

A photograph of the Statue of Liberty in the foreground, holding a torch aloft. In the background, the New York City skyline is visible across the water under a clear blue sky.

 **Manulife**

| US REIT

Extraordinary General Meeting
19 September 2017

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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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Note: For defined terms not defined herein, please refer to the Circular dated 2 Sep 2017



Overview of Acquisition

Proposed Acquisition of 10 Exchange Place




Property	Exchange
Description	30-storey freehold Class A office building
Location	10 Exchange Place, Jersey City, New Jersey
NLA	730,598 sq ft
Year of Completion	1988
Purchase Price	US\$313.2 million ¹ (US\$428.69 psf)
Valuation	RERC: US\$336 million ² Colliers: US\$330 million ²
Occupancy Rate	93.1% ³
WALE (by NLA)	5.7 years ³
Tenants	25

(1) The purchase consideration is US\$317.2 million comprising of purchase price US\$313.2 million and settlement adjustments estimated at US\$4.0 million. Settlement adjustments include, among other items, purchase price impact of new leases at the Property under negotiation, and capital improvements (if any) and leasing costs that have been paid by JHUSA and are to be reimbursed by Manulife US REIT to JHUSA, which will be paid at the closing of the Acquisition. The settlement adjustment of US\$4.0 million is based on estimates as at the Latest Practicable Date. The final settlement adjustments may differ from the estimates provided above.

(2) Valuation for the Property is based on independent valuations by RERC and Colliers as at 11 Jul 2017 and 18 Jul 2017 respectively

(3) As at 31 Jul 2017

Solidify Geographical Diversification



Figuroa
 NLA¹: 699,372 sq ft
 Value²: US\$325.0m




NEW



Exchange
 NLA¹: 730,598 sq ft
 Value⁴: US\$333.0m




Plaza
 NLA¹: 461,725 sq ft
 Value³: US\$116.0m



Michelson
 NLA¹: 532,603 sq ft
 Value²: US\$342.0m

Enlarged Portfolio ¹	
Total NLA	: 2,980,220 sq ft
Valuation	: US\$1,306.5 million
WALE (by NLA)	: 5.9 years
Occupancy	: 95.8%
Land Tenure	: 100% freehold
No. of Tenants	: 102



Peachtree
 NLA¹: 555,922 sq ft
 Value²: US\$190.5m

(1) As at 31 Jul 2017
 (2) Based on 30 Jun 2017 appraised values
 (3) Based on independent valuation by Cushman & Wakefield as at 2 Jun 2017
 (4) Based on the average of the independent valuations by RERC and Colliers as at 11 Jul 2017 and 18 Jul 2017 respectively



Key Rationale and Benefits

Key Rationale – Growing from Strength to Strength

1 Exposure to Prime Office Submarket Minutes from NYC

2 High-Quality Waterfront Property at an Attractive Discount¹

3 Expand Tenant Base

4 Accretive Acquisition Funded by Rights Issue

5 Increase Market Cap and Trading Liquidity

(1) As compared to appraised values

Exposure to Prime Office Submarket Minutes from NYC

Acquisition of Sponsor's Class A Office Building

- Spectacular view of Manhattan, NYC skyline
- Highly desirable for residential environment - "Live, work, play"
- Close proximity to three major airports – Newark, LaGuardia and John F. Kennedy
- Cheap alternative to Manhattan, attracting global institutions: Goldman Sachs, JPMorgan Chase, UBS, Bank of America Merrill Lynch
- 24 hour round-the-clock amenities



See the Independent Market Research Report by C&W in Appendix C of the Circular dated 2 Sep 2017 for more details.

