Asia Pacific – Q4 2019

Investment Quarterly

REPORT

Savills Research

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Asia Pacific Network

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In Asia Pacifi c, Savills has 70 regional offices comprising over 25,000 staff. Asia Pacific markets include Australia, China, Hong Kong, India, Indonesia, Japan, Macau, Malaysia, New Zealand, Singapore, South Korea, Taiwan, Thailand and Viet Nam. Savills provides a comprehensive range of advisory and professional property services to developers, owners, tenants and investors.

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Content

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The RBA eased Monetary Policy for the third time this year in early October, to all-time lows of 0.75%. The reasoning behind the move was due to low growth and the need to reach full employment, while keeping the economy within a 2-3% inflation band. On top of this, the RBA acknowledged the need to juggle the perceived downside risks to the global economy from the "US–China trade and technology disputes...affecting international trade flows and investment as businesses scale back spending plans because of the increased uncertainty".

The interesting aspect to the RBA's move is that Monetary Policy is doing all the heavy lifting in trying to kick start the economy and that expansionary Fiscal Policy is yet to be pursued at a political level. Both business and consumers remain benign to economic conditions domestically and internationally, with sentiment surveys neutral at best.

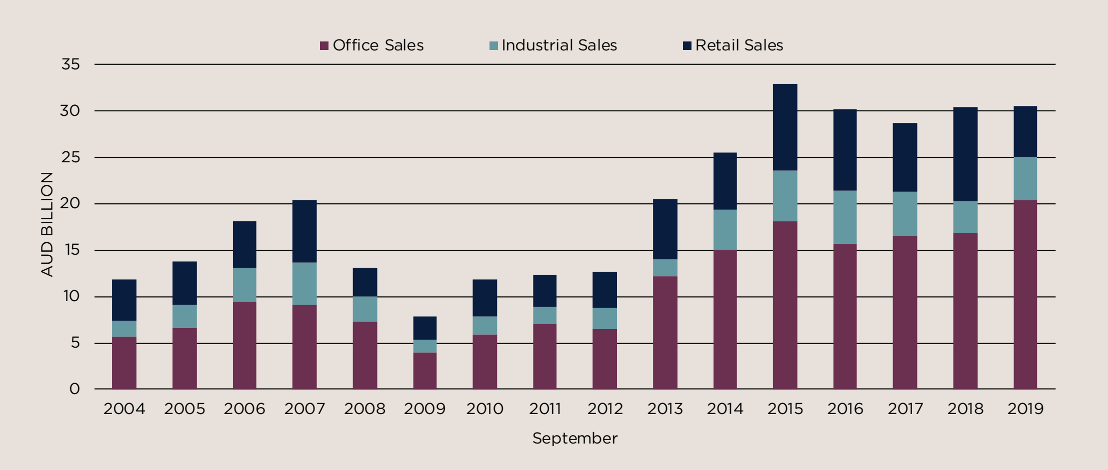
There are unintended consequences from the RBA's aggressive easing's, in that low rates have triggered a meaningful rebound in housing prices over the last four months and are on track to get back to record highs by May 2020 if the rate of growth is maintained. This is the juggling act the RBA is having to perform, to limit asset price growth while boosting economic and employment growth. This aims to remove the slack out of the system where unemployment is at somewhat higher levels of 5.3%, while the more telling measure of under-employment is running at 8.6%. The RBA stated at its October easing statement, that it "is reasonable to expect that an extended period of low interest rates will be required in Australia to reach full employment and achieve the inflation target". Interestingly the Board notes that it is prepared to ease further if needed "to support sustainable growth in the economy, full employment and the achievement of the inflation target over time".

The demand for Australian property remains strong driven by domestic investors, and A-REIT's and Syndicators, as well as foreign investors chasing secure and superior returns, and in the case of foreigners, supported by a cheap Australian currency conversion. The cost of debt remains accretive to leveraged buyers as well, where debt can be raised at circa 3% (including all line fees and margin over swap), while investing into assets around 5% (national Office yields are 5%, and Retail and Industrial are circa 6%).

Property buyer focus is still on Sydney (CBD, North Sydney and Parramatta) and Melbourne CBD Office assets, Industrial assets in Sydney's West and Melbourne's West. Retail, that is exposed to non-discretionary spending and demographic densification in Sydney, Brisbane and Melbourne, has also witnessed strong investor focus.

Overall we expect interest rates to remain low for longer over the next 2-3 years as the national and global economy continues to produce low economic growth and governments grapple with populist fiscal over economic and taxation policy. We remain positive on Australian Real Estate into 2020 and beyond, supported by low for longer interest rates; under-leveraged property owners; a densifying population underpinned by a positive immigration policy and positive employment growth; and disciplined developers retaining a market of scarcity.

Australia Property Sales, September 2004 to September 2019



Source Savills Research & Consultancy

Major Investment Transactions, Q4/2019

PROPERTY	LOCATION	PRICE	BUYER	USAGE
100 Market Street	Sydney, NSW	AUD683.0 mil/ US$471.3 mil	Link REIT	Office
Westfield Marion (50%)	Marion, SA	AUD670.0 mil/ US$462.3 mil	SPH REIT Management	Retail
Westfield Booragoon (50%)	Booragoon, WA	AUD575.0 mil/ US$396.8 mil	Scentre Group	Retail
161 Castlereagh Street (25%)	Sydney, NSW	AUD405.0 mil/ US$279.5 mil	ISPT	Office
61 Huntingwood Drive	Huntingwood, NSW	AUD397.8 mil/ US$274.5 mil	Chater Hall	Industrial

Source Savills Research & Consultancy

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A total of five en-bloc investment deals were concluded during Q4/2019, registering a combined consideration of RMB14.7 billion. Activity in the en-bloc investment market remained active in 2019, with a total of 37 deals closed, registering a record high total consideration of RMB76.5 billion, up 32.7% year on year (YoY).

The majority of transactions were still office assets. International players dominated deal activity during the quarter with most buyers and sellers coming from overseas funds. Major transactions included:

- Allianz Real Estate and Alpha Asia Macro Trends Fund III jointly acquired an 85% equity share in Ronsin Technology Centre from D&J China (Warburg Pincus). The total consideration of the acquired property registered around RMB7.9 billion.

- GIC acquired a 50% equity share in AZIA Centre from Beijing Capital Land for RMB3.025 billion.

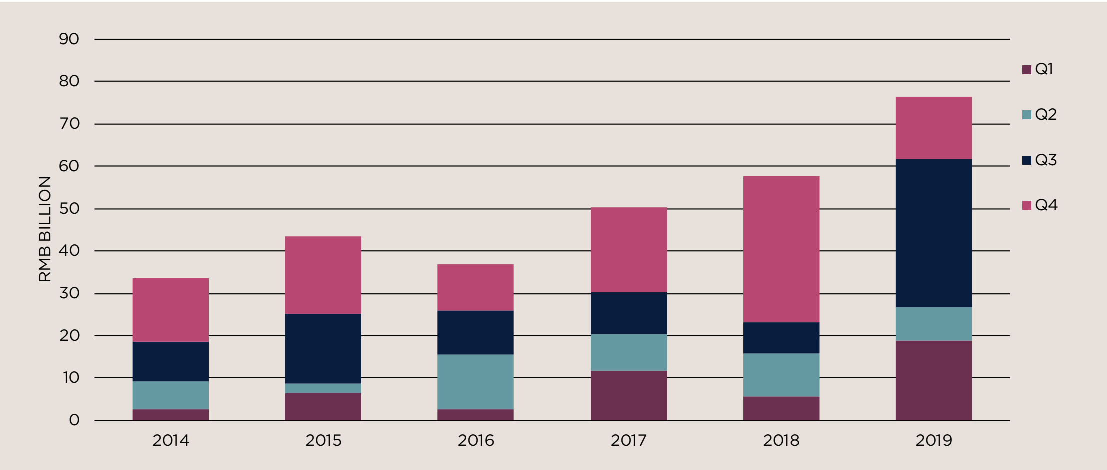
- BHG Retail REIT acquired Changping Badaling Outlets, a shopping mall known for discounted retail products, for a total consideration of RMB2.482 billion.

The first-hand, strata-title office market received 316,300 sq m of new supply in Q4/2019, up 70.4% quarter on quarter (QoQ), but down 36.9% YoY. Total transaction area reached 287,100 sq m during the quarter, up 21.8% QoQ, but down 36.4% YoY. Total consideration reached RMB6.3 billion, down 3.0% QoQ and 57.2% YoY. Average transaction prices decreased by 20.4% QoQ and 32.7% YoY to RMB22,010 per sq m.

New supply in the first-hand, strata-title retail market reached 158,700 sq m in Q4/2019, up 24.5% QoQ and 236.0% YoY. Total transaction area reached 164,600 sq m in the quarter, up 39.8% QoQ but down 4.4% YoY. Total consideration registered RMB5.9 billion in Q4/2019, up 30.3% QoQ and 6.0% YoY. Average transaction prices were down by 6.7% QoQ, but up 11.0% YoY to RMB35,844 per sq m.

The Beijing investment market has been active since 2017, culminating in a registered, combined consideration of over RMB70 billion in 2019. Beijing's real estate market continues to be one of the most well-rounded markets nationwide, with great track records for returns on investment and more diversified assets available than many cities in the country. Going forward, the investment market will stay active and existing assets are expected to continue to be the most popular acquisition targets.

