Proposed Corporate Exercise - Acquisition of Sunway Medical Centre and Placement of New Units

9 October 2012
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1. Transaction summary
Transaction summary

Transaction summary – Sunway Medical Centre

- Proposed acquisition of Sunway Medical Centre and related assets\(^1\) (“SunMed Property”) for a purchase consideration of RM310 million
- SunMed Property is one of Malaysia’s leading private hospitals strategically located within Sunway Resort City, an integrated township situated in the district of Klang Valley with residential, commercial, hospitality, healthcare, educational and entertainment components
- SunMed Property will be leased to Sunway Medical Centre Berhad (“SMCB”), a subsidiary of Sunway Berhad, under the following key terms:
  - Master lease agreement for an initial period of 10 years with an option to renew at prevailing market rate for another 10 years\(^2\)
  - Annual rental of RM19 million for the first year with step up of 3.5% per annum for the next 9 years of the initial lease term
  - SMCB is a reputable and experienced hospital operator
- The proposed acquisition is to be funded through a combination of equity and debt
- The proposed acquisition is expected to be earnings accretive, DPU accretive and NAV accretive
- The acquisition will increase the size of the Sunway REIT portfolio, improve diversification of assets, and increase the portfolio weighted average lease expiry

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\(^{1}\) Related assets include plant and machinery and services infrastructure and all fixtures and fittings affixed or located or used in Sunway Medical Centre.

\(^{2}\) See proposed Hospital Master Lease Agreement in section 3 for more details.
## Transaction summary (cont’d)

### Related proposals

The Manager proposes to seek unitholders’ approval for the following at an extraordinary general meeting (on a date to be announced later):

1. Proposed acquisition of SunMed Property for a purchase consideration of RM310 million;

2. Proposed placement of new units in Sunway REIT to raise gross proceeds of up to RM320 million;

3. Proposed unitholders mandate to allot and issue new units of up to 20% of the approved fund size of Sunway REIT; and

4. Proposed increase in fund size

### Proposed placement

The placement units are not intended to be placed out to Sunway REIT Holdings Sdn Bhd and persons connected to it. Post-placement Sunway Berhad’s stake in Sunway REIT will remain above 33.0%. Sunway Berhad remains committed to being a long-term unitholder of Sunway REIT

The issue price of the placement units will be fixed by way of bookbuilding as a date to be determined later
**Enlarged Sunway REIT portfolio**

Largest Malaysian REIT by asset value with an attractive and diversified portfolio

**Total Appraised Value:** RM 4,940 million

### Sunway Resort City
- **Sunway Resort Hotel & Spa**
  - 439 guest rooms, 3 villas
  - Value: RM508m
- **Pyramid Tower Hotel**
  - 549 guest rooms
  - Value: RM295m
- **SunMed Property**
  - 342 hospital beds\(^{(1)}\)
  - Value: RM310m

### Ipoh
- **SunCity Ipoh Hypermarket**
  - NLA: 181,216 sq ft
  - Value: RM55m

### Kuala Lumpur
- **Sunway Tower**
  - NLA: 268,306 sq ft
  - Value: RM190m
- **Sunway Putra Mall**
  - NLA: 507,171 sq ft
  - Value: RM248m
- **Sunway Putra Hotel**
  - 618 guest rooms
  - Value: RM240m
- **Sunway Putra Tower**
  - 317,051 sq ft
  - Value: RM90m

### Pusat Bandar Seberang Jaya
- **Sunway Carnival Shopping Mall**
  - NLA: 489,060 sq ft\(^{(2)}\)
  - Value: RM257m
- **Sunway Hotel Seberang Jaya**
  - 202 guest rooms
  - Value: RM57m

### Sunway Pyramid Shopping Mall
- **Menara Sunway**
  - NLA: 1,701,798 sq ft\(^{(1)}\)
  - Value: RM2,540m

### Sunway Resort City
- **Sunway Pyramid Shopping Mall**
  - NLA: 276,612 sq ft
  - Value: RM150m

### Proposed acquisition
- **SunMed Property**
  - Value: RM310m

Source: Sunway REIT manager, Sunway REIT Annual Report 2012 and valuation by Knight Frank (30 June 2012).

