



Manulife
US REIT

FIRST PURE-PLAY
USA
OFFICE REIT IN ASIA



REITS Symposium Presentation

19 May 2018

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Holders of Units (“**Unitholders**”) have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

DBS Bank Ltd. was the Sole Financial Adviser and Issue Manager for the initial public offering of Manulife US Real Estate Investment Trust (“**Offering**”). DBS Bank Ltd., China International Capital Corporation (Singapore) Pte. Limited, Credit Suisse (Singapore) Limited and Deutsche Bank AG, Singapore Branch were the Joint Bookrunners and Underwriters for the Offering.

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2 Portfolio Performance

3 Moving Forward

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Overview and Highlights

Reputable Sponsor with Proven Track Record

Vertically-Integrated Real Estate Platform: Global Real Estate AUM of US\$17.5b

Sponsor



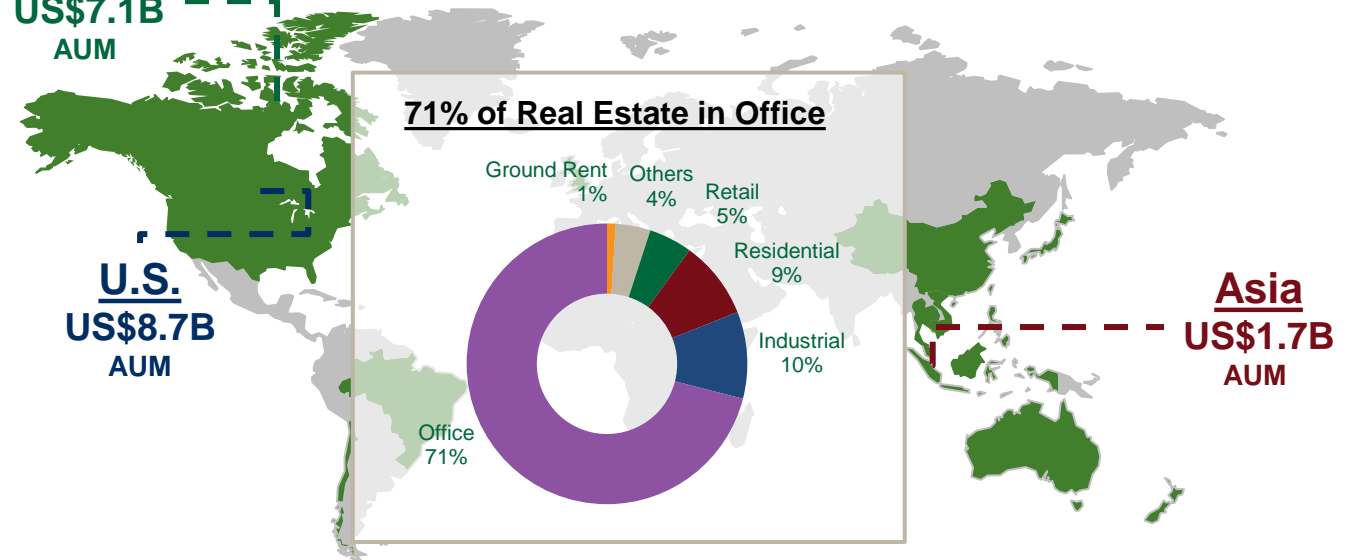
- AUM of US\$829.0bn with market capitalisation¹ of US\$37.6bn
- 4th largest life insurance company in North America by market capitalisation²
- Listed in Toronto, New York, Philippines, and Hong Kong
- Financial strength ratings³:
 - S&P AA-
 - Fitch AA-
 - Moody's A1
 - A.M. Best A+

Canada

US\$7.1B
AUM

U.S.
US\$8.7B
AUM

Asia
US\$1.7B
AUM



Manulife Asset Management Private Markets

- AUM US\$92.9bn

Global Real Estate

- AUM US\$17.5bn
- >80 years in real estate
- ~600 real estate professionals in 24 offices globally
- Strong leasing network of >1,000 tenants

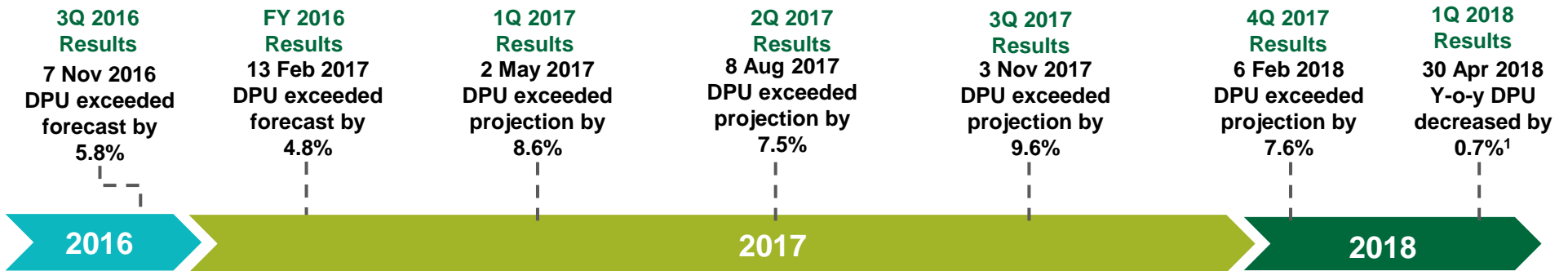
Note: All AUM in fair value basis as at 31 Dec 2017

