



SUNWAY[®]

Sunway REIT

Financial Results 4th Quarter Ended 30 June 2017 (FYE 30 June 2017)



**Announcement Date:
10 August 2017**

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1. Financial Highlights

Distribution Details

Dividend Distribution Details	
Distribution Period	1 April 2017 - 30 June 2017
Distribution Per Unit (DPU) (sen)	2.27 ¹
Notice of Entitlement	10 August 2017
Ex-Dividend Date	24 August 2017
Book Closure Date	28 August 2017
Payment Date	12 September 2017

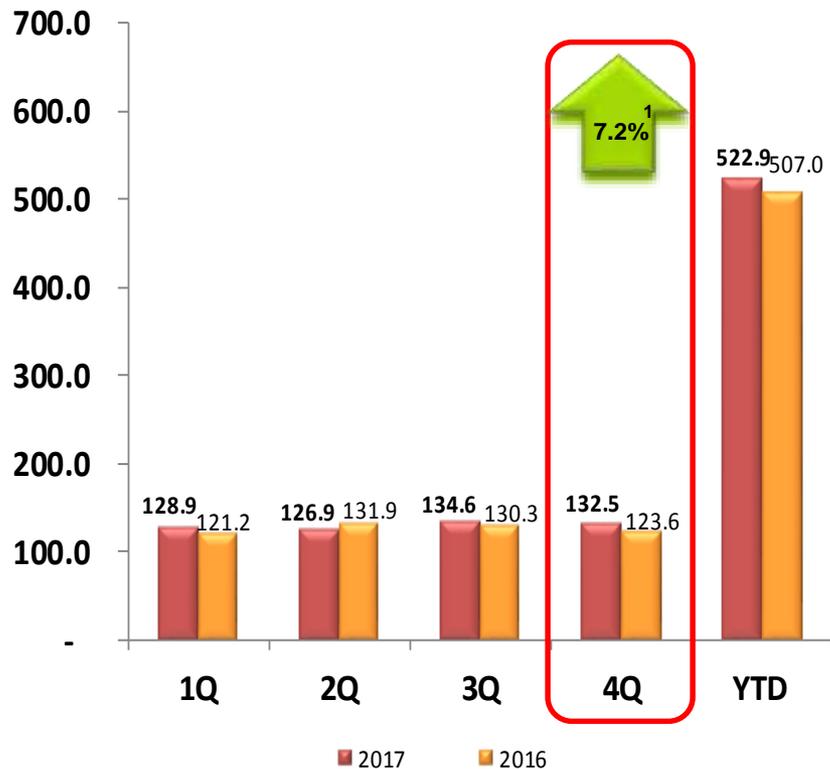
¹ Proposed income distribution for 4Q2017 of 2.27 sen per unit (comprising taxable and non-taxable/tax exempt amount of 1.45 sen per unit and 0.82 sen per unit respectively).

Financial Highlights

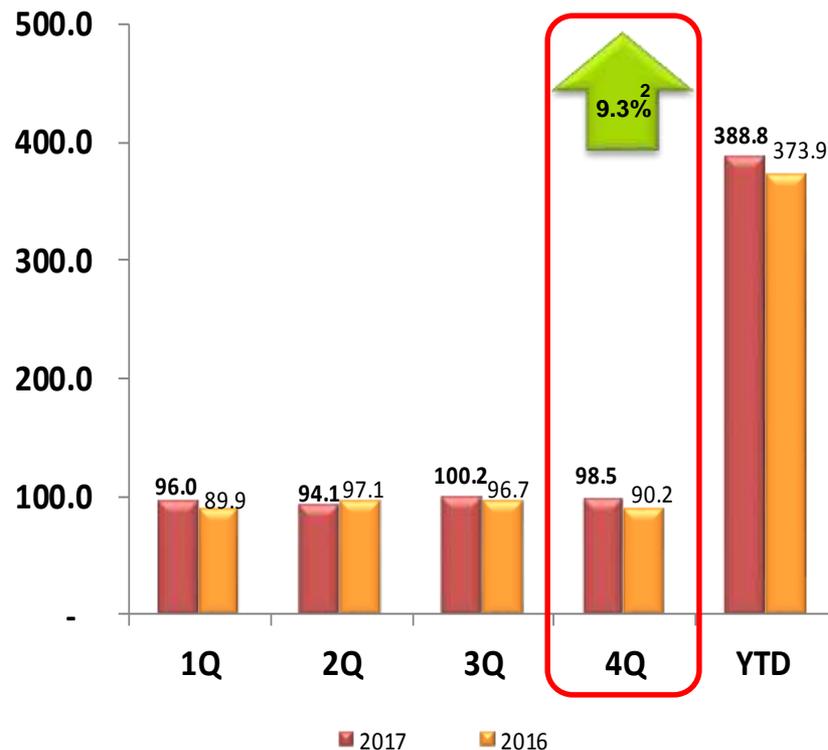
Highlights	4Q 2017	4Q 2016
No. of Properties	14	14
Property Value (RM'billion)	6.689	6.433
No. of Units in Circulation	2,945,078,000	2,943,918,400
Unit Price as at 30 June (RM)	1.78	1.66
Market Capitalisation (RM'billion)	5.242	4.887
Net Asset Value (NAV) Per Unit (RM) (After income distribution)	1.4074	1.3549
Premium to NAV	26.5%	22.5%
Realised Earnings Per Unit (EPU) (sen)	2.27	2.05
Distribution Per Unit (DPU) (sen)	2.27	2.12
Distribution Yield (Based on market price as at 30 June)	5.2%	5.5%
Management Expense Ratio (After income distribution)	0.85%	0.88%
YTD Total Return	12.4%	13.3%
Gearing	34.3%	33.3%
% of Fixed Rate Borrowings	88.7%	94.4%

Financial Highlights (Cont'd)

Gross Revenue (RM'm)

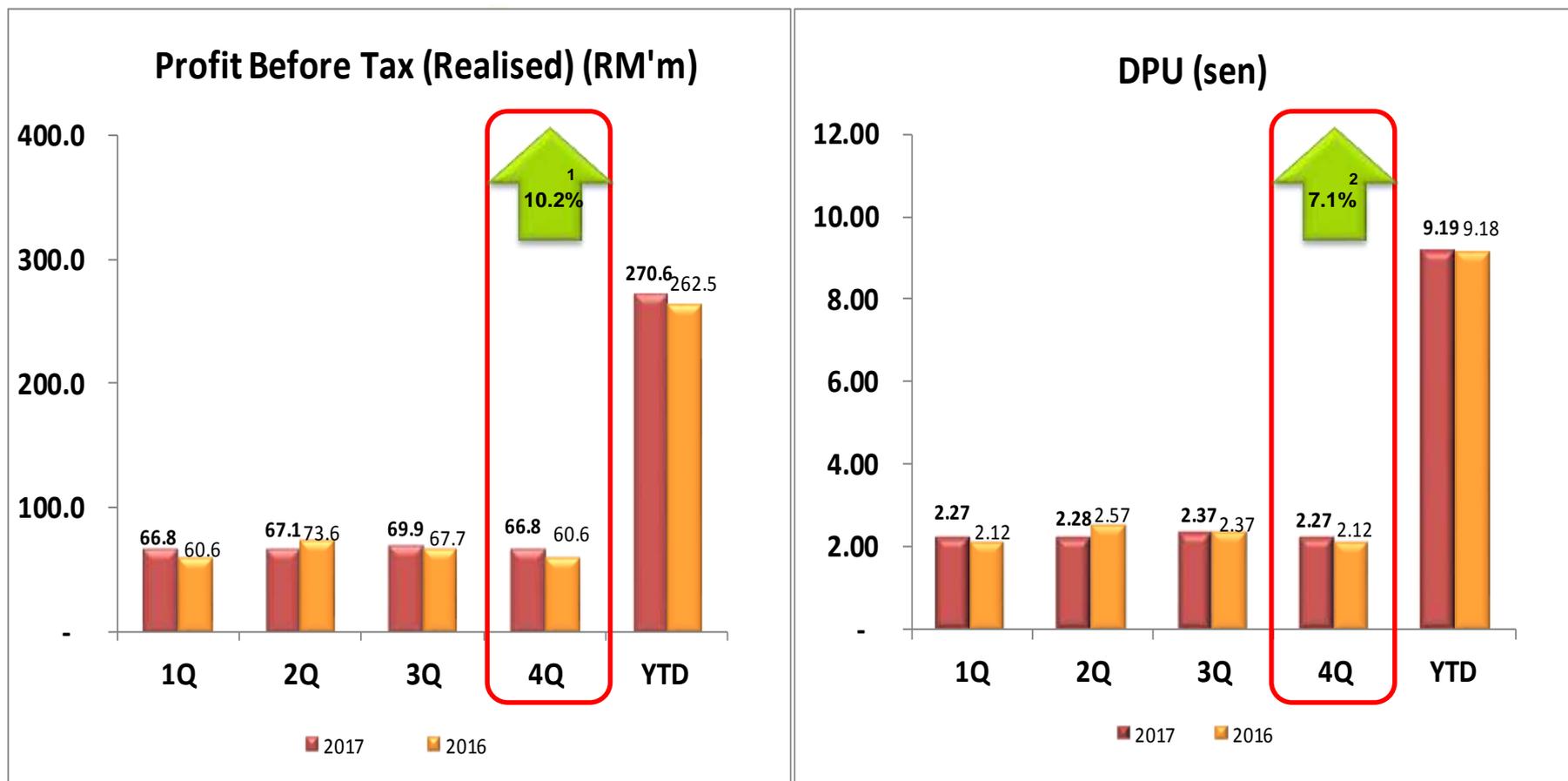


Net Property Income (RM'm)



- ¹ Gross Revenue for 4Q2017 increased by 7.2% or RM8.9 million compared to 4Q2016 mainly due to better overall performance by all segments.
- ² Net Property Income for 4Q2017 increased by 9.3% or RM8.3 million compared to 4Q2016 mainly attributable to higher Gross Revenue, partially offset by higher operating expenses.

Financial Highlights (Cont'd)



- Profit Before Tax (Realised) for 4Q2017 increased by 10.2% or RM6.2 million compared to 4Q2016 mainly due to higher net property income but partially offset by higher finance costs.
- DPU for 4Q2017 increased by 7.1% or 0.15 sen despite a 10.2% increase in Profit Before Tax (Realised). The lower DPU growth was due to cessation of manager's fee paid in units with effect from FY2017.

2. 4Q 2017 Financial Results

Statement of Comprehensive Income – Consolidated

	1Q 2017	1Q 2016	2Q 2017	2Q 2016	3Q 2017	3Q 2016	4Q 2017	4Q 2016	Change	YTD 2017	YTD 2016	Change
	RM'000	RM'000	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	132,536	123,585	7.2%	522,868	507,013	3.1%
Less : Property operating expenses	(32,814)	(31,274)	(32,825)	(34,813)	(34,392)	(33,660)	(34,020)	(33,415)	1.8%	(134,051)	(133,162)	0.7%
Net property income	96,065	89,942	94,055	97,054	100,181	96,685	98,516	90,170	9.3%	388,817	373,851	4.0%
Changes in fair value of investment properties	-	-	-	-	-	-	152,073	63,482	139.6%	152,073	63,482	139.6%
Other income	921	4,941	5,191	4,793	1,278	1,006	906	(668) ¹	-235.6%	8,296 ¹	10,072	-17.6%
Manager's fee	(7,845)	(7,630)	(7,805)	(7,842)	(7,938)	(7,747)	(8,062)	(7,583)	6.3%	(31,650)	(30,802)	2.8%
Trustee's fee	(307)	(303)	(308)	(304)	(342)	(300)	(309)	(341) ²	-9.4%	(1,266) ²	(1,248)	1.4%
Other trust expenses	(2,934)	(952)	2,086	(563)	(316)	(3,283)	(1,327)	(619)	114.4%	(2,491) ²	(5,417)	-54.0%
Finance costs	(21,757)	(21,485)	(22,076)	(21,618)	(22,507)	(21,595)	(22,955)	(21,544)	6.5%	(89,295)	(86,242)	3.5%
Profit before tax	64,143	64,513	71,143	71,520	70,356	64,766	218,842	122,897	78.1%	424,484	323,696	31.1%
Income tax expense	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%
Profit for the period	64,143	64,513	71,143	71,520	70,356	64,766	218,842	122,897	78.1%	424,484	323,696	31.1%
Profit for the period comprises the following:												
Realised	66,732	60,565	67,130	73,576	69,906	67,714	66,818	60,618	10.2%	270,586	262,473	3.1%
Unrealised	(2,589)	3,948	4,013	(2,056)	450	(2,948)	152,024 ³	62,279	144.1%	153,898	61,223	151.4%
	64,143	64,513	71,143	71,520	70,356	64,766	218,842	122,897	78.1%	424,484	323,696	31.1%
No. of units in circulation (million units)	2,945	2,940	2,945	2,941	2,945	2,943	2,945	2,944	0.0%	2,945	2,944	0.0%
EPU (sen)												
- Realised	2.24	2.06	2.31	2.48	2.37	2.33	2.27	2.05	10.7%	9.19	8.92	3.0%
- Unrealised	(0.09)	0.13	0.14	(0.07)	0.01	(0.10)	5.16	2.12	143.4%	5.22	2.08	151.0%
	2.15	2.19	2.45	2.41	2.38	2.23	7.43	4.17	78.2%	14.41	11.00	31.0%
Proposed/declared income distribution	66,853	62,330	67,148	75,592	69,798	69,742	66,853	62,411	7.1%	270,652	270,075	0.2%
Proposed/declared DPU (sen)	2.27	2.12	2.28	2.57	2.37	2.37	2.27	2.12	7.1%	9.19	9.18	0.1%

Please refer to next page for explanatory notes.

Statement of Comprehensive Income-Consolidated (Cont'd)

Explanation:

- 1 Included in other income for 4Q2016 was a reclassification of fair value gain on derivative financial instruments which arose in previous quarters in FY2016, amounting to RM1.9 million, to other expenses. The reclassification was done as the YTD4Q2016 net fair value on derivative financial instrument was a net loss of RM2.2 million. Excluding this reclassification, other income for 4Q2016 would be RM1.1 million.

For YTD4Q2017, other income includes unrealised fair value gain on interest rate swap of RM1.7 million and recognition of Court award for Sunway Putra's case of RM3.2 million. Similarly, included in other income for YTD4Q2016 was recognition of RM6.2 million, being the court award for loss of income for Sunway Putra litigation case.
- 2 Included in other trust expenses for 4Q2016 was unrealised fair value loss on interest rate swap amounting to RM1.2 million. Excluding the unrealised fair value loss and reclassification of RM1.9 million as explained in note (1) above, other trust expenses for 4Q2016 would amount to RM1.3 million.

For YTD4Q2016, excluding the unrealised fair value loss of RM2.2 million as explained in note (1) above, other trust expenses would be RM3.2 million.
- 3 Unrealised gain for 4Q2017 represent fair value gain on investment properties of RM152.1 million after accounting for capital expenditure incurred.

Statement of Financial Position – Consolidated

	30.06.17 RM'000	31.03.17 RM'000	31.12.16 RM'000	30.09.16 RM'000	30.06.16 RM'000
ASSETS					
Non-current assets					
Investment properties	6,689,200	6,514,392	6,502,892	6,458,982	6,433,000
Plant and equipment	9,063	9,168	9,046	9,088	8,698
Derivatives	-	-	26,387	-	-
	6,698,263	6,523,560	6,538,325	6,468,070	6,441,698
Current assets					
Receivables, deposits and prepayments	32,974	34,768	26,003	31,333	25,842
Derivatives ¹	8,112	20,562	-	-	-
Cash and bank balances	100,544	72,785	41,437	80,378	69,719
	141,630	128,115	67,440	111,711	95,561
	6,839,893	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	2,727,829	2,725,933
Undistributed income	1,483,891	1,334,396	1,330,713	1,328,759	1,325,297
	4,211,720	4,062,225	4,058,542	4,056,588	4,051,230
Non-current liabilities					
Borrowings ²	-	400,000	1,048,600	1,413,550	1,403,150
Long term liabilities	65,724	60,118	62,274	63,189	56,256
Deferred tax liability	5,896	5,896	5,896	5,896	5,896
Derivatives ³	529	345	1,928	12,665	22,189
	72,149	466,359	1,118,698	1,495,300	1,487,491
Current liabilities					
Borrowings	2,343,759	1,922,700	1,222,387	797,400	772,400
Trade and other payables	210,788	198,801	205,697	230,493	226,138
Derivatives ³	1,477	1,590	441	-	-
	2,556,024	2,123,091	1,428,525	1,027,893	998,538
	6,839,893	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 All Sunway REIT's borrowings are due within one year and has been reclassified to Current Liabilities. The Manager is working on refinancing the borrowing as explained in Note A14 of Quarterly Report in Bursa Announcement.

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

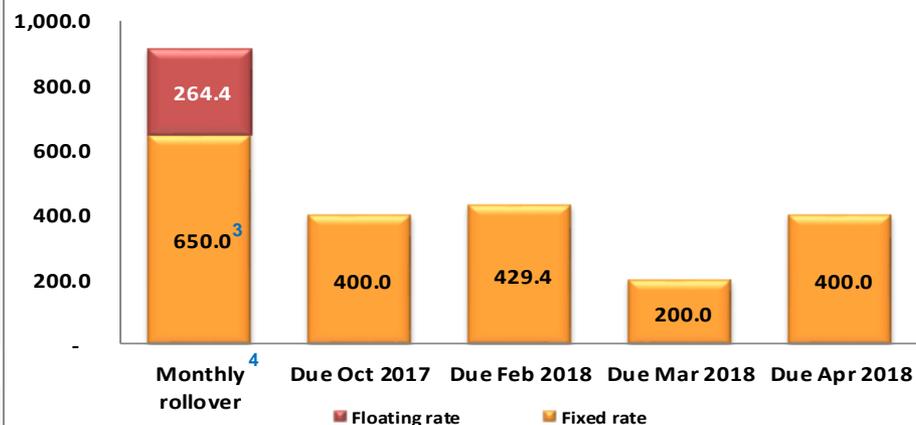
Debt Profile

	Facility Limit RM'million	RM'million
Term Loan	422.0	429.4 ¹
Commercial Papers (CP) / Revolving Loan (RL)	1,100.0 ²	914.4
Unrated MTNs	1,000.0	1,000.0
Total Gross Borrowings		2,343.8
Discount on CP		-
Total Borrowings at carrying amount		2,343.8

	RM'million
Classification of Borrowings:	
Current (due within 1 year)	2,343.8
Non-current (due after 1 year)	-
Total Gross Borrowings	2,343.8

Average Cost of Debt	3.95%
Average Maturity Period (Years)	0.4
Debt Service Cover Ratio (DSCR)	4.1
Gearing Ratio	34.3%

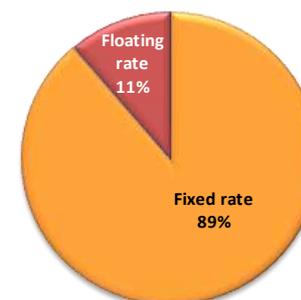
Loan Maturity Profile (RM'm)



Current versus Non-current



Fixed versus Floating



¹ Includes unrealised forex loss of RM7.4 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.

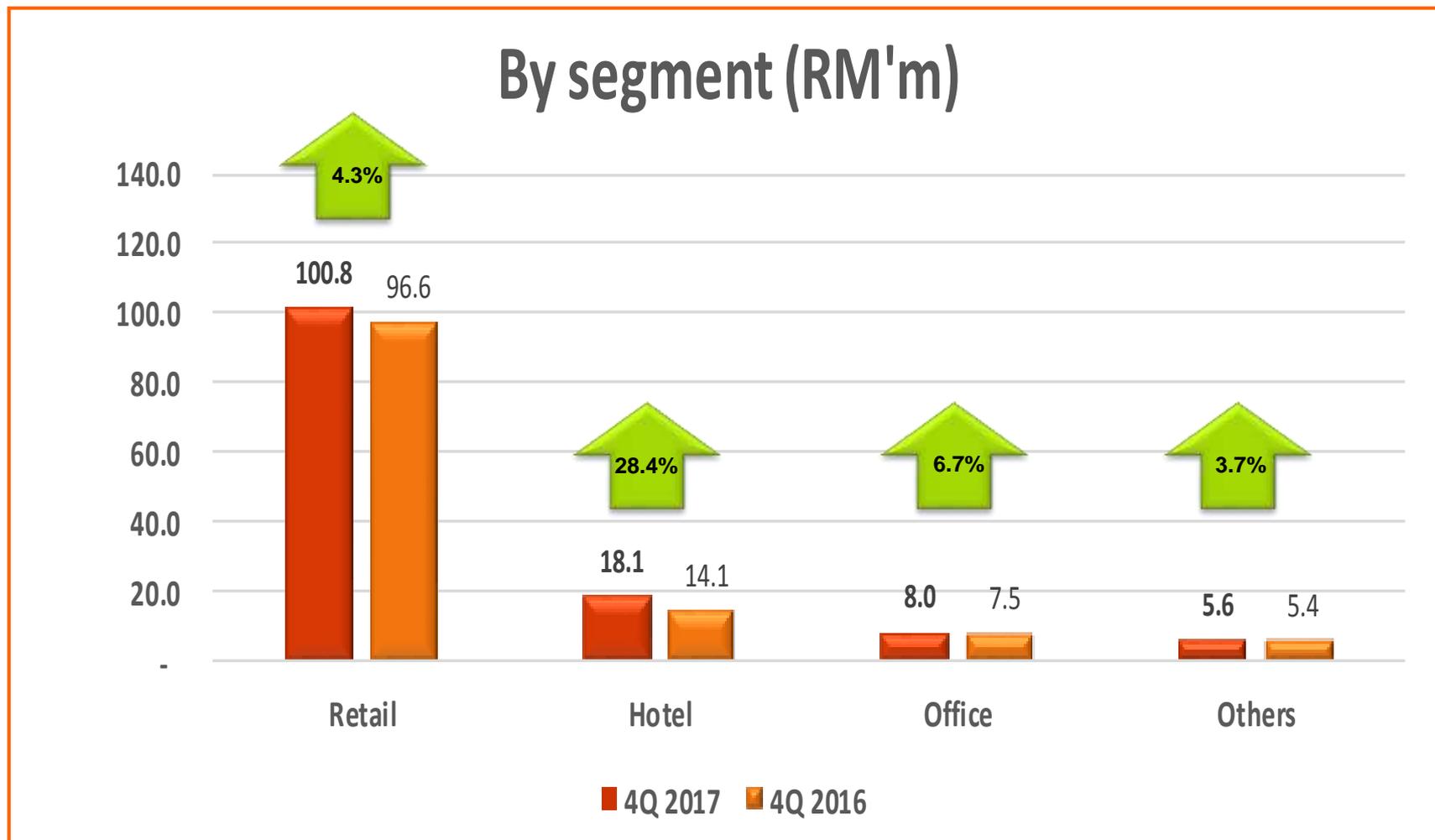
³ In FY2016, Sunway REIT has converted RM650.0 million of floating rate CP/RL into fixed rate via interest rate swap contracts to manage its exposure to floating rate borrowings.

