




SUNWAY[®]

Sunway REIT

Financial Results 3rd Quarter Ended 31 March 2017 (FYE 30 June 2017)



**Announcement Date:
3 May 2017**

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1. Financial Highlights

Distribution Details

Dividend Distribution Details

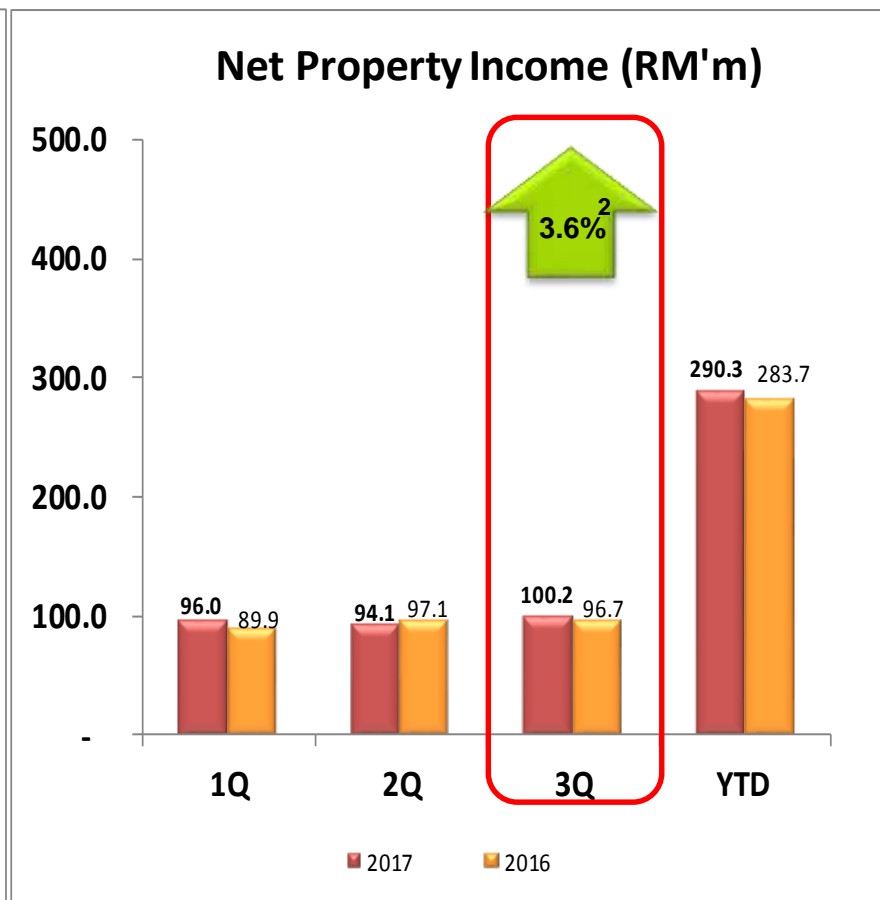
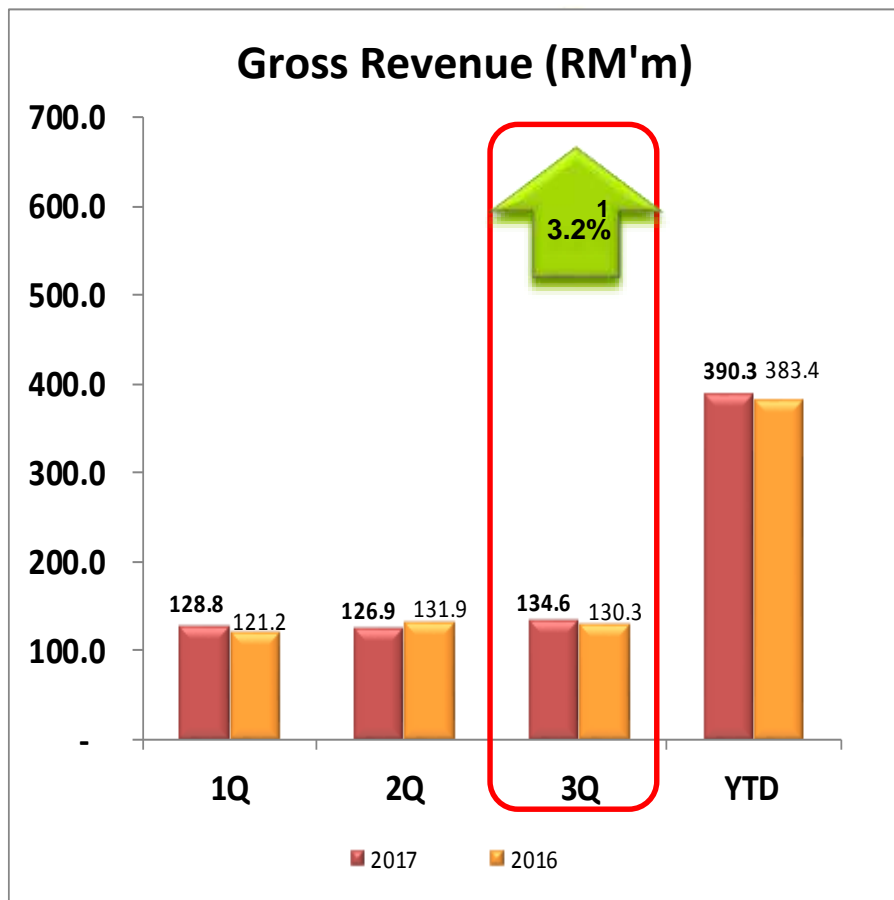
Distribution Period	1 January 2017 - 31 March 2017
Distribution Per Unit (DPU) (sen)	2.37¹
Notice of Entitlement	3 May 2017
Ex-Dividend Date	18 May 2017
Book Closure Date	22 May 2017
Payment Date	6 June 2017

¹ Proposed income distribution for 3Q2017 of 2.37 sen per unit (comprising taxable and non-taxable/tax exempt amount of 1.90 sen per unit and 0.47 sen per unit respectively).

Financial Highlights

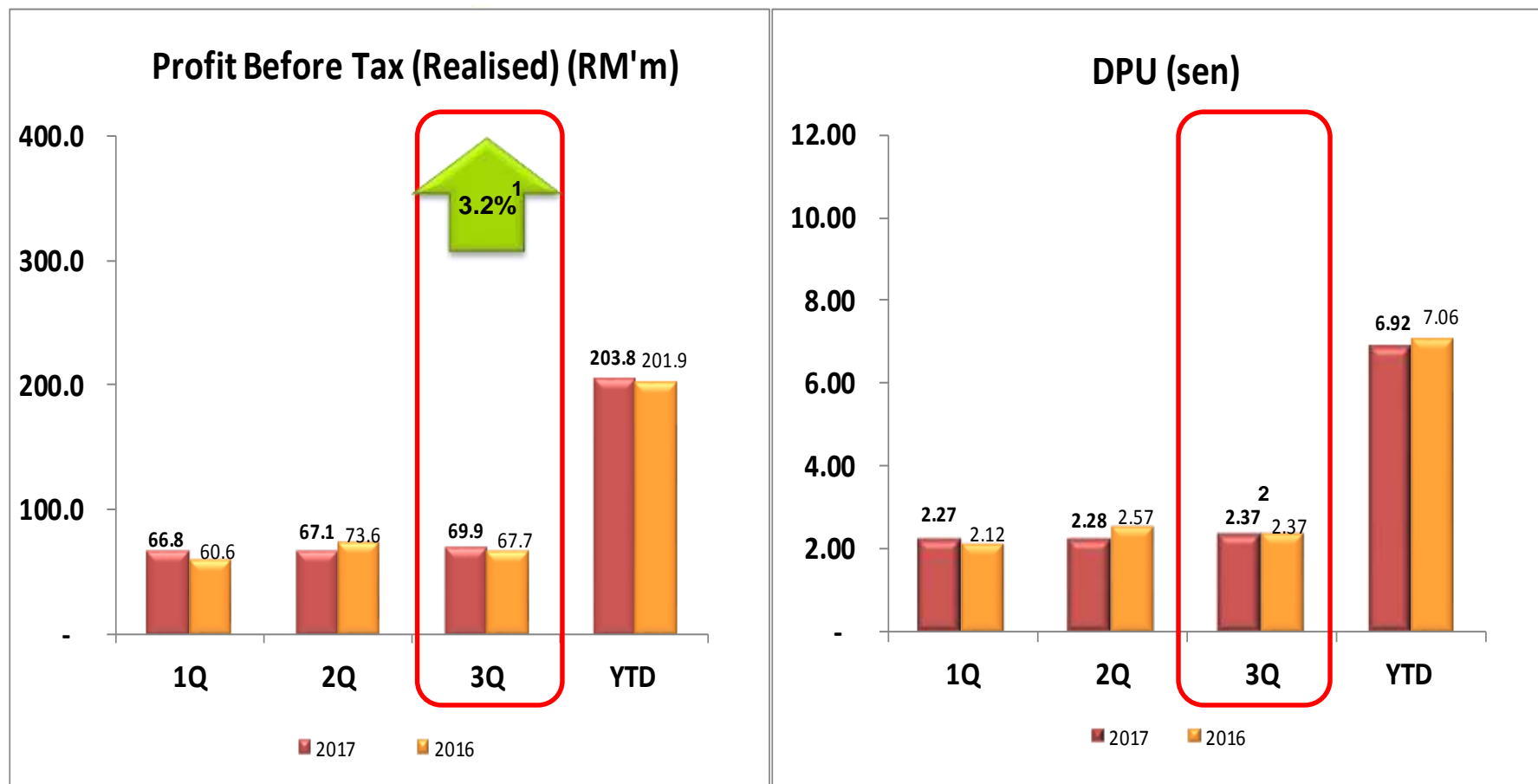
Highlights	3Q 2017	3Q 2016
No. of Properties	14	14
Property Value (RM'billion)	6.514	6.378
No. of Units in Circulation	2,945,078,000	2,942,684,200
Unit Price as at 31 Mar (RM)	1.72	1.60
Market Capitalisation (RM'billion)	5.066	4.708
Net Asset Value (NAV) Per Unit (RM) (After income distribution)	1.3556	1.3349
Premium to NAV	26.9%	19.9%
Realised Earnings Per Unit (EPU) (sen)	2.37	2.33
Distribution Per Unit (DPU) (sen)	2.37	2.37
Distribution Yield (Based on market price as at 31 Mar)	5.4%	5.9%
Management Expense Ratio (After income distribution)	0.86%	0.88%
YTD Total Return	9.0%	9.8%
Gearing	34.9%	33.3%
% of Fixed Rate Borrowings	90.1%	94.3%

Financial Highlights (Cont'd)



- Gross Revenue for 3Q2017 increased by 3.2% or RM4.3 million compared to 3Q2016 mainly due to strong performance by the retail and office segment, partially dampened by the hotel segment particularly the closure of Sunway Pyramid Hotel (formerly known as Sunway Pyramid Hotel East) in 4Q2016 for refurbishment.
- Net Property Income for 3Q2017 increased by 3.6% or RM3.5 million compared to 3Q2016 mainly attributable to higher Gross Revenue, partially offset by higher operating expenses.

Financial Highlights (Cont'd)



¹ Profit Before Tax (Realised) for 3Q2017 increased by 3.2% or RM2.2 million compared to 3Q2016 mainly due to higher net property income but partially offset by higher finance costs.

² DPU for 3Q2017 is in line with 3Q2016 despite higher Profit Before Tax (Realised) due to cessation of manager's fee paid in units.

2. 3Q 2017 Financial Results

Statement of Comprehensive Income – Consolidated

	1Q 2017	1Q 2016	2Q 2017	2Q 2016	3Q 2017	3Q 2016	Change	YTD 2017	YTD 2016	Change
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%	RM'000	RM'000	%
Gross revenue	128,879	121,216	126,880	131,867	134,573	130,345	3.2%	390,332	383,428	1.8%
Less : Property operating expenses	(32,814)	(31,274)	(32,825)	(34,813)	(34,392)	(33,660)	2.2%	(100,031)	(99,747)	0.3%
Net property income	96,065	89,942	94,055	97,054	100,181	96,685	3.6%	290,301	283,681	2.3%
Changes in fair value of investment properties	-	-	-	-	-	-	0.0%	-	-	0.0%
Other income	921	4,941	5,191	4,793	1,278 ¹	1,006	27.0%	7,390	10,740	-31.2%
Manager's fee	(7,845)	(7,630)	(7,805)	(7,842)	(7,938)	(7,747)	2.5%	(23,588)	(23,219)	1.6%
Trustee's fee	(307)	(303)	(308)	(304)	(342)	(300)	14.0%	(957)	(907)	5.5%
Other trust expenses	(2,934)	(952)	2,086	(563)	(316)	(3,283) ²	-90.4%	(1,164)	(4,798)	-75.7%
Finance costs	(21,757)	(21,485)	(22,076)	(21,618)	(22,507)	(21,595)	4.2%	(66,340)	(64,698)	2.5%
Profit before tax	64,143	64,513	71,143	71,520	70,356	64,766	8.6%	205,642	200,799	2.4%
Income tax expense	-	-	-	-	-	-	0.0%	-	-	-
Profit for the period	64,143	64,513	71,143	71,520	70,356	64,766	8.6%	205,642	200,799	2.4%
Profit for the period comprises the following:										
Realised	66,732	60,565	67,130	73,576	69,906	67,714	3.2%	203,768	201,855	0.9%
Unrealised	(2,589)	3,948	4,013	(2,056)	450 ³	(2,948)	-115.3%	1,874	(1,056)	-277.5%
	64,143	64,513	71,143	71,520	70,356	64,766	8.6%	205,642	200,799	2.4%
No. of units in circulation (million units)	2,945	2,940	2,945	2,941	2,945	2,943	0.1%	2,945	2,943	0.1%
EPU (sen)										
- Realised	2.24	2.06	2.31	2.48	2.37	2.33	1.7%	6.92	6.87	0.7%
- Unrealised	(0.09)	0.13	0.14	(0.07)	0.01	(0.10)	-110.0%	0.06	(0.04)	-250.0%
	2.15	2.19	2.45	2.41	2.38	2.23	6.7%	6.98	6.83	2.2%
Proposed/declared income distribution	66,853	62,330	67,148	75,592	69,798	69,742	0.1%	203,799	207,664	-1.9%
Proposed/declared DPU (sen)	2.27	2.12	2.28	2.57	2.37	2.37	0.0%	6.92	7.06	-2.0%

Please refer to next page for explanatory notes.

Statement of Comprehensive Income-Consolidated (Cont'd)

Explanation:

- ¹ Included in other income for 3Q2017 was unrealised fair value gain on interest rate swap amounting to RM0.4 million. Excluding the unrealised fair value gain, other income would amount to RM0.8 million which is marginally lower than 3Q2016 due to lower interest income.
- ² Included in other trust expenses for 3Q2016 was unrealised fair value loss on interest rate swap amounting to RM2.8 million. Excluding the unrealised fair value loss, other trust expenses would amount to RM0.4 million.
- ³ Represent unrealised fair value gain on interest rate swap.

Statement of Financial Position – Consolidated

	31.03.17 RM'000	31.12.16 RM'000	30.09.16 RM'000	30.06.16 RM'000
ASSETS				
Non-current assets				
Plant and equipment	9,168	9,046	9,088	8,698
Investment properties	6,514,392	6,502,892	6,458,982	6,433,000
Derivatives	-	26,387	-	-
	6,523,560	6,538,325	6,468,070	6,441,698
Current assets				
Receivables, deposits and prepayments	34,768	26,003	31,333	25,842
Derivatives ¹	20,562	-	-	-
Cash and bank balances	72,785	41,437	80,378	69,719
	128,115	67,440	111,711	95,561
	6,651,675	6,605,765	6,579,781	6,537,259
EQUITY AND LIABILITIES				
Unitholders' funds				
Unitholders' capital	2,727,829	2,727,829	2,727,829	2,725,933
Undistributed income	1,334,396	1,330,713	1,328,759	1,325,297
	4,062,225	4,058,542	4,056,588	4,051,230
Non-current liabilities				
Borrowings	400,000	1,048,600	1,413,550	1,403,150
Long term liabilities	60,118	62,274	63,189	56,256
Deferred tax liability ²	5,896	5,896	5,896	5,896
Derivatives	345	1,928	12,665	22,189
	466,359	1,118,698	1,495,300	1,487,491
Current liabilities				
Trade and other payables	198,801	205,697	230,493	226,138
Borrowings	1,922,700	1,222,387	797,400	772,400
Derivatives ²	1,590	441	-	-
	2,123,091	1,428,525	1,027,893	998,538
	6,651,675	6,605,765	6,579,781	6,537,259

1 Derivatives in relation to cross currency swap contracts as explained in Note B15 of Quarterly Report in Bursa Announcement.

2 Derivatives in relation to interest rate swap contracts as explained in Note B15 of Quarterly Report in Bursa Announcement.

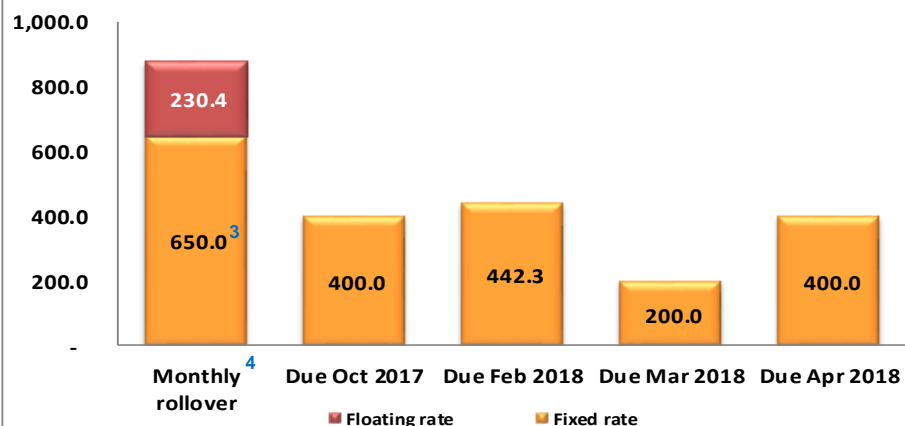
Debt Profile

	Facility Limit RM'million	RM'million
Term Loan	422.0	442.3 ¹
Commercial Papers (CP) / Revolving Loan (RL)	1,100.0 ²	880.4
Unrated MTNs	1,000.0	1,000.0
Total Gross Borrowings		2,322.7
Discount on CP		-
Total Borrowings at carrying amount		2,322.7

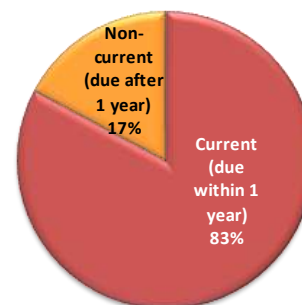
	RM'million
Classification of Borrowings:	
Current (due within 1 year)	1,922.7
Non-current (due after 1 year)	400.0
Total Gross Borrowings	2,322.7

Average Cost of Debt	3.93%
Average Maturity Period (Years)	0.5
Debt Service Cover Ratio (DSCR)	5.1
Gearing Ratio	34.9%

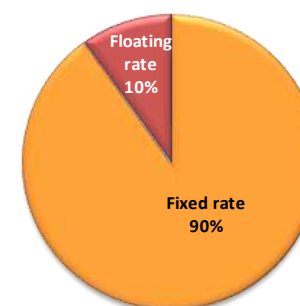
Loan Maturity Profile (RM'm)



Current versus Non-current



Fixed versus Floating



¹ Includes unrealised forex loss of RM20.3 million. The 3-year USD100m term loan is fully hedged with 2-year cross currency swap contracts and interest rate swap contracts up to its expiry on 5 February 2018.

² The current limit of RM1.1 billion can be increased to RM1.6 billion up to the expiry of the CP Programme in April 2019.