(1) Market capitalisation of Manulife Financial Corporation as at 25 Apr 2018. Source: Bloomberg

(2) As at 25 April 2018. Ranking compared to nine peers in North America (Great-West Life, Sun Life, Industrial Alliance, MetLife, Prudential, The Hartford, Principal Financial, Lincoln Financial and AIG). Source: Bloomberg

(3) Financial Strength Ratings, which are current as at 31 Mar 2018. The ratings apply to the following entities within the Manulife family of companies: The Manufacturers Life Insurance Company, John Hancock Life Insurance Company (U.S.A.), John Hancock Life & Health Insurance Company and John Hancock Life Insurance Company of New York. Only the S&P rating also applies to Manulife (International) Limited while Manulife Life Insurance Company is rated A+ by S&P

Key Milestones since IPO



Value Creation since IPO



Asset Under Management²

69.2% ▲



Market Capitalisation³

89.6% ▲



Total Shareholder Return⁴

44.3% ▲



Unit Price⁴

30.1% ▲

1Q 2018 Performance



Financial Highlights

- Distributable Income: US\$15.6 million
Y-o-y increased 50.1%
- DPU: 1.51 US cents
Y-o-y decreased 0.7%¹



Portfolio

- Occupancy Rate: 95.8%
- WALE: 5.7 years



Acquisitions

Proposed acquisition of Penn and Phipps at total purchase price US\$387.0 million

Source: Bloomberg. Data is from 20 May 2016 (IPO) till 30 Apr 2018

(1) 1Q 2018 DPU is lower largely due to lower income from Figueroa and Michelson resulting from lower occupancies in these properties and higher income taxes in 1Q 2018 compared to 1Q 2017. This was offset by strong earnings from Plaza and Exchange properties acquired on 19 Jul 2017 and 31 Oct 2017, respectively, and therefore providing further diversification benefits to the portfolio

(2) Data as at 30 April 2018, excluding Penn and Phipps

(3) No of units issued: 20 May 2016 was 625,539,600 and 30 Apr 2018 was 1,036,072,644.

(4) Based on MUST opening price on 20 May 2016 (US\$0.73) and 30 Apr 2018 (US\$0.95) closing price. Unit prices were adjusted for the Rights Issue

Optimised Capital Structure and Increase Financial Flexibility

Established US\$1.0 billion Multicurrency Debt Issuance Programme¹

As at 31 Mar 2018

Gross Borrowings US\$461.9 million

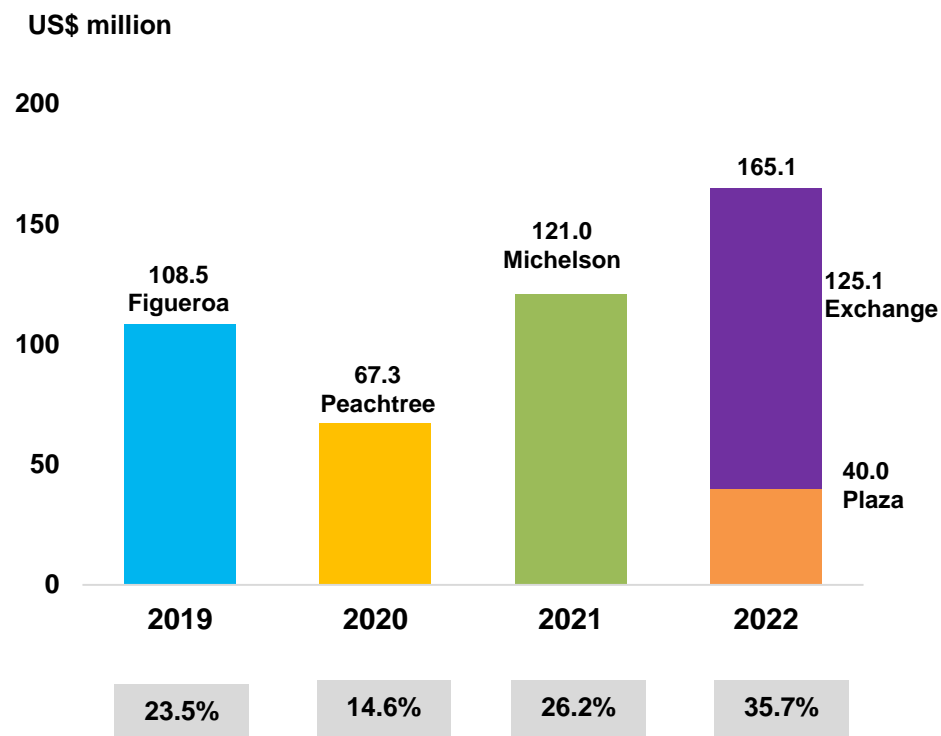
Gearing Ratio² 34.1%

Weighted Average Interest Rate 2.83% p.a.