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

3. 4Q 2017 Portfolio Performance

4Q 2017 Revenue Contribution

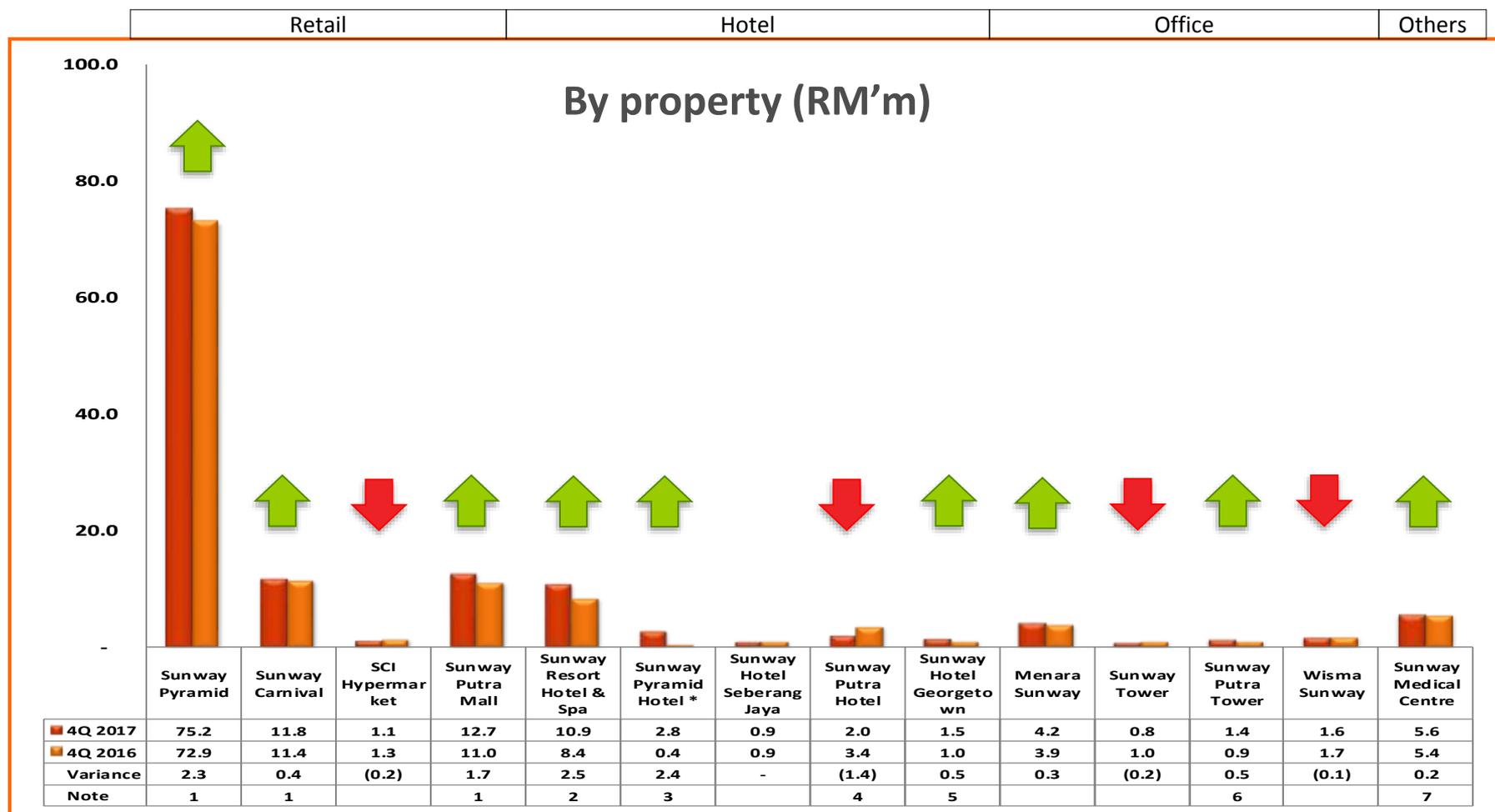
4Q 2017 (RM'million)	132.5
4Q 2016 (RM'million)	123.6



Note: Calculation of % of increase/decrease above varies marginally compared to 4Q2017 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

4Q 2017 Revenue Contribution (Cont'd)

4Q 2017 (RM'million)	132.5
4Q 2016 (RM'million)	123.6



Please refer to next page for explanatory notes.

* Formerly known as Sunway Pyramid Hotel East

4Q 2017 Revenue Contribution (Cont'd)

Explanation:

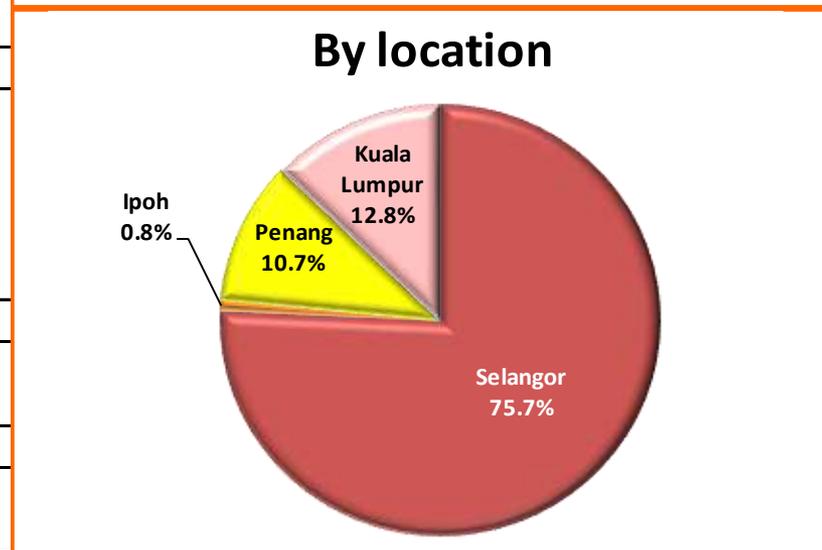
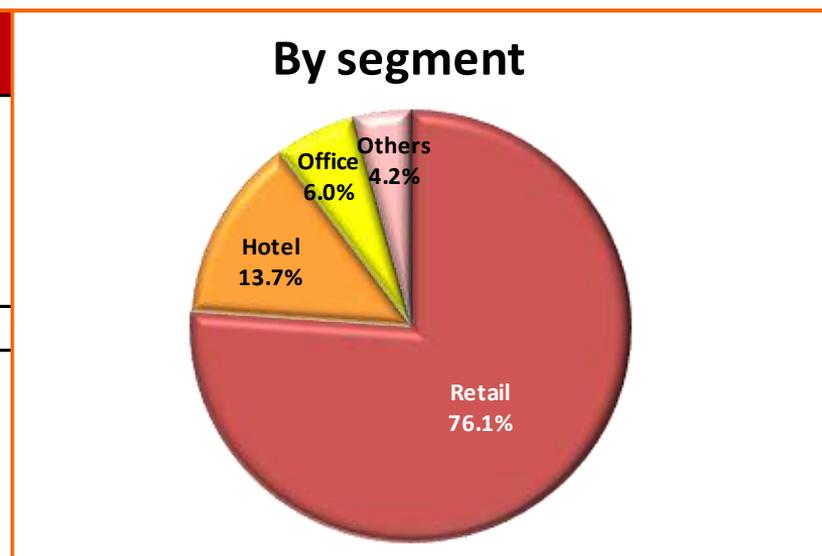
- 1 **Sunway Pyramid, Sunway Carnival and Sunway Putra Mall** – Higher revenue mainly due to higher average gross rent per sq. ft.. In addition, Sunway Carnival and Sunway Putra Mall had registered higher average occupancy rate as well.
- 2 **Sunway Resort Hotel & Spa** - Higher rental by RM2.5 million for the current quarter mainly due to higher F&B revenue (from meetings and functions) but partially offset by lower average occupancy and average daily rate.
- 3 **Sunway Pyramid Hotel*** – Registered gross revenue of RM2.8 million for 4Q2017 with the completion of refurbishment during the quarter as compared to gross revenue of RM0.4 million for 4Q2016 due to closure for refurbishment.
- 4 **Sunway Putra Hotel** – Gross revenue was higher in 4Q2016 by RM1.4 million mainly due to an adjustment for guaranteed rental. The higher average occupancy rate registered for 4Q2017 of 64.5% compared to 61.5% for 4Q2016 was offset by a lower average daily rate.
- 5 **Sunway Hotel Georgetown** - Gross revenue was higher by RM0.5 million for 4Q2017 contributed by both higher average occupancy rate and higher average daily rate due to stronger demand from the leisure segment in the current quarter.
- 6 **Sunway Putra Tower** – Higher revenue due to higher average occupancy.
- 7 **Sunway Medical Centre** – Higher revenue due to rental reversion in accordance with the Master Lease Agreement.

* 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.

4Q 2017 Revenue Contribution (Cont'd)

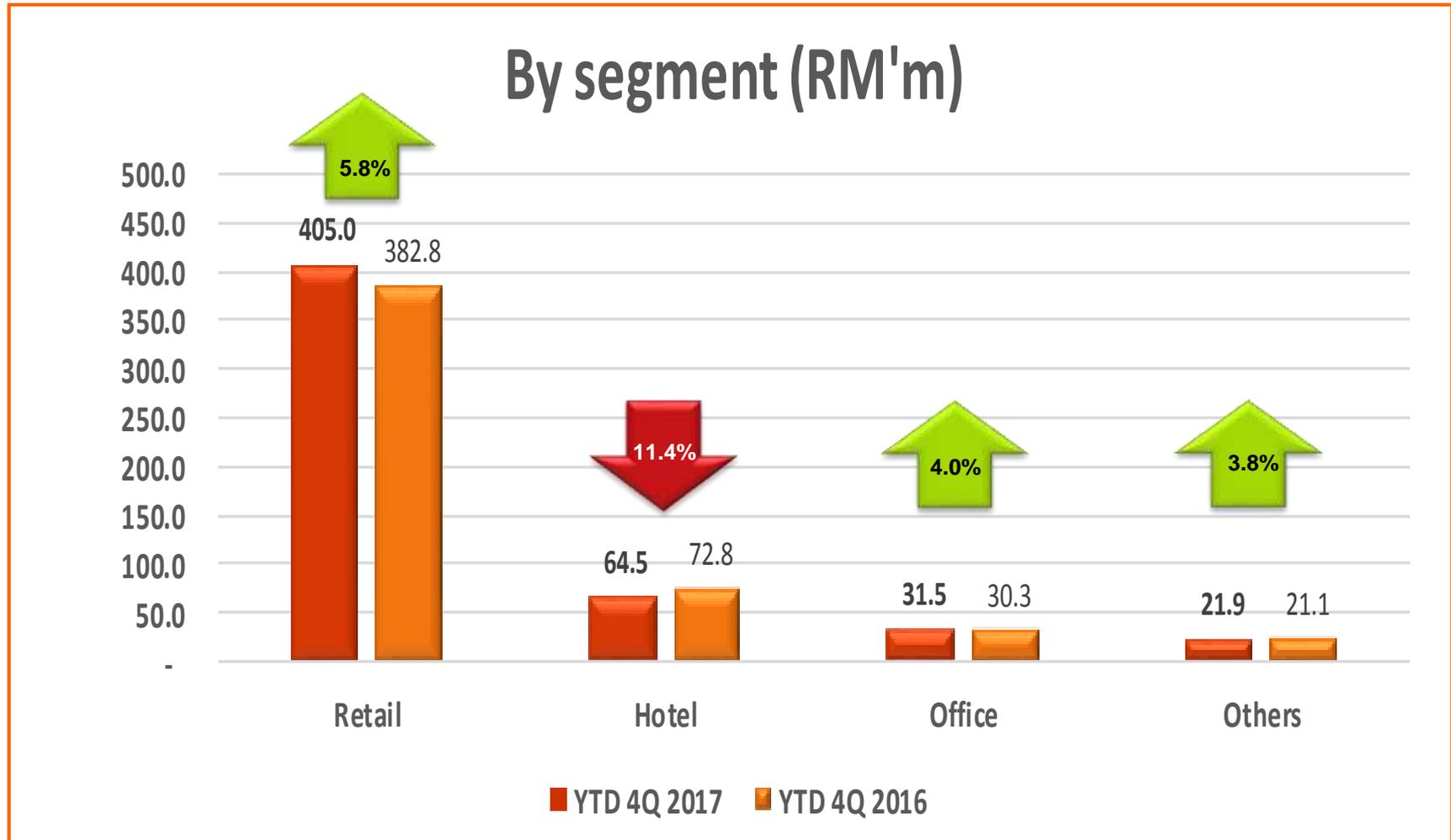
By Property	4Q 2017 %
Sunway Pyramid	56.8%
Sunway Carnival	8.9%
SCI Hypermarket	0.8%
Sunway Putra Mall	9.6%
Total Retail	76.1%
Sunway Resort Hotel & Spa	8.2%
Sunway Pyramid Hotel *	2.1%
Sunway Hotel Seberang Jaya	0.7%
Sunway Putra Hotel	1.5%
Sunway Hotel Georgetown	1.1%
Total Hotel	13.6%
Menara Sunway	3.2%
Sunway Tower	0.6%
Sunway Putra Tower	1.1%
Wisma Sunway	1.2%
Total Office	6.1%
Sunway Medical Centre	4.2%
Total Others	4.2%
	100.0%



* Formerly known as Sunway Pyramid Hotel East

YTD 4Q 2017 Revenue Contribution

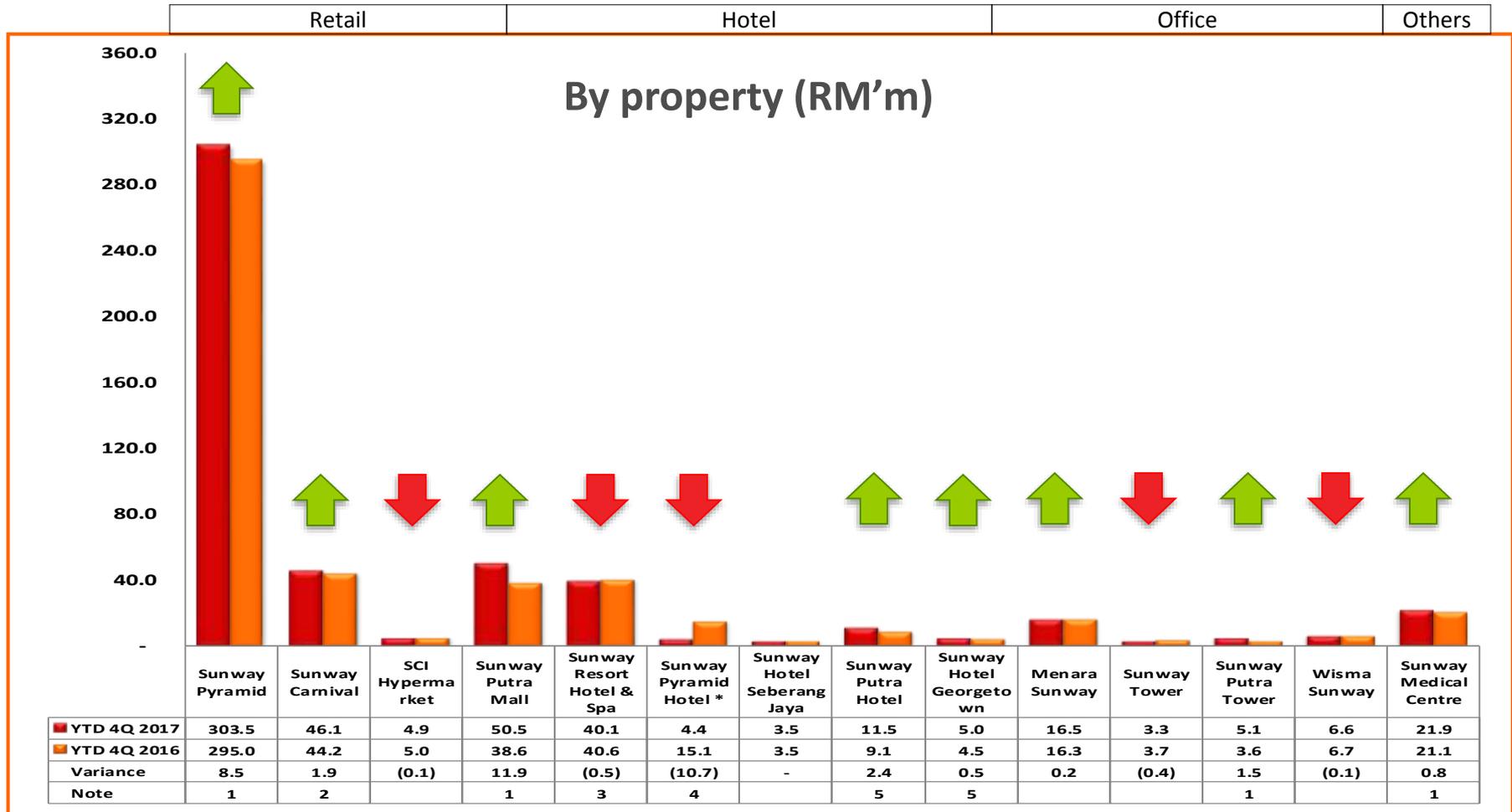
YTD 4Q 2017 (RM'million)	522.9
YTD 4Q 2016 (RM'million)	507.0



Note: Calculation of % of increase/decrease above varies marginally compared to 4Q2017 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

YTD 4Q 2017 Revenue Contribution (Cont'd)

■ YTD 4Q 2017 (RM'million)	522.9
■ YTD 4Q 2016 (RM'million)	507.0



Please refer to next page for explanatory notes.

* Formerly known as Sunway Pyramid Hotel East

YTD 4Q 2017 Revenue Contribution (Cont'd)

Explanation:

- 1 **Sunway Pyramid, Sunway Putra Mall, Sunway Putra Tower and Sunway Medical Centre** – Explanation similar to page 17.
- 2 **Sunway Carnival** – In addition to explanation on page 17, the higher revenue for YTD 4Q2017 was also contributed by 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 Resort Hotel & Spa** - Slightly lower gross revenue by RM0.5 million for YTD 4Q2017 despite stable average occupancy of approximately 81%, mainly due to lower average daily rate attributable to softer leisure market and business sentiment.
- 4 **Sunway Pyramid Hotel*** – Lower revenue YTD 4Q2017 due to closure for refurbishment since April 2016 (partially re-opened since November 2016 on a progressive basis).
- 5 **Sunway Putra Hotel and Sunway Hotel Georgetown** - Higher revenue due to higher average occupancy rate for YTD 4Q2017.