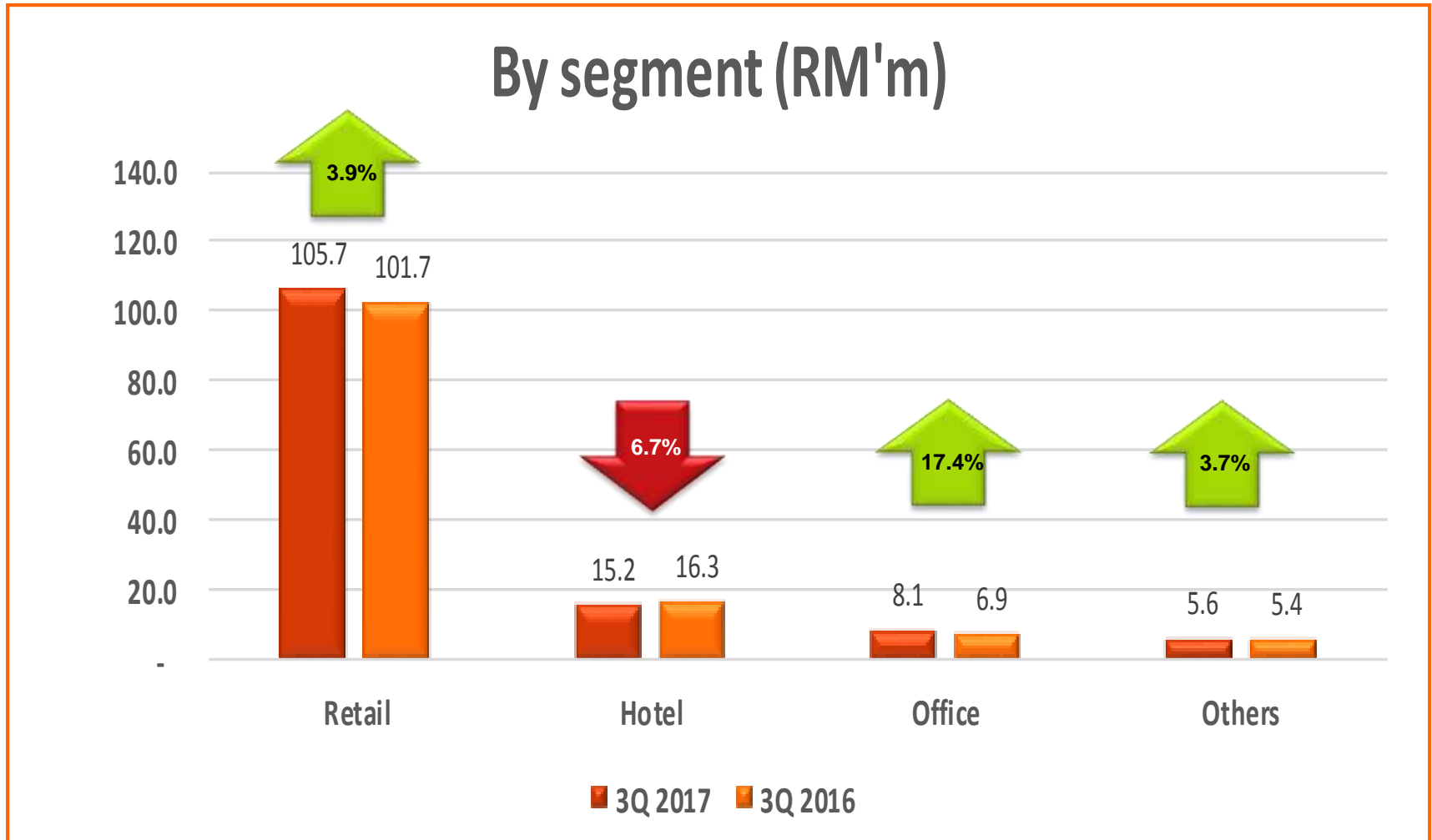
³ In FY2016, Sunway REIT has converted RM650.0 million of floating rate CP/RL into fixed rate via interest rate swap contracts to manage its exposure to floating rate borrowings.

⁴ No refinancing risk as the CP Programme is fully underwritten by a local financial institution for the entire duration of the programme.

3. 3Q 2017 Portfolio Performance

3Q 2017 Revenue Contribution

3Q 2017 (RM'million)	134.6
3Q 2016 (RM'million)	130.3



Note: Calculation of % of increase/decrease above varies marginally compared to 3Q2017 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

3Q 2017 Revenue Contribution (Cont'd)

■ 3Q 2017 (RM'million) 134.6
■ 3Q 2016 (RM'million) 130.3



Please refer to next page for explanatory notes.

* Formerly known as Sunway Pyramid Hotel East

3Q 2017 Revenue Contribution (Cont'd)

Explanation:

- 1 **Sunway Pyramid and Sunway Putra Mall** – Higher revenue mainly due to higher average gross rent per sq. ft..
- 2 **Sunway Pyramid Hotel*** – Closed for refurbishment since April 2016 (partially re-opened in November 2016 on a progressive basis).
- 3 **Sunway Putra Hotel** – Higher revenue as average occupancy rate improved to 67.0% in 3Q FY2017 compared to 58.3% in the same quarter last year as the hotel gains traction through its ongoing marketing and promotional rates campaign to regain market share across all customer segments.
- 4 **Menara Sunway and Sunway Putra Tower** – Higher revenue due to higher average occupancy.

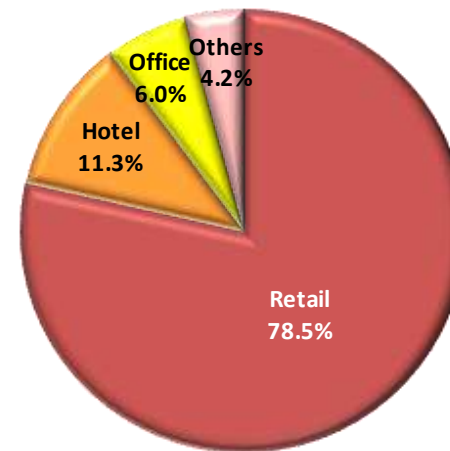
* Formerly known as Sunway Pyramid Hotel East

Note: Calculation of % of increase/decrease varies marginally compared to 3Q2017 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

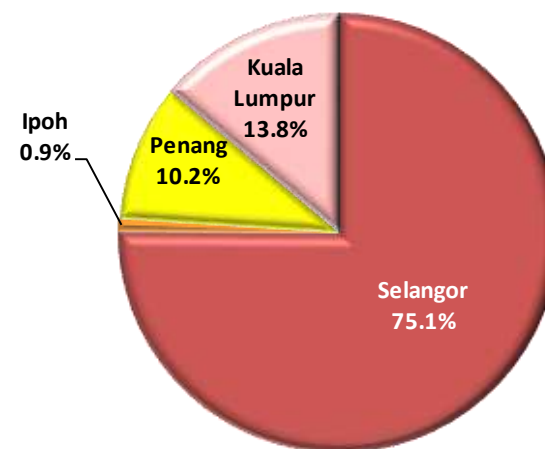
3Q 2017 Revenue Contribution (Cont'd)

By Property	3Q 2017 %
Sunway Pyramid	59.1%
Sunway Carnival	8.8%
SCI Hypermarket	0.9%
Sunway Putra Mall	9.7%
Total Retail	78.5%
Sunway Resort Hotel & Spa	6.7%
Sunway Pyramid Hotel *	0.7%
Sunway Hotel Seberang Jaya	0.6%
Sunway Putra Hotel	2.5%
Sunway Hotel Georgetown	0.8%
Total Hotel	11.3%
Menara Sunway	3.1%
Sunway Tower	0.6%
Sunway Putra Tower	1.0%
Wisma Sunway	1.3%
Total Office	6.0%
Sunway Medical Centre	4.2%
Total Others	4.2%
	100.0%

By segment



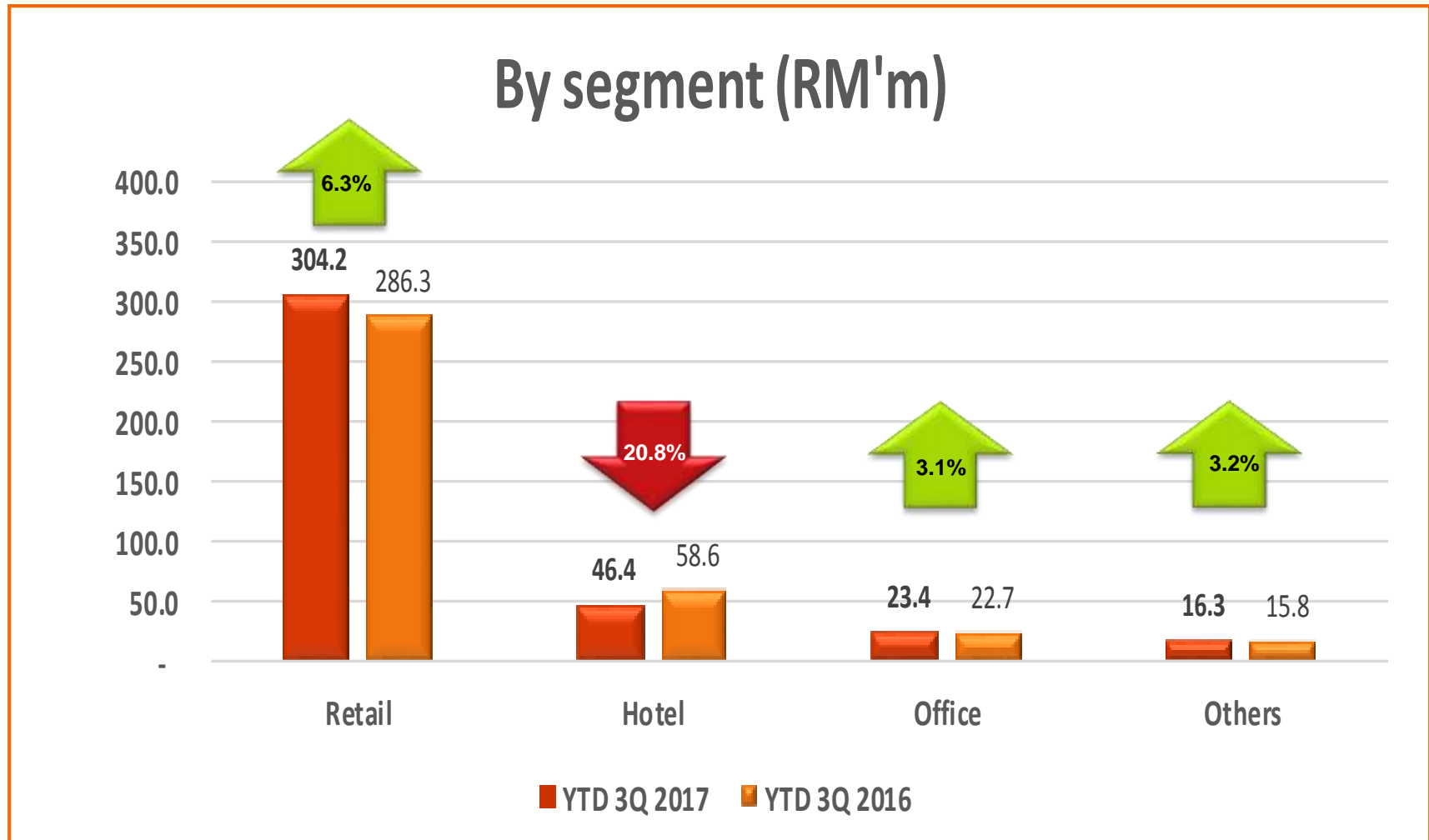
By location



* Formerly known as Sunway Pyramid Hotel East

YTD 3Q 2017 Revenue Contribution

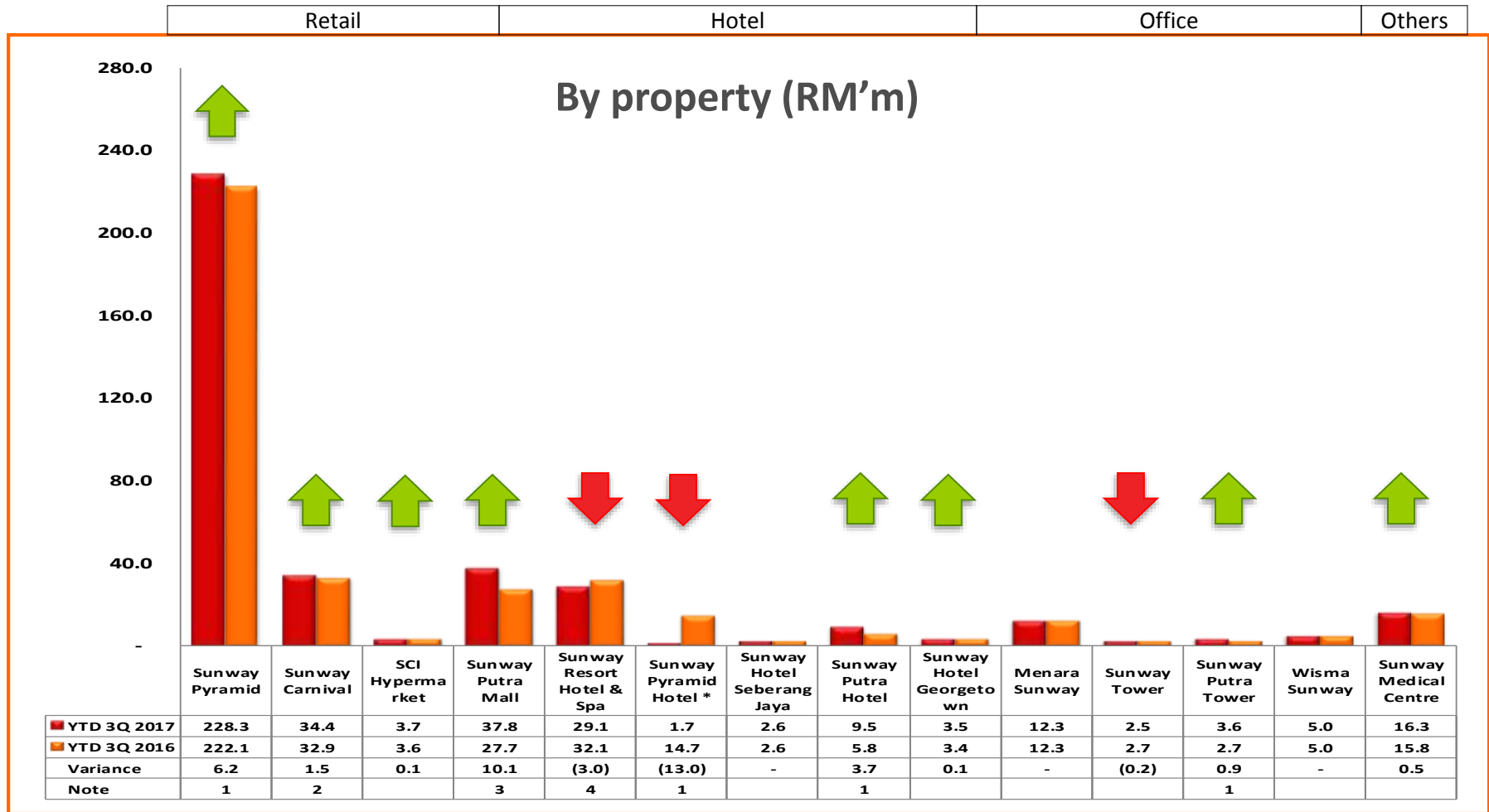
YTD 3Q 2017 (RM'million)	390.3
YTD 3Q 2016 (RM'million)	383.4



Note: Calculation of % of increase/decrease above varies marginally compared to 3Q2017 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

YTD 3Q 2017 Revenue Contribution (Cont'd)

■ YTD 3Q 2017 (RM'million)	390.3
■ YTD 3Q 2016 (RM'million)	383.4



Please refer to next page for explanatory notes.

* Formerly known as Sunway Pyramid Hotel East

YTD 3Q 2017 Revenue Contribution (Cont'd)

Explanation:

- 1 **Sunway Pyramid, Sunway Pyramid Hotel, Sunway Putra Hotel and Sunway Putra Tower** – Explanation similar to page 17.
- 2 **Sunway Carnival** – Higher revenue for YTD 3Q2017 following the completion of the 2nd floor food and beverage area with NLA of approximately 16,000 sq. ft. (3% of total NLA) in 4Q2016.
- 3 **Sunway Putra Mall** - Recorded lower revenue in the previous year for YTD 3Q2016 as tenants were given a 2.5 months rent-free period in 1Q2016.
- 4 **Sunway Resort Hotel & Spa** – Lower gross revenue for YTD 3Q2017 mainly due to lower contribution from the F&B division which was adversely affected by the soft business sentiment.

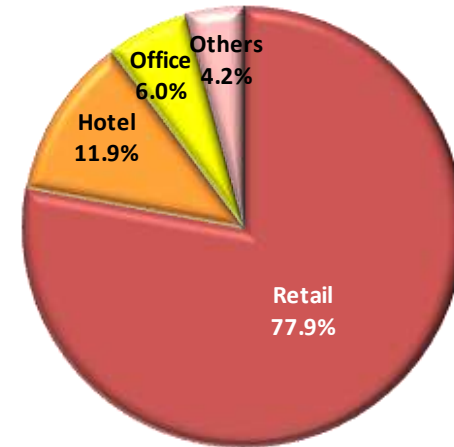
* Formerly known as Sunway Pyramid Hotel East

Note: Calculation of % of increase/decrease varies marginally compared to 3Q2017 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

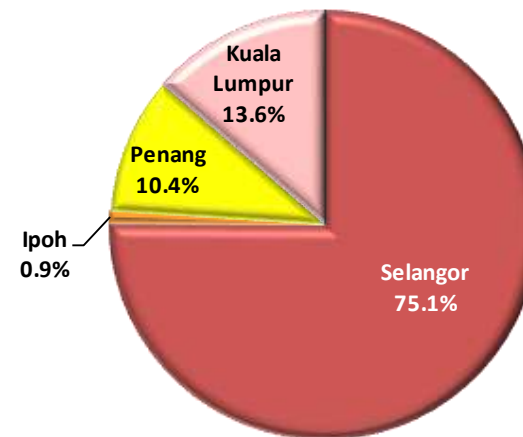
YTD 3Q 2017 Revenue Contribution (Cont'd)

By Property	YTD 3Q 2017 %
Sunway Pyramid	58.5%
Sunway Carnival	8.8%
SCI Hypermarket	0.9%
Sunway Putra Mall	9.7%
Total Retail	77.9%
Sunway Resort Hotel & Spa	7.5%
Sunway Pyramid Hotel *	0.4%
Sunway Hotel Seberang Jaya	0.7%
Sunway Putra Hotel	2.4%
Sunway Hotel Georgetown	0.9%
Total Hotel	11.9%
Menara Sunway	3.2%
Sunway Tower	0.6%
Sunway Putra Tower	0.9%
Wisma Sunway	1.3%
Total Office	6.0%
Sunway Medical Centre	4.2%
Total Others	4.2%
	100.0%

By segment



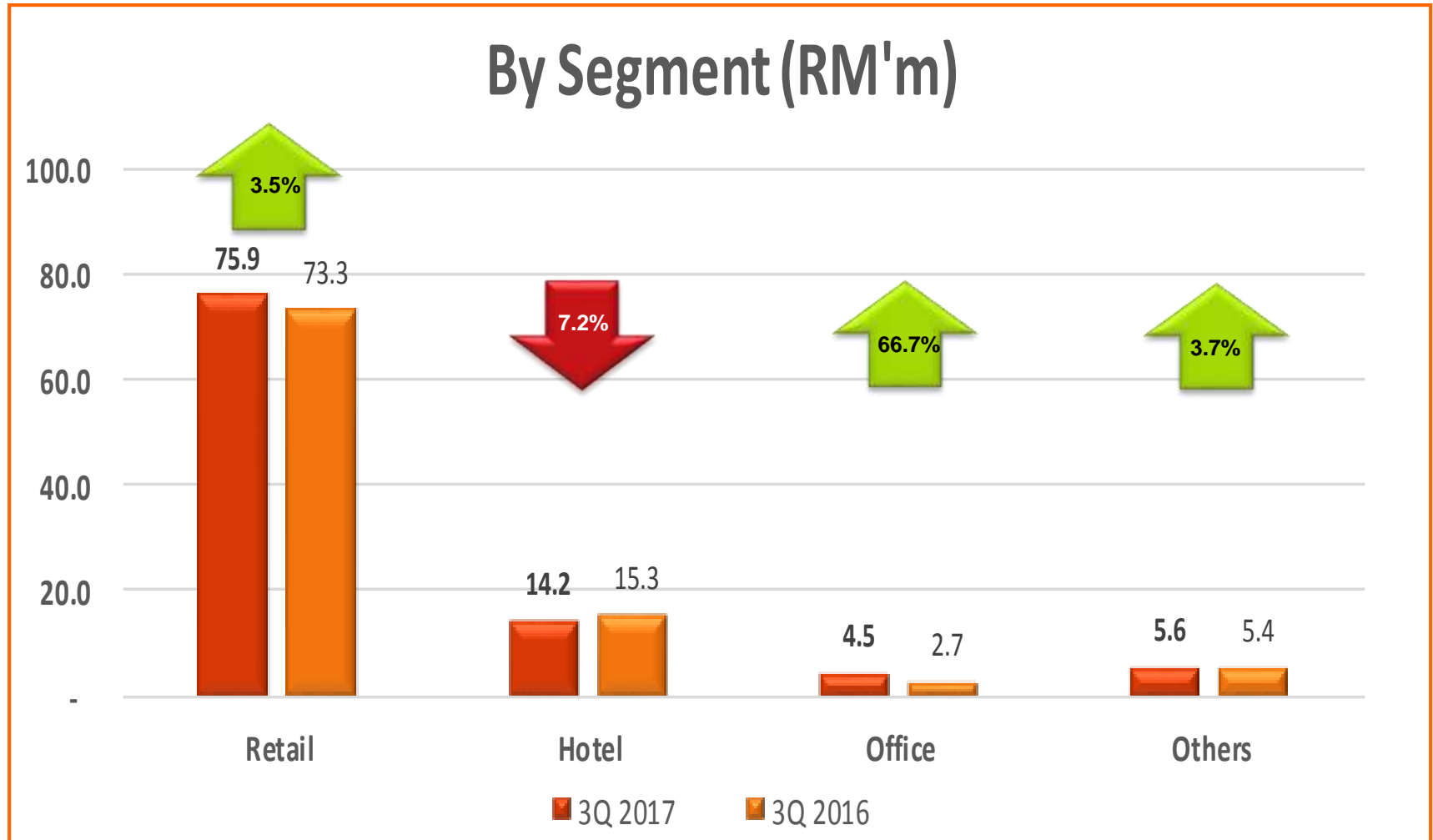
By location



* Formerly known as Sunway Pyramid Hotel East

3Q 2017 NPI Contribution

	3Q 2017 (RM'million)	3Q 2016 (RM'million)	NPI	Margin
	100.2	96.7	74.4%	74.2%



Note: Calculation of % of increase/decrease above varies marginally compared to 3Q2017 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

3Q 2017 NPI Contribution (Cont'd)

3Q 2017 (RM'million)	100.2	<u>NPI</u>	74.4%
3Q 2016 (RM'million)	96.7	<u>Margin</u>	74.2%



Please refer to next page for explanatory notes.