En-Bloc Investment Volumes, 2014 to 2019



Source Savills Research & Consultancy

Major Investment Transactions, Q4/2019

PROPERTY	LOCATION	PRICE	BUYER	USAGE
Ronsin Technology Centre	Wangjing	RMB6.715 bil/ US$955.2 mil	Allianz Real Estate/Alpha Asia Macro Trends Fund III	Office
AZIA Centre	Lize	RMB3.025 bil/ US$430.3 mil	GIC	Office
Changping Badaling Outlets	Changping	RMB2.482 bil/ US$353.1 mil	BHG Retail REIT	Retail

Source Savills Research & Consultancy

China (Northern) - Tianjin

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Land supply in Tianjin dropped by 57% quarter-on-quarter (QoQ) and 64% year-on-year (YoY) to 1.84 million sq m by the end of Q4/2019. Influenced by the city's decentralisation trend, the majority of new land parcels continued to be located in suburban and fringe areas, accounting for 43.9% and 31.1% of total new supply in Q4, respectively. Meanwhile, two land plots, both based in the city's core area, went on sale in Q4/2019 for a total of 220,751 sq m, which constituted 12% of total new supply. Additionally, the supply level in Binhai New Area registered a comparable figure of 13%, a decline of 10.4% QoQ.

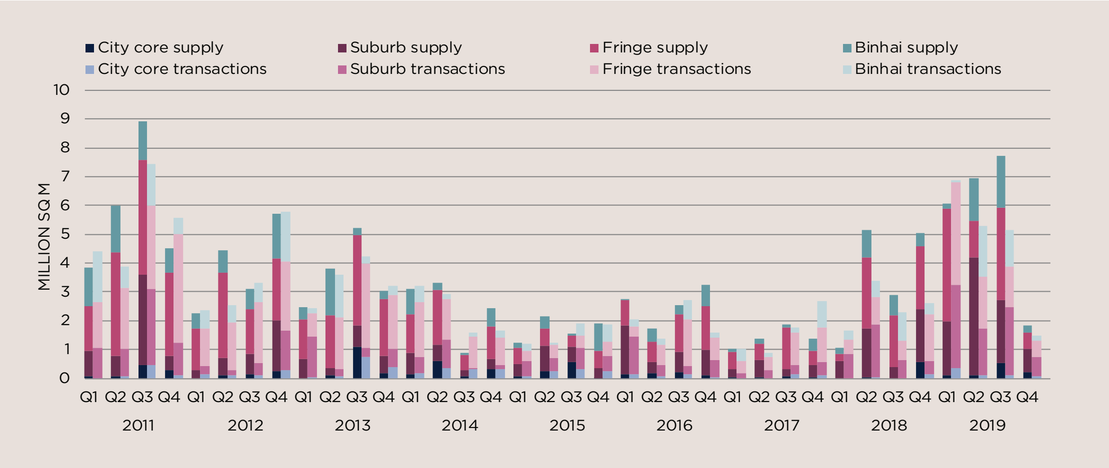
Land demand from developers cooled down in Q4/2019. Several deals suffered from delay or suspensions citywide; hence, total transaction volume fell to 1.47 million sq m in Q4/2019. This reflected a 51% drop-off in buyer demand QoQ and 43% YoY. Buyers exhibited an appetite for locations in suburban and fringe areas, which constituted 84.3% of total transaction volumes, while the city core and Binhai New Area accounted for 4.2% and 11.5%, respectively. Major transactions included:

- A plot located in Haihe Education Park was put to auction in Q4/2019 with a hard floor price set at RMB560 million. The winning bid went to Yango Group for a total consideration of RMB640 million and achieved an accommodation value of RMB9,102 per sq m. It is the second land plot that Yango Group acquired in Haihe Education Park, and the fourth land plot sold in this area this year.

- Dahua Tianjin purchased a land plot located in Hedong District, in the city core, for a total consideration of RMB1.3 billion, for an accommodation value of RMB17,906 per sq m. The 33,157 sq m land plot was designated for mixed commercial and residential developments.

Compared with the overall figure of last year, both total land supply and transaction volume witnessed surges in 2019, up by 35% and 68%, respectively. However, developers showed less desire for land acquisition in Q4/2019 due to tightened regulations and thinning pocketbooks. Most transactions completed at hard floor prices, suggesting this trend will continue into 2020.

Land Supply And Transactions By Area, Q1/2011 to Q4/2019



Source Savills Research & Consultancy

Major Investment Transactions, Q4/2019

PROPERTY	LOCATION	PRICE	BUYER	USAGE
Plot 2019-148 (JBH)	Jinnan	RMB640 mil/ US$91 mil	Tianjin Jintaifeng Real Estate Development Co., Ltd.	Residential and commercial
Plot 2018-202 (JHD)	Hedong	RMB1.3 bil/ US$185 mil	Dahua (Tianjin) Development Co., Ltd.	Residential and commercial
Plot 2019-18 (JBH)	Jinnan	RMB1.1 bil/ US$157 mil	Tianjin Jincheng Land Investment Co., Ltd.	Residential
Plot 2019-21 (JXQ)	Xiqing	RMB948 mil/ US$135 mil	Tianjin Rongcheng Hejing Enterprise Management Consultancy Co., Ltd	Residential

Source Savills Research & Consultancy

China (Western) - Chengdu

In Chengdu, consumption has made considerable contributions to the city's economic growth since 2018. The local government has implemented a series of measures in 2019 to improve retail brand quality, diversify consumption and innovate retail sectors to develop consumption as the primary engine for economic growth.

Chengdu announced the "First-store" and "Speciality-store" economic plans in April. The "First-store" plan not only encourages renowned new brands from home and abroad to open their stores in Chengdu but also encourages brands to launch their latest products in Chengdu. The total number of brands entering the Chengdu market for the first time this year is more than twice[1] as much as 2018, reaching 473 brands altogether.

The "Speciality-store" plan promotes the differentiated development of Chengdu's retail market. On the one hand, Chengdu possesses a strong retail environment for developing specialty stores, which is a great advantage in promoting consumption growth. On the other hand, speciality stores are valuable resources for retail streets and community retail project development and can be applied to urban renewal projects.

Additionally, the Chengdu government announced 100 "Night-economy" pilot areas in October 2019, expanding the definition of the "Night-economy" in order to transform the retail sectors and consumption scenes after normal retail hours. Chengdu has a long-standing, lively nightlife scene, especially in the F&B sector, so the local government wants to take advantage of this sector to promote and upgrade consumption across the city.

In addition to the aforementioned economic plans, Chengdu also has a goal to become an international sports event city and a famous international cultural city. The Chengdu government has provided significant support to the development of the sports-and culture-related sectors in the city's retail market, helping boost both sectors' consumption growth.

For instance, the government has encouraged various sports and fitness brands to open their first store (to tie in with their overall first-store economic plan) or customised experiential stores in Chengdu in order to upgrade the overall sports retail environment. Additionally, Chengdu has integrated sports, entertainment, leisure and interactive experiences in the retail market, creating a favourable environment for developing innovative sports and fitness brands. As for the culture-related retail sector, more brands have started to cooperate with traditional culture IP to enhance their popularity and attract young consumers. Also, Chengdu's retail market has witnessed some art exhibitions and museums entering shopping malls during 2019, which enhanced the cultural aspects of traditional retail environments and provided new energy for these projects' sales growth.

1 Statistics from Chengdu Retail Business Association

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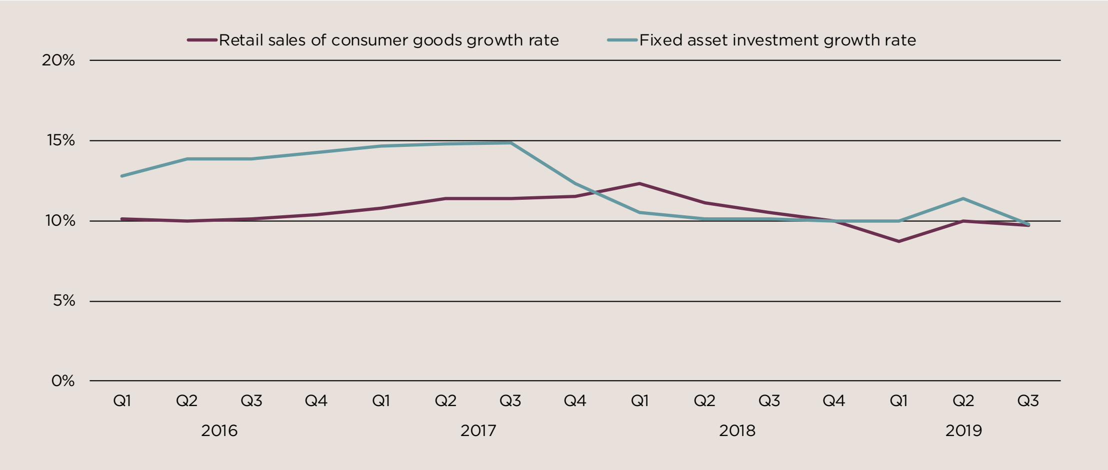
Chengdu Consumption Growth Rate Vs. Investment Growth Rate, Q1/2016 to Q3/2019



Source Chengdu Bureau of Statistics

Major Investment Transactions, Q4/2019

PROPERTY	LOCATION	PRICE	BUYER	USAGE
Group 3, 4 Bairen Community, Supo Street	Qingyang	RMB6.06 bil/ US$879.0 mil	China Railway Construction Real Estate Group Co., Ltd	Residential
Group 3, Sangensong Village & Group 4, Paomagen Village, Xinglong Street	Tianfu New District	RMB475.0 mil/ US$68.9 mil	Longfor Group	Mixed-use
East of Changling North Rd, South of Xiling Rd, Shiling Street	Longquanyi	RMB984.0 mil/ US$142.8 mil	Sichuan Languang Development Co.	Residential

