

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

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

## **SGREIT's Year-to-Date September 2011 DPU up 8.7% Year-on-Year**

### **HIGHLIGHTS**

- Year-to-Date September 2011 DPU up 8.7% over corresponding period last year on the back of contributions from the acquisition of 2 malls in Kuala Lumpur, Malaysia.
- 3Q 2011 DPU remained the same over 3Q 2010.
- Completion of asset redevelopment works in Starhill Gallery, Kuala Lumpur.

**SINGAPORE, 28 October 2011** – YTL Starhill Global REIT Management Limited, the manager of Starhill Global REIT (“SGREIT”), today announced that 3Q 2011 revenue was S\$44.0 million, 2.6% lower than that achieved in 3Q 2010. Net property income was S\$34.4 million, representing a decline of 3.7% over 3Q 2010, primarily due to lower contributions from Singapore, Japan and Malaysia. However, on a year-to-date basis, net property income was S\$107.1 million, an increase of 14.2% over the corresponding period in 2010.

Income to be distributed to Unitholders in 3Q 2011 was S\$19.4 million, unchanged from that in 3Q 2010. Distribution Per Unit (DPU) for the period 1 July 2011 to 30 September 2011 was 1.00 cent, same as the previous corresponding period. This brings DPU to 3.11 cents for 9 months ended 30 September 2011, exceeding the corresponding period in 2010 DPU of 2.86 cents by 8.7%. On an annualised basis, the latest 3Q 2011 DPU represents a yield of 6.84%<sup>1</sup>. Unitholders can expect to receive their 3Q 2011 DPU on 29 November 2011. Book closure date is on 8 November 2011 (5.00 pm).

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<sup>1</sup> Based on closing unit price of S\$0.58 on 30 September 2011.

**YTL Starhill Global REIT Management Limited**

CRN 200502123C

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

Tel: +65 6835 8633 Fax: +65 6835 8644 [www.ytlstarhill.com](http://www.ytlstarhill.com)





## Overview of Starhill Global REIT's financial results

(S\$ millions)	3Q 2011	3Q 2010	Change %
Revenue	44.0	45.2	(2.6%)
Net property income	34.4	35.8	(3.7%)
Income available for distribution	21.8	22.4	(2.8%)
Income to be distributed to Unitholders	19.4	19.4	-
Income to be distributed to CPU holders	2.3	2.5	(5.5%)
<b>Distribution per Unit (cents)</b>			
- For the period 1 July – 30 September	1.00	1.00	-
- Annualised	3.97	3.97	-

Tan Sri Dato' (Dr) Francis Yeoh, Executive Chairman of YTL Starhill Global, said, "Strong year-to-date performance of Starhill Global REIT has been largely attributed to the acquisition of Starhill Gallery and Lot 10 in Kuala Lumpur last year. In addition to the financial contribution, the acquisition has positioned SGREIT as a key premier retail mall owner in Malaysia with two quality assets located strategically within the heart of Kuala Lumpur's popular shopping precinct Bukit Bintang. With a broadened portfolio comprising largely of quality retail assets located in Singapore and Malaysia coupled with a balanced structure of long and short term leases, Starhill Global REIT is in a good position to deliver quality and stable income while still benefiting from Asia's consumption growth."

Mr Ho Sing, CEO of YTL Starhill Global, said, "Asset redevelopment and rejuvenation is one of SGREIT's key growth strategies. We have recently completed the redevelopment work at Starhill Gallery in Malaysia and aside from adding 8,100 square feet of retail space, the modern design has renewed its position as a destination for high-end and luxury shoppers. Work at Wisma Atria in Singapore is on schedule and when completed will solidify our position as one of the top retail destinations in Singapore's main shopping belt for shoppers, tourists as well as retailers. We have also been proactively managing our properties and have already secured over 80% of the leases up for renewal in 2011."

### Review of portfolio performance

SGREIT's Singapore portfolio, comprising interests in Wisma Atria and Ngee Ann City on Orchard Road, contributed 61.6% of total revenue, or S\$27.1 million in 3Q 2011. The Singapore portfolio's net property income for 3Q 2011 was S\$20.5 million, 3.1% lower than in 3Q 2010. Contributing to the decline are higher leasing and upkeep expenses related to Wisma Atria's asset redevelopment and lower rental rates on new and renewed office leases from the peak levels achieved in 2007. However, take up rate for office space in our properties have been healthy on the back of strong demand from international tenants in the retail sector. Occupancy level for





Wisma Atria office rose to 94.6% as at 30 September 2011 while that of Ngee Ann City office maintained at above 90%. Demand for retail space at Wisma Atria and Ngee Ann City is also strong with more than 80% of the rentals expiring in 2011 already secured by new or existing tenants. Occupancy stands at 95.3% and 99.7% respectively for Wisma Atria and Ngee Ann City retail space.

SGREIT's Malaysia portfolio, comprising Starhill Gallery and Lot 10 along Bukit Bintang in Kuala Lumpur, contributed 17.2% of total revenue, or S\$7.6 million in 3Q 2011. The addition of 8,100 square feet of space from the completed redevelopment work at Starhill Gallery will generate an additional net property income of approximately RM1.7 million (S\$0.7 million) on an annualised basis from 28 September 2011. Net property income for 3Q 2011 was S\$7.4 million. Net property income for 3Q 2010 included the contributions from 28 June 2010, the date when the Malaysia portfolio was acquired.

Renhe Spring Zongbei in Chengdu, China contributed to 8.6% of total revenue during the quarter. In 3Q 2011, revenue was S\$3.8 million, 1.5% higher than in 3Q 2010. Net property income for 3Q 2011 was S\$2.3 million, an increase of 15.5% from 3Q 2010, mainly due to lower expenses during the quarter. Ermenegildo Zegna, one of the top 3 concessionaires by sales contribution, is due to launch an expanded Chengdu flagship store in Zongbei, unveiling a rejuvenated facade by December 2011.

The David Jones Building in Perth, Australia contributed 8.2% of total revenue, or S\$3.6 million in 3Q 2011. Net property income for 3Q 2011 was S\$3.1 million, an increase of 5.2% from 3Q 2010. The improvement is mainly due to the continued strength of the Australian Dollar against the Singapore Dollar. As at 30 September 2011, the property was fully occupied.

SGREIT's Japan portfolio comprises seven properties located in central Tokyo, which contributed 4.4% or S\$2.0 million of total revenue in 3Q 2011. Through active lease management, the overall Japan Properties' committed occupancy increased to 94.4% as at 30 September 2011, though leases were renewed at lower rents due to a softening rental market in Tokyo.

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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 subsidiary of YTL Corporation Berhad.*

### **Analyst, Investor and Media Contact:**

**Jonathan Kuah**

**YTL Starhill Global REIT Management Limited**

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

**Email: [jonathan.kuah@ytlstarhill.com](mailto:jonathan.kuah@ytlstarhill.com)**

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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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