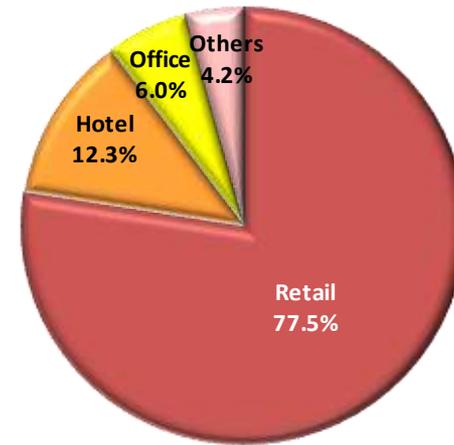
* Formerly known as Sunway Pyramid Hotel East

Note: Calculation of % of increase/decrease varies marginally compared to 4Q2017 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

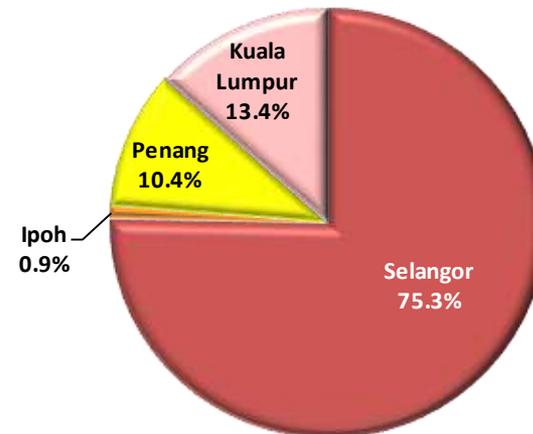
YTD 4Q 2017 Revenue Contribution (Cont'd)

By Property	YTD 4Q 2017 %
Sunway Pyramid	57.9%
Sunway Carnival	8.8%
SCI Hypermarket	0.9%
Sunway Putra Mall	9.7%
Total Retail	77.3%
Sunway Resort Hotel & Spa	7.7%
Sunway Pyramid Hotel *	0.8%
Sunway Hotel Seberang Jaya	0.7%
Sunway Putra Hotel	2.2%
Sunway Hotel Georgetown	1.0%
Total Hotel	12.4%
Menara Sunway	3.2%
Sunway Tower	0.6%
Sunway Putra Tower	1.0%
Wisma Sunway	1.3%
Total Office	6.1%
Sunway Medical Centre	4.2%
Total Others	4.2%
	100.0%

By segment



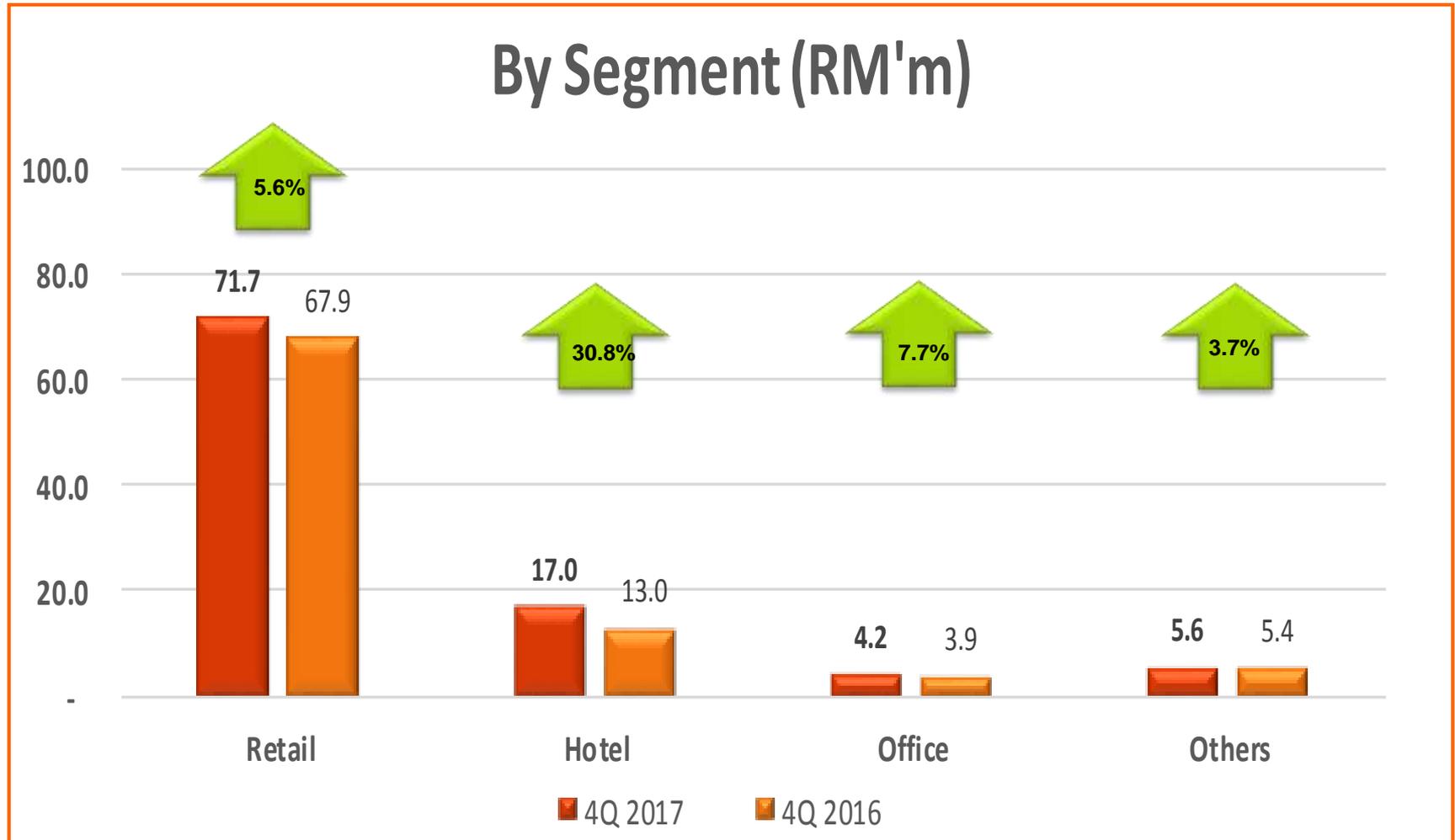
By location



* Formerly known as Sunway Pyramid Hotel East

4Q 2017 NPI Contribution

	NPI	Margin
4Q 2017 (RM'million)	98.5	74.3%
4Q 2016 (RM'million)	90.2	73.0%



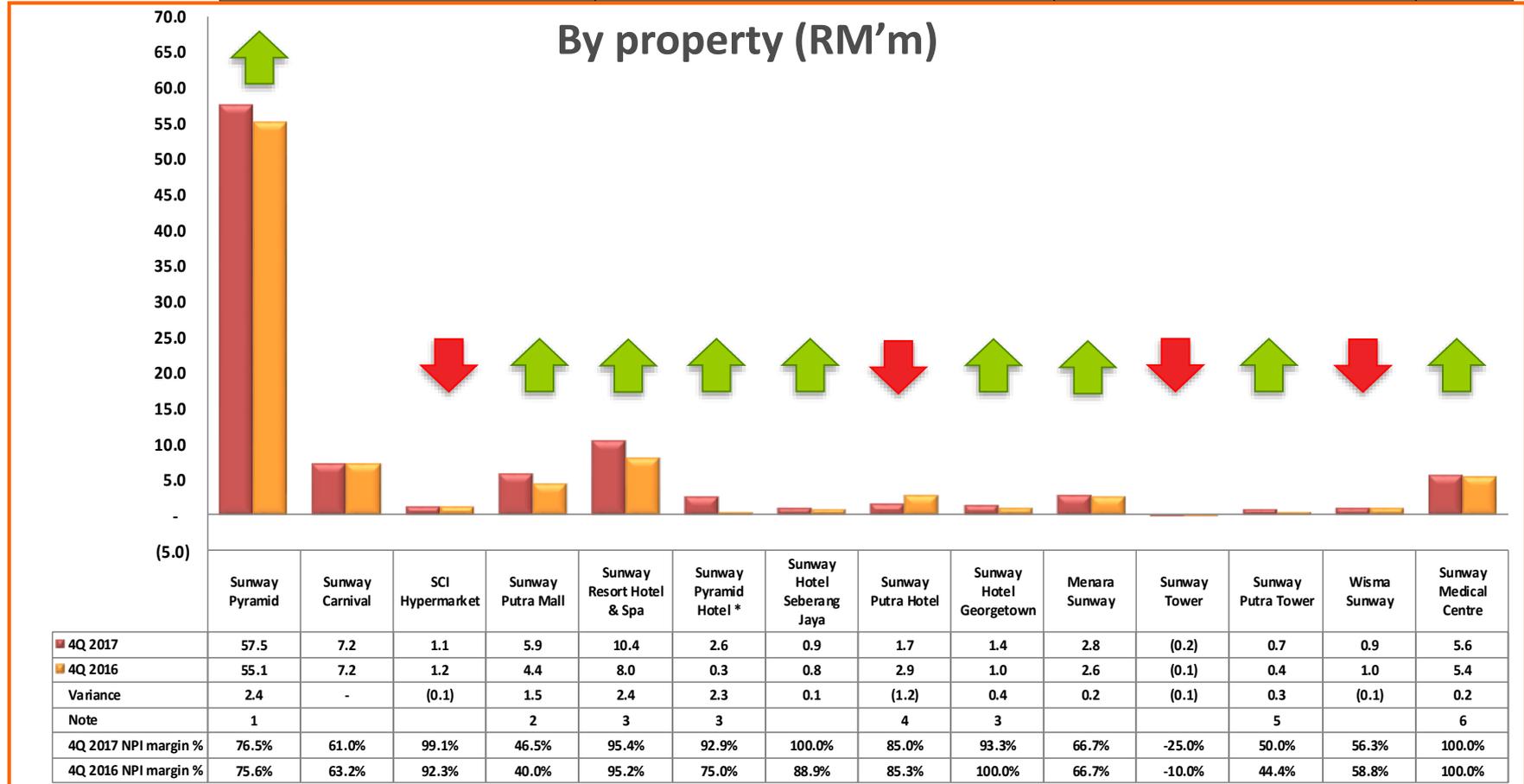
Note: Calculation of % of increase/decrease above varies marginally compared to 4Q2017 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

4Q 2017 NPI Contribution (Cont'd)

■ 4Q 2017 (RM'million)
 ■ 4Q 2016 (RM'million)

NPI Margin
 98.5 74.3%
 90.2 73.0%

Retail	Hotel	Office	Others
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Please refer to next page for explanatory notes.

* Formerly known as Sunway Pyramid Hotel East

4Q 2017 NPI Contribution (Cont'd)

Explanation:

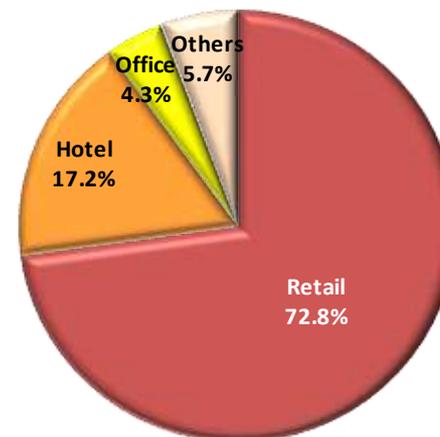
- 1 **Sunway Pyramid** – Higher NPI due to higher revenue.
- 2 **Sunway Putra Mall** – Higher NPI of RM1.5 million mainly due to higher revenue of RM1.7 million, partially offset by higher assessment. The assessment expense was lower for Sunway Putra Mall in the previous year corresponding quarter due to vacancy allowance received.
- 3 **Sunway Pyramid Resort Hotel & Spa, Sunway Pyramid Hotel* and Sunway Hotel Georgetown** – Higher NPI due to higher revenue as explained on page 17.
- 4 **Sunway Putra Hotel** – Lower NPI due to lower revenue as explained on page 17.
- 5 **Sunway Putra Tower** – Higher NPI of RM0.3 million due to higher revenue of RM0.5 million, partially offset by higher maintenance expense.
- 6 **Sunway Medical Centre** – Explanation similar to page 17.

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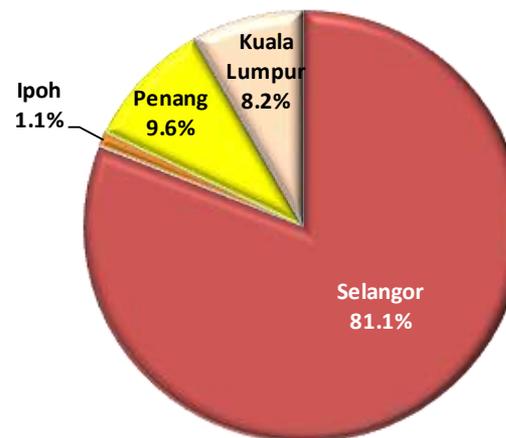
4Q 2017 NPI Contribution (Cont'd)

By Property	4Q 2017 %
Sunway Pyramid	58.4%
Sunway Carnival	7.3%
SCI Hypermarket	1.1%
Sunway Putra Mall	6.0%
Total Retail	72.8%
Sunway Resort Hotel & Spa	10.5%
Sunway Pyramid Hotel *	2.6%
Sunway Hotel Seberang Jaya	0.9%
Sunway Putra Hotel	1.7%
Sunway Hotel Georgetown	1.4%
Total Hotel	17.1%
Menara Sunway	2.8%
Sunway Tower	0.0%
Sunway Putra Tower	0.7%
Wisma Sunway	0.9%
Total Office	4.4%
Sunway Medical Centre	5.7%
Total Others	5.7%
	100.0%

By segment



By location

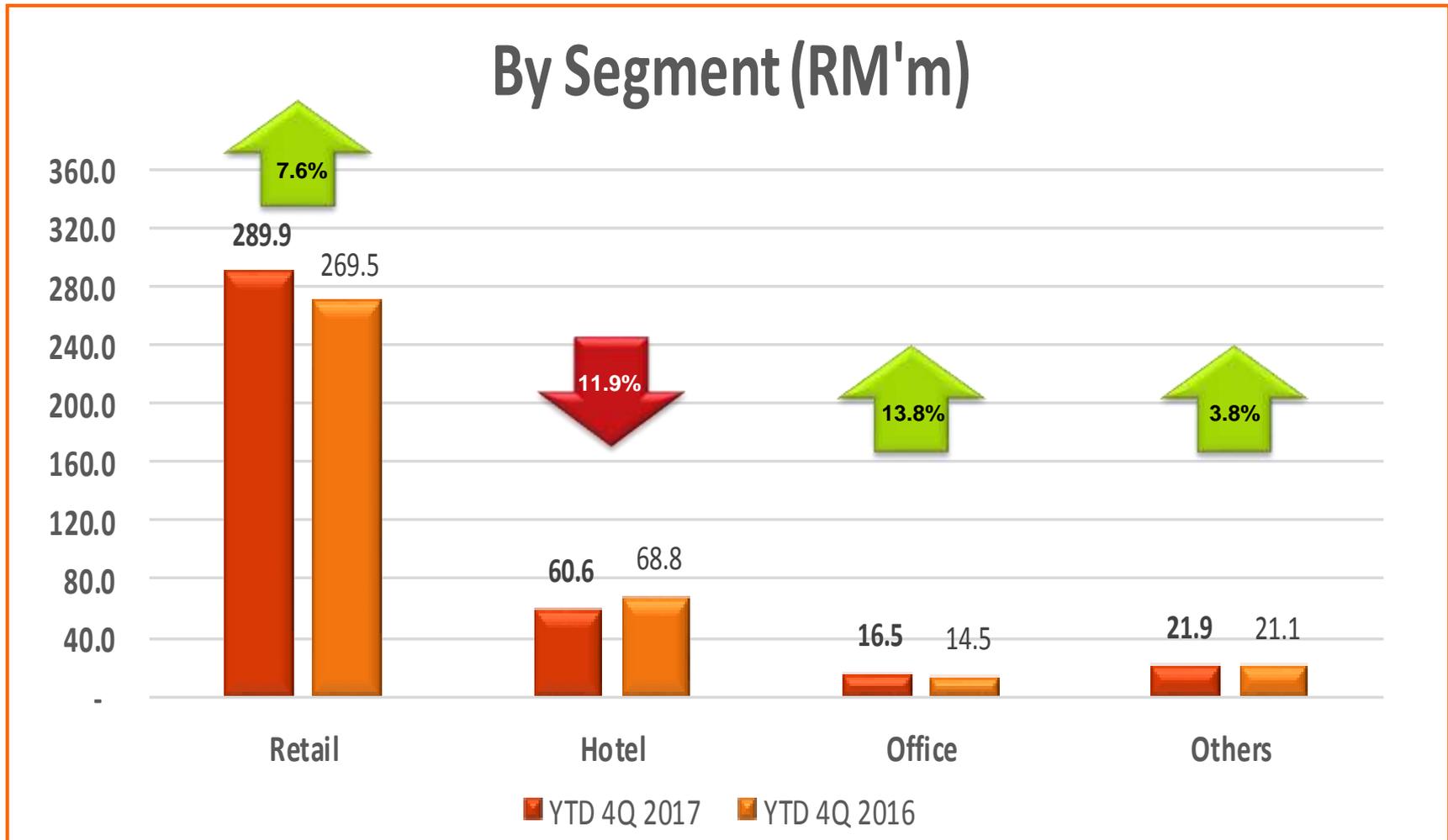


* Formerly known as Sunway Pyramid Hotel East

YTD 4Q 2017 NPI Contribution

	<u>NPI</u>	<u>Margin</u>
YTD 4Q 2017 (RM'million)	388.9	74.4%
YTD 4Q 2016 (RM'million)	373.9	73.7%

By Segment (RM'm)



Note: Calculation of % of increase/decrease above varies marginally compared to 4Q2017 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

YTD 4Q 2017 NPI Contribution (Cont'd)

	<u>NPI</u>	<u>Margin</u>
YTD 4Q 2017 (RM'million)	388.9	74.4%
YTD 4Q 2016 (RM'million)	373.9	73.7%



* Formerly known as Sunway Pyramid Hotel East

YTD 4Q 2017 NPI Contribution (Cont'd)

Explanation:

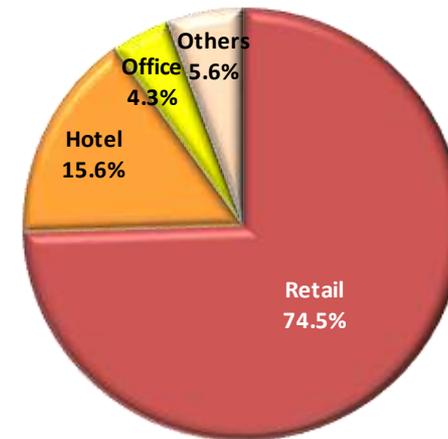
- 1 **Sunway Pyramid** – NPI for YTD 4Q2017 was higher by RM9.0 million due to higher YTD 4Q2017 revenue by RM8.5 million and lower advertising and promotion expenses.
- 2 **Sunway Carnival** – NPI for YTD 4Q2017 was higher by RM1.0 million due to higher YTD 4Q2017 revenue by RM1.9 million, partially offset by higher operating expense.
- 3 **Sunway Putra Mall** - NPI for YTD 4Q2017 was higher by RM10.5 million due to higher YTD 4Q2017 revenue by RM11.9 million, partially offset by higher assessment as explained on page 25.
- 4 **Sunway Resort Hotel & Spa, Sunway Pyramid Hotel* and Sunway Putra Hotel** – Explanation as per page 21.
- 5 **Menara Sunway** - NPI for YTD 4Q2017 was higher by RM0.5 million due to higher YTD 4Q2017 revenue by RM0.2 million and lower utilities expense.
- 6 **Sunway Putra Tower** – NPI for YTD 4Q2017 due to higher revenue.
- 7 **Sunway Medical Centre** – Explanation as per page 17.

* Formerly known as Sunway Pyramid Hotel East

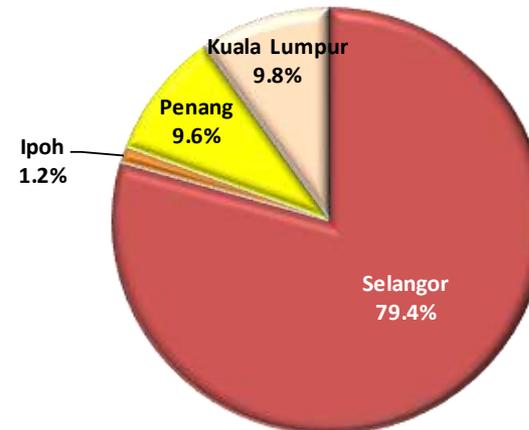
YTD 4Q 2017 NPI Contribution (Cont'd)

By Property	YTD 4Q 2017 %
Sunway Pyramid	59.0%
Sunway Carnival	7.5%
SCI Hypermarket	1.2%
Sunway Putra Mall	6.8%
Total Retail	74.5%
Sunway Resort Hotel & Spa	9.9%
Sunway Pyramid Hotel *	1.0%
Sunway Hotel Seberang Jaya	0.8%
Sunway Putra Hotel	2.6%
Sunway Hotel Georgetown	1.2%
Total Hotel	15.5%
Menara Sunway	2.9%
Sunway Tower	0.0%
Sunway Putra Tower	0.5%
Wisma Sunway	1.0%
Total Office	4.4%
Sunway Medical Centre	5.6%
Total Others	5.6%
	100.0%

By segment



By location



* Formerly known as Sunway Pyramid Hotel East

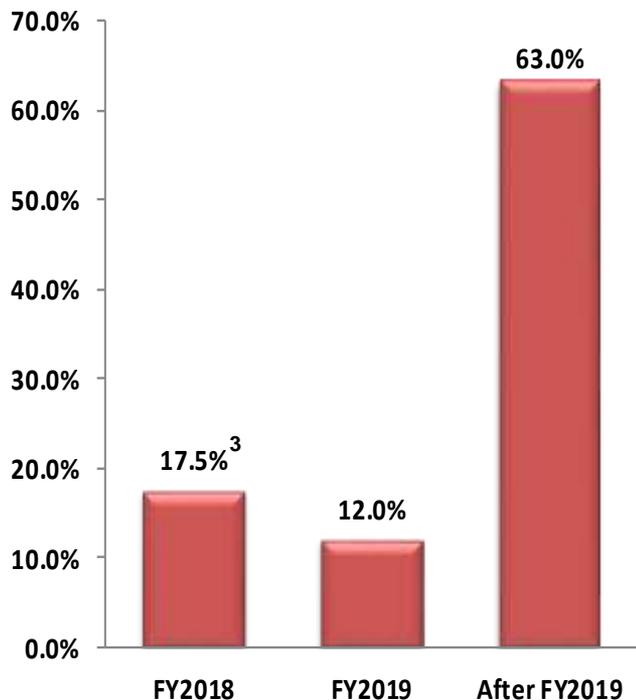
Resilient Income Stream

Well spread-out lease expiry profile and diverse tenant base

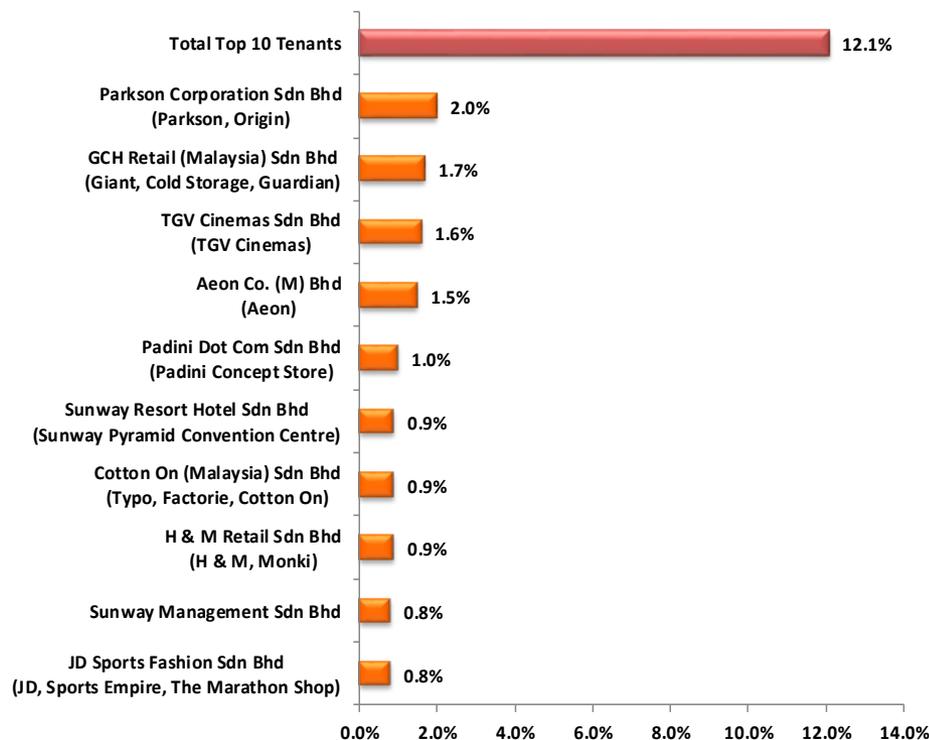
WALE ¹ as at 30 June 2017 – 1.81 years

Top 10 tenants contribute approximately 12.1% 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.

