

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

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

SGREIT's 1Q FY18/19 DPU rose 5.5% against 4Q FY17/18

HIGHLIGHTS

- DPU for 1Q FY18/19 was up 5.5% q-o-q and lower by 4.2% y-o-y
- Singapore offices continue to recover with actual occupancy rising to 92.9% while committed occupancy has reached 95.3% as at 30 September 2018. NPI for Singapore offices in 1Q FY18/19 rose 9.7% against the corresponding period a year ago
- Global apparel retailer UNIQLO opens its first store in Perth at Plaza Arcade in August 2018

SINGAPORE, 30 October 2018 – YTL Starhill Global REIT Management Limited, the manager of SGREIT, is pleased to announce the results for the three months ended 30 September 2018 (1Q FY18/19). Revenue for SGREIT Group in 1Q FY18/19 was S\$52.0 million, easing 1.8% over the previous corresponding period of three months ended 30 September 2017 (1Q FY17/18). Net property income (NPI) for the SGREIT Group was S\$40.4 million, a decrease of 2.3% over 1Q FY17/18. The higher contributions y-o-y from Singapore office and Plaza Arcade following the completion of its asset redevelopment, as well as the appreciation of the Malaysian ringgit, were offset by lower contributions from the retail portfolio in Singapore and the depreciation of the Australian dollar. However, against the most recent quarter ended 30 June 2018 (4Q FY17/18), revenue and NPI were up 0.7% and 1.0% respectively. In Perth, anchor tenant UNIQLO opened its first store in Perth at Plaza Arcade on 30 August 2018 to strong shopper turnout.

Income available for distribution for 1Q FY18/19 decreased by 1.9% over 1Q FY17/18 to S\$26.2 million. Distribution Per Unit (DPU) for 1Q FY18/19 was 1.15 cents, declining 4.2% over 1Q FY17/18 mainly due to lower NPI and higher retained income, but rose 5.5% against the DPU for 4Q FY17/18. This represents an annualised distribution yield of 6.56%¹. Unitholders can expect to receive their 1Q FY18/19 DPU on 29 November 2018. Book closure date is on 8 November 2018 at 5.00 pm.

¹ Based on the closing unit price of S\$0.695 as at 30 September 2018.

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



Overview of Starhill Global REIT's financial results

(S\$ million)	1Q FY18/19	1Q FY17/18	Y-O-Y Change (%)	4Q FY17/18	Q-O-Q Change (%)
Gross revenue	52.0	53.0	(1.8)	51.6	0.7
Net property income	40.4	41.4	(2.3)	40.0	1.0
Income available for distribution	26.2	26.7	(1.9)	25.3	3.4
Income to be distributed to Unitholders	25.1 ²	26.2	(4.2)	23.8	5.5
Distribution per Unit (cents)					
- For the period	1.15	1.20	(4.2)	1.09	5.5

Tan Sri Dato' (Dr) Francis Yeoh, Chairman of YTL Starhill Global, said: "Global economic growth may be suppressed by the escalating trade dispute between the two largest economies in the world as well as rising interest rates. While the global retail industry is experiencing structural changes as a result of changing consumer preferences which present new challenges, we believe there are new opportunities for progressive retailers as well as innovative and forward-thinking landlords. We will continue to assess potential asset enhancement and acquisition opportunities for our portfolio, by leveraging on our sound financial standing."

Mr Ho Sing, CEO of YTL Starhill Global, said: "The DPU for 1Q FY18/19 rose 5.5% over the last quarter in 4Q FY17/18. Performance was led by our office portfolio in Singapore whereby committed occupancy has recovered from 83.5%³ as at 30 September 2017 to 95.3%³ as at 30 September 2018, which demonstrates the demand for quality locations by our office tenants. In Australia, UNIQLO has successfully opened its first store in Perth at Plaza Arcade with shoppers queuing to get in during its opening ceremony, affirming the popularity and demand by international brands for prime city centre retail space in Australia. Whilst the market requires time to digest the current oversupply of retail space, we sustained healthy committed occupancy of 99.7%³ for Singapore retail portfolio as at 30 September 2018."

² Approximately S\$1.1 million of income available for distribution for 1Q FY18/19 (1Q FY17/18: S\$0.5 million) has been retained for working capital requirements.

³ Includes leases that have been contracted but have not commenced as at the reporting date.