\(^{(1)}\) 305 current hospital beds, expandable to licensed 342 beds.

\(^{(2)}\) Includes convention centre of 143,467 sq. ft. of NLA.

\(^{(3)}\) Includes convention centre of 32,292 sq. ft. of NLA.
2. Overview of Sunway Medical Centre
### Overview of Sunway Medical Centre

<table>
<thead>
<tr>
<th>Property description</th>
<th>A 7-storey hospital and multi-storey car park (675 car parking lots)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilities</td>
<td>12 operating theatres, 94 consultation suites, and convention centre (500 guests capacity and audio-video linkages for live telecasts of surgical procedures)</td>
</tr>
<tr>
<td>Hospital beds</td>
<td>305 beds (Licensed for, and expandable to, 342 beds)</td>
</tr>
<tr>
<td>Land title</td>
<td>Leasehold interest for a term of 99 years, expiring on 1st April 2097</td>
</tr>
</tbody>
</table>
| Building age         | Phase 1 (hospital tower) – 11 years  
Phase 2 (east wing, west wing, convention tower, multi-storey car park) – 3 years |
| Land area            | 18,194 sq. m. total |
| Gross floor area     | 70,822 sq. m. (including car park), 50,647 sq. m. (excluding car park) |
| Hospital master lease (2) | • Master lease for an initial period of 10 years with an option to renew at prevailing market rate for another 10 years  
• Rental rate increase of 3.5% per annum for the remaining 9 years of the initial period |
| Commencement rent    | RM19 million for the first year (implied capitalisation rate of 6.13%) |
| Purchase consideration | RM310 million |
| Independent valuation | RM310 million (by Knight Frank (Ooi & Zaharin Sdn Bhd) as at 3 October 2012) |

Source: Sunway REIT management.

(1) Related assets include plant and machinery and services and all fixtures and fittings affixed or located or used in Sunway Medical Centre.
(2) See proposed Hospital Master Lease Agreement in section 3 for more details.
(3) Implied capitalisation rate calculated as commencement rent of RM19 million divided by purchase consideration of RM310 million.
Overview of Sunway Medical Centre (cont’d)

Sunway Medical Centre’s services, specialists and accreditations

- Sunway Medical Centre provides a wide range of medical and surgical services of international standard for total management of patients
- Provides outpatient and in-patient specialty care, health and wellness services and 24-hour emergency services
- Key specialties include cardiology, cochlear implants, haematology, neurology, paediatrics, among others
- Niche areas of medical service including deep brain stimulation for treatment of Parkinson’s disease (first Malaysian hospital to do so in 2003) and cochlear implant to treat profound hearing loss (also the first Malaysian hospital to do so in 2004)
- Over 150 medical and surgical consultants offering a high standard of specialist and general treatment
- Sunway Medical Centre is the recipient of numerous accreditations such as
  - ISO 9001:2008 for the provision of primary, secondary and tertiary healthcare services by SGS S.A (Switzerland)
  - Recognition of compliance with the Malaysian Hospital Accreditation Standards by Malaysian Society for Quantity in Health for the years 2010 to 2013
3. Hospital master lease agreement
# Hospital master lease agreement

## Master lease features an attractive built-in 3.5% annual rental step up for the next 9 years of the initial lease term

<table>
<thead>
<tr>
<th>LEASE TERM</th>
<th>Master lease for an initial period of 10 years with an option to renew at prevailing market rate for another 10 years&lt;sup&gt;(1)&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEASE BASIS</td>
<td>Triple net basis where SMCB will bear all costs and outgoings (eg. Quit rent, assessment, utilities, insurance premiums, and maintenance expenses)</td>
</tr>
<tr>
<td>RENTAL PAYMENT FREQUENCY</td>
<td>Monthly payments in arrears</td>
</tr>
<tr>
<td>INTEREST ON LATE PAYMENT</td>
<td>1.5% above the base lending rate of Malayan Banking Berhad (or its successor bank)</td>
</tr>
</tbody>
</table>

