

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 both diversified 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\$19 billion. In the last decade, Mapletree has grown its assets under management (AUM) by more than 10 times.

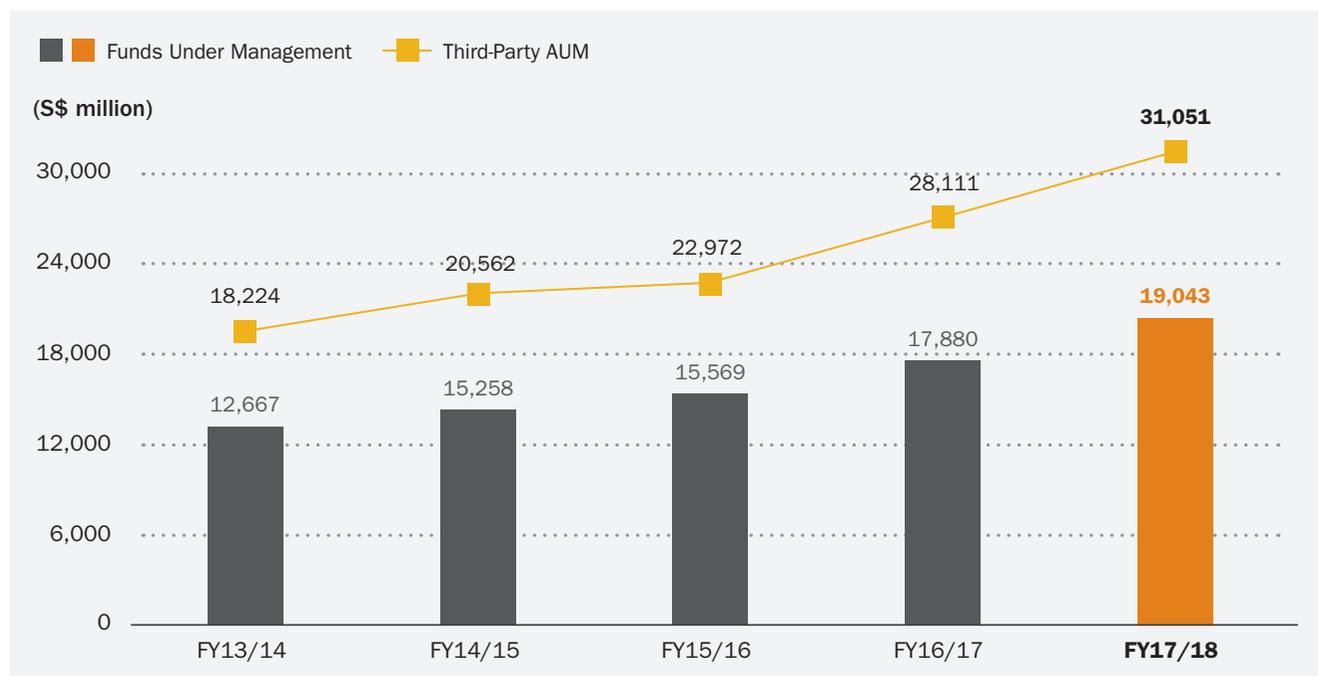
As at 31 March 2018, Mapletree had an AUM of S\$46.3 billion, of which 67% was third-party managed assets. In line

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.

A STEP TOWARDS ACHIEVING SUCCESSFUL EXIT – MJOF

Mapletree's expertise as a capital manager is also underlined by its ability to deliver solid returns from its investments. In January 2015, MJOF had a final close at JPY65 billion (~S\$799.8 million) which exceeded its fundraising target of JPY40 billion (~S\$492.2 million) despite the competitive fundraising market during the year. Seeded by four office buildings at fund launch, MJOF aims to generate a stable and recurring income yield with an attractive total return by investing predominantly in income-generating office spaces located primarily in or around the fringe of the Tokyo central business district and within the Greater Tokyo area.

FIVE-YEAR GROWTH IN THIRD-PARTY AUM & FUNDS UNDER MANAGEMENT



LEASING AND CONSTRUCTION ACHIEVEMENTS – MJLD

Following the successful launch of MJLD in 2014, the fund has since invested in 12 assets at the end of its investment period. MJLD aims to generate an attractive total return by investing in logistics development assets and selected completed logistics assets in Japan. During the year, the fund had achieved a number of construction and leasing milestones, bringing it closer to achieving its investment objectives.

Mapletree Chiba New Town Logistics Centre, a five-storey modern logistics facility in Chiba Prefecture, was completed in November 2017. This is MJLD's second independently developed project in Japan. In March 2018, MJLD broke ground on the construction of Project Kobe, a four-storey modern logistics facility in Hyogo Prefecture, with a gross floor area of 25,238 tsubo (~83,431.4 square metres). This will be the largest logistics development project that MJLD is independently undertaking in Japan.

