

Media release by: YTL Pacific Star REIT Management Limited (YTL Pacific Star)

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

For immediate release

STARHILL GLOBAL REIT REPORTS 10.1% INCREASE IN 4Q 2008 DPU

HIGHLIGHTS

- 4Q 2008 DPU of 1.85 cents achieved, 10.1% higher than 4Q 2007
- Valuation of properties as at 31 December 2008 at S\$2.1 billion; NAV per unit at S\$1.44
- Gearing remains low at 31%; Commitment secured for S\$35 million of Revolving Credit Facility
- New sponsor committed to building “Starhill” into global brand and franchise through Starhill Global REIT

SINGAPORE, 30 January 2009 – YTL Pacific Star, the Manager of Starhill Global REIT - the S-REIT with the largest presence in Orchard Road – today announced that Starhill Global REIT’s fourth quarter (4Q 2008) distributable income was S\$18.1 million. Distribution Per Unit (DPU) for the period 1 October to 31 December 2008 was 1.85 cents, 10.1% higher compared to the 1.68 cents achieved for the previous corresponding period. Year-on-year, the actual DPU increased by 15.8% from 6.19 cents for FY 2007 to 7.17 cents for FY 2008. On an annualised basis, the latest distribution represents a yield of 14.2%¹. Starhill Global REIT’s portfolio of 10 properties was valued at S\$2.1 billion, bringing Net Asset Value (NAV) per unit to S\$1.44, from NAV per unit of S\$1.61 as at 31 December 2007.

¹ Based on last traded unit price of S\$0.52 on 31 December 2008

YTL Pacific Star REIT Management Limited

CRN 200502123C

Manager of Starhill Global REIT, 391B Orchard Road, Tower B #21-08 Ngee Ann City, Singapore 238874

Tel: +65 6835 8633 Fax: +65 6835 8644 www.ytlpacificstar.com



Gross revenue in 4Q 2008 was S\$33.8 million, or 13.4% higher than that of S\$29.8 million in 4Q 2007, due primarily to higher rates achieved for renewals and new leases in Singapore and higher revenue from the China property. Net property income was higher at S\$26.0 million, an increase of 17.1% over 4Q 2007, mainly attributed to higher gross revenue.

Overview of Starhill Global REIT's financial results

Statement of total return	4Q 2008	4Q 2007	% Change	FY 2008	FY 2007	% Change
Gross revenue (S\$ million)	33.8	29.8	13.4	127.0	103.0	23.4
Net property income (S\$ million)	26.0	22.2	17.1	95.9	76.8	24.8
Distributable income (S\$ million)	18.1	16.2	11.8	69.4	59.0	17.6
DPU (cents)	1.85	1.68	10.1	7.17	6.19	15.8
Annualised DPU (cents)	7.36	6.67	10.3			

Tan Sri Dato' (Dr) Francis Yeoh, Executive Chairman of YTL Pacific Star, said, "We are pleased to report that Starhill Global REIT has achieved strong results in 4Q 2008. While we will continue with our prudent capital management and proactive asset management strategies to ensure sustainable distributions to unitholders during this recessionary period, we will also focus on building up the 'Starhill' brand and sourcing for yield accretive acquisitions of prime assets to enhance the long-term growth prospects of Starhill Global REIT.

"We are very heartened by the pro-active measures taken by the Singapore Government to help businesses during these challenging times. We will pass on the government tax rebates to our tenants," he added.

Mr Franklin Heng, Chief Executive Officer of YTL Pacific Star, said, "DPU of 1.85 cents for 4Q 2008, is 10.1% higher than the 1.68 cents paid in 4Q 2007. The valuation of our Singapore portfolio was S\$1.797 billion and S\$226 million and S\$80 million for our Japan and China portfolio respectively. The relatively small decrease of S\$161 million or 7.31% in the valuation of the Starhill Global REIT's portfolio underscores the prime locations, quality and sustained appeal of Starhill Global REIT's assets, against the backdrop of current economic conditions.

“In 2008, new leases were signed for 8,018 square feet of space now occupied by Nike in Wisma Atria and for about 15,300 square feet on Level 5 in Ngee Ann City. A rent review for the master lease for Levels B2 – 4 at Ngee Ann City resulting in an increase of 19.75% in rent from June 2008 was undertaken as well. These have boosted revenue in 4Q 2008 and will add to Starhill Global REIT’s resilient cashflows in the next few years. While we expect market conditions to become more challenging in 2009, we will continue to consciously keep operational costs down and step up tenancy remix efforts at Wisma Atria, in anticipation of a surge in shopper traffic when the MRT linkway to Wisma Atria is widened and reopened in the middle of the year.”