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<sup>(1)</sup> The option to renew for the next 10 year lease period shall be on the same terms and conditions but at a revised rent based on the then prevailing market rent as agreed between the lessor and lessee. The rental growth rate for the next 10 year lease period shall also be revised and agreed between the lessor and the lessee at the point of renewal of the lease.
4. Transaction rationale
### Transaction rationale

1. **Opportunity to acquire a quality hospital benefiting from being part of the Sunway Resort City integrated township**

2. **Expected to be earnings accretive, DPU accretive and NAV accretive**

3. **Increases size of Sunway REIT’s portfolio and potential for improved trading liquidity**

4. **Increases income stability through the hospital master lease and increases portfolio weighted average lease expiry**

5. **Lessee is a reputable and experienced hospital operator**

6. **Enhances Sunway REIT’s position as the largest REIT by asset value in Malaysia**

7. **Positive Malaysia healthcare industry outlook**
Opportunity to acquire an attractive and high quality asset

Key asset highlights

1. Sunway Medical Centre is one of Malaysia’s leading private hospitals

2. Hospital is part of the master-planned integrated township of Sunway Resort City which has residential, commercial, hospitality, leisure, convention and education properties

3. Well positioned to capitalise on resilient and growing middle to upper-income segments demand for private healthcare

4. Master lease agreement provides income certainty with built-in rental growth

5. Master lessee is a reputable and experienced hospital operator

Exterior | Reception area | Single room suite | Food & Beverage
SunMed Property is strategically located within Sunway Resort City

**Synergies with Sunway Resort City**

- Sunway Medical Centre
- Sunway South Quay Precinct
- Sunway Resort Hotel & Spa
- Sunway Lagoon
- Sunway Pyramid
- Menara Sunway
- The Pinnacle
- Pyramid Tower Hotel
- Sunway Pyramid Shopping Mall
- Monash University
- SP3 & SP4 developments

**SunMed Property will benefit from synergies with Sunway Resort City**

- Part of the master-planned integrated township of Sunway Resort City
- Benefits from the population catchment area and synergies of residential, commercial, hospitality, leisure, convention and education properties that form part of the township
- Large residential catchment of over 600,000[^1]
- High degree of interconnectivity between properties
- Accessible by five expressways

Source: Google maps.  
[^1]: Source – Jones Lang Wootton.
Proposed acquisition enhances Sunway REIT’s financial profile and its position as the largest Malaysian REIT

- Proposed acquisition together with the proposed placement is expected to be DPU accretive and NAV accretive
- Leverage expected to decrease from 33.5% to 31.4% assuming fully funded by equity (as at 30 June 2012 and after proposed acquisition combined with proposed placement, respectively)

Source: Company announcement.
(1) Based on an assumed illustrative issue price of RM1.41 per unit, representing 3% discount to the 5 day volume weighted average price as at 30 Sept 2012, and issuance of 226,950,355 units. After income distribution of approximately RM51 million.
### Positive Malaysia healthcare industry outlook

#### Healthcare spending in Malaysia
- Annual healthcare spending in Malaysia have been steadily increasing since 2006.
- Healthcare expenditure in 2010 reached US$10.3 billion and is expected to grow to US$11.9 billion in 2011 and forecasted to reach US$16.9 billion in 2014.
- Latest statistics show that Malaysia spends approximately 4.4% of its Gross Domestic Product ("GDP") on healthcare.
- This is above its regional peers and the Malaysia Government pays a significant portion of the country’s total healthcare expenditure.
- The healthcare sector currently contributes RM15 billion to the country’s Gross National Income.