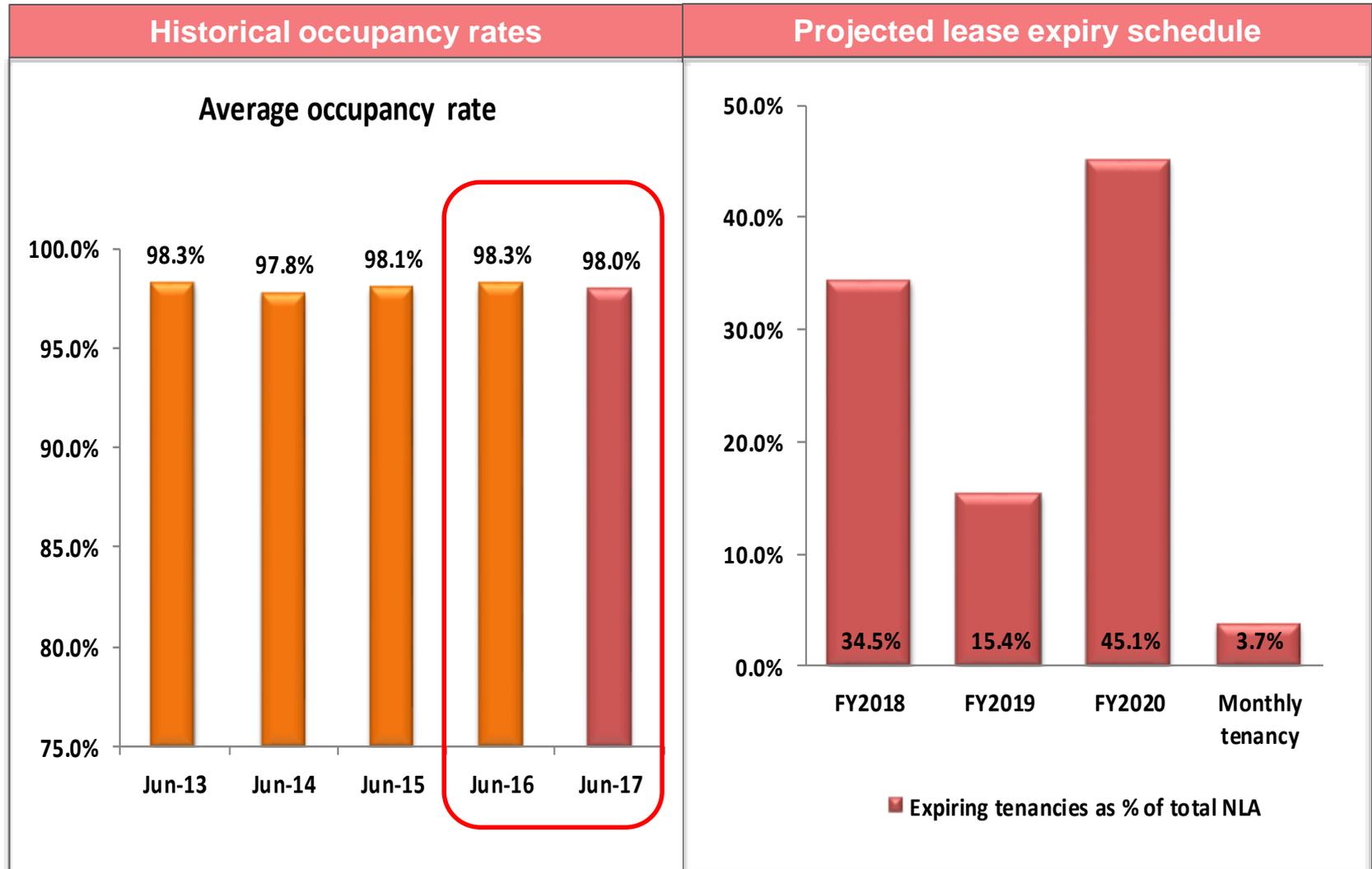
³ Include monthly tenancies occupying 1.0% of total space.

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

4. 4Q 2017 Property Performance

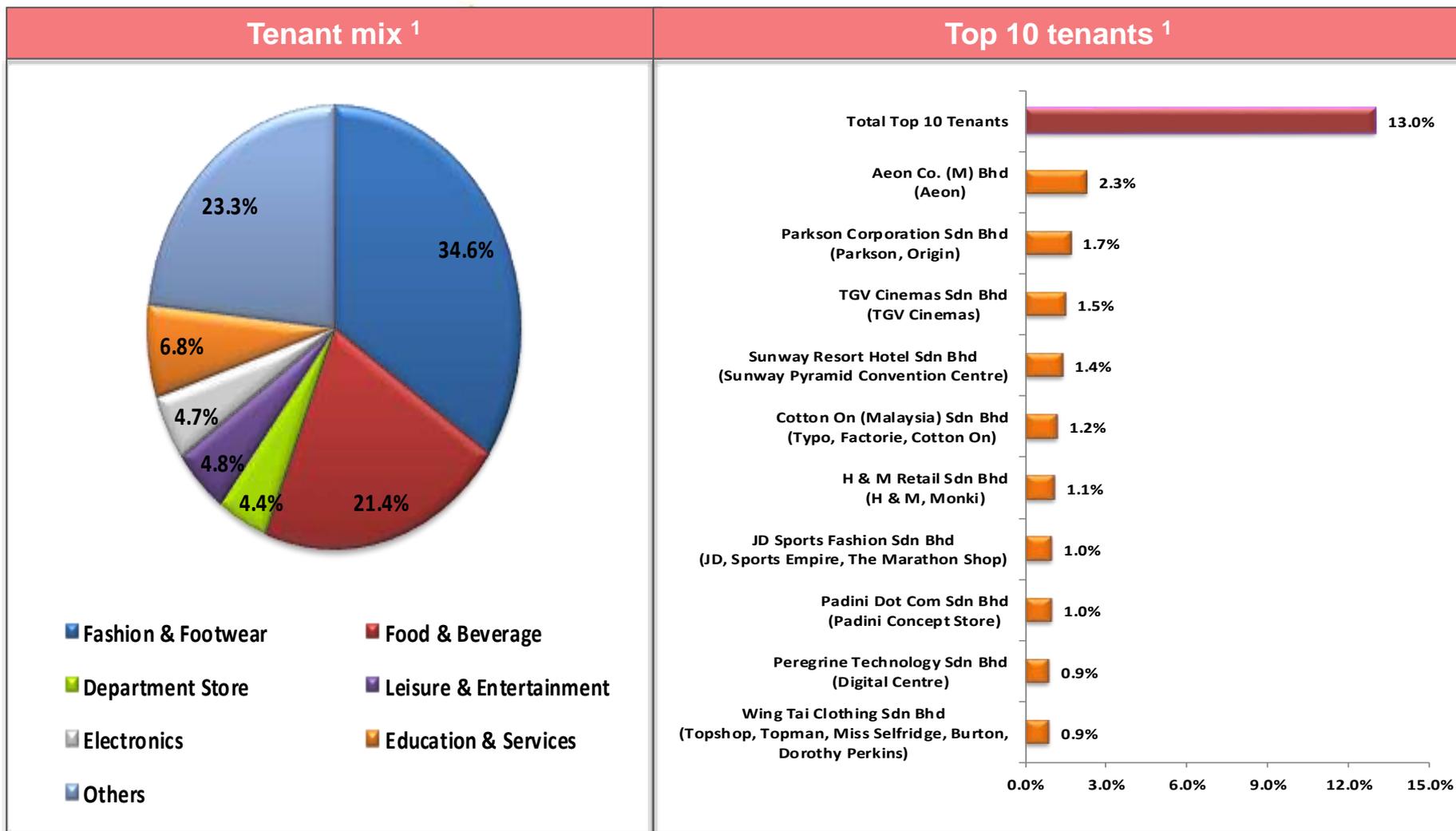
RETAIL PROPERTIES

SUNWAY PYRAMID SHOPPING MALL



RETAIL PROPERTIES

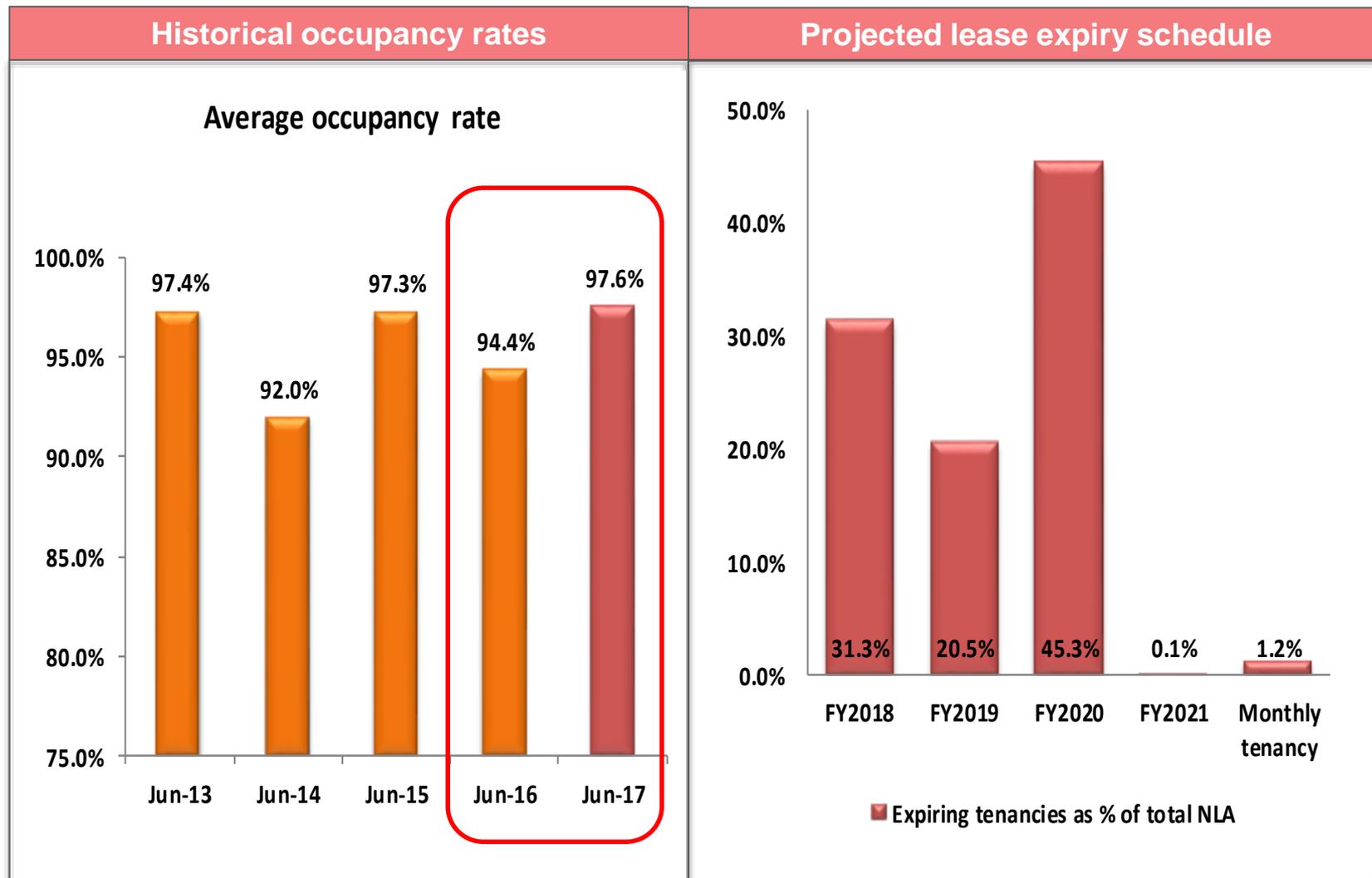
SUNWAY PYRAMID SHOPPING MALL (Cont'd)



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

RETAIL PROPERTIES

SUNWAY CARNIVAL SHOPPING MALL

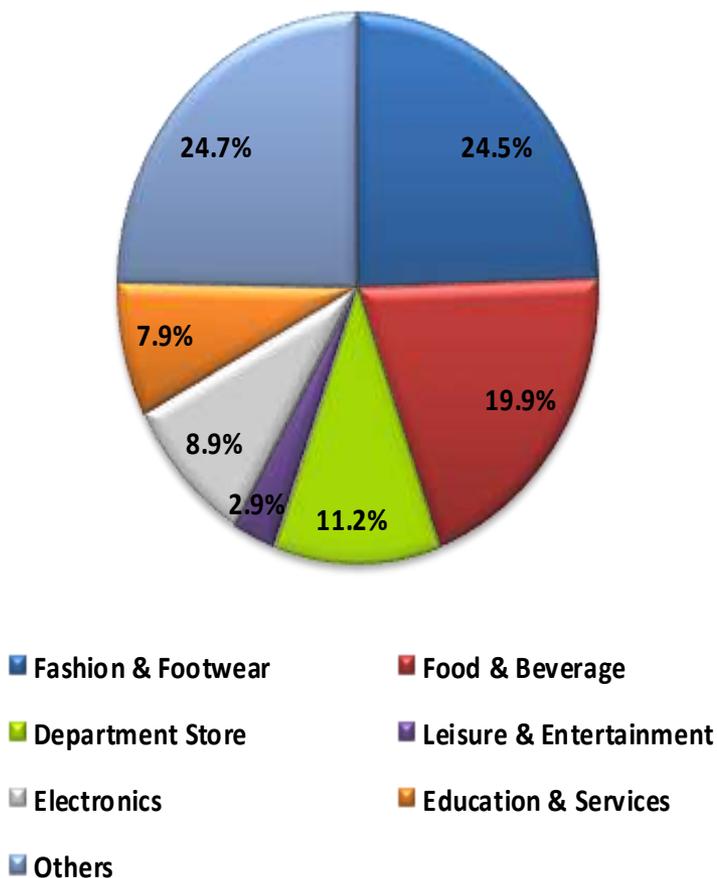


Note: Average occupancy rate for YTD4Q2017 was higher following the completion of the new food and beverage (“F&B”) area with NLA of approximately 16,000 sq. ft. (3% of total NLA) in 4Q2016.

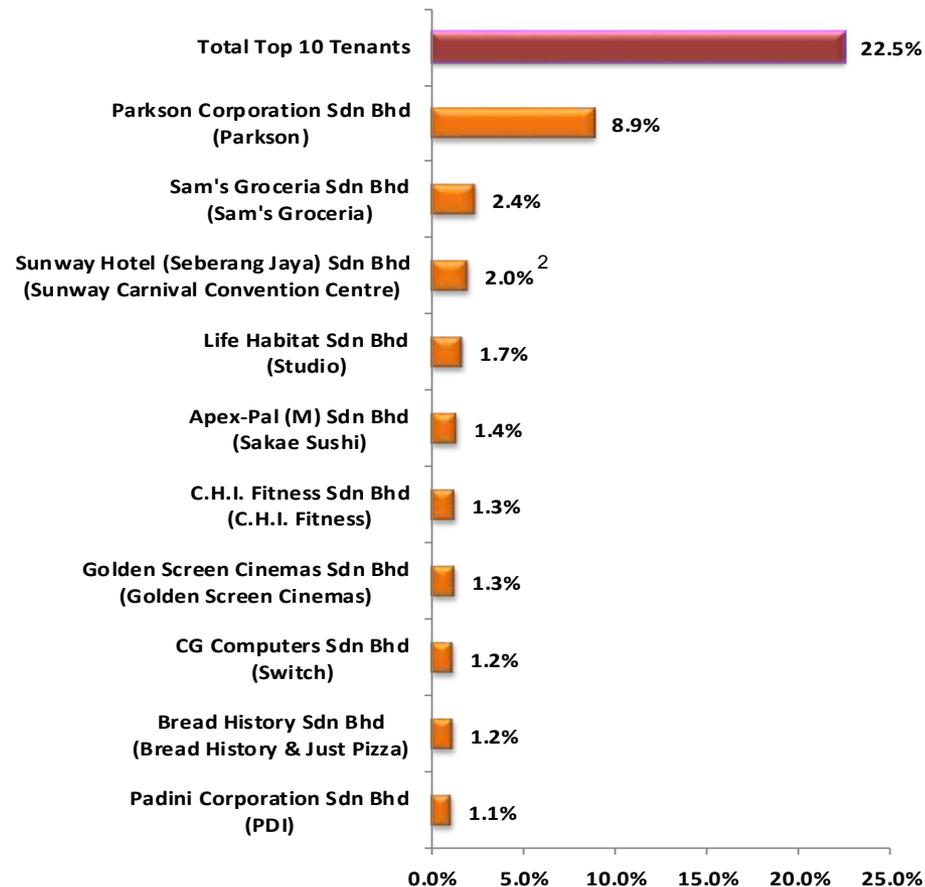
RETAIL PROPERTIES

SUNWAY CARNIVAL SHOPPING MALL (Cont'd)

Tenant mix ¹



Top 10 tenants ¹

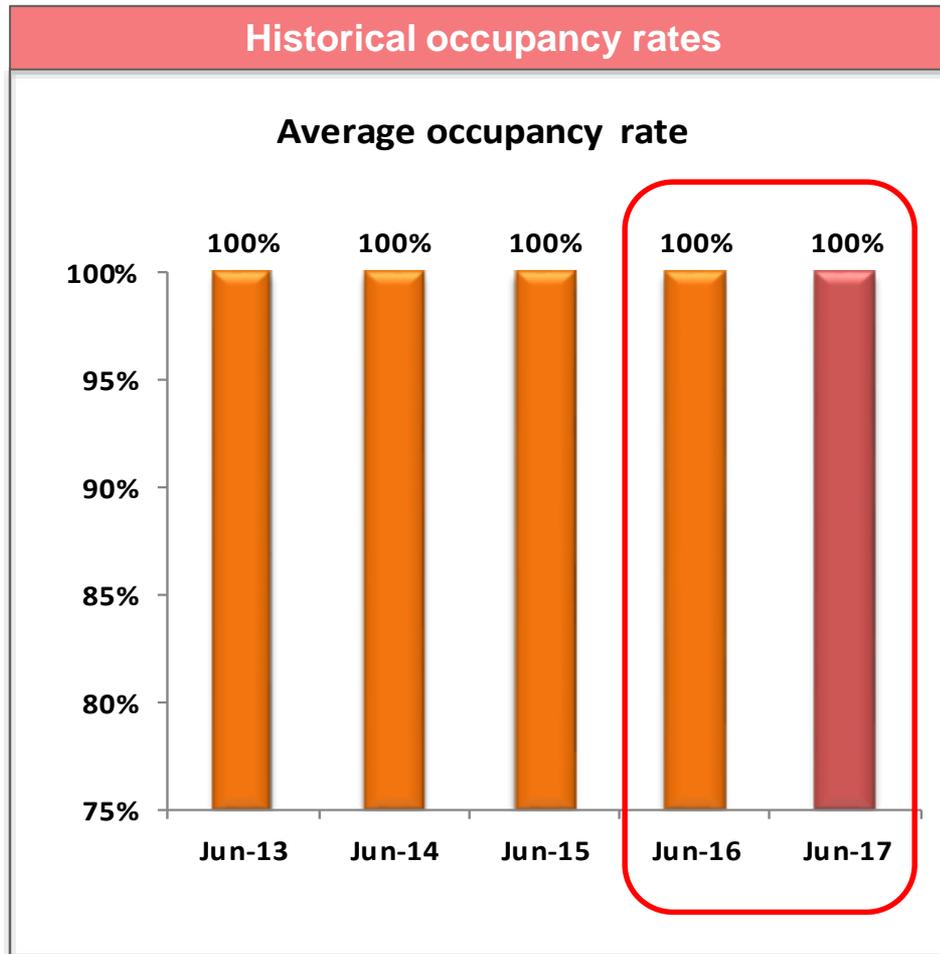


¹ Based on gross rental income for the month of June 2017.

² The tenancy expired on 30 June 2017. The space has been taken up by a new tenant to commence in 1Q2018.

