

Investment Activities & Fund Management

Mapletree's capital management business focuses on the management of public-listed real estate investment trusts (REITs) and private real estate funds. Through a wide array of investment platforms, the Group offers real estate investment opportunities across diversified asset classes to meet different needs and risk profiles of both institutional and retail investors.

Mapletree has built up a wealth of experience in the real estate capital management market. The Group has

managed or been managing 13 capital management vehicles on behalf of many of the world's top institutional investors including sovereign wealth funds, pension funds, insurance companies and private investors. Our real estate portfolio offers investors exposure to diversified, geographical-focused and sector-focused portfolios across the public and private real estate markets.

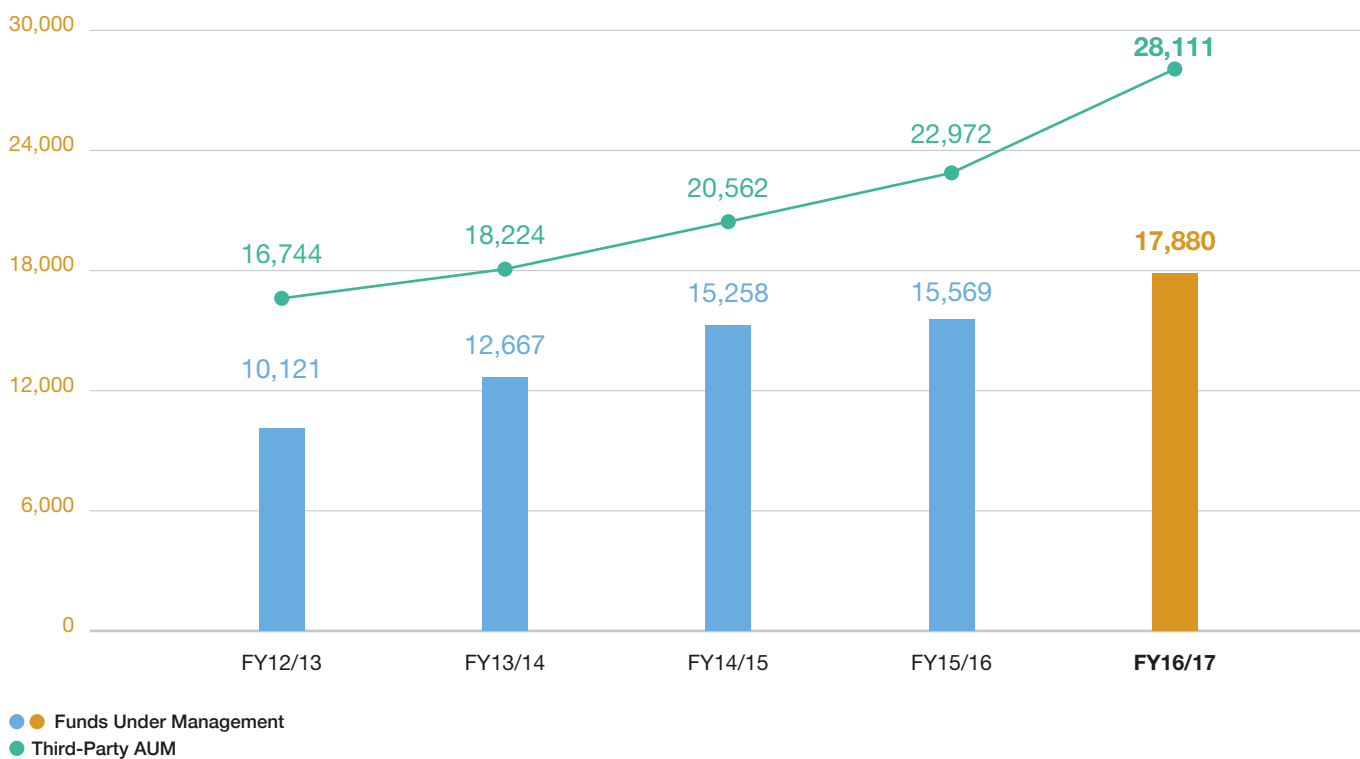
The Group has built a strong reputation as an industry leader in the Singapore REIT market and private fund management business with origination, structuring and fundraising capabilities. Currently, Mapletree manages four Singapore-listed REITs and six private

funds with combined funds under management of over S\$17 billion. In the last decade, Mapletree has grown its assets under management (AUM) by more than seven times.