#### Medical tourism in Malaysia
- Malaysian medical tourism industry has seen growth over the recent years driven by the increase in the number of foreigners seeking healthcare services in the country.
- Latest official estimates revealed that there were 578,403 health tourists in 2011 generating receipts of RM509.8 million, an increase of 47.2% and 34.5% from previous year’s level.
- Malaysia currently receives about 85% to 90% of its patients from ASEAN countries with the Indonesian market forming the bulk of foreign patients due to its proximity. Remainder foreign patients come from Japan, Australia, UK, Middle East and Europe.
- Growth underpinned by geographical location of Malaysia, relatively lower healthcare costs, world-class healthcare facilities and specialised doctors, strict regulation on healthcare standards, and Malaysia being an ideal holiday destination.

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### Charts

#### Malaysia Total Healthcare Expenditure

<table>
<thead>
<tr>
<th>Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>(US$ billion)</td>
<td>6.7</td>
<td>8.0</td>
<td>9.6</td>
<td>8.7</td>
<td>10.3</td>
<td>11.9</td>
<td>13.3</td>
<td>14.8</td>
<td>16.9</td>
</tr>
</tbody>
</table>

Source: Frost & Sullivan.

#### Malaysia Total Healthcare Expenditure as % of GDP

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>(%)</td>
<td>0.0</td>
<td>0.0</td>
<td>3.5</td>
<td>4.0</td>
<td>4.5</td>
<td>5.0</td>
<td>4.8</td>
<td>4.5</td>
<td>4.2</td>
<td>4.0</td>
<td>3.8</td>
<td>3.6</td>
<td>3.4</td>
<td>3.2</td>
</tr>
</tbody>
</table>


#### Growth of Malaysia Health Tourists and Receipts

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>No. of patients ('000s)</td>
<td>174</td>
<td>297</td>
<td>374</td>
<td>393</td>
<td>578</td>
<td>600</td>
</tr>
<tr>
<td>Receipts (RM million)</td>
<td>0</td>
<td>105</td>
<td>204</td>
<td>299</td>
<td>379</td>
<td>510</td>
</tr>
</tbody>
</table>

Source: Malaysian Healthcare Travel Council, Association of Private Hospitals of Malaysia.

Source: Knight Frank.
5. Estimated total acquisition cost and financing
## Estimated total acquisition cost

<table>
<thead>
<tr>
<th>Estimated Total Acquisition Cost</th>
<th>RM million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Consideration for the Proposed Acquisition</td>
<td>310.0</td>
</tr>
<tr>
<td>Acquisition Fee payable to the Manager in relation to the Proposed Acquisition</td>
<td>3.1</td>
</tr>
<tr>
<td>Estimated expenses of the Proposals(^{(1)})</td>
<td>6.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>320.0</strong></td>
</tr>
</tbody>
</table>

\(^{(1)}\) The expenses for the Proposals comprise of placement fees and other estimated fees and expenses (including professional fees and expenses) incurred in connection with the Proposals. Any excess of the estimate expenses of the Proposals will be clawed back to working capital.
Proposed acquisition and placement

- Proposed Acquisition is to be funded by a combination of debt and/or equity

- Equity financing raised via placement of new Sunway REIT units ("Proposed Placement")

- Proposed Placement of up to RM320 million of new units in Sunway REIT by way of bookbuilding

- In the event that debt financing is necessary it will be from Sunway REIT’s existing debt financing facilities
Thank You
Appendix (Internal ref, not to be distributed)
## Comparable healthcare lease structures

<table>
<thead>
<tr>
<th>Asset description</th>
<th>Al-Aqar Healthcare REIT</th>
<th>Parkway Life REIT</th>
<th>First REIT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Initial IPO portfolio comprising 6 hospitals in Malaysia.</strong></td>
<td>Lease period of 15 years with option to renew another 15 years.</td>
<td>Lease period of 15 years with option to renew another 15 years.</td>
<td>Lease period of 15 years with option to renew another 15 years.</td>
</tr>
<tr>
<td><strong>Post-IPO – Bandar Baru Klang Specialist Hospital and Kluang Utama Specialist Hospital.</strong></td>
<td>Rental is reviewed every 3 years. The review of the yearly rental for the next 3 years is calculated based on: 1st year of every review - (10-year Malaysian Government Securities + 238 basis points) multiplied with the market value of the properties at the point of review and subject to a minimum rental of RM33 million per annum and a maximum of 2% incremental over the preceding year’s rental; and 2nd and 3rd of every review – 2% incremental over the preceding year’s rental.</td>
<td>Lease period of 15 years with option to renew another 15 years.</td>
<td>Lease period of 15 years with option to renew another 15 years.</td>
</tr>
</tbody>
</table>
| **Initial IPO portfolio comprising 3 hospitals in Singapore.** | Lease period of 15 years with option to renew another 15 years. | Triple net lease with aggregate rent being the higher of: A base rent and a variable rent of 3.8% of the master lessee’s adjusted hospital revenue for the current financial year; or 