Source Savills Research & Consultancy

China (Southern) - Guangzhou

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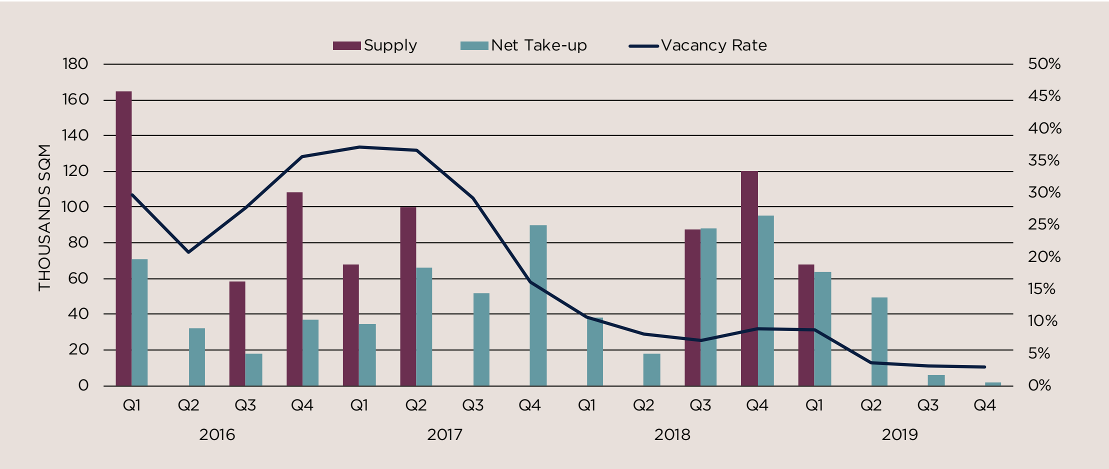
Of all the office submarkets in Guangzhou, Pazhou has become a rising star for a number of reasons: location, development, scale, construction pace, penetration of diversified market players, and asset performance to date. The greater Pazhou area consists of Pazhou Island and a recently planned addition near the southern area of Huangpu Chong. In the context of the office property market, 'Pazhou' refers to Pazhou Island, which is located at the intersection of Liede Avenue and the Pearl River's south bank. It covers a total land area of approximately 14.9 sq km, larger than Zhujiang New Town (6.19 sq km), which is the third largest CBD at the state level after the Beijing CBD and Shanghai Lujiazui CBD.

Supported by the "Development Plan for Pazhou 2019-2035", Pazhou is transitioning into a new CBD in Guangzhou by targeting pillar industries such as information technology, internet, finance and professional services. Geographically, greater Pazhou consists of five functional areas: West Zone, Central 1, Central 2, East Zone, and South Zone (the new addition).

Pazhou has already attracted several industrial bellwethers, such as Alibaba, Tencent, TCL and Fosun, to set foots in the market through project development investment as well as infrastructure improvements and new constructions. Supported by a booming TMT sector and its office leasing demands for both relocation and expansion, the property market's performance was positive. Stock expanded by 172%, annual net absorption reached 189,971 sq m, and the vacancy rate decreased from 35.6% in 2016 to 2.8% in 2019. Asset performance was resilient too, with rentals growing by 30.1% over four years. The market has also witnessed the entry of an overseas institutional investor who reportedly acquired an en-bloc office building with a total GFA of approximately 100,000 sq m for investment.

The market boasts a positive outlook, although significant new supply is in the pipeline. Over the next five years, new supply is expected to reach 169.4 million sq m, which will equal 47% of Guangzhou's total new completions during the period. While landlords are advised to refine their leasing and holding strategies to counter economic and market situations, it's worth noting that the increase in the number of wholly-owned projects will raise the probability and availability of en-bloc sales, signalling a more active future for the Guangzhou office investment market.

Supply, Net Take-up and Vacancy Rate Of Pazhou Grade A Office Property Market, 2016 to 2019



Source Savills Research & Consultancy

Major Investment Transactions, Q4/2019

PROPERTY	LOCATION	PRICE	BUYER	USAGE
Westmin Plaza (30%)	Liwan	RMB136.5 mil/ US$19.6 mil	Keppel Corporation Limited	Office
Modern Avenue Building	Huangpu	RMB975.0 mil/ US$139.6 mil	Guangzhou Hi-tech Industrial Development Zone	Office

Source Savills Research & Consultancy

China (Southern) - Shenzhen

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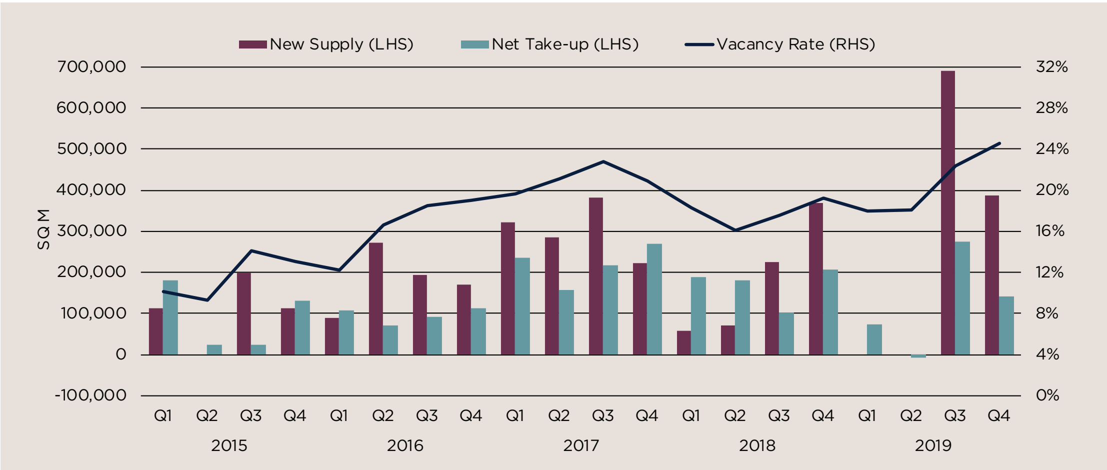
Several major supportive policies, such as the "Outline Development Plan for Guangdong-Hong Kong-Macao Greater Bay Area" and Shenzhen being named as the "Pilot Demonstration Area of Socialism with Chinese Characteristics", released by the central governments during 2019 reflected the Chinese government's determination in strengthening the city positioning and its integration into the nation's strategic eco-political development going forward. The impact of which on the local real estate market was significant, encompassing all sectors. In particular, the office real estate sector saw the most benefit after the residential sector, as evidenced by a growing amount of investment inquiries, deal sourcing, site visits and even sales transactions.

Despite the combination of growing economic uncertainties, a low tertiary industry proportion within the local GDP relative to other first-tier cities, excessive supply and an unprecedented high vacancy rate since 2012, currently at 24.6%, the office real estate market experienced continued growing market confidence, ample liquidity and improving infrastructure developments that helped many market players accelerate their decision-making processes. This could be best exemplified by three sizable en-bloc sales transactions completed during Q4/2019; in particular, CITIC Prudential Life Insurance acquired China Resources Qianhai Building Tower 2 with a total GFA of 96,378 sq m for a total consideration of approximately RMB7.13 billion from China Resources Land. The combined transaction price of the three deals reached approximately RMB10.3 billion, accounting for 37.2% of office en-bloc sales for 2019. Meanwhile, the office strata-title sales market was also active, as demonstrated by China Resources Qianhai Building Tower 5, which reportedly booked a total sales revenue of over RMB1.4 billion by the end of 2019.

Another highlight for the Shenzhen office investment market in 2019 was the diversification of investor profiles even though domestic buyers — consisting of institutional investors and end-users — appeared to dominate the market scene. While this trend is expected to continue into 2020, market observation suggests that several leading overseas institutional investors are already in talks with landlords of a number of office assets in the established office submarkets in Shenzhen. The overall outlook for Shenzhen's office real estate investment market is expected to be positive, with continued growth in investment activities in the next 12-24 months.

Grade A Office Market New Supply, Net Take-up And Vacancy Rate, Q1/2015 to Q4/2019



Source Savills Research & Consultancy

Major Investment Transactions, Q4/2019

PROPERTY	LOCATION	PRICE	BUYER	USAGE
Broaden Gate Software Building (95% Stake)	High-tech Park, Nanshan	RMB2.2 bil/ USD317.4 mil	Infore Group	Office
Haifu No.1 (Block B)	Bao'an Central Area, Bao'an	RMB1.0 bil/ USD143.2 mil	Juncheng Holding Group	Office
China Resources Qianhai Building (Tower 2)	Qianhai, Nanshan	RMB7.1 bil/ USD1.024 bil	CITIC Prudential Life Insurance	Office

Source Savills Research & Consultancy

China (Eastern) - Shanghai

2019 was a very difficult year for China and, while there are still many challenges in 2020, there are signs that certain parts of the business community might start seeing an improvement in market conditions. On January 15th, China and the United States reached a first phase agreement that will see some of the tariffs on Chinese products reduced and China making solid commitments to opening up its financial markets, along with assurances to improve intellectual property rights enforcement and eliminating forced tech transfers. At the same time, December trade data recorded a 7.6% growth in US dollar terms and industrial production picked up to 6.9% YoY amid signs of improving economic conditions.

The government has also made significant progress in tackling China's shadow banking sector, which shrank RMB16 trillion, controlling overall debt levels with aggregate financing growth staying below 11% and addressing the bad loan situation with the disposition of RMB2 trillion of NPLs. Nevertheless, the government has indicated that this was merely the first phase of financial de-risking with the government willing to accept slower growth rates and a degree of financial stress in the short term to ensure stability in the long run. What this means for the property and investment market is weaker occupier demand as corporates forestall expansion and relocation plans except in the case of significant cost savings. The developer market is likely to further consolidate as better capitalised developers with better corporate oversight and access to credit lines can absorb smaller developers or acquire discounted land plots on the secondary markets. Property valuations are likely to come under increasing pressure as buyers look for discounts to cover additional leasing risks and investment committees scrutinise revenue projections.

While economic and financial reforms are placing a strain on traditional sectors, the government has pivoted to, and doubled down on, strategic sectors while also trying to address under invested sectors of the economy creating tremendous opportunities for investors with the foresight to get in at the ground floor. The more established markets, such as logistics, continue to garner attention with some investors looking for less competitive sectors pivoting into cold chain storage facilities and data centres. The for lease residential space has been swamped by investment, though some of the savvier investors are pivoting into co-living and student housing sectors. Yet others still are aligning themselves with private sectors facilities that look to supplement the overburdened social services such as education or the healthcare sectors.

