

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

REVALUATION OF PROPERTIES

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

1. Introduction

The Board of Directors of KLCC REIT Management Sdn Bhd (the management company of KLCC REIT) ("KLCCRM" or "Company") wish to announce that the KLCC Real Estate Investment Trust ("KLCC REIT") had undertaken a revaluation exercise on the following investment properties which are being held by the 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 revaluation for the Properties has been conducted pursuant to Clause 10.02(b) of the Securities Commission's Guidelines on Listed Real Estate Investment Trusts, whereby a revaluation of real estate in the REIT's investment portfolio should be carried out at least once every financial year as well as pursuant to MFRS 140: Investment Property to ascertain the current market value of the Properties.

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 31/12/2018 RM'000	Market Value 31/12/2019 RM'000	Increase RM'000
MFRS 140: Investment Property			
1. PETRONAS Twin Towers	6,679,919	7,014,000	334,081
2. Menara ExxonMobil	535,307	536,800	1,493
3. Menara 3 PETRONAS	1,975,605	2,053,100	77,495
Total Investment Properties	9,190,831	9,603,900	413,069

The carrying value of the investment properties as at 31 December 2019 is based on the market value as per the valuation reports and after adjustments as required by MFRS 140 paragraph 50.

The fair valuation gain for the Group recognised in the Statement of Comprehensive Income (SCI) amounted to **RM1,092,000**. The reconciliation between the increase in Investment Properties and fair valuation gain is as follows:

	RM'000
Increase in investment properties	413,069
Less: Additions and adjustments	(411,977)
Fair value gain recognised in SCI	1,092

5. Effects on Net Assets

The Board of Directors of the Company approved the fair valuation gain of the Properties on 23 January 2020. The fair value adjustment and deferred tax expense recognised had an impact on net assets per unit of the KLCC REIT as follows:

	RM
Net Assets per stapled security – with Fair Value	4.47
Net Assets per stapled security – without Fair Value	4.48
Effect of FV on Net Assets per stapled security	0.01

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 2019.

6. Name of the Valuer

The revaluation exercise was carried out by independent professional, Messrs. Cheston International (KL) Sdn Bhd.

7. Date of Valuation

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

PETRONAS Twin Towers	22 November 2019
Menara 3 PETRONAS	12 November 2019
Menara ExxonMobil	16 October 2019

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.

Kuala Lumpur, 23 January 2020