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Sunlight Real Estate Investment Trust

(a Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance
(Chapter 571 of the Laws of Hong Kong))
(Stock Code : 435)

Managed by Henderson Sunlight Asset Management Limited
恒基陽光資產管理有限公司

OPERATIONAL STATISTICS OF SUNLIGHT REAL ESTATE INVESTMENT TRUST FOR THE QUARTER ENDED 30 SEPTEMBER 2014

Henderson Sunlight Asset Management Limited (the “**Manager**”), as manager of Sunlight Real Estate Investment Trust (“**Sunlight REIT**”), is pleased to announce the operational statistics of Sunlight REIT for the first quarter of the financial year ending 30 June 2015 (“**FY2014/15**”).

At 30 September 2014, the overall portfolio occupancy of Sunlight REIT was 98.0%, versus 98.6% recorded at 30 June 2014. Office occupancy registered a mild drop to 97.7% (30 June 2014: 98.7%), while occupancy of the retail portfolio slightly improved to 98.6% (30 June 2014: 98.2%).

Passing rent of the overall portfolio was HK\$39.2 per sq. ft. at 30 September 2014, representing an increase of 2.6% from HK\$38.2 per sq. ft. at 30 June 2014. Rental reversion, calculated on the basis of leases that have been renewed during the quarter, were 21.1% and 26.3% for the office and retail portfolio respectively.

During the quarter, approximately 23.2% of leases (by gross rentable area (“**GRA**”)) at 248 Queen’s Road East expired, and the Manager is pleased to report a retention rate of 92.2% with a rental reversion of 21.6%. At the same time, the performance of the four grade B properties of the Central / Sheung Wan portfolio all reported rental reversion in excess of 20%, demonstrating the appeal of inexpensive office space in decentralised locations.

The rental performance of the retail portfolio continued to be highly satisfactory. Sheung Shui Centre Shopping Arcade remained a key driver with passing rent reaching HK\$104.9 per sq. ft. thanks to a rental reversion of over 30%. Kwong Wah Plaza Property, a major beneficiary of the thriving Yuen Long district, also registered an encouraging rental reversion of over 32% on the back of strong office leasing. Finally, a rental reversion of 20.4% reported by Metro City Phase I Property was a commendable achievement, in light of the ongoing asset enhancement works which should be substantially completed by November 2014.

Key operational statistics for the first quarter of FY2014/15

Property	Occupancy (%) ¹		Passing Rent (HK\$) ²		Rental Reversion (%) ³
	at 30 Sep 14	at 30 Jun 14	at 30 Sep 14	at 30 Jun 14	
Office					
248 Queen's Road East	96.9	98.5	33.0	32.1	21.6
Bonham Trade Centre	98.3	97.4	24.9	24.1	22.0
Righteous Centre	96.3	100.0	39.3	36.2	21.0
Winsome House Property	97.2	97.2	38.2	38.0	27.0
135 Bonham Strand Trade Centre Property	99.3	100.0	22.7	22.3	21.3
235 Wing Lok Street Trade Centre	98.9	98.9	17.2	16.9	20.3
Java Road 108 Commercial Centre	96.1	100.0	21.3	20.5	22.0
Yue Fai Commercial Centre Property	99.4	99.4	19.2	18.8	15.6
On Loong Commercial Building Property	97.9	100.0	28.0	27.3	20.7
Everglory Centre	100.0	100.0	20.0	19.7	14.6
Sun Fai Commercial Centre Property	100.0	98.1	20.9	20.6	11.6
Wai Ching Commercial Building Property	100.0	100.0	11.1	10.7	25.8
Sub-total/Average	97.7	98.7	28.2	27.5	21.1
Retail					
Sheung Shui Centre Shopping Arcade	97.7	97.4	104.9	102.9	30.7
Metro City Phase I Property	99.2	98.3	45.7	44.9	20.4
Kwong Wah Plaza Property	98.6	99.3	44.9	43.8	32.1
Royal Terrace Property	100.0	100.0	47.6	47.6	N/A
Beverley Commercial Centre Property	94.5	94.5	52.6	51.8	11.2
Supernova Stand Property	100.0	100.0	47.6	47.6	N/A
Palatial Stand Property	100.0	100.0	13.2	13.2	N/A
Sub-total/Average	98.6	98.2	62.7	61.6	26.3
Total/Average	98.0	98.6	39.2	38.2	22.9

Notes :

1. Calculated on the basis of occupied GRA as a proportion of total GRA of the relevant building on the relevant date.
2. Calculated on the basis of average rent per sq. ft. for all occupied GRA on the relevant date.
3. Calculated on the basis of change in effective rent of the leases that have been renewed during the relevant period.

By Order of the Board
HENDERSON SUNLIGHT ASSET MANAGEMENT LIMITED
 恒基陽光資產管理有限公司
 (as manager of Sunlight Real Estate Investment Trust)
CHUNG Siu Wah
 Company Secretary

Hong Kong, 15 October 2014

As at the date of this announcement, the Board of Directors of the Manager comprises : (1) Chairman and Non-executive Director : Mr. AU Siu Kee, Alexander; (2) Chief Executive Officer and Executive Director : Mr. WU Shiu Kee, Keith; (3) Non-executive Director : Mr. KWOK Ping Ho; and (4) Independent Non-executive Directors : Mr. KWAN Kai Cheong, Mr. MA Kwong Wing and Dr. TSE Kwok Sang.