

Singapore Industry Focus

Singapore REITs

Refer to important disclosures at the end of this report

DBS Group Research . Equity

3 Apr 2019

Are we there yet?

- “Lower for longer” rally to push S-REIT past 2013 highs; we see another 10% upside from current levels.
- Fundamentals continue to improve while potential acquisitions are the next re-rating catalysts
- Rotational interest into mid-caps like FCT, MINT, FLT, OUECT, KORE, CRCT and MAGIC

“Lower for longer” rally to push S-REIT prices higher; rotational interest to continue. Despite a c. 14% return in the FSTREI YTD, we see more prospects for higher prices, supported by global rates staying low for longer as the market has stay dovish. With rate hikes behind us coupled with a FED pro-growth stance in their most recent posturing, we believe that there is further momentum to bring S-REIT prices higher. As the larger caps are trading at relatively premium valuations, we believe that rotational interest among S-REITs will prevail for the likes of FCT, MINT, FLT, OUECT, KORE, CRCT and MAGIC.

S-REIT prices may retest May 2013 highs. We see similar conducive macro conditions (dovish FED with low risk of hikes in the medium term between 2019 and early 2013), while prospects of lower interest rates will mean lower refinancing risk for S-REITs. As such, we expect S-REITs to test 2013 highs (FSTREI peaked out at index level of c.890 in middle of May 2013, 10% higher than current levels). Back then, the S-REITs traded up to 1.17x P/BV with yield spreads hitting a low of 3.4%. With current valuations being 5% below those levels - P/NAV of 1.1x and a forward yield of 5.8% (3.7% spread against the 10-year bond), we believe that share prices can test previous highs.

Riding on positive property fundamentals. Moving towards the reporting season for 1Q19, we continue to see improving prospects for most subsectors driven by landlords’ ability to raise rents aided by tapering supply. We see the squeeze in supply to be most prevalent among the office subsectors and expect rental reversion to accelerate from 2Q19 onwards. In the retail and industrial subsectors, we expect rental reversions to remain stable but stay mildly positive as the sectors are still moving off a high-supply environment. We expect higher and positive reversions in the warehouse and business park spaces. Hospitality REITs are expected to deliver a 3.0% RevPAR growth in 2019 but this is likely to be back-end loaded. We expect the overall growth momentum to accelerate to 2.0% in FY19.

Acquisitions the next catalyst. Acquisitions have always been complementary to S-REITs’ strategy to fuel further growth in distributions. With conducive cost of capital leading to expected accretive purchases by various S-REITs, if executed upon, they should be well supported by investors. Potential fund-raising activity is expected to edge up if such acquisitions materialise.

STI : 3,279.78

Analyst

Mervin SONG, CFA +65 6682 3715
mervinsong@dbs.com

Carmen Tay +65 6682 3719
carmentay@dbs.com

Derek TAN +65 6682 3716
derektan@dbs.com

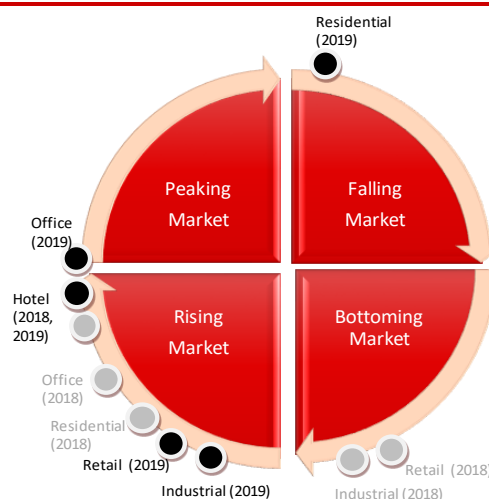
STOCKS

	Price S\$	Mkt Cap US\$m	12-mth Target Price S\$	Performance (%)		
				3 mth	12 mth	Rating
Frasers Centrepoint Trust	2.38	1,630	2.60	9.7	8.7	BUY
Frasers Logistics & Industrial Trust	1.16	1,724	1.20	12.6	7.6	BUY
Mapletree Industrial Trust	2.12	3,158	2.30	11.0	4.4	BUY
OUE Commercial REIT	0.52	1,097	0.60	13.0 (16.2)		BUY
CapitaLand Retail China Trust	1.57	1,142	1.65	15.4 (0.6)		BUY
Keppel-KBS US REIT	0.71	578	0.80	15.6 (15.2)		BUY
Mapletree North Asia Commercial Trust	1.31	3,068	1.45	14.9	13.9	BUY

Source: DBS Bank, Bloomberg Finance L.P.

