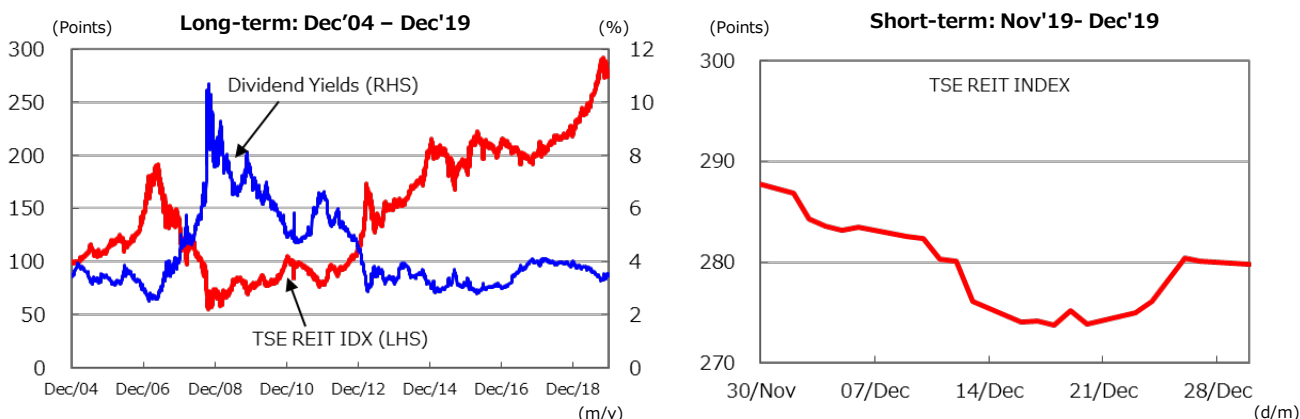




1. J-REIT Market Monthly Review (for Nov 2019)

In December, the TSE REIT index (with dividends) declined -2.9%MoM. Cash flew into the stock from J-REIT as long term interest rates rose (at one stage entered into positive territory for the first time in 9 months) with developing risk appetite due to market expectation for progress in US-China trade talk. However, TSE REIT index was resilient when reaching close to the bottom level of November correction in the middle of the month supported by persistent buyers. The market consolidated for the rest of the month. Supply/demand situation slightly weakened due to several POs when market participants decreased around the end of year. By sector, commercial logistics sector underperformed. As for individual REITs, REITs with large market capitalization underperformed while the small ones outperformed. November office vacancy rate in Tokyo five central wards improved to 1.56% while average rent has risen for 71 consecutive months. In December, BoJ purchased J-REIT by 11 times (total 13.2bn worth).

2. TSE REIT Index (with dividends)



TSE REIT Index	As of	1 week ago	1 month ago	3 months ago	6 months ago	1 year ago	3 years ago
	30 Dec 19	23 Dec 19	30 Nov 19	30 Sep 19	30 Jun 19	31 Dec 18	31 Dec 16
Index	4,450.34	4,374.04	4,584.30	4,477.77	3,947.76	3,543.83	3,422.06
% Change	-	1.7%	-2.9%	-0.6%	12.7%	25.6%	30.0%

Note: (1) TSE REIT Index (w/ dividends) of the last trading day of a month. 12/31/'04 = 100
(2) % chg: changes for each period.
Source: SMDAM, based on Datastream data.

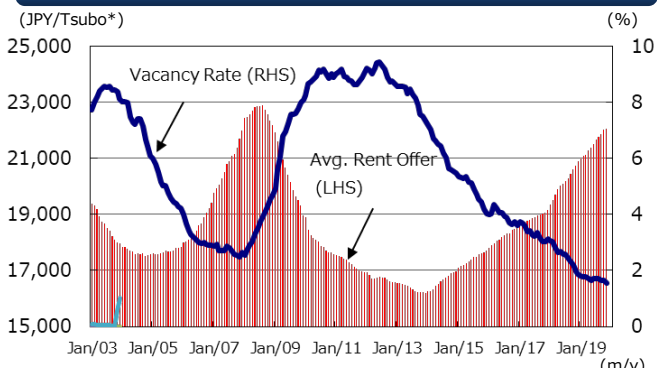
3. Top 10 REIT Constituents in J-REIT

(# of TSE REIT Index Components: 63)