* Formerly known as Sunway Pyramid Hotel East

3Q 2017 NPI Contribution (Cont'd)

Explanation:

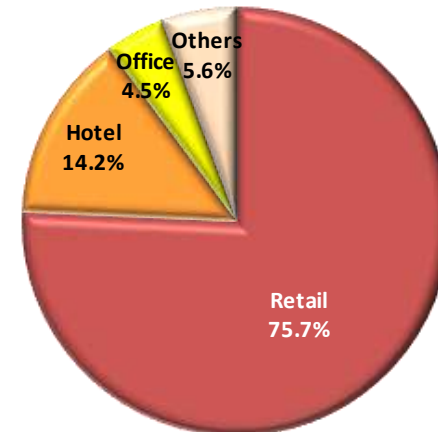
- 1 **Sunway Pyramid** – Higher NPI of RM1.3 million mainly due to higher revenue of RM1.9 million, partially offset by higher advertising and promotion ("A&P") expenses.
- 2 **Sunway Putra Mall** – Higher NPI of RM1.2 million mainly due to higher revenue of RM1.9 million, partially offset by higher assessment. The assessment expense was lower for Sunway Putra Mall in the previous year corresponding quarter due to vacancy allowance received.
- 3 **Sunway Pyramid Hotel*** – Lower NPI due to lower revenue as explained on page 17.
- 4 **Sunway Putra Hotel** – Higher NPI due to higher revenue.
- 5 **Menara Sunway** – Higher NPI of RM0.9 million mainly due to higher revenue of RM0.6 million and lower utilities expenses.
- 6 **Sunway Tower** – Higher NPI of RM0.5 million mainly due to higher revenue of RM0.1 million and lower assessment as vacancy allowance were received.

* Formerly known as Sunway Pyramid Hotel East

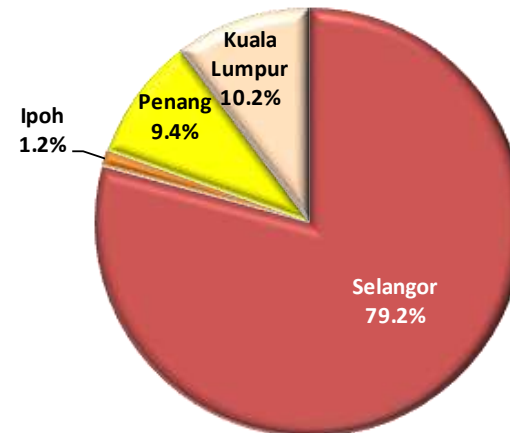
3Q 2017 NPI Contribution (Cont'd)

By Property	3Q 2017 %
Sunway Pyramid	60.1%
Sunway Carnival	7.7%
SCI Hypermarket	1.2%
Sunway Putra Mall	6.7%
Total Retail	75.7%
Sunway Resort Hotel & Spa	8.7%
Sunway Pyramid Hotel *	0.8%
Sunway Hotel Seberang Jaya	0.7%
Sunway Putra Hotel	3.0%
Sunway Hotel Georgetown	1.0%
Total Hotel	14.2%
Menara Sunway	3.0%
Sunway Tower	0.1%
Sunway Putra Tower	0.4%
Wisma Sunway	1.0%
Total Office	4.5%
Sunway Medical Centre	5.6%
Total Others	5.6%
	100.0%

By segment



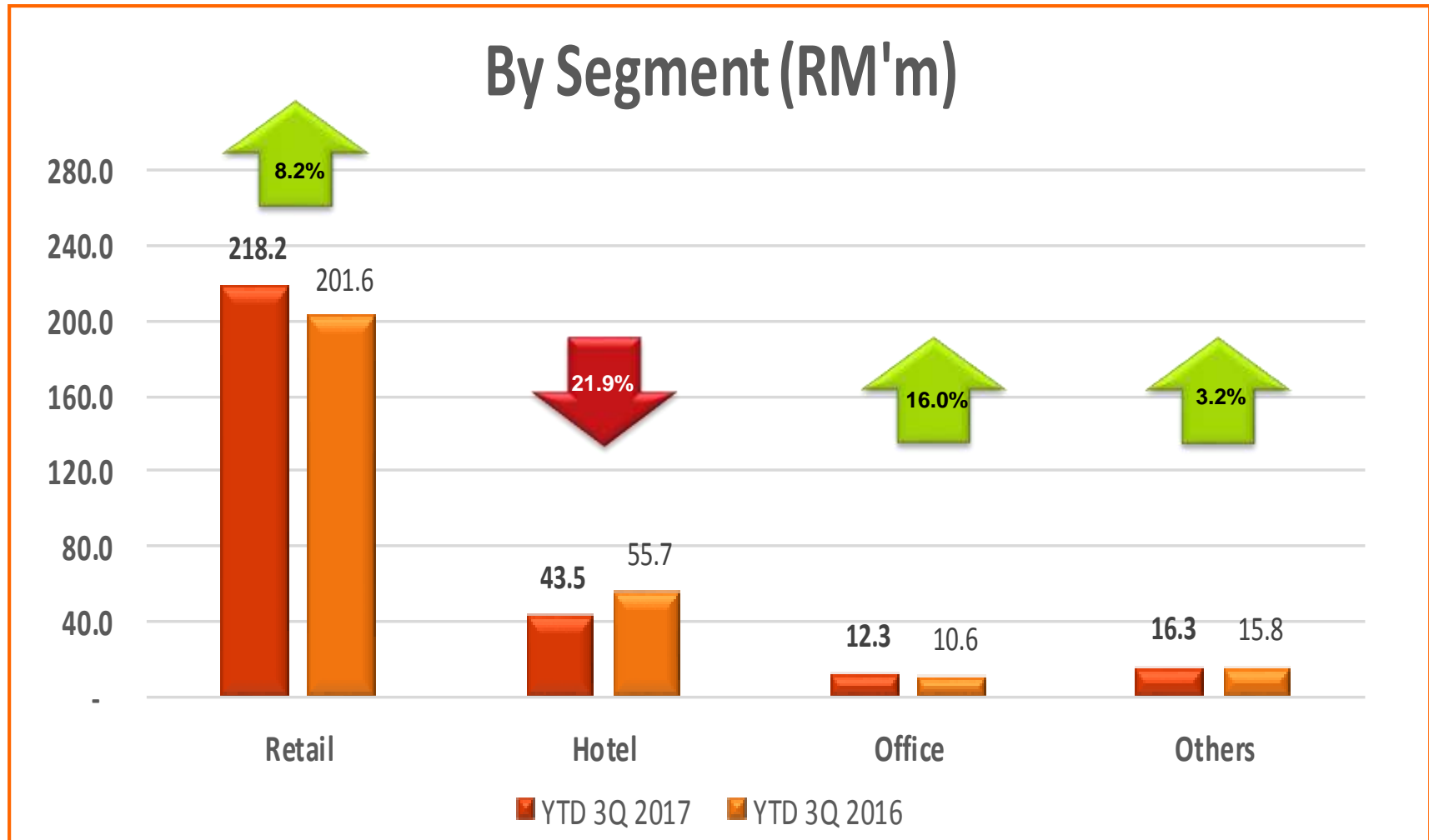
By location



* Formerly known as Sunway Pyramid Hotel East

YTD 3Q 2017 NPI Contribution

	<u>NPI</u>	<u>Margin</u>
YTD 3Q 2017 (RM'million)	290.3	74.4%
YTD 3Q 2016 (RM'million)	283.7	74.0%



Note: Calculation of % of increase/decrease above varies marginally compared to 3Q2017 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

YTD 3Q 2017 NPI Contribution (Cont'd)

	<u>NPI</u>	<u>Margin</u>
YTD 3Q 2017 (RM'million)	290.3	74.4%
YTD 3Q 2016 (RM'million)	283.7	74.0%



* Formerly known as Sunway Pyramid Hotel East

YTD 3Q 2017 NPI Contribution (Cont'd)

Explanation:

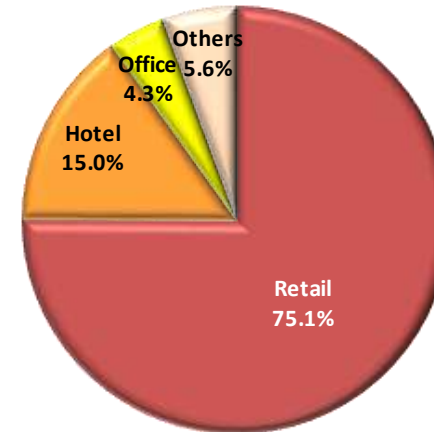
- 1 **Sunway Pyramid** – NPI for YTD 3Q2017 was higher by RM6.6 million due to higher YTD 3Q2017 revenue by RM6.2 million and lower allowance for doubtful debts.
- 2 **Sunway Carnival** - NPI for YTD 3Q2017 was higher by RM0.9 million due to higher YTD 3Q2017 revenue by RM1.5 million, partially offset by higher A&P expenses.
- 3 **Sunway Putra Mall, Sunway Pyramid Hotel* and Sunway Putra Hotel** – Explanation as per page 21.
- 4 **Sunway Resort Hotel & Spa** - Higher NPI for YTD 3Q2017 due to higher revenue.
- 5 **Sunway Putra Tower** – NPI for YTD 3Q2017 was higher by RM1.3 million due to higher YTD 3Q2017 revenue by RM0.9 million and lower maintenance expenses.

* Formerly known as Sunway Pyramid Hotel East

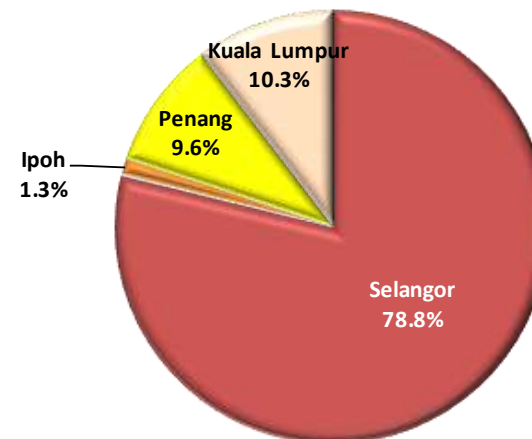
YTD 3Q 2017 NPI Contribution (Cont'd)

By Property	YTD 3Q 2017 %
Sunway Pyramid	59.2%
Sunway Carnival	7.6%
SCI Hypermarket	1.3%
Sunway Putra Mall	7.0%
Total Retail	75.1%
Sunway Resort Hotel & Spa	9.6%
Sunway Pyramid Hotel *	0.5%
Sunway Hotel Seberang Jaya	0.8%
Sunway Putra Hotel	2.9%
Sunway Hotel Georgetown	1.2%
Total Hotel	15.0%
Menara Sunway	2.9%
Sunway Tower	0.0%
Sunway Putra Tower	0.4%
Wisma Sunway	1.0%
Total Office	4.3%
Sunway Medical Centre	5.6%
Total Others	5.6%
	100.0%

By segment



By location



* Formerly known as Sunway Pyramid Hotel East

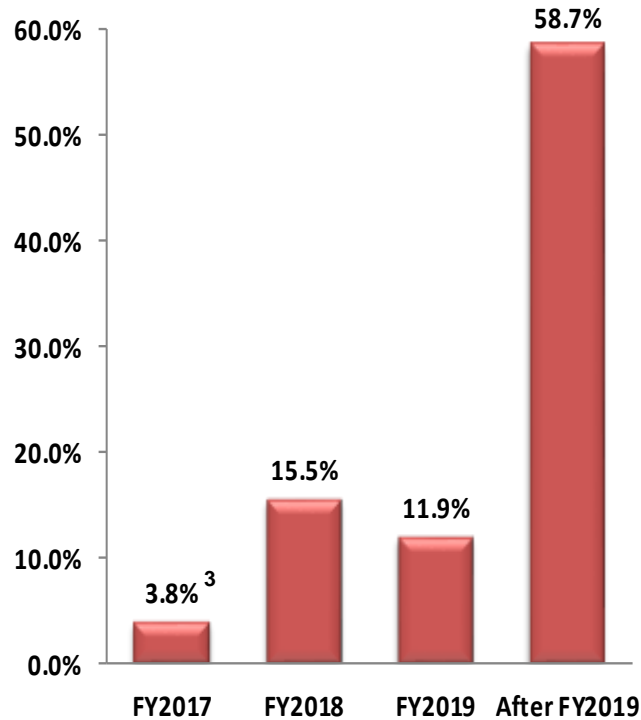
Resilient Income Stream

Well spread-out lease expiry profile and diverse tenant base

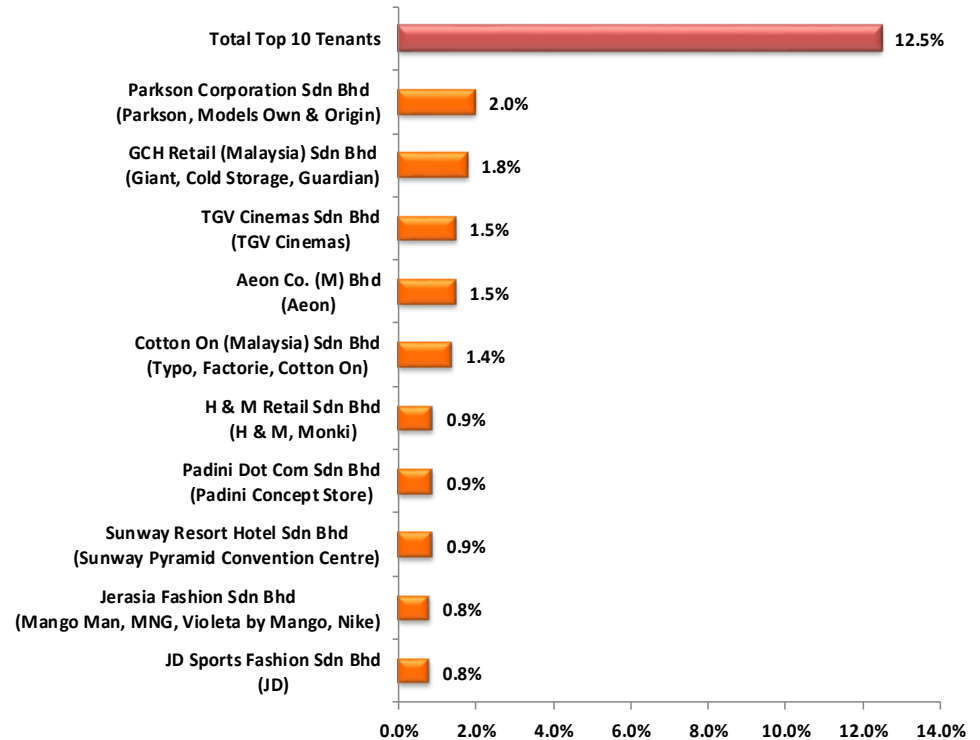
WALE ¹ as at 31 March 2017 – 2.02 years

Top 10 tenants contribute approximately 12.5% of total revenue

Projected tenancy expiry of portfolio ²



Top 10 tenants ⁴



¹ Calculated based on gross rental income.

² Calculated using NLA for the Retail and Office Properties and GFA for the Hotel and Hospital Properties.

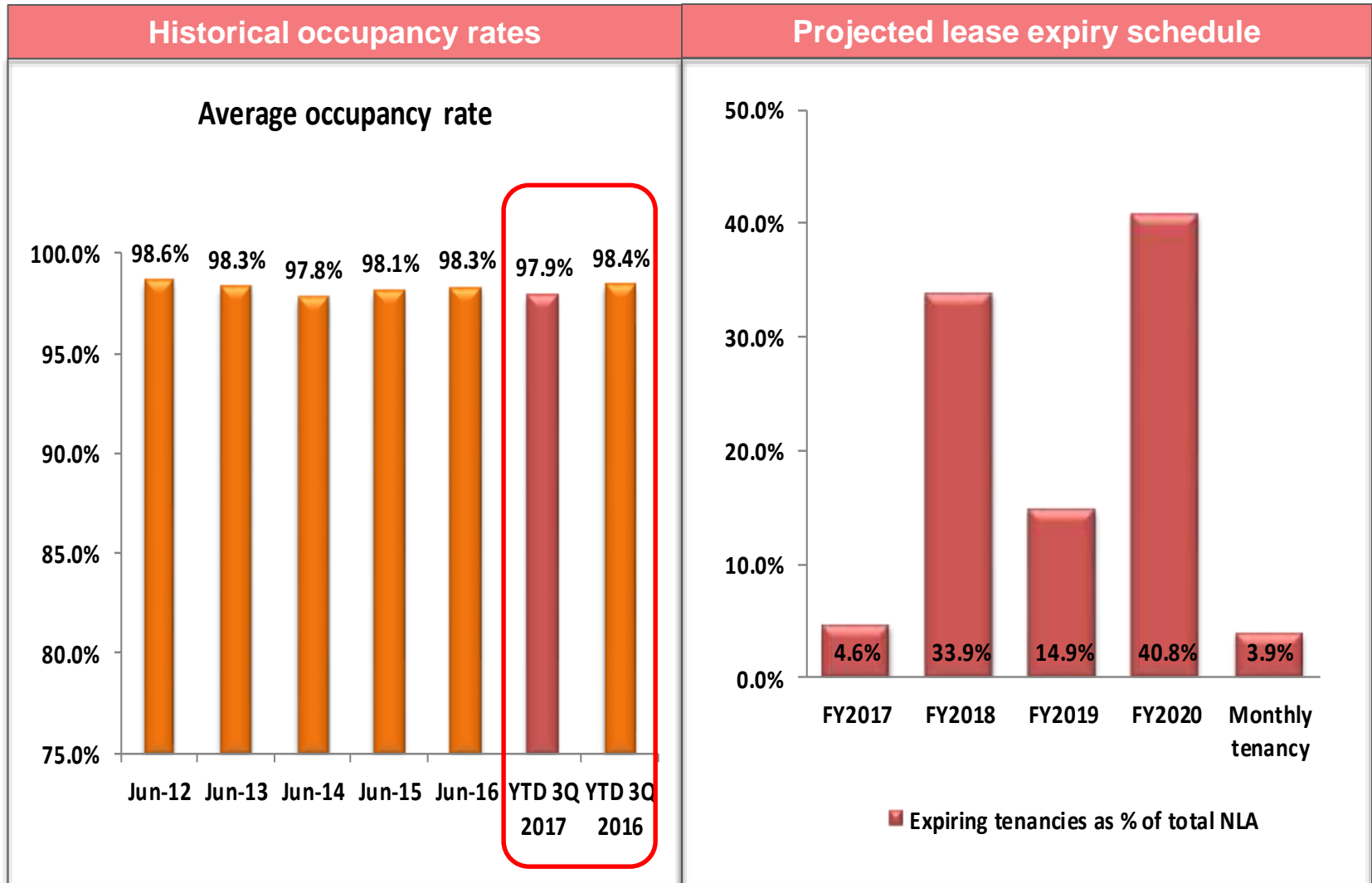
³ Include monthly tenancies occupying 1.0% of total space.

⁴ Based on gross rental income for the month of March 2017 (exclude Hotel Master Leases, Hospital Master Lease and car park tenancies).