Exposure to Prime Office Submarket Minutes from NYC



**EXCELLENT
TRANSPORT
CONNECTIVITY TO
NEW YORK CITY**

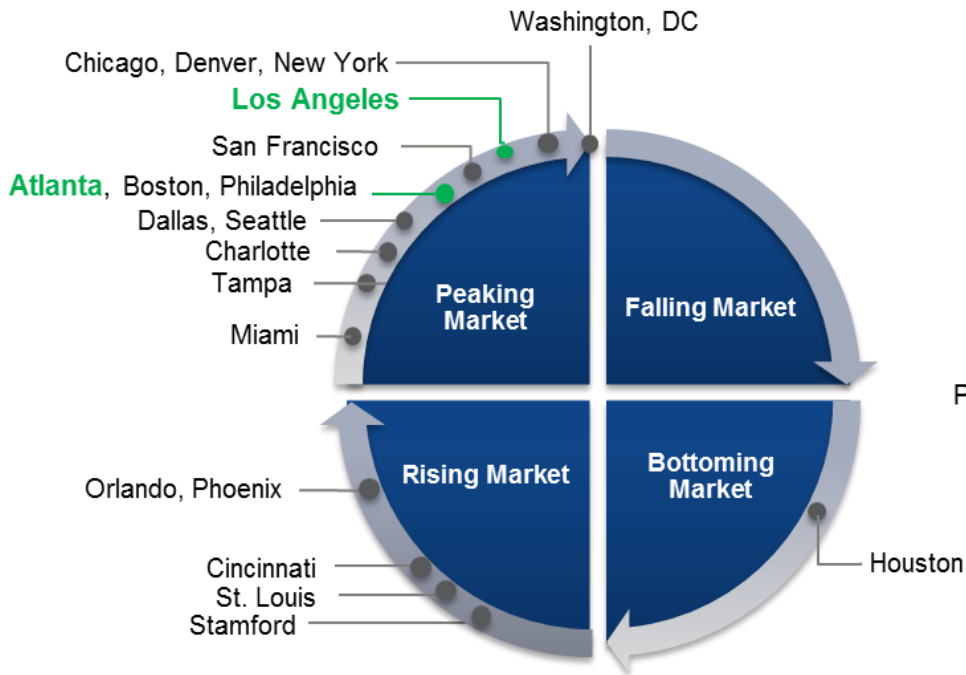
10
MINUTES by 

10
MINUTES by 

20
MINUTES by 

Exchange Located in Rising Market

Rental Cycle, CBD U.S. Markets ¹



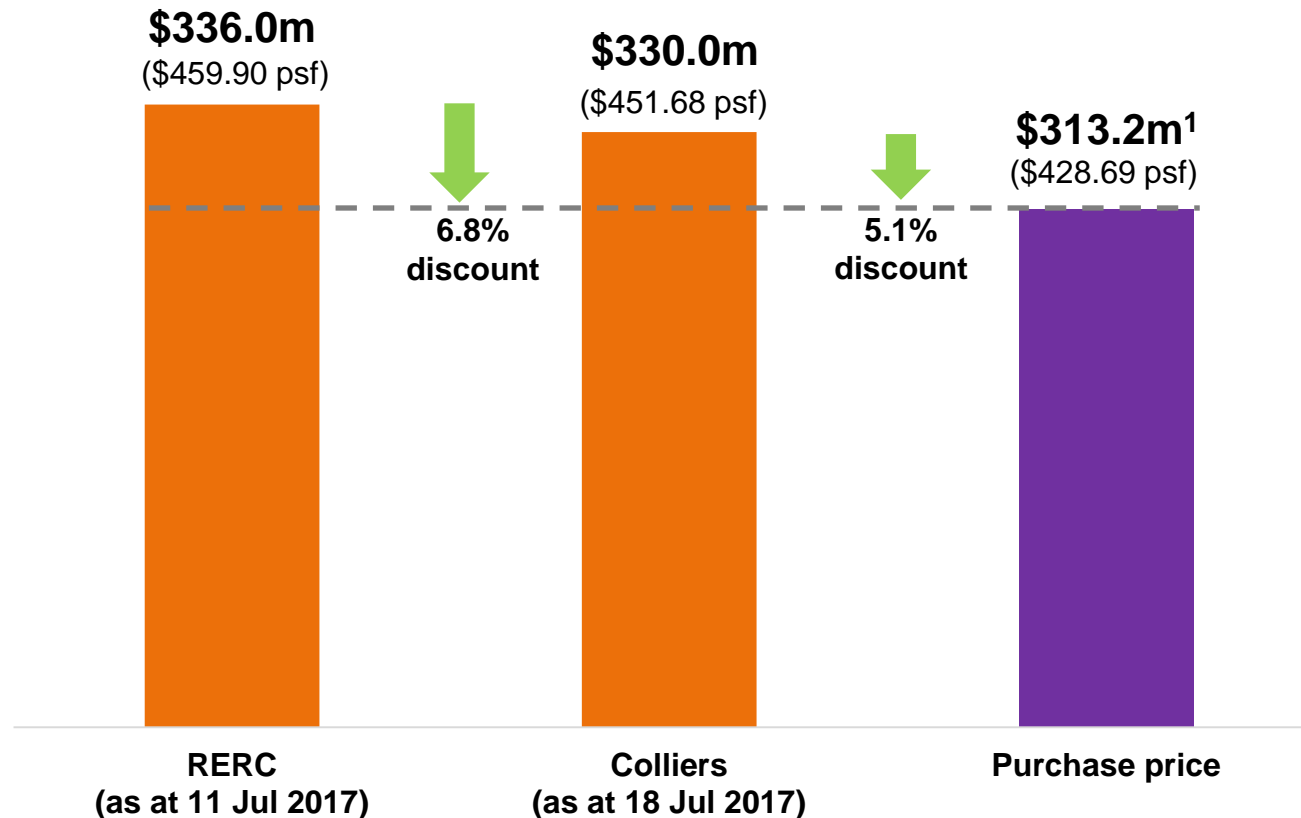
Rental Cycle, Suburban U.S. Markets ¹



(1) Source: JLL as at 2Q 2017. Retrieved from <http://www.us.jll.com/united-states/en-us/research/office>

High-Quality Waterfront Property at an Attractive Discount

Purchase Price at Attractive 6.8% to 5.1% Discount to Appraised Values



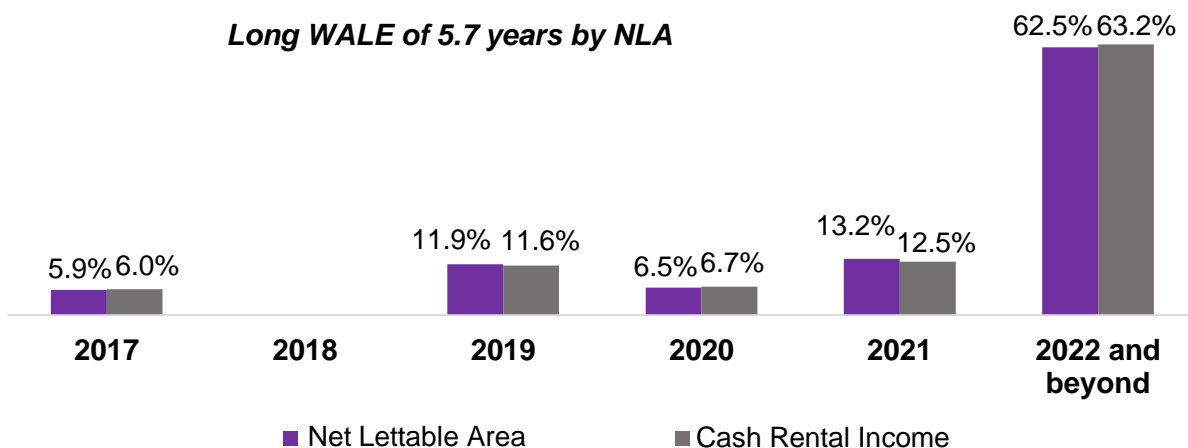
(1) The purchase consideration is US\$317.2 million comprising of purchase price US\$313.2 million and settlement adjustments estimated at US\$4.0 million. Settlement adjustments include, among other items, purchase price impact of new leases at the Property under negotiation, and capital improvements (if any) and leasing costs that have been paid by JHUSA and are to be reimbursed by Manulife US REIT to JHUSA, which will be paid at the closing of the Acquisition. The settlement adjustment of US\$4.0 million is based on estimates as at the Latest Practicable Date. The final settlement adjustments may differ from the estimates provided above.

