)	(53,125)	(26,568)	–
Singapore MTN	13	124,000	(132,444)	(4,222)	(128,222)	–
Japan bond	13	17,482	(18,609)	(375)	(18,234)	–
China loan	13	1,139	(1,194)	(1,194)	–	–
Australia loan	13	71,067	(83,598)	(3,582)	(80,016)	–
Malaysia MTN	13	127,364	(137,556)	(6,814)	(130,742)	–
Trade and other payables	11	66,419	(70,600)	(43,748)	(26,852)	–
Total financial liabilities measured at amortised cost		919,279	(984,325)	(119,585)	(864,740)	–

Notes to the Financial Statements

				Cash flows		
	Note	Carrying amount $'000	Contractual cash flows $'000	Within 1 year $'000	After 1 year but within 5 years $'000	After 5 years $'000
Trust						
30 June 2015						
Non-derivative financial liabilities						
JPY term loan facility	13	**69,275**	**(70,204)**	**(739)**	**(69,465)**	**–**
SGD term loan facilities	13	**350,000**	**(373,271)**	**(7,303)**	**(365,968)**	**–**
SGD revolving credit facilities	13	**22,000**	**(22,014)**	**(22,014)**	**–**	**–**
Intercompany loans	13	**349,000**	**(406,136)**	**(133,865)**	**(31,021)**	**(241,250)**
Trade and other payables	11	**43,620**	**(46,942)**	**(23,611)**	**(23,331)**	**–**
Total financial liabilities measured at amortised cost		**833,895**	**(918,567)**	**(187,532)**	**(489,785)**	**(241,250)**
Derivative financial liabilities						
Interest rate swaps	8	**705**	**–**	**–**	**–**	**–**
– inflow			**4,214**	**1,358**	**2,856**	**–**
– outflow			**(9,804)**	**(2,780)**	**(7,024)**	**–**
Currency option	8	**17**	**–**	**–**	**–**	**–**
Total held for trading		**722**	**(5,590)**	**(1,422)**	**(4,168)**	**–**
		834,617	**(924,157)**	**(188,954)**	**(493,953)**	**(241,250)**
31 December 2013						
Non-derivative financial liabilities						
JPY term loan facility	13	84,308	(86,865)	(926)	(85,939)	–
SGD term loan facilities	13	350,000	(373,766)	(5,599)	(368,167)	–
SGD revolving credit facilities	13	77,500	(79,693)	(53,125)	(26,568)	–
Intercompany loan	13	124,000	(132,444)	(4,222)	(128,222)	–
Trade and other payables	11	43,663	(47,155)	(26,303)	(20,852)	–
Total financial liabilities measured at amortised cost		679,471	(719,923)	(90,175)	(629,748)	–

The maturity analyses show the undiscounted cash flows of the Group's and the Trust's financial liabilities on the basis of their contractual maturity.

14. UNITHOLDERS' FUNDS

	Group		Trust	
	30 June 2015 $'000	31 December 2013 $'000	**30 June 2015 $'000**	31 December 2013 $'000
Net assets attributable to unitholders [1]	**2,010,369**	1,979,351	**1,966,489**	1,947,962
Foreign currency translation reserve [2]	**(27,578)**	10,413	**–**	–
	1,982,791	1,989,764	**1,966,489**	1,947,962

[1] Included in the net assets attributable to unitholders is approximately $2.8 million retained to satisfy certain legal reserve requirements in China.

[2] The foreign currency translation reserve comprises (i) the foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Trust; and (ii) the foreign exchange differences on monetary items which form part of the Group's net investment in foreign operations.

15. CONVERTIBLE PREFERRED UNITS

On 28 June 2010, the Trust issued 173,062,575 convertible preferred units ("CPU") (valued at $173.4 million, net of capitalised costs incurred directly attributable to the issue of CPU) at the issue price of $1.00 per CPU, as part of the consideration for the acquisition of Malaysia Properties. On 5 July 2013, 152,727,825 CPU were converted into 210,195,189 new units at a conversion price of $0.7266 per unit. On 25 June 2015, all the remaining 20,334,750 CPU were converted into 27,986,168 new units at a conversion price of $0.7266 per unit. There is no CPU outstanding as at 30 June 2015 (2013: 20,334,750 CPU outstanding).

The principal terms of the CPU are as follows:

- subject to the sole discretion of the Manager, the CPU holder(s) are entitled to receive a discretionary, non-cumulative variable S$ coupon distribution of up to RM0.1322 per CPU, which is equivalent to a distribution rate of 5.65% per annum assuming the CPU distribution is paid in full and based on the Ringgit Malaysia amount of the CPU determined on the date of issuance of the CPU;
- any CPU distribution or part thereof not due or payable shall not accumulate for the benefit of the CPU holder(s) or entitle the CPU holder(s) to any claim in respect thereof against the Trust, the Trustee and/or the Manager;
- the CPU rank senior to the units in the Trust in respect of the entitlement to participate in the distributions of the Trust and rank senior to the units in respect of the entitlement to receive out of the assets of the Trust in the event of the commencement of any dissolution or winding up of the Trust. Upon the dissolution of the Trust, CPU holder(s) are entitled to receive an amount equivalent to the sum of (i) the number of CPU held by the CPU holder(s) multiplied by the issue price and (ii) any outstanding CPU and special CPU distributions;
- the CPU holder(s) have the right to convert the CPU into units after a period of three years commencing from the date of issuance of the CPU at a conversion price of $0.7266 per unit determined at the date of issuance of the CPU. Any CPU remaining in existence after seven years from the date of issuance of the CPU shall be mandatorily converted into units at the conversion price;
- the CPU holder(s) do not have a right to attend and vote at meetings of unitholders except during such period as the CPU or special CPU distribution remains in arrears and unpaid for at least 12 months, or in respect of any resolution which varies or abrogates any right, preference or privilege of the CPU, or in respect of any resolution for the dissolution or winding up of the Trust; and
- the Manager shall have the sole right to redeem any number of CPU on a pro rata basis at the issue price after a period of three years commencing from the date of issuance of the CPU (28 June 2010).

Notes to the Financial Statements

16. UNITS IN ISSUE

	Group and Trust	
	30 June 2015	31 December 2013
	No. of units '000	No. of units '000
At 1 January	**2,153,218**	1,943,023
Issue of units:		
– CPU conversion [1]	**27,986**	210,195
At 30 June/31 December	**2,181,204**	2,153,218

[1] The Trust issued 27,986,168 (2013: 210,195,189) new units at an issue price of $0.7266 per unit pursuant to the conversion of CPU in June 2015 (2013: July 2013).

Each unit in the Trust represents an undivided interest in the Trust. The rights and interests of unitholders are contained in the Trust Deed and include the right to:

- Attend all unitholder meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 unitholders or of the unitholders representing not less than 10% of the issued units) at any time convene a meeting of unitholders in accordance with the provisions of the Trust Deed;
- Receive income and other distributions attributable to the units held; and
- Participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a unitholder does not have the right to require that any assets (or part thereof) of the Trust be transferred to him.

The restrictions of a unitholder include the following:

- A unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- A unitholder has no right to request the Trust to redeem his units while the units are listed on SGX-ST.

A unitholder's liability is limited to the amount paid or payable for any units in the Trust. The Trust Deed provides that no unitholders will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that liabilities of the Trust exceed its assets.