4. 3Q 2017 Property Performance

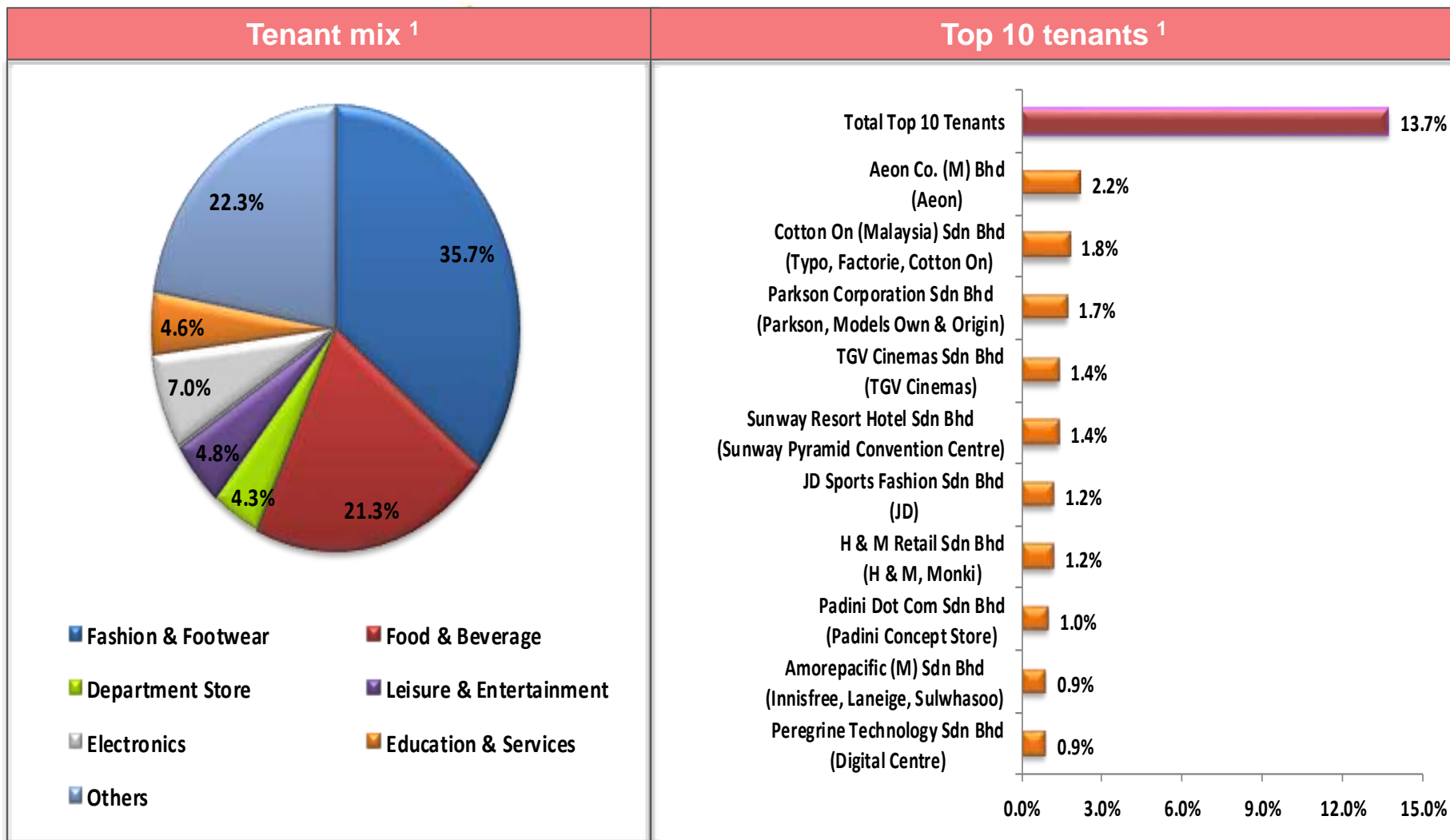
RETAIL PROPERTIES

SUNWAY PYRAMID SHOPPING MALL



RETAIL PROPERTIES

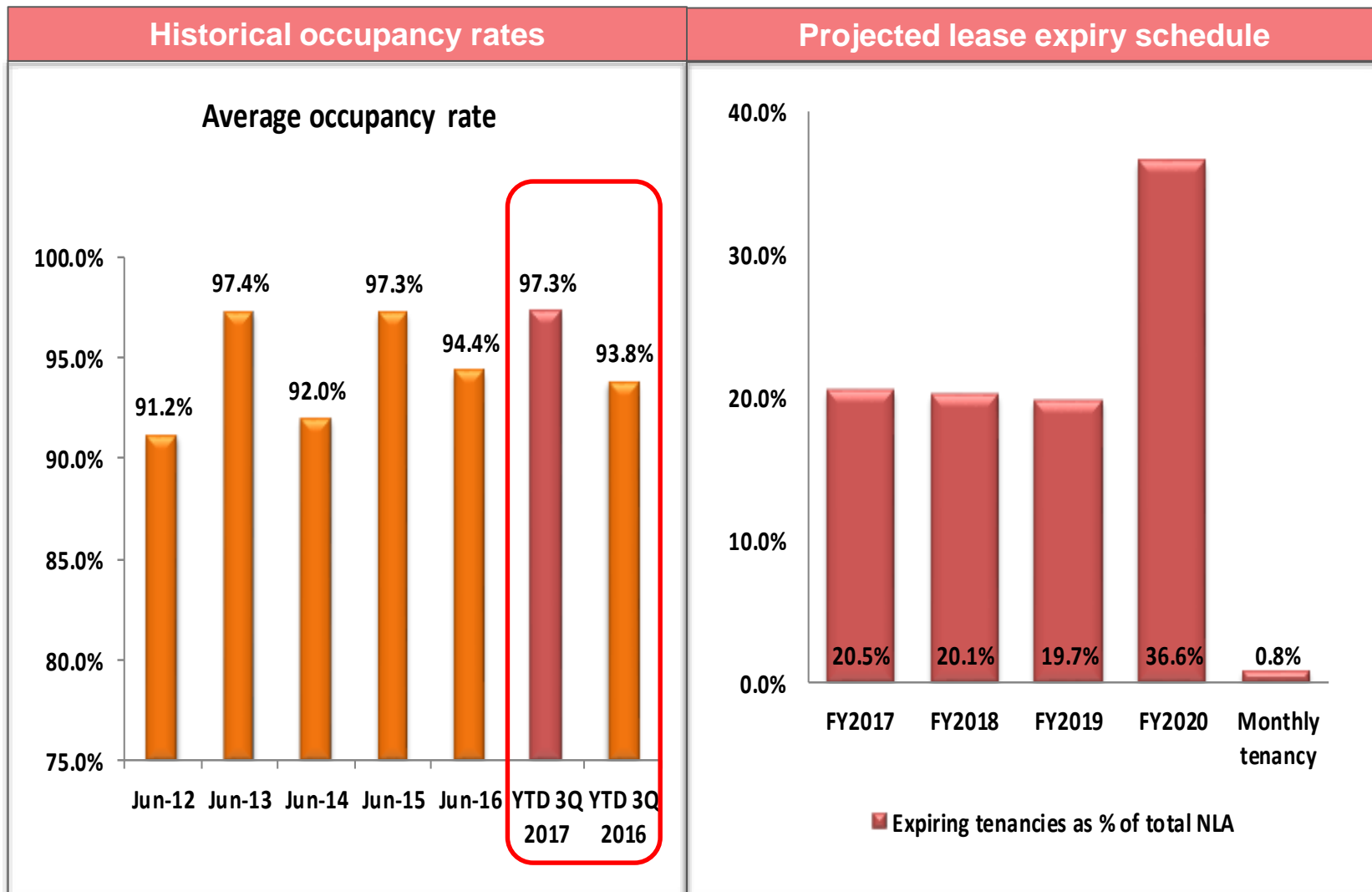
SUNWAY PYRAMID SHOPPING MALL (Cont'd)



¹ Based on gross rental income for the month of March 2017.

RETAIL PROPERTIES

SUNWAY CARNIVAL SHOPPING MALL

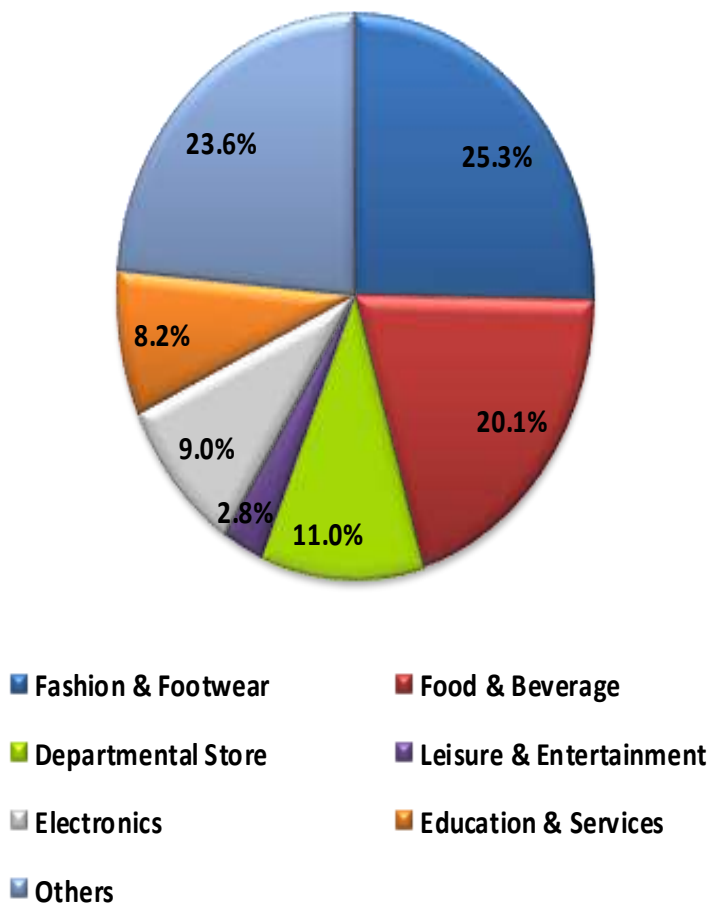


Note: Average occupancy rate for YTD3Q2017 was higher following the completion of the new food and beverage (“F&B”) area with NLA of approximately 16,000 sq. ft. (3% of total NLA).

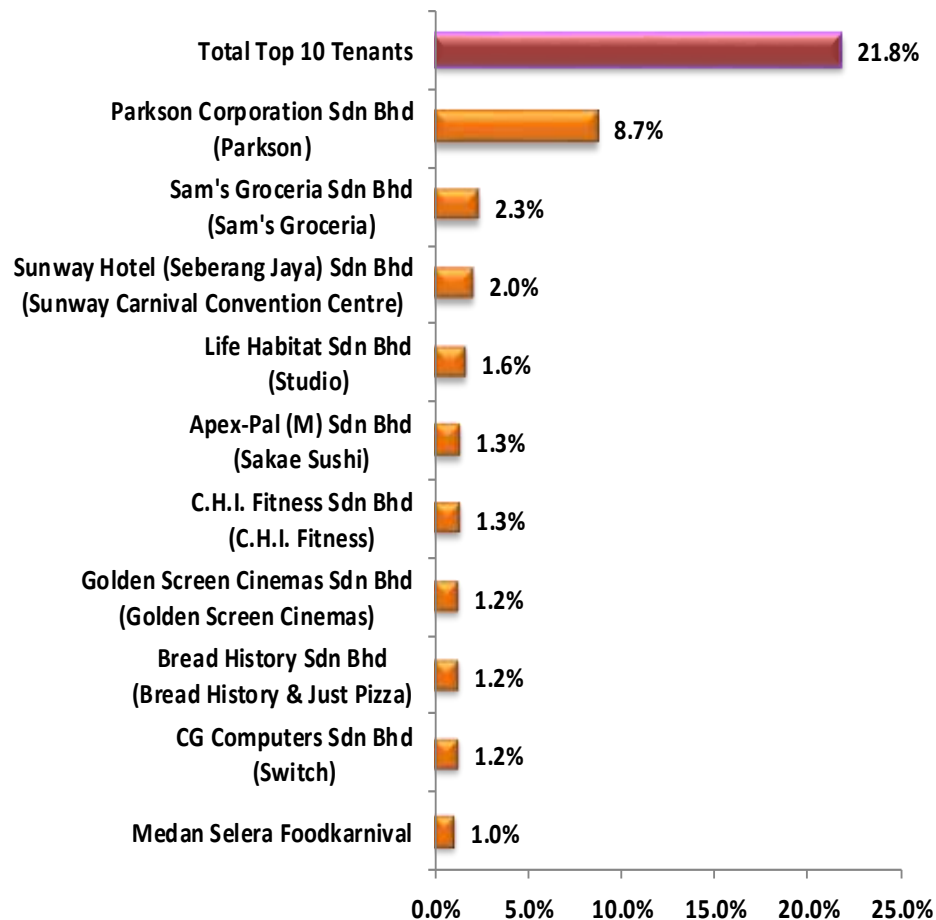
RETAIL PROPERTIES

SUNWAY CARNIVAL SHOPPING MALL (Cont'd)

Tenant mix ¹



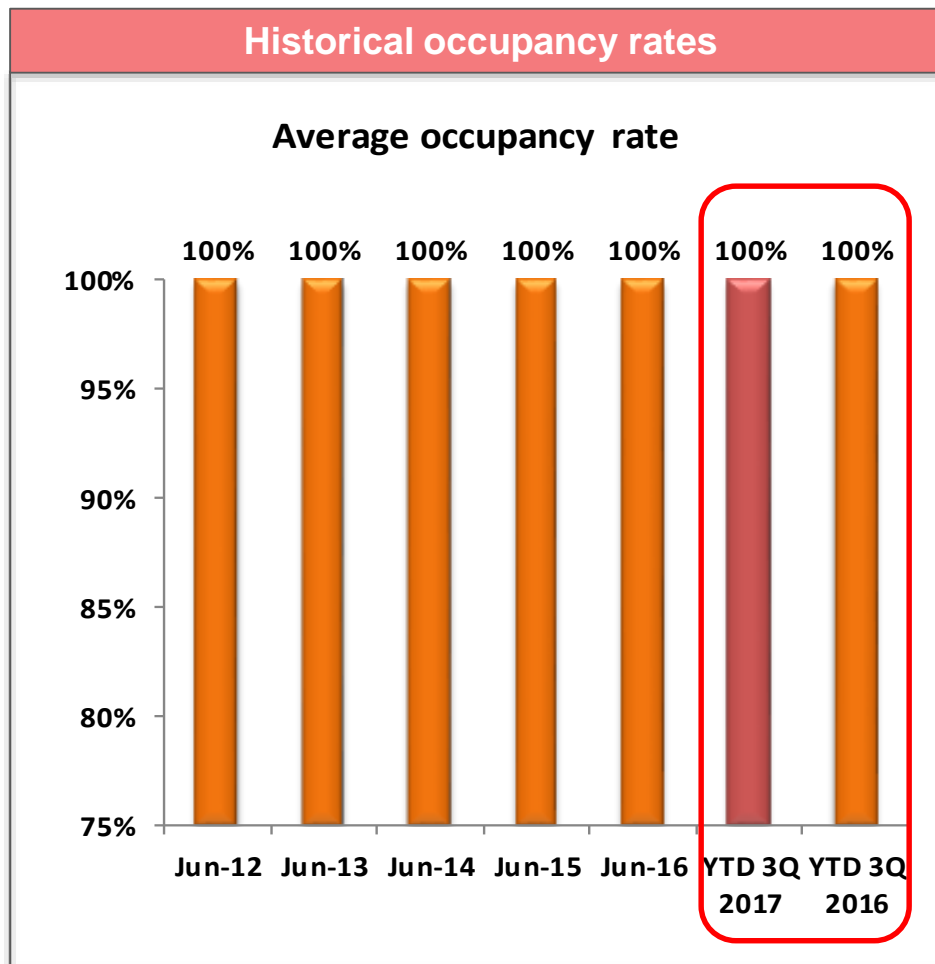
Top 10 tenants ¹



¹ Based on gross rental income for the month of March 2017.

RETAIL PROPERTIES

SUNCITY IPOH HYPERMARKET

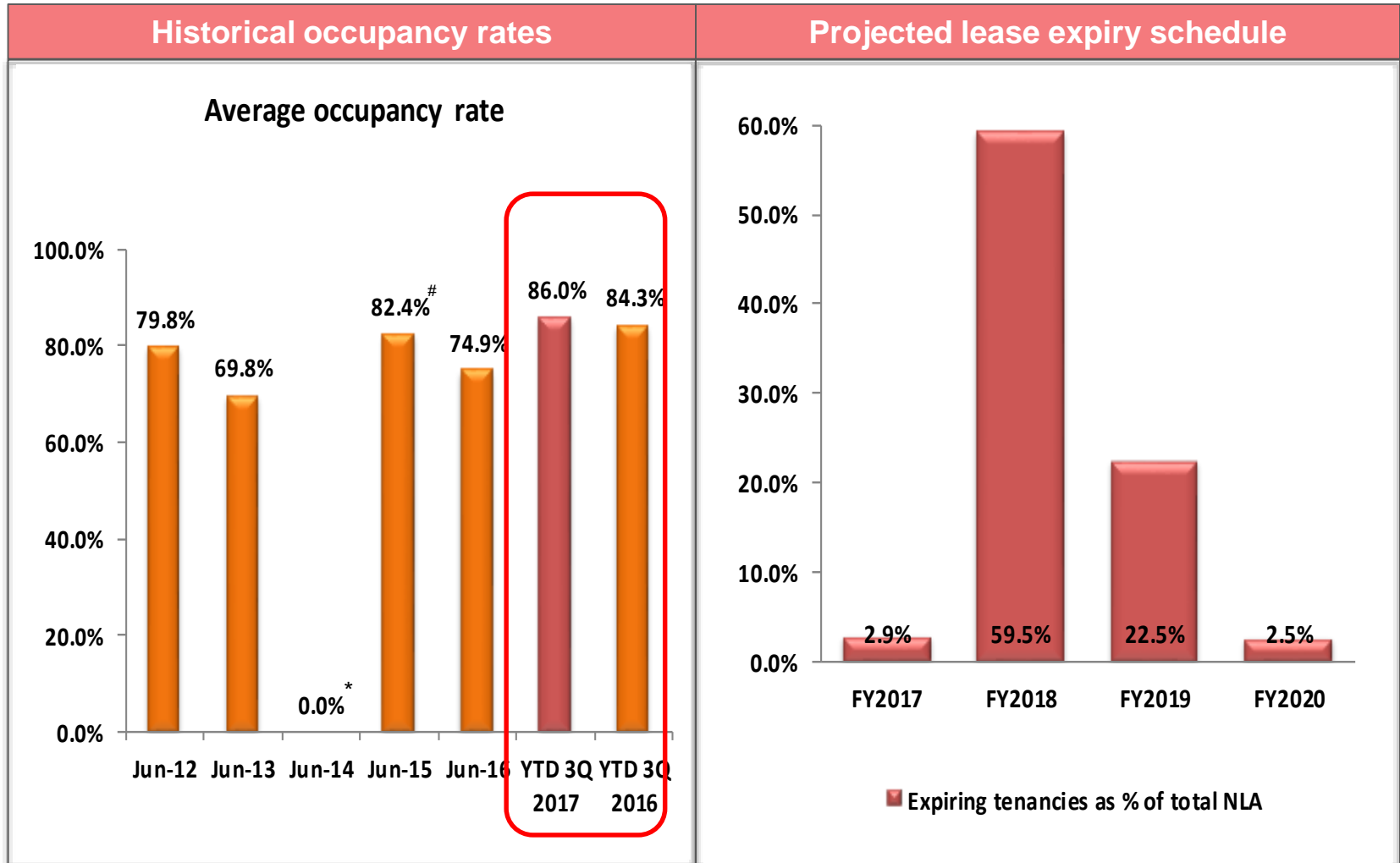


Suncity Ipoh Hypermarket is tenanted to a single tenant, a major hypermarket and retailer chain operating under the “Giant” brand.

The tenancy has expired on 30 April 2017 and the renewal for 3 terms of 3 years each is pending execution.

RETAIL PROPERTIES

SUNWAY PUTRA MALL



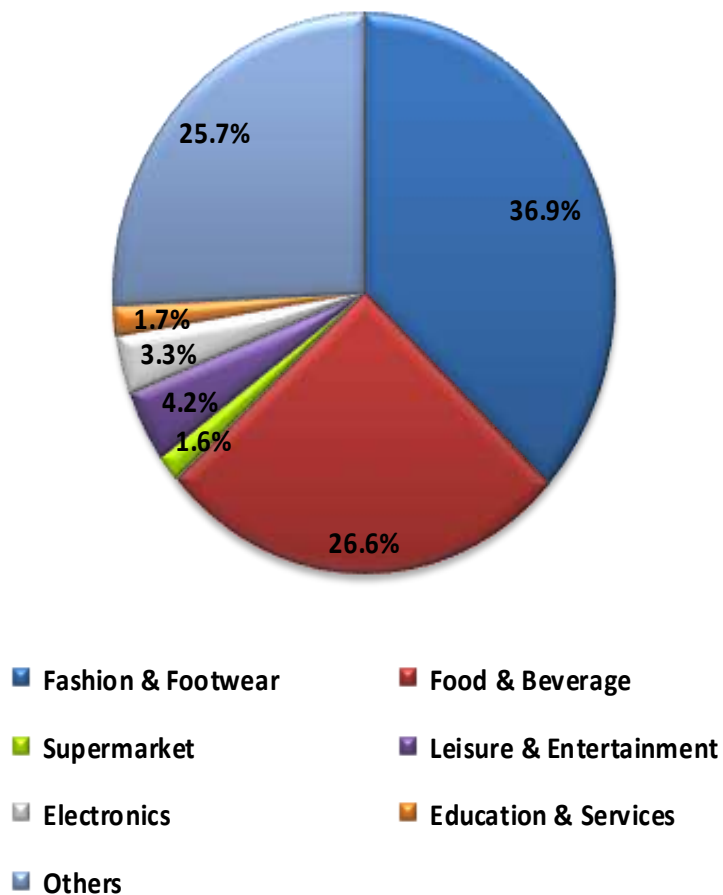
* Sunway Putra Mall was closed for refurbishment from May 2013 to May 2015 and re-opened on 28 May 2015.