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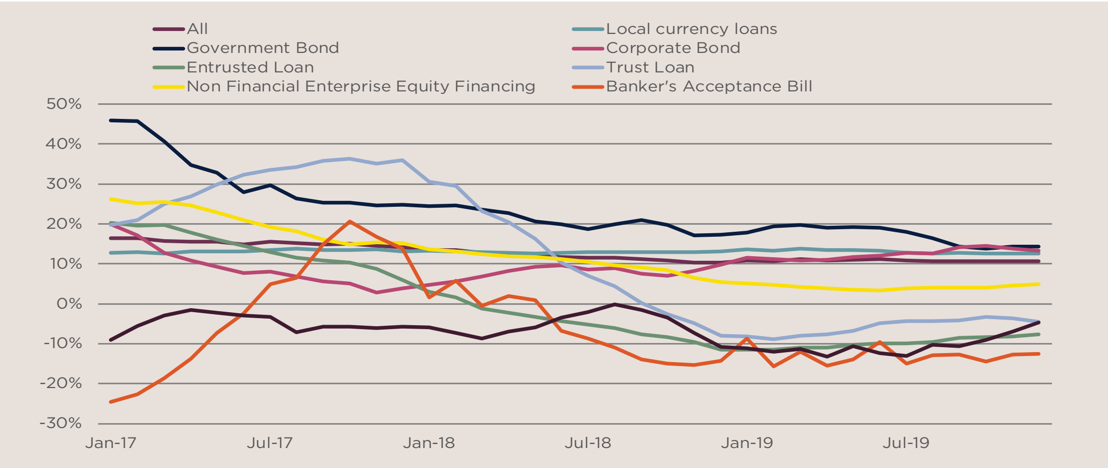
Total Aggregate Financing



Source PBOC; Savills Research

Major Investment Transactions, Q4/2019

PROPERTY	LOCATION	PRICE	BUYER	USAGE
OCT Suhewan Central Park Project (50%)	North Fujian Road	RMB4.712 bil/ US$673.3 mil	Shun Tak Holdings	Mixed-use
Pullman Shanghai Skyway Hotel	Huangpu	RMB2.53 bil/ US$361.5 mil	Hong Kong Shanghai Alliance Holdings Ltd	Hotel
Sanlin InCity Mall	Pudong	RMB2.42 bil/ US$345.8 mil	ICBC Vanke, Shenzhen Cinve RE	Retail
Supreme Tower Hotel	Pudong	RMB2.2 bil/ US$314.4 mil	ZRiver Capital	Residential

Source Savills Research & Consultancy

Hong Kong

The year finished with yet another quiet quarter with commercial transaction volumes down by 20% y-o-y in October and November of 2019, following a 47% y-o-y decline in the first nine months of the year. The milder decline merely reflected a lower base of comparison towards the end of 2018 when the looming trade war was already affecting the investment market.

The challenging market has resulted in low levels of Hong Kong inbound investment of HK$1.54 billion in 2H/2019, a sharp fall of 71.1% YoY compared to 2H/2018. In contrast, outbound investment increased significantly by 41.9% YoY, from HK$30.6 billion to HK$43.4 billion between 2H/2018 and 2H/2019. Capital outflows from Hong Kong to Singapore, the US and UK has rose by 4,909.2%, 113.4% and 67.4% respectively. This signals that investors are moving their capital to safer and more liquid markets.

While there were a number of veteran investors and local families looking for distressed assets at a 10% to 15% discount to market, very few vendors were willing to accept such pricing, resulting in the extremely low volumes in the Grade A office sector on both Hong Kong Island and Kowloon.

Landlords in Central were equally firm on the pricing front and given the difficult environment many decided against putting their stock on the market, suppressing volumes further. Small Grade A office units in both Admiralty and Sheung Wan did get transacted with their vendors keen to offload their holdings for various reasons at discounted prices of 10% to 15%, dragging Central prices down by 8% in Q4/2019 as a result. No significant deals were concluded on Hong Kong Island towards the end of last year.

With the uncertain macro conditions and unresolved local issues commercial volumes are likely to remain thin in 2020, and any prospective sellers wanting to offload their holdings in this testing market may need to adjust their asking prices further downwards to make deals happen.

While market sentiment will remain uncertain, the short-term dip in office supply in 2020 and 2021 may provide some breathing space for landlords both in the sales and leasing markets. Nevertheless, with office rents forecast to decline by a further 10% to 15% this year, some strata-titled investors, in particular those who have bought at the peak in the CBD over the past two years, may find that their rental income is insufficient to cover their instalments, with some likely to consider exiting before the situation worsens.

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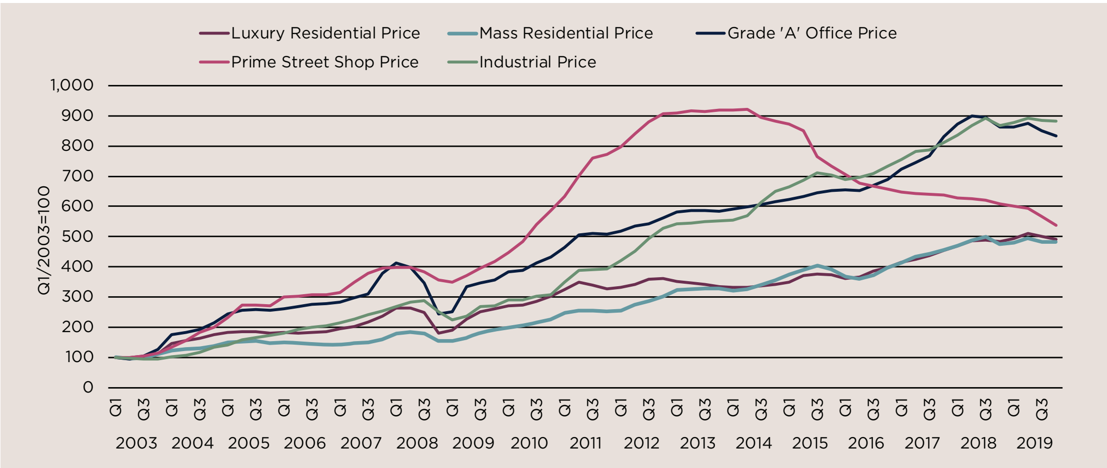
Savills Hong Kong Price Indices By Sector, Q1/2003 to Q4/2019



Source Savills Research & Consultancy

Major Investment Transactions, Q4/2019

PROPERTY	LOCATION	PRICE	BUYER	USAGE
Citadines Mercer Hong Kong	Central	HK$740.8 mil/ US$95.2 mil	Hanison Contruction Holdings	Hotel
Silka West Kowloon Hotel Hong Kong	Tai Kok Tsui	HK$515.0 bil/ US$66.2 mil	Emerald Lake	Hotel
Remex Centre	Wong Chuk Hang	HK$499.7 mil/ US$64.2 mil	NMC 9 Ltd	Industrial
World Tech Centre	Kwun Tong	HK$378.0 mil/ US$48.6 mil	HSBC Life (Property) Ltd	Office

Source Savills Research & Consultancy

India

2019 continues to be challenging for the Indian economy, with the country witnessing a steep decline in its growth rate in the July-September quarter, when Gross Domestic Product (GDP) was at its lowest in 7 years at 4.5%. Several sectors such as aviation, automobile and construction sectors suffered a constant decline in demand. Although Non-Performing Assets (NPA) across the banking sector have continued to decline, the overall credit extension by financial institutions is yet to fully revive.

Post the announcement of recapitalisation of INR70, 000 crore and merger of large public sector banks in Q3/2019, the government has continued with come up with various measures on multiple fronts in the last quarter of the year to address the economy which is definitely at crossroads currently. Indicative of a strong effort to bolster the flagging residential real estate, the government has announced the establishment of INR25,000 crore stressed assets fund to bailout stalled housing projects. The move is aimed at boosting the economy by kickstarting incomplete projects, generating employment as well as reviving demand of cement, iron and steel industries. In addition to the Alternate Investment Fund (AIF), the government also unveiled an INR105 lakh crore National Infrastructure Plan (NIP) for the upcoming 5 years.

After a cumulative 135 bps reduction in lending rates since February 2019, to increase demand, the Reserve Bank of India (RBI) announced a big change in the way interest rates on loans are calculated. The central bank mandated all banks to link their floating rate loans to an external benchmark instead of the marginal cost-based lending rate (MCLR). This was done to make sure that the RBI's action on key policy rates at transmitted in a timely and transparent manner to the ender user and eventually helps in reviving demand as per expectations.

Despite headwinds dragging down the economy, reduced consumption, lower than expected industrial as well as agricultural output and rising inflation, Indian markets, backed by stead-fast reform measures of the government, continued to remain at an all-time high. Commercial office demand in 2019 crossed the historic benchmark of 2018. Gross absorption in the top 6 cities of the country in 2019 was 57.7 million sq ft which is the highest ever on an all-India basis, 22% annual increase in office demand. Major demand generator for Grade-A office spaces on a pan-India scale were technology sector companies including IT and IT Enabled Services (ITeS).

Private equity players and foreign investor confidence in the underlying strong fundamentals of the economy remained undeterred and was reflected in the FDI equity inflow of USD23 billion in fiscal 2020 (till October). 2H/2019 has surpassed 1H/2019, both in terms of private equity deal numbers as well as value, with 12-14% growth in both aspects. As per our estimates, approximately USD13 billion of investments were announced during the second half of 2019. AbuDhabi Investment Council's USD1 billion investment in GVK Airport Holdings Ltd. is expected to be the largest deal In Q4/2019. AliBaba has also reportedly invested close to USD1 billion in One 97 Communications Ltd.