17. GROSS REVENUE

	Group		Trust	
	18-month period from 1 January 2014 to 30 June 2015 $'000	12-month period from 1 January 2013 to 31 December 2013 $'000	**18-month period from 1 January 2014 to 30 June 2015 $'000**	12-month period from 1 January 2013 to 31 December 2013 $'000
Property rental income	**277,662**	185,232	**191,760**	127,725
Turnover rental income	**13,677**	13,078	**3,043**	2,242
Other income	**3,450**	2,306	**3,437**	2,078
	294,789	200,616	**198,240**	132,045

18. PROPERTY OPERATING EXPENSES

	Group		Trust	
	18-month period from 1 January 2014 to 30 June 2015 $'000	12-month period from 1 January 2013 to 31 December 2013 $'000	**18-month period from 1 January 2014 to 30 June 2015 $'000**	12-month period from 1 January 2013 to 31 December 2013 $'000
Maintenance and sinking fund contributions	**10,378**	6,614	**10,130**	6,408
Property management fees	**7,180**	5,071	**5,992**	3,969
Property tax	**23,638**	15,892	**17,566**	12,412
Depreciation expense	**1,006**	489	**367**	–
Leasing and upkeep expenses	**8,168**	6,912	**2,546**	3,424
Staff costs [1]	**1,640**	1,264	**–**	–
Marketing expenses	**3,125**	2,743	**2,703**	2,057
(Reversal of)/Impairment losses on trade receivables	**(649)**	1,394	**–**	–
Administrative expenses	**2,674**	2,381	**1,421**	1,132
	57,160	42,760	**40,725**	29,402

[1] Relates solely to staff costs of the Group's wholly owned subsidiary, Renhe Spring Department Store Co., Ltd, which operates Renhe Spring Zongbei Property in China.

19. DIVIDEND INCOME FROM SUBSIDIARIES

Represents dividend income from certain subsidiaries (Note 6).

20. MANAGEMENT FEES AND PERFORMANCE FEES

Management fees include Base Fee payable to the Manager, asset management fees payable to the asset manager of the Japan Properties and fees payable to the servicer of the Malaysia Properties, which is a wholly owned subsidiary of the Manager. Base Fee paid and payable to the Manager for the 18 months ended 30 June 2015 amounted to approximately $20,792,000 (2013: $13,088,000). Approximately $120,000 (2013: $100,000) and $1,487,000 (2013: $1,028,000) were paid to the asset manager of the Japan Properties and servicer of the Malaysia Properties for the 18 months ended 30 June 2015 respectively.

The Manager has elected to receive 100% of its base management fees in cash for the 18 months ended 30 June 2015 and 12 months ended 31 December 2013.

No performance fee was earned by the Manager for the 18 months ended 30 June 2015 and 12 months ended 31 December 2013. The performance of the Trust Index was approximately 1% and 6% below the Benchmark Index as at 30 June 2015 and 31 December 2013 respectively.

21. TRUST EXPENSES

	Group		Trust	
	18-month period from 1 January 2014 to 30 June 2015 $'000	12-month period from 1 January 2013 to 31 December 2013 $'000	**18-month period from 1 January 2014 to 30 June 2015 $'000**	12-month period from 1 January 2013 to 31 December 2013 $'000
Auditor's remuneration	**653**	482	**275**	213
Trustee's fees	**683**	438	**683**	438
Others [1]	**3,089**	2,179	**2,590**	1,517
	4,425	3,099	**3,548**	2,168

[1] Included in other trust expenses are (i) non-audit fees paid/payable to the auditors of the Group of approximately $288,000 (2013: $250,000); and (ii) fees paid/payable to the valuers of the Group's investment properties of approximately $247,000 (2013: $139,000) for the 18 months ended 30 June 2015.

Notes to the Financial Statements

22. FINANCE EXPENSES

	Group		Trust	
	18-month period from 1 January 2014 to 30 June 2015 $'000	12-month period from 1 January 2013 to 31 December 2013 $'000	**18-month period from 1 January 2014 to 30 June 2015 $'000**	12-month period from 1 January 2013 to 31 December 2013 $'000
Interest on borrowings	**38,463**	22,947	**23,362**	11,495
Interest on derivatives (net)	**4,291**	3,899	**4,027**	3,739
Amortisation of borrowing costs	**4,120**	3,306	**2,954**	2,670
	46,874	30,152	**30,343**	17,904

23. INCOME TAX

	Group		Trust	
	18-month period from 1 January 2014 to 30 June 2015 $'000	12-month period from 1 January 2013 to 31 December 2013 $'000	**18-month period from 1 January 2014 to 30 June 2015 $'000**	12-month period from 1 January 2013 to 31 December 2013 $'000
Current tax expense				
Current year	**3,790**	4,185	**–**	–
Deferred tax				
Origination and reversal of temporary differences	**(4,349)**	(1,324)	**–**	–
	(559)	2,861	**–**	–
Reconciliation of effective tax rate				
Total return before tax and distribution	**173,982**	252,839	**162,050**	230,584
Income tax using Singapore tax rate of 17%	**29,577**	42,983	**27,549**	39,199
Effect of different tax rates in other countries	**(6,980)**	(1,992)	**–**	–
Effect of income not subject to tax	**(1,103)**	(23,486)	**(5,496)**	(24,555)
Tax transparency	**(22,053)**	(14,644)	**(22,053)**	(14,644)
	(559)	2,861	**–**	–

24. EARNINGS PER UNIT

	Group		Trust	
	18-month period from 1 January 2014 to 30 June 2015 $'000	12-month period from 1 January 2013 to 31 December 2013 $'000	**18-month period from 1 January 2014 to 30 June 2015 $'000**	12-month period from 1 January 2013 to 31 December 2013 $'000
Total return for the period/year after tax, before distribution	**174,541**	249,978	**162,050**	230,584
Income distributed/distributable to CPU holder(s)	**(1,287)**	(3,056)	**(1,287)**	(3,056)
Earnings attributable to unitholders	**173,254**	246,922	**160,763**	227,528
Basic earnings per unit (cents) [(1)]	**8.05**	12.06	**7.47**	11.12
Earnings per unit on a fully diluted basis (cents) [(2)]	**8.00**	11.46	**7.43**	10.57

(1) In computing the basic earnings per unit, the earnings attributable to unitholders and the weighted average number of units in issue of 2,153,525,807 (2013: 2,046,680,979) as at 30 June 2015 are used and have been calculated on a time-weighted basis.

(2) In computing the fully diluted earnings per unit, the total return for the period/year after tax, before distribution is used and the weighted average number of units in issue is adjusted to take into account the full conversion of the outstanding CPU into 27,986,168 ordinary units from the beginning of the 18 months ended 30 June 2015 and 12 months ended 31 December 2013 at the conversion price of $0.7266 per unit.

25. OPERATING SEGMENTS

Segment information is presented in respect of the Group's portfolio of investment properties. The investment properties are managed separately because they require different operating and marketing strategies. This primary format is based on the Group's internal reporting structure for the purpose of allocating resources and assessing performance by the Group's Chief Operating Decision Maker ("CODM") at least on a quarterly basis. This forms the basis of identifying the operating segments of the Group under FRS 108 *Operating Segments*.

All of the Group's reportable segments are investment properties located in Singapore, Adelaide and Perth-Australia, Kuala Lumpur-Malaysia, Chengdu-China and Tokyo-Japan. The segments are as follows:

- Wisma Atria Property
- Ngee Ann City Property
- Australia Properties
- Malaysia Properties
- Renhe Spring Zongbei Property
- Japan Properties

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly finance income, non-property expenses, finance expenses and income tax expense.

Performance is measured based on the net property income of each operating segment, which is the gross revenue less property operating expenses, as included in the internal management reports that are reviewed by the Group's CODM. Segment net property income is used to measure performance as such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. There are no transactions between reportable segments.

Notes to the Financial Statements

Segment assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly cash and cash equivalents, derivative financial instruments, borrowings, income tax payable and deferred tax liabilities. Segment capital expenditure is the total cost incurred during the period/year to acquire segment assets that are expected to be used for more than one year. Information regarding the Group's reportable segments is presented in the tables below.

