

**KLCC REAL ESTATE INVESTMENT TRUST
("KLCC REIT")**

REVALUATION OF PROPERTIES

This announcement is made pursuant to Para 9.43(1), Chapter 9 of the Main Market Listing Requirements on immediate disclosure requirements.

1. Introduction

The Board of Directors of KLCC REIT Management Sdn Bhd (the management company of KLCC REIT) ("KLCCRM" or "Company") wishes to announce that KLCC Real Estate Investment Trust ("KLCC REIT") had undertaken a revaluation exercise on the following investment properties which are being held by KLCC REIT for long term investment purposes:

- (a) PETRONAS Twin Towers
- (b) Menara ExxonMobil
- (c) Menara 3 PETRONAS

The above are hereinafter collectively referred to as "the Properties".

2. Purpose of Revaluation

The purpose of the revaluation exercise was to ascertain the current market value of the Properties for accounting purposes pursuant to MFRS 140: Investment Property.

3. Approval Condition

The Board confirmed that the above revaluation was not, to the best of its knowledge, subject to the approval of Securities Commission Malaysia.

4. Fair Valuation Gain

Details of the revaluation of the Properties are set out below:

Properties	Carrying Value 31/12/2016 RM'000	Market Value 31/12/2017 RM'000	Increase RM'000
MFERS 140: Investment Property			
1. PETRONAS Twin Towers	6,656,433	6,973,000	316,567
2. Menara ExxonMobil	504,840	533,700	28,860
3. Menara 3 PETRONAS	1,931,071	2,049,000	117,929
Total Investment Properties	9,092,344	9,555,700	463,356

The carrying value of the investment properties as at 31 December 2016 is based on the market value as per the valuation reports and after adjustments as required by MFERS 140 paragraph 50.

The fair valuation gain for the Group recognised in the Statement of Comprehensive Income (SCI) amounted to **RM81,496,000**. The reconciliation between the increase in Investment Properties and fair valuation gain is as follows:

	RM'000
Increase in investment properties	463,356
Less: Additions and adjustments	(381,860)
Fair value gain recognised in SCI	81,496

5. Effects on Net Assets

The Board of Directors of the Company approved the fair valuation gain of the Properties on 24 January 2018. The fair valuation gain of **RM81,496,000** had increased the value of the investment properties of KLCC REIT. The fair valuation gain also had an impact on net assets per unit of the KLCC REIT as follows:

	RM
Net Assets per stapled security – with Fair Value	4.46
Net Assets per stapled security – without Fair Value	4.41
Effect of FV on Net Assets per stapled security	0.05

The Board of Directors of the Company had also decided that unless there were any significant changes to these estimates, the new valuations would be reflected in the results of the fourth quarters and audited financial statements for the year ended 31 December 2017.

6. Name of the Valuer

The revaluation exercise was carried out by independent professional, Messrs. Nawawi Tie Leung Property Consultants Sdn Bhd.

7. Date of Valuation

The relevant date of valuation for the Properties are as follow:

PETRONAS Twin Towers, Menara 3 PETRONAS & Menara ExxonMobil	31 December 2017
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8. Documents Available for Inspection

The valuation reports of the Properties are available for inspection at the Registered Office of the Company at Level 54, Tower 2, PETRONAS Twin Towers, Kuala Lumpur City Centre, 50088 Kuala Lumpur during normal office hours from Monday to Friday (except for Public Holidays) for a period of three (3) months from the date of this announcement.

For and on behalf of the Board
KLCC REIT Management Sdn Bhd
(As the Manager of KLCC REIT)
Datuk Hashim Bin Wahir
Chief Executive Officer

Kuala Lumpur, 24 January 2018