Closing price as of 2 Apr 2019

Singapore Property Clock



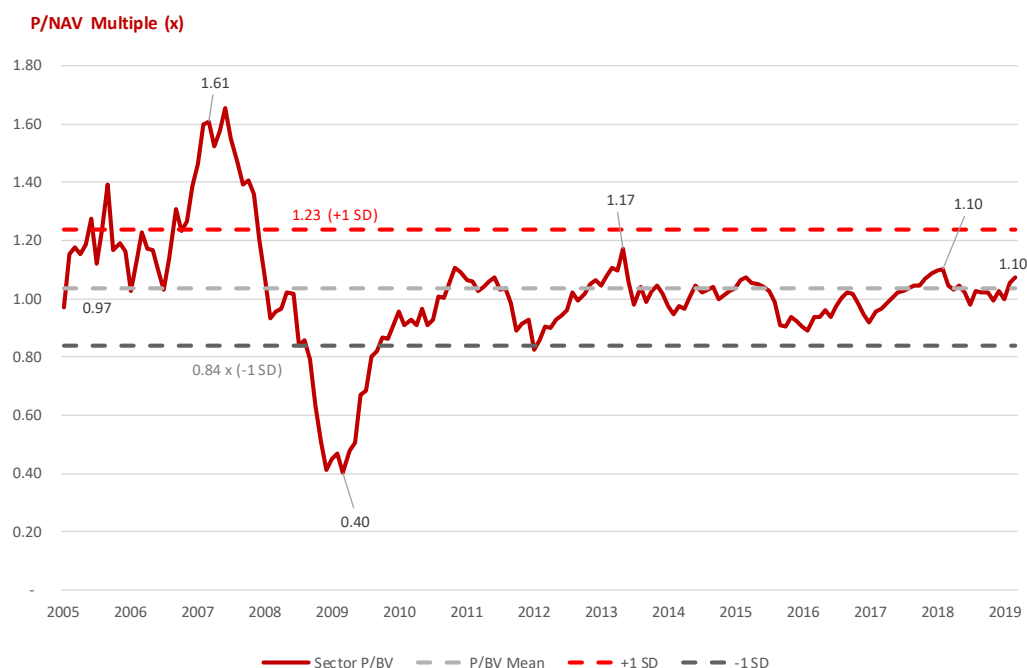
Source: DBS Bank



Live more, Bank less

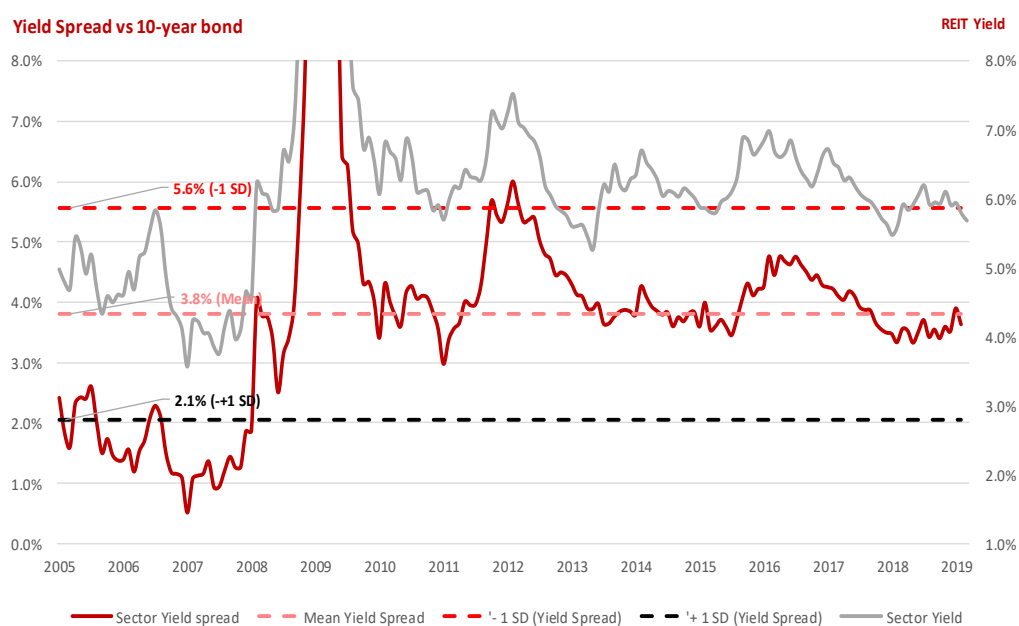
Singapore REITs

P/NAV: Currently trading at >8% discount to May 2013 levels



Source: ThomsonReuters, DBS Bank

Yield Spread: Tightened beyond 2013 levels



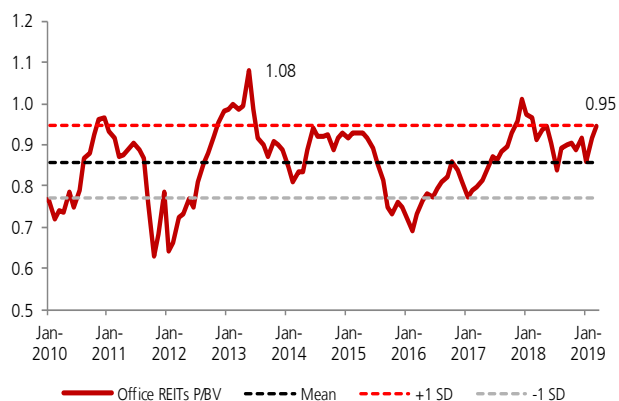
Source: ThomsonReuters, DBS Bank

Singapore REITs by Sector

Office

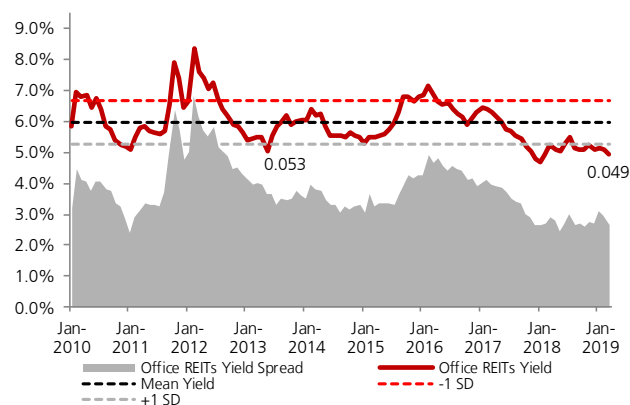
- 1) P/NAV: Trading c.8% below book
- 2) Yield Spreads tightened beyond May 2013 levels

P/NAV (Since 2010)



Source: ThomsonReuters, DBS Bank

Yield Spread (Since 2010)

