



Economic and demographic overview of Myanmar, Q3/2014

Macro Indicators	Unit	Value	YoY Growth rate
Area	km ²	678,500	N/A
Population	Million	51.4	N/A
GDP at current price	US\$ billion	6.8	N/A
FDI (*)	US\$ billion	3.32	113%
Import (**)	US\$ billion	0.515	40%
Export (**)	US\$ billion	0.338	14%

Source: DICA, Ministry of Immigration and Population, Myanmar Investment Commission, Customs Department. (*) Data for the first 5 months for 2014-15 fiscal year. (**) Data for April-July, 2014-15 fiscal year.

Condominium

Yangon's primary condominium market consists of approximately 6,000 units from 75 active projects.

The average primary price was approximately US\$2,890/m², excluding government tax. Condominium prices and sales performance varied widely depending on their location, development standards and supporting facilities.

Future supply will come from 20 recorded projects whose scale is not yet defined.

Retail

In Q3/2014, the total modern retail area in Yangon was approximately 173,000 m², unchanged quarter-on-quarter (QoQ) and up 7% year-on-year (YoY). The shopping centre segment dominates, accounting for approximately 92% of the total stock.

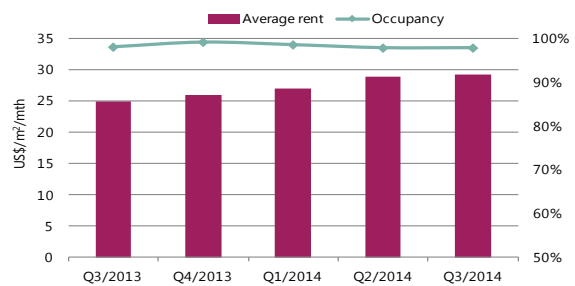
The average rent has been increasing since Q3/2013. In this quarter, the average rent increased 1% QoQ and 17% YoY, to US\$29/m²/mth.

The occupancy rate of Yangon's retail market was impressive at 98%, stable QoQ and YoY, due to high demand and low available space for lease.

Most modern retail centres in Yangon were developed locally; with only one foreign retail developer at present. A majority of current projects have inefficient layouts and tenant mixes.

Approximately 290,000 m² of space will enter Yangon's retail up to 2017. Forty-nine percent of this future supply is located in the Northern district.

Performance by quarter, Yangon, Q3/2014



Source: Savills Research & Consultancy

Hotel

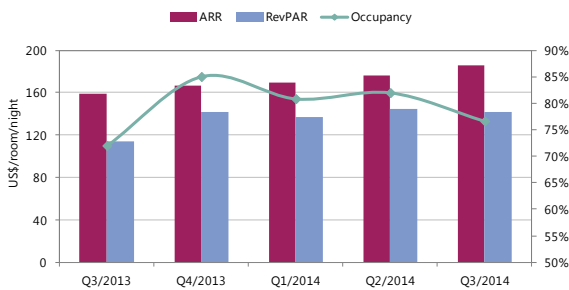
Yangon's hotel stock in Q3/2014 was approximately 4,050 rooms from 31 three- to five-star hotels, an increase of 11% QoQ and 18% YoY.

In Q3/2014, occupancy rate was up 5 pts YoY to 77% but down -5 pts QoQ due to the low season. The market ARR increased 17% YoY and 5% QoQ, approximately US\$186/room/night.

From 2009 to 2013, the international visitor volume has increased at an average rate of 37% pa.

By the end of 2017, 17 hotels will enter the market with more than 5,450 rooms. Two projects with 450 rooms in the Western and Northern districts will come online in Q4/2014.

3- to 5-star hotel performance



Source: Savills Research & Consultancy

Serviced apartment

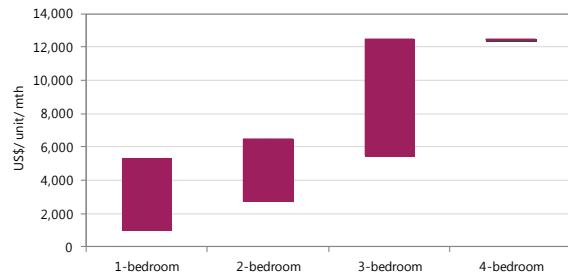
The total serviced apartment stock in Q3/2014 was approximately 1,000 units, up 2% QoQ and 36% YoY due to one new project, Residence @26, entering the market in the Northern district.

The average occupancy was 94%, unchanged QoQ while the average rent decreased slightly -2% QoQ.

The revenue per available unit (RevPAU) was down -2% QoQ but up 3% YoY.

From Q4/2014 onward, there will be 14 new projects, eight of which will provide approximately 1,650 units. One new project in the Eastern district will enter the market in Q4/2014, supplying approximately 170 units.

Rental range by unit type, Yangon, Q3/2014



Source: Savills Research & Consultancy

Office

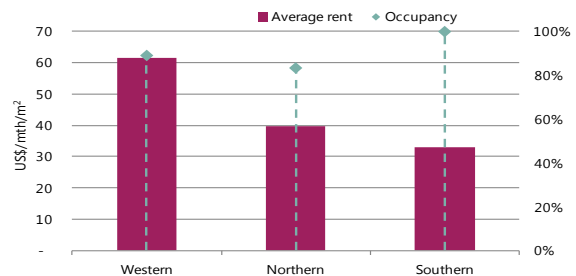
In Q3/2014, the total office stock in Yangon was approximately 130,000 m² from 14 buildings, up 21% QoQ due to the entrance of five new projects.

The occupancy rate increased by 4 pts QoQ but decreased -2 pts YoY to 87 percent. The average rent was stable QoQ but down -24% YoY to US\$51/m²/mth.

The office take-up in Q3/2014, increased sharply 72% QoQ due to the entrance of five new projects.

The total recorded future supply for Yangon from Q4/2014 onward is 38 projects, 31 of which will supply approximately 600,000 m². From 2014 to 2017, approximately 352,000 m² from 19 projects will come online.

Performance by location, Yangon, Q3/2014



Source: Savills Research & Consultancy

For further information, please contact:

Indochina

Troy Griffiths
Deputy Managing Director
+84 (0) 933 276 663
TGriffiths@Savills.com.vn

Myanmar

Richard Emerson
Country Manager
+95 (0)9 250 515 035
Remerson@savills.com.mm

This document is prepared by Savills for information only. Whilst reasonable care has been exercised in preparing this document, it is subject to change and these particulars do not constitute, nor constitute part of, an offer or contract, interested parties should not only rely on the statements or representations of fact but must satisfy themselves by inspection or otherwise as to the accuracy. No person in the employment of Savills has any authority to make any representations or warranties whatsoever in relation to these particulars and Savills cannot be held responsible for any liability whatsoever or for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document. This publication may not be reproduced in any form or in any manner, in part or as a whole without written permission of the publisher, Savills. © Savills Vietnam Co, Limited. 2013