Debt Maturity (weighted average) 3.2 years

Interest Coverage³ 4.7 times

Debt Maturity Profile



(1) Announced on 13 Apr 2018

(2) Based on gross borrowings as percentage of total assets

(3) Based on net income before finance expenses, taxes and net fair value change in investment properties, over finance expenses



Capitol Building

Department of Commerce

Washington Monument

National Mall

DAR - Constitution Hall

White House

1750 PENNSYLVANIA AVENUE

Department of Treasury

Federal Reserve

Lafayette Square

Pennsylvania Avenue

Federal Deposit Insurance Corporation

Executive Offices

17th Street

World Bank

World Bank

Portfolio Performance

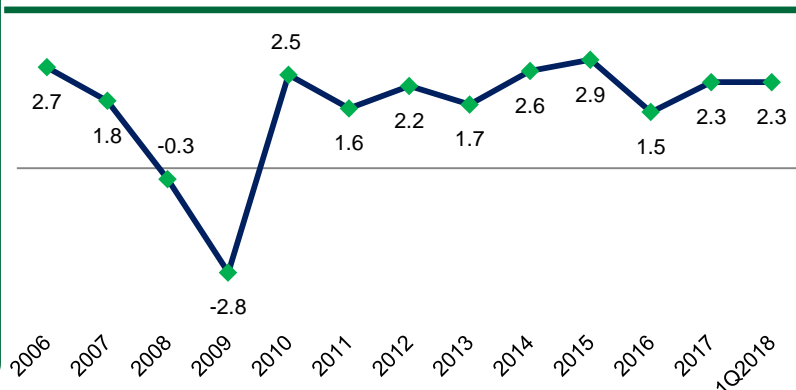
18th Street
Pennsylvania Avenue

Exposure to Largest Real Estate Market in the World

Robust U.S. Economic and Office Sector Dynamics

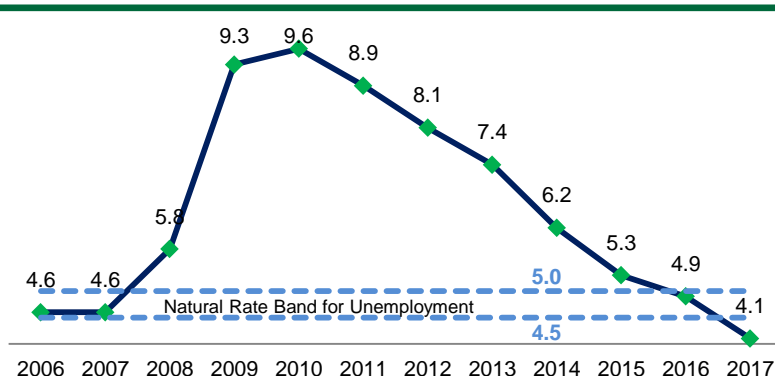
Steady economic growth

U.S. GDP Growth (Y-o-Y %)¹



- (1) GDP Growth Rate Source: U.S. Department of Commerce, Bureau of Economic Analysis (28 Mar 2018 and 27 Apr 2018)
 (2) Unemployment Rate Source: U.S. Department of Labor, Bureau of Labor Statistics. 2017 rate is as at 5 Jan 2018

U.S. Unemployment (%)²



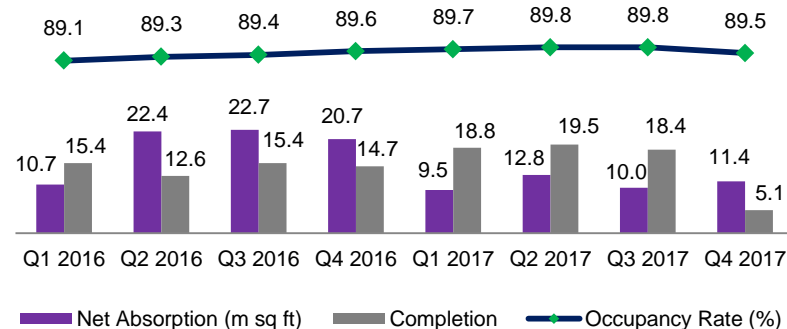
Favourable office sector outlook

U.S. Office Employment (Y-o-Y %)¹



- (1) Office employment includes the professional and business services, financial activities and information services sectors; Source: U.S. Bureau of Labour Statistics
 (2) Source: CoStar Market Analysis & Forecast Reports²

U.S. Office Net Absorption & Occupancy Rate²



First Class Portfolio and Trophy / Class A Assets

High Sponsor Commitment; Sponsor owns 100% of REIT Manager, Property Management and Asset Management



Enlarged Portfolio as at 31 Mar 2018⁽¹⁾

AUM	: US\$1.7 billion
NLA	: 3.7 million sq ft
WALE (by NLA)	: 6.2 years
Occupancy	: 96.1%

Investment Criteria

- Long WALE
- High Occupancy
- Live, Work, Play Environment
- Strong Economic Fundamentals
- Trophy/ Class A Assets

Acquisition targets

(1) Enlarged portfolio includes Penn and Phipps

Latest Update – Proposed Acquisition from Sponsor

Acquisition of Sponsor's Assets - Total Purchase Price US\$387.0 million

1750 Pennsylvania Ave, Washington, D.C. (Penn)



NLA	277,243 sq ft
Purchase Price ¹	US\$182.0 million
Occupancy Rate	97.2%
WALE (by NLA)	6.6 years
No. of Tenants	10

