

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

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

## SGREIT REPORTS

### QUARTERLY DPU OF 1.08 CENTS IN 2Q 2012

#### HIGHLIGHTS

- 2Q 2012 NPI increased 4.4% over the corresponding quarter to S\$37.1 million mainly due to the stronger performance of the Singapore property portfolio.
- 2Q 2012 DPU of 1.08 cents, representing an increase of 3.8% over 2Q 2011 despite ongoing redevelopment work at Wisma Atria.
- Committed occupancy rate for the portfolio remains strong at 99.5% in 2Q 2012 on strong demand for properties in quality locations.

**SINGAPORE, 24 July 2012** – YTL Starhill Global REIT Management Limited, the manager of Starhill Global REIT (“SGREIT”), today announced 2Q 2012 revenue of S\$46.4 million, 4.8% higher than that achieved in 2Q 2011. Net property income was S\$37.1 million, representing an increase of 4.4% over 2Q 2011.

Income to be distributed to Unitholders in 2Q 2012 was S\$21.0 million, 3.9% higher than the S\$20.2 million in 2Q 2011. Distribution Per Unit (“DPU”) for the period 1 April 2012 to 30 June 2012 was 1.08 cents, 3.8% higher compared to the 1.04 cents achieved for the previous corresponding period and represents an increase of 0.9% over 1Q 2012 despite the ongoing redevelopment work at Wisma Atria. On an annualised basis, the latest distribution represents a yield of 6.53%<sup>1</sup>. Unitholders can expect to receive their 2Q 2012 DPU on 28 August 2012. Book closure date is on 1 August 2012 at 5.00 pm.

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<sup>1</sup> Based on closing unit price of S\$0.665 on 30 June 2012.

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## Overview of Starhill Global REIT's financial results

(S\$ millions)	2Q 2012	2Q 2011	Change %
Revenue	46.4	44.2	4.8
Net property income	37.1	35.6	4.4
Income available for distribution	23.3	22.8	2.0
Income to be distributed to Unitholders	21.0	20.2	3.9
Income to be distributed to CPU holders	2.3	2.3	(1.6)
<b>Distribution per Unit (cents)</b>			
- For the period 1 April – 30 June	<b>1.08</b>	<b>1.04</b>	<b>3.8</b>
- Annualised	<b>4.34</b>	<b>4.17</b>	<b>4.1</b>

Tan Sri Dato' (Dr) Francis Yeoh, Executive Chairman of YTL Starhill Global, said, "Asia continues to exhibit its resilience despite global economic headwinds in the second quarter. Healthy retail sales performance and rising tourist arrivals allowed SGREIT's assets to continue achieving high occupancies and improved rents. We will continue to create value with our active management strategies and source for yield accretive acquisitions of prime assets in our core markets when opportunity arises."

Mr Ho Sing, CEO of YTL Starhill Global, said, "Wisma Atria's asset redevelopment is substantially completed in 2Q 2012. All the Orchard Road fronting stores have commenced business. Return on the investment based on annualized incremental NPI is approximately 12.8%, exceeding our initial target of 8%. In Malaysia, work to reposition Lot 10 has commenced and more exciting new international brands will be introduced. Improving connectivity from infrastructure and transportation initiatives surrounding Bukit Bintang will further benefit our malls in Kuala Lumpur. We have been prudent in our capital management approach with a conservative gearing at 30.5% and there is no debt refinancing this year."

### Review of portfolio performance

SGREIT's Singapore portfolio, comprising interests in Wisma Atria and Ngee Ann City on Orchard Road, contributed 62.8% of total revenue, or S\$29.1 million in 2Q 2012. The Singapore portfolio's net property income for 2Q 2012 was S\$22.7 million, 5.9% higher than in 2Q 2011. The higher net property income was largely attributed to rental contributions from Wisma Atria, with all of the Orchard Road fronting retail tenants having commenced business, as well as increased occupancy in the office properties, with occupancy levels for Wisma Atria and Ngee Ann City offices rising to 99.0% and 98.0% respectively as at 30 June 2012. Demand for retail space in Wisma Atria has benefited from the asset redevelopment, with occupancy at 99.5% and positive rental reversions of approximately 33% achieved for leases committed between July 2011 to June 2012, since the start of the asset redevelopment. Similarly, the office portfolio maintains its niche positioning along Orchard

Road and achieved a positive reversion of 19% based on leases committed from January 2012 to June 2012.

SGREIT's Malaysia portfolio, comprising Starhill Gallery and interest in Lot 10 along Bukit Bintang in Kuala Lumpur, contributed 16.7% of total revenue, or S\$7.7 million in 2Q 2012. Net property income for 2Q 2012 was S\$7.5 million, 1.1% higher than in 2Q 2011, mainly due to the additional net property income generated from the completion of redevelopment work at Starhill Gallery.

Renhe Spring Zongbei in Chengdu, China contributed 8.2% of total revenue, or S\$3.8 million in 2Q 2012. Net property income for 2Q 2012 was S\$2.4 million, an increase of 4.4% from 2Q 2011, mainly due to appreciation of Chinese Renminbi against the Singapore dollar.

The David Jones Building in Perth, Australia contributed 8.0% of total revenue, or S\$3.7 million in 2Q 2012. Net property income for 2Q 2012 was S\$3.1 million, an increase of 1.5% from 2Q 2011. The improvement was mainly due to higher rental income from rent reviews, partially offset by depreciation of Australian dollar against the Singapore dollar. As at 30 June 2012, the property was fully occupied.

SGREIT's Japan portfolio, which comprises seven properties located in central Tokyo, achieved a 12.5% increase in revenue to S\$2.0 million in 2Q 2012. Net property income for the quarter was up 4.1% to S\$1.4 million mainly due to higher committed occupancy and appreciation of Japanese Yen against the Singapore dollar, partially offset by higher operating expenses. The Japan portfolio's occupancy was 91.1% as at 30 June 2012, up from 78.9% as at 30 June 2011.

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### **About Starhill Global REIT**

*Starhill Global REIT is a Singapore-based real estate investment trust investing primarily in real estate used for retail and office purposes, both in Singapore and overseas. Since its listing on the Mainboard of the Singapore Exchange Securities Trading Limited 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, Malaysia, China, Australia and Japan, valued at about S\$2.7 billion.*

*These comprise interests in Wisma Atria and Ngee Ann City on Orchard Road in Singapore, Starhill Gallery and Lot 10 in Kuala Lumpur, Malaysia, full ownership of a premier retail property in Chengdu, China, the David Jones Building in Perth, Australia and seven properties in the prime areas of Tokyo, Japan. Starhill Global REIT remains focused on sourcing attractive property assets in Singapore and overseas, while driving organic growth from its existing portfolio, through proactive leasing efforts and creative asset enhancements.*

*Starhill Global REIT is managed by an external manager, YTL Starhill Global REIT Management Limited. The Manager is a wholly-owned subsidiary of YTL Starhill Global REIT Management Holdings Pte. Ltd. which is in turn an indirect wholly-owned subsidiary of YTL Corporation Berhad.*

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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.

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