As at 31 March 2017, Mapletree had AUM of S\$39.5 billion, 71% of which are third-party managed assets. In line with our business objective to deliver consistent and high returns, Mapletree constantly seeks new opportunities to launch new capital management platforms and focuses on building lasting relationships with its capital partners by leveraging its strong pipeline and performance of real estate assets.

Five-Year Growth in Third-Party AUM & Funds Under Management

(S\$ million)



Successfully Raised New Private Fund – Mapletree Global Student Accommodation Private Trust (MGSA P-Trust)

Following the successful launch of MJOF and MJLD in 2014, the Group continued to expand its range of private funds in FY16/17 with a global student accommodation private trust which raised a total of US\$535 million (~S\$746.2 million) in capital commitments. Despite the competitive fundraising environment, the private trust attracted strong investor support from institutional investors and high net worth individuals from private banks. MGSA P-Trust aims to generate diversified, strong and sustainable income yields with an attractive total return by investing in income-generating student accommodation assets in the United Kingdom and the United States (US).

Active Acquisitions of Mapletree Private Funds

During the year, the private real estate funds managed by Mapletree have been actively acquiring and deploying commitments. In March 2016, MJLD, a Japan-focused logistics development fund, acquired a logistics development asset in Kobe City in Greater Osaka at an estimated total development cost of JPY16.1 billion (~S\$202.3 million). This is in addition to three other logistics development assets which MJLD invested in during the year.

These four acquisitions are in line with MJLD's fund objective of investing in high quality logistics assets to generate an attractive total return for investors. To date, MJLD has invested in 11 logistics assets and will continue to seek investment opportunities in good quality logistics assets in Japan. In addition to MJLD and MGSA P-Trust, Mapletree manages four other funds – a Japan-focused office private fund MJOF,

Mapletree China Opportunity Fund II (MCOF II), Mapletree India China Fund (MIC Fund) and CIMB-Mapletree Real Estate Fund 1 (CMREF1).

Delivering Stable Returns Backed by Strong Sponsor

As Mapletree continues to syndicate new private funds to meet investors' needs, it is mindful to deliver strong and sustainable returns to investors, including via its listed platforms. Strengthening the Group's capital management capability is an important strategy to its business model. The Group's four REITs have performed strongly, having reported credible earnings and consistently delivered strong returns to its investors since their respective initial public offerings. This demonstrates the high quality of Mapletree's REITs and their portfolios, as well as Mapletree as a committed and strong sponsor.

The Group's four Singapore-listed REITs, Mapletree Greater China Commercial Trust, Mapletree Commercial Trust, Mapletree Industrial Trust and Mapletree Logistics Trust, performed strongly, achieving an annual distribution per unit yield of between 6.1% and 7.2% in FY16/17.

Establishing Strategic Partnerships for New Asset Classes

In the past three years, Mapletree has invested in new asset classes such as student accommodation, corporate housing / serviced apartment. To grow its corporate housing / serviced apartment business further, Mapletree acquired Oakwood Worldwide (Oakwood), a premier global provider of corporate housing / serviced apartment solutions in February 2017. The acquisition covers all of Oakwood's global operations and follows an earlier collaboration in 2014 which saw the company acquire a 49% stake in Oakwood's Asia Pacific operating arm, Oakwood Asia Pacific, and make its first investment in a corporate housing property in the US during the year.

As at 31 March 2017, Mapletree owns nine corporate housing / serviced apartment properties in the US and one corporate housing / serviced apartment in Australia. In addition to these, Mapletree has two corporate housing / serviced apartment properties in Japan and one more in Vietnam under development. All Mapletree-owned service apartments are managed by Oakwood, a wholly owned subsidiary of Mapletree.

For MGSA P-Trust, Mapletree has partnered leading local operator providers with considerable experience to manage the fund's portfolio of student accommodation assets.

To achieve an optimal capital structure, the Group will continue to grow its capital management business by bringing new private funds and REITs to market. However, while doing so, it remains mindful to align the development of current and new products with investors' evolving investment requirements.