Active Capital Management

As at 31 December 2008, Starhill Global REIT only had S\$16.1 million of loans, drawn on a S\$35 million revolving credit facility, expiring on 31 March 2009. Starhill Global REIT has secured a commitment to refinance the S\$35 million revolving credit facility. The loan facility is subject to final documentation. Gearing remains low at 31.0%, with an average interest rate of 2.98% and interest cover of 4.3 times. Starhill Global REIT is also shielded from interest rate volatility as 89.4% of the REIT’s debt is fixed until September 2010.

Update on Singapore portfolio

Starhill Global REIT’s Singapore portfolio contributed 78.7% of total gross revenue, or S\$26.6 million in 4Q 2008. This is an increase of 11.0% over the corresponding period in 2007. The Singapore portfolio’s Net Property Income for 4Q 2008 was S\$20.7 million, 17.0% higher than in 4Q 2007.

In 4Q 2008, 5,888 sq ft of office space were renewed or leased. Average rental renewal rates for office space saw a growth of 110%. Starhill Global REIT’s Singapore office portfolio has an evenly distributed expiry profile. In 2009, about 73,000 sq ft of office space, or 30.4% of the total Singapore office portfolio, at an average rent of S\$7.80 per sq ft, will be up for renewal. Office occupancy at Ngee Ann City and Wisma Atria was 98.8% and 83.2% respectively as at 31 December 2008.

As at end December 2008, retail occupancy at Ngee Ann City and Wisma Atria remained high at 99.6% and 95.6% respectively.

Update on Japan portfolio

In 4Q 2008, Starhill Global REIT's Japan portfolio contributed 7.7%, or S\$2.6 million to gross revenue. Five of the seven properties in the portfolio enjoyed 100% occupancy, except for Roppongi Primo (86% occupied; rent for vacant unit is under rental guarantee by the vendor, Fund Creation) and Daikanyama (88% occupied; rent for vacant unit is under rental guarantee by the master lessee, Future Revolution). On 26 December, the parent company of the local asset and property managers of Starhill Global REIT's Japan portfolio commenced the civil rehabilitation process. On 16 January 2009, the parent company assigned 100% of its interest in Future Revolution, the property manager and master lessee, to a non-related party, Hexagon Capital Partners. While this is a positive development, the Manager will closely monitor the situation in close consultation with its legal advisors and will take necessary actions to further mitigate Starhill Global REIT's risk exposure.

Update on Chengdu property

As at 31 December 2008, the Renhe Spring Department Store in Chengdu enjoyed 100% occupancy. The department store achieved year-on-year sales that were 15.3% higher than that in the corresponding period in 2007.

- End -

About Starhill Global REIT

Starhill Global REIT (formerly known as Macquarie Prime 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. Listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST") since 20 September 2005, Starhill Global REIT owns two landmark properties on Orchard Road, Singapore's premier shopping and tourist precinct. Its initial portfolio included a 74.23% strata title interest in Wisma Atria and a 27.23% strata title interest in Ngee Ann City.

In 2007, Starhill Global REIT enlarged its asset base and geographical footprint with the acquisition of seven properties in the prime areas of Roppongi, Shibuya-ku, Minato-ku and Meguro-ku in Tokyo, Japan and a premier retail property in Chengdu, China. Starhill Global REIT's portfolio now comprises 10 properties in the three countries, valued at about S\$2.1 billion. Starhill Global REIT remains focused on sourcing property assets in Asia, 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 Pacific Star REIT Management Limited** (formerly known as Macquarie Pacific Star Prime REIT Management Limited). The Manager is a wholly owned subsidiary of YTL Pacific Star REIT Management Holdings Pte Ltd (formerly known as Prime REIT Management Holdings Pte Ltd), a 50:50 joint venture between Starhill Global REIT Management Limited (an indirect wholly owned*

subsidiary of YTL Corporation Berhad) and Pacific Star REIT Management Holdings Limited. Visit Starhill Global REIT's website at www.starhillglobalreit.com for more details.

Media, Analyst and Investor Contact:

Ms Mok Lai Siong

YTL Pacific Star REIT Management Limited

Tel: (65) 6835 8693

Mobile: (65) 9791 8900

Email: mok.laisiong@ytlpacificstar.com

Important Notice

The value of Starhill Global REIT units ("Units") and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders of Starhill Global REIT may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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

This document may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.