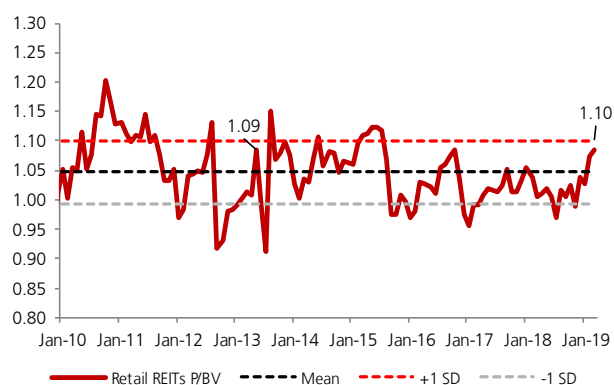


Source: ThomsonReuters, DBS Bank

Retail

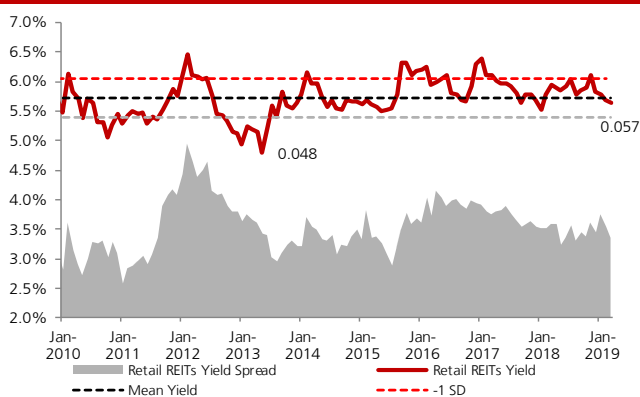
- 1) P/NAV: Similar valuations
- 2) Yield Spreads have widened mainly as retail REITs have been delivering higher DPU growth

P/NAV (Since 2010)



Source: ThomsonReuters, DBS Bank

Yield Spread (Since 2010)

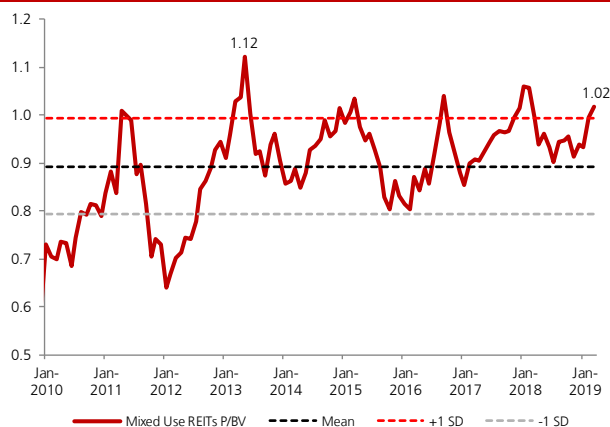


Source: ThomsonReuters, DBS Bank

Mixed Use

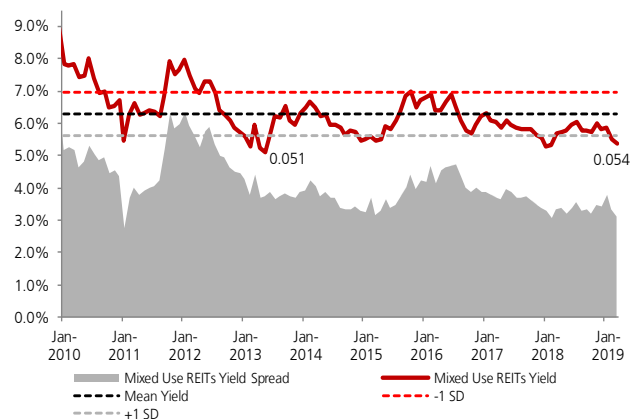
- 1) P/NAV: Trading c.9% below book
- 2) Yield Spreads have tightened slightly compared to May 2013

P/NAV (Since 2010)



Source: ThomsonReuters, DBS Bank

Yield Spread (Since 2010)

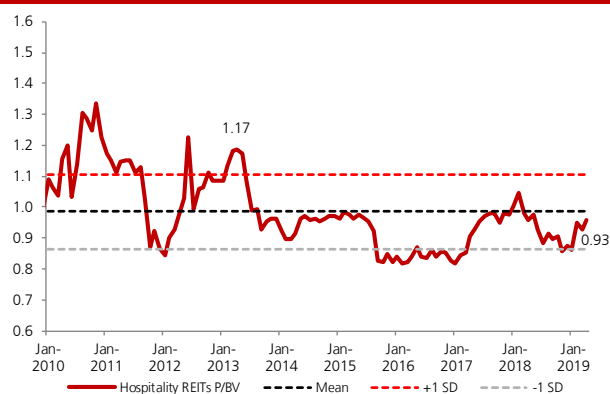


Source: ThomsonReuters, DBS Bank

Hospitality

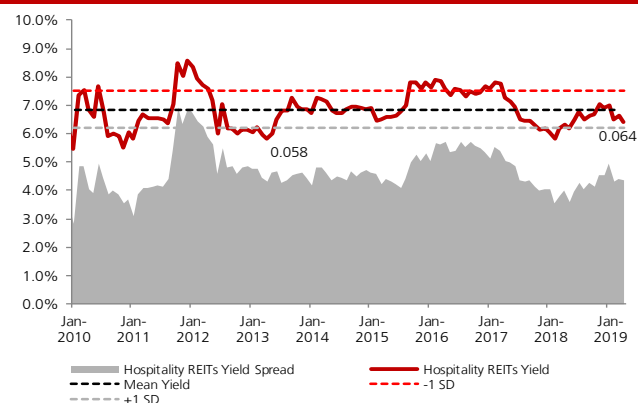
- 1) P/NAV: Trading at substantial 20% discount to NAV
- 2) Yield Spreads at similar levels compared to May 2013

P/NAV (Since 2010)



Source: ThomsonReuters, DBS Bank

Yield Spread (Since 2010)