Phipps Tower, Atlanta (Phipps)



NLA	475,091 sq ft
Purchase Price ¹	US\$205.0 million
Occupancy Rate	97.4%
WALE (by NLA)	9.8 years
No. of Tenants	9

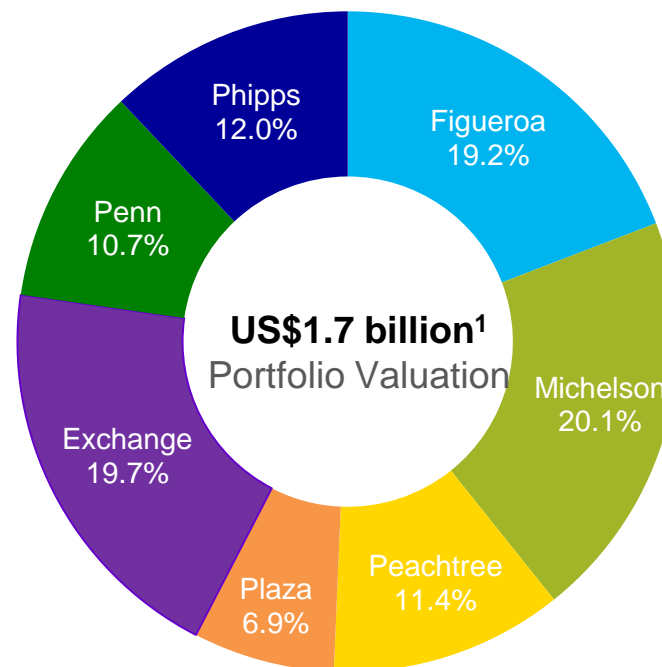
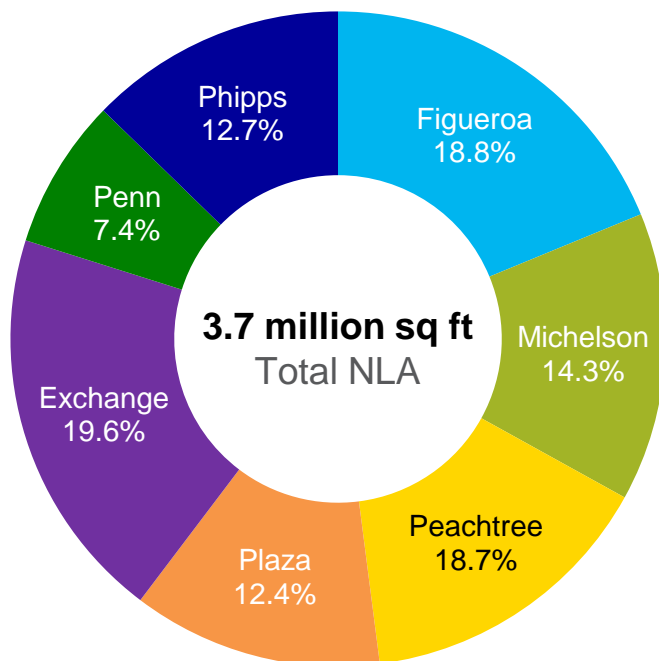
Data as at 31 Mar 2018

Announcement of proposed acquisition as at 13 Apr 2018

(1) Subject to closing and post-closing adjustments in the ordinary course of business

Portfolio Summary

As at 31 Mar 2018	Figueroa	Michelson	Peachtree	Plaza	Exchange	Penn	Phipps
Occupancy Rate	93.0%	96.5%	92.7%	98.9%	98.3%	97.2%	97.4%
WALE by NLA	4.7 years	4.2 years	5.6 years	8.1 years	6.5 years	6.6 years	9.8 years