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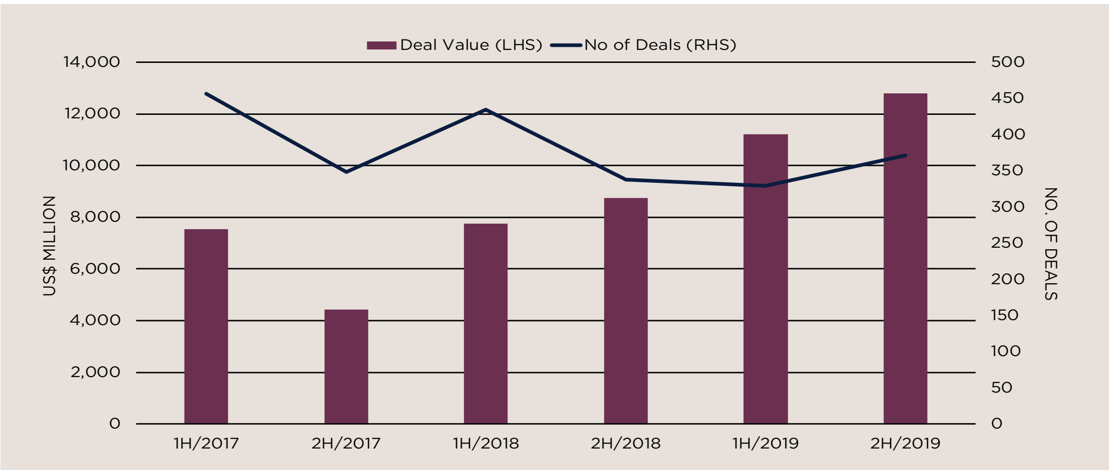
Investment Transaction Volumes, 1H/2017 to 2H/2019



Source Savills Research & Consultancy

Major Investment Transactions, Q4/2019

PROPERTY	LOCATION	PRICE	BUYER	USAGE
Lodha Excelus	New Cuff Parade, Mumbai	INR1,055 cr/ US$155 mil	Varde Partners Inc	Office

Source Savills Research & Consultancy

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Annual GDP growth for Q3/2019 was surprisingly revised up to 1.8% in December 2019, following capital investment upgrades. Yet, the impact of the October 2019 tax hike is an imminent concern, though appears somewhat manageable. On the employment front, the underlying fundamentals remain positive. The unemployment rate returned to a low of 2.2%, having reversed a slight increase in September 2019, whilst the national jobs-to-application ratio has sat comfortably above 1.5x since June 2017. Meanwhile, Core CPI remains positive, coming in at 0.8% as of November 2019.

The Tankan survey of large enterprises continues to exhibit significant divergence between the manufacturing and non-manufacturing sectors. The former seems unable to reverse its bearish outlook, plummeting from a high of +25 in Q4/2017 to nil this quarter. Conversely, optimism from business managers in the latter remains, with the reading beating forecasts, albeit falling slightly to +20.

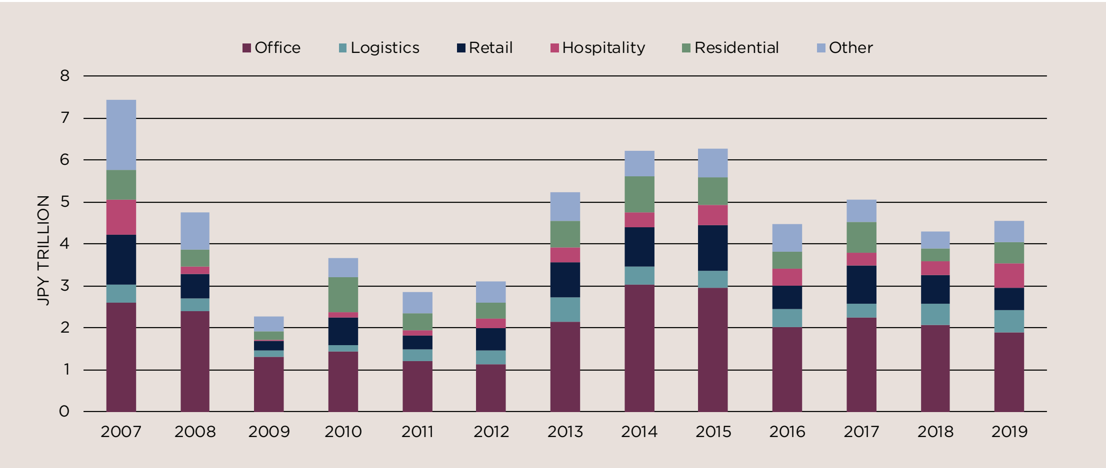
In line with other major central banks, the BOJ held monetary policy firm. That said, the economy is set to benefit from stimulus in the form of fiscal policy, as announced in December 2019. Stealth tapering by the BOJ through reduced asset-purchases should prolong attractive financing conditions for the time being.

JPY traded between a tight range of 106 to 110, as investors digested news of ongoing US-China trade talks. The currency pair finished the year at 108.68 per USD. As for equity markets, performance in Q4/2019 was remarkable. Having enjoyed a modest return of roughly 8% during the first three quarters, come year-end, performance of the TOPIX index jumped to around 17%. The TSE J-REIT index also returned an impressive 22% in 2019. That said, unlike its equity counterpart, Q4/2019 was not so kind, with the property index giving back some gains over the period.

According to data from Real Capital Analytics (RCA), investment volume in Japan during 2019 totalled about JPY4.6 trillion – a gain of 5.7% YoY. The relative stability of the Japanese real estate market, in concert with ongoing loose monetary policy, should continue to appeal to investors.

Vacancy rates in the Grade A market held firm this quarter in the central five wards (C5W), unsurprising given they currently stand at 0.2%. Rents, on the other hand, saw a marked change. The pace of growth quickened significantly over both the quarter and year, as rents grew 2.7% QoQ and 8.0% YoY to JPY37,373 per tsubo. Indeed, the underlying fundamentals in the office market remain accommodative of some rent growth and this momentum should continue for the most part in 2020.

Property Transactions By Sector, 2007 to 2019



Source RCA, Savills Research & Consultancy

Major Investment Transactions, Q4/2019

PROPERTY	LOCATION	PRICE	BUYER	USAGE
Blackstone Residential Portfolio (82 Properties)	Various	JPY129.0 bil/ US$1.2 bil	Allianz Real Estate	Residential
The Westin Tokyo	Meguro, Tokyo	JPY95.0 bil/ US$860 mil	Individual (Chinese National)	Hospitality
GLP Logistics Portfolio (3 Properties)	Various	JPY47.5 bil/ US$430 mil	Fortress Investment Group	Logistics
Amazon Odawara Fulfilment Center	Odawara, Kanagawa	JPY40.0 bil/ US$360 mil	Nuveen Real Estate	Logistics
Logiport Osaka Bay	Osaka City, Osaka	JPY37.5 bil/ US$330 mil	LaSalle Investment Management	Logistics

Source Nikkei RE, RCA, Savills Research & Consultancy

Macau

In the residential market in 2019, Macau posted its weakest year since 2015. According to statistics from DSEC (Direcção dos Serviços de Estatística e Censos), there were 7,629 residential transactions in 2019 till the first half of December, and the authority expects the total residential transaction volume to end the year below 10,000.

The last year which saw a yearly total residential transaction number lower than 10,000 was 2015, when the economy was severely affected by the anti-corruption campaign being implemented in China, and both the real estate market and macro-economy recorded a decade low performance. In 2019, several issues dragged down the performance of the market, including the “first-home buyer” policy implemented in Q1/2018, when many investors, precisely non-first-time homebuyers, decided to invest just before the policy was implemented. After the policy was implemented, mostly first-time homebuyers remained in the market since they now had access to higher LTV ratios than previously. The purchasing power of local buyers therefore shrank dramatically within a short period, leaving a smaller pool of buyers in 2019. In addition to this local factor, several external issues including the Trade War and a slowdown in GDP growth in China caused potential buyers to adopt a much more cautious attitude in 2019.

Another factor worth paying attention is to the supply of new residential projects. According to the information from DSEC, there was less than 50,000 sq m of residential projects newly approved to start till November 2019, compared with a yearly figure of 133,738 sq m in 2018 and 287,547 sq m in 2017, indicating a huge reduction in 2019. Pre-sale events and promotions for new residential projects usually stimulate the market, both transaction volumes and average transaction unit prices, according to past records. However, in 2019, there were only a few new residential projects introduced to the market, and most of the pre-sale units on the market were actually from “old” projects promoting their second or third round sales, and we believe the same situation will be carried into 2020 because there are currently no signs of new residential projects of any significant scale about to be launched.

The residential market was weak in 2019, especially in terms of transaction volumes while the average transaction unit price remained at a relatively stable level (MOP10,221 per sq ft in Q3/2019), only 2.1% lower than the historical peak recorded in Q1/2018. Due to the special conditions of Macau, land available for development is extremely limited while the population continues to grow.

Looking ahead to 2020, we don’t see any risk of a significant drop in prices, but neither is there room for a strong rally. Instead, the average unit price will most likely continue to fluctuate around MOP10,000 per sq ft.

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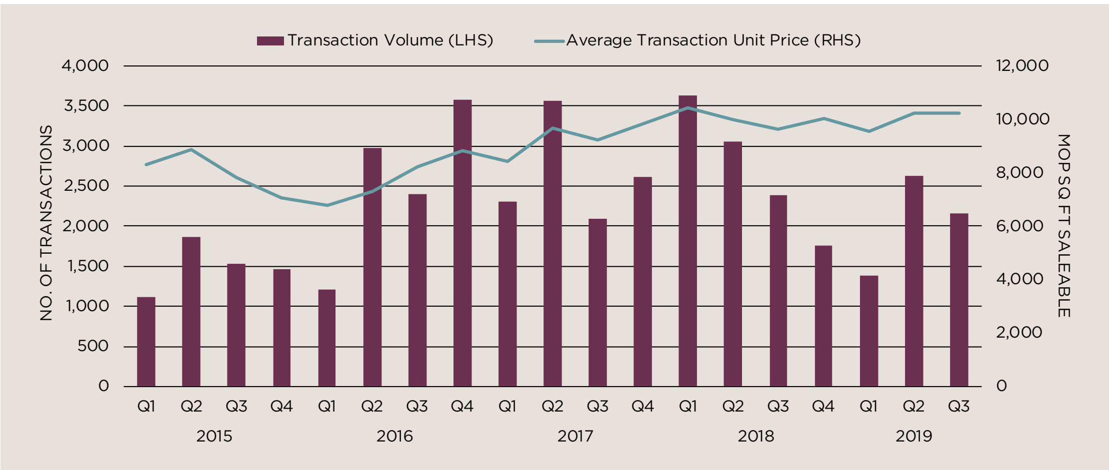
Macau Residential Transaction Volumes and Average Unit Price, Q1/2015 to Q3/2019



Source DSEC, Savills Macau

Malaysia

2019 ended on a hopeful note, as the government announced the revival of Bandar Malaysia, a proposed 486-acre mixed use development on an old air force base in KL, and the KL-Singapore High Speed Rail project. The project was earlier shelved during the government's rationalization efforts after the General Elections in May 2018. While the total value of major property transactions for the quarter declined by 13% YoY, the previous year included completion of rushed deals in the aftermath of the elections. In particular, we take heart from the activity by some of the larger corporates during the review quarter.