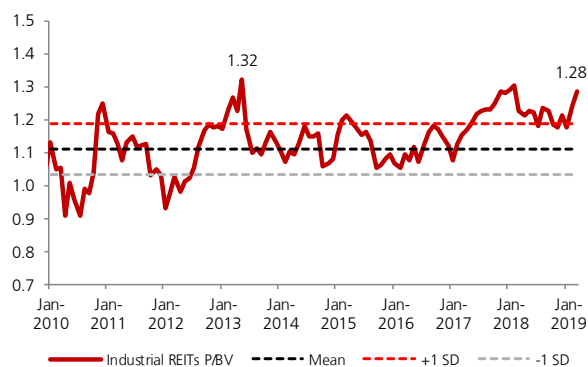


Source: ThomsonReuters, DBS Bank

Industrial

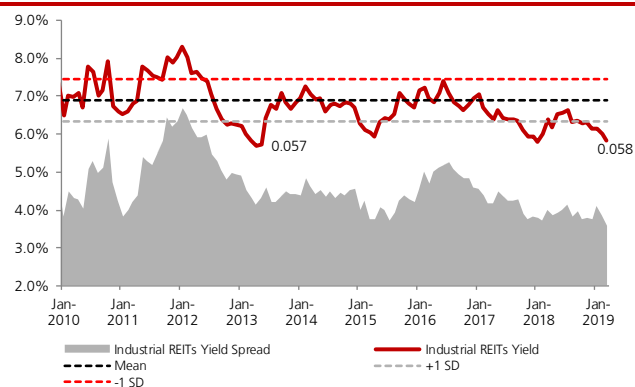
- 1) P/NAV: Similar valuations
- 2) Yield Spreads have tightened slightly beyond May 2013 levels

P/NAV (Since 2010)



Source: ThomsonReuters, DBS Bank

Yield Spread (Since 2010)



Source: ThomsonReuters, DBS Bank

Historical trading range for selected S-REITs

REITs	Last Price (2 Apr)	Rcmd	Target Price	Est. Total Return (%)	FY19/20F Yield (%)	Current	PNAV (Since 2010)				Yield Spread (Since 2010)				
							May-13	Mean	Min	Max	Current	May-13	Mean	Min	Max
Office															
CCT	1.97	BUY	2.00	6%	4.5%	1.07	1.04	0.91	0.63	1.19	2.4%	3.4%	3.3%	2.1%	5.8%
FCOT	1.47	BUY	1.70	22%	6.5%	0.91	1.03	0.80	0.51	1.03	4.5%	3.6%	5.2%	3.1%	7.5%
KREIT	1.30	BUY	1.31	5%	4.3%	0.93	1.15	0.83	0.62	1.15	2.2%	3.9%	3.8%	1.7%	7.6%
OUECT	0.52	BUY	0.60	22%	6.5%	0.74	n.a.	0.77	0.64	0.99	4.4%	n.a.	4.6%	2.9%	6.2%
Suntec	1.98	BUY	2.12	12%	5.0%	0.94	0.95	0.81	0.54	1.01	3.0%	3.4%	3.9%	2.4%	7.6%
Retail															
CRCT	1.57	BUY	1.65	12%	6.6%	0.99	1.27	1.01	0.80	1.38	4.5%	4.3%	4.5%	3.5%	6.8%
FCT	2.38	BUY	2.60	14%	5.2%	1.14	1.46	1.11	0.95	1.46	3.1%	3.5%	3.7%	2.8%	5.5%
SPH REIT	1.06	BUY	1.05	4%	5.3%	1.12	n.a.	1.07	0.97	1.18	3.2%	n.a.	3.3%	2.6%	4.1%
SGREIT	0.74	BUY	0.75	7%	6.2%	0.81	1.09	0.82	0.64	1.09	4.2%	3.7%	4.4%	2.9%	6.3%
Mixed															
MCT	1.90	BUY	2.00	10%	4.9%	1.28	1.38	1.15	0.89	1.63	2.9%	3.7%	3.7%	2.8%	5.8%
MAGIC	1.31	BUY	1.45	17%	5.9%	1.07	1.22	0.90	0.72	1.22	3.8%	4.3%	4.7%	3.6%	6.4%
Hospitality															
ASCHT	0.88	BUY	0.98	18%	6.7%	0.96	1.24	0.95	0.77	1.28	4.7%	5.3%	5.4%	4.0%	7.0%
ART	1.19	BUY	1.35	20%	6.1%	0.97	0.94	0.91	0.73	1.17	4.0%	4.1%	4.8%	3.4%	7.4%
CDREIT	1.67	BUY	1.85	16%	5.7%	1.09	1.26	1.10	0.80	1.63	3.6%	4.7%	4.7%	2.3%	6.9%
FEHT	0.70	BUY	0.70	6%	5.9%	0.80	1.18	0.82	0.63	1.21	3.8%	3.8%	4.0%	2.9%	5.5%
FHT	0.74	BUY	0.78	12%	6.5%	0.95	n.a.	0.97	0.85	0.97	4.5%	n.a.	5.0%	3.6%	6.2%
OUEHT	0.73	BUY	0.85	24%	6.9%	0.96	n.a.	0.97	0.82	0.97	4.8%	n.a.	4.8%	3.2%	6.2%
Industrial															
AIMS	1.43	BUY	1.50	12%	7.2%	1.04	1.23	0.93	0.68	1.25	5.1%	5.6%	6.0%	4.0%	9.5%
a-itrust	1.19	BUY	1.25	11%	6.3%	1.31	1.23	1.28	0.93	1.64	4.3%	4.8%	4.5%	3.2%	7.1%
A-REIT	2.94	BUY	2.95	6%	5.5%	1.39	1.42	1.21	1.03	1.29	3.4%	3.8%	4.1%	3.0%	5.8%
Cache	0.76	HOLD	0.75	6%	7.7%	1.15	1.45	1.13	0.95	1.45	5.6%	4.6%	6.1%	4.2%	8.7%
EREIT	0.54	BUY	0.59	16%	7.6%	1.16	1.30	0.95	0.71	1.73	5.5%	4.5%	5.7%	2.3%	8.8%
FLT	1.16	BUY	1.20	9%	5.7%	1.23	n.a.	1.14	1.01	1.39	3.7%	n.a.	4.6%	2.9%	5.6%
MINT	2.12	BUY	2.30	14%	5.8%	1.44	1.43	1.25	1.13	1.48	3.8%	5.1%	4.7%	3.2%	5.1%
MLT	1.49	BUY	1.50	6%	5.4%	1.35	1.43	1.12	0.91	1.43	3.3%	4.3%	4.7%	2.9%	8.4%
SBREIT	0.62	BUY	0.65	13%	8.4%	0.99	n.a.	0.97	0.83	1.24	6.3%	n.a.	6.0%	4.5%	7.8%
US Office															
KORE	0.71	BUY	0.80	22%	8.9%	0.87	n.a.	n.m.	n.m.	n.m.	6.4%*	n.a.	n.m.	n.m.	n.m.
MUST	0.87	BUY	0.92	13%	6.8%	1.03	n.a.	1.01	0.89	1.21	4.3%*	n.a.	4.7%	2.6%	6.5%
Europe Commercial															
CERT	0.49	BUY	0.59	29%	8.5%	0.96	n.a.	n.m.	n.m.	n.m.	8.5%**	n.a.	n.m.	n.m.	n.m.
Others															
KDCREIT	1.50	BUY	1.60	12%	5.1%	1.40	n.a.	1.30	1.09	1.71	3.1%	n.a.	3.6%	2.1%	4.7%
P-Life	2.92	BUY	3.10	11%	4.4%	1.55	1.69	1.38	0.88	1.72	2.4%	2.8%	3.2%	2.1%	4.6%