Based on secured occupancy.

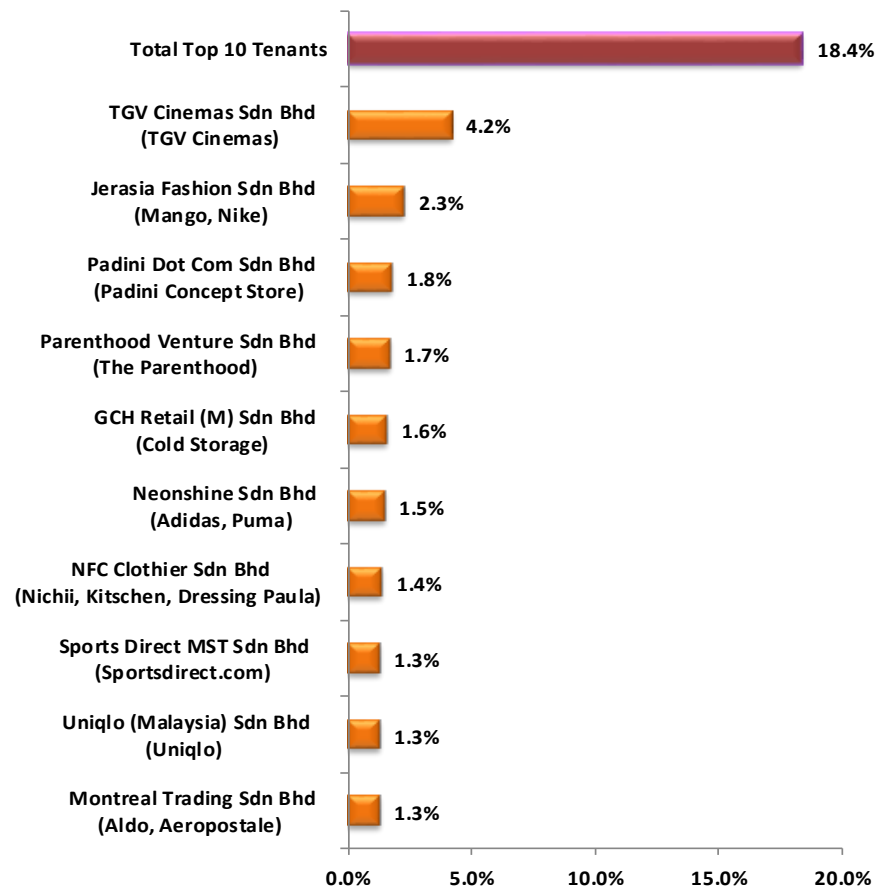
RETAIL PROPERTIES

SUNWAY PUTRA MALL (Cont'd)

Tenant mix ¹



Top 10 tenants ¹



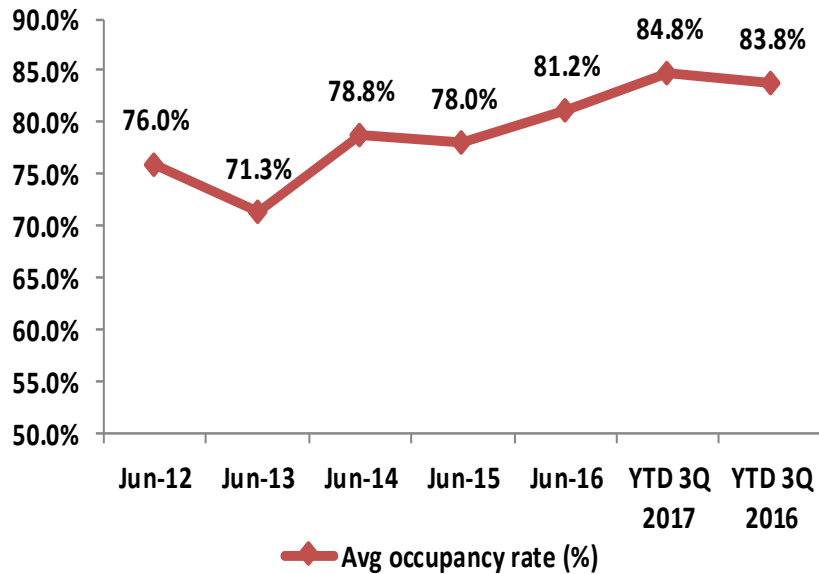
¹ Based on gross rental income for the month of March 2017.

HOSPITALITY PROPERTIES

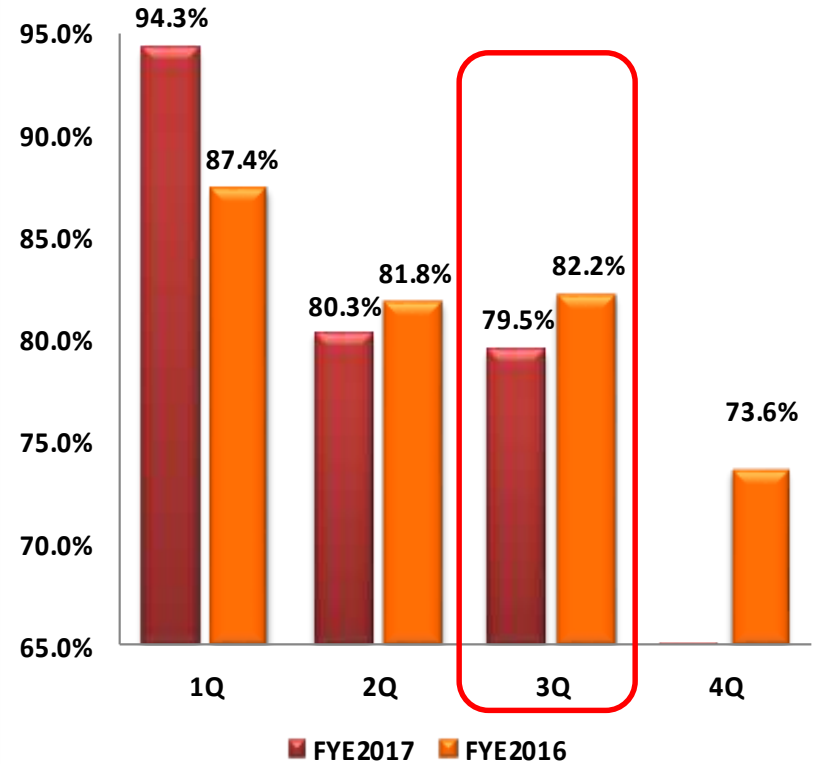
SUNWAY RESORT HOTEL & SPA

Historical occupancy rate

Average occupancy rate



Average occupancy rate (%)



Customer contribution (Room revenue)

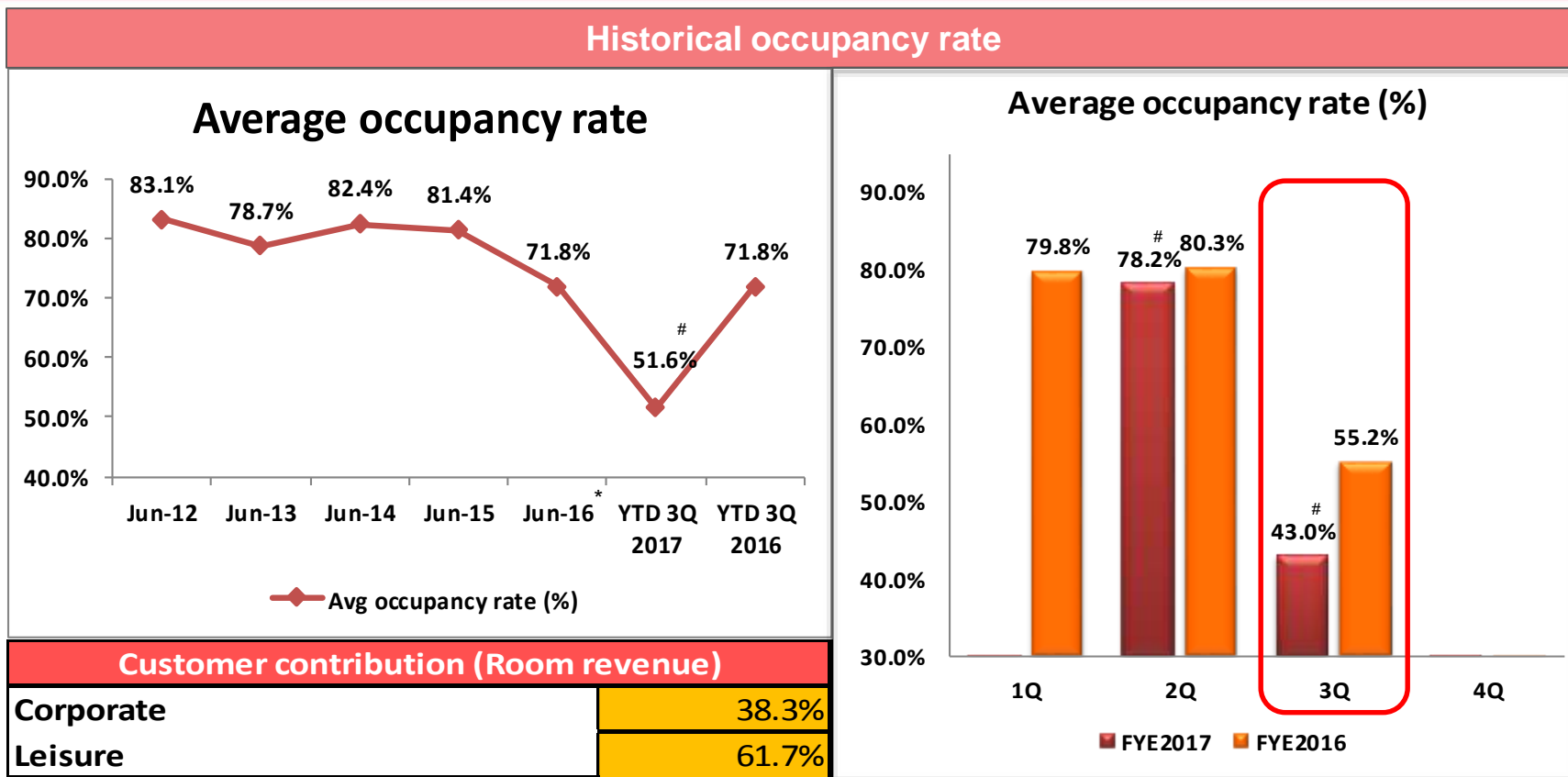
Corporate	25.5%
Leisure	74.5%

Note 1: The hotel properties are under 10-years master leases. The Sunway Resort Hotel & Spa and Sunway Pyramid Hotel (formerly Sunway Pyramid Hotel East) master lease is expiring in July 2020.

Note 2: Sunway Resort Hotel & Spa recorded a lower average occupancy rate for 3Q2017 compared to 3Q2016 mainly attributable to softer leisure market and business sentiment.

HOSPITALITY PROPERTIES

SUNWAY PYRAMID HOTEL (formerly known as SUNWAY PYRAMID HOTEL EAST)



* Jun-16 is computed up to March 2016 prior to full closure for refurbishment.

Average occupancy based on available rooms (as at 31 December 2016 : 316 rooms and as at 31 March 2017 : 395 rooms).

Note 1: The hotel properties are under 10-years master leases. The Sunway Resort Hotel & Spa and Sunway Pyramid Hotel (formerly known as Sunway Pyramid Hotel East) master lease is expiring in July 2020.

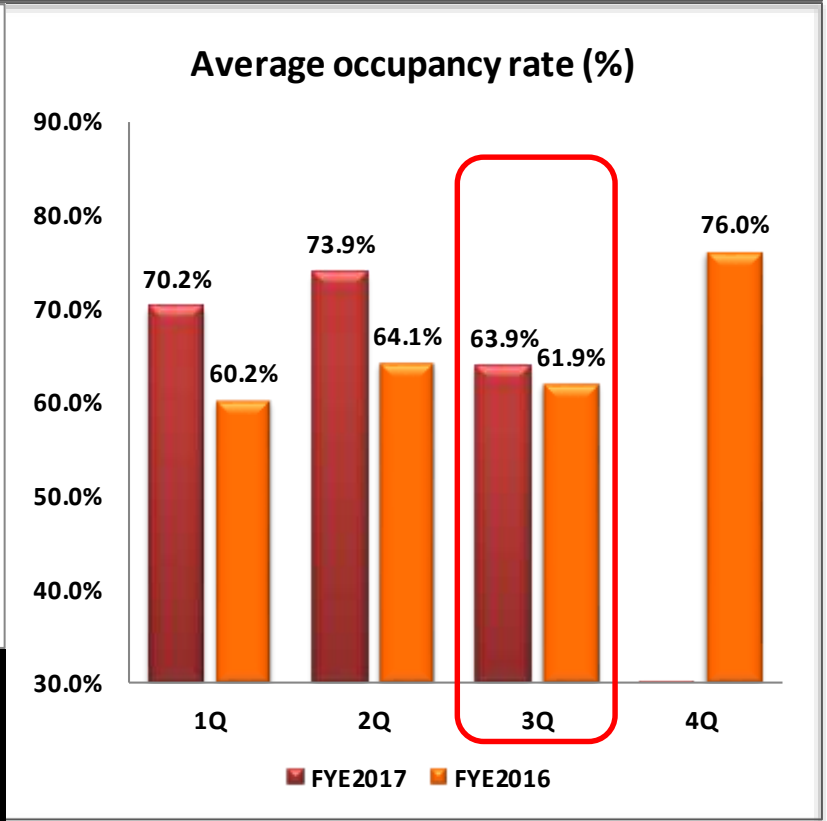
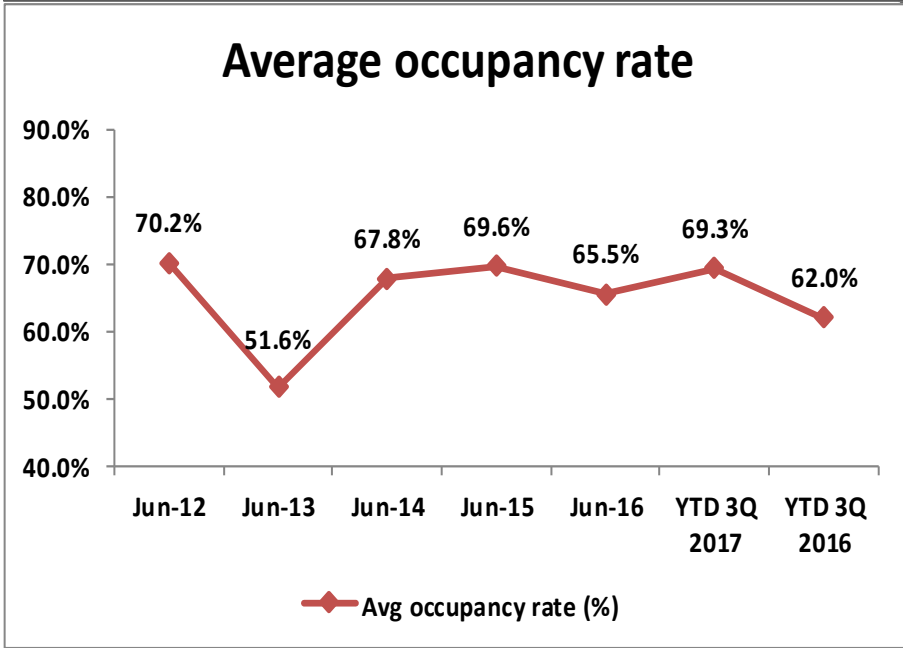
Note 2: There are no comparative figures for 4Q2016 and 1Q2017 as the hotel was fully closed for refurbishment since April 2016 and has re-opened in November 2016 on a progressive basis. The hotel is expected to be fully re-opened by 4Q2017.

Note 3: Occupancy was lower during the current quarter due to ongoing refurbishment works and seasonal factors. Comparatively, occupancy for 3Q2016 was mainly affected by progressive closure of the hotel for refurbishment.

HOSPITALITY PROPERTIES

SUNWAY HOTEL SEBERANG JAYA

Historical occupancy rate



Customer contribution (Room revenue)	
Corporate	93.0%
Leisure	7.0%

Note 1: The hotel properties are under 10-years master leases. The master lease of Sunway Hotel Seberang Jaya is expiring in July 2020.

Note 2: Average occupancy rate for 3Q2017 was higher compared to 3Q2016 attributed to the tactical strategy employed to achieve better occupancy in view of softer demand from the corporate segment and increased competition from new hotels in Penang.

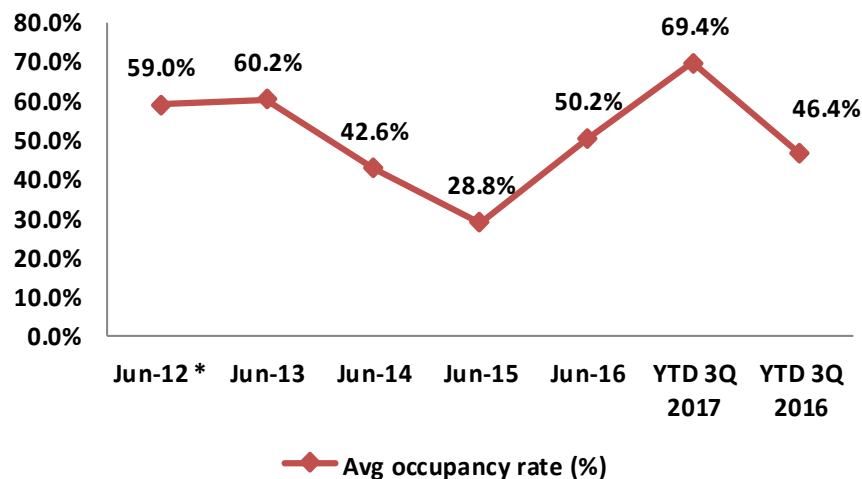


HOSPITALITY PROPERTIES

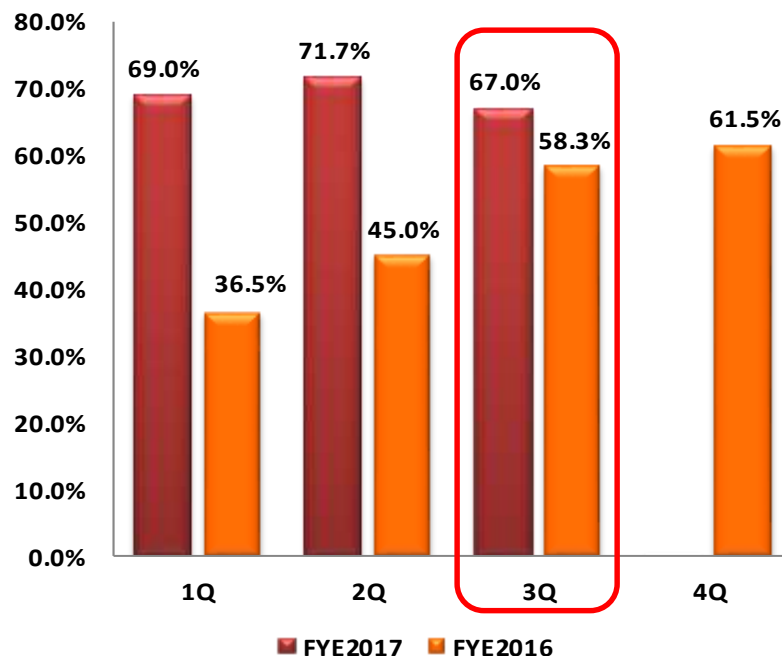
SUNWAY PUTRA HOTEL

Historical occupancy rate

Average occupancy rate



Average occupancy rate (%)



Customer contribution (Room revenue)

Corporate	22.0%
Leisure	78.0%

* Representing period from 28 Sept 2011 (full possession and control of Sunway Putra Hotel) to 30 June 2012.

Note 1: The hotel properties are under 10-years master leases. The Sunway Putra Hotel master lease is expiring in September 2021.

Note 2: The performance since Jun-14 was adversely affected by the refurbishment at the adjoining Sunway Putra Mall from May 2013 to May 2015, and the hotel's own refurbishment works. The refurbishment of Sunway Putra Hotel commenced in 1Q2014 and was completed in 2Q2016.