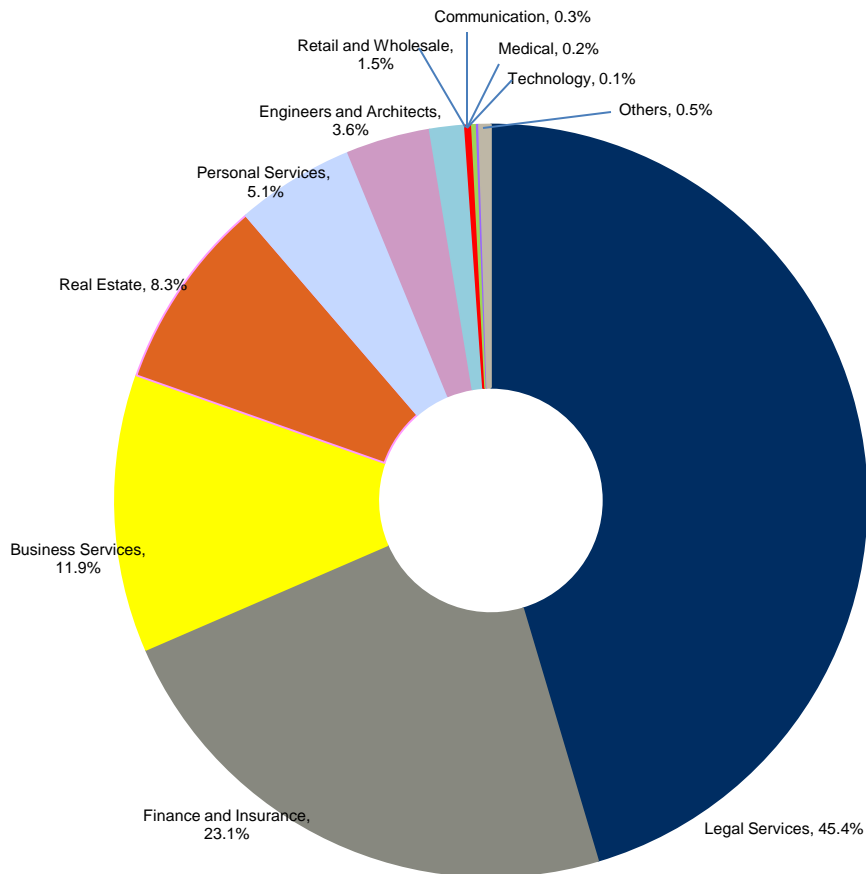


Data includes Penn and Phipps

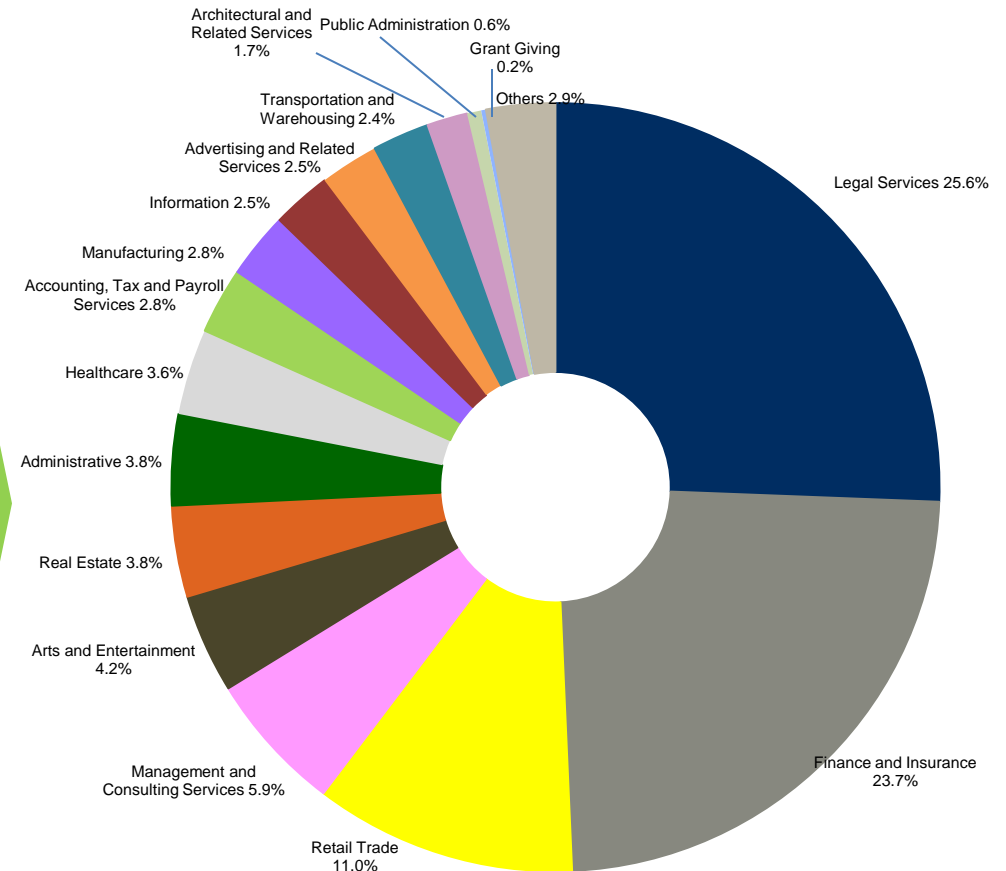
(1) Based on appraisals as at 31 Dec 2017 and after capitalisation of capital expenditures, tenant improvement allowances and leasing cost. Valuation of Penn and Phipps is based on purchase price