* Compared to US 10 year bond yield ** Compared to 10 year German bond yield

Source: ThomsonReuters, Bloomberg Finance L.P., DBS Bank

Performance Summary

Share price performance in March has largely played out to our expectations, especially after dovish signals from Fed Chairman Powell increased prospects of a prolonged Fed pause, as plans to put interest rates on “Hold” appeared to be the new Fed priority, compared to investors’ earlier expectations of one rate hike for 2019.

While the ultra dovish comments boosted S-REIT prices, came on the back of rising uncertainty in the global economic outlook – which resulted in significant outperformance by S-REITs, jumping +1.7% m-o-m on average, compared to flattish STI of just +0.1% m-o-m.

Industrials remained the best-performing subsector, delivering an impressive 4.1% m-o-m return, which we believe was largely driven by investors returning to more defensive names amid concerns over slowing global growth. Contrary to the prior month, we observed that the strong outperformance in March, while broad based, was mainly led by the mid-to-large caps – MINT, MLT, AIT and FLT each jumped 5.0-5.8% m-o-m. A-REIT had a pretty strong showing as well, gaining 3.9%, while Cache shone the brightest among the smaller-cap names, +4.2% in March.

The strong outperformance by the Hospitality cluster was buoyed by FEHT – the best-performing REIT in March, gaining 9.4% m-o-m. We attribute this mainly to expectations surrounding its new Sentosa hotels, which will be complemented by a new container park, Siloso Green - comprising eateries, food trucks, retail and event spaces and live music, as well as an offshoot of a popular Bali beach bar by end-2019, according to fresh revelations by the Sentosa

Development Corporation on 29 March. FEHT aside, the other Hospitality REITs also performed considerably well, tracking slightly ahead of S-REITs at +2% m-o-m.

Overseas retail plays wowed with industry-leading performance of approximately +5.2% m-o-m (or 4.5% excluding Fortune REIT), led by CRCT’s strong 7.5% m-o-m growth on the back of favourable forex conditions. As interest cycled into more defensive names, the SG retail cluster also moved up the ranks and outperformed, +2.5% m-o-m. MCT led the pack with +6.8% m-o-m while Starhill surged 5% after receiving a plot ratio boost for its Orchard properties following the release of the draft 2019 Master Plan by URA.

Meanwhile, Office S-REITs took a breather after a solid run-up in prior months, +1.6% m-o-m. In line with our strategy to pick laggards, KREIT remained the best-performing office name for the second consecutive month, +4.9% in March. Likewise for OUECT, which jumped 4% m-o-m.

Sector performance

Sector	Total return including dividends
SG Office	1.6%
SG Retail	2.5%
Industrial	4.1%
Hospitality	3.3%
SREIT	1.7%
STI	0.1%

Source: ThomsonReuters, Bloomberg Finance L.P., DBS Bank

S-REITs Monthly Performance (March 2019)

SREITs	Mkt Cap (S\$'m)	% Price Chg	% Total Return*
SG Office			
CapitaLand Commercial Trust	7,311	0.0%	0.0%
Keppel REIT	4,391	4.9%	4.9%
Suntec REIT	5,254	1.0%	1.0%
Frasers Commercial Trust	1,334	-0.7%	-0.7%
OUE Commercial REIT	1,487	4.0%	4.0%
		1.8%	1.6%
Overseas Office/Commercial			
Cromwell European Commercial REIT	1,086	-3.0%	-3.0%
Manulife US REIT	1,102	1.8%	1.8%
Keppel-KBS US REIT	574	4.5%	4.5%
IREIT Global	475	0.0%	0.0%
		0.8%	0.4%
SG Retail			
Frasers Centrepoint Trust	2,218	3.9%	3.9%
Mapletree Commercial Trust	5,490	6.8%	6.8%
Starhill Global REIT	1,603	5.0%	5.0%
SPH REIT	2,688	1.9%	1.9%
		3.4%	2.5%
Overseas Retail			
Fortune REIT	3,303	6.8%	6.8%
Mapletree Greater China Commercial Trust	4,221	5.6%	5.6%
CapitaLand Retail China Trust	1,568	7.5%	7.5%
Lippo Malls Indonesia Trust	570	-3.9%	-3.9%
BHG Retail REIT	346	-2.1%	-2.1%
Dasin Retail REIT	489	0.0%	0.0%
		2.3%	5.2%
Industrial			
Ascendas REIT	9,084	3.9%	3.9%
Mapletree Industrial Trust	4,244	5.0%	5.0%
Mapletree Logistics Trust	5,434	5.8%	5.8%
Ascendas India Trust	1,236	5.3%	5.3%
Frasers Logistics & Industrial Trust	2,369	5.5%	5.5%
ESR REIT	1,712	0.0%	0.0%
Soilbuild REIT	658	2.5%	2.5%
Cache Logistics Trust	807	4.2%	4.2%
AIMSAMP Industrial Trust	974	1.4%	1.4%
Sabana Shariah Compliant REIT	442	0.0%	0.0%
EC World REIT	608	0.0%	0.0%
		3.1%	4.1%
Hospitality			
Ascott REIT	2,564	3.5%	3.5%
CDL Hospitality Trusts	1,991	3.2%	3.2%
Far East Hospitality Trusts	1,335	9.4%	9.4%
Frasers Hospitality Trusts	1,395	0.7%	0.7%
OUE Hospitality Trusts	1,329	0.7%	0.7%
Ascendas Hospitality Trusts	999	1.7%	1.7%
		3.2%	3.3%
Others			
Parkway Life REIT	1,773	1.7%	1.7%
Keppel DC REIT	2,041	2.0%	2.0%
		1.9%	1.9%
SREIT Index		2.9%	1.7%
STI Index		0.0%	0.1%