The largest deal in the review quarter was EcoWorld's acquisition of land in Iskandar Puteri, previously known as Nusajaya, from Iskandar Coast at a total value of RM304.9 million (RM35 per sq ft). With the land situated next to EcoWorld's township development EcoBotanic, EcoWorld is confident this will help to continue their success in the region, especially as it is structured with a low upfront cash payment and 98% payable across a 7-year term. The vendor of the land, Iskandar Coast, is a JV entity between Iskandar Investment Sdn Bhd and IWH-CREC, the JV partner for the Bandar Malaysia project as well.

Further up north in Perlis, Frasers and Neave (F&N) entered into an agreement to acquire a 4,454-hectare agriculture land from a local sugar producer, MSM Perlis. F&N intends to explore the sourcing of domestic cow's milk for its downstream production and distribution as a new source of business growth, as a 20% tax is currently levied on imported cow's milk.

In addition to EcoWorld, other developers were also active in the market this quarter. Transactions included Johan Holding's disposal of a 28-acre industrial site situated in Puchong, Selangor to OSK for RM127 million (RM105 per sq ft) as part of the vendor's asset rationalisation plan and the acquisition of 86 parcels of agriculture land at Bandar Sri Sendayan, Negeri Sembilan by local developer Matrix Concepts for a total sum of just over RM73 million. A 2-acre sea-facing prime commercial land slated for affordable serviced apartments in Tanjong Pinang was acquired by Penang developer Ivory Group at RM746 per sq ft.

The industrial sector has been gaining traction as well, with Axis REIT and Atrium REIT expanding their portfolios via multiple acquisitions in the quarter. Notably, Axis REIT announced the acquisition of an 8-acre industrial property currently leased to Schenker Logistic in the Pelabuhan Tanjung Pelepas Free Trade Zone in Johor at RM291 per sq ft, representing a 7.4% net initial yield.

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Malaysia GDP Growth, 2008 to 2020F

Source Bank Negara

Major Investment Transactions, Q4/2019

PROPERTY	LOCATION	PRICE	BUYER	USAGE
A 200-acre development land	Johor	RM304.9 mil/ US$75.1 mil	EcoWorld	Development Site
A 4,454-hectare agriculture land	Perlis	RM156.0 mil/ US$38.4 mil	Fraser & Neave Holdings	Agriculture
A 28-acre industrial land	Selangor	RM127.0 mil/ US$31.3 mil	OSK	Industrial
A 169-acre agriculture development site	Negeri Sembilan	RM73.5 mil/ US$18.1 mil	Matrix Concepts Holdings	Agriculture
A 8-acre industrial land	Johor	RM65.0 mil/ US$16.0 mil	Axis REIT	Industrial
A 2-acre commercial land	Penang	RM65.0 mil/ US$16.0 mil	Ivory Properties Group	Commercial

Source Company announcements, Savills Research & Consultancy

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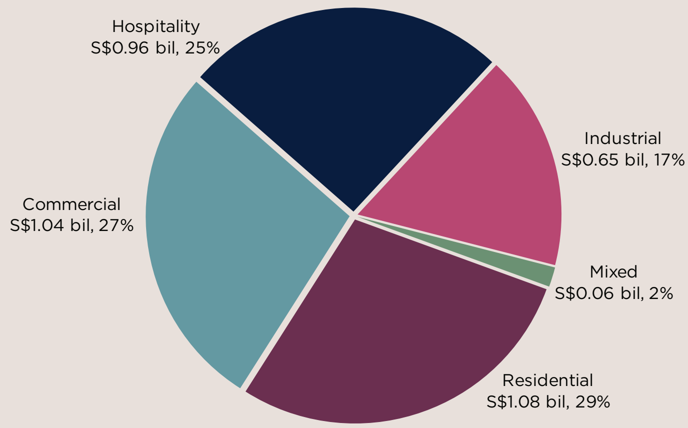
The investment sales figures for Q4/2019 came in at S$3.78 billion in sharp contrast to the S$10.67 billion achieved in Q3/2019. The main reason for the abrupt turnaround is that there were hardly any large transactions concluded in the quarter under review due to a dearth of sellers rather than any lack of demand.

In terms of the breakdown of sales value by sector, they are quite evenly split between residential, commercial and hospitality assets. By value, the residential sector made up 28.5% of total investment sales. Next came commercial and then hospitality with 27.4% and 25.5% of the total investment sales value respectively.

The residential sector has been relatively quiet and there were only two small residential sites sold in the private sector – Leshan Gardens at Lorong 32 Geylang for S$26.28 million and Casa Sophia at Sophia Road for S$29.0 million through collective sales, while the Government Land Sales programme in Q4/2019 saw just one executive condominium site at Canberra Link sold to MCC Land for S$233.89 million. The total value of S$1.08 billion recorded for this sector came mainly from transactions of individual units at the luxury end of the market. In the commercial sector, the two largest deals were Robinson Centre (S$340 million), a 132,299 sq ft net lettable area (NLA) 99-year leasehold office building in the CBD, and The Star Vista (S$296.0 million), a 60-year leasehold 258,333 sq ft NLA suburban shopping mall. The former was acquired by a private fund managed by ARA Asset Management and the latter by the business arm of a church. Three hospitality assets changed hands in the fourth quarter. They are Andaz Singapore, the luxury hotel component of the Duo mixed-use project at Bugis, bought by Hoi Hup Realty for $475 million, W Singapore at Sentosa Cove purchased by CDL Hospital Real Estate Investment Trust at S$324.0 million and serviced residence Somerset Liang Court Singapore acquired by City Developments Limited (CDL) at S$163.3 million.

For 2020, we had in our previous quarterly write-up anticipated investment sales to come in between S$30 and S$35 billion. However, we believe that the range may have to be reduced significantly to S$20 to S$25 billion, not because of any deterioration in buyer sentiment but rather coming into the new year, there are hardly any large seller's mandates. Owing to the sudden crimp in supply, it is creating a condition where buyers, as the year progresses, face greater pressure to invest, and may end up stretching their offers. This may result in generally higher prices in some asset classes, especially the office, retail and hospitality sectors.

Investment Sales Transaction Volumes By Property Type, Q4/2019



Source Savills Research & Consultancy

Major Investment Transactions, Q4/2019

PROPERTY	LOCATION	PRICE	BUYER	USAGE
Andaz Singapore	Fraser Street	S$475.0 mil/ US$342.0 mil	Hoi Hup Realty Pte Ltd	Hospitality
Robinson Centre	Robinson Road	S$340.0 mil/ US$252.0 mil	A private fund managed by ARA Asset Management	Office
W Singapore – Sentosa Cove	Ocean Way	S$324.0 mil/ US$240.1 mil	CDL Hospitality Real Estate Investment Trust (CDL H-REIT)	Hospitality
The Star Vista	Vista Exchange Green	S$296.0 mil/ US$219.4 mil	Rock Productions, the business arm of New Creation Church	Retail
Nucleos	Biopolis Road	S$289.0 mil/ US$214.2 mil	Ascendas Real Estate Investment Trust (A-REIT)	Industrial

Source Savills Research & Consultancy

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The Seoul office investment market recorded an investment volume of KRW2.2 trillion in Q4/2019, Despite fewer mega deals, due to an increase in small-to-mid-sized trades, transaction volumes for 2019 totaled KRW11.5 trillion, largely unchanged from the 2018 peak (KRW11.6 trillion).

The average market cap rate in Q4/2019 was similar to previous quarter at 4.6%, while taking the effective cap rate to 4.0-4.5%. Demand was strongest from investors seeking development opportunities and end-users.

With substantial future supply upcoming in YBD, most acquisitions involved properties with non-office development potential. Financial institutions participated in sales and short-term leaseback transactions of their headquarters to developers, including NH Investment & Securities to Mastern Investment for KRW254.9 billion (KRW18.5 mil/3.3sqm) and Meritz Fire & Marine Insurance to Vestas AMC for KRW120.0 billion (KRW21.9 mil/3.3sqm). Both buildings can be re-developed for residential use at the end of the lease. In Q1/2020, BNK Financial Group will be closing its purchase of Samsung Life Yeouido Building to use as its headquarters. Also, the sale of Parc1 Tower 2 and Yusu Holdings Office Building will be finalized.