Fortifying Trade Sectors and Quality of Tenants Since IPO

IPO Portfolio¹ Trade Sector by GRI



Current Portfolio² Trade Sector by GRI



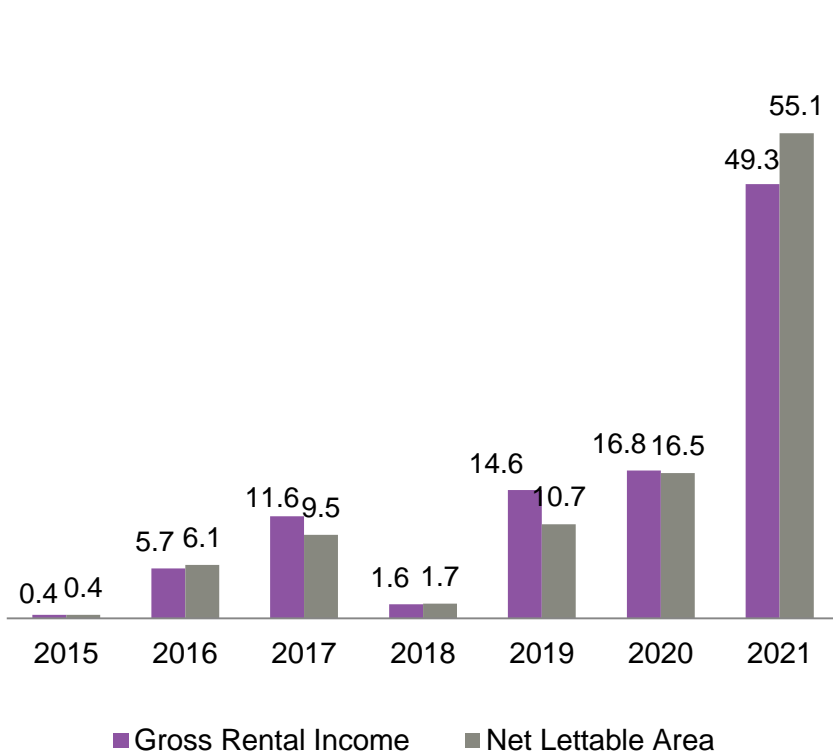
(1) Data as at 31 Dec 2015

(2) Data as at 31 Mar 2018, excluding Penn and Phipps

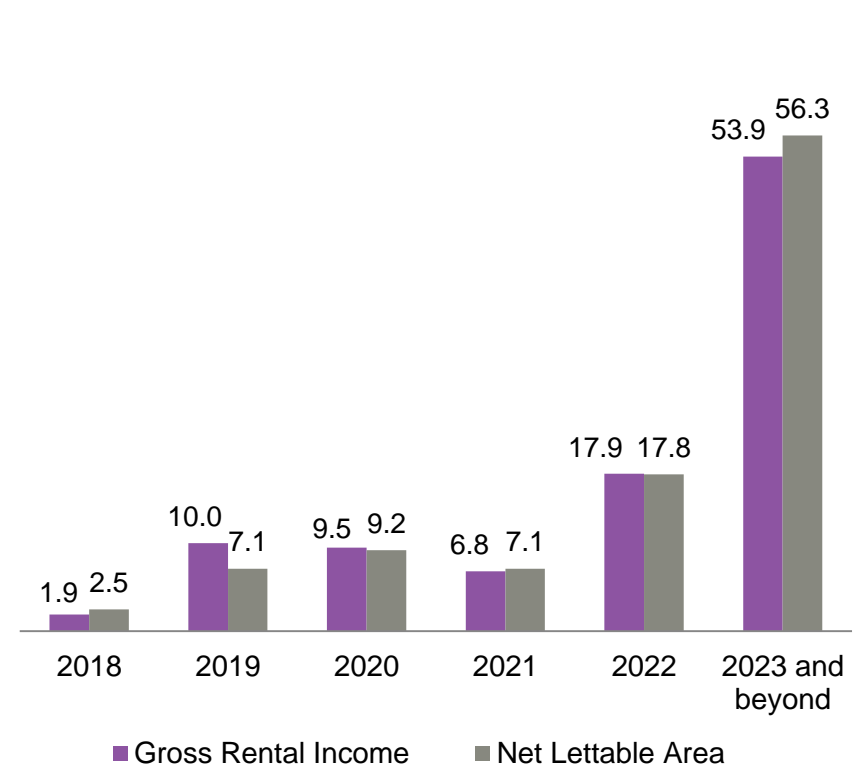
Resilient Portfolio with High Occupancy and Long WALE

Occupancy of 95.8%¹; WALE by NLA at 5.7 years¹

IPO Portfolio Lease Expiries Profile (%)²



Lease Expiry Profile as at 31 Mar 2018 (%)¹



(1) Data as at 31 Mar 2018, excludes Penn and Phipps

(2) Data as at 31 Dec 2015

Limited Supply in Key Locations with Rental Growth

Market	Rentable Building Area ¹ (mil sq ft)	Vacancy ¹ (%)	Gross Asking Rent ¹ (US\$)	Net Absorption ¹ (‘000 sq ft)	12 Month Rent Growth ² (%)	New Properties Under Construction (‘000 sq ft)	Property Name	Delivery Year
Downtown Los Angeles	40.1	14.3	43.10	(3.5)	3.5	0	N/A	N/A
Irvine, Orange County	14.4	17.2	35.75	21.8	3.4	0	N/A	N/A
Midtown Atlanta	16.9	10.1	36.92	(14.2)	6.4	277	NCR	2018
						343	Ponce	2019
						760	Coda	2019
						352	Anthem	2020
Meadowlands³	3.5	14.4 ⁴	29.39	0	(0.1)	0	N/A	N/A
Hudson Waterfront⁵	18.9	16.3	41.40	(195.5)	(0.1)	0	N/A	N/A

Source: CoStar Market Analysis & Forecast – As at 16 April 2018

(1) Class A inventory

(2) All building classes

(3) Secaucus is within the Meadowlands submarket

(4) Vacancy and availability include old and uncomparable buildings where else Plaza's competitive set has vacancy rate of only 6%

