



OFFICE SNAPSHOT KUALA LUMPUR

Aug 2008

Summary

Overall Economy

- The country's inflation hit 7.7% to date, steepest climb in 27 years, spurred by the recent substantial price increase in petrol & diesel.
- Bank Negara Malaysia (Central Bank of Malaysia) maintains the overnight policy rate (OPR) at 3.5% to curb rising inflation.
- The unchanged OPR has resulted in the weaker ringgit which is now at its lowest level in presenting 3 weeks.

Commercial Property Market

- Servcorp Limited is investing US\$30mil over five years in i-City, making it the first real estate project in Asia that is equipped with state-of-the-art concierge services.
- Mulpha Land Berhad, the property arm of Mulpha Group, will be building a 23 storey Grade 'A' Green office building called 121 Jalan Sultan Ismail, with lettable area approximately 270,000 sq ft, located opposite Shangri-La Hotel.
- Bandar Sunway was made the first Integrated Wireless Township in the country. The first phase will be completing by Q4 2008, area includes Sunway Pyramid Shopping Mall, Sunway Lagoon Theme Park, Monash University, Sunway University College & Campus, Sunway Metro and Sunway Mentari.

Prime & Fringe Grade 'A' Office Rents								
District	Achievable Rent (Net Effective)			% Change From (in RM)				Short Term Trend
	US\$ /Sq-F/Yr	Euro /Sq-M/Yr	RM /Sq-F/Mth	Last month	3 months ago	From Bottom (Mar 2000)	Peak (Q4 '97)	
Prime KL Centre	22.16	151.25	6.09	4.6	5.1	59.8	18.7	↗
Fringe KL	15.83	108.03	4.35	1.1	1.4	58.2	-3	→

Note: Sample of buildings modified on 1 July 2007 for buildings in fringe area, therefore some adjustments will occur in % change in the rental trends in immediate corresponding months.

With effect from Jul '07, sample size based for Prime KL Centre are based on 16 buildings and 16 buildings for Fringe respectively for size of 10,000 sq. ft.

Latest Economic Indicators – July 2008					
	Latest Release		Average 2007	Average 2008F	Average 2009F
Real GDP Growth	1 st Quarter 2008	7.1%	6.3%	5.5%	5.4%
Unemployment	1 st Quarter 2008	3.6%	3.5%	3.4%	3.4%
Real Prices (CPI)	2 nd Quarter 2008	7.7%	2.0%	5.0%	4.1%
Prime Rate	1 st Quarter 2008	6.7%	End Dec '07 6.8%	End Dec '08 6.7%	End Feb '09 6.8%

Source: Statistics Department, Malaysia; Bank Negara Malaysia; Consensus Economics Sept 2007

Key Leasing Transactions

- Celcom** took up **50,000 sq ft** in Menara Crest, fringe area.
- Germanischer Lloyd GRM Sdn Bhd** took up approximately **40,000 sq ft** at Menara AmBank, CBD.
- The Nomad** took up approximately **24,000 sq ft** in Etiqa Twins (formerly known as MNI Twins), CBD; and another **15,000 sq ft** in The Garden, Mid Valley City, prime fringe.
- Tricor Services (M) Sdn Bhd** took up approximately **30,000 sq ft** in North Tower Mid Valley, prime fringe area.
- BonusLink (BonusKad Loyalty Sdn Bhd)** took up approximately **24,000 sq ft** in Menara Glomac 3, fringe area.

Key Investment Transactions

- Al Rajhi Bank (Malaysia) mark its first property venture by purchasing 36 units of i-City Cybercentre 1 office suites for RM95 million. The purchased accounted 80% of total 44 units totaling 300,000 sq ft of the first phase.
- Glomac Al Batha Mutiara Sdn Bhd has acquired two parcels of adjoining land, measuring 5,660 sq meters and 5,094 sq meters in Mutiara Damansara. The land was transacted at RM38.69 million cash.

Pre-Leasing Opportunity



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Prime Office Space for Lease at:
Surian Tower, Mutiara Damansara, Fringe Area

Office Space Available:
NLA approx. 336,000 sq. ft.
Size available : 13,000 sq ft onwards

Handover Condition:
Grade 'A'

Asking Rental Rate:
Call for details

Date Available:
3rd Quarter 2009

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