Information about reportable segments

	Wisma Atria Property (Singapore)		Ngee Ann City Property (Singapore)		Australia Properties (Australia)		Malaysia Properties (Malaysia)		Renhe Spring Zongbei Property (China)		Japan Properties (Japan)		Total	
	18 months ended 30 June 2015 $'000	12 months ended 31 December 2013 $'000	**18 months ended 30 June 2015 $'000**	12 months ended 31 December 2013 $'000	**18 months ended 30 June 2015 $'000**	12 months ended 31 December 2013 $'000	**18 months ended 30 June 2015 $'000**	12 months ended 31 December 2013 $'000	**18 months ended 30 June 2015 $'000**	12 months ended 31 December 2013 $'000	**18 months ended 30 June 2015 $'000**	12 months ended 31 December 2013 $'000	**18 months ended 30 June 2015 $'000**	12 months ended 31 December 2013 $'000
Group														
Revenue and expenses														
External revenue	**103,462**	65,768	**94,778**	66,277	**32,384**	18,722	**43,764**	30,248	**13,802**	13,918	**6,599**	5,683	**294,789**	200,616
Depreciation of plant and equipment	**367**	–	**–**	–	**–**	–	**–**	–	**639**	489	**–**	–	**1,006**	489
Reportable segment net property income	**79,735**	49,278	**77,780**	53,365	**25,121**	14,740	**42,233**	29,370	**7,468**	8,308	**5,292**	2,795	**237,629**	157,856
Other material non-cash item:														
Change in fair value of investment properties	**26,000**	58,841	**10,000**	73,000	**(9,257)**	18,258	**717**	(2,274)	**(18,318)**	(6,058)	**(22)**	(4,239)	**9,120**	137,528
Unallocated items:														
Finance income													**1,551**	541
Fair value adjustment on security deposits													**(505)**	38
Non-property expenses													**(26,460)**	(17,615)
Finance expenses													**(46,874)**	(30,152)
Change in fair value of derivative instruments													**(479)**	4,643
Total return for the period/year before tax													**173,982**	252,839

	Wisma Atria Property (Singapore)		Ngee Ann City Property (Singapore)		Australia Properties (Australia)		Malaysia Properties (Malaysia)		Renhe Spring Zongbei Property (China)		Japan Properties (Japan)		Total	
	30 June 2015 $'000	31 December 2013 $'000	**30 June 2015 $'000**	31 December 2013 $'000	**30 June 2015 $'000**	31 December 2013 $'000	**30 June 2015 $'000**	31 December 2013 $'000	**30 June 2015 $'000**	31 December 2013 $'000	**30 June 2015 $'000**	31 December 2013 $'000	**30 June 2015 $'000**	31 December 2013 $'000
Group														
Assets and liabilities														
Reportable segment assets	**991,869**	967,409	**1,084,488**	1,074,287	**501,653**	210,076	**397,496**	430,909	**79,472**	98,050	**82,132**	101,568	**3,137,110**	2,882,299
Unallocated assets													**56,284**	60,854
Total assets													**3,193,394**	2,943,153
Reportable segment liabilities	**(19,562)**	(24,543)	**(16,542)**	(13,098)	**(4,488)**	(3,579)	**(5,030)**	(4,962)	**(7,757)**	(11,904)	**(2,309)**	(2,468)	**(55,688)**	(60,554)
Unallocated liabilities													**(1,154,915)**	(872,455)
Total liabilities													**(1,210,603)**	(933,009)
Other segmental information														
Capital expenditure	**790**	659	**–**	–	**–**	–	**656**	545	**8**	20	**66**	–	**1,520**	1,224
Non-current assets	**990,197**	964,823	**1,084,071**	1,074,210	**500,529**	208,124	**397,223**	430,346	**78,146**	93,430	**81,898**	101,314	**3,132,064**	2,872,247

Geographical segments

The Group's operations and its identifiable assets are located in Singapore (consisting of Wisma Atria Property and Ngee Ann City Property), Adelaide and Perth-Australia (consisting of Myer Centre Adelaide, David Jones Building and Plaza Arcade (2013: David Jones Building and Plaza Arcade)), Kuala Lumpur-Malaysia (consisting of Starhill Gallery and Lot 10 Property), Chengdu-China (consisting of Renhe Spring Zongbei Property) and Tokyo-Japan (consisting of five properties in Japan (2013: six properties in Japan)). Accordingly, no geographical segmental analysis is separately presented.

Major tenants

Revenue from two tenants located respectively at Ngee Ann City Property and Malaysia Properties represent 21.1% (2013: 22.8%) and 14.8% (2013: 15.1%) of the Group's total revenue for the 18 months ended 30 June 2015.

26. CAPITAL AND FINANCIAL RISK MANAGEMENT

Capital management

The Group's objective when managing capital is to optimise unitholders' return through a mix of available capital sources. The Group monitors capital on the basis of both the gearing ratio and interest service coverage ratio and maintains them within the approved limits. The Group assesses its capital management approach as a key part of the Group's overall strategy, and this is continuously reviewed by the Manager. The Group's gearing as at 30 June 2015 is 35.5% (2013: 29.0%) and the Manager intends to continue with its prudent capital management.

The Property Fund Appendix stipulates that the total borrowings and deferred payments (together the "Aggregate Leverage") of a property fund currently should not exceed 35.0% of the fund's deposited property. The aggregate leverage of a property fund may exceed 35.0% of the fund's deposited property (up to a maximum of 60.0%) only if a credit rating from Fitch Inc., Moody's or Standard and Poor's is obtained and disclosed to the public. The property fund should continue to maintain and disclose a credit rating so long as its aggregate leverage exceeds 35.0% of the fund's deposited property. Effective from 1 January 2016, the Property Fund Appendix stipulates that the Aggregate Leverage of a property fund should not exceed 45.0% of the fund's deposited property, with or without a credit rating.

Notes to the Financial Statements

The Trust has a corporate rating of BBB+ from Standard and Poor's as at 30 June 2015 (2013: BBB+) and remained within the Aggregate Leverage limit of 60.0% (2013: 60.0%) during the current period.

There were no changes in the Group's approach to capital management during the current period.

Financial risk management

Overview

The Group's returns are primarily from net operating income and capital appreciation of its assets. However, these returns are exposed to financial risks including credit, liquidity, interest rate and foreign currency risks. Where appropriate, the Manager may hedge against the volatility of interest costs, foreign currency net income and foreign currency investments.

The Group has a system of controls in place to create an acceptable balance between the cost of the financial risks occurring and the cost of managing these risks. The Manager continuously monitors the Group's financial risk management process to ensure that an appropriate balance between risk and control is achieved. Financial risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The financial risk management policies contain the parameters and processes for managing these risks, and define the roles and responsibilities of those who manage the process. The policies are described in greater detail below.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a tenant or a counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

Exposure to credit risk

The carrying amount of financial assets represents the Group's and the Trust's respective maximum exposure to credit risk, before taking into account any collateral held. The maximum exposure to credit risk by type of financial assets at the reporting date was:

		Group		Trust	
	Note	**30 June 2015 $'000**	31 December 2013 $'000	**30 June 2015 $'000**	31 December 2013 $'000
Loans and receivables					
Trade and other receivables	9	**3,013**	7,102	**3,291**	10,561
Cash and cash equivalents	10	**51,571**	58,038	**9,708**	14,359
Total loans and receivables		**54,584**	65,140	**12,999**	24,920
Held for trading					
Derivative financial instruments	8	**4,575**	2,676	**4,478**	2,418
Total held for trading		**4,575**	2,676	**4,478**	2,418
		59,159	67,816	**17,477**	27,338

The Group has established credit limits for its tenants and monitors their balances on an ongoing basis. Credit evaluations are performed by the Group before lease agreements are entered into with tenants.