Long WALE with High Quality Tenants

High Occupancy Rate of 93.1%¹ with Strong Tenant Base

Lease Expiry Profile of the Property¹ (%)

Long WALE of 5.7 years by NLA



- ✓ Over 60% by NLA and CRI expiring in 2022 and beyond
- ✓ Majority of leases with built-in rental escalations, typically mid-term or periodic
- ✓ Passing rent of US\$38.18 psf vs market rent of US\$46.34 psf

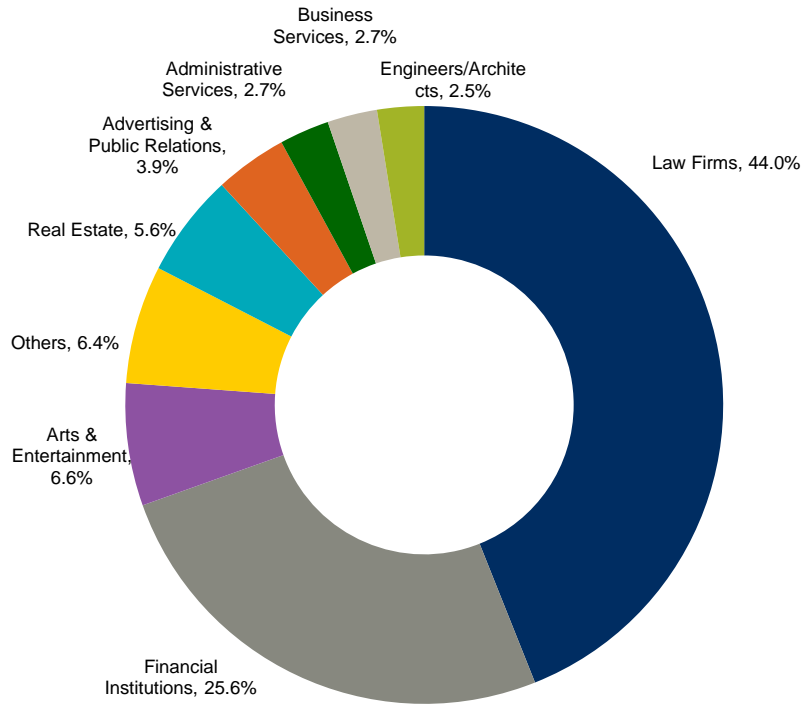
(1) As at 31 Jul 2017

Top 10 Tenants by Cash Rental Income¹

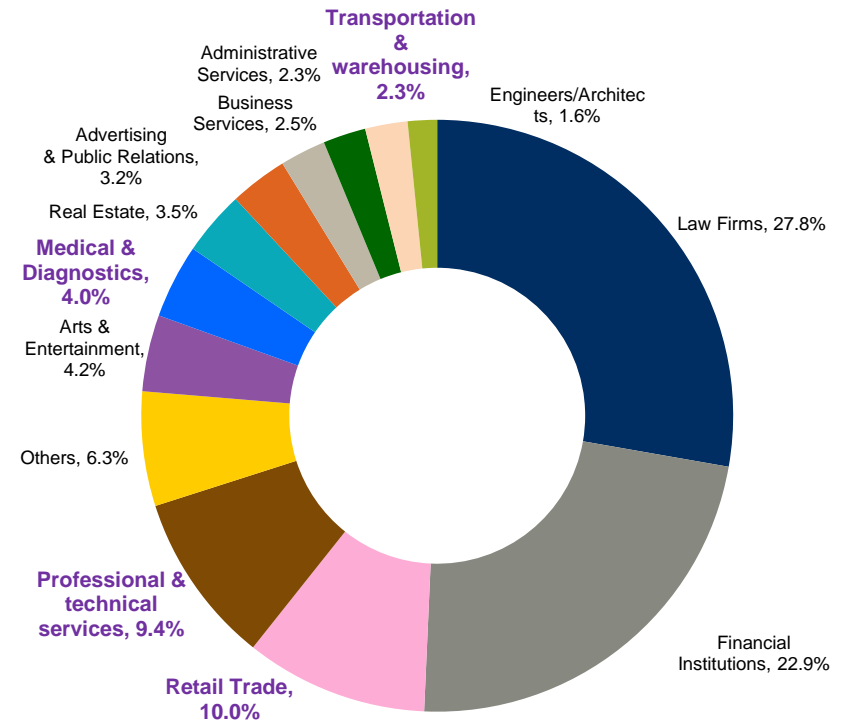
Tenants	% of Cash Rental Income
Amazon Corporate LLC (NASDAQ: AMZN)	18.2%
Rabo Support Services, Inc.	12.3%
ACE American Insurance (NYSE: CB)	11.0%
Kuehne & Nagel, Inc. (SIX: KNIN)	9.5%
Opera Solutions, LLC	