RETAIL PROPERTIES

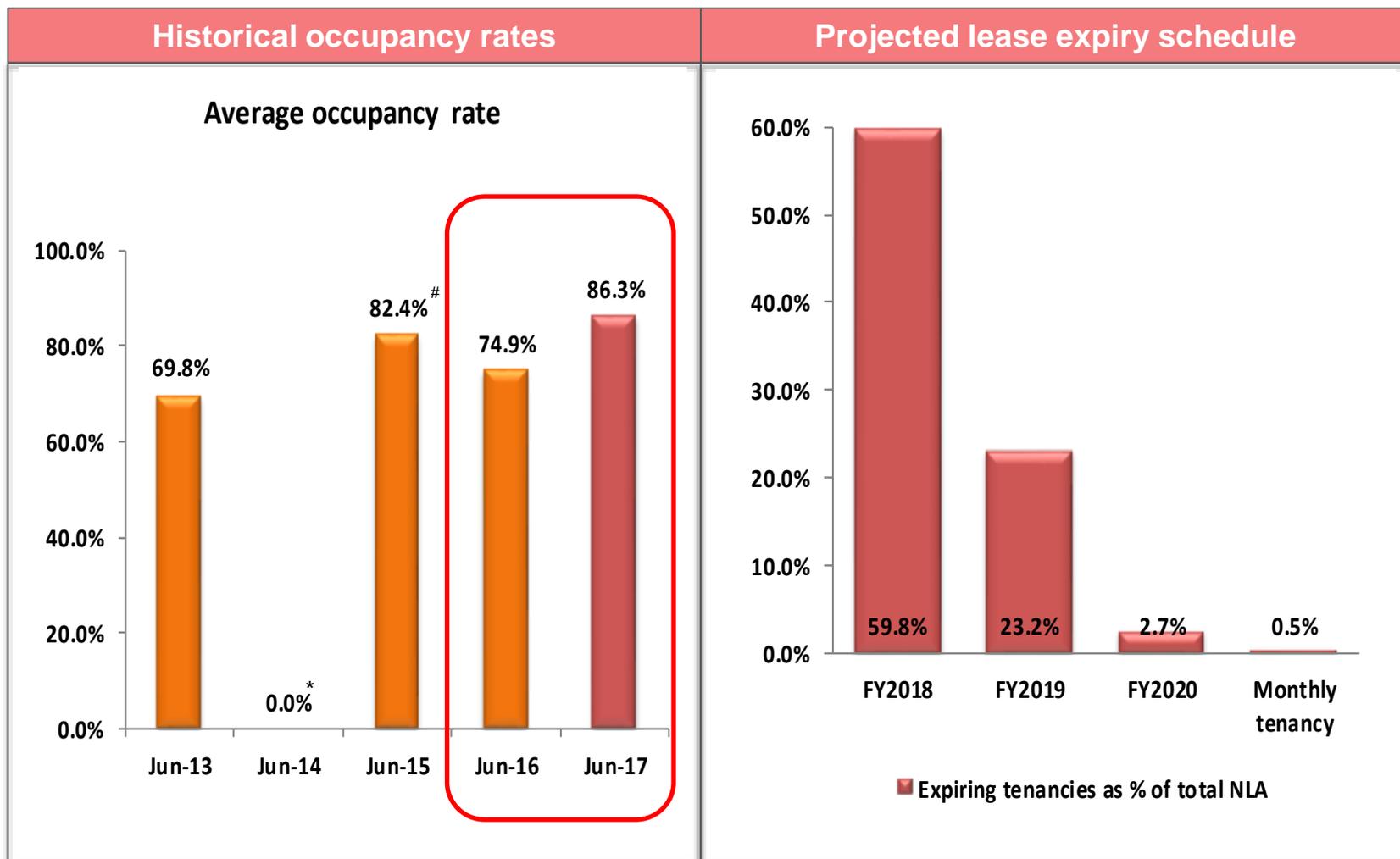
SUNCITY IPOH HYPERMARKET



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

RETAIL PROPERTIES

SUNWAY PUTRA MALL



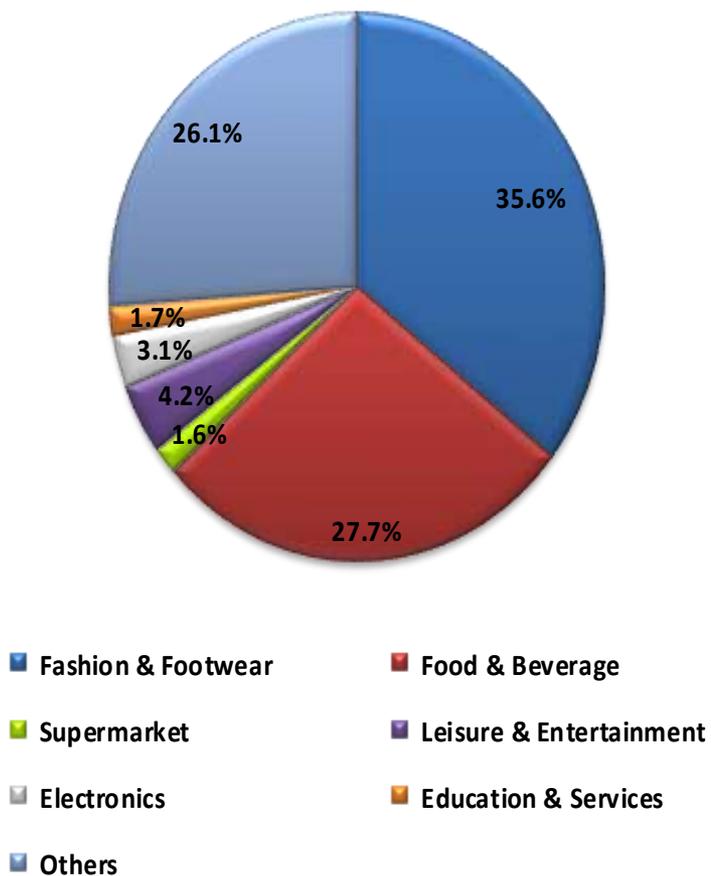
* Sunway Putra Mall was closed for refurbishment from May 2013 to May 2015 and re-opened on 28 May 2015.

Based on secured occupancy.

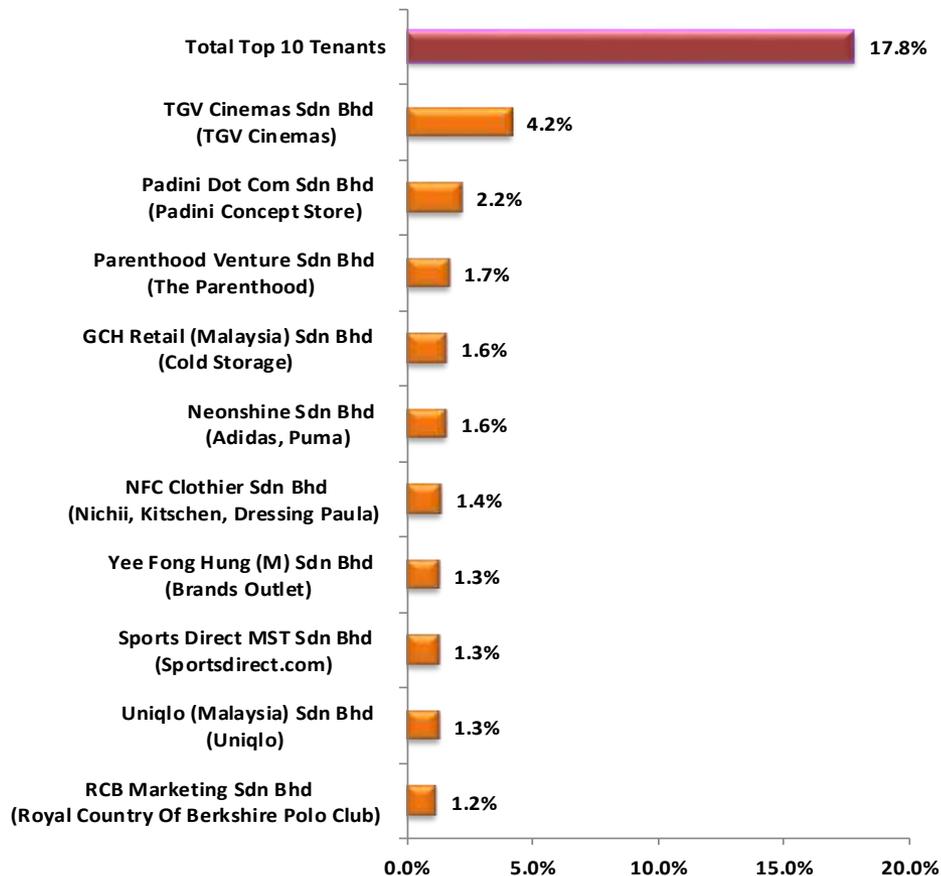
RETAIL PROPERTIES

SUNWAY PUTRA MALL (Cont'd)

Tenant mix ¹



Top 10 tenants ¹



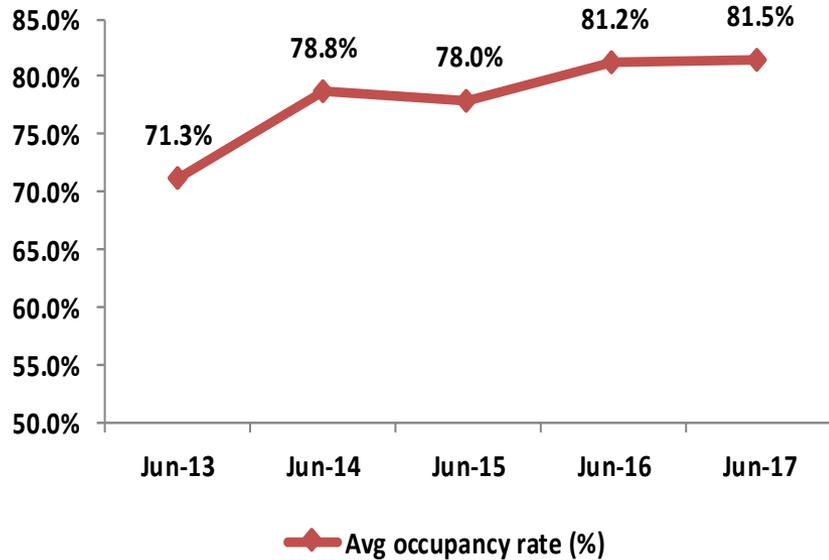
¹ Based on gross rental income for the month of June 2017.

HOSPITALITY PROPERTIES

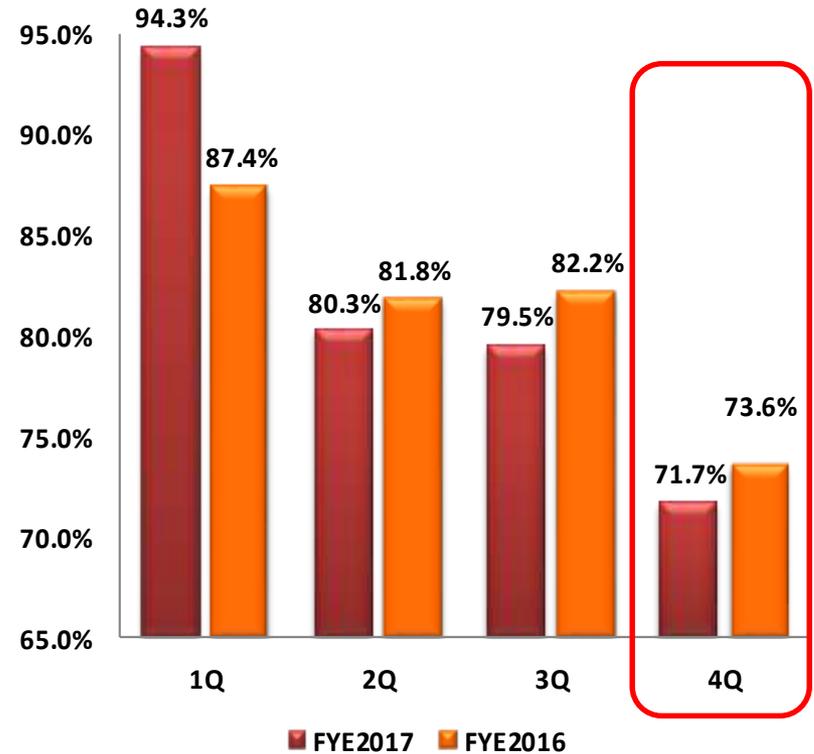
SUNWAY RESORT HOTEL & SPA

Historical occupancy rate

Average occupancy rate



Average occupancy rate (%)



Customer contribution (Room revenue)

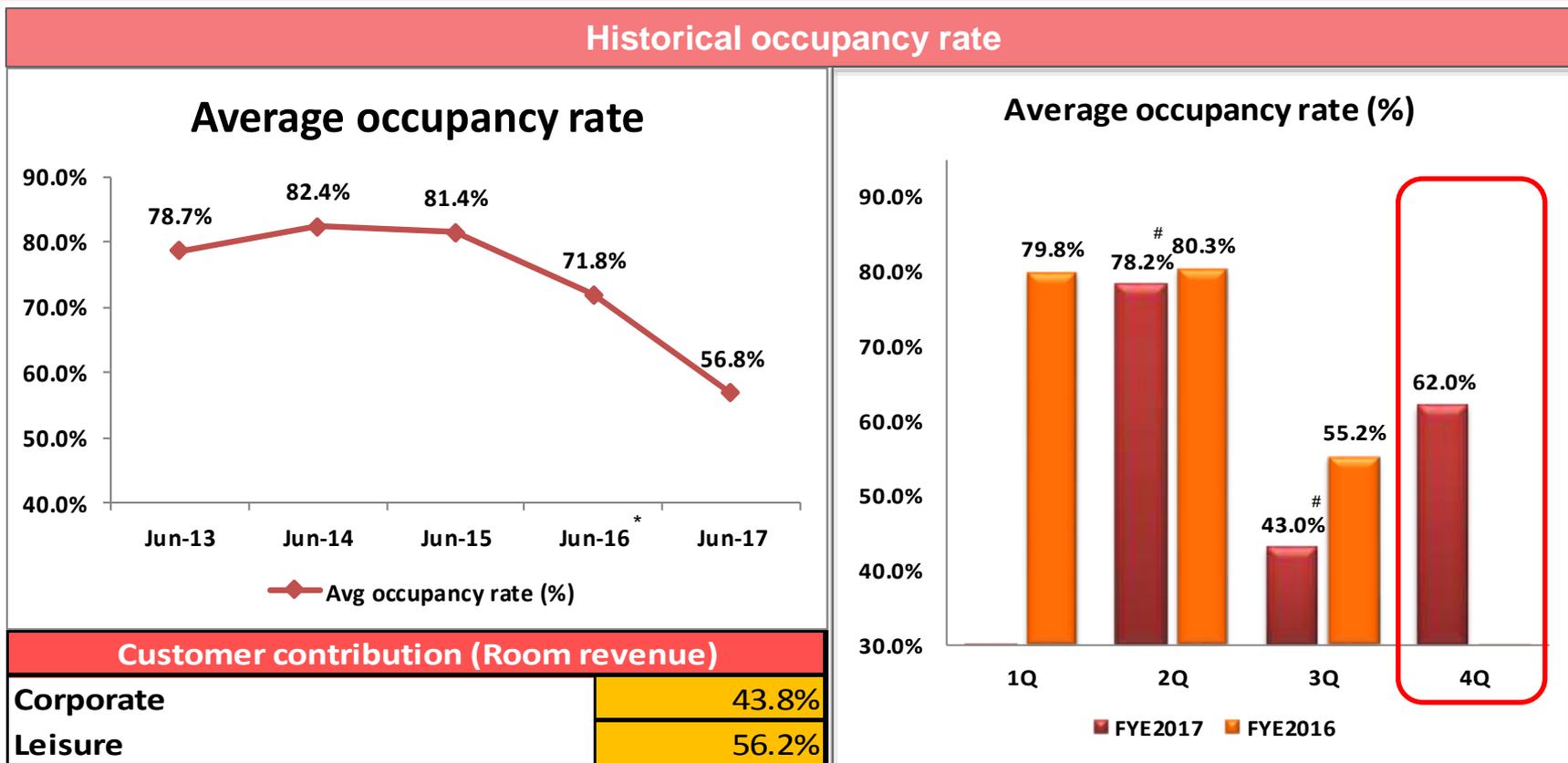
Corporate	30.6%
Leisure	69.4%

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 registered a lower average occupancy rate for 4Q2017 compared to 4Q2016 mainly attributable to softer leisure market and business sentiment. In addition, the performance was affected by the timing of fasting month, which fell towards the end of May 2017 (FY2016: early June 2016), which saw a reduction in travelling and business meetings.

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.

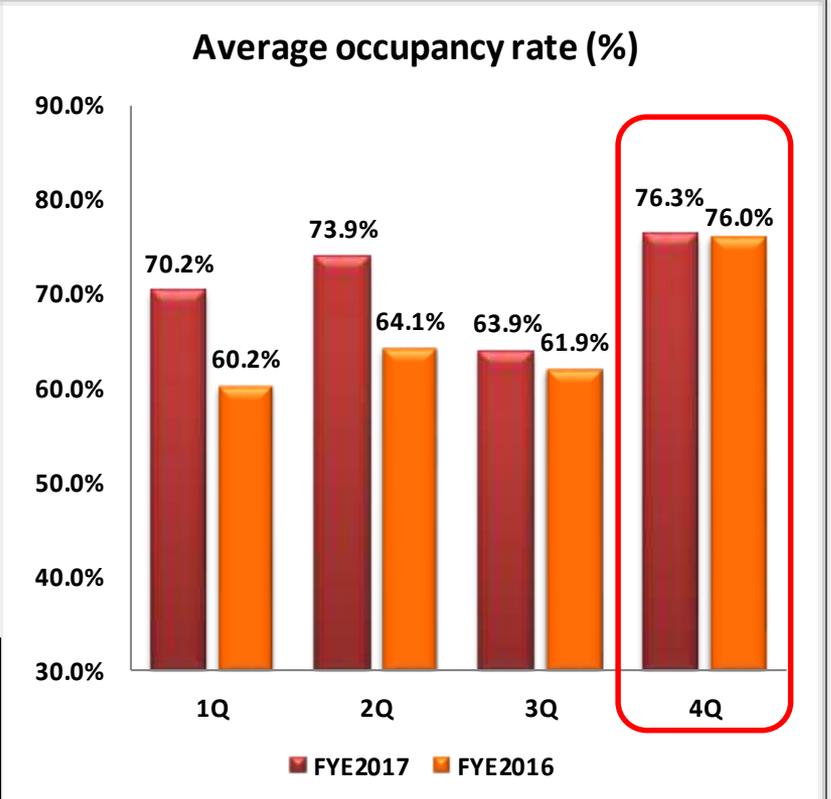
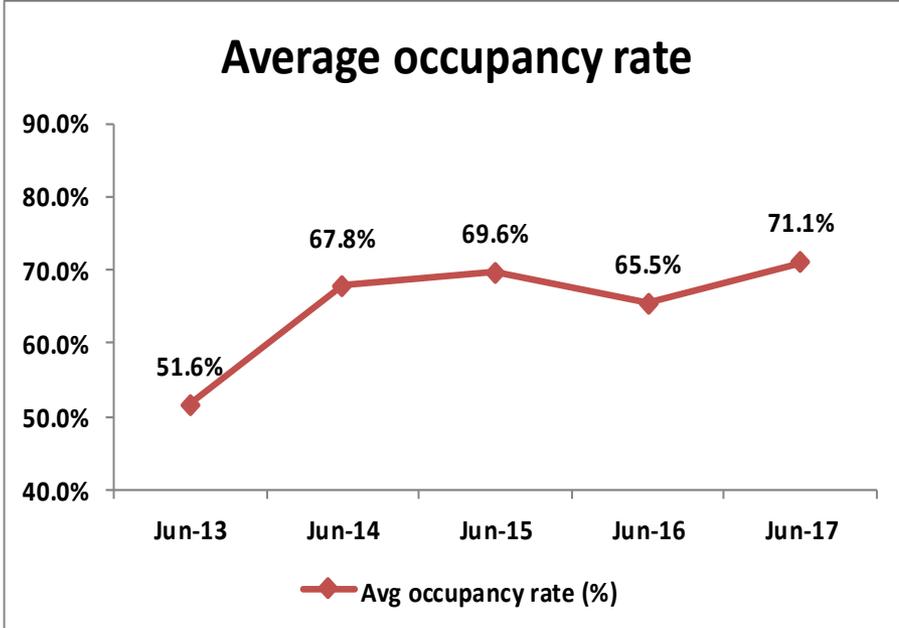
Note 2: There are no comparative figures for 4Q2016 and 1Q2017 as the hotel was fully closed for refurbishment since April 2016 and has re-opened in November 2016 on a progressive basis. Refurbishment of the hotel was completed in June 2017.

Note 3: Occupancy was low for 4Q2017 mainly due to reasons similar to those for Sunway Resort Hotel & Spa.

HOSPITALITY PROPERTIES

SUNWAY HOTEL SEBERANG JAYA

Historical occupancy rate



Customer contribution (Room revenue)	
Corporate	90.4%
Leisure	9.6%

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 4Q2017 was higher compared to 4Q2016 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.