The tenant profile of the Group is generally well-diversified, except for two (2013: two) major tenants (Note 25), which accounted for 35.9% (2013: 37.9%) of the Group's revenue for the 18 months ended 30 June 2015. There are no arrears owing from these major tenants as at 30 June 2015. In addition, the long-term lease in David Jones Building and Myer Centre Adelaide contributed 4.9% and 0.5% respectively to the Group's revenue for the 18 months ended 30 June 2015.

Cash and fixed deposits are placed with financial institutions which are regulated and have sound credit ratings. Given these sound credit ratings, the Group does not expect any counterparty to fail to meet its obligations.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate to finance its operations and to mitigate the effects of fluctuations in cash flows. The Group ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations. As at 30 June 2015, the Group has undrawn and committed revolving credit facilities of up to $250 million (2013: $227.5 million) and cash and cash equivalents of approximately $51.6 million (2013: $58.0 million).

In addition, the Group also monitors and observes the Property Fund Appendix issued by MAS concerning limits on total borrowings.

Foreign currency risk

The Group is exposed to foreign currency risk arising from its investments in Australia, Malaysia, China and Japan. The income generated from these investments and net assets are denominated in foreign currencies, mainly Australian dollar ("A$"), Ringgit Malaysia ("RM"), Chinese Renminbi ("RMB") and Japanese Yen ("JPY").

The Group's exposures to various foreign currencies (expressed in Singapore dollar equivalent), which relate primarily to its net foreign currency investments as at balance sheet date are as follows:

	A$ $'000	RM $'000	RMB $'000	JPY $'000	Total $'000
Group					
30 June 2015					
Net balance sheet exposure	**295,691**	**284,969**	**66,446**	**4,882**	**651,988**
31 December 2013					
Net balance sheet exposure	150,744	310,052	80,437	3,379	544,612

The Trust's exposures to various foreign currencies (expressed in Singapore dollar equivalent), which relate primarily to its use of financial instruments as at balance sheet date are as follows:

	A$ $'000	RM $'000	RMB $'000	JPY $'000	Total $'000
Trust					
30 June 2015					
Net balance sheet exposure	**–**	**–**	**–**	**(68,456)**	**(68,456)**
31 December 2013					
Net balance sheet exposure	4,621	–	–	(84,347)	(79,726)

Income hedging

Approximately 67% (2013: 66%) of the Group's revenue is derived in Singapore dollars for the 18 months ended 30 June 2015. The Group has used a combination of local currency denominated loans and short term foreign exchange forward contracts to partially hedge its overseas net income.

The Group continues to proactively monitor the exchange rates and may use more foreign exchange forward contracts or other suitable financial derivatives to hedge the impact of exchange rate fluctuations on the distributions to unitholders, where appropriate.

Notes to the Financial Statements

Capital hedging

In managing the currency risks associated with the capital values of the Group's overseas assets, borrowings are denominated in the same currency as the underlying assets to the extent feasible, to provide a natural currency hedge. As the investments in overseas assets are generally long term in nature, the remaining net positions of the foreign exchange risk on such investments are not hedged.

Sensitivity analysis

A 10% strengthening of the Singapore dollar against the following currencies at the reporting date would increase/(decrease) unitholders' funds and the statement of total return by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Group		Trust	
	Unitholders' funds $'000	Statement of total return $'000	Unitholders' funds $'000	Statement of total return $'000
18-month period from 1 January 2014 to 30 June 2015				
A$	**(29,569)**	**(660)**	**–**	**–**
RM	**(28,497)**	**(3,160)**	**–**	**–**
RMB	**(6,645)**	**758**	**–**	**–**
JPY	**(488)**	**(264)**	**–**	**6,846**
Financial derivatives	**–**	**236**	**–**	**236**
12-month period from 1 January 2013 to 31 December 2013				
A$	(15,074)	(2,790)	–	(462)
RM	(31,005)	(1,874)	–	–
RMB	(8,044)	(12)	–	–
JPY	(338)	468	–	8,435
Financial derivatives	–	210	–	210

A 10% weakening of the Singapore dollar against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

In order to protect the Group's earnings from the volatility in interest rates and provide stability to unitholders' returns, the Group may hedge a portion of its interest rate exposure within the short to medium term by using fixed rate debt and interest rate derivatives.

The Group has hedged 100% (2013: 94%) of its debt as at 30 June 2015 using a combination of derivative financial instruments and fixed rate debt. The weighted average interest rate was approximately 3.19% (2013: 3.03%) per annum as at 30 June 2015.

As at 30 June 2015, the Group has hedged its exposure to changes in interest rates on its variable rate borrowings by entering into the following contracts:

(i) Interest rate swaps, with a notional contract amount of $475 million (2013: $300 million) and A$145 million (2013: nil), whereby it receives a variable rate equal to the Singapore swap offer rate and Australia bank bill swap bid rate on the notional amount and pays a fixed interest rate ranging from 0.83% to 2.43% (2013: 0.83% to 1.31%) per annum. These included forward start swaps with notional amount of $175 million entered into for the purpose of hedging the remaining tenor of existing borrowings as well as new loans drawn in July 2015.

(ii) Interest rate caps, with a notional contract amount of $175 million (2013: $75 million), JPY14.9 billion (2013: JPY8.6 billion) and A$126 million (2013: A$63 million), whereby the benchmark interest rates are capped ranging from 1.0% to 5.5% (2013: 1.0% to 5.5%) per annum. These included forward start caps with notional amount of $100 million, JPY6.3 billion and A$63 million entered into for the purpose of hedging the remaining tenor of these borrowings.

Sensitivity analysis

For the interest rate swaps and caps, and variable rate instruments, a change of 1% in interest rate at the reporting date would increase/(decrease) total return by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Total return	
	1% increase $'000	1% decrease $'000
Group		
18-month period from 1 January 2014 to 30 June 2015		
Variable rate instruments	**(6,697)**	**5,158**
Financial derivatives	**18,910**	**(17,002)**
	12,213	**(11,844)**
12-month period from 1 January 2013 to 31 December 2013		
Variable rate instruments	(5,504)	1,695
Financial derivatives	12,889	(12,001)
	7,385	(10,306)
Trust		
18-month period from 1 January 2014 to 30 June 2015		
Variable rate instruments	**(4,413)**	**2,997**
Financial derivatives	**14,669**	**(12,930)**
	10,256	**(9,933)**
12-month period from 1 January 2013 to 31 December 2013		
Variable rate instruments	(4,618)	958
Financial derivatives	12,271	(11,743)
	7,653	(10,785)

Fair values versus carrying amounts

The carrying amount of all financial assets and liabilities of the Group and the Trust approximate their respective fair values.

Estimation of fair value

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of the Group and the Trust.

Financial derivatives

The fair values of foreign exchange forward contracts are based on brokers' quotes. These quotes are tested for reasonableness by discounting the difference between the contractual forward price and the current forward price for the residual period to maturity of the contract using a risk-free interest rate (based on government bonds).

The fair values of interest rate swaps and interest rate caps are based on brokers' quotes. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using comparable market interest rates for a similar instrument at the measurement date.

Notes to the Financial Statements

The Group's foreign exchange contracts, interest rate swaps and interest rate caps have been recognised as derivative financial instruments in the balance sheet and are stated at their fair values, as disclosed in Note 8.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are assumed to approximate its fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine its fair values.