\[1 + (CPI + 1.0\%\) \times the total rent payable for the immediate preceding year. In the event of deflation, CPI will be reset to zero; and

\[\text{Variable rent (not payable on 1st year).}

\] | Aggregate rent consists of: Base rent. Subject to increase every year thereafter at a rate equal to two times the percentage increase of the CPI for the preceding calendar year, subject to a floor of 0% and a cap of 2%. In the event of deflation, CPI will be reset to zero; and

\[\text{Variable rent (not payable on 1st year).}

\] |
| **Initial IPO portfolio including 3 hospitals in Indonesia.** | Lease period of 15 years with option to renew another 15 years. | A base rent and a variable rent of 3.8% of the master lessee’s adjusted hospital revenue for the current financial year; or 

\[1 + (CPI + 1.0\%\) \times the total rent payable for the immediate preceding year. In the event of deflation, CPI will be reset to zero; and

\[\text{Variable rent (not payable on 1st year).}

\] | Aggregate rent consists of: Base rent. Subject to increase every year thereafter at a rate equal to two times the percentage increase of the CPI for the preceding calendar year, subject to a floor of 0% and a cap of 2%. In the event of deflation, CPI will be reset to zero; and

\[\text{Variable rent (not payable on 1st year).}

\] |
| **Post-IPO – 2 hospitals in Indonesia.** | Lease period of 15 years with option to renew another 15 years. | Lease period of 15 years with option to renew another 15 years. | Lease period of 15 years with option to renew another 15 years. |

\[\text{Aggregate rent consists of: Base rent. Subject to increase every year thereafter at a rate equal to two times the percentage increase of the CPI for the preceding calendar year, subject to a floor of 0% and a cap of 2%. In the event of deflation, CPI will be reset to zero; and

\[\text{Variable rent (not payable on 1st year).}

\] | |

| **Lease structure** | 

\[\text{Bandar Baru Klang – gross lease rental of 8.01%, 8.12% and 8.23% of the purchase price for the first 3 years.}

\] | 

\[\text{Kluang Utama – gross lease rental of 7.90%, 8.01% and 8.12% of the purchase price for the first 3 years.}

\] | 

\[\text{Rental is reviewed every 3 years. The review of the yearly rental for the next 3 years is calculated based on: 1st year of every review - (10-year Malaysian Government Securities + 238 basis points) multiplied with the market value of the properties at the point of review and subject to a minimum rental of RM33 million per annum and a maximum of 2% incremental over the preceding year’s rental; and 2nd and 3rd of every review – 2% incremental over the preceding year’s rental.}

\] | 

\[\text{Rental is reviewed every 3 years. The review of the yearly rental for the next 3 years is calculated based on: 1st year of every review - (10-year Malaysian Government Securities + 238 basis points) multiplied with the market value of the properties at the point of review and subject to a minimum rental of RM33 million per annum and a maximum of 2% incremental over the preceding year’s rental; and 2nd and 3rd of every review – 2% incremental over the preceding year’s rental.}

\] |
| **Renewal terms** | No disclosure. | No disclosure | No disclosure |
|**Revised rent based on prevailing market rent, provided that the revised rent for the 16th year is ≤ 15% of the adjusted hospital revenue for the 15th year.** | Revised rent based on prevailing market rent, and if there is no agreement this, the rent will be based on the rent applicable to the 15th year of the initial term adjusted upwards taking into account the aggregated percentage increase of the CPI for the 15th year. | Revised rent based on prevailing market rent, and if there is no agreement this, the rent will be based on the rent applicable to the 15th year of the initial term adjusted upwards taking into account the aggregated percentage increase of the CPI for the 15th year. | No disclosure |