	REIT	Code	Weight
1	NIPPON BUILDING FUND	J8951	7.0%
2	JAPAN REAL ESTATE INV.	J8952	6.6%
3	NOMURA RLST.MASTER FUND	J3462	5.5%
4	ORIX JREIT	J8954	4.3%
5	UNITED URB.INV.	J8960	4.2%
6	JAPAN RET.FD.INV.	J8953	4.0%
7	NIPPON PROLOGIS REIT	J3283	3.6%
8	DAIWA HOUSE REIT INV.	J8984	3.5%
9	GLP J-REIT	J3281	3.1%
10	ADVANCE RESIDENCE INV.	J3269	3.0%
	Others		55.3%
	Total		100.0%

Source: SMDAM, based on Datastream data. (As of the end of Dec 2019)

4. Tokyo Office Rent and Vacancy Rate



Notes: (1) Covering a period from January 2003 to Nov 2019(monthly basis).
(2) Tokyo 5 wards: Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku, and Shibuya-ku.
(3) Tsubo is a Japanese traditional unit of measuring area. One tsubo represents approx. 10.76 square feet or 3.3 square meters
Source: SMDAM, based on Datastream data.

Global REIT Monthly

January 2020

For your information only



Sumitomo Mitsui DS Asset Management

Sumitomo Mitsui DS Asset Management Company, Limited
Atago Green Hills MORI Tower 28th Floor
2-5-1 Atago, Minato-ku, Tokyo 105-6228, Japan
<https://www.smd-am.co.jp/english/>

1. Global REIT Market Monthly Review (for Dec 2019)

In December, the S&P Developed REIT Index (ex-Japan, with dividends, USD base) increased 0.1%. On a local currency basis, the REIT return decreased -0.5% and Forex rose 0.6%.

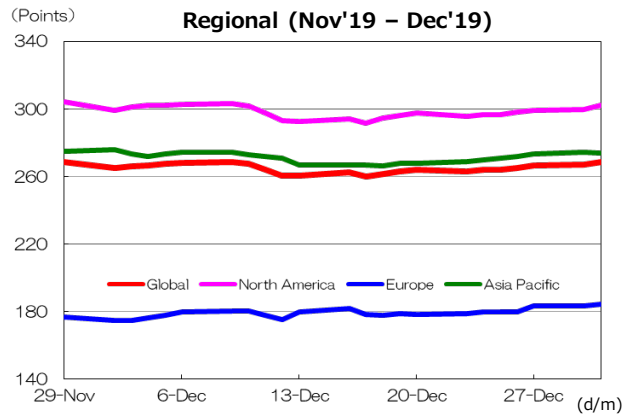
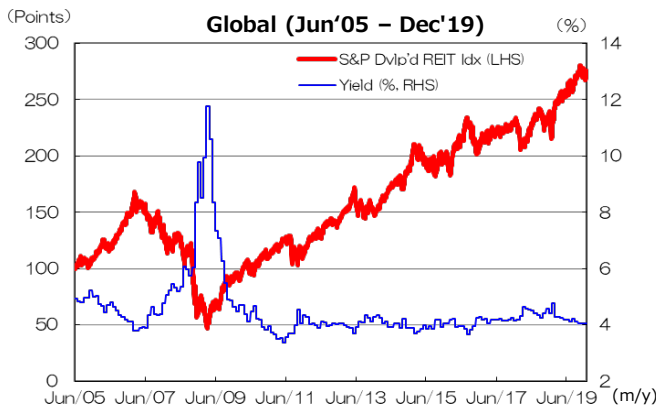
The US REIT market dropped against the long term interest rates hike, due to progress of US-China trade talk.

The European REIT market rose, as UK REIT market was solid in favor of improvement in uncertainty of Brexit as the Conservatives won the UK election.

The Australian REIT market declined due to Australian long term interest rates hike in line with global interest rates hike despite RBA maintained current policy rates level.

Regarding the Forex, AUD, EUR, GBP, CAD, SGP and HKD strengthened against USD.