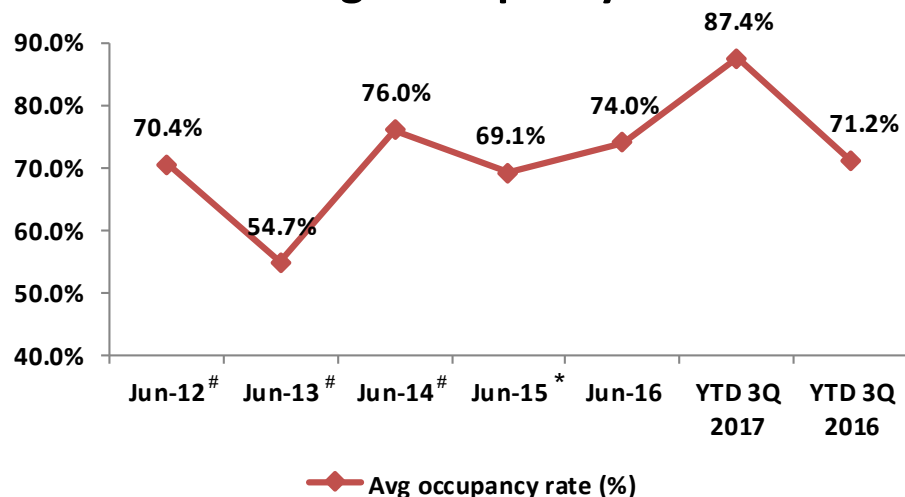
Note 3: Sunway Putra Hotel's average occupancy rate improved to 67.0% in 3Q2017 compared to 58.3% in the same quarter last year as the hotel gains traction through its ongoing marketing and promotional rates campaign to regain market share across all customer segments.

HOSPITALITY PROPERTIES

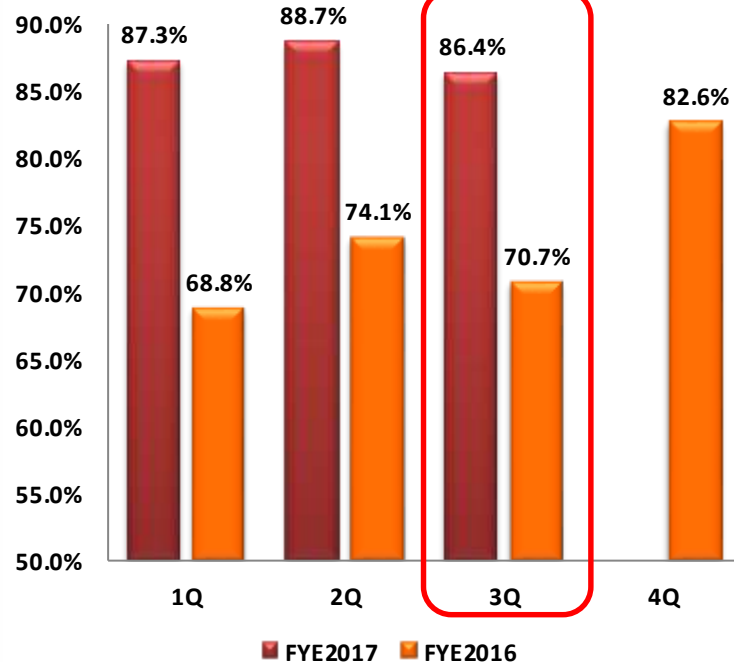
SUNWAY HOTEL GEORGETOWN

Historical occupancy rate

Average occupancy rate



Average occupancy rate (%)



Customer contribution (Room revenue)

Corporate	6.6%
Leisure	93.4%

* The contribution from Sunway Hotel Georgetown commenced on 28 January 2015. The information for Jun-15 shown above was for the month of February 2015 to June 2015 following the completion of the acquisition.

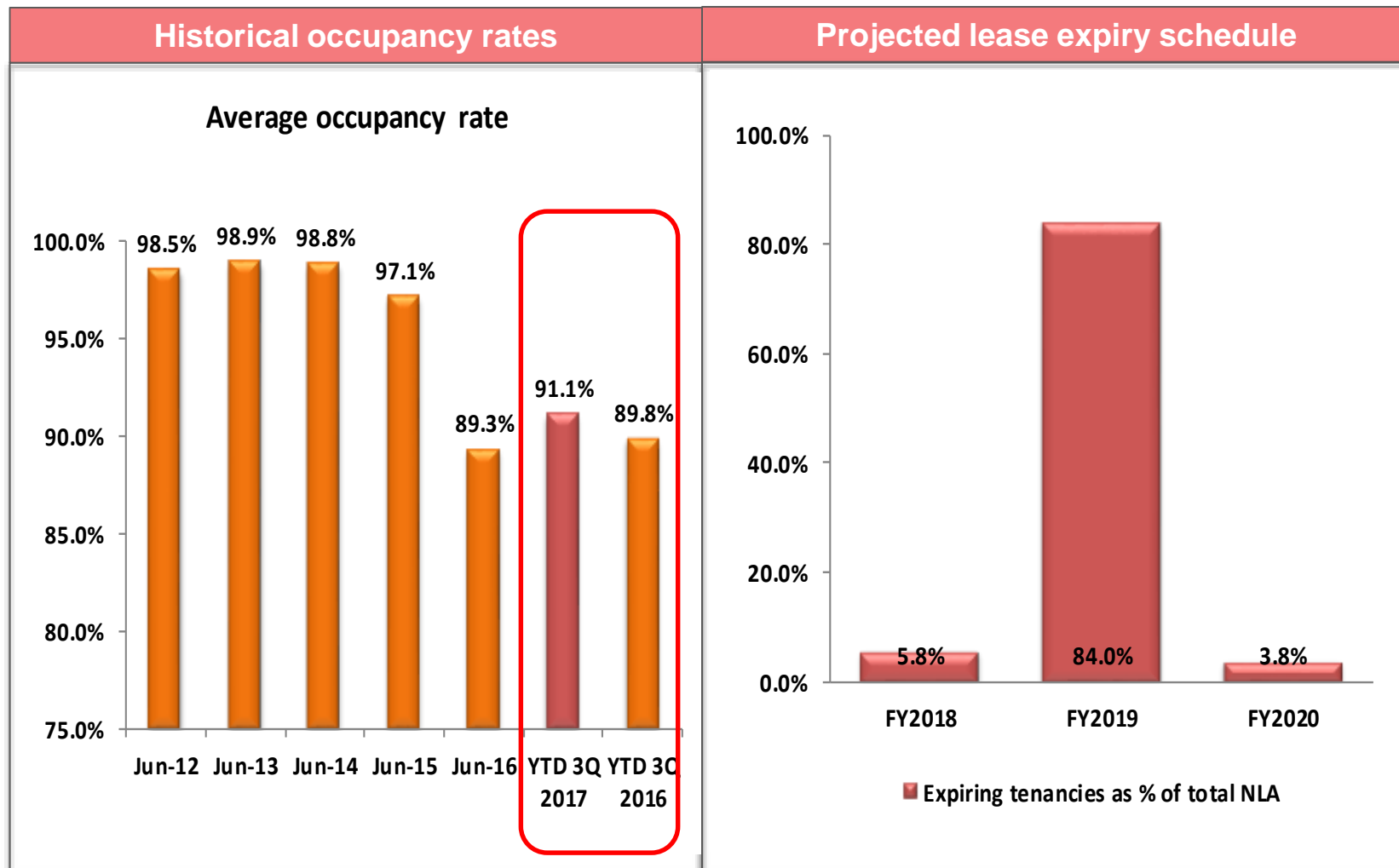
The historical information (Jun-12 to Jun-14) are provided by the vendor, Sunway Berhad.

Note 1: The hotel properties are under 10-year master leases. The master lease of Sunway Hotel Georgetown is expiring in January 2025.

Note 2: Average occupancy rate for 3Q2017 was higher compared to 3Q2016 mainly attributed to the tactical strategy employed to mitigate against increased competition from new hotels in Georgetown and weak leisure market.

OFFICE PROPERTIES

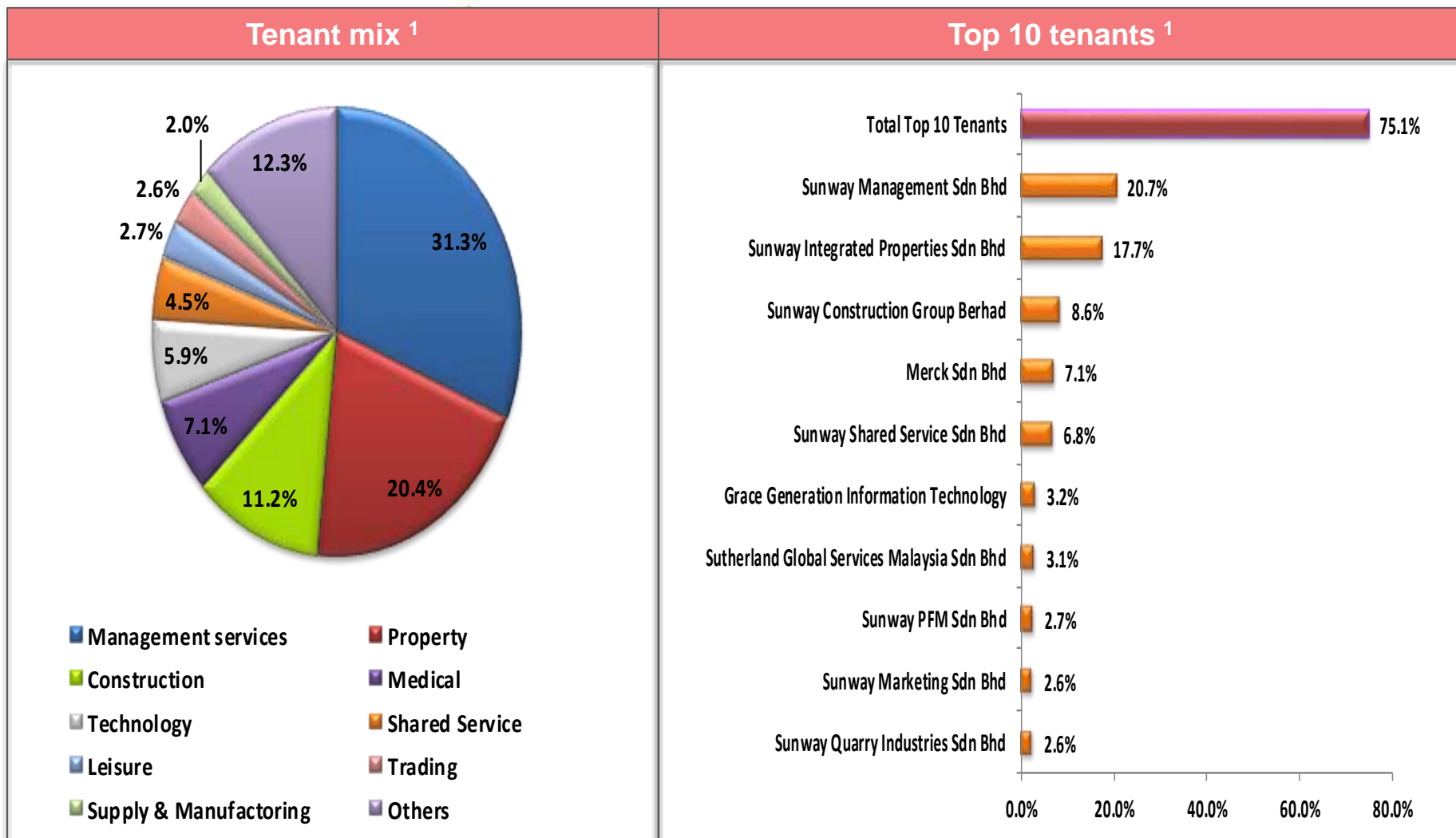
MENARA SUNWAY



Note: Average occupancy rate for YTD3Q2017 was marginally higher compared to YTD3Q2016 with commencement of new tenancies. Occupancy rate as of 31 March 2017 stood at 93.6%.

OFFICE PROPERTIES

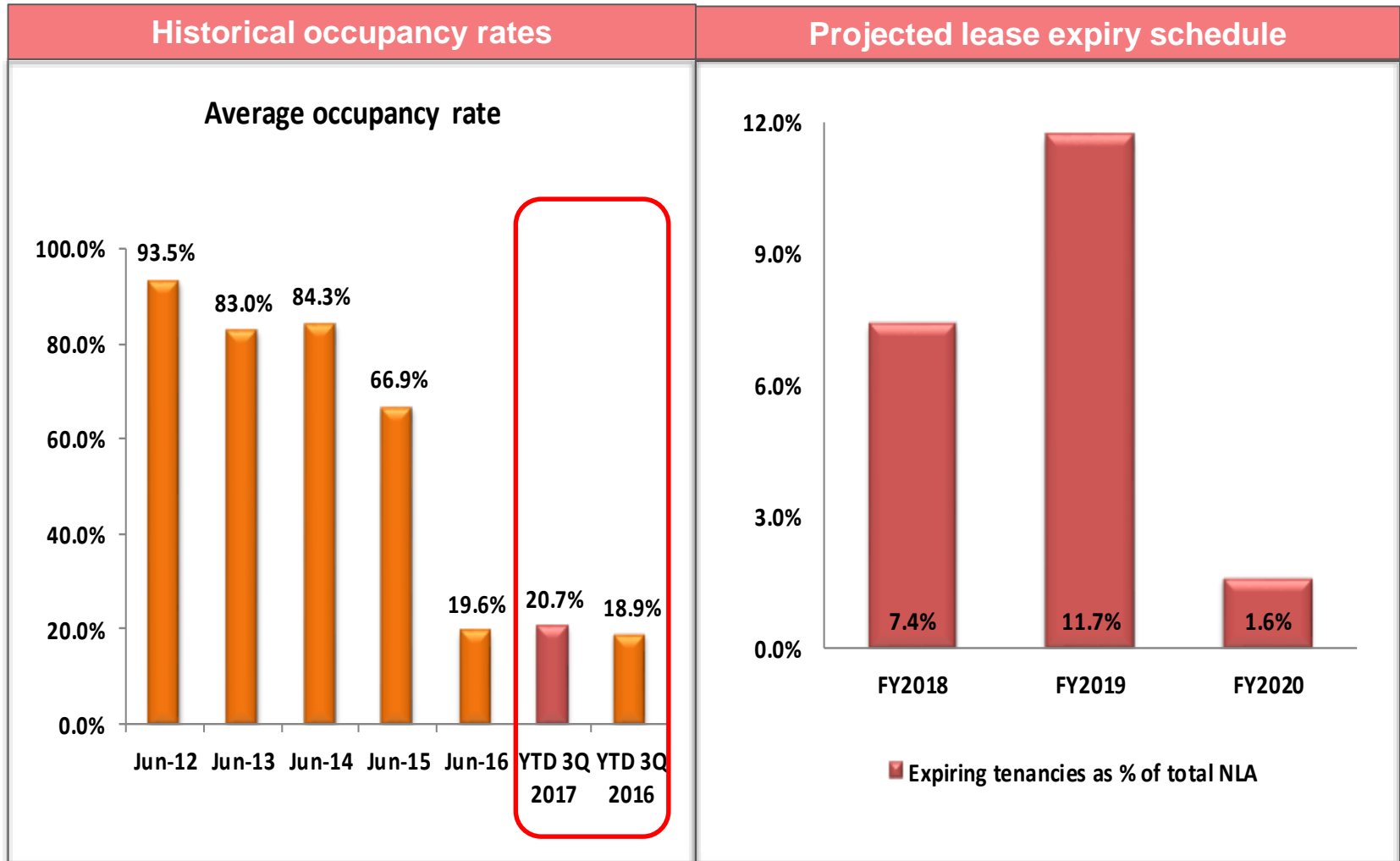
MENARA SUNWAY (Cont'd)



¹ Based on gross rental income for the month of March 2017.

OFFICE PROPERTIES

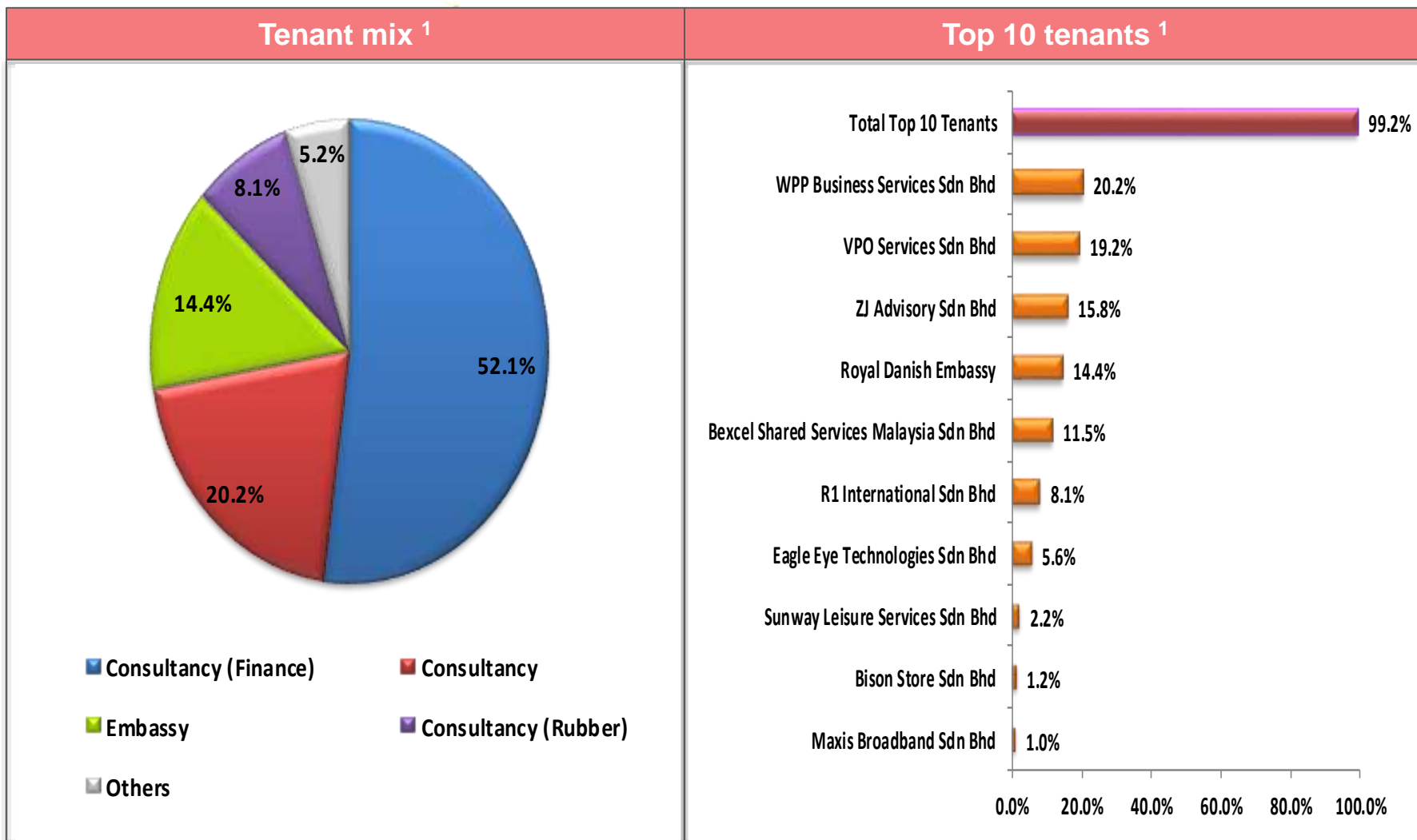
SUNWAY TOWER



Note: The asset manager is actively seeking for new tenants to improve its occupancy.

OFFICE PROPERTIES

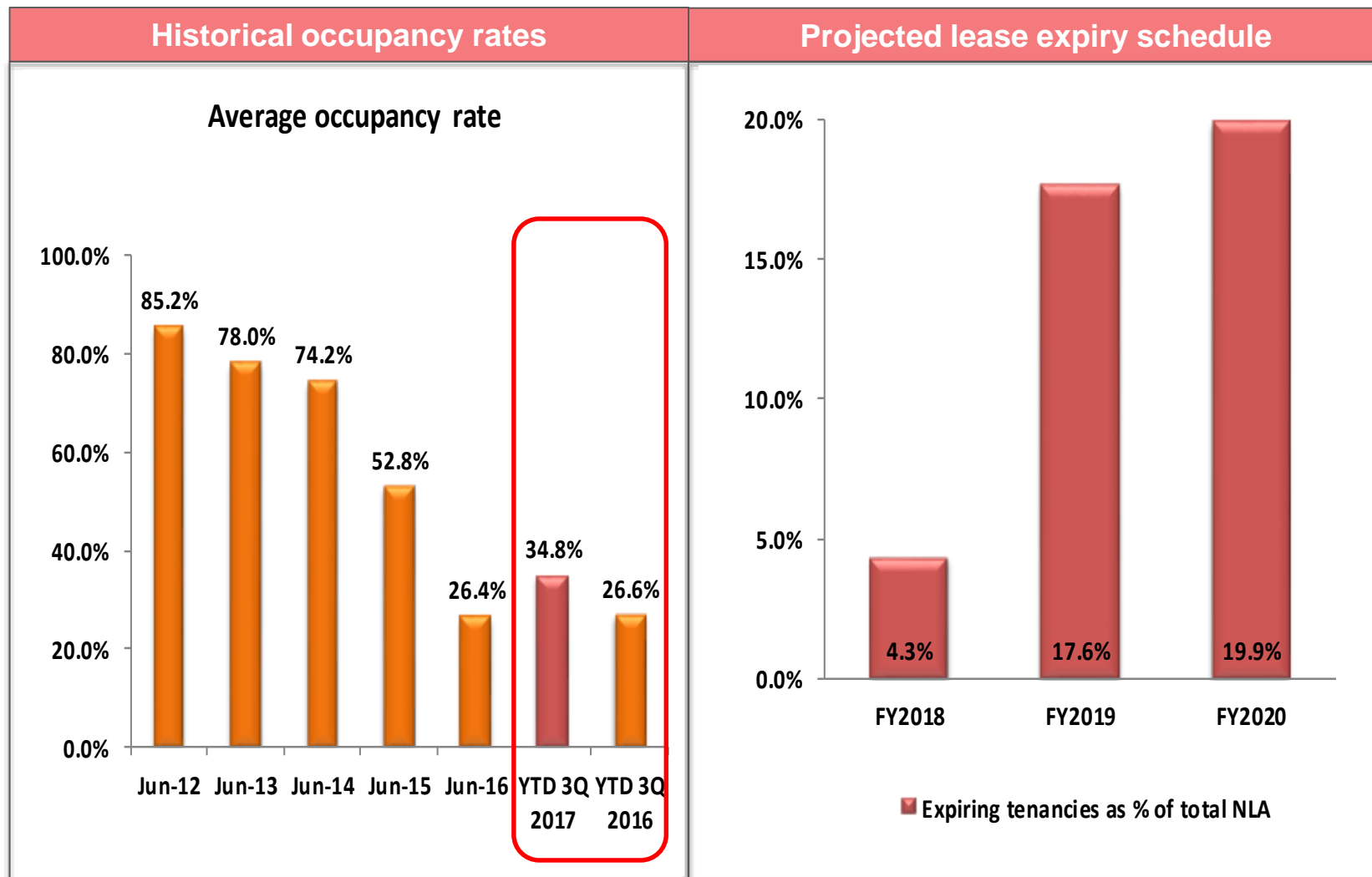
SUNWAY TOWER (Cont'd)



¹ Based on gross rental income for the month of March 2017.

