



# NikkoAM-StraitsTrading Asia ex Japan REIT ETF

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Unlocking Opportunities in  
Asia's Real Estate Growth

**YOUR GOALS, OUR COMMITMENT.**

# Why invest in NikkoAM-StraitsTrading Asia ex Japan REIT ETF?

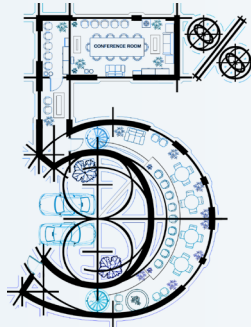
## World's first Asia ex Japan REIT ETF

### 1 Regular Dividend Distribution

\* Based on distribution per unit of REITs in the Index^ over the period of 2011 – 2018.

Source: FTSE, 31 December 2018

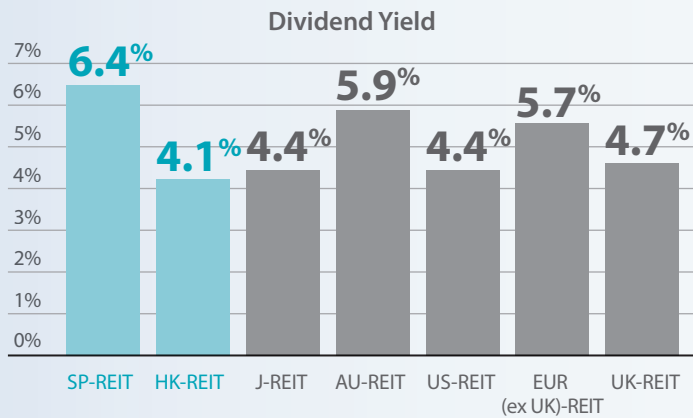
^ Index refers to the FTSE EPRA NAREIT Asia ex Japan Net Total Return REIT Index



per annum\*

### 2 Attractive Dividend Yield

Asia ex Japan Real Estate Investment Trusts (REITs) offer some of the most attractive yields across the world.



Source: Bloomberg, as of 9 January 2019

Past performances may not be indicative of future performances.

### 3 Attractive Returns

Index has attractive return potential compared to a Broad-Based Equity Index.

**REITs Index vs Broad-Based Equity Index**  
(from Jan 2012 to Dec 2018 – rebased to 100 as of Jan 2012)



— Asia REITs Index: FTSE EPRA NAREIT Asia ex Japan Net Total Return REIT Index

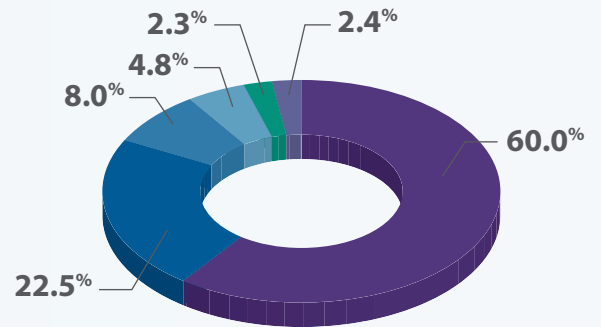
— Asia Broad-Based Equity Index: FTSE Asia Pacific ex Japan, Australia & New Zealand Index

Source: FTSE, as of 31 December 2018 (in SGD terms)

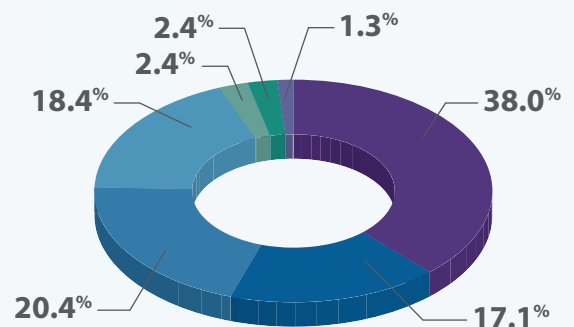
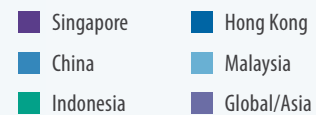
Past performance may not be indicative of future performance.