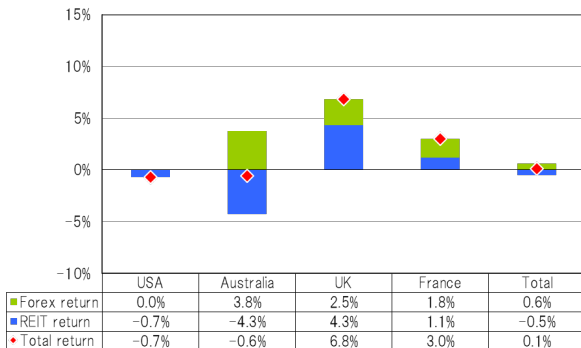
2. Global REIT Index (in USD)



As of 31 Dec 2019	1 week ago 24 Dec 2019	1 month ago 29 Nov 2019	3 months ago 30 Sep 2019	6 months ago 28 Jun 2019	1 year ago 31 Dec 2018	3 years ago 30 Dec 2016
Global	1.8%	0.1%	1.2%	6.8%	24.5%	28.3%
North America	1.8%	-0.7%	-0.7%	6.7%	24.6%	25.5%
Europe	2.7%	4.2%	13.9%	17.8%	30.1%	28.8%
Asia Pacific	1.0%	1.0%	2.7%	-0.9%	19.8%	45.3%

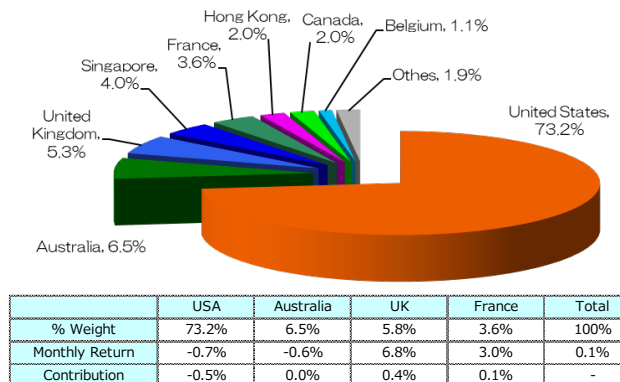
Note:
(1) Global index: S&P Developed REIT Index (ex-Japan, in USD)
Regional indexes are components of S&P Developed REIT Index.
(2) 6/1/05=100 for both charts
(3) % figures in the table indicate returns for each period
Source: SMDAM, based on FactSet data.

3. Return Contribution by Factors (Dec'19)



Note: Total-return breakdown of S&P Developed REIT Index (in USD) by forex and market factors, by countries.
Source: SMDAM, based on FactSet data.

4. Global % Weight by Markets (Dec'19)



Note: (1) S&P Developed REIT Index breakdown by country (ex-Japan, in USD).
(2) Contribution is calculated by multiplying each country's % weight by Monthly Return
Source: SMDAM, based on FactSet data.

Please read this disclaimer carefully. • This material is for non-Japanese institutional investors only. • The research and analysis included in this report, and those opinions or judgments as outcomes thereof, are intended to introduce or demonstrate capabilities and expertise of Sumitomo Mitsui DS Asset Management Company, Ltd. (hereinafter "SMDAM"), or to provide information on investment strategies and opportunities. Therefore this material is not intended to offer or solicit investments, provide investment advice or service, or to be considered as disclosure documents under the Financial Instruments and Exchange Law of Japan. • The expected returns or risks in this report are calculated based upon historical data and/or estimated upon the economic outlook at present, and should be construed no warrant of future returns and risks. • Past performance is not necessarily indicative of future results. • The simulated data or returns in this report besides the fund historical returns do not include/reflect any investment management fees, transaction costs, or re-balancing costs, etc. • The investment products or strategies do not guarantee future results nor guarantee the principal of investments. The investments June suffer losses and the results of investments, including such losses, belong to the client. • The recipient of this report must make its own independent decisions regarding investments. • The opinions, outlooks and estimates in this report do not guarantee future trends or results. They constitute SMDAM's judgment as of the date of this material and are subject to change without notice. • The awards included in this report are based on past achievements and do not guarantee future results. • The intellectual property and all rights of the benchmarks/indexes belong to the publisher and the authorized entities/individuals. • This material has been prepared by obtaining data from sources which are believed to be reliable but SMDAM can not and does not guarantee its completeness or accuracy. • All rights, titles and interests in this material and any content contained herein are the exclusive properties of SMDAM, except as otherwise stated. It is strictly prohibited from using this material for investments, reproducing/copying this material without SMDAM's authorization, or from disclosing this material to a third party.

Registered Number: Kanto Local Finance Bureau (KINSHO) No. 399 Member of Japan Investment Advisers Association, The Investment Trusts Association, Japan and Type II Financial Instruments Firms Association
© Sumitomo Mitsui DS Asset Management Company, Limited