During the year, the fund had made a number of leasing achievements:

- I Missions Park Noda, a four-storey modern logistics facility in Chiba Prefecture, was successfully leased with 100% occupancy in October 2017.
- Kashiwa Logistics Centre, a five-storey modern logistics facility in Chiba Prefecture, managed to secure a pre-lease agreement with a major Japanese third-party logistics provider to occupy the entire building when it is completed in July 2018.
- I Missions Park Inzai, currently a build-to-suit (BTS) project for an international e-commerce company in Chiba Prefecture, has some unused land onsite which the team had also managed to secure a second BTS development opportunity to a major Japanese food distributor who will occupy the entire property when the second building onsite is completed in March 2019.
- Mapletree Ashikaga Logistics Centre 1, a three-storey modern logistics facility in Tochigi Prefecture, has also successfully secured a new anchor tenant, a major Japanese third-party logistics provider, bringing its occupancy to 100% when the lease commences in July 2018.

During the year, MJOF has been actively acquiring and deploying commitments. In May 2017, the fund acquired an office asset in Shinagawa ward in Tokyo for a consideration of JPY34.3 billion (~\$422.1 million). This brings the total number of assets under MJOF's portfolio to 10 at the end of its investment period.

In May 2018, MJOF divested six freehold office assets to Mapletree Greater China Commercial Trust (MGCCT)¹ for JPY63,304 million (~\$779 million). At the same time, MJOF is also exploring various divestment options for the remaining four assets in the portfolio. The divestment to MGCCT¹ marks a key milestone for the fund towards delivering returns exceeding its original target to the investors.

In addition to MJOF, Mapletree manages five other funds – a Japan-focused logistics development fund MJLD, Mapletree China Opportunity Fund II (MCOF II), Mapletree India China Fund (MIC Fund), Mapletree Global Student Accommodation Private Trust (MGSA P-Trust) 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. 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, MGCCT¹, Mapletree Commercial Trust, Mapletree Industrial Trust (MIT) and Mapletree Logistics Trust, performed strongly, achieving an annual distribution yield per unit of between 5.8% and 6.5% in FY17/18.

BROADENING OUR GLOBAL PRESENCE

During the year, Mapletree continued to expand globally in terms of its investment footprint and client coverage. The Group continued to broaden its presence by successfully making acquisitions in Australia, the United Kingdom (UK), the United States (US), Canada, China and Japan, and made new ventures into the student accommodation and data centre sectors. In May 2017, the Group successfully acquired another portfolio of student accommodation assets with

3,611 beds in the US, 140 beds in Canada, and four multi-family assets with 1,388 units in the US. Mapletree's total student housing portfolio consists of 45 assets with 19,653 beds located across 34 cities in the US, Canada and the UK, including assets held by its sponsored MGSA P-Trust.

In December 2017, the Group continued to extend its footprint in the fast growing data centre sector by successfully acquiring a portfolio of 14 data centres in the US. A joint venture between Mapletree Investments and MIT acquired the portfolio for a purchase consideration of approximately US\$750 million (~\$1,020 million).

As a global real estate entity, Mapletree endeavours to align the development of current and new products with its investors' evolving investment requirements. Mapletree will continue to grow its capital management business by bringing new private funds and REITs to market.

INVESTMENT ACTIVITIES & FUND MANAGEMENT

Name of Fund/ REIT	Brief Description	Launch/ Listing Date	Investment Universe	Investment Focus	Fund Life (Years)	Fund Size/ NAV ²
Private Funds – Existing						
Mapletree Global Student Accommodation Private Trust (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 and the US	Student Accommodation	5	US\$535 million (~S\$701.9 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\$799.8 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\$627.6 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 and Mixed-Use	9	US\$1,400 million (~S\$1,802.1 million)
Mapletree India China Fund (MIC Fund)	Established with the objective of maximising total returns by acquiring, developing and realising real estate projects in China and India.	2008	China and India	Commercial and Mixed-Use	11	US\$1,158 million (~S\$1,518.7 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 and Residential	14	MYR402 million (~S\$136.3 million)

Name of Fund/ REIT	Brief Description	Launch/ Listing Date	Investment Universe	Investment Focus	Fund Life (Years)	Fund Size/ NAV ²
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 ³ of 15.1%.	2006	Pan Asia	Industrial	Realised	US\$299 million (~S\$392.3 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 ³ 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 ³ of 25.3%.	2005	Pan Asia	All	Realised	S\$90 million
Public Listed – REITs						
Mapletree Greater China Commercial Trust (MGCCT) ¹	REIT investing in a diversified portfolio of income-producing commercial real estate in Greater China ⁴ and Japan.	2013	Greater China ⁴ and Japan	Commercial	–	S\$3,889 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\$4,283 million
Mapletree Industrial Trust (MIT)	REIT investing in a diversified portfolio of income-producing properties used for industrial purposes in Singapore and the US.	2010	Singapore and the US	Industrial	–	S\$2,780 million
Mapletree Logistics Trust (MLT)	First Asia-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	Pan Asia	Logistics	–	S\$3,376 million

1 Upon completion of the Proposed Acquisition of six Japan office assets on 25 May 2018, Mapletree Greater China Commercial Trust (MGCCT) was renamed Mapletree North Asia Commercial Trust (MNACT) and Mapletree Greater China Commercial Trust Management Ltd, the Manager, was renamed Mapletree North Asia Commercial Trust Management Ltd.

2 Total fund size for private funds; NAV attributable to unitholders for listed REITs as at 31 March 2018.

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

4 MGCCT's Greater China 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). MGCCT's overall investment mandate had been expanded to include Japan with effect from February 2018.