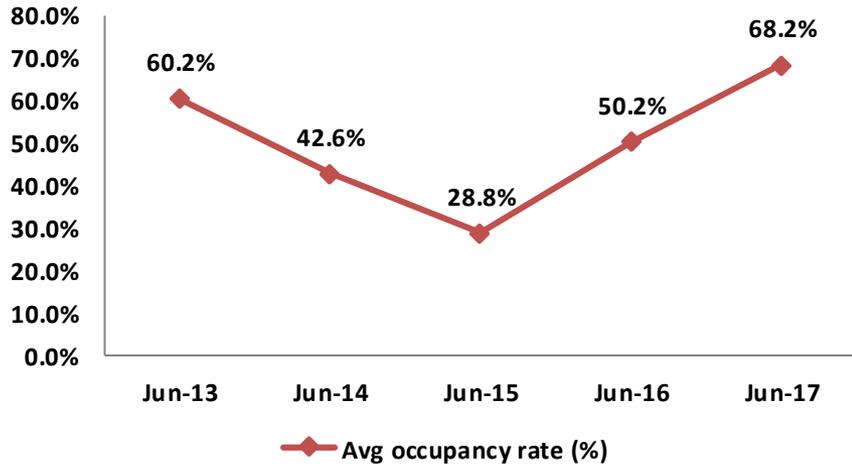


HOSPITALITY PROPERTIES

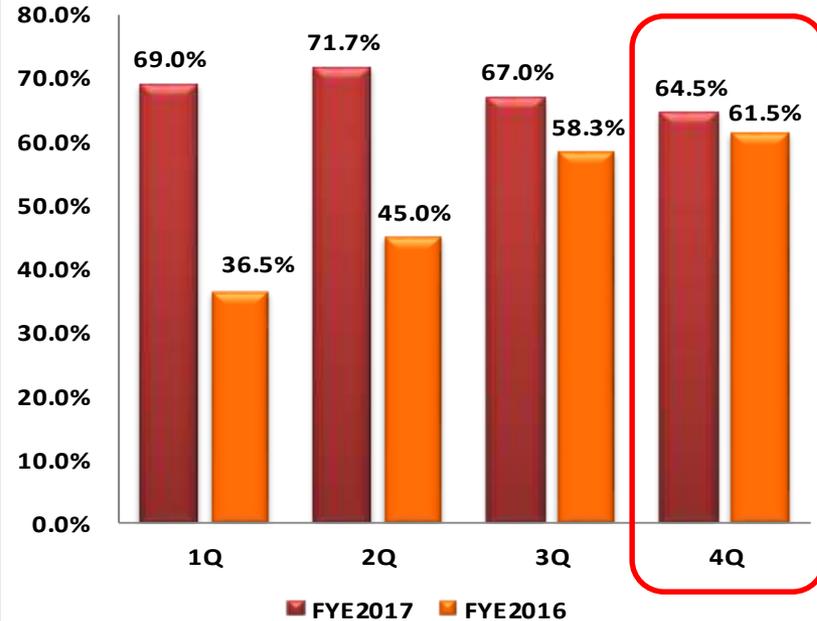
SUNWAY PUTRA HOTEL

Historical occupancy rate

Average occupancy rate



Average occupancy rate (%)



Customer contribution (Room revenue)

Corporate	23.4%
Leisure	76.6%

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.

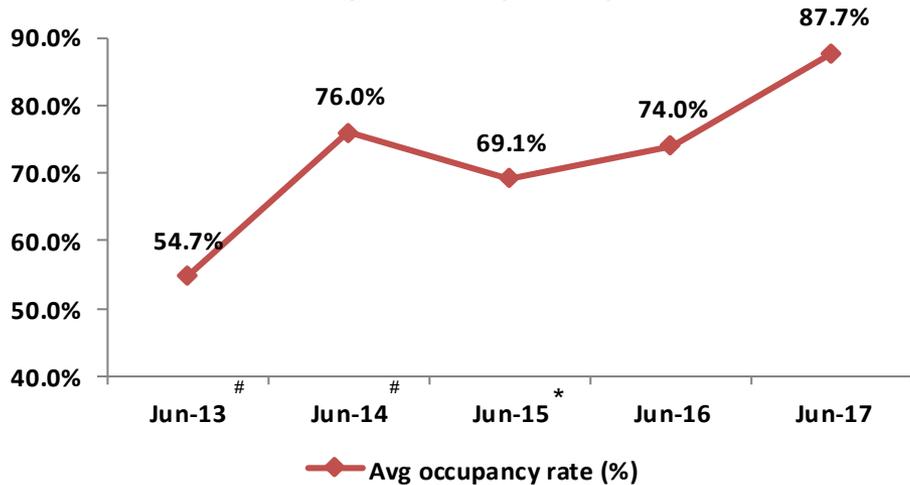
Note 3: Sunway Putra Hotel's average occupancy rate was higher in 4Q2017 compared to 4Q2016 as the hotel gains traction through its ongoing marketing and promotional rates campaign to regain market share across all customer segments.

HOSPITALITY PROPERTIES

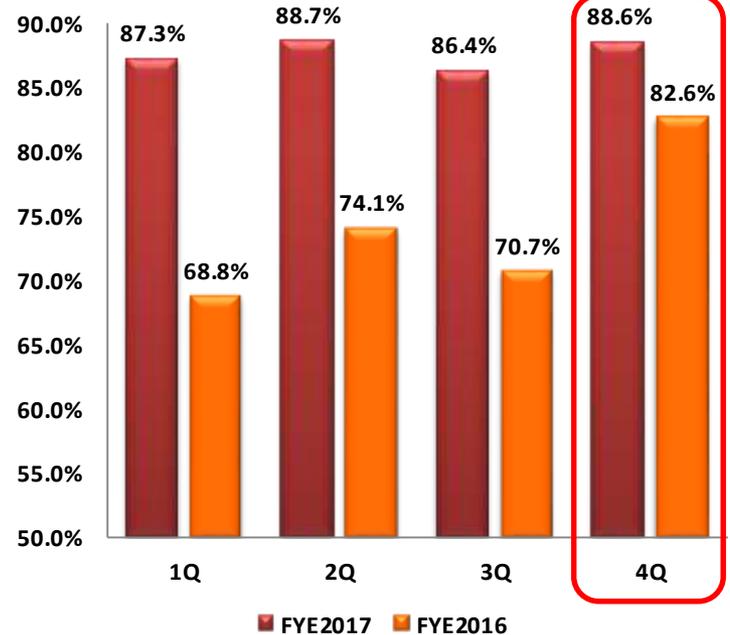
SUNWAY HOTEL GEORGETOWN

Historical occupancy rate

Average occupancy rate



Average occupancy rate (%)



Customer contribution (Room revenue)

Corporate	6.0%
Leisure	94.0%

* 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.

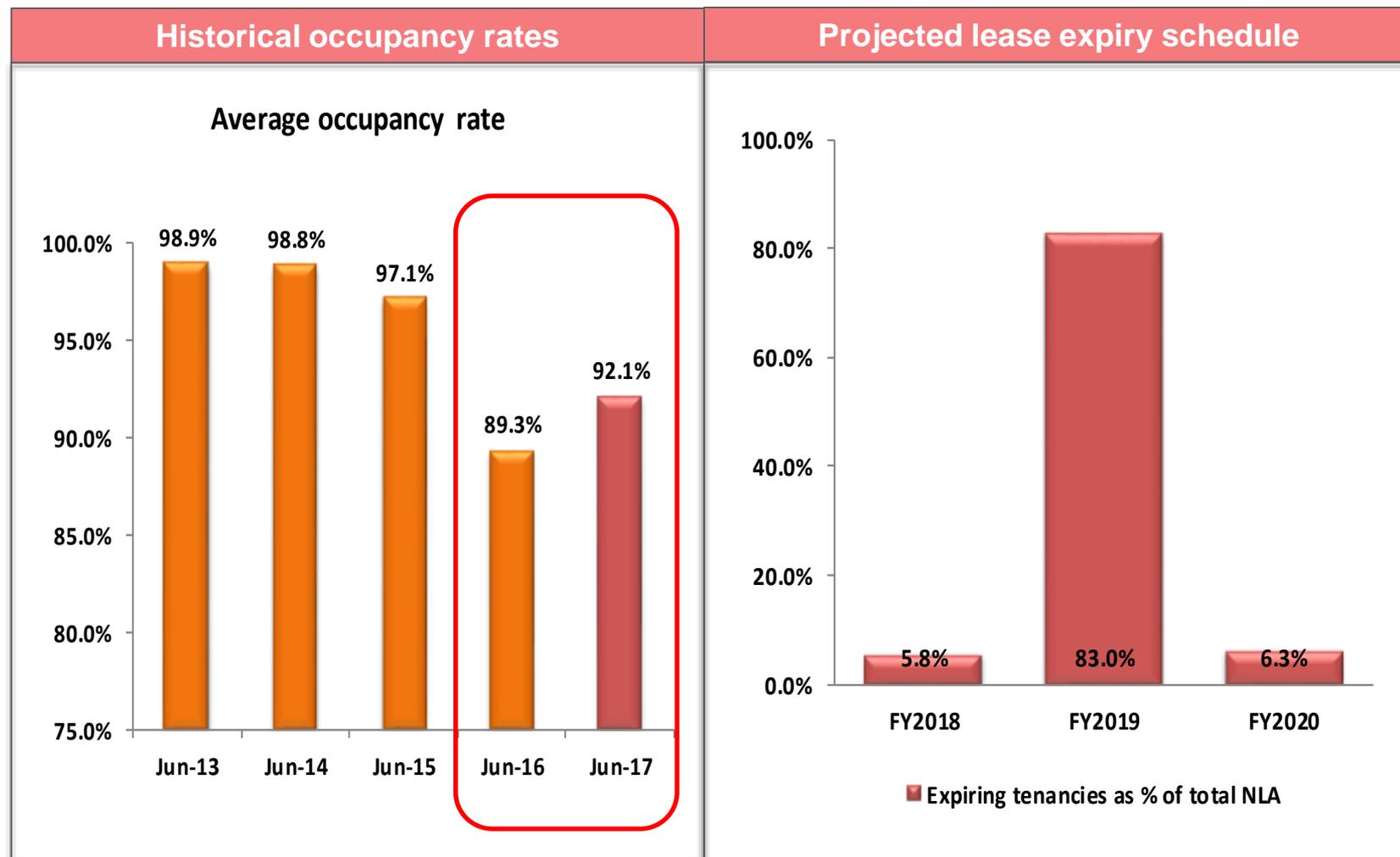
The historical information (Jun-13 to Jun-14) are provided by the vendor, Sunway Berhad.

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 4Q2017 was higher compared to 4Q2016 mainly due to stronger demand from the leisure segment in the current quarter.

OFFICE PROPERTIES

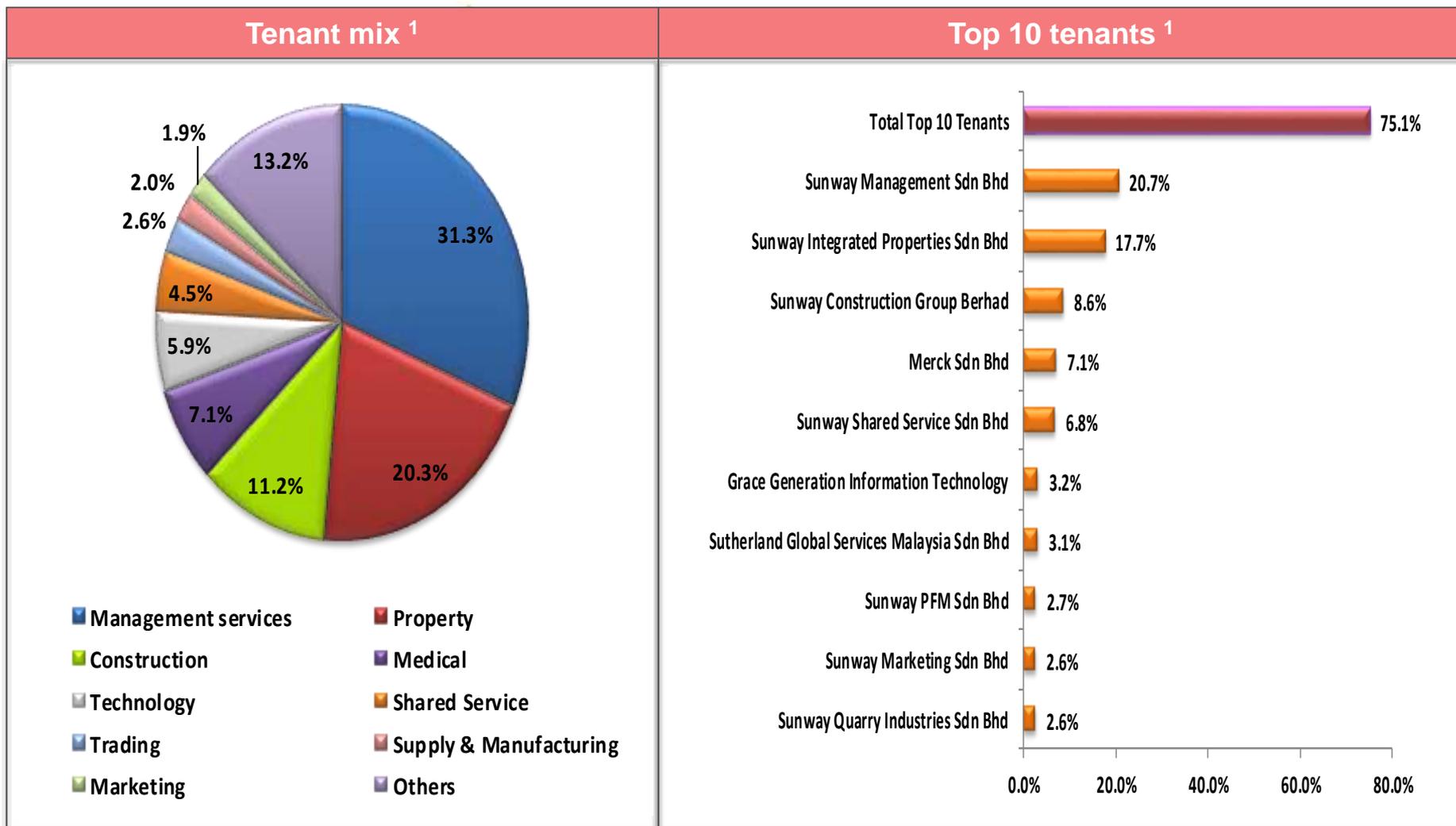
MENARA SUNWAY



Note: Average occupancy rate for YTD4Q2017 was higher compared to YTD4Q2016 with commencement of new tenancies. Occupancy rate as of 30 June 2017 stood at 95.1%.

OFFICE PROPERTIES

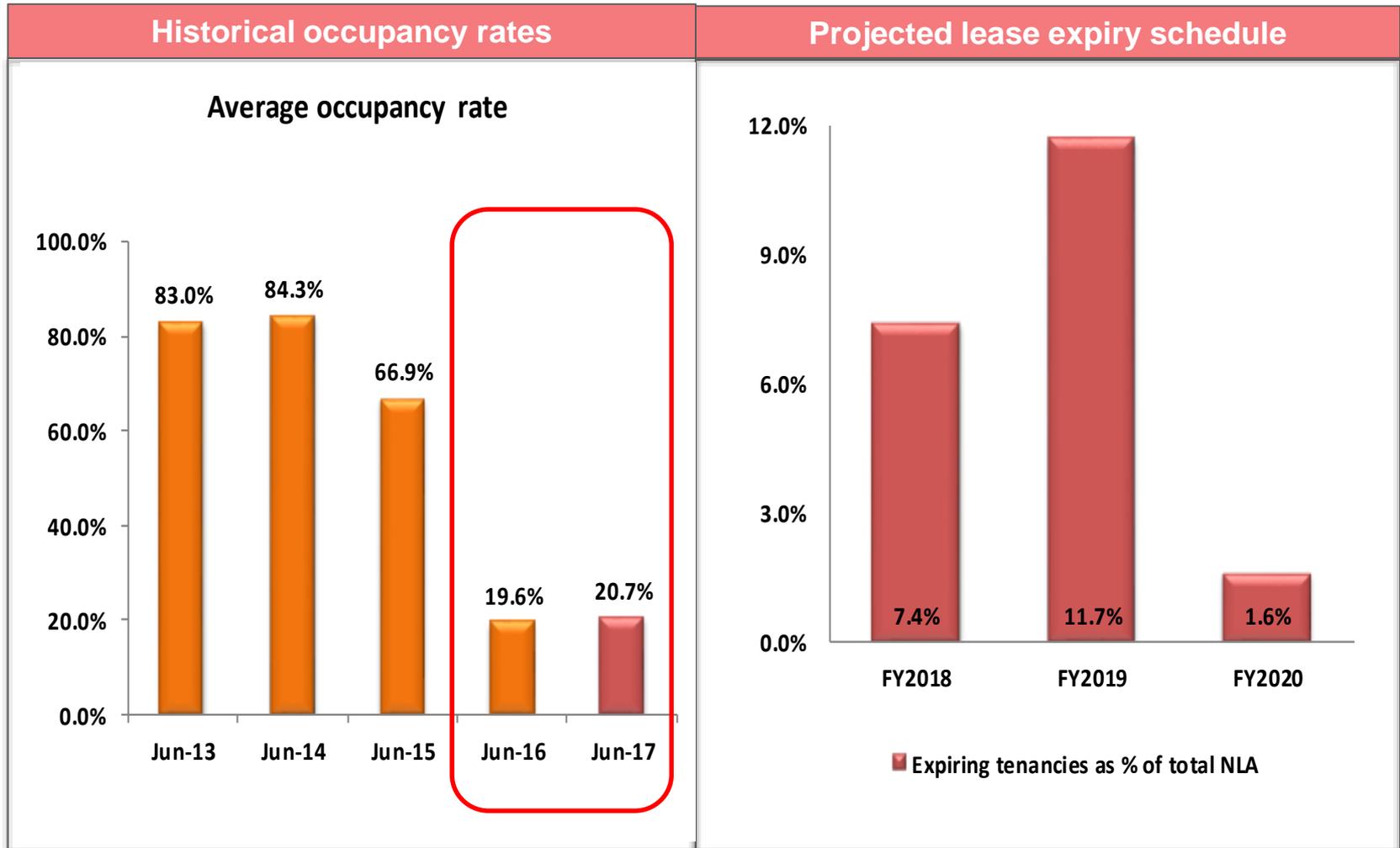
MENARA SUNWAY (Cont'd)



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

OFFICE PROPERTIES

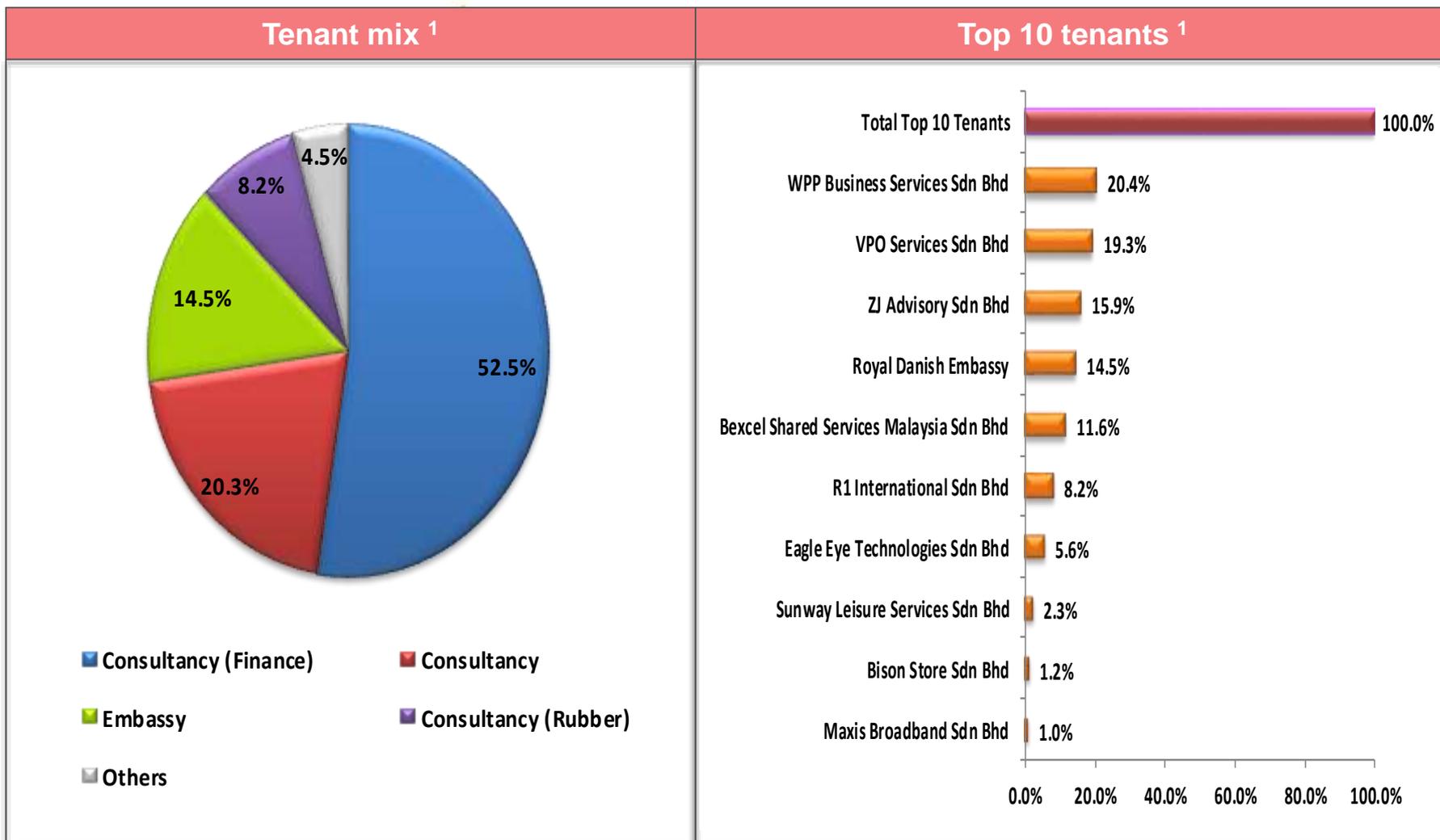
SUNWAY TOWER



Note: A tenant has been secured for 1,200 sq.ft. (0.5% of total NLA) to commence in 1Q2018.