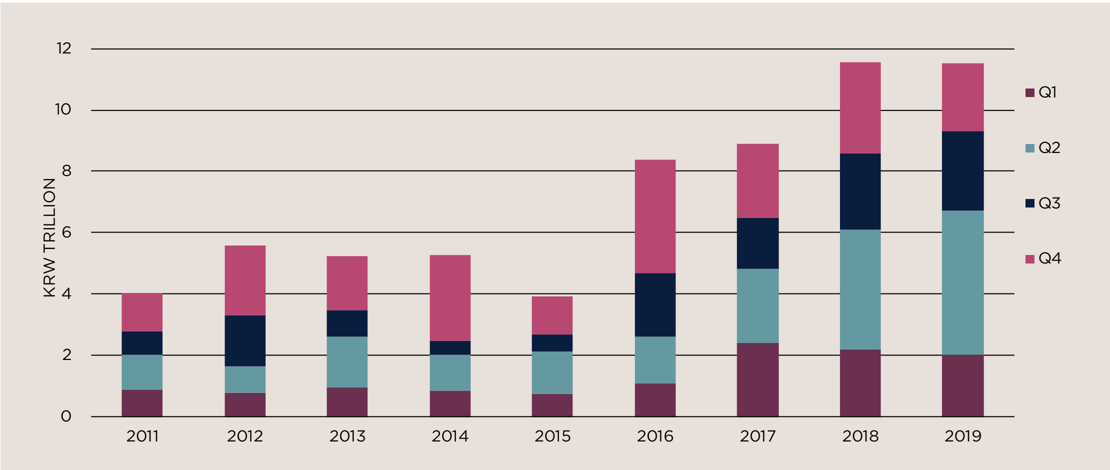
Another notable transaction was Mastern Investment's acquisition of Seoul Building and nearby land sites close to Gangnam Station Sinbundang Line for KRW240.0 billion (KRW252.8 mil/3.3 sqm of land) in GBD. The plan is to demolish the old building and redevelop it as a luxury residential project together with an adjacent idle carpark in order to meet accommodation needs in the area.

In CBD, KB AMC acquired Centerplace and AK Tower. Funds of KRW218.2 billion (KRW22.1 mil/3.3sqm) to purchase Centerplace from Vestas AMC were raised from individuals through a public offering and KB Financial Group subsidiaries. AK Tower, comprised of one office and one hotel(master-leased by Chosun Hotel)/retail tower, was purchased for a total consideration of KRW399.5 billion.

End-users also proved to be active buyers. Domestic PR company Prain Global acquired the upper floors of the HSBC Building from Pebblestone AMC for KRW149.5 billion (KRW19.9 mil/3.3 sqm) through a share deal. It has been reported that departments currently scattered across the Seoul area and other related firms will be consolidated into the building.

With BoK forecasting the economy to grow at 2%-levels in 2020, we expect more activity in the market thanks to tax benefits in favor of public offerings. Assuming that the Base Rate remains unchanged at 1.25%, cap rates are expected to stay where they are or fall moderately.

Office Transaction Volumes, 2011 to Q4/2019



Source Savills Korea

Major Investment Transactions, Q4/2019

PROPERTY	LOCATION	PRICE	BUYER	USAGE
Meritz Fire & Marine Insurance Yeouido HQ	YBD	KRW120.0 bil/ US$103.0 mil	Vestas AMC	Office
Seoul Building	GBD	KRW240.0 bil/ US$206.0 mil	Mastern Investment	Office
NH Investment & Securities Yeouido HQ	YBD	KRW254.9 bil/ US$218.8 mil	Mastern Investment	Office
Times Square (Office)	Others	KRW255.0 bil/ US$218.9 mil	KORAMCO REITs & Trust	Office
Centerplace (Office)	CBD	KRW218.2 bil/ US$187.3 mil	KB AMC	Office

Source Savills Korea

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The Directorate-General of Budget has lifted Taiwan's GDP growth forecast for 2019 to 2.64% and 2.72% in 2020, as technology companies increased domestic investment in response to the US/China trade war. The change was reflected in export data as the share of exports to the US climbed from 11.8% to 14% in the first eleven months of 2019 while China's share fell by 1.3 percentage points at the same time. The return of supply chains should help to underpin demand in the local property market.

Commercial property transaction volumes increased by 40% year-on-year (YoY) to NT$148.1 billion in 2019 as investment activity and demand from end-users both rose. Investment deals accounted for 57% of total transactions, a much higher proportion than in 2017 and 2018. The stable economy and the prospect of further rental appreciation has strengthened investor confidence. The majority of transactions were focused in the retail, factory and office markets. The retail sector, accounting for 30% of the annual transaction volume, recorded the largest market share after the sale of Living Mall (NT$37.2 billion). However, the buyer is interested in the redevelopment potential of the site which is likely to become an office complex. The emergence of on-line shopping is having an impact on the street shop sector which has seen few transactions, with rents and prices continuing to soften.

Factories are another preferred asset, recording a 49% YoY rise in transaction volumes in 2019. In order to shift orders to Taiwan quickly, technology companies prefer existing factories rather than industrial land which would take time to develop. Several deals were concluded by corporates which applied for "Action Plan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan". This plan has attracted a total of 158 companies to invest NT$708 billion from 2019 to 2021. Approximately NT$400 billion worth of applications will be executed in 2020 and 2021 and we expect this to boost demand in the industrial property sector.

Land and superficies land transaction volumes totalled NT$258.3 billion in 2019, up by 65% YoY. Developers and insurance companies dominated deal activity. A majority of developers' land acquisitions focused on the residential sector. However, the strong demand from office end-users and all-time low office vacancy rates have bolstered developers' confidence, and 20% of land budgets, representing approximately NT$40 billion, have been allocated to commercial and industrial land.

Insurance companies are paying more attention to development opportunities in prime areas in order to reap higher returns. Two notable superficies land deals were sold to insurance companies through public tender for NT$15.9 billion and NT$5.3 billion in royalty fees, respectively. These two development projects alone could provide 350,000 ping of Grade A office space. In the coming year, several large pieces of commercial land owned by the government will be released for sale and could appeal to local investors because of the current strength of office demand.

Significant Transactions By Sector, 2012 to 2019

Source Savills Research & Consultancy

Major Investment Transactions, Q4/2019

PROPERTY	LOCATION	PRICE	BUYER	USAGE
Dianthus Minquan Building	Taipei City	NT$1.8 bil/ US$60 mil	Taiwan Life	Postnatal care center
Infomedia Taoyuan Factory	Taoyuan City	NT$2.8 bil/ US$93.6 mil	Transglobe Life	Logistics
Digilife Technology Building	Taipei City	NT$1.1 bil/ US$37.5 mil	Shin Kong Life	Industrial office
China Electric Taoyuan Factory	Taoyuan City	NT$1.1 bil/ US$39.3 mil	Inventec	Factory

Source Savills Research & Consultancy

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Thailand's 2019 ended on a mixed note for the hospitality sector, with the latest release from Thailand's Ministry of Tourism and Sports detailing that European tourist arrivals through 2019 to November had seen a decrease of -1.15% compared to the same period in 2018; the number of Australian and Middle Eastern tourists had also decreased by a combined -11%. These reductions in arrivals continues to reflect on the issues resulting from the strength of the Thai Baht and the poor global economic sentiment. The positive glimmer for the industry is mainly from the increase in Indian arrivals, which were up a staggering 26%; it's likely we'll see hotel operators review their offering to ensure it connects with this emerging client gro up.

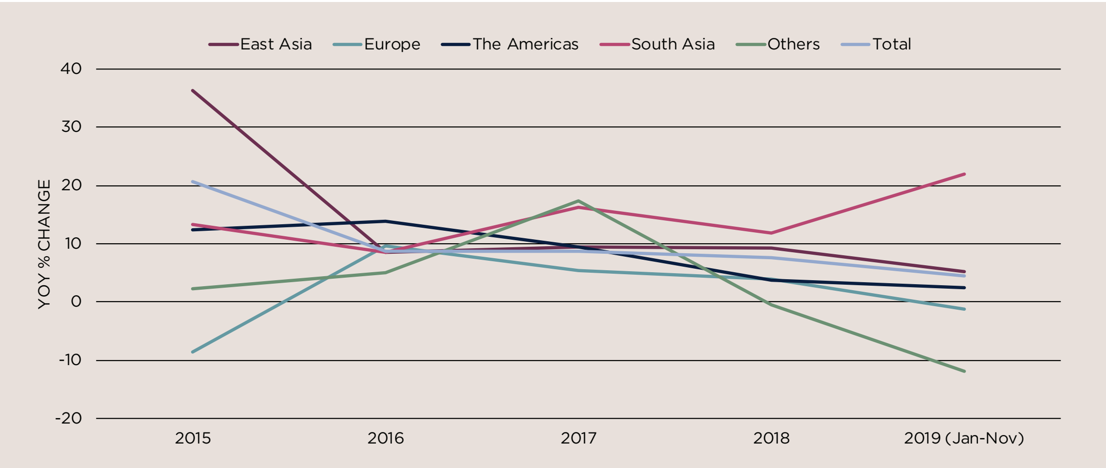
Real estate remained a key sector in Thailand's capital markets, with the IPO of Bangkok Commercial Asset Management (BAM), the biggest state-owned distressed assets management portfolio, which had a market capitalisation of 52.8 billion Baht. BAM owns a wide range of assets including undeveloped land banks, hotels, commercial and residential properties; which has often been acquired through negotiating with debtors for the transfer of the underlying collateral in satisfaction of debt.

Central Retail Corporation is set to have an IPO Q1/2020, it is the new holding company for Central Pattana PLC's retail investments and platforms, including their own brands and their investments in international markets. The listing is expected to raise between 67.6-72.7 billion Baht; which would make it one of the largest listings on the SET index. Numerous international cornerstones have already invested, demonstrating the market's confidence in the listing of Thailand's largest retailer.

Tesco PLC, is seeking potential buyers for their supermarket businesses in Asia, with a total of 1,967 stores in Thailand and 74 in Malaysia, which is estimated to be worth $9 billion. It is expected that one of the major Thai conglomerates will purchase the company, Central Group, CP Group and the retail are of PTT PLC are all actively involved.

The one major property investment transaction to be recorded was the grade-A Metropolis Bangkok, which is an office tower with commensurate retail located centrally on Sukhumvit Road. The leasehold was purchased by Singha Estate with 25 years remaining at a yield of approximately 7%, it will now likely be transferred into their SPRIME REIT which contains Singha's other developments such as the Singha Complex, which is their large grade-A office-retail complex located on Phetchaburi Road.

