



Today's Theme  Asia

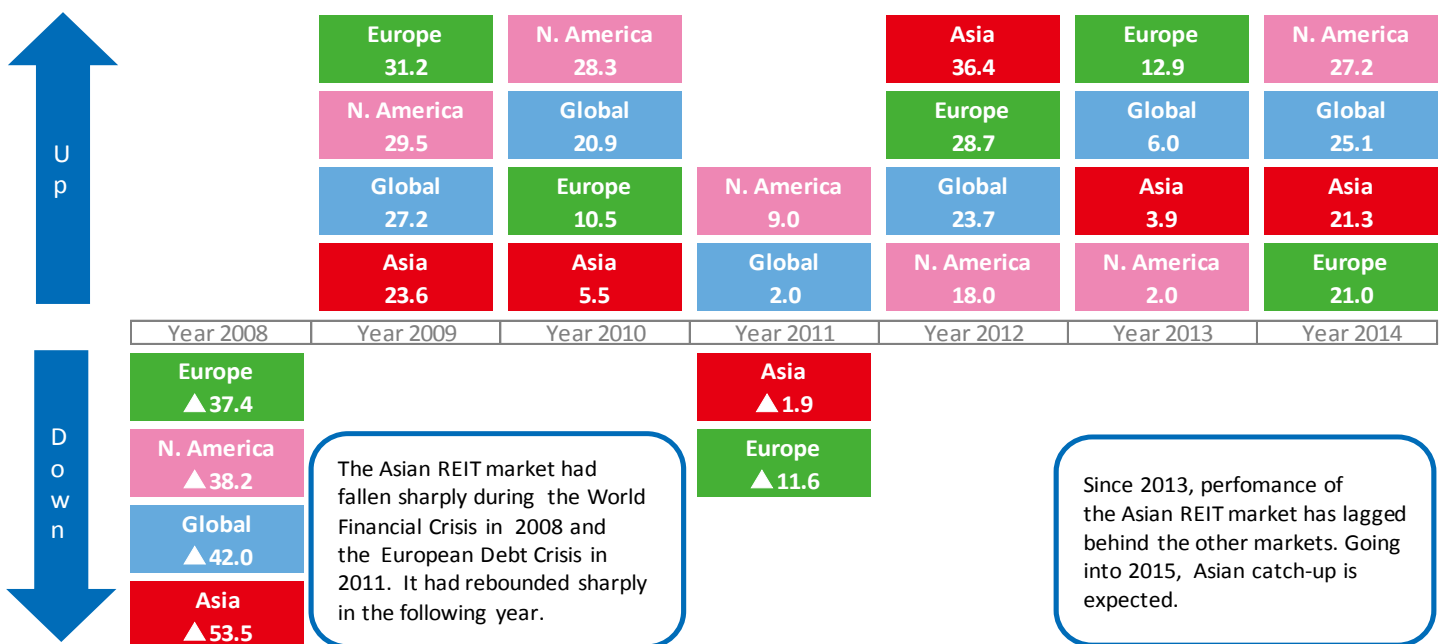
## Asian REIT Markets

### Q What is the outlook for Asian REIT markets in 2015?

**A** Dividend increase through Asia's high economic growth would support the Asian REIT market. Relatively higher dividend yields compared to those of other regions are also attractive on top of the high growth perspective.

- While Asian REIT markets showed a steady performance lately, if you compare the performance with those of other regions from end of 2012 to end of November 2014 the Asian REIT markets lagged behind them. (Asia: +26%, North America: +30% and Europe: +37%).
- Average P/B ratio (Price to Book Ratio as of November end 2014) of the Asian REIT markets is staying at 1.2 times, relatively low level compared to the North American market (2.5 times) and the European market (1.3 times).
- Average dividend yield of the Asian REIT markets is 5.4% (as of 2014 November end), hovering at an attractive level compared to those of the North American market (3.6%) and the European market (3.9%).
- High economic growth is expected in Asia by the increase in labour population and the expansion of middle income class people. We expect the Asian REIT markets to move on firm tones along with the region's sound economic growth and high level of dividend yield.

"Annual Performance of REIT Indices by Region (%)"



(Note) 1. Data period: From 2008 to 2014. For 2014 till November end.  
2. The REIT Indices used for above performance measurement: S&P Global REIT Index for the global market, S&P Asia Pacific REIT Index for the Asian market, S&P North America REIT Index for the North American market and S&P Europe REIT Index for the European market. The all index returns are on local currency basis including dividends.

(Source) SMAM, based on FactSet data.

## Disclaimer

### **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 Asset Management Company, Ltd. (hereinafter “SMAM”), 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 may 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 SMAM’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/indices 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 SMAM 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 SMAM, except as otherwise stated. It is strictly prohibited from using this material for investments, reproducing/copying this material without SMAM’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 Asset Management Company, Limited