OFFICE PROPERTIES

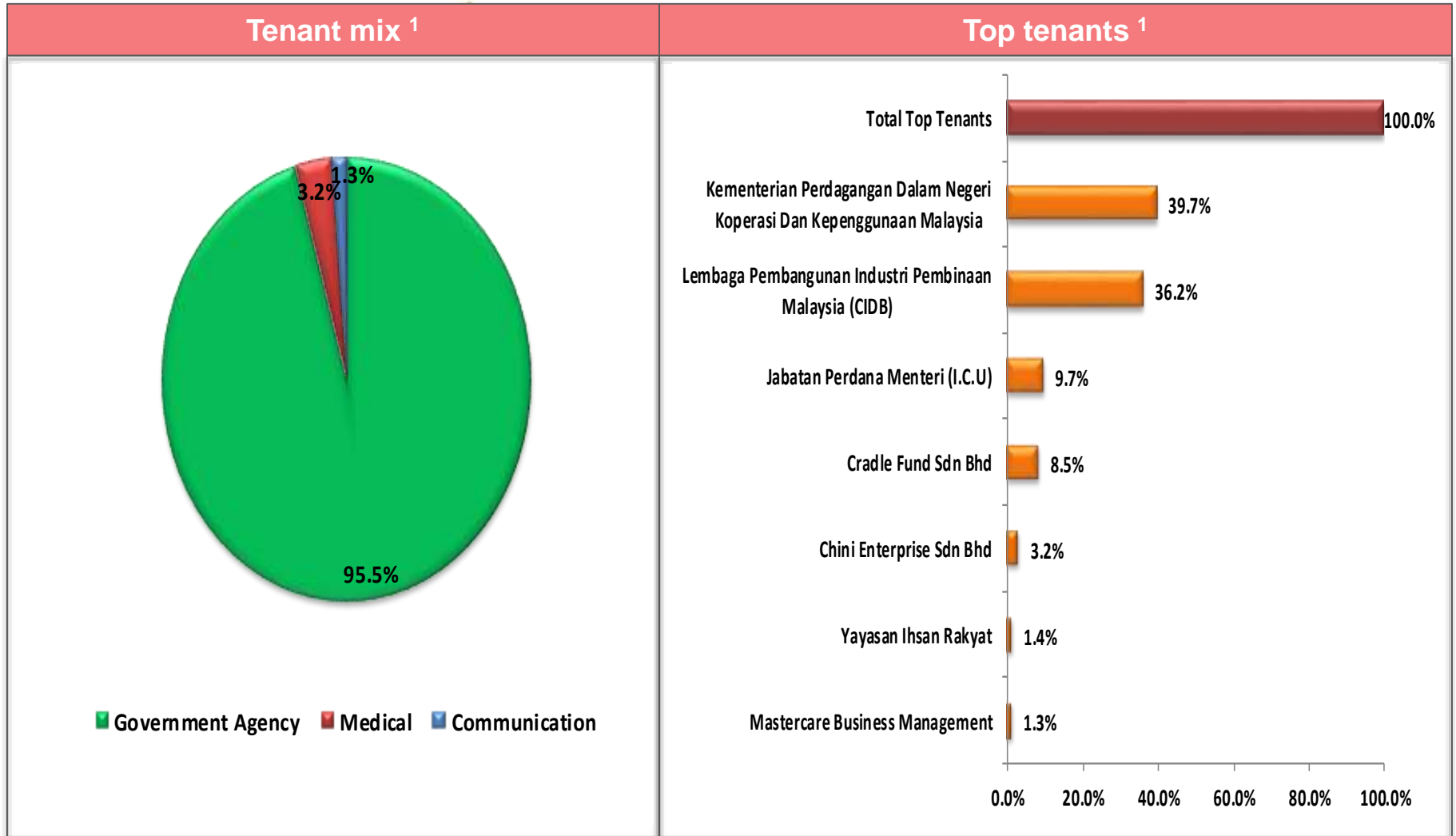
SUNWAY PUTRA TOWER



Note : Average occupancy rate for YTD3Q2017 was higher compared to YTD3Q2016 due to new tenants commenced in 2Q2017 and 3Q2017. Occupancy rate as of 31 March 2017 stood at 41.8%. The asset manager continues to seek for more new tenants to improve its occupancy.

OFFICE PROPERTIES

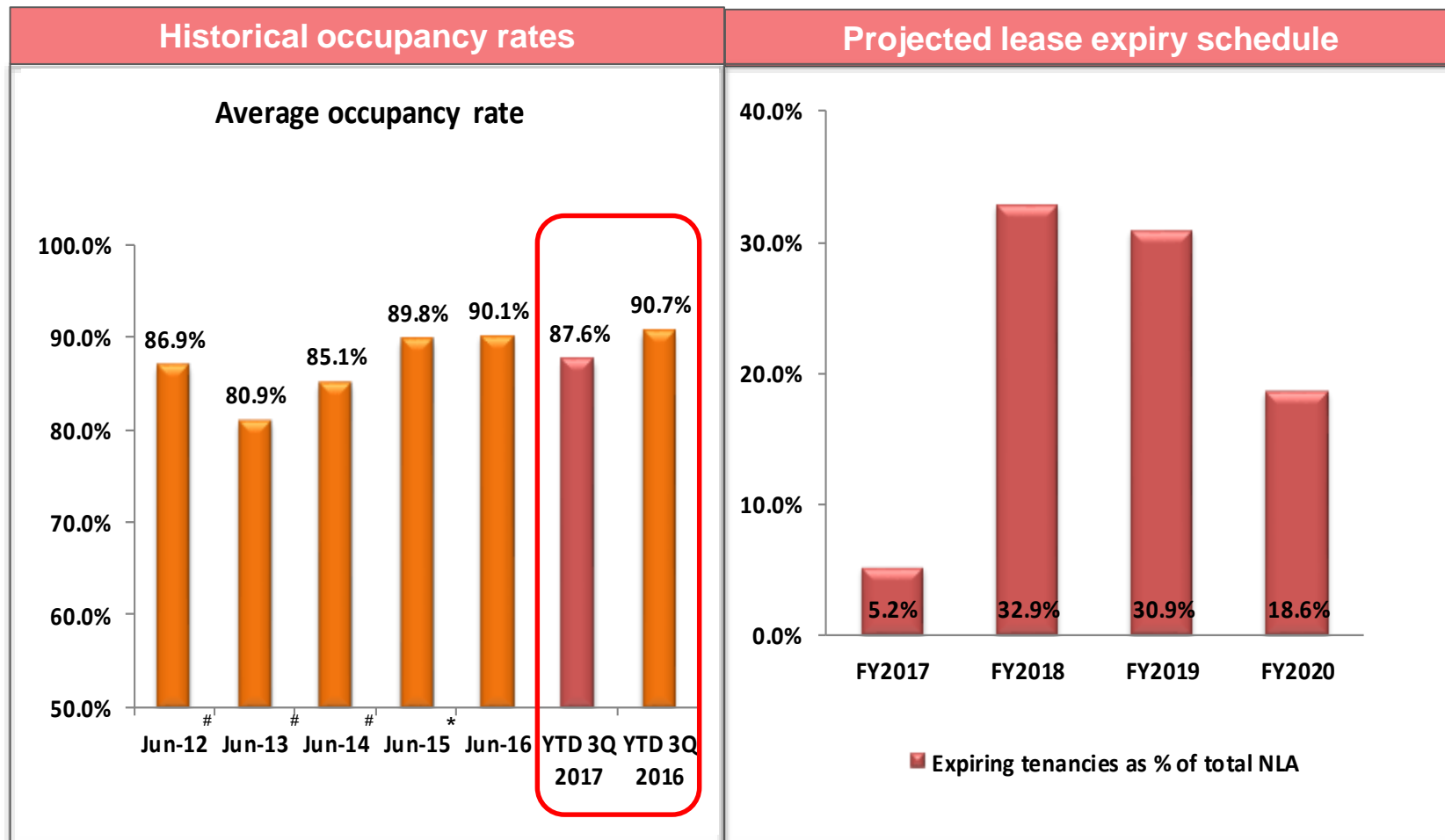
SUNWAY PUTRA TOWER (Cont'd)



¹ Based on gross rental income for the month of March 2017.

OFFICE PROPERTIES

WISMA SUNWAY



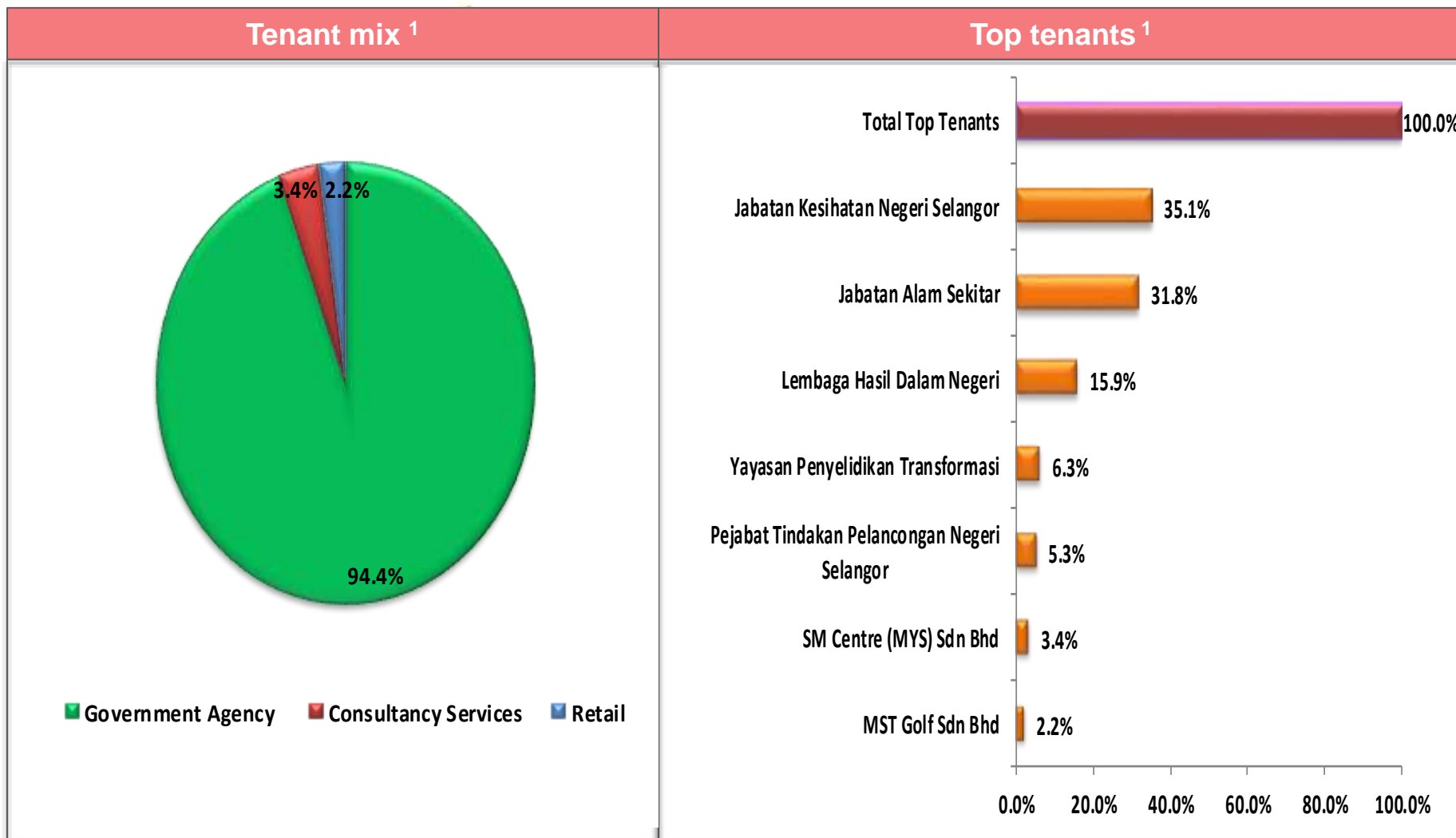
* The contribution from Wisma Sunway commenced on 23 March 2015. The information for Jun-15 shown above was for the period from March 2015 to June 2015, following the completion of its acquisition.

The historical information (Jun-12 to Jun-14) are provided by the vendor, Sunway Berhad.

Note: Average occupancy rate for YTD3Q2017 was lower due to non-renewal of tenants in 2Q2016 and 4Q2016. The asset manager is actively seeking for replacement tenants.

OFFICE PROPERTIES

WISMA SUNWAY (Cont'd)



¹ Based on gross rental income for the month of March 2017.

5. Market Outlook

General Outlook

- After a sluggish year in CY2016, global economy growth is projected to pick up to 2.7% in CY2017, based on World Bank's estimates. Global growth is expected to be underpinned by domestic demand in the advanced and emerging market economies. The outlook would also be supported by a recovery in commodity prices. Nevertheless, uncertainties of a retreat from globalization and free trade in the advanced economies and anticipation of monetary divergence between the U.S. and the other major economies may cause volatility in the foreign exchange markets and capital flows.
- The Malaysian economy expanded at a slower pace of 4.2% in CY2016, from 5.0% in CY2015 amidst considerable external and domestic headwinds. Going forward, Bank Negara Malaysia (BNM) expects the Malaysian economy to sustain its growth of 4.3% to 4.8% in CY2017, supported by gradual improvement in global growth, recovery in global commodity prices and continued growth in domestic demand.
- BNM has also projected headline inflation to creep higher in the range of 3.0% to 4.0% in CY2017 in view of the expected higher global commodity prices and energy prices coupled with weakened MYR. The expected higher inflation has begun to trickle through the Consumer Price Index (CPI) since the start of CY2017. Headline inflation spiked to an eight year high of 5.1% in March 2017, owing to the low base effect in the previous year and higher retail fuel prices, bringing 1Q CY2017 CPI to 4.3%.

General Outlook

- BNM has reiterated that monetary policy stance for CY2017 is to sustain a steady growth path amid price stability. The policy environment is expected to remain challenging in view of the expected higher inflation, volatile capital flows and lingering uncertainties in the global economic and financial environment. The focus of the Monetary Policy Committee is to ensure a monetary policy that balances steady growth and stable inflation, supported by healthy financial intermediation in the economy. The Manager maintains its view that interest rate is to remain unchanged in FY2017.
- The Manager maintains the expectation of a marginal decrease in DPU in FY2017 compared to FY2016 mainly on the back of:
 - i) Lower contribution from the hotel segment due to the closure of Sunway Pyramid Hotel to undertake refurbishment which is expected to be completed by 4Q FY2017
 - ii) Cessation of payment of Manager's fees in units with effect from FY2017
- The Manager is committed to distribute 100% of its distributable net income for FY2017.

Retail Segment

- In a recent report by the Retail Group Malaysia (“RGM”), Malaysia’s retail sales recorded marginal growth of 0.3% year-on-year (y-o-y) in 4Q CY2016 as consumers continued to tighten their belts. This translated into CY2016 retail sales of 1.7% y-o-y, similar to the growth of 1.4% y-o-y in CY2015. Following the dismal performance in retail sales, RGM has slashed its retail sales growth forecast to 3.9% for CY2017, from an earlier projection of 5.0%. Consumers are expected to remain cautious on consumption amidst higher cost of living and weakened purchasing power.
- The average occupancy for Sunway REIT’s retail assets remained stable for YTD 3Q FY2017. The average occupancy rate for Sunway Pyramid Shopping Mall was marginally higher at 97.9% for YTD 3Q FY2017 vis-à-vis 97.7% for YTD 2Q FY2017. Based on the total net lettable area (NLA) of 979,276 sq.ft. which is due for renewal in this financial year, a total of 821,204 sq.ft. was renewed for YTD 3Q FY2017 at a single-digit rental reversion rate over the renewed tenancy term.
- Sunway Carnival Shopping Mall’s average occupancy rate inched higher to 97.3% for YTD 3Q FY2017 compared to 97.1% for YTD 2Q FY2017. Based on the total NLA of 326,895 sq.ft. which is due for renewal in this financial year, a total of 229,846 sq.ft. was renewed at a double digit rental reversion rate over the renewed tenancy term.

Retail Segment (Cont'd)

- Likewise, the average occupancy rate for Sunway Putra Mall improved marginally to 86.0% for YTD 3Q FY2017, from 85.5% for YTD 2Q FY2017.
- The Manager remains cautious on the outlook for the retail segment for the remaining quarter of FY2017 in the absence of catalyst to drive consumers spending. Amidst subdued consumer sentiment, the Manager maintains a modest growth expectation for Sunway REIT's retail segment in FY2017, supported by resilient performance from Sunway Pyramid Shopping Mall and Sunway Carnival Shopping Mall as well as gradually higher occupancy rate at Sunway Putra Mall.

Hotel Segment

- Malaysia has achieved higher tourist arrival of 26.8 million tourists in CY2016, from 25.7 million tourists a year ago. This represents a growth of 4.0%, however, it is still below the official target of 30.5 million. The Tourism and Culture Ministry aims to record 31.8 million tourist arrivals to Malaysia in CY2017, turning Malaysia as the most preferred tourism hub for ASEAN region.
- On 6 April 2017, the Dewan Rakyat has approved the Tourism Tax Bill which allow the government to impose a levy on tourists staying at any accommodation premises made available by an operator at a rate fixed by the Tourism and Culture Ministry. The collection is aimed to further develop the tourism sector in the country.
- The newly introduced tourism tax will likely to be passed on to consumers. Notwithstanding that, certain customer segment may not be able to absorb the higher cost and hence, may potentially affect margins.
- The average occupancy rate for Sunway Resort Hotel & Spa softened to 79.5% in 3Q FY2017 compared to 82.2% in 3Q FY2016, due to lower corporate and leisure demand in a traditionally low quarter.
- For Sunway Pyramid Hotel (formerly known as Sunway Pyramid Hotel East), a total of 395 fully refurbished rooms were progressively re-opened as at 31 March 2017. The average occupancy rate stood at 43.0% based on the re-opened rooms inventory. The Manager expects the refurbishment of the hotel to be completed by 4Q FY2017.

Hotel Segment (Cont'd)

- Sunway Putra Hotel's average occupancy rate improved to 67.0% in 3Q FY2017 compared to 58.3% in the same quarter last year as the hotel gains traction through its ongoing marketing and promotional rates campaign to regain market share across all customer segments.
- In 3Q FY2017, Sunway Hotel Seberang Jaya's average occupancy rate inched higher to 63.9%, from 61.9% in 3Q FY2016. Meanwhile, Sunway Hotel Georgetown has enjoyed a surge in average occupancy rate from 70.7% in 3Q FY2016 to 86.4% in 3Q FY2017, benefitting from the ongoing tactical strategy employed.
- The Manager maintains a lower contribution expectation from the hotel segment in FY2017 primarily due to competitive market environment, weak corporate and leisure market as well as the closure of Sunway Pyramid Hotel which was closed since April 2016 to undertake a refurbishment which is expected to be completed by 4Q FY2017.