Source: REIT prospectus and REIT disclosures.
# Sunway Medical Centre vs Sunway REIT Portfolio

<table>
<thead>
<tr>
<th>Property</th>
<th>GFA (sf)</th>
<th>NLA (sf)</th>
<th>Appraised Value 2012</th>
<th>GFA (psf)</th>
<th>NLA (psf)</th>
<th>NPI (FY 2012)</th>
<th>Current Yield</th>
<th>Cap Rate Adopted</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Healthcare</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><em>Sunway Medical Centre</em></td>
<td>762,043 (including car park area)</td>
<td>458,244 (estimated net floor area)</td>
<td>RM310,000,000.00</td>
<td>RM406.80</td>
<td>RM568.85</td>
<td>RM19,000,000.00</td>
<td>1.63%</td>
<td>6.50%</td>
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<tr>
<td><strong>Retail</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Sunway Pyramid Mall</td>
<td>4,276,945</td>
<td>1,701,798</td>
<td>RM2,540,000,000.00</td>
<td>RM593.88</td>
<td>RM1,492.54</td>
<td>RM162,299,000.00</td>
<td>6.39%</td>
<td>6.75%</td>
</tr>
<tr>
<td>Sunway Carnival Shopping Mall</td>
<td>983,100</td>
<td>488,889</td>
<td>RM257,000,000.00</td>
<td>RM261.42</td>
<td>RM525.68</td>
<td>RM16,050,000.00</td>
<td>6.25%</td>
<td>7.25%</td>
</tr>
<tr>
<td>Sunway Ipoh Hypermarket</td>
<td>193,408</td>
<td>181,216</td>
<td>RM55,000,000.00</td>
<td>RM284.37</td>
<td>RM303.51</td>
<td>RM4,222,000.00</td>
<td>7.68%</td>
<td>7.25%</td>
</tr>
<tr>
<td>Sunway Putra Mall</td>
<td>1,388,574</td>
<td>514,634</td>
<td>RM248,000,000.00</td>
<td>RM178.60</td>
<td>RM481.90</td>
<td>RM17,120,000.00</td>
<td>6.90%</td>
<td>7.00%</td>
</tr>
<tr>
<td><strong>Hotel</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Sunway Resort Hotel &amp; Spa</td>
<td>1,050,497</td>
<td>-</td>
<td>RM508,000,000.00</td>
<td>RM483.58</td>
<td>-</td>
<td>RM34,043,000.00</td>
<td>6.70%</td>
<td>7.00%</td>
</tr>
<tr>
<td>Pyramid Tower Hotel</td>
<td>-</td>
<td>356,888</td>
<td>RM295,000,000.00</td>
<td>-</td>
<td>RM826.59</td>
<td>RM22,374,000.00</td>
<td>7.58%</td>
<td>7.00%</td>
</tr>
<tr>
<td>Sunway Hotel Seberang Jaya</td>
<td>174,800</td>
<td>-</td>
<td>RM57,000,000.00</td>
<td>RM326.09</td>
<td>-</td>
<td>RM4,406,000.00</td>
<td>7.73%</td>
<td>7.00%</td>
</tr>
<tr>
<td>Sunway Putra Hotel</td>
<td>833,844</td>
<td>-</td>
<td>RM240,000,000.00</td>
<td>RM287.82</td>
<td>-</td>
<td>2 RM10,868,000.00</td>
<td>2 4.53%</td>
<td>7.00%</td>
</tr>
<tr>
<td><strong>Office</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Menara Sunway &amp; Sunway Annexe</td>
<td>654,783</td>
<td>270,593</td>
<td>RM150,000,000.00</td>
<td>RM229.08</td>
<td>RM554.34</td>
<td>RM11,881,000.00</td>
<td>7.92%</td>
<td>6.75%</td>
</tr>
<tr>
<td>Sunway Tower</td>
<td>456,604</td>
<td>268,306</td>
<td>RM190,000,000.00</td>
<td>RM416.12</td>
<td>RM708.15</td>
<td>RM12,775,000.00</td>
<td>6.72%</td>
<td>6.50%</td>
</tr>
<tr>
<td>Sunway Putra Tower</td>
<td>453,842</td>
<td>317,051</td>
<td>RM90,000,000.00</td>
<td>RM198.31</td>
<td>RM283.87</td>
<td>RM5,877,000.00</td>
<td>6.53%</td>
<td>6.50%</td>
</tr>
</tbody>
</table>