Accolades

In September 2016, Mapletree was ranked sixth in the 2016 APAC Fund Manager Guide and second among Asia-based fund managers according to PERE magazine, a leading publication for the world's private real estate markets. The ranking is based on capital raised for Asia-Pacific focused private real estate investment vehicles between January 2011 and March 2016. Prior to this, Mapletree was ranked eighth in the 2014/2015 APAC Fund Manager Guide and fifth among Asia-based fund managers.

| Name of Fund/ REIT | Brief Description | Launch/ Listing Date | Investment Universe | Investment Focus | Fund Life (Years) | Fund Size/ NAV ¹ |
|---|---|----------------------|---------------------|---|-------------------|---|
| Private Funds – Existing | | | | | | |
| MGSA P-Trust | Established with the objective to invest in an attractive and resilient income-producing student accommodation portfolio in the UK and the US. | 2017 | The UK & the US | Student Accommodation | 5 | US\$535 million (~S\$746.2 million) |
| MJOF | Established with the objective of generating a stable and recurring income yield with an attractive total return, by investing predominantly in income-generating office spaces located primarily on or around the fringe of Tokyo CBD and within the Greater Tokyo area. | 2014 | Japan | Office Space | 5 | JPY65 billion (~S\$816.6 million) |
| MJLD | Established with the objective of generating attractive total returns by investing in logistics development assets in Japan. | 2014 | Japan | Logistics | 5 | JPY51 billion (~S\$640.7 million) |
| Mapletree China Opportunity Fund II (MCOF II) | Established with the objective of maximising total returns by investing in a portfolio of development projects and projects with value enhancement potential located in Tier 1 and Tier 2 cities in China. | 2013 | China | Commercial, Industrial, Residential & Mixed-use | 9 | US\$1,400 million (~S\$1,952.6 million) |
| Mapletree India China Fund (MIC Fund) | Established with the objective of maximising total returns by acquiring, developing and realising real estate projects in India and China. | 2008 | India & China | Commercial & Mixed-use | 10 | US\$1,158 million (~S\$1,614.4 million) |
| CIMB-Mapletree Real Estate Fund 1 (CMREF1) | Established to make direct investments in development and/or investment assets, real estate investment products and listed real estate securities in Malaysia. | 2005 | Malaysia | Commercial & Residential | 12 | MYR402 million (~S\$126.9 million) |

| Name of Fund/ REIT | Brief Description | Launch/ Listing Date | Investment Universe | Investment Focus | Fund Life (Years) | Fund Size/ NAV ¹ |
|---|--|----------------------|---------------------|------------------|-------------------|-------------------------------------|
| Private Funds – Fully realised | | | | | | |
| Mapletree Industrial Fund (MIF) | Established with the objective of investing in industrial properties in Asia for yield and appreciation. Fully realised and achieved 1.5x multiple and net IRR ² of 15.1%. | 2006 | Pan Asia | Industrial | Realised | US\$299 million (~S\$417.0 million) |
| Mapletree Industrial Trust – Private (MITP) | Held the S\$1.71 billion of industrial assets acquired from JTC in 2008. Fully realised and achieved 1.5x multiple and net IRR ² of 19.1%. | 2008 | Singapore | Industrial | Realised | S\$708 million |
| Mapletree Real Estate Mezzanine Fund (MREM) | Focused on originating and executing real estate mezzanine loans in Asia. Fully realised in FY07/08 and achieved 1.2x multiple and net IRR ² of 25.3%. | 2005 | Pan Asia | All | Realised | S\$90 million |

Public Listed – REITs

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|--|---|------|---------------|------------|--|------------------|
| Mapletree Greater China Commercial Trust (MGCCT) | REIT investing in a diversified portfolio of income-producing commercial real estate in Greater China ³ . | 2013 | Greater China | Commercial | | S\$3,636 million |
| Mapletree Commercial Trust (MCT) | REIT investing on a long-term basis in a diversified portfolio of office and retail properties in Singapore. | 2011 | Singapore | Commercial | | S\$3,957 million |
| Mapletree Industrial Trust (MIT) | REIT investing in a diversified portfolio of income-producing properties used for industrial purposes in Singapore. | 2010 | Singapore | Industrial | | S\$2,533 million |
| Mapletree Logistics Trust (MLT) | First Asia-Pacific focused logistics REIT in Singapore, with the principal strategy of investing in a diversified portfolio of income-producing logistics real estate and real estate related assets in Asia-Pacific. | 2005 | Asia-Pacific | Logistics | | S\$2,588 million |

¹ Total fund size for private funds; NAV attributable to unitholders for listed REITs as at 31 March 2017.

² After expenses, taxes and base fee but before carried interest.

³ MGCCT's investment mandate includes Hong Kong SAR, Tier 1 cities in China (Beijing, Guangzhou and Shenzhen) and key Tier 2 cities in China (Chengdu, Chongqing, Foshan, Hangzhou, Nanjing, Suzhou, Tianjin, Wuhan and Xi'an).