



Press Release

Sunlight REIT maintains solid performance in Q1 FY2007/08

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Rental reversion and improving occupancy delivers sound results

Highlights

- ◇ **Passing rental trends steadily upward**
 - ◇ **Continued improvement in overall occupancy**
 - ◇ **Strong gains in occupancy levels of smaller properties**
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Hong Kong, 24 October 2007 – Strong rental reversion and stable occupancy featured in the operating performance of **Sunlight REIT** (HKSE: 435) for the first quarter of FY2007/08.

Henderson Sunlight Asset Management Limited (“HSAM”) announced that it will now provide operational statistics for Sunlight REIT on a quarterly basis. **Mr Keith Wu, CEO of HSAM** said, “We are the first Hong Kong listed REIT to disclose quarterly operating performance, including specific details on rental levels and occupancy rates. We believe such disclosure will enhance financial transparency and provide greater confidence to investors.”

Highlights of the first quarter of FY2007/08:

Passing rental trends steadily upward. In the last quarter, passing rental continued to climb steadily upward across both the office and retail properties. The gap between passing rental rates and market rental rates continues to narrow, particularly for the three flagship properties - 248 Queen’s Road East, Metro City Phase 1 and Sheung Shui Centre.

The office properties achieved an average passing rental growth of 5.5% to HK\$15.4 psf. as at 30 September 2007. The average unit rental for gross rentable area (“GRA”) committed during the quarter averaged HK\$19.3 psf. Passing rental also improved across the retail properties, rising 4.1% from HK\$36.7 per sq. ft. to HK\$38.2 per sq. ft., while the average rental for GRA committed during the quarter averaged HK\$45.3 psf.

Continued improvement in overall occupancy. Occupancy levels for the portfolio as a whole continued to improve, attaining a level of 94.8% as at 30 September 2007 (30 June 2007: 93.8%). Office occupancy climbed from 91.9% as at 30 June 2007 to 93.5% as at 30 September 2007, while retail occupancy exhibited a slight drop from 97.7% to 97.5%.

Strong gains in occupancy levels of smaller properties. Notable increases in occupancy levels were seen in the smaller office properties, including Sun Fai Commercial Centre, Wai Ching Commercial Building, 235 Wing Lok Street Trade Centre and Yue Fai Commercial Centre. In particular, Sun Fai Commercial Centre registered a strong boost in occupancy, moving from 85.0% as at 30 June 2007 to 94.7% as at 30 September 2007. Among the retail properties, vigorous leasing activities at Beverly Commercial Centre resulted in occupancy advancing from 89.8% to 96.8%.

Mr. Wu concluded, “Looking ahead, we are confident that our proactive leasing and asset management strategies will enable us to reap the benefits of the ongoing positive rental reversion cycle. We are already seeing results of these strategies and are making every effort to ensure that we can continue to attract quality tenants and generate sustainable returns for unitholders.”

Remarks: Attached passing rental and occupancy performance of 20 properties.



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About Sunlight REIT and Henderson Sunlight Asset Management Limited:

Listed on The Stock Exchange of Hong Kong Limited on 21 December 2006, Sunlight REIT (HKSE: 435) offers investors the opportunity to invest in a diversified portfolio comprising 20 quality office and retail properties in Hong Kong at a total valuation of HK\$9.56 billion (as of 30 June 2007). Total GRA of Sunlight REIT's portfolio is 1,294,389 sq.ft.

Henderson Sunlight Asset Management Limited (the "Manager") was incorporated in Hong Kong on 18 August 2005. It is an indirect wholly-owned subsidiary of Henderson Land Development Company Limited. The Manager has the general power of management over the assets of Sunlight REIT. Its main responsibility is to manage Sunlight REIT and its property portfolio in the sole interest of the unitholders in accordance with the trust deed governing Sunlight REIT and the Manager's investment strategy.

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.

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Trends in Occupancy and Passing Rental

Office Properties	Occupancy (%) Note 1		Passing Rental (HK\$) Note 2	
	As of 30/06/2007	As of 30/09/2007	As of 30/06/2007	As of 30/09/2007
248 Queen's Road East	94.0%	96.4%	14.5	15.4
Bonham Trade Centre	87.1%	86.8%	13.7	14.1
135 Bonham Strand Trade Centre	98.6%	98.4%	13.3	13.9
235 Wing Lok Street Trade Centre	83.1%	88.3%	9.9	10.4
Winsome House	100.0%	100.0%	21.8	23.0
Everglory Centre	95.2%	87.9%	15.6	17.5
Righteous Centre	89.2%	92.1%	20.4	22.4
Sun Fai Commercial Centre	85.0%	94.7%	14.6	14.8
Wai Ching Commercial Building	75.1%	77.8%	7.0	7.0
On Loong Commercial Building	100.0%	100.0%	15.9	16.3
Java Road 108	94.2%	94.2%	14.3	15.0
Yue Fai Commercial Centre	84.8%	86.2%	12.4	12.5
Office Average	91.9%	93.5%	14.6	15.4
Retail Properties				
Metro City Phase 1	96.8%	97.8%	27.6	29.3
Sheung Shui Centre	99.4%	97.7%	60.3	62.9
Kwong Wah Plaza	98.3%	96.7%	24.1	25.1
Beverley Commercial Centre	89.8%	96.8%	26.6	27.1
Royal Terrace Property	97.3%	97.3%	26.2	26.4
Supernova Stand Property	100.0%	100.0%	41.6	41.6
Glory Rise	90.0%	90.0%	30.3	30.3
Palatial Stand	100.0%	100.0%	11.3	11.3
Retail Average	97.7%	97.5%	36.7	38.2
Overall	93.8%	94.8%	22.0	22.9

Notes:

- Occupancy is calculated on the basis of occupied GRA as a proportion of total GRA on the relevant date.
- Passing rentals are calculated on the basis of average net rental for all leased GRA.