* On acquisition

1 Initial Yield
2 Annualized (based on 9 months results)
<table>
<thead>
<tr>
<th>Hospitals</th>
<th>Suites</th>
<th>Single</th>
<th>2 Beded</th>
<th>4 Beded</th>
<th>ICU &amp; CCU</th>
<th>NICU</th>
<th>HDU</th>
<th>NHDU</th>
<th>CHDU</th>
<th>Delivery Suites</th>
<th>Nursery</th>
<th>Day Care</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMC (342 beds)</td>
<td>RM430</td>
<td>RM150</td>
<td>RM150</td>
<td>RM95</td>
<td>RM400</td>
<td>RM400</td>
<td>RM300</td>
<td>RM230</td>
<td>RM228</td>
<td>RM300</td>
<td>RM75</td>
<td>RM60</td>
</tr>
<tr>
<td>SDMC (Subang) (393 beds)</td>
<td>RM650 – RM1,288</td>
<td>RM150</td>
<td>RM150</td>
<td>RM95</td>
<td>RM400</td>
<td>RM400</td>
<td>RM300</td>
<td>RM230</td>
<td>RM228</td>
<td>RM300</td>
<td>RM75</td>
<td>RM60</td>
</tr>
<tr>
<td>PMC (Bangsar) (332 beds)</td>
<td>RM630 – RM988</td>
<td>RM150</td>
<td>RM150</td>
<td>RM95</td>
<td>RM400</td>
<td>RM400</td>
<td>RM338</td>
<td>RM298</td>
<td>RM500</td>
<td>RM50 – RM100</td>
<td>RM60</td>
<td>RM80</td>
</tr>
<tr>
<td>Gleneagles (KL) (330 beds)</td>
<td>RM800 – RM3,800</td>
<td>RM150</td>
<td>RM150</td>
<td>RM95</td>
<td>RM450</td>
<td>RM450</td>
<td>RM298</td>
<td>RM380</td>
<td>RM60</td>
<td>RM60</td>
<td>RM60</td>
<td>RM60</td>
</tr>
<tr>
<td>KPJ Ampang Puteri (217 beds)</td>
<td>RM580 – RM980</td>
<td>RM150</td>
<td>RM150</td>
<td>RM95</td>
<td>RM450</td>
<td>RM450</td>
<td>RM298</td>
<td>RM380</td>
<td>RM60</td>
<td>RM60</td>
<td>RM60</td>
<td>RM60</td>
</tr>
<tr>
<td>KPJ Damasara (211 beds)</td>
<td>RM590 – RM1,250</td>
<td>RM150</td>
<td>RM150</td>
<td>RM95</td>
<td>RM380</td>
<td>RM380</td>
<td>RM280</td>
<td>RM280</td>
<td>RM60</td>
<td>RM60 – RM90</td>
<td>RM60</td>
<td>RM60</td>
</tr>
<tr>
<td>Assunta (344 beds)</td>
<td>RM500 – RM650</td>
<td>RM150</td>
<td>RM150</td>
<td>RM95</td>
<td>RM350</td>
<td>RM165 – RM190</td>
<td>RM260</td>
<td>RM190</td>
<td>RM45</td>
<td>RM45 – RM70</td>
<td>RM45</td>
<td>RM45</td>
</tr>
</tbody>
</table>

