



SUNLIGHT REIT

Henderson Sunlight Asset Management Limited

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Press Release

Sunlight Real Estate Investment Trust ("Sunlight REIT") Operational Statistics for the Quarter Ended 31 March 2018

Hong Kong, 11 April 2018 — Henderson Sunlight Asset Management Limited (the "**Manager**") is pleased to announce the operational statistics of Sunlight REIT for the third quarter of the financial year ending 30 June 2018 ("**FY2017/18**").

At 97.7%, the overall portfolio occupancy¹ of Sunlight REIT at 31 March 2018 was virtually unchanged from the previous quarter. Office occupancy experienced a slight improvement to 97.5% (31 December 2017: 97.3%), while that of the retail portfolio dropped slightly to 98.3% (31 December 2017: 98.7%¹).

Passing rent of the overall portfolio was HK\$46.3 per sq. ft. at 31 March 2018, while the average rental reversion for the quarter was 5.5%.

In respect of the office portfolio, Sunlight Tower's occupancy improved to 98.2% with a 6.5% rental reversion, while the Sheung Wan and Central office portfolio exhibited a stable performance, demonstrating the resilient demand for inexpensive office space at decentralized locations. The transitory jump in vacancy at Java Road 108 Commercial Centre was mainly due to the clustering of certain non-renewal cases during the quarter.

On the retail front, the portfolio continued to ride on the recovery of the retail sector, as evidenced by the decent performance of Metro City Phase I Property which recorded an 8.3% rental reversion for the quarter. For Sheung Shui Centre Shopping Arcade, its level of occupancy continued to improve, while the negative rental reversion figure should not be a concerning feature, as it did not reflect the more dominant new letting activities in tandem with the ongoing tenant reconfiguration initiatives.

Remarks: Attached key operational statistics of Sunlight REIT for the third quarter of FY2017/18.

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Key operational statistics for the third quarter of FY2017/18

Property	Occupancy (%) ²		Passing Rent (HK\$/sq. ft.) ³		Rental Reversion (%) ⁴
	at 31 Mar 18	at 31 Dec 17	at 31 Mar 18	at 31 Dec 17	
Office					
Sunlight Tower	98.2	96.3	37.9	37.7	6.5
Bonham Trade Centre	92.7	95.6	29.6	29.5	9.2
Fung Shun Commercial Building	100.0	100.0	47.3	47.3	N/A
Winsome House Property	100.0	94.3	42.7	42.9	6.7
135 Bonham Strand Trade Centre Property	100.0	100.0	27.5	27.2	10.3
Righteous Centre	98.9	100.0	34.4	34.2	8.8
235 Wing Lok Street Trade Centre	96.0	96.3	21.5	21.3	8.2
Java Road 108 Commercial Centre	92.3	100.0	24.6	24.2	7.3
On Loong Commercial Building	100.0	100.0	30.4	30.4	N/A
Sun Fai Commercial Centre Property	97.7	100.0	20.3	21.7	(5.7)
Wai Ching Commercial Building Property	100.0	100.0	14.3	14.2	9.7
Average	97.5	97.3	33.6	33.4	6.8
Retail					
Sheung Shui Centre Shopping Arcade	97.9	97.4	116.2	117.5	(2.1)
Metro City Phase I Property	98.4	99.6	55.3	54.9	8.3
Kwong Wah Plaza Property	100.0	100.0	52.1	52.6	5.0
Beverley Commercial Centre Property	86.6	85.4	44.3	44.4	(8.7)
Supernova Stand Property	100.0	100.0	54.0	54.0	N/A
Average	98.3	98.7 ¹	73.7	73.8 ¹	3.8
Average	97.7	97.7 ¹	46.3	46.2 ¹	5.5

Notes:

1. These figures have been adjusted to reflect the disposal of the Palatial Stand Property completed on 25 January 2018.
2. Calculated on the basis of occupied gross rentable area ("GRA") as a proportion of total GRA on the relevant date.
3. Calculated on the basis of average rent per sq. ft. for occupied GRA on the relevant date.
4. Calculated on the basis of change in effective rent of the leases renewed and commenced during the relevant period.



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About Sunlight REIT

Sunlight REIT (Stock Code: 435) is a real estate investment trust authorized by the Securities and Futures Commission and constituted by the trust deed dated 26 May 2006 (as amended and supplemented by six supplemental deeds) (the "**Trust Deed**"), and has been listed on The Stock Exchange of Hong Kong Limited since 21 December 2006. Sunlight REIT offers investors the opportunity to invest in a diversified portfolio of eleven office and five retail properties in Hong Kong with an aggregate gross rentable area of approximately 1.2 million sq. ft.. The office properties are primarily located in core business areas, including Wan Chai and Sheung Wan/Central as well as in decentralized business areas such as Mong Kok and North Point. The retail properties are primarily situated in regional transportation hubs and new towns including Sheung Shui, Tseung Kwan O and Yuen Long, as well as in urban areas with high population density.

About the Manager

The Manager of Sunlight REIT is an indirect wholly-owned subsidiary of Henderson Land Development Company Limited (恒基兆業地產有限公司); its responsibility is to manage Sunlight REIT in the sole interest of the unitholders in accordance with the Trust Deed.

Disclaimer:

The information contained in this press release does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for units in Sunlight REIT in Hong Kong or any other jurisdiction.

This press release is issued by Cornerstones Communications Ltd. on behalf of the Manager. For further information, please contact:

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