OFFICE PROPERTIES

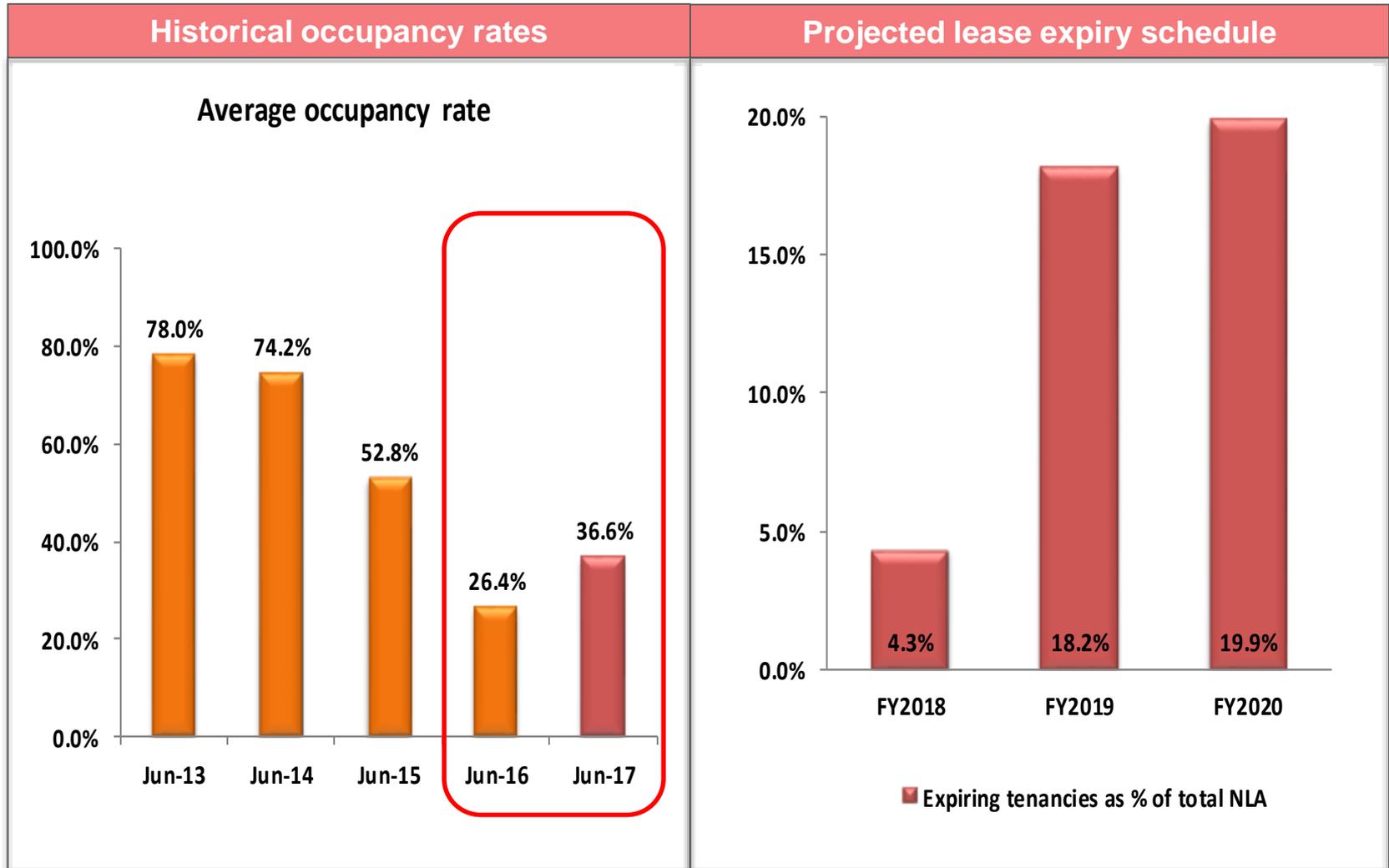
SUNWAY TOWER (Cont'd)



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

OFFICE PROPERTIES

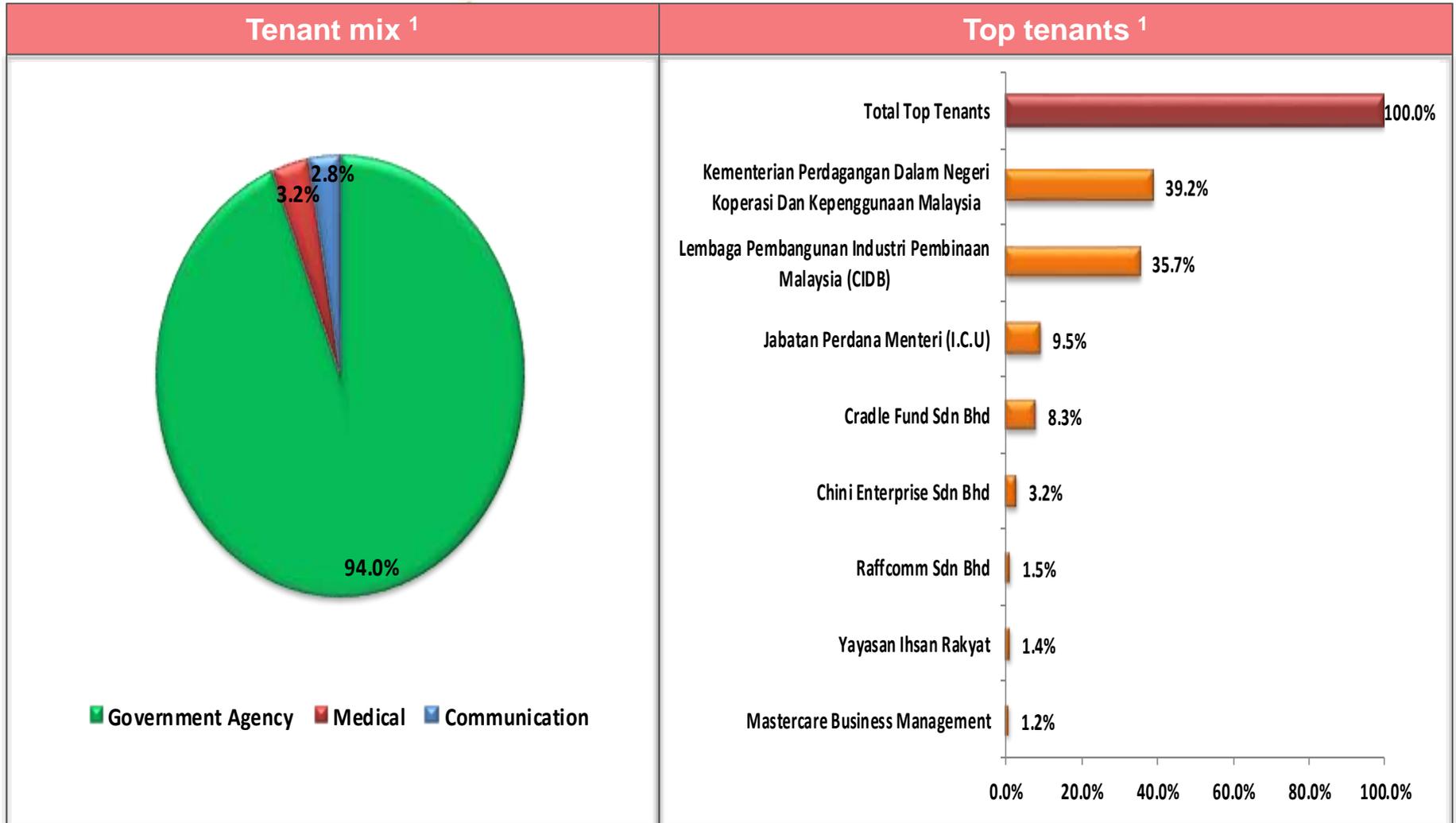
SUNWAY PUTRA TOWER



Note : Average occupancy rate for YTD4Q2017 was higher compared to YTD4Q2016 due to commencement of new tenancies in FY2017. Occupancy rate as of 30 June 2017 stood at 42.4%.

OFFICE PROPERTIES

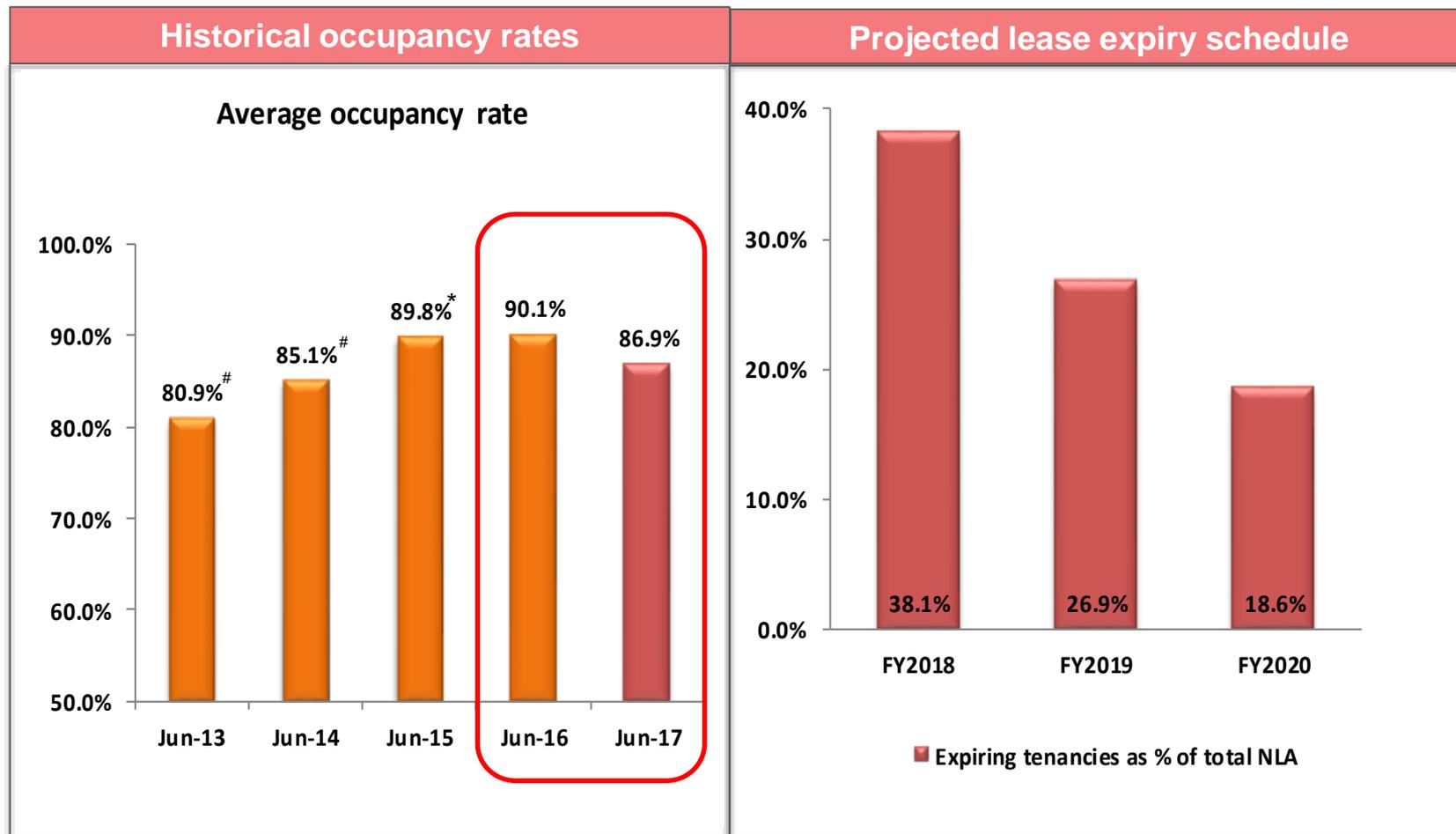
SUNWAY PUTRA TOWER (Cont'd)



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

OFFICE PROPERTIES

WISMA SUNWAY



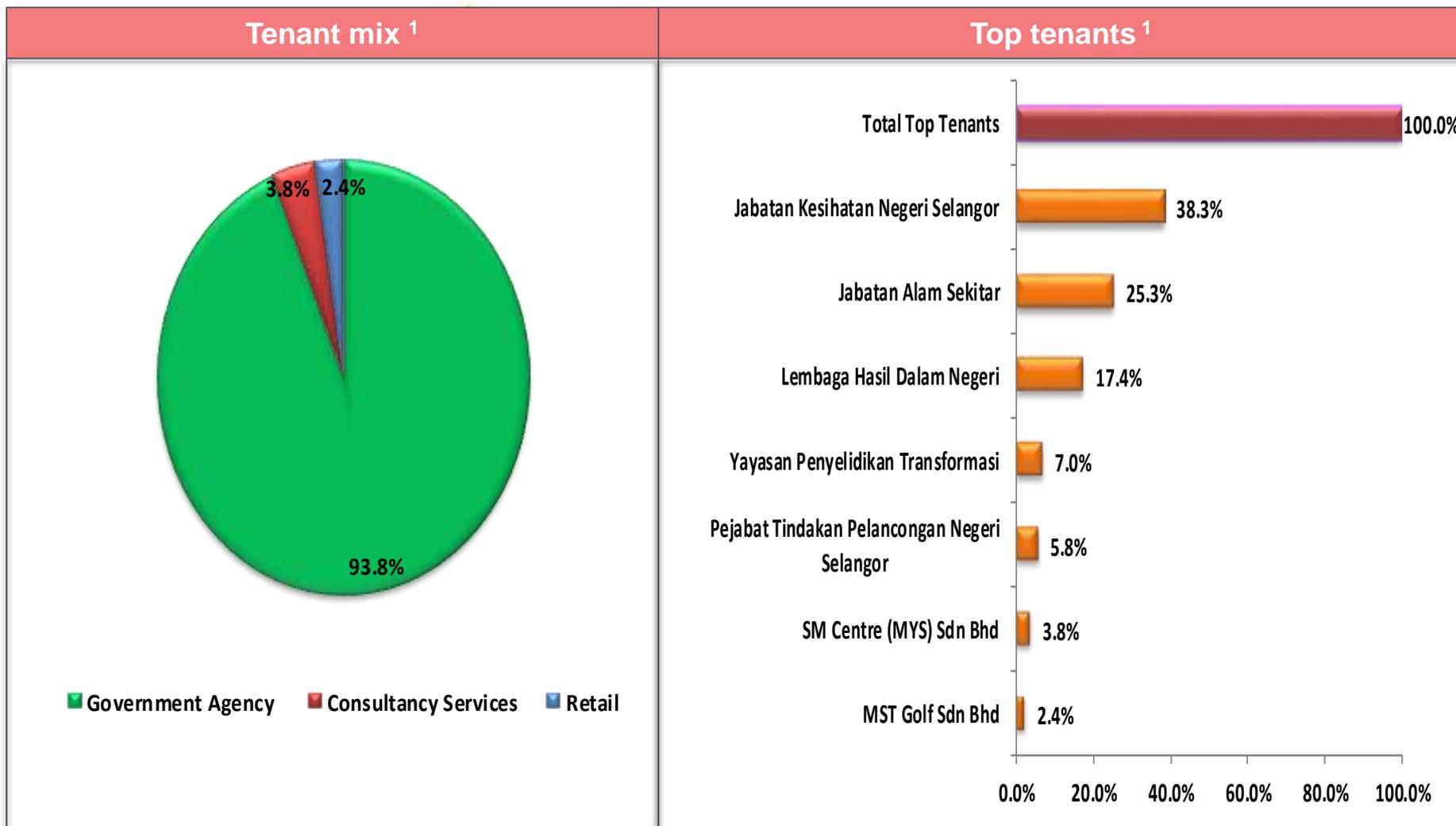
* The contribution from Wisma Sunway commenced on 23 March 2015. The information for Jun-15 shown above was for the period from March 2015 to June 2015, following the completion of its acquisition.

The historical information (Jun-13 and Jun-14) are provided by the vendor, Sunway Berhad.

Note: Average occupancy rate for YTD4Q2017 was lower due to the downsizing of a tenant in 4Q2017 and non-renewal of tenants in 2Q2016 and 4Q2016.

OFFICE PROPERTIES

WISMA SUNWAY (Cont'd)



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

5. Market Outlook

General Outlook

- Global economies saw a synchronized growth in the first quarter of CY2017 (1Q CY2017) supported by resurgence in manufacturing and global trades on the back of bottoming out of global investments. The World Bank maintained its global growth projection at 2.7% in CY2017 and 2.9% in CY2018 respectively. Global growth prospects may be hindered by rising trade protectionism, uncertainty in economic policy direction and normalization of monetary policy in developed economies.
- On the domestic front, the Malaysian economy reported a stronger than expected growth of 5.6% year-on-year (y-o-y) in 1Q CY2017(4Q CY2016: 4.5% y-o-y), boosted by strong domestic demand, private sector activities and higher exports. Resurgence in global trades activities is expected to generate favourable spillovers to the domestic economy. Impetus for growth is further supported by private consumption and improved investment outlook underpinned by new and ongoing infrastructure projects. The Malaysian economy is on track to achieve the official growth target 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.
- Headline inflation eased further to 3.6% y-o-y in June 2017 (May 2017: 3.9% y-o-y) mainly due to moderation in transport prices on the back of lower fuel prices and stable food prices. For the first half of CY2017 (1H CY2017), the Consumer Price Index (CPI) rose to 4.1% y-o-y (1H CY2016: 2.7% y-o-y). Further easing of inflationary pressure in the second half of CY2017 is likely to reflect the waning effect of global cost factors. Bank Negara Malaysia (BNM) maintained its headline inflation of 3.0% to 4.0% in CY2017.

General Outlook

- On 13 July 2017, the Monetary Policy Committee (MPC) of BNM has left the Overnight Policy Rate (OPR) unchanged at 3.00%. The MPC has cited that the monetary policy stance is to remain accommodative and supportive of economic activity while they continue to assess the risks surrounding the outlook for domestic growth and inflation. OPR is expected to remain unchanged for the remaining CY2017 in view that the upsurge in CPI was cost-pushed. On the longer-term, monetary policy direction may take cue from monetary policy development in developed economies to be led by the United States.

- Barring any unforeseen circumstances, The Manager expects the prospect for FY2018 to improve with a moderate growth in DPU, underpinned by :
 - i) Resumption in income contribution from Sunway Pyramid Hotel following the full completion of its refurbishment in June 2017
 - ii) Moderate growth in the retail segment amidst gradual recovery in consumer sentiment
 - iii) New income contribution from the acquisition of Sunway REIT Industrial – Shah Alam 1
 - iv) Gradual improvement in the overall occupancy of the office segment

- The Manager is committed to distribute 100% of its distributable net income for FY2018.

Retail Segment

- The Malaysian retail industry recorded another quarter of somewhat subdued performance in 1Q CY2017, registering a contraction of 1.2% y-o-y (1Q CY2016: -4.4%) due to soft spending during the festive season. Despite the lackluster data, the Retail Group Malaysia (RGM) maintained the Malaysia's retail sales growth rate for 2017 at 3.9% with the expectation of a recovery in 2H CY 2017.
- Gradual recovery in consumer sentiment coupled with improvement in macro-economic landscape is expected to bode well for the retail industry. However, abundance of retail supply in the market including anticipated 6.9 million sq.ft. of new supply coming on stream in CY2017 – CY2018 in the Klang Valley coupled with continuous growth in online retailing will continue to pose challenges to mall owners and operators.
- The average occupancy rate for Sunway Pyramid Shopping Mall remained unchanged at 98.0% for FY2017 compared to FY2016. Based on the total net lettable area (NLA) of 979,276 sq.ft. which was due for renewal in FY2017, a total of 974,563 sq.ft. was renewed / replaced at a single-digit rental reversion rate. This represents a renewal rate of 99.5%.

Retail Segment (Cont'd)

- Sunway Carnival Shopping Mall's average occupancy rate improved to 97.6% in FY2017, compared to 94.4% in FY2016. The improvement in the average occupancy was due to completion of a new food and beverage (F&B) area with a NLA of 16,000 sq.ft. (equivalent to 3% of total NLA) since 4Q FY2016. Based on the total NLA of 326,895 sq.ft. which was due for renewal in FY2017, a total of 321,252 sq.ft. was renewed / replaced at single-digit rental reversion rate. This represent a renewal rate of 98.3%.
- Sunway Putra Mall's average occupancy rate improved further to 86.3% in FY2017, vis-à-vis 74.9% in FY2016. A total of 12,774 sq.ft. (equivalent to 2.4% of total NLA) was renewed / replaced at a lower reversionary rate. Secured occupancy for the mall stood at 93.4% as at 30 June 2017.
- The Manager believes that the retail assets are well positioned to capitalise on the gradual recovery in consumer sentiment. The Manager expects the retail segment to register a moderate growth for FY2018.

Hotel Segment

- Major indicators are suggesting a promising year for the hospitality sector. Expectation of improving macro-economic condition, consumer sentiment and business confidence as well as favourable currency are impetus for the sector to perform well going forward. In addition, the hospitality sector is expected to benefit from major campaigns and events such as Visiting ASEAN@50 year campaign, SEA and ASEAN PARA Games 2017.
- The optimism, however, may potentially be negated by the uncertainties arising from the proposed implementation of Tourism Tax, new supply of hotels and emergence of disruptive / unconventional hospitality offerings such as airBnB, homestay, boutique hotels amongst others.
- Sunway Resort Hotel & Spa maintained its average occupancy rate in FY2017 at 81.5% compared to 81.2% in FY2016. In 4Q FY2017, the average occupancy rate eased marginally to 71.7% (4Q FY2016: 73.6%) due to softer leisure market and corporate demand. This was partially due to the commencement of fasting month in end-May 2017 (FY2016: early June 2016) which resulted in a reduction in travelling activities and business meetings. Despite the softer average occupancy rate in 4Q FY2017, the F&B division achieved higher revenue.