Al-’Aqar Healthcare REIT
Malaysia hospital and medical centre rental income since establishment

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ampang Puteri Specialist Hospital</td>
<td>9.6</td>
<td>9.8</td>
<td>9.9</td>
<td>8.8</td>
<td>8.9</td>
<td>(1.7%)</td>
</tr>
<tr>
<td>Damansara Specialist Hospital</td>
<td>8.0</td>
<td>8.1</td>
<td>8.3</td>
<td>7.5</td>
<td>7.6</td>
<td>(1.1%)</td>
</tr>
<tr>
<td>Johor Specialist Hospital</td>
<td>5.6</td>
<td>5.7</td>
<td>5.8</td>
<td>5.3</td>
<td>7.8</td>
<td>8.8%</td>
</tr>
<tr>
<td>Ipoh Specialist Hospital</td>
<td>5.1</td>
<td>5.2</td>
<td>5.3</td>
<td>4.7</td>
<td>4.8</td>
<td>(1.7%)</td>
</tr>
<tr>
<td>KPJ Selangor Specialist Hospital</td>
<td>4.6</td>
<td>4.7</td>
<td>4.7</td>
<td>4.2</td>
<td>4.3</td>
<td>(1.5%)</td>
</tr>
<tr>
<td>Puteri Specialist Hospital</td>
<td>2.9</td>
<td>3.0</td>
<td>3.0</td>
<td>2.6</td>
<td>2.7</td>
<td>(1.7%)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>35.7</strong></td>
<td><strong>36.4</strong></td>
<td><strong>37.0</strong></td>
<td><strong>33.1</strong></td>
<td><strong>36.2</strong></td>
<td><strong>0.3%</strong></td>
</tr>
<tr>
<td><strong>% growth</strong></td>
<td>n.a.</td>
<td>2.0%</td>
<td>1.5%</td>
<td>(10.6%)</td>
<td>9.4%</td>
<td></td>
</tr>
</tbody>
</table>

Rental income for Al-’Aqar Healthcare REIT has grown at a CAGR of 0.3% over 2007 – 2011
(Source: Credit Suisse)
Portfolio Composition – by Asset Size

**Pre-acquisition of SunMed**

- Retail: 67.0%
- Hotel: 23.8%
- Office: 9.3%

**Post-acquisition of SunMed**

- Retail: 62.7%
- Hotel: 22.3%
- Office: 8.7%
- Others: 6.3%

---

1. Based on valuation as at 30 June 2012
2. Existing Sunway REIT’s properties are based on valuation as at 30 June 2012. SunMed is based on valuation by Knight Frank dated 27 August 2012.
Portfolio Composition – by Revenue

Pre-acquisition of SunMed¹

- Retail: 71.9%
- Hotel: 17.6%
- Office: 10.5%

Post-acquisition of SunMed²

- Retail: 68.7%
- Hotel: 16.8%
- Office: 10.0%
- Others: 4.5%

¹ Based on FY2012 revenue
² Existing Sunway REIT's properties are based on FY2012 and included SunMed revenue of RM19.0 million
Portfolio Composition – by NPI

Pre-acquisition of SunMed\(^1\)

- Retail: 68.2%
- Hotel: 22.6%
- Office: 9.2%

Post-acquisition of SunMed\(^2\)

- Retail: 63.6%
- Hotel: 21.2%
- Office: 8.6%
- Others: 6.6%

---

1 Based on FY2012 NPI
2 Existing Sunway REIT’s properties are based on FY2012 and included SunMed revenue of RM19.0 million
Initial Yield of SMC In Comparison with Notable Sub-Sector Transactions (2012)

Notable recent transactions in the market indicate there is compression in the initial yields on acquisitions.
Initial Yield of SMC In Comparison with Sunway REIT Portfolio of Assets (FY12 #)

SMC’s initial yield is lower than the current yield of Sunway Pyramid Mall and Sunway Resort Hotel & Spa due to the certainty in rental income for the next 10 years with a guaranteed step-up in rental of 3.5% per annum and not subjected to market conditions.