Review of portfolio performance

SGREIT's Singapore portfolio, comprising interests in Wisma Atria and Ngee Ann City on Orchard Road, contributed 61.4% of total revenue, or S\$31.9 million in 1Q FY18/19. NPI for 1Q FY18/19 decreased by 3.2% y-o-y to S\$25.2 million, mainly due to lower contributions from Singapore retail portfolio and higher operating expenses. The Singapore office portfolio continues its recovery with combined revenue and NPI for 1Q FY18/19 jumping 9.2% and 9.7% y-o-y respectively, while committed occupancy has recovered from a low of 83.5%³ as at 30 September 2017 to 95.3%³ as at 30 September 2018, amidst an improving office market. Actual office occupancy also rose to 92.9% as at 30 September 2018, an improvement from 90.3% as at 30 June 2018.

Singapore retail portfolio continued to sustain high actual and committed occupancies of 97.0% and 99.7%³ respectively as at 30 September 2018. Ngee Ann City Property (Retail) maintained full occupancy. Wisma Atria Property (Retail) maintained actual and committed occupancies of 91.0% and 99.2%³ respectively as at 30 September 2018. Ngee Ann City Property (Retail) revenue and NPI were largely stable on the back of the Toshin master lease.

SGREIT's Australia portfolio, comprising Myer Centre Adelaide in Adelaide, South Australia, the David Jones Building and adjoining Plaza Arcade in Perth, Western Australia, contributed 23.0% of total revenue, or S\$12.0 million in 1Q FY18/19. SGREIT Group has long-term leases with Myer Pty Ltd and David Jones Limited, contributing approximately 7.0% and 4.7% of its portfolio gross rents respectively as at 30 September 2018. NPI for 1Q FY18/19 was S\$7.6 million, 2.5% lower than in 1Q FY17/18 mainly due to the depreciation of the Australian dollar against the Singapore dollar. Global apparel retailer UNIQLO opened its first store in Perth at Plaza Arcade on 30 August 2018, upon completion of its renovation works.

SGREIT's Malaysia portfolio, comprising Starhill Gallery and interest in Lot 10 along Bukit Bintang in Kuala Lumpur, contributed 13.4% of total revenue, or S\$7.0 million in 1Q FY18/19. NPI for 1Q FY18/19 was S\$6.7 million, 3.7% higher than the previous corresponding period mainly due to the appreciation of the Malaysian ringgit against the Singapore dollar. The Manager is evaluating the master tenancy arrangements for SGREIT's Malaysia Properties (which will expire in June 2019), including asset enhancement opportunities.

The balance of SGREIT's portfolio, which comprises a property in Chengdu, China and two properties located in central Tokyo, Japan, contributed 2.2% of total revenue, or S\$1.2 million in 1Q FY18/19. NPI for 1Q FY18/19 was S\$0.9 million, a drop of 12.9% or S\$0.1 million over 1Q FY17/18 mainly due to

one-off management fee income in relation to tenant's renovation works for the China Property in the previous corresponding period.

Maintains strong financial position

SGREIT maintains its strong financial position with stable gearing level at 35.4% and hedged about 92% of its borrowings as at 30 September 2018. In July 2018, SGREIT refinanced its A\$63 million secured term loan for five years with the same bank ahead of its maturity in June 2019. As at 30 September 2018, SGREIT's average debt maturity is approximately 3.5 years with no refinancing requirement for its existing debt portfolio until September 2019. SGREIT has available undrawn long-term committed revolving credit facilities to cover the RM330 million (or approximately S\$109 million) medium term notes maturing in September 2019.

- End -



About Starhill Global REIT

Starhill Global REIT is a Singapore-based real estate investment trust investing primarily in real estate used for retail and office purposes, both in Singapore and overseas. Since its listing on the Mainboard of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 20 September 2005, Starhill Global REIT has grown its initial portfolio from interests in two landmark properties on Orchard Road in Singapore to 10 properties in Singapore, Australia, Malaysia, China, and Japan, valued at about S\$3.1 billion.

These comprise interests in Wisma Atria and Ngee Ann City on Orchard Road in Singapore, Myer Centre Adelaide, David Jones Building and Plaza Arcade in Adelaide and Perth, Australia, Starhill Gallery and Lot 10 in Kuala Lumpur, Malaysia, a retail property in Chengdu, China, and two properties in 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.

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

Important Notice

The value of Starhill Global REIT units ("Units") and the income derived from them may fall or 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 and foreign exchange 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.