Fair value hierarchy

The Group's derivative financial instruments (Note 8), which are carried at fair value as at 30 June 2015 and 31 December 2013, are classified in Level 2 of the fair value hierarchy. The different levels of the fair value hierarchy have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

27. OPERATING LEASES

The Group leases out its investment properties. Non-cancellable operating lease rentals are receivable as follows:

	Group		Trust	
	30 June 2015 $'000	31 December 2013 $'000	**30 June 2015 $'000**	31 December 2013 $'000
Within one year	**196,915**	179,971	**127,752**	124,709
After one year but within five years	**372,369**	380,562	**263,967**	277,111
After five years	**443,127**	406,263	**204,750**	266,970
	1,012,411	966,796	**596,469**	668,790

Except for one long-term lease in David Jones Building and Myer Centre Adelaide respectively, as well as the master lease arrangements in the Malaysia Properties and Ngee Ann City Property respectively, the Group's leases generally range from one to five years.

28. CAPITAL COMMITMENTS

	Group	
	30 June 2015 $'000	31 December 2013 $'000
Capital commitments:		
– contracted but not provided	**42**	–
– authorised but not contracted for	**12,490**	1,935
	12,532	1,935

Capital commitments as at 30 June 2015 relate mainly to asset redevelopment initiative, renovation works and reconfiguration, as well as purchase of plant and equipment for the Group's investment properties.

29. RELATED PARTIES

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common significant influence. Related parties may be individuals or other entities.

Other than related party information shown elsewhere in the financial statements, the following were significant related party transactions carried out in the normal course of business:

	Group		Trust	
	18-month period from 1 January 2014 to 30 June 2015 $'000	12-month period from 1 January 2013 to 31 December 2013 $'000	**18-month period from 1 January 2014 to 30 June 2015 $'000**	12-month period from 1 January 2013 to 31 December 2013 $'000
Property rental income from the Manager and Property Manager	**1,581**	1,041	**1,581**	1,041
Property rental income from related parties of the Manager	**45,727**	31,530	**1,963**	1,282
Leasing commission fees paid to the Property Manager	**(1,235)**	(2,162)	**(1,235)**	(2,162)
Property management fees paid to the Property Manager	**(5,992)**	(3,978)	**(5,992)**	(3,978)
Management fees paid to the Manager	**(20,792)**	(13,088)	**(20,792)**	(13,088)
Acquisition fee paid to the Manager	**(3,048)**	(607)	**(3,048)**	(607)
Divestment fee paid to the Manager	**(64)**	(47)	**(64)**	(47)
Trustee fees paid to the Trustee	**(683)**	(438)	**(683)**	(438)
Reimbursements paid to the Property Manager	**(1,239)**	(901)	**(1,239)**	(901)
Servicer fees paid to a wholly owned subsidiary of the Manager	**(1,487)**	(1,028)	**–**	–

30. SUBSEQUENT EVENTS

Subsequent to the 18 months ended 30 June 2015:

(a) The Group has utilised the remaining $150 million of its three-year unsecured loan facility of $250 million (Note 13) on 7 July 2015.
(b) The Group has fully redeemed its $124 million 3.405% Series 001 Notes upon maturity. The Series 001 Notes were cancelled on 13 July 2015 pursuant to such redemption.
(c) The Group has early refinanced its unsecured JPY6.3 billion term loan (maturing in September 2016) with the same banks on 16 July 2015, with a new maturity in July 2020.
(d) The Manager declared a distribution of 1.29 cents per unit in respect of the period from 1 April 2015 to 30 June 2015, which was paid on 28 August 2015.

31. FINANCIAL RATIOS

	Group	
	18-month period from 1 January 2014 to 30 June 2015 %	12-month period from 1 January 2013 to 31 December 2013 %
Ratio of expenses to weighted average net assets [1]	**1.31**	0.93
Portfolio turnover rate [2]	**0.63**	0.49

[1] The ratio is computed in accordance with guidelines of the Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group and exclude property related expenses, finance expenses and the performance component of the Manager's fees.

[2] The ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of weighted average net asset value.

Notes to the Financial Statements

32. NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations that have been issued as of the balance sheet date but are not yet effective for the 18 months ended 30 June 2015 have not been applied in preparing these financial statements. For the Group and the Trust, the Improvements to FRSs (January 2014) and Improvements to FRSs (February 2014) are mandatory effective for annual period commencing 1 July 2015. The initial application of the above standards (including their consequential amendments) are not expected to have a significant impact on the financial statements of the Group and the Trust as the improvements issued in January 2014 and February 2014 are mainly minor clarifications or removal of unintended inconsistencies between FRSs.

33. CHANGE OF FINANCIAL YEAR END

Pursuant to the fourth supplemental deed dated 17 March 2014 in respect of Starhill Global REIT, the financial year end of the Group and the Trust was changed from 31 December to 30 June. Therefore, the current figures provided in this set of financial statements are in relation to the period of 18 months ended 30 June 2015 and are not entirely comparable to the comparative figures which are in relation to the period of 12 months ended 31 December 2013.

Statistics of Unitholders

As at 28 August 2015

ISSUED AND FULLY PAID UNITS

2,181,204,435 Units (Voting rights: 1 vote per Unit)
Market capitalisation of S$1,712,245,481 (based on closing Unit price of S$0.785 on 28 August 2015)

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 – 99	33	0.24	694	0.00
100 – 1,000	574	4.24	547,418	0.02
1,001 – 10,000	7,557	55.74	44,525,786	2.04
10,001 – 1,000,000	5,351	39.47	297,901,050	13.66
1,000,001 and above	42	0.31	1,838,229,487	84.28
Total	**13,557**	**100.00**	**2,181,204,435**	**100.00**

LOCATION OF UNITHOLDERS

Country	No. of Unitholders	%	No. of Units	%
Singapore	12,843	94.73	2,146,606,239	98.41
Malaysia	534	3.94	30,308,894	1.39
Others	180	1.33	4,289,302	0.20
Total	**13,557**	**100.00**	**2,181,204,435**	**100.00**

TWENTY LARGEST UNITHOLDERS

	Name	No. of Units	%
1	Raffles Nominees (Pte) Limited	734,423,187	33.67
2	Citibank Nominees Singapore Pte Ltd	356,068,534	16.32
3	DBS Nominees (Private) Limited	333,865,583	15.31
4	HSBC (Singapore) Nominees Pte Ltd	135,509,855	6.21
5	DB Nominees (Singapore) Pte Ltd	42,707,596	1.96
6	DBSN Services Pte. Ltd.	38,191,369	1.75
7	Bank of Singapore Nominees Pte. Ltd.	37,769,891	1.73
8	United Overseas Bank Nominees (Private) Limited	19,758,700	0.91
9	YTL Starhill Global REIT Management Limited	12,937,885	0.59
10	BNP Paribas Securities Services Singapore Branch	12,045,827	0.55
11	CIMB Securities (Singapore) Pte. Ltd.	10,299,210	0.47
12	OCBC Securities Private Limited	8,975,900	0.41
13	KGI Fraser Securities Pte Ltd	8,320,700	0.38
14	BNP Paribas Nominees Singapore Pte Ltd	7,562,260	0.35
15	OCBC Nominees Singapore Private Limited	6,594,500	0.30
16	Morgan Stanley Asia (Singapore) Securities Pte Ltd	6,458,092	0.30
17	Maybank Kim Eng Securities Pte. Ltd.	6,332,011	0.29
18	DBS Vickers Securities (Singapore) Pte Ltd	5,973,500	0.27
19	Othman Bin Haron Eusofe, Lim Boon Heng & John De Payva	5,050,000	0.23
20	Second Chance Properties Ltd	5,000,000	0.23
	Total	**1,793,844,600**	**82.24**