### 4 Regional Diversification with Single Trade

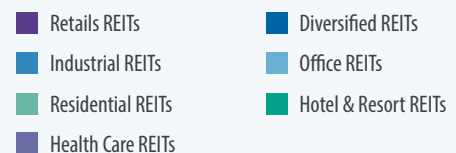
Exposure to diverse properties such as financial hubs, tech hubs, hospitals, residential and industrial properties, malls and hotels, diversified geographically across Asia ex Japan.



**Geographic Breakdown**



**REIT Sub-Industry Breakdown**



Source: FTSE, as of 31 October 2018

### 5 Strategic Partnership with Straits Trading

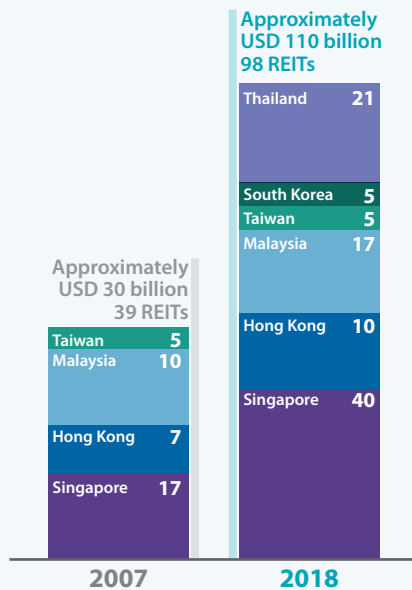
Leverage the expertise of Straits Trading:

- Diversified investment company with strategic real estate holdings
- Extensive experience in real estate management

## Why Asia REITs?

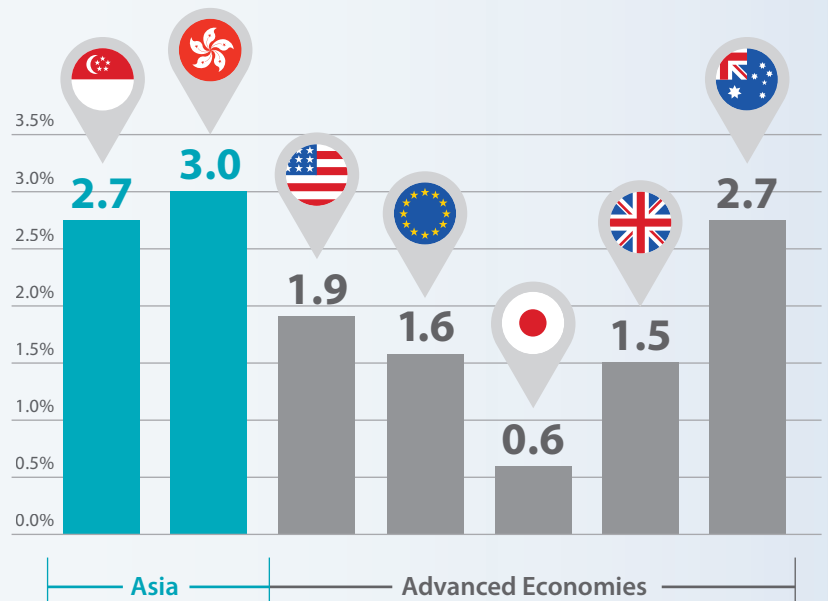
- One of the fastest growing asset classes
- Growth opportunities in Asia's urbanisation
- High-quality regional REITs (especially SG & HK)
- Strong regulatory support
- Low investment sum to enjoy regular dividend distribution
- Robust economic fundamentals

**Growth of Asia REITs by Market Capitalisation and Numbers**



Source: Bloomberg, Nikko AM, as of 31 December 2018

**Real GDP Growth Estimate (2019 - 2022)**



Source: IMF World Economic Outlook, as of October 2018

## Advantages of REITs over physical real estate

- Greater liquidity
- Exposure to diversified basket of properties
- Lower capital investment
- REITs distribute the majority of their taxable income to shareholders annually

### Common drawbacks of rental properties:

- High investment quantum
- Low liquidity
- Maintenance costs
- Cost of vacancy
- Tenant issues

## Why FTSE EPRA NAREIT Asia ex Japan Net Total Return REIT Index?

The FTSE EPRA NAREIT Asia ex Japan Net Total Return REIT Index forms part of the FTSE EPRA NAREIT Global Real Estate Index Series.