(5) Jersey City is within the Hudson Waterfront submarket

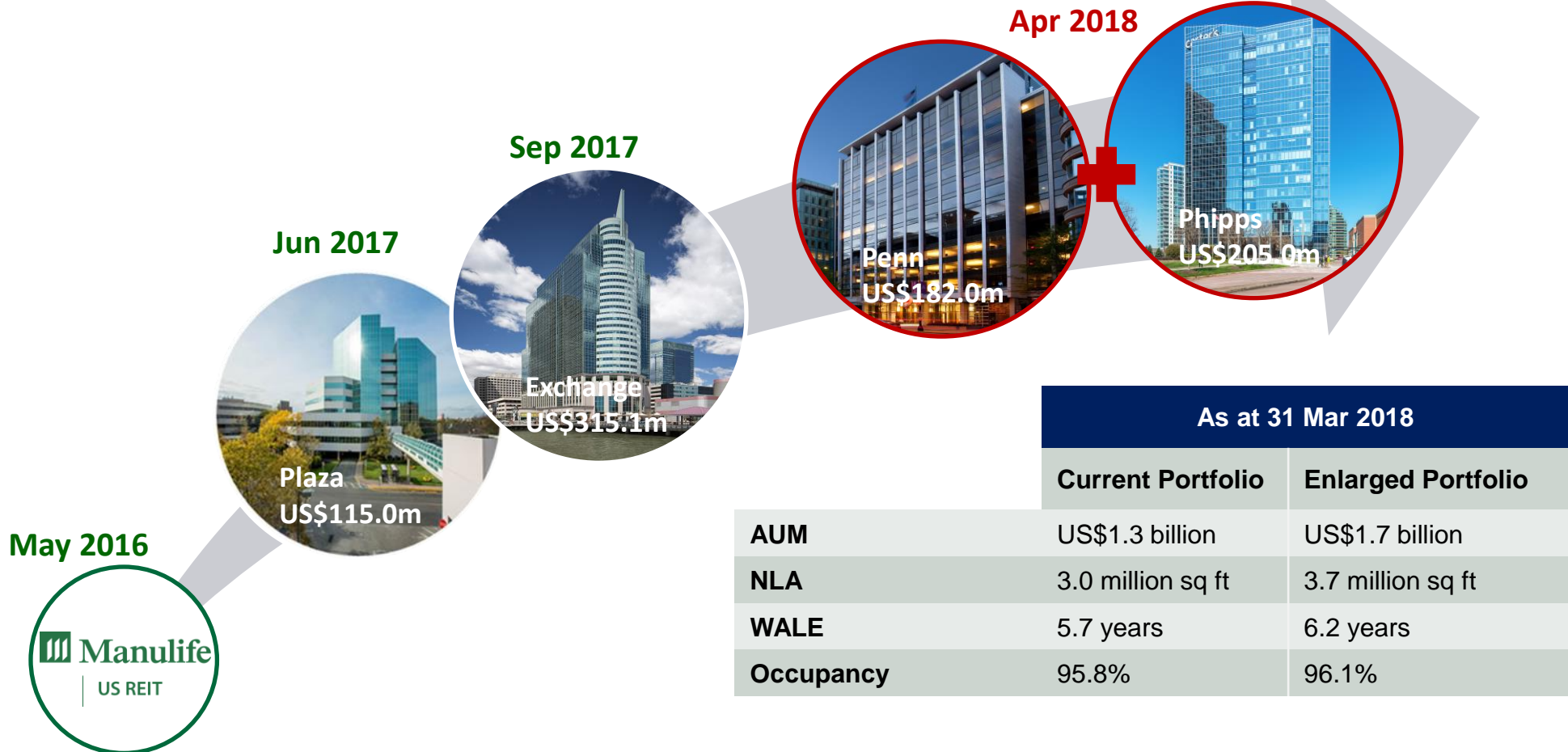


Moving Forward

Exchange, Jersey City

Expanding Beyond - Fortifying the Portfolio

Target to Double AUM from US\$1.3b to US\$2.6b in Two Years with Accretive Acquisitions



Figuroa, Michelson, Peachtree
AUM US\$777.5m

	As at 31 Mar 2018	
	Current Portfolio	Enlarged Portfolio
AUM	US\$1.3 billion	US\$1.7 billion
NLA	3.0 million sq ft	3.7 million sq ft
WALE	5.7 years	6.2 years
Occupancy	95.8%	96.1%



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<http://www.manulifeusreit.sg>