Statistics of Unitholders

As at 28 August 2015

SUBSTANTIAL UNITHOLDINGS

As at 28 August 2015

Name	Direct interest		Deemed interest	
	No. of Units	% [1]	No. of Units	% [1]
YTL Hotels & Properties Sdn Bhd	130,140,379 [2]	5.97	–	–
Starhill Global REIT Investments Limited	539,840,000 [3]	24.75	–	–
YTL Cayman Limited	18,000,000 [4]	0.83	552,777,885 [5]	25.34
YTL Corporation Berhad	80,054,810 [6]	3.67	728,904,432 [7]	33.42
Yeoh Tiong Lay & Sons Holdings Sdn Bhd	–	–	808,959,242 [8]	37.09
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	–	–	808,959,242 [8]	37.09
AIA Singapore Private Limited	161,070,000 [9]	7.38	–	–
AIA Company Limited	14,448,000 [10]	0.66	168,463,000 [11]	7.72
AIA Group Limited	–	–	182,911,000 [12]	8.39

(1) The percentage interest is based on total issued Units of 2,181,204,435 as at 28 August 2015.
(2) This relates to the 130,140,379 Units held through nominee, Raffles Nominees (Pte) Limited.
(3) This relates to the 389,840,000 Units held through nominee, Raffles Nominees (Pte) Limited, and 150,000,000 Units held through nominee, DBS Nominees (Private) Limited.
(4) This relates to the 18,000,000 Units held through nominee, Raffles Nominees (Pte) Limited.
(5) Deemed interest in 539,840,000 Units held by Starhill Global REIT Investments Limited ("SGRIL") and 12,937,885 Units held by YTL Starhill Global REIT Management Limited ("YSGRM").
(6) This relates to 80,054,810 Units held through nominee, Raffles Nominees (Pte) Limited.
(7) Deemed interest in 539,840,000 Units held by SGRIL, 18,000,000 Units held by YTL Cayman Limited, 12,937,885 Units held by YSGRM, 130,140,379 Units held by YTL Hotels & Properties Sdn Bhd ("YTLHP") and 27,986,168 Units held by Business & Budget Hotels (Penang) Sdn Bhd ("BBHP").
(8) Deemed interest in 80,054,810 Units held by YTL Corporation Berhad, 539,840,000 Units held by SGRIL, 18,000,000 Units held by YTL Cayman Limited, 12,937,885 Units held by YSGRM, 130,140,379 Units held by YTLHP and 27,986,168 Units held by BBHP.
(9) This relates to the 161,070,000 Units held by AIA Singapore Private Limited through Citibank Nominees Singapore Pte Ltd.
(10) This relates to the 5,448,000 Units held by AIA Company Limited and 9,000,000 Units held by AIA Company Limited, Brunei Branch through Citibank Nominees Singapore Pte Ltd.
(11) Deemed interest in 161,070,000 Units held by AIA Singapore Private Limited through Citibank Nominees Singapore Pte Ltd and 7,393,000 Units held by AIA International Limited.
(12) Deemed interest in 161,070,000 Units held by AIA Singapore Private Limited through Citibank Nominees Singapore Pte Ltd, 7,393,000 Units held by AIA International Limited, 5,448,000 Units held by AIA Company Limited and 9,000,000 Units held by AIA Company Limited, Brunei Branch through Citibank Nominees Singapore Pte Ltd.

UNITHOLDINGS OF THE DIRECTORS OF THE MANAGER

As at 21 July 2015

Name of Director	Direct interest		Deemed interest	
	No. of Units	% [1]	No. of Units	% [1]
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	–	–	–	–
Ho Sing	100,000	– [2]	54,000 [3]	– [2]
Dato' Yeoh Seok Kian	–	–	–	–
Keith Tay Ah Kee	1,000,000	0.05	–	–
Hong Hai	800,000	0.04	–	–
Michael Hwang	100,000 [4]	– [2]	–	–

Notes:
(1) The percentage interest is based on total issued Units of 2,181,204,435 as at 21 July 2015.
(2) Less than 0.01%.
(3) Deemed interest by virtue of 54,000 Units held by Ms Tay Soo Sien, the spouse of Mr Ho Sing.
(4) This relates to the 100,000 Units held through nominee, UBS AG.

FREE FLOAT

Under Rule 723 of the listing manual of SGX-ST, a listed issuer must ensure that at least 10% of its listed securities are at all times held by the public. Based on information made available to the Manager as at 28 August 2015, approximately 54% of the Units were held in the hands of the public. Rule 723 of the listing manual of SGX-ST has accordingly been complied with.

Additional Information

RELATED PARTY TRANSACTIONS BETWEEN STARHILL GLOBAL REIT AND RELATED PARTIES

Name of related party	Aggregate value of related party transactions during the financial period under review (excluding transactions less than S$100,000 [1] and transactions conducted under unitholders' mandate pursuant to Rule 920)	Aggregate value of related party transactions during the financial period under review under unitholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
	S$'000	S$'000
HSBC Institutional Trust Services (Singapore) Limited		
Trustee fees [5]	683	–
YTL Corporation Berhad and its subsidiaries and associates		
Extension of property management agreement [2]	30,749	–
Management fees [3][5] and reimbursements [4][5]	20,947	–
Property management fees and reimbursements [5]	8,466	–
Managing agent and ancillary service fees [6]	4,267	–
Rental income [7]	4,003	–
Acquisition fee [5][8]	3,048	–
Servicer fees [5]	1,487	–
Project management fee [9]	389	–
Divestment fee [5][10]	64	–
Total	**74,103**	**–**

Notes:

(1) Save for the divestment fee.

(2) Relates to the extension of the appointment of the Property Manager, as the property manager of Ngee Ann City Property and Wisma Atria Property for a further term of five years from 20 September 2015 on the same terms and conditions as contained respectively in the Ngee Ann City property management agreement and the Wisma Atria property management agreement (both dated 17 August 2005, as amended) between (i) the Trustee (as trustee of Starhill Global REIT), (ii) the Manager and (iii) the Property Manager, which extension was disclosed in the Manager's announcement dated 13 May 2015. The amount disclosed is based on an estimate of the total property management fees, reimbursements and leasing commission to be paid to the Property Manager for the entire five year extension period, which depends, among others, on the gross revenue from the operations of the properties, the base rent and the period of the leases secured during such period. The total estimated fees, reimbursements and commission to be paid was aggregated for purposes of Rules 905 and 906 of the SGX-ST listing manual in FY 2014/15. Accordingly, such fees and expenses will not be subject to aggregation under Rules 905 and 906 of the SGX-ST listing manual in future financial years, to the extent that there is no subsequent change to the rates and/or basis of determining such fees and expenses.

(3) The Manager has elected to receive 100% of its base management fees in cash during the 18 months ended 30 June 2015.

(4) Relates to the non-deal road show expenses of approximately S$155,000 paid to the Manager during the 18 months ended 30 June 2015.

(5) The fees and charges payable by Starhill Global REIT under the Starhill Global REIT Trust Deed dated 8 August 2005 (as amended) and the Ngee Ann City property management agreement and the Wisma Atria property management agreement (both dated 17 August 2005, as amended) (save for the extension described in Note 2 above) are deemed to have been specifically approved by Unitholders upon subscription of Units and are therefore not subject to Rules 905 and 906 of the SGX-ST listing manual to the extent that there is no subsequent change to the fees (or the basis of determining the fees) charged under each of these agreements, which will adversely affect Starhill Global REIT. In addition, the entry into the Servicer Agreement dated 6 May 2010 in relation to the acquisition of Starhill Gallery and Lot 10 Property was approved by Unitholders at the extraordinary general meeting held on 4 June 2010 and the servicer fees payable thereunder will not be subject to Rules 905 and 906 of the SGX-ST listing manual, to the extent that there is no subsequent change to the rates for such fees.