### Benefits:

- Transparent, rules-based methodology
- Exclusive partnership with leading REIT Trade associations:
  - EPRA: European Public Real Estate Association
  - NAREIT: National Association of Real Estate Investment Trust
- Industry leader:
  - Index tracked by more than 26 ETFs with USD10 Billion in AUM
  - Real estate index with longest track record

Source: FTSE, June 2017

## About Nikko Asset Management

With USD220.5 billion (25.05 trillion yen)\* under management, Nikko Asset Management is one of Asia's largest asset managers, providing high-conviction, active fund management across a range of Equity, Fixed Income, Multi-Asset and Alternative strategies. In addition, its complementary range of passive strategies covers more than 20 indices and includes some of Asia's largest exchange-traded funds (ETFs). Headquartered in Asia for nearly 60 years, the firm represents more than 190 investment professionals and over 30 nationalities\*\* across 10 countries. More than 300 banks, brokers, financial advisors and life insurance companies around the world distribute the company's products. The investment teams benefit from a unique global perspective complemented by the firm's historic Asian DNA, striving to deliver consistent excellence in performance. The firm also prides itself on its progressive solution-driven approach, which has led to many innovative funds launched for its clients.

\* Consolidated assets under management and sub-advisory of Nikko Asset Management and its subsidiaries as of September 30, 2018.

\*\* As of September 30, 2018, including employees of Nikko Asset Management and its subsidiaries.

## Fund Information

Benchmark	FTSE EPRA NAREIT Asia ex Japan Net Total Return REIT Index
Listing Date	29 March 2017
Fund Structure	Open-ended Listed Unit Trust, with Exchange Traded Fund feature
Lot Structure	100 units per lot
Dividend Distribution Frequency*	Dividends (if any) would be paid quarterly at the Manager's discretion
Valuation Frequency	Daily
Listing	Singapore Exchange
Manager	Nikko Asset Management Asia Limited
Trustee	HSBC Institutional Trust Services (Singapore) Limited
Fund Auditor	PricewaterhouseCoopers LLP (Singapore)
Designated Market Makers	Commerzbank AG (Hong Kong), Flow Traders Asia Pte Ltd
ISIN Stock Code	SG1DE9000003

Primary Currency (S\$)		Secondary Currency (US\$)	
SGX Stock Code	CFA	SGX Stock Code	COI
SGX Trading Name	NikkoAM-STC Asia REIT	SGX Trading Name (USD)	NikkoAM-STC A_REIT US\$
Bloomberg Ticker	AXJREIT SP	Bloomberg Ticker (USD)	AXJREUS SP



Find out more on

[nikkoam.com.sg/etf/asia-ex-japan-reit-sgd](http://nikkoam.com.sg/etf/asia-ex-japan-reit-sgd)

\* Distributions are not guaranteed and are at the absolute discretion of the Manager. The Fund's ability to pay distributions on the units is dependent on the dividends declared and paid by the REITs whose securities are held by the Fund and the level of fees and expenses payable by the Fund.

The performance of the ETF's price on the Singapore Stock Exchange ("SGX") may be different from the net asset value per unit of the ETF. The ETF may also be delisted from the SGX. Transaction in units of the ETF will result in brokerage commissions. Listing of the units does not guarantee a liquid market for the units. Units of the ETF may be bought or sold throughout trading hours of the SGX through any brokerage account. Investors should note that the ETF differs from a typical unit trust and units may only be created or redeemed directly by a participating dealer in large creation or redemption units. Investors may only redeem the units with Nikko AM Asia under certain specified conditions.

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