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Media Release

Alpha Asia Macro Trends Fund III closes at approximately US$1.1 billion

Singapore, 17 January 2019 – Alpha Investment Partners Limited (Alpha), the private fund management arm of Keppel Capital Holdings Pte. Ltd. (Keppel Capital), has announced the final closing of the Alpha Asia Macro Trends Fund (AAMTF) III. Including co-investments, the fund raised a total of about US$1.1 billion (approximately S$1.5 billion[1]), exceeding its initial target of US$1.0 billion.

The fund has a diverse group of institutional investors including pension funds, endowments and insurance companies. They comprise new investors as well as those from Alpha's existing investor base.

AAMTF III is the third value-add pan-Asian fund in the Alpha Asia Macro Trends series. The series, launched in 2007, focuses on mega trends driving long-term growth in the Asia-Pacific, which include urbanisation, growing consumerism and intra-regional tourism.

AAMTF III targets to invest in multi-asset classes across key gateway cities in the Asia-Pacific region, including Singapore, Shanghai, Beijing, Tokyo, Sydney, Melbourne, Brisbane and Seoul. The target asset classes comprise retail and accommodation assets as well as offices, business parks and logistic facilities. To date, the fund has made investments in Shanghai, Tokyo and Brisbane. When fully leveraged and invested, AAMTF III will have assets under management (AUM) of about US$2.4 billion (approximately S$3.3 billion[1]).

Mr Alvin Mah, CEO of Alpha, said, "The successful closing of the AAMTF III is testament to the strong confidence that institutional investors have in Alpha's investment strategy and approach. With our experienced team, strong asset management capabilities on the ground and rigorous value creation initiatives, Alpha is well-positioned to seize investment opportunities to create value and drive returns for AAMTF III's investors."

Leveraging Alpha's disciplined investment approach and innovative asset management strategies, AAMTF III made its maiden divestment in December 2018 with the sale of The Kanda 282 in Tokyo, Japan.

The active asset management and value creation initiatives for The Kanda 282 enabled the fund to raise average rental and also improve operational efficiency to enhance net property income within the 28-month holding period. The successful execution of these value-adding initiatives allowed the fund to realise an internal rate of return of about 25% on the sale of the asset.

[1] Based on exchange rate of US$1 = S$1.37

In recognition of Alpha's commitment to improve asset performance through the incorporation of sustainability practices, both the AAMTF II and AAMTF III achieved the 'Green Star' status in the Global Real Estate Sustainability Benchmark 2018.

Since its inception in 2004, Alpha has made about US$10 billion worth of investments across its managed funds. Including AAMTF III, Alpha currently manages six real estate and data centre funds with total AUM of US$9.5 billion as at 31 December 2018 on a fully leveraged and invested basis.

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About Alpha Investment Partners

Alpha Investment Partners (Alpha) is a wholly-owned subsidiary of Keppel Capital, a premier asset manager in Asia and the asset management arm of Keppel Corporation Limited.

Alpha has been adding value for investors by constantly seeking innovative solutions throughout its investment process since 2004.

Alpha has an institutional investor base comprising renowned pension plans, financial institutions, fund of funds, insurance companies, endowments and family offices spanning Europe, North America, Asia and the Middle East.

Its private funds are invested in different asset classes including real estate and data centres, and across the risk spectrum in the core, core-plus, value-add and opportunistic space. Each fund has a specific strategy to leverage prevailing opportunities, as well as seek a blend of income and capital returns according to its risk profile. Alpha also manages the Alpha Real Estate Securities Fund, an open-ended fund that invests in listed REITs and real estate securities predominantly in Asia.

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