



PRESS RELEASE

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For Immediate Release

Perennial Real Estate Holdings Limited Records PATMI of S\$33.5 million for Eight Months Period Post-RTO

TripleOne Somerset and AXA Tower Received Planning Approval for Proposed Enhancement Works

Singapore, 4 August 2015 – Perennial Real Estate Holdings Limited (the “**Group**”) achieved a total profit after tax and minority interest (“**PATMI**”) of S\$33.5 million for the period of about eight months from 28 October 2014 to 30 June 2015 (“**Period Post-RTO**”), post-completion of the Reverse Takeover (“**RTO**”) of St. James Holdings Limited on 27 October 2014. Excluding the one-off transaction cost amounting to S\$11.4 million, arising from the RTO and the Group’s Voluntary General Offer (“**VO**”) for Perennial China Retail Trust (“**PCRT**”), PATMI for the Period Post-RTO amounted to S\$44.9 million.

Operating PATMI for the period from 1 April 2015 to 30 June 2015 (the “**Quarter**”) was S\$8.8 million, largely contributed by TripleOne Somerset and AXA Tower in Singapore, the predominantly-retail China portfolio held by PCRT, a subsidiary of the Group post-completion of the VO, as well as a one-off acquisition fee income arising from the acquisition of AXA Tower in the Quarter. The Group’s Net Debt to Equity Ratio as at 30 June 2015 stood at 0.41 times.

Mr Pua Seck Guan, Chief Executive Officer of the Group, said, “We are excited about a number of recent positive developments in the Group’s core business markets. In China, the designation of Tongzhou District as Beijing’s municipal subsidiary administrative centre by the Chinese government bodes well for Beijing Tongzhou Integrated Development in view of the intensification of public infrastructure, transportation and housing developments in the district. In Singapore, TripleOne Somerset and AXA Tower have received planning approval for the proposed enhancement works. The Group intends to finalise the plans to execute the strata-sale of the office spaces at these two prime developments to maximise value for Shareholders.”

Singapore Overview

TripleOne Somerset, a predominantly-office cum retail development, has received its Planning Permit for its proposed enhancement works. The enhancement plan includes increasing the development's retail footprint and utilising up to about 32,000 square feet (“sq ft”) of gross floor area (“GFA”) for medical usage. In addition, the common office areas will be spruced up to enhance the ambience of the two Grade ‘A’ office towers. The Group also intends to strata-sale the office spaces, commencing with one office tower.

Similarly, AXA Tower, a predominantly-office cum retail development, has received its Planning Permit for its proposed enhancement works. The enhancement plan is expected to increase AXA Tower's total net lettable area by 85,000 sq ft, from about 675,000 sq ft to about 760,000 sq ft. The retail footprint of the retail podium (Level 1 and Basement 1) will be increased and the overall offerings enhanced. A new two-storey annex block (Levels 1 and 2) will be built to house medical suites amounting to no more than 32,000 sq ft. In addition, the landmark tower's façade and drop-off point will be enhanced. The Group also intends to strata sale the office spaces to maximise the value of the prime asset.

At Capitol Piazza, the retail component of Capitol Singapore, more luxury lifestyle services, first-in-Singapore fashion brands and new dining concepts have commenced business. The committed occupancy now stands at over 80%. Capitol Theatre, the entertainment component of Capitol Singapore, officially opened during the Quarter following the completion of its over-S\$50 million restoration work.

China Overview

As announced in July 2015, Perennial Dongzhan Mall, part of the Chengdu East High-Speed Railway (“HSR”) Integrated Development and currently under-development, was repositioned from a retail mall to an international medical and healthcare hub. The repositioning not only ties in with the Group's strategic move into healthcare, as a natural extension of its real estate business to ride on the strong growth of China's healthcare industry, but also meets the significant domestic demand for healthcare services. Renamed as ‘Perennial *International Health and Medical Hub*’, the project is positioned to be the first healthcare cum retail integrated development in Chengdu and Sichuan.

The 280,000 square metres GFA development is expected to house an international hospital, and complemented by healthcare and wellness-related services, including traditional chinese medicine, maternity care centres, rehabilitative centres, medical aesthetic services and medical suites. To date, both wings of the development have topped-out, and expressions of interest have been received for more than 90% of its leasable area set aside for healthcare services. Perennial International Health and Medical Hub is expected to complete construction in 2016.

On Plot D of Chengdu East HSR Integrated Development, three 35-storey apartment blocks on Plot D2 have topped-out and another three blocks have finished basement construction works to reach ground level. Pre-Sale Permits for two blocks on Plot D2 have been obtained, with the application for the third permit underway. Together, the six blocks on Plot D2 are expected to house more than 2,200 units of commercial apartments and some retail shops.

Over at Beijing Tongzhou Integrated Development, foundation works for the new link bridge, connecting the development to a largely-residential precinct across the famous Grand Canal, have been completed. Extensive construction works for the S6 Subway Line is currently underway.

Beijing's Tongzhou District has seen a number of positive developments in the last few quarters. Earlier this year, it was announced that construction has commenced for the US\$3.3 billion Universal Studios Beijing theme park to be built in the Tongzhou District. Universal Studios Beijing is expected to commence operations by 2019¹. More recently, the Beijing authorities confirmed Tongzhou District as Beijing's subsidiary administrative centre, and announced plans to relocate Beijing's municipal government, including tens of thousands of civil servants, to Tongzhou District². As a result, market sale prices of real estate soared across the board in the increasing vibrant district.

Separately, the Xi'an City Planning Bureau has approved the overall development scheme for Xi'an North HSR Integrated Development Plots 4 and 5. Application for the development's Land Use Planning Permits and Construction Planning Permits are currently in progress.

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Investor Relations & Media Contact:

Ms TONG Ka-Pin

DID: (65) 6602 6828

HP: (65) 9862 2435

Email: tong.ka-pin@perennialrealestate.com.sg

About Perennial Real Estate Holdings Limited (www.perennialrealestate.com.sg)

Perennial Real Estate Holdings Limited (the "**Group**") is an integrated real estate owner, developer and manager listed on the Mainboard of the Singapore Exchange. Headquartered in Singapore, the Group focuses strategically on large scale mixed-use developments primarily in the People's Republic of China ("**PRC**") and Singapore. The Group owns interests in and/or manages a diversified portfolio measuring about 36.5 million square feet and over 3.0 million square feet in gross floor area in the PRC and Singapore respectively. The Group's footprint also extends to Malaysia, where it is invested in and manages a waterfront integrated development of over 4.0 million square feet in Penang. Separately, the Group has established a joint venture to acquire, develop and manage hospital/medical services business in the PRC.

¹ http://usa.chinadaily.com.cn/china/2015-02/01/content_19460368.htm

² The New York Times, 26 June 2015, Page A8.

The Group is a dominant commercial developer with sizeable integrated developments in the PRC, of which two are the largest high speed railway commercial hubs in the country, being Chengdu East High Speed Railway Integrated Development and Xi'an North High Speed Railway Integrated Development. Other landmark projects in the Group's portfolio include the Beijing Tongzhou Integrated Development, the Shenyang Longemont Integrated Development and the Zhuhai Hengqin Integrated Development. The Group also has a joint venture to acquire, develop and manage hospital/medical services business in the PRC.

In Singapore, the Group is invested in and manages prime and iconic properties located predominantly in the Downtown Civic District, Central Business District and Orchard Road precinct, such as CHIJMES, Capitol Singapore, TripleOne Somerset, AXA Tower and the House of Tan Yeok Nee. The Group also holds stakes in and manages 112 Katong mall and Chinatown Point mall.

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