Office Segment

- The existing stock of office space in the Klang Valley stood at approximately 118 million sq.ft. in 2016. The future supply of office space is expected to continue to grow with an estimate of approximately 9.5 million sq.ft. to be completed by 2018.
- The oversupply property market condition continues to weigh down occupancy rates and rental rates of offices in Kuala Lumpur. Grade A office rents are under pressure as there are abundant supply of these office space going forward. New office buildings within integrated developments and Transit Oriented Developments (TOC) will continue to perform well.
- Menara Sunway has registered higher average occupancy rate of 91.1% for YTD 3Q FY2017 compared to 89.8% for YTD 2Q FY2017. The occupancy rate stood at 93.6% as at 31 March 2017.
- In Sunway Tower, the average occupancy rate for YTD 3Q FY2017 was unchanged at 20.7% compared to YTD 2Q FY2017. The occupancy rate as at 31 March 2017 also stood at 20.7%.

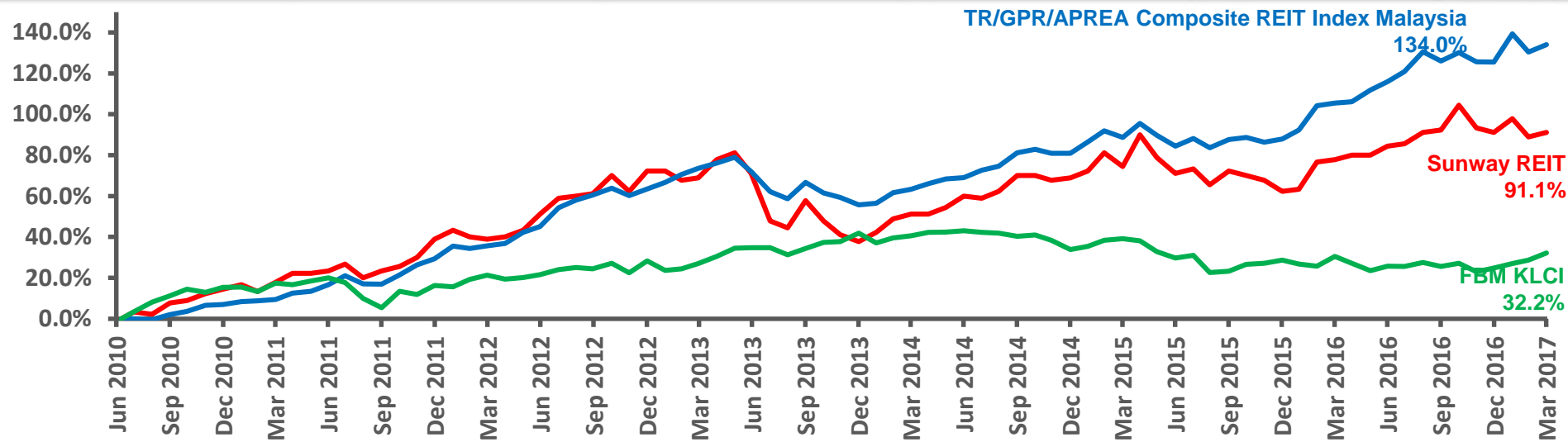
Office segment (Cont'd)

- Sunway Putra Tower has reported an improvement in average occupancy rate following commencement of new tenants in 2Q FY2017 and 3Q FY2017. The average occupancy rate increased further to 34.8% for YTD 3Q FY2017 in comparison with 31.2% for YTD 2Q FY2017. The occupancy rate for Sunway Putra Tower stood at 41.8% as at 31 March 2017.
- The average occupancy rate for Wisma Sunway remained unchanged at 87.6% for YTD 3Q FY2017, same level as achieved for YTD 2Q FY2017.
- Taking cognizant of the highly challenging office segment, the Manager is cautious on the overall office market in the Klang Valley. However, the Manager expects the performance of Sunway REIT's office segment to gradually improve in FY2017 following the gradual improvement in Sunway Putra Tower on the back of the low base in occupancy rate in FY2016.

6. Investor Relations

Unit Price Performance from IPO to YTD3Q2017

Unit Price Performance of Sunway REIT versus Benchmarks (8 July 2010 – 31 March 2017)



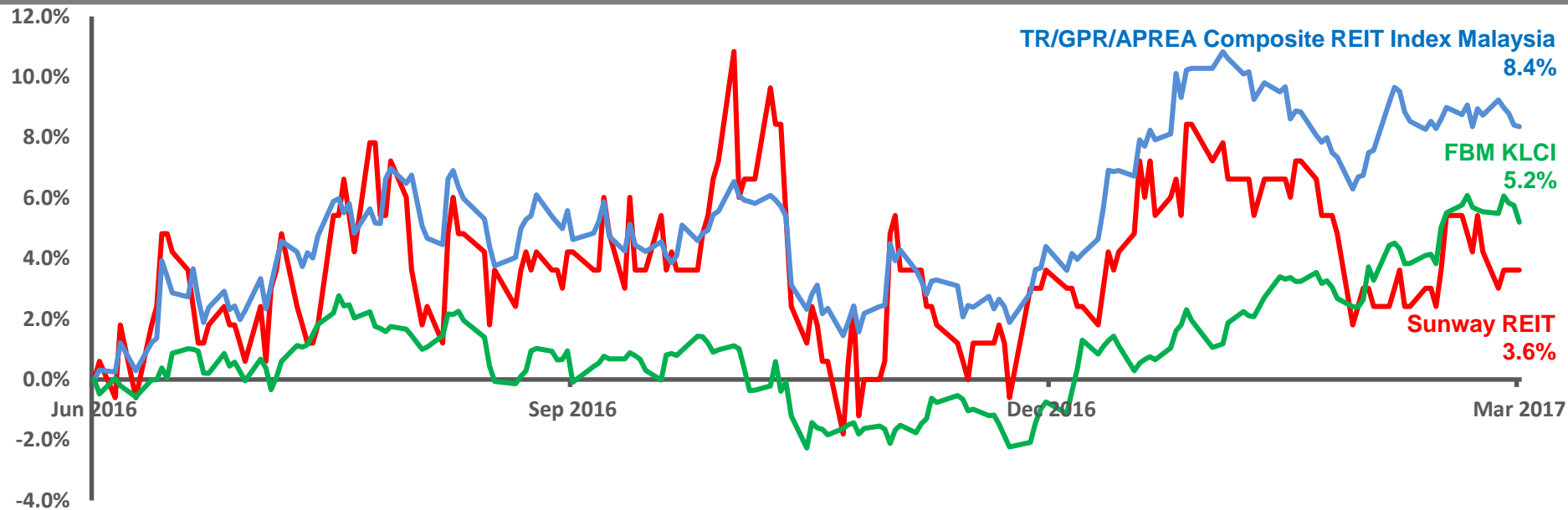
Performance Statistics (8 July 2010 – 31 March 2017)

Price (as at 8 July 2010)	: RM0.90
Closing Price (as at 31 March 2017)	: RM1.72
Highest Price	: RM1.84
Lowest Price	: RM0.88
Daily Average Volume	: 2.03 million units
% Change in Unit Price	: 91.1%
% Change in FBM KLCI	: 32.2%
% Change in TR/GPR/APREA Composite REIT Index Malaysia	: 134.0%

Source: Bloomberg

SUNWAY[®]

Unit Price Performance for YTD3Q2017



Performance Statistics (30 June 2016 – 31 March 2017)

Price (as at 30 June 2016)	: RM1.66
Closing Price (as at 31 March 2017)	: RM1.72
Highest Price	: RM1.84
Lowest Price	: RM1.63
Daily Average Volume	: 2.40 million units
% Change in Unit Price	: 3.6%
% Change in FBM KLCI	: 5.2%
% Change in TR/GPR/APREA Composite REIT Index Malaysia	: 8.4%

Source: Bloomberg

SUNWAY[®]

Driving values through sustainable growth

Indices Representation

- Sunway REIT is represented in the following indices:

FTSE Bursa Malaysia Mid 70 Index

FTSE4Good Bursa Malaysia Index

TR / GPR / APREA Composite REIT Index Malaysia

FTSE EPRA / NAREIT Global REIT Index

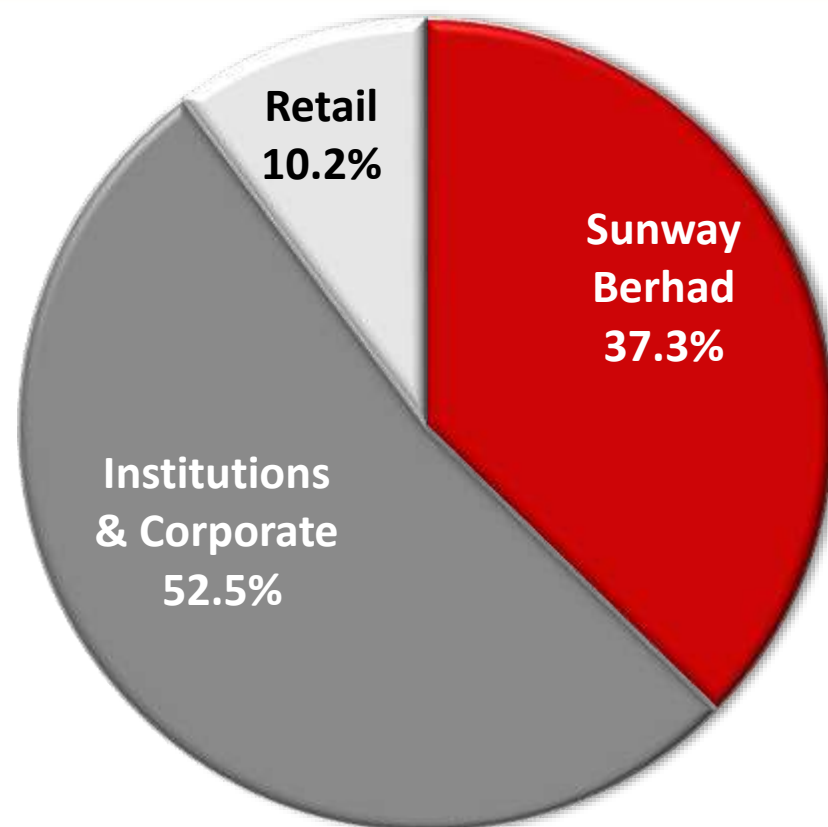
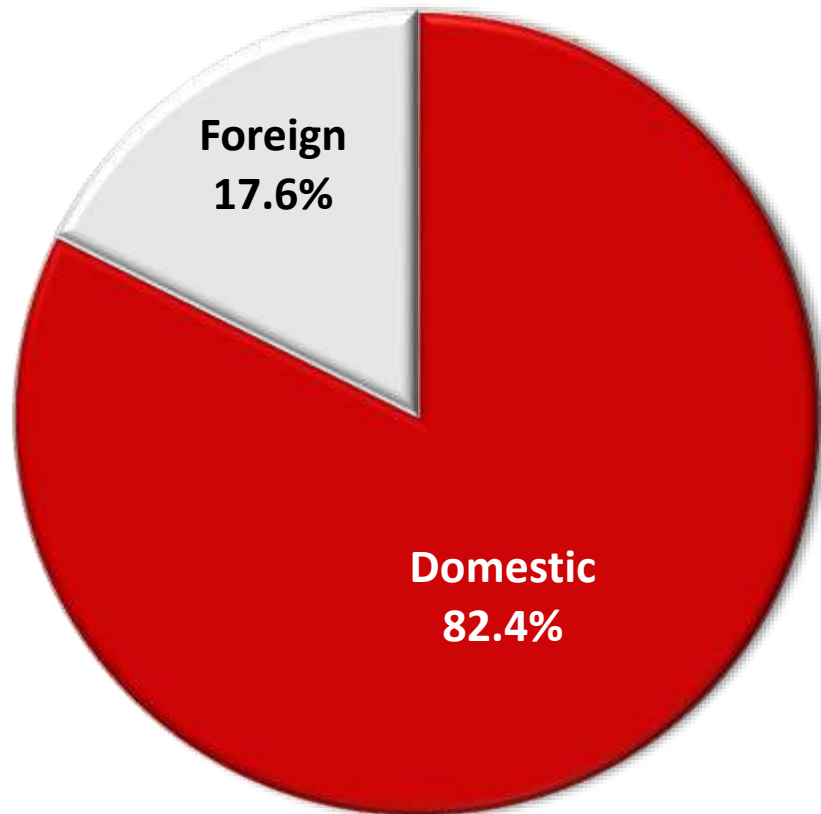
FTSE EPRA / NAREIT Global Index

FTSE EPRA / NAREIT Asia ex Japan Index

FTSE EPRA / NAREIT Asia Pacific Index

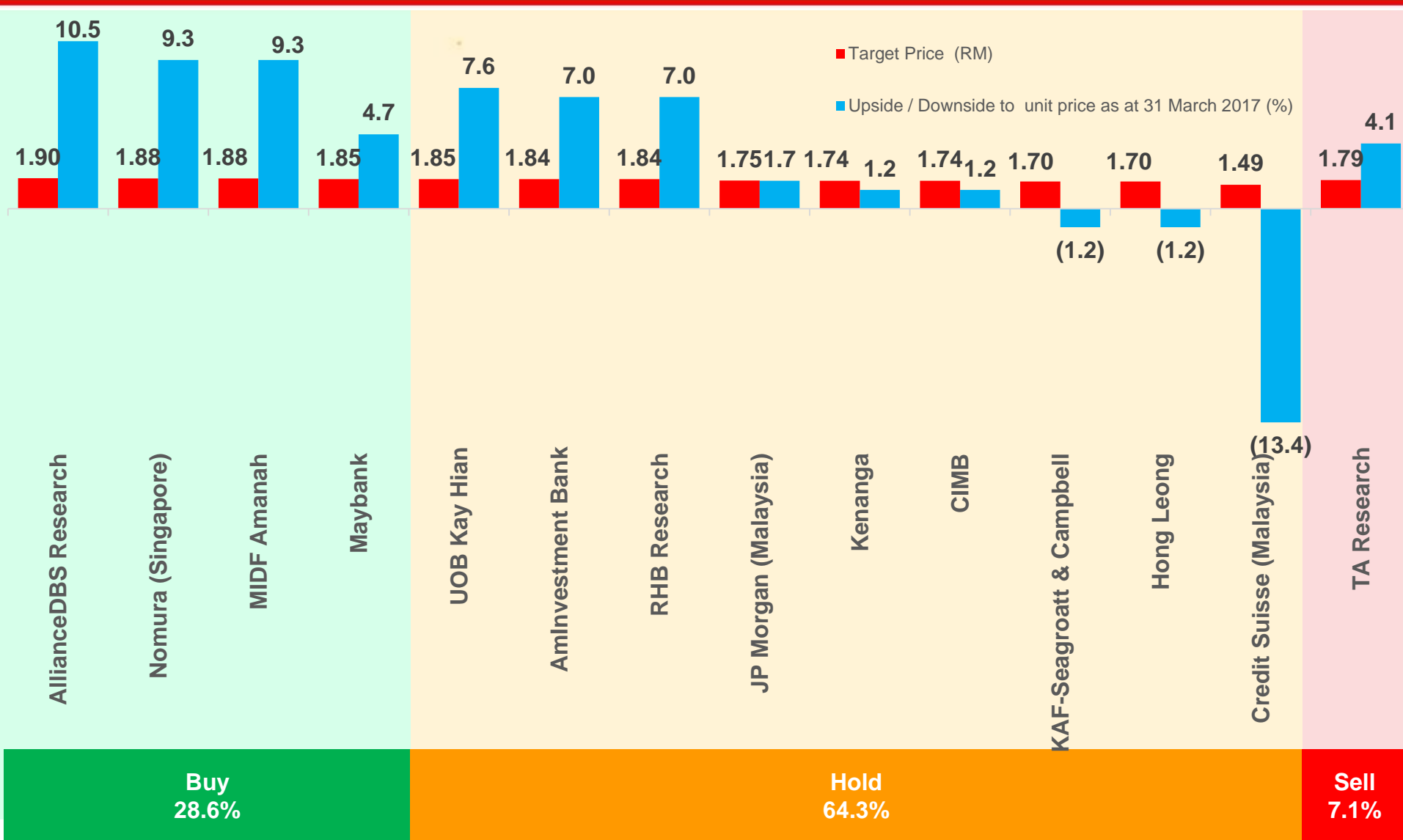
FTSE EPRA / NAREIT Emerging REIT Index

Unitholders' Composition (as at 31 March 2017)



	December 2016	March 2017	Q-o-Q Change
No of unitholders	9,869	10,048	179 (+1.8%)
Retail unitholders	13.0%	10.2%	-2.8%
Foreign unitholders	13.3%	17.6%	+4.3%
Sunway Berhad	37.3%	37.3%	Unchanged

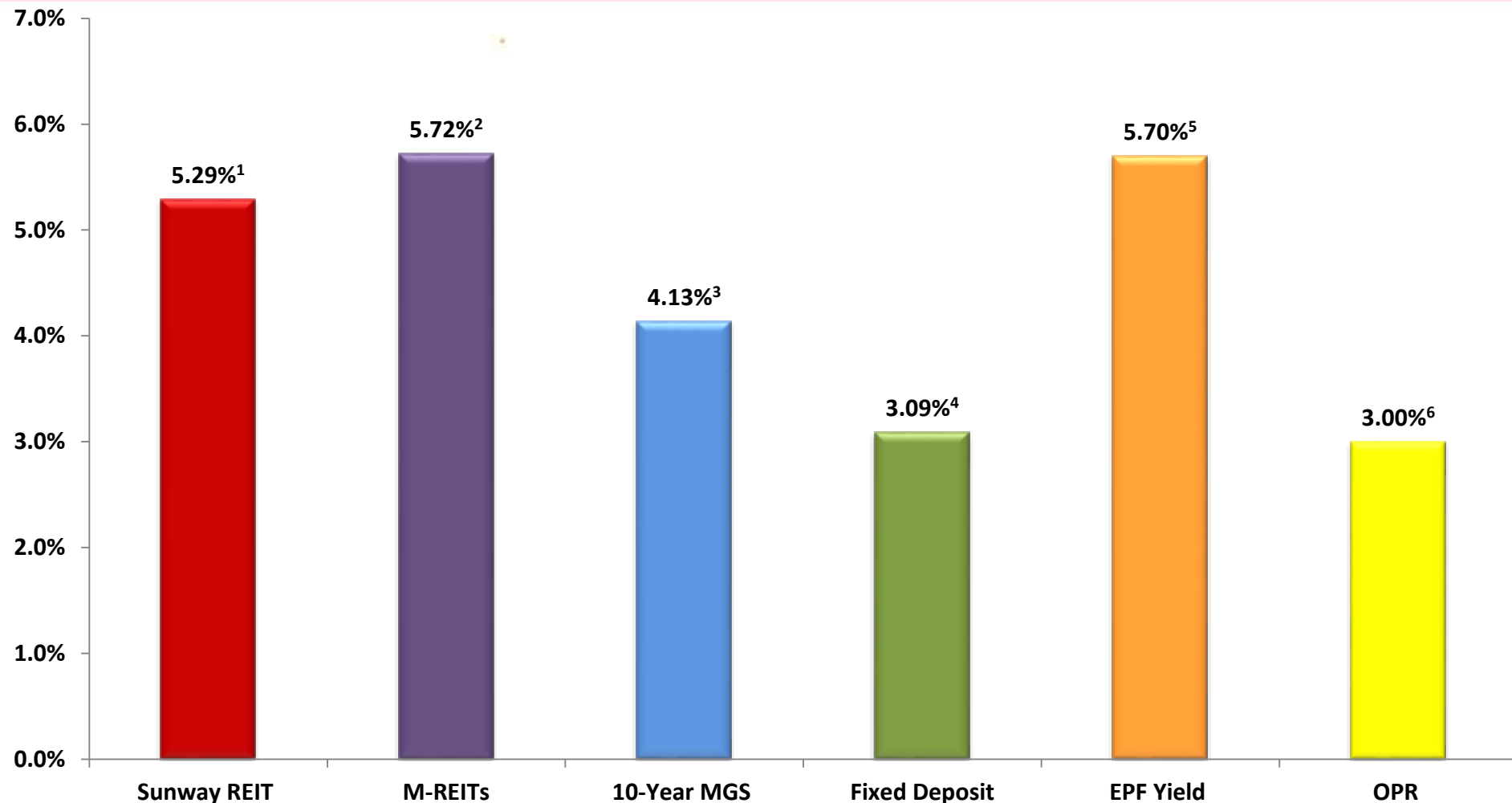
Analysts Recommendation (as at 31 March 2017)



- TA Research sell – Total return is lower than total required rate return which is 7% is defined as the yield for one-year Malaysian government treasury plus assumed equity risk premium.

- Source: Bloomberg

Comparative Yields for Various Assets



Note:

¹ Distribution yield based on consensus DPU of 9.1 sen and unit price as at 31 March 2017 (Source: Bloomberg)

² Information based on consensus FY2017 DPU forecast and unit price as at 31 March 2017 (Source: Bloomberg)

³ Information as at 31 March 2017 (Source: Bloomberg)

⁴ 12-Month Fixed Deposit rates offered by commercial banks as at 28 February 2017 (Source: Bank Negara Malaysia)

⁵ Dividend yield declared by Employees Provident Funds for the year 2016 (Source: Employees Provident Fund)

⁶ Overnight Policy Rate as at 2 March 2017 (Source: Bank Negara Malaysia)

THANK YOU