Source: Bloomberg Finance L.P., DBS Bank

DBS Bank recommendations are based on an Absolute Total Return* Rating system, defined as follows:

STRONG BUY (>20% total return over the next 3 months, with identifiable share price catalysts within this time frame)

BUY (>15% total return over the next 12 months for small caps, >10% for large caps)

HOLD (-10% to +15% total return over the next 12 months for small caps, -10% to +10% for large caps)

FULLY VALUED (negative total return i.e. > -10% over the next 12 months)

SELL (negative total return of > -20% over the next 3 months, with identifiable catalysts within this time frame)

Share price appreciation + dividends

Completed Date: 3 Apr 2019 08:24:56 (SGT)

Dissemination Date: 3 Apr 2019 09:26:36 (SGT)

Sources for all charts and tables are DBS Bank unless otherwise specified.

GENERAL DISCLOSURE/DISCLAIMER

This report is prepared by DBS Bank Ltd. This report is solely intended for the clients of DBS Bank Ltd, its respective connected and associated corporations and affiliates only and no part of this document may be (i) copied, photocopied or duplicated in any form or by any means or (ii) redistributed without the prior written consent of DBS Bank Ltd.

The research set out in this report is based on information obtained from sources believed to be reliable, but we (which collectively refers to DBS Bank Ltd, its respective connected and associated corporations, affiliates and their respective directors, officers, employees and agents (collectively, the "DBS Group") have not conducted due diligence on any of the companies, verified any information or sources or taken into account any other factors which we may consider to be relevant or appropriate in preparing the research. Accordingly, we do not make any representation or warranty as to the accuracy, completeness or correctness of the research set out in this report. Opinions expressed are subject to change without notice. This research is prepared for general circulation. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific addressee. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees, who should obtain separate independent legal or financial advice. The DBS Group accepts no liability whatsoever for any direct, indirect and/or consequential loss (including any claims for loss of profit) arising from any use of and/or reliance upon this document and/or further communication given in relation to this document. This document is not to be construed as an offer or a solicitation of an offer to buy or sell any securities. The DBS Group, along with its affiliates and/or persons associated with any of them may from time to time have interests in the securities mentioned in this document. The DBS Group, may have positions in, and may effect transactions in securities mentioned herein and may also perform or seek to perform broking, investment banking and other banking services for these companies.

Any valuations, opinions, estimates, forecasts, ratings or risk assessments herein constitutes a judgment as of the date of this report, and there can be no assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments. The information in this document is subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed, it may not contain all material information concerning the company (or companies) referred to in this report and the DBS Group is under no obligation to update the information in this report.

This publication has not been reviewed or authorized by any regulatory authority in Singapore, Hong Kong or elsewhere. There is no planned schedule or frequency for updating research publication relating to any issuer.

The valuations, opinions, estimates, forecasts, ratings or risk assessments described in this report were based upon a number of estimates and assumptions and are inherently subject to significant uncertainties and contingencies. It can be expected that one or more of the estimates on which the valuations, opinions, estimates, forecasts, ratings or risk assessments were based will not materialize or will vary significantly from actual results. Therefore, the inclusion of the valuations, opinions, estimates, forecasts, ratings or risk assessments described herein IS NOT TO BE RELIED UPON as a representation and/or warranty by the DBS Group (and/or any persons associated with the aforesaid entities), that:

- (a) such valuations, opinions, estimates, forecasts, ratings or risk assessments or their underlying assumptions will be achieved, and
- (b) there is any assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments stated therein.

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets.

Any assumptions made in this report that refers to commodities, are for the purposes of making forecasts for the company (or companies) mentioned herein. They are not to be construed as recommendations to trade in the physical commodity or in the futures contract relating to the commodity referred to in this report.

DBSVUSA, a US-registered broker-dealer, does not have its own investment banking or research department, has not participated in any public offering of securities as a manager or co-manager or in any other investment banking transaction in the past twelve months and does not engage in market-making.

ANALYST CERTIFICATION

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible for the content of this research report, in part or in whole, certifies that he or his associate¹ does not serve as an officer of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant) and the research analyst(s) primarily responsible for the content of this research report or his associate does not have financial interests² in relation to an issuer or a new listing applicant that the analyst reviews. DBS Group has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the DBS Group and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of DBS Group's compensation to any specific investment banking function of the DBS Group.