International Arrivals, 2015 to Jan-Nov 2019



Source Ministry of Tourism and Sports (Thailand), Savills Research & Consultancy

Major Investment Transactions, Q4/2019

PROPERTY	LOCATION	PRICE	BUYER	USAGE
Metropolis	Bangkok	THB1.7 bil/ US$621 mil	Singha Estate	Office

Source Savills Research & Consultancy

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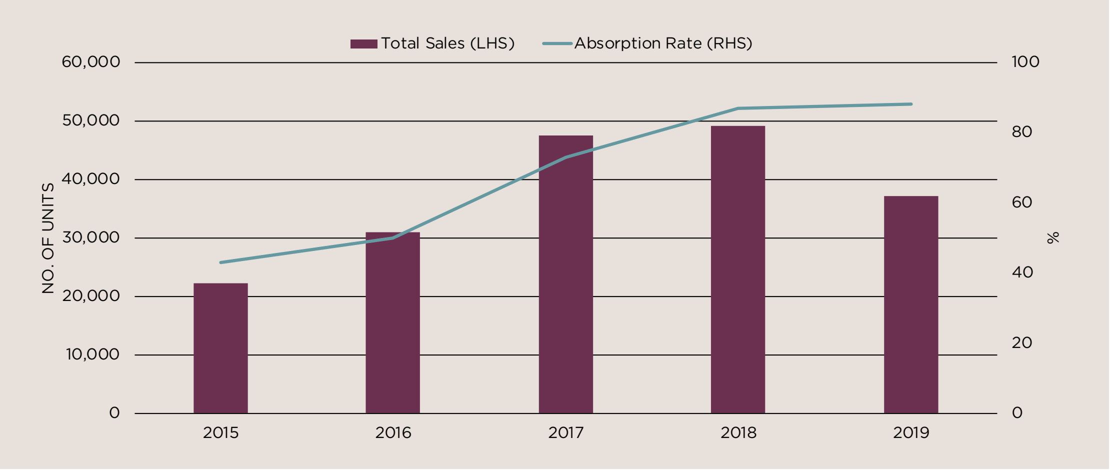
Vietnam's economy increased 7.0% year-on-year (YoY) in 2019, exceeding the National Assembly's target of 6.6% - 6.8%. This is the second year in a row that annual growth has topped seven percent. Exports reached US$263.5 billion, while there was a trade surplus for the fourth consecutive year.

In 2019, there were 138,100 newly established enterprises with the average registered capital per enterprise of VND12.5 billion, the highest in recent years, suggesting better health of new businesses entering the market. The robust local startup ecosystem has driven the growth of coworking operations. The Executive Center secured their second location in Ho Chi Minh City's CBD at Friendship Tower, 29 Le Duan. WeWork announced two new District 1 offices to meet surging demand. At the end of 2019, the average office rent in Ho Chi Minh City increased by 5% YoY with Grade A stock posting the best performance with a 9% YoY rise due to limited stock.

The apartment sector recorded a good performance with absorption in HCMC reaching a 5-year peak of 88%, up 1ppt YoY; whilst Hanoi was 63%, up 7 ppts YoY. Players have prepared strong project pipelines in order to keep up with buoyant demand. In October, Vietnam's BRG Group and Japan's Sumitomo Group kicked off the Smart City project in Dong Anh District, Hanoi. With a total estimated investment of nearly US$4.2 billion, the 272-ha township is part of a smart urban planning scheme stretching 11 kilometers from Nhat Tan Bridge to Noi Bai International Airport. In November, Keppel Group held the groundbreaking ceremony for Saigon Sports City, a 64-hectare site which will be developed into a smart, integrated township in District 2, Ho Chi Minh City. When completed, Saigon Sports City will feature about 4,300 premium homes and be Vietnam's one-stop sports, entertainment and lifestyle hub. Two leading local developers, CII and Refico, will jointly develop the Thu Thiem River Park project. Covering 3.5 ha, the project will supply 1,140 apartments with a prime location in Thu Thiem New Urban Area.

Looking forward to 2020, the Fourth Industrial Revolution, or Industry 4.0, will drastically change information and communication technology. Trials of fifth-generation mobile networks (5G) will begin in major urban centers like Hanoi and Ho Chi Minh City and help to improve telecommunication infrastructure. Planned high-tech industrial parks will raise Vietnam to new levels and help in the continued rapid expansion of the country's manufacturing base.

Ho Chi Minh City Apartment Market Performance, 2015 to 2019



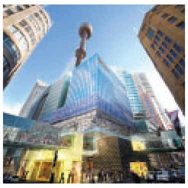
Source Savills Research & Consultancy

Major Investment Transactions, Q4/2019

PROPERTY	LOCATION	PRICE	BUYER	USAGE
Land at Thang Long Industrial Park	Thien Ke, Binh Xuyen, Vinh Phuc	approx. VND247.9 bil/ approx. US$10.7 mil	Arcadyan Technology Corporation	Industrial
Somerset West Lake (70% interest)	254D Thuy Khue, Tay Ho District, Ha Noi	approx. VND231.7 bil/ approx. US$10.0 mil	N/A	Serviced Apartment

Source Savills Research & Consultancy

Australia



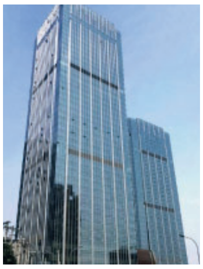
100 Market Street,
Sydney, NSW
AU$683.0M/US$471.3M
in December

Westfield Booragoon (50%)
Booragoon, WA
AU$575.0M/US396.8M
in December

Westfield Marion (50%)
Marion, SA
AU$670.0M/US$462.3M
in November

161 Castlereagh Street (25%)
Sydney, NSW
AU$405.0M/US$279.5M
in October

Beijing/Shenzhen



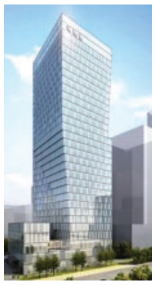
AZIA Centre
Lize, Beijing
RMB3.025B/US$430.3M
in Q4

Shunyi IDC
Shunyi, Beijing
RMB2.490B/US$357.3M
in Q4

Changping Badaling Outlets
Changping, Beijing
RMB2.482B/US$353.1M
in Q4

Ronsin Technolgoy Centre
Wangjing, Beijing
RMB6.715B/US$955.2M
in Q4

Broaden Gate Tower (95% equity)
Nanshan, Shenzhen
RMB2.2B/US$317.4M
in October



CR Qianhai Tower 2
Nanshan, Shenzhen
RMB7.1B/US$1.024B
in December

Shanghai

Sanlin InCity Mall
Pudong
RMB2.42B/US$345.7M
in Q4

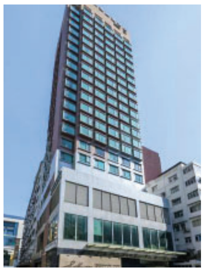
Pullman Shanghai Skyway Hotel
Huangpu
RMB2.53B/US$361.4M
in Q4

Supreme Tower Hotel
Pudong
RMB2.20B/US$314.2M
in Q4

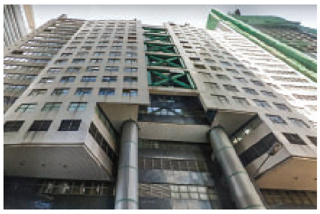
Hong Kong

▲ **Citadines Mercer Hong Kong**
Central
HK$740.8M/US$95.2M
in October

Silka West Kowloon Hotel Hong Kong ►
Tai Kok Tsui
HK$515M/US$66.2M
in October



◄ **Remex Centre**
Wong Chuk Hang
HK$499.7M/US$64.2M
in November

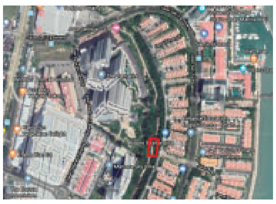


World Tech Centre ▲
Kwun Tong
HK$378M/US$48.6M
in November

Japan

◄ **Hotel Vista Premio Tokyo**
Minato, Tokyo
JPY11.2B/US$100M
in November

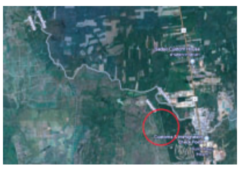
Malaysia



◄ **A 2-acre commercial land**
Tanjong Pinang, Penang
RM65M/US$16.0M
in November

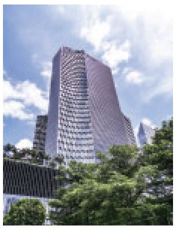
A 28-acre industrial land ►
Puchong, Selangor
RM127M/US$31.3M
in November

A 200-acre development site ►
Pulai, Johor Bharu
RM305M/US$75.1M
in December

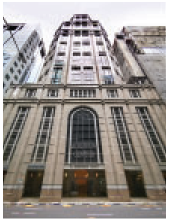


◄ **Ladang Chuping**
Chuping, Perlis
RM156M/US$38.4M
in October

Singapore



Andaz Singapore
Fraser Street
S$475M/US$342.0M
in October



Robinson Centre
Robinson Road
S$340M/US$252.0M
in December

The Star Vista
Vista Exchange Green
S$296M/US$219.4M
in November

South Korea

AK Tower A (Office) and Tower B (Hotel and Retail)
Jung-gu
KRW399B/US$340M
in December

Centerplace (4F-23F)
Jung-gu
KRW218B/US$186M
in December

Meritz Fire & Marine Insurance HQ
Yeongdeungpo-gu
KRW120B/US$102M
in October

NH Investment & Securities Building
Yeongdeungpo-gu
KRW255B/US$217M
in October

Times Square Tower A & B
Yeongdeungpo-gu
KRW255B/US$217M
in October

Taiwan

China Electric Taoyuan Factory
Taoyuan City
TWD1.1B/US$28M
in October

Infomedia Taoyuan Factory
Taoyuan City
TWD2.8B/US$93.6M
in October

Digilife Technology Building
Taipei City
TWD1.1B/US$37.5M
in October

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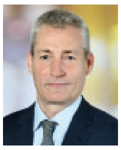

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