(6) Relates to the total contract sum entered into during the 18 months ended 30 June 2015.

(7) Rental income is for the entire period of the lease.

(8) Comprises acquisition fee paid to the Manager of 1.0% of the purchase price of the acquisition of Myer Centre Adelaide during the 18 months ended 30 June 2015, details of which are contained in the Manager's announcements dated 20 April 2015 and 18 May 2015.

(9) Relates to the appointment of the Property Manager for project management services relating to the capital upgrading works for the common area of Wisma Atria.

(10) Comprises divestment fee paid to the Manager of 0.5% of the sale price of the divestment of Holon L during the 18 months ended 30 June 2015, details of which are contained in the Manager's announcement dated 19 March 2014.

Glossary

1Q, 2Q, 3Q, 4Q	Period for 1 January to 31 March, 1 April to 30 June, 1 July to 30 September, and 1 October to 31 December, respectively
5Q FY 2014/15	Period of three months from 1 January 2015 to 31 March 2015
6Q FY 2014/15	Period of three months from 1 April 2015 to 30 June 2015
Australia Properties	Myer Centre Adelaide, David Jones Building and Plaza Arcade
Benchmark Index	Compiled and calculated by FTSE. Comprises all the REITs contained in the FTSE Allcap Singapore universe
Board	Board of Directors of the Manager
CAGR	Compound annual growth rate
CBD	Central Business District
CDP	The Central Depository (Pte) Limited
CEO	Chief Executive Officer
CIS Code	Code on Collective Investment Scheme issued by MAS pursuant to section 321 of the Securities and Futures Act (Cap. 289)
CPF	Central Provident Fund
CPU	Convertible preferred units in Starhill Global REIT
David Jones Building	A four-level property known as David Jones Building which includes a heritage-listed building that was formerly known as Savoy Hotel
DPU	Distribution per unit
F&B	Food and beverage
FTSE	FTSE International Limited
FY	Financial year
FY 2013	Period of 12 months from 1 January 2013 to 31 December 2013
FY 2014/15	Period of 18 months from 1 January 2014 to 30 June 2015
GDP	Gross domestic product
GFA	Gross floor area
GLA	Gross lettable area
Group	Starhill Global REIT and its subsidiaries
GST	Goods and services tax
Holon L	A three-storey building for retail use, located at 3-12-13 Kita Aoyama, Minato-ku, Tokyo, Japan
IPO	Initial public offering
IRAS	Inland Revenue Authority of Singapore
Japan Properties	Daikanyama, Ebisu Fort, Harajyuku Secondo, Nakameguro Place and Roppongi Terzo
Lot 10 Property	137 strata parcels and two accessory parcels within Lot 10 shopping centre
Malaysia Properties	Starhill Gallery and Lot 10 Property
Manager	YTL Starhill Global REIT Management Limited
MAS	Monetary Authority of Singapore
Moody's	Moody's Investors Service
MRT	Mass Rapid Transit
MTN	Medium term notes
Myer Centre Adelaide	An eight-storey retail centre with four basement levels, and office component which includes a six-storey office tower and two heritage buildings
NA	Not applicable
NAV	Net asset value
Ngee Ann City	The building known as 'Ngee Ann City' comprising a commercial complex with 18 levels of office space in the twin office tower blocks (Towers A and B) and a seven-storey podium with three basement levels comprising retail and car parking space
Ngee Ann City Property or NAC	Four strata lots in Ngee Ann City located on: a) Part of Basement 1, Basement 2 and Level 1 to Level 5 of the retail podium block; b) Part of Level 13 and the whole of Level 14 to Level 19 of Tower B (office); and c) Whole of Level 21 to Level 24 of Tower B (office)

NLA	Net lettable area
NM	Not meaningful
NPI	Net property income
Perth Properties	David Jones Building and Plaza Arcade
Plaza Arcade	A three-storey heritage listed retail building known as Plaza Arcade located next to David Jones Building
pm	Per month
Portfolio	Singapore Properties, Australia Properties, Malaysia Properties, Renhe Spring Zongbei Property and Japan Properties
Property Funds Appendix	Appendix 6 of the CIS Code issued by the MAS in relation to real estate investment trusts
Property Manager	YTL Starhill Global Property Management Pte. Ltd.
psf	Per square foot
qoq	Quarter on quarter
RCF	Revolving credit facility
REIT	Real estate investment trust. Where the context so requires, the term includes Starhill Global Real Estate Investment Trust
Renhe Spring Zongbei Property	A four-level retail department store (plus a mezzanine floor) forming part of a mixed-use commercial complex comprising retail and office
ROI	Return on investment
SGX-ST	Singapore Exchange Securities Trading Limited
Singapore Properties	Wisma Atria Property and Ngee Ann City Property
sq ft	Square feet
Standard & Poor's	Standard & Poor's Rating Services
Starhill Gallery	Shopping centre comprising part of a seven-storey building with five basements and a 12-storey annex building with three basements
Starhill Global REIT	Starhill Global Real Estate Investment Trust
Toshin	Toshin Development Singapore Pte. Ltd.
Trustee	Unless the context otherwise requires, HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Starhill Global REIT
Unit	A unit representing an undivided interest in Starhill Global REIT. Where the context so requires, the definition includes a Unit of a class of Units, but shall exclude the CPU
Unitholders	The registered holder for the time being of a Unit, including persons so registered as joint holders, except where the registered holder is CDP, the term "Unitholder" shall, in relation to Units registered in the name of CDP, mean, where the context requires, the depositor whose securities account with CDP is credited with Units
Wisma Atria	The building known as 'Wisma Atria' comprising a podium block with four levels and one basement level of retail space, three levels of car parking space and 13 levels of office space in the office block
Wisma Atria Property or WA	257 strata lots in Wisma Atria
yoy	Year on year
YTL Corp	YTL Corporation Berhad
YTL Group	YTL Corp and its subsidiaries
A$	Australian dollars, the official currency of Australia
JPY or Yen	Japanese Yen, the official currency of Japan
RM or Ringgit	Malaysian Ringgit, the official currency of Malaysia
RMB or Renminbi	Chinese Renminbi, the official currency of China
S$, SGD and cents	Singapore dollars and cents, the official currency of Singapore

All values are expressed in Singapore currency unless otherwise stated.

Corporate Directory

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DIRECTORS

Tan Sri Dato' (Dr) Francis Yeoh Sock Ping
(Executive Chairman)

Mr Ho Sing
(CEO & Executive Director)

Dato' Yeoh Seok Kian
(Non-Executive Director)

Mr Keith Tay Ah Kee
(Lead Independent Director)

Dr Hong Hai
(Independent Director)

Mr Michael Hwang
(Independent Director)

AUDIT COMMITTEE

Mr Keith Tay Ah Kee
(Chairman)

Dr Hong Hai
(Member)

Mr Michael Hwang
(Member)

JOINT COMPANY SECRETARIES

Mr Lam Chee Kin

Mr Abdul Jabbar bin Karam Din

TRUSTEE

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Partner in charge: Mr Lim Jek
(With effect from financial year ended
31 December 2010)

SGX CODE

Starhill Gbl

WEBSITE

www.starhillglobalreit.com

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("AGM") of the unitholders ("Unitholders") of Starhill Global Real Estate Investment Trust ("SGR") will be held at Ballroom 1, Level 3, Hilton Singapore, 581 Orchard Road, Singapore 238883 on Tuesday, 27 October 2015 at 11.00 a.m. to transact the following business:

(A) As Ordinary Business

1. To receive and adopt the Report of HSBC Institutional Trust Services (Singapore) Limited, as trustee of SGR (the "Trustee"), the Statement by YTL Starhill Global REIT Management Limited, as manager of SGR (the "Manager") and the Audited Financial Statements of SGR for the 18 months ended 30 June 2015 and the Auditors' Report thereon. *(Ordinary Resolution 1)*

2. To re-appoint Messrs KPMG LLP as the Auditors of SGR and to hold office until the conclusion of the next AGM of SGR, and to authorise the Manager to fix their remuneration. *(Ordinary Resolution 2)*

(B) As Special Business

To consider and, if thought fit, to pass with or without any modifications, the following resolution as an Ordinary Resolution:

3. That authority be and is hereby given to the Manager, to *(Ordinary Resolution 3)*

(a) (i) issue units in SGR ("Units") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units,

at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and

(b) issue Units in pursuance of any Instrument made or granted by the Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force),

provided that:

(1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a pro rata basis to Unitholders shall not exceed twenty per cent. (20%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below);

(2) subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST") for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units (excluding treasury Units, if any) shall be based on the number of issued Units (excluding treasury Units, if any) at the time this Resolution is passed, after adjusting for:

(a) any new Units arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed; and

(b) any subsequent bonus issue, consolidation or subdivision of Units;

Starhill Global Real Estate Investment Trust
(Constituted in the Republic of Singapore pursuant to a trust deed dated 8 August 2005 (as amended))

Notice of Annual General Meeting

(3) in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the trust deed constituting SGR (as amended) (the "Trust Deed") for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);

(4) (unless revoked or varied by the Unitholders in a general meeting) the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next AGM of SGR or (ii) the date by which the next AGM of SGR is required by law to be held, whichever is earlier;

(5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted, in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments and/or Units are issued; and

(6) the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, the Trustee, may consider expedient or necessary or in the interest of SGR to give effect to the authority conferred by this Resolution.

(Please see Explanatory Notes)

BY ORDER OF THE BOARD
YTL Starhill Global REIT Management Limited
(Company Registration No. 200502123C)
As Manager of Starhill Global Real Estate Investment Trust

Lam Chee Kin
Joint Company Secretary
Singapore
25 September 2015

EXPLANATORY NOTES:

Ordinary Resolution 3

The Ordinary Resolution 3 above, if passed, will empower the Manager from the date of this AGM until the date of the next AGM of SGR, to issue Units and to make or grant instruments (such as securities, warrants or debentures) convertible into Units and issue Units pursuant to such instruments, up to a number not exceeding 50% of the total number of issued Units (excluding treasury Units, if any), of which up to 20% may be issued other than on a pro rata basis to Unitholders.

The Ordinary Resolution 3 above, if passed, will empower the Manager from the date of this AGM until the date of the next AGM of SGR, to issue Units as either full or partial payment of fees which the Manager is entitled to receive for its own account pursuant to the Trust Deed.

For determining the aggregate number of Units that may be issued, the percentage of issued Units will be calculated based on the issued Units at the time the Ordinary Resolution 3 above is passed, after adjusting for new Units arising from the conversion or exercise of any instruments which are outstanding at the time this Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Units.

Fundraising by issuance of new Units may be required in instances of property acquisitions or debt repayments. In any event, if the approval of Unitholders is required under the Listing Manual of the SGX-ST and the Trust Deed or any applicable laws and regulations in such instances, the Manager will then obtain the approval of Unitholders accordingly.

Notes:

(1) A Unitholder entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote in his stead. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his unitholdings to be represented by each proxy. A proxy need not be a Unitholder.

(2) The proxy form must be deposited at the office of SGR's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for the AGM.

Personal Data Privacy

(3) By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents) for the purpose of the processing and administration by the Manager and the Trustee (or their agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

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STARHILL GLOBAL REAL ESTATE INVESTMENT TRUST
(Constituted in the Republic of Singapore pursuant to
a trust deed dated 8 August 2005 (as amended))

Proxy Form
Annual General Meeting

(Before completing this form, please read the notes behind)

IMPORTANT

1. For investors who have used their CPF monies to buy units in Starhill Global Real Estate Investment Trust, this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR THEIR INFORMATION ONLY.
2. This proxy form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Annual General Meeting as observers must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.
4. PLEASE READ THE NOTES TO THE PROXY FORM.

PERSONAL DATA PRIVACY

5. By submitting an instrument appointing a proxy(ies) and/or representative(s), the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 25 September 2015.

I/We ______________________________ (Name(s) and NRIC Number(s)/Passport Number(s)/

Company Registration Number) of ______________________________

(Address) being a unitholder/unitholders of Starhill Global Real Estate Investment Trust ("SGR"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Unitholdings	
			No. of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Unitholdings	
			No. of Units	%

or, both of whom failing, the Chairman of the Annual General Meeting ("AGM"), as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the AGM of SGR to be held at Ballroom 1, Level 3, Hilton Singapore, 581 Orchard Road, Singapore 238883 on Tuesday, 27 October 2015 at 11.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the AGM.

No.	Ordinary Resolutions	No. of Votes For *	No. of Votes Against *
	ORDINARY BUSINESS		
1.	Adoption of the Trustee's Report, the Manager's Statement, the Audited Financial Statements of SGR for the 18 months ended 30 June 2015 and the Auditors' Report thereon.		
2.	Re-appointment of Auditors and authorisation of the Manager to fix the Auditors' remuneration.		
	SPECIAL BUSINESS		
3.	Authority to issue Units and to make or grant convertible instruments.		

* If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this ______________ day of ______________ 2015

Total Number of Units Held

____

Signature(s) of Unitholder(s)/Common Seal

1st fold (this flap for sealing) Glue all sides firmly. Stapling & spot sealing is disallowed.

Affix
Postage
Stamp

STARHILL GLOBAL REAL ESTATE INVESTMENT TRUST
c/o Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

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IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW

Notes To Proxy Form

1. A unitholder of SGR ("Unitholder") entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote in his stead.
2. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
3. A proxy need not be a Unitholder.
4. A Unitholder should insert the total number of Units held. If the Unitholder has Units entered against his name in the Depository Register maintained by The Central Depository (Pte) Limited ("CDP"), he should insert that number of Units. If the Unitholder has Units registered in his name in the Register of Unitholders of SGR, he should insert that number of Units. If the Unitholder has Units entered against his name in the said Depository Register and registered in his name in the Register of Unitholders, he should insert the aggregate number of Units. If no number is inserted, this form of proxy will be deemed to relate to all the Units held by the Unitholder.
5. The instrument appointing a proxy or proxies (the "Proxy Form") must be deposited at the Unit Registrar's registered office at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 48 hours before the time set for the Annual General Meeting.
6. The Proxy Form must be executed under the hand of the appointor or of his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where the Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney or a duly certified copy thereof must (failing previous registration with YTL Starhill Global REIT Management Limited, as manager of SGR, (the "Manager")) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
8. Completion and return of the Proxy Form shall not preclude a Unitholder from attending and voting at the Annual General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the Annual General Meeting in person, and in such event, the Manager reserves the right to refuse to admit any person or persons appointed under the Proxy Form, to the Annual General Meeting.
9. The Manager shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Units entered in the Depository Register, the Manager may reject a Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Annual General Meeting, as certified by CDP to the Manager.
10. All Unitholders will be bound by the outcome of the Annual General Meeting regardless of whether they have attended or voted at the Annual General Meeting.
11. At any meeting, a resolution put to the vote of the meeting shall be decided on a poll.
12. On a poll, every Unitholder who is present in person or by proxy shall have one vote for every Unit of which he is the Unitholder. A person entitled to more than one vote need not use all his votes or cast them the same way.

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STARHILL GLOBAL REIT

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YTL Starhill Global REIT Management Limited
Company Registration No. 200502123C

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