COMPANY-SPECIFIC / REGULATORY DISCLOSURES

1. DBS Bank Ltd, DBS HK, DBS Vickers Securities (Singapore) Pte Ltd ("DBSVS") or their subsidiaries and/or other affiliates have proprietary positions in CapitaLand Commercial Trust, Frasers Commercial Trust, Keppel REIT, CapitaLand Retail China Trust, Frasers Centrepoint Trust, SPH REIT, Starhill Global REIT, Mapletree Commercial Trust, Mapletree North Asia Commercial Trust, Suntec REIT, Ascendas Hospitality Trust, Ascott Residence Trust, CDL Hospitality Trusts, Far East Hospitality Trust, Frasers Hospitality Trust, OUE Hospitality Trust, Ascendas REIT, Cache Logistics Trust, Frasers Logistics & Industrial Trust, Mapletree Industrial Trust, Mapletree Logistics Trust, Soilbuild Business Space Reit, Keppel-KBS US REIT, Manulife US Real Estate Inv, Keppel DC REIT, Cromwell European Real Estate Investment Trust, Fortune REIT, recommended in this report as of 28 Feb 2019.
2. Neither DBS Bank Ltd nor DBS HK market makes in equity securities of the issuer(s) or company(ies) mentioned in this Research Report.
3. DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates have a net long position exceeding 0.5% of the total issued share capital in Frasers Commercial Trust, CapitaLand Retail China Trust, Frasers Centrepoint Trust, SPH REIT, Starhill Global REIT, Mapletree Commercial Trust, Mapletree North Asia Commercial Trust, Ascendas Hospitality Trust, Ascott Residence Trust, CDL Hospitality Trusts, Far East Hospitality Trust, Frasers Hospitality Trust, OUE Hospitality Trust, Ascendas REIT, Cache Logistics Trust, Frasers Logistics & Industrial Trust, Mapletree Industrial Trust, Mapletree Logistics Trust, Soilbuild Business Space Reit, Keppel-KBS US REIT, Manulife US Real Estate Inv, Keppel DC REIT, Cromwell European Real Estate Investment Trust, Fortune REIT, recommended in this report as of 28 Feb 2019.
4. DBS Bank Ltd, DBS HK, DBSVS, DBSVUSA, their subsidiaries and/or other affiliates beneficially own a total of 1% of any class of common securities of Frasers Commercial Trust, Starhill Global REIT, Ascendas Hospitality Trust, Ascott Residence Trust, CDL Hospitality Trusts, Frasers Hospitality Trust, OUE Hospitality Trust, Cache Logistics Trust, Frasers Logistics & Industrial Trust, Mapletree Industrial Trust, Soilbuild Business Space Reit, Keppel-KBS US REIT, Manulife US Real Estate Inv, Cromwell European Real Estate Investment Trust, Fortune REIT, as of 28 Feb 2019.

¹ An associate is defined as (i) the spouse, or any minor child (natural or adopted) or minor step-child, of the analyst; (ii) the trustee of a trust of which the analyst, his spouse, minor child (natural or adopted) or minor step-child, is a beneficiary or discretionary object; or (iii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

² Financial interest is defined as interests that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

Compensation for investment banking services:

5. DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates of DBSVUSA have received compensation, within the past 12 months for investment banking services from CapitaLand Commercial Trust, Frasers Commercial Trust, CapitaLand Retail China Trust, Mapletree North Asia Commercial Trust, Suntec REIT, Ascendas REIT, Frasers Logistics & Industrial Trust, Mapletree Industrial Trust, Mapletree Logistics Trust, Keppel-KBS US REIT, Manulife US Real Estate Inv, Keppel DC REIT, Cromwell European Real Estate Investment Trust, as of 28 Feb 2019.
6. DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates of DBSVUSA have managed or co-managed a public offering of securities for CapitaLand Commercial Trust, CapitaLand Retail China Trust, Mapletree Commercial Trust, Mapletree North Asia Commercial Trust, Suntec REIT, Ascendas REIT, Frasers Logistics & Industrial Trust, Mapletree Industrial Trust, Mapletree Logistics Trust, Keppel-KBS US REIT, Manulife US Real Estate Inv, Keppel DC REIT, Cromwell European Real Estate Investment Trust, in the past 12 months, as of 28 Feb 2019.
7. DBSVUSA does not have its own investment banking or research department, nor has it participated in any public offering of securities as a manager or co-manager or in any other investment banking transaction in the past twelve months. Any US persons wishing to obtain further information, including any clarification on disclosures in this disclaimer, or to effect a transaction in any security discussed in this document should contact DBSVUSA exclusively.


Directorship/trustee interests:

8. Tan Su Shan Carrie, a member of DBS Group Research, is a Director of Mapletree North Asia Commercial Trust as of 01 Mar 2019.

Disclosure of previous investment recommendation produced:

9. DBS Bank Ltd, DBS Vickers Securities (Singapore) Pte Ltd ("DBSVS"), their subsidiaries and/or other affiliates may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed in the first page of this report to view previous investment recommendations published by DBS Bank Ltd, DBS Vickers Securities (Singapore) Pte Ltd ("DBSVS"), their subsidiaries and/or other affiliates in the preceding 12 months.