Tax Structure¹

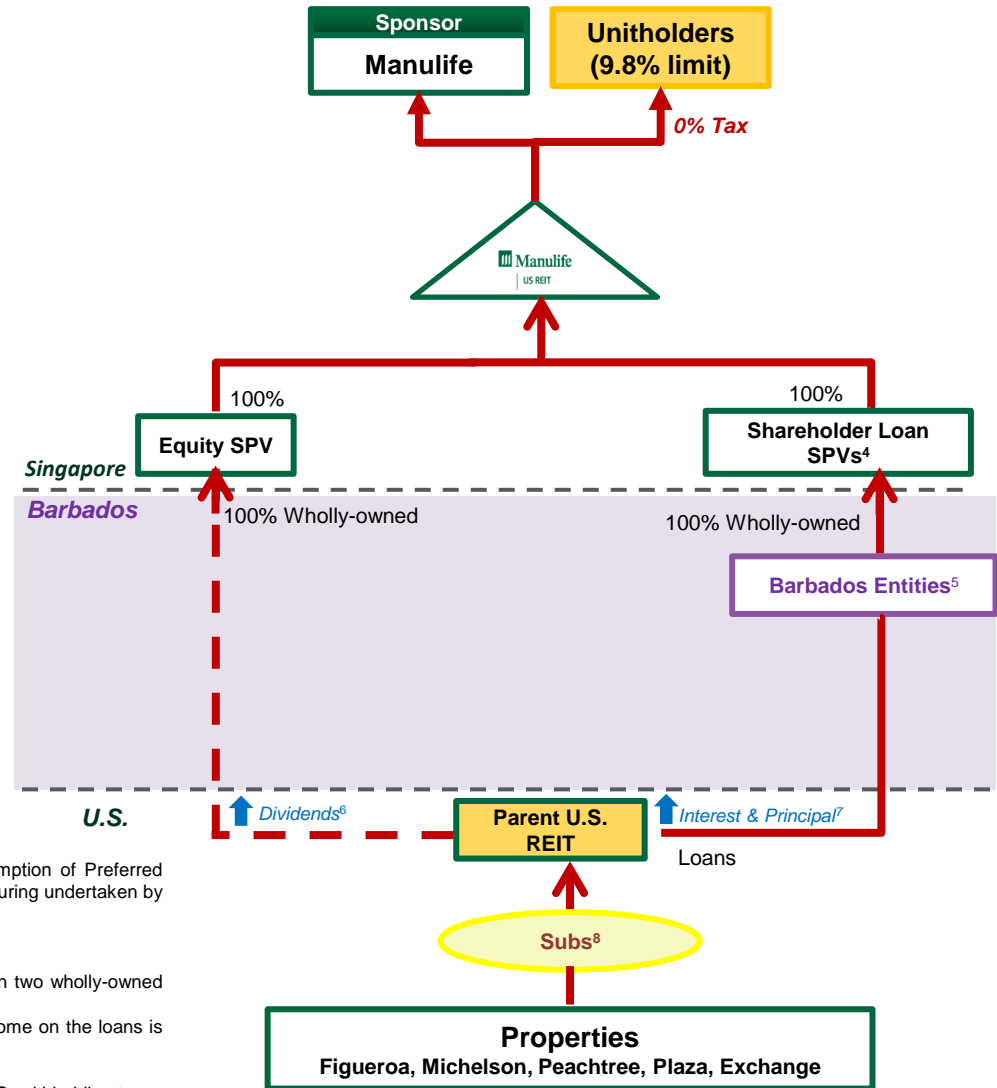
No 30%² withholding tax on interest and principal on shareholder's loan - **US Portfolio Interest Exemption Rule**

Zero tax in Singapore - **Foreign sourced income not subject to tax**

Distribution from US to Singapore through combination of dividends, and/or interest payments and principal repayments on shareholder loans

No single investor to hold more than 9.8% (including the sponsor) - 'Widely Held'³ rule for REITs in US

Manager will actively manage to minimise or pay no dividends from Parent U.S. REIT to Equity SPV



- (1) As at 1 January 2018. Please refer to the SGX announcement dated 2 January 2018 titled "Redemption of Preferred Shares by U.S. REITs and Proposed Establishment of Wholly-Owned Entities" for details of the restructuring undertaken by MUST
- (2) For U.S. and non U.S. persons filing valid tax forms
- (3) No less than 5 persons holding 50% of company
- (4) There are three wholly-owned Shareholder Loan SPVs, each of which has made equity investments in two wholly-owned Barbados entities which had formed a Barbados Limited Partnership
- (5) The Barbados Limited Partnerships have extended loans to the Parent U.S. REIT and the interest income on the loans is taxed in Barbados
- (6) Subject to 30% withholding tax
- (7) Principal repayments are not subject to U.S. withholding taxes. Interest payments are not subject to U.S. withholding taxes assuming Unitholders qualify for portfolio interest exemption and provide appropriate tax certifications, including an appropriate IRS Form W-8
- (8) Each Sub holds an individual property

Portfolio Overview

	Figueroa	Michelson	Peachtree	Plaza	Exchange
Location	Los Angeles	Irvine	Atlanta	Secaucus	Jersey City
Property Type	Class A	Trophy	Class A	Class A	Class A
Completion Date	1991	2007	1991	1985	1988
Last Refurbishment	2015	-	2015	2016	-
Property Value (US\$ million)	326.3	342.1	194.2	118.0	334.8
Occupancy (%)	93.0	96.5	92.7	98.9	98.3
NLA (sq ft)	701,978	532,663	557,589	461,525	730,823
No. of Tenants	29	15	25	7	25
Avg Gross Rent (US\$ psf p.a.)	39.53	49.98	32.05	30.09	39.45
WALE (by NLA)	4.7 years	4.2 years	5.6 years	8.1 years	6.5 years
Lease Expiry (by NLA): 2018	3.5%	2.2%	0%	0.0%	5.0%
2019	2.2%	29.8%	4.0%	0.0%	2.0%
2020	2.8%	10.0%	9.7%	22.1%	6.1%
2021	13.0%	0.8%	4.6%	0.0%	12.5%
2022	30.5%	25.1%	11.2%	2.7%	15.3%
2023 and beyond	48.0%	32.1%	70.5%	75.2%	59.1%

Data as at 31 Mar 2018
Please refer to the website for the video of properties

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