Hotel Segment

- Business operation of Sunway Pyramid Hotel was affected by upgrading and refurbishment since April 2016. For the financial year ended 30 June 2017, average occupancy rate slipped from 71.8% in FY2016 to 56.8% based on available rooms. The hotel was re-launched in November 2016 with progressive delivery of refurbished rooms to offer to the market. The refurbishment was completed in June 2017 with a total room inventory of 564 rooms. Following the completion of the refurbishment, the average occupancy rate has improved to 62.0% in 4Q FY2017.
- Sunway Putra Hotel continued to demonstrate improvement in its average occupancy rates since the completion of its refurbishment in December 2015. For the financial year ended 30 June 2017, the average occupancy rate improved to 68.2% compared to 50.2% in the preceding financial year. The hotel registered a higher average occupancy rate of 64.5% in 4Q FY2017 (4Q FY2016: 61.5%) as the hotel continued to expand its customer base across key business segments. Despite the higher average occupancy rate, the average daily rate was marginally lower on the back of competitive market environment.

Hotel Segment (Cont'd)

- In Penang, the ongoing tactical strategy employed has contributed to improved occupancy for the two hotels. The average occupancy rate for Seberang Jaya Hotel rose to 71.1% in FY2017, from 65.5% in the preceding year. The average occupancy for the quarter ended 30 June 2017 was largely unchanged at 76.3% (4Q FY2016: 76.0%). As part of the tactical strategy, competitive average daily rate was offered in order to boost the average occupancy rate.
- Capitalising on the strong leisure demand, Sunway Hotel Georgetown enjoyed higher average occupancy rate of 88.6% in 4Q FY2017, from 82.6% in 4Q FY2016. Correspondingly, the average occupancy rate climbed to 87.7% in FY2017, from 74.0% in the previous year. Average daily rate was maintained for this hotel.
- The Manager expects a modest growth from the hotel segment, largely contributed by resumption of full rooms inventory at Sunway Pyramid Hotel. Against the backdrop of improving operating environment, the hotel operator continues to explore new market opportunities to capture the larger market share.

Office Segment

- The total stock of office space in the Klang Valley stood at 104.6 million sq.ft. in 1Q CY2017 with an estimated new supply of 6.3 million sq.ft. coming on stream in CY2017 and CY2018.
- Despite the massive disequilibrium between demand and supply, there are pockets of opportunities riding on preference in office buildings at decentralized locations, developments strategically located at transit oriented developments (TOD) and office buildings with MSC status.
- Menara Sunway has reported a higher average occupancy rate of 92.1% in FY2017 (FY2016: 89.3%) following the commencement of new tenancies in 4Q FY2017. The occupancy rate stood at 95.1% as at 30 June 2017.
- The average occupancy rate for Sunway Tower was largely unchanged at 20.7% in the absence of replacement tenancy to occupy the vacancy in FY2017.
- In FY2017, Sunway Putra Tower has reported improvement in occupancy rate albeit at a gradual pace. The average occupancy rate increased to 36.6% in FY2017 compared to 26.4% in FY2016. Occupancy rate stood at 42.4% as at 30 June 2017. Sunway Putra Tower continues to appeal to tenants due to the convenience of an integrated development and seamlessly connected to public transportations.

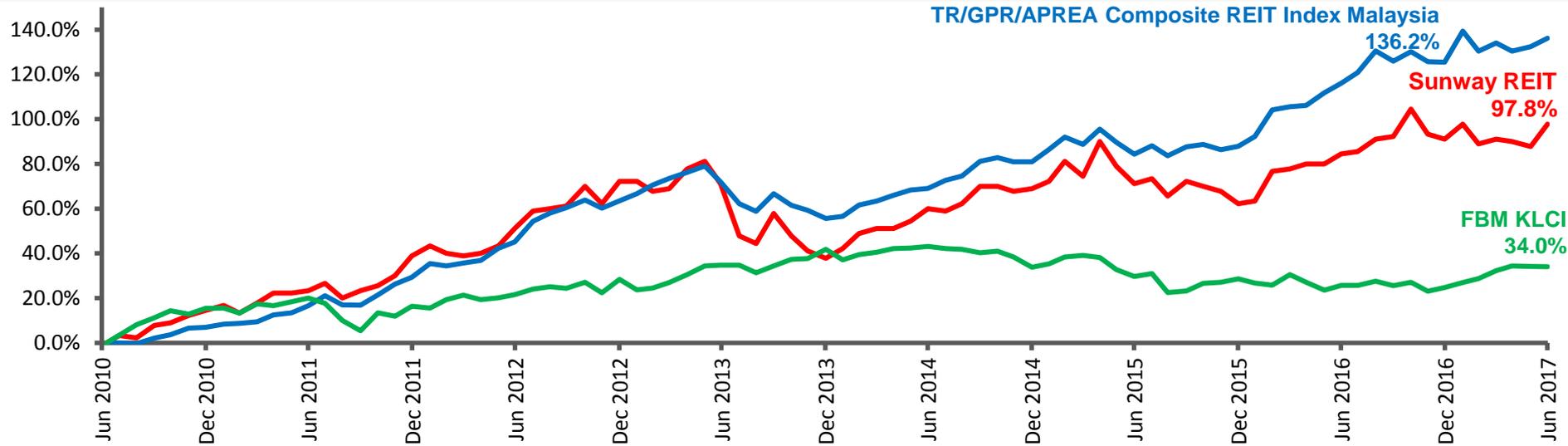
Office segment (Cont'd)

- Meanwhile, Wisma Sunway reported a dip in average occupancy rate of 86.9% in FY2017, from 90.1% in the preceding year due to downsizing and non-renewal of tenants.
- The Manager expects the performance of Sunway REIT's office segment to gradually improve in FY2018 on the back of a low base.

6. Investor Relations

Unit Price Performance from IPO to FY2017

Unit Price Performance of Sunway REIT versus Benchmarks (8 July 2010 – 30 June 2017)



Performance Statistics (8 July 2010 – 30 June 2017)

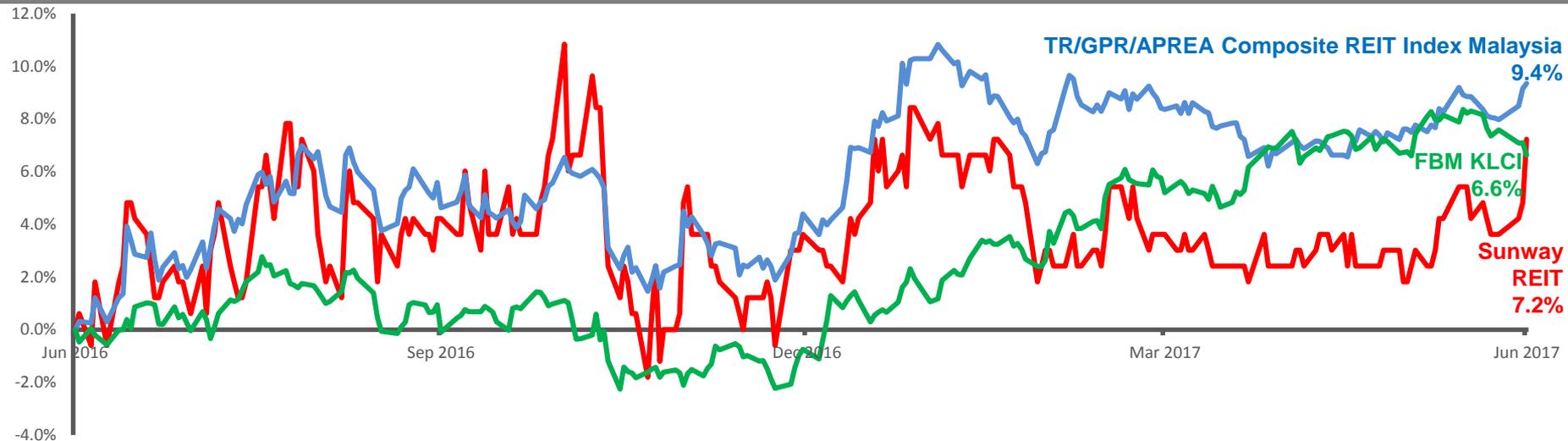
Price (as at 8 July 2010)	: RM0.90
Closing Price (as at 30 June 2017)	: RM1.78
Highest Price	: RM1.84
Lowest Price	: RM0.88
Daily Average Volume	: 2.00 million units
% Change in Unit Price	: 97.8%
% Change in FBM KLCI	: 34.0%
% Change in TR/GPR/APREA Composite REIT Index Malaysia	: 136.2%

Source: Bloomberg

SUNWAY[®]

Unit Price Performance for FY2017

Unit Price Performance of Sunway REIT versus Benchmarks (30 June 2016 – 30 June 2017)



Performance Statistics (30 June 2016 – 30 June 2017)

Price (as at 30 June 2016)	: RM1.66
Closing Price (as at 30 June 2017)	: RM1.78
Highest Price	: RM1.84
Lowest Price	: RM1.63
Daily Average Volume	: 2.49 million units
% Change in Unit Price	: 7.2%
% Change in FBM KLCI	: 6.6%
% Change in TR/GPR/APREA Composite REIT Index Malaysia	: 9.4%

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

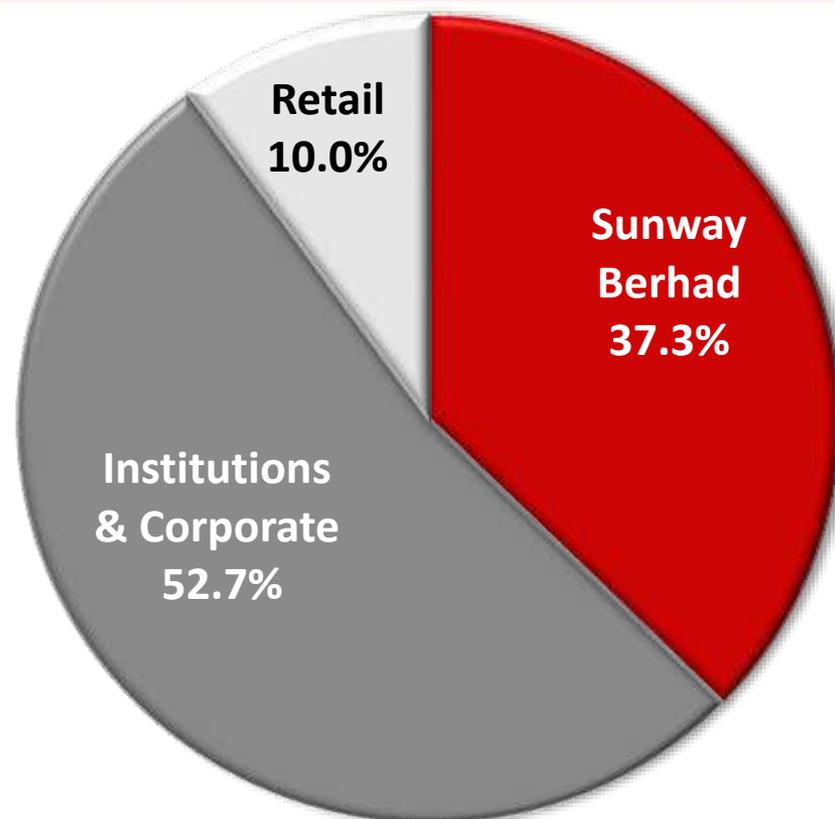
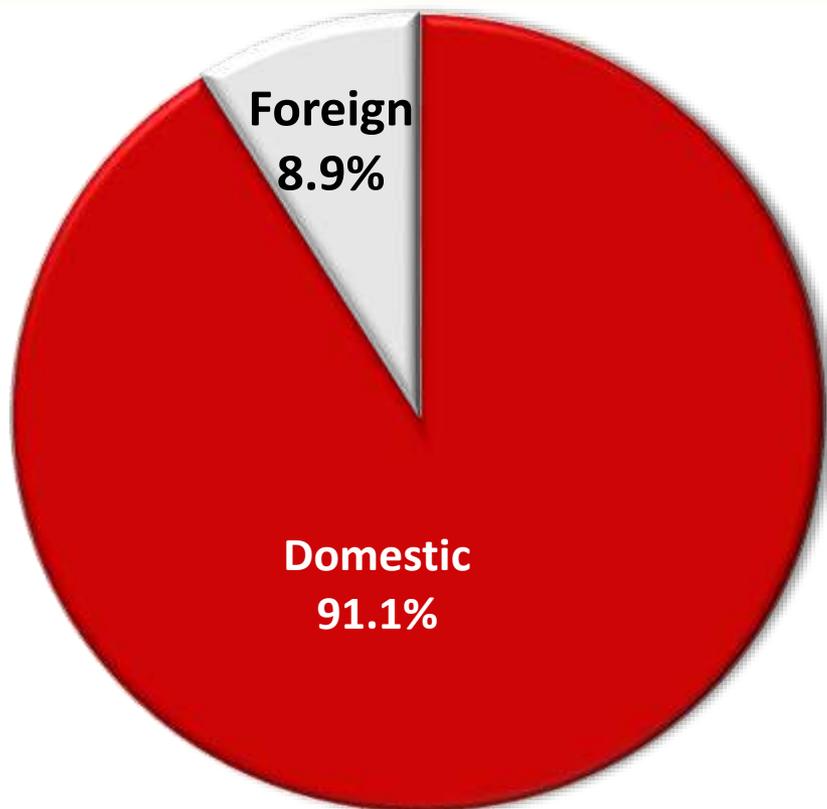
FTSE EPRA / NAREIT Asia ex Japan Index

FTSE EPRA / NAREIT Asia Pacific Index

FTSE EPRA / NAREIT Emerging REIT Index

MSCI Malaysia Small Cap Index

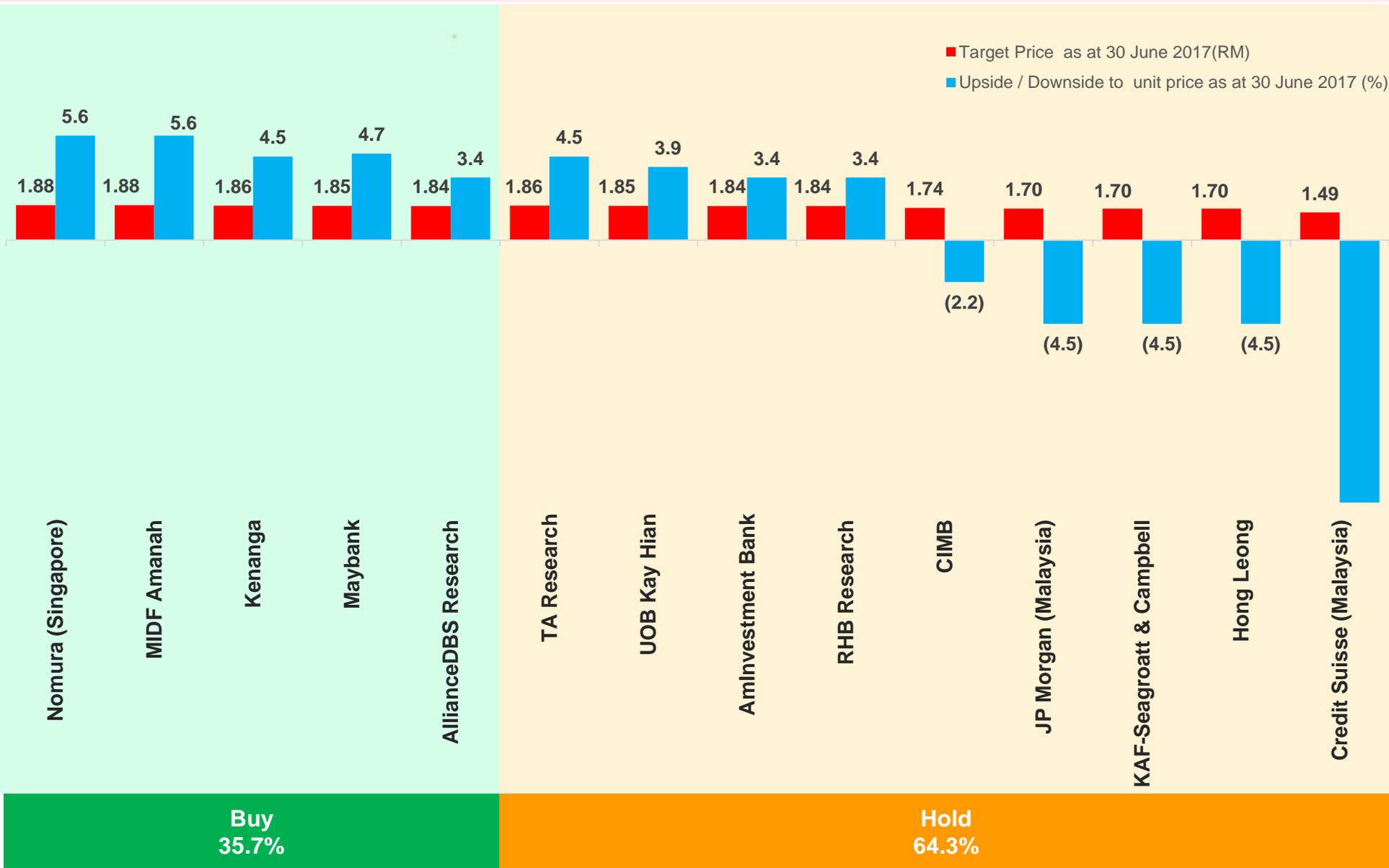
Unitholders' Composition (as at 30 June 2017)



	June 2017	March 2017	Q-o-Q Change
No of unitholders	10,307	10,048	259 (+2.6%)
Retail unitholders	10.0%	10.2%	-0.2%
Foreign unitholders	8.9%	9.0% ¹	-0.1%
Sunway Berhad	37.3%	37.3%	Unchanged

¹ The lower foreign unitholding was due to re-classification of an unit holder
Source: Sunway REIT

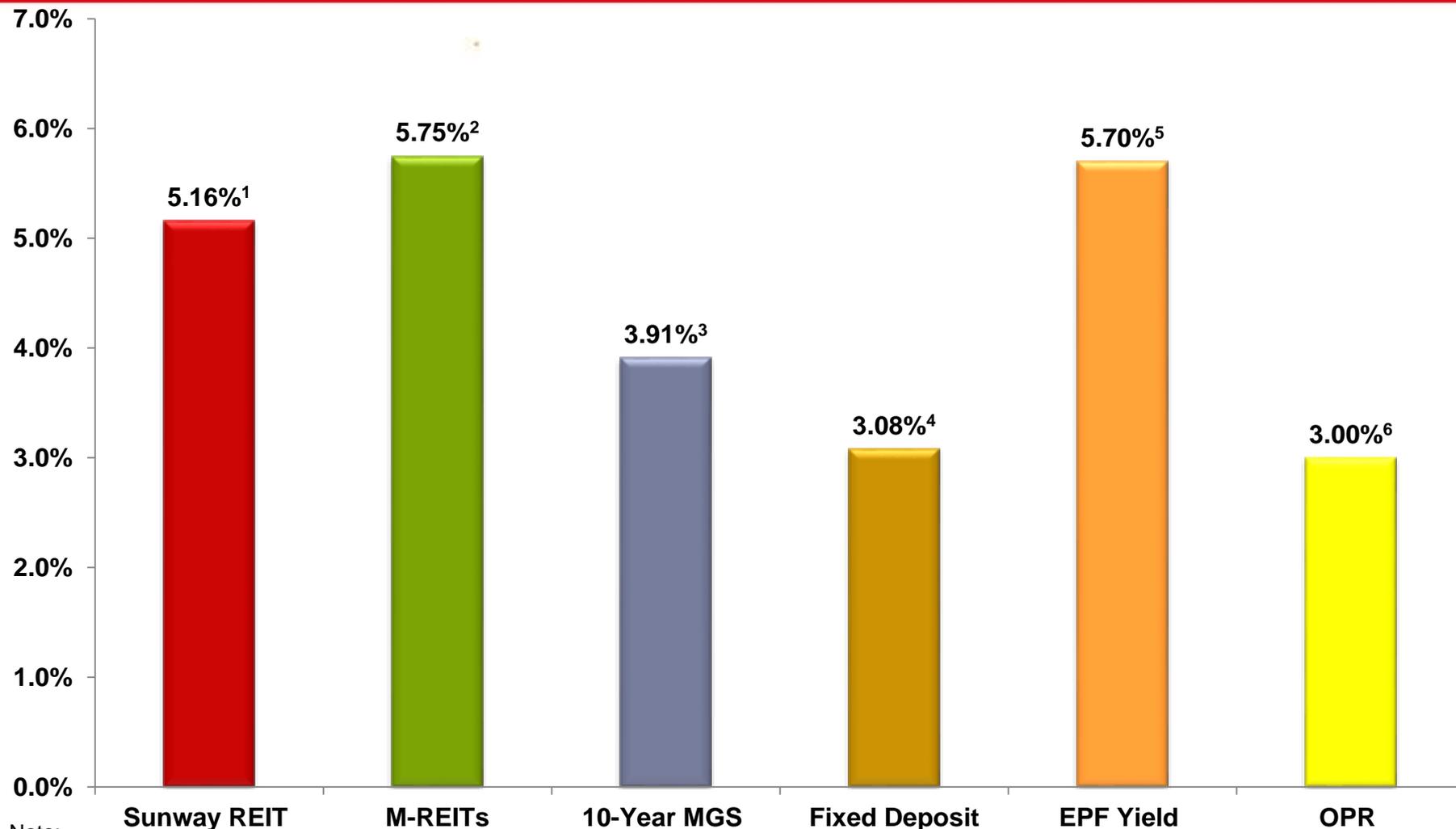
Analysts Recommendation (as at 30 June 2017)



Source: Bloomberg



Comparative Yields for Various Assets



Note:

¹ Distribution yield is computed based on actual FY2017 proposed DPU of 9.19 sen and unit price as at 30 June 2017 (Source: Bloomberg)

² Information based on consensus FY2017 DPU forecast and unit price as at 30 June 2017 (Source: Bloomberg)

³ Information as at 30 June 2017 (Source: Bloomberg)

⁴ 12-Month Fixed Deposit rates offered by commercial banks as at 31 May 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 13 July 2017 (Source: Bank Negara Malaysia)

THANK YOU