RESTRICTIONS ON DISTRIBUTION

General	This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation.
Australia	<p>This report is being distributed in Australia by DBS Bank Ltd, DBSVS or DBSV HK. DBS Bank Ltd holds Australian Financial Services Licence no. 475946.</p> <p>DBSVS and DBSV HK are exempted from the requirement to hold an Australian Financial Services Licence under the Corporation Act 2001 ("CA") in respect of financial services provided to the recipients. Both DBS Bank Ltd and DBSVS are regulated by the Monetary Authority of Singapore under the laws of Singapore, and DBSV HK is regulated by the Hong Kong Securities and Futures Commission under the laws of Hong Kong, which differ from Australian laws.</p> <p>Distribution of this report is intended only for "wholesale investors" within the meaning of the CA.</p>
Hong Kong	<p>This report has been prepared by a person(s) who is not licensed by the Hong Kong Securities and Futures Commission to carry on the regulated activity of advising on securities in Hong Kong pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). This report is being distributed in Hong Kong and is attributable to DBS Bank (Hong Kong) Limited, a registered institution registered with the Hong Kong Securities and Futures Commission to carry on the regulated activity of advising on securities pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).</p> <p>For any query regarding the materials herein, please contact Carol Wu (Reg No. AH8283) at dbsvhk@dbs.com</p>
Indonesia	This report is being distributed in Indonesia by PT DBS Vickers Sekuritas Indonesia.
Malaysia	<p>This report is distributed in Malaysia by AllianceDBS Research Sdn Bhd ("ADBSR"). Recipients of this report, received from ADBSR are to contact the undersigned at 603-2604 3333 in respect of any matters arising from or in connection with this report. In addition to the General Disclosure/Disclaimer found at the preceding page, recipients of this report are advised that ADBSR (the preparer of this report), its holding company Alliance Investment Bank Berhad, their respective connected and associated corporations, affiliates, their directors, officers, employees, agents and parties related or associated with any of them may have positions in, and may effect transactions in the securities mentioned herein and may also perform or seek to perform broking, investment banking/corporate advisory and other services for the subject companies. They may also have received compensation and/or seek to obtain compensation for broking, investment banking/corporate advisory and other services from the subject companies.</p> <p style="text-align: right;"> Wong Ming Tek, Executive Director, ADBSR</p>
Singapore	This report is distributed in Singapore by DBS Bank Ltd (Company Regn. No. 196800306E) or DBSVS (Company Regn No. 198600294G), both of which are Exempt Financial Advisers as defined in the Financial Advisers Act and regulated by the Monetary Authority of Singapore. DBS Bank Ltd and/or DBSVS, may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, DBS Bank Ltd accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact DBS Bank Ltd at 6327 2288 for matters arising from, or in connection with the report.
Thailand	This report is being distributed in Thailand by DBS Vickers Securities (Thailand) Co Ltd.
United Kingdom	<p>This report is produced by DBS Bank Ltd which is regulated by the Monetary Authority of Singapore.</p> <p>This report is disseminated in the United Kingdom by DBS Vickers Securities (UK) Ltd, ("DBSVUK"). DBSVUK is authorised and regulated by the Financial Conduct Authority in the United Kingdom.</p> <p>In respect of the United Kingdom, this report is solely intended for the clients of DBSVUK, its respective connected and associated corporations and affiliates only and no part of this document may be (i) copied, photocopied or duplicated in any form or by any means or (ii) redistributed without the prior written consent of DBSVUK. This communication is directed at persons having professional experience in matters relating to investments. Any investment activity following from this communication will only be engaged in with such persons. Persons who do not have professional experience in matters relating to investments should not rely on this communication.</p>

Dubai International Financial Centre	This research report is being distributed by DBS Bank Ltd., (DIFC Branch) having its office at units 608 - 610, 6 th Floor, Gate Precinct Building 5, PO Box 506538, DIFC, Dubai, United Arab Emirates. DBS Bank Ltd., (DIFC Branch) is regulated by The Dubai Financial Services Authority. This research report is intended only for professional clients (as defined in the DFSA rulebook) and no other person may act upon it.
United Arab Emirates	This report is provided by DBS Bank Ltd (Company Regn. No. 196800306E) which is an Exempt Financial Adviser as defined in the Financial Advisers Act and regulated by the Monetary Authority of Singapore. This report is for information purposes only and should not be relied upon or acted on by the recipient or considered as a solicitation or inducement to buy or sell any financial product. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situation, or needs of individual clients. You should contact your relationship manager or investment adviser if you need advice on the merits of buying, selling or holding a particular investment. You should note that the information in this report may be out of date and it is not represented or warranted to be accurate, timely or complete. This report or any portion thereof may not be reprinted, sold or redistributed without our written consent.
United States	This report was prepared by DBS Bank Ltd. DBSVUSA did not participate in its preparation. The research analyst(s) named on this report are not registered as research analysts with FINRA and are not associated persons of DBSVUSA. The research analyst(s) are not subject to FINRA Rule 2241 restrictions on analyst compensation, communications with a subject company, public appearances and trading securities held by a research analyst. This report is being distributed in the United States by DBSVUSA, which accepts responsibility for its contents. This report may only be distributed to Major U.S. Institutional Investors (as defined in SEC Rule 15a-6) and to such other institutional investors and qualified persons as DBSVUSA may authorize. Any U.S. person receiving this report who wishes to effect transactions in any securities referred to herein should contact DBSVUSA directly and not its affiliate.
Other jurisdictions	In any other jurisdictions, except if otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions.

DBS Regional Research Offices

HONG KONG

DBS (Hong Kong) Ltd
Contact: Carol Wu
13th Floor One Island East,
18 Westlands Road,
Quarry Bay, Hong Kong
Tel: 852 3668 4181
Fax: 852 2521 1812
e-mail: dbsvhk@dbs.com

THAILAND

DBS Vickers Securities (Thailand) Co Ltd
Contact: Chanpen Sirithanarattanakul
989 Siam Piwat Tower Building,
9th, 14th-15th Floor
Rama 1 Road, Pathumwan,
Bangkok Thailand 10330
Tel. 66 2 857 7831
Fax: 66 2 658 1269
e-mail: research@th.dbs.com
Company Regn. No 0105539127012
Securities and Exchange Commission, Thailand

MALAYSIA

AllianceDBS Research Sdn Bhd
Contact: Wong Ming Tek (128540 U)
19th Floor, Menara Multi-Purpose,
Capital Square,
8 Jalan Munshi Abdullah 50100
Kuala Lumpur, Malaysia.
Tel.: 603 2604 3333
Fax: 603 2604 3921
e-mail: general@alliancedbs.com

INDONESIA

PT DBS Vickers Sekuritas (Indonesia)
Contact: Maynard Priajaya Arif
DBS Bank Tower
Ciputra World 1, 32/F
Jl. Prof. Dr. Satrio Kav. 3-5
Jakarta 12940, Indonesia
Tel: 62 21 3003 4900
Fax: 6221 3003 4943
e-mail: research@id.dbsvickers.com

SINGAPORE

DBS Bank Ltd
Contact: Janice Chua
12 Marina Boulevard,
Marina Bay Financial Centre Tower 3
Singapore 018982
Tel: 65 6878 8888
Fax: 65 65353 418
e-mail: equityresearch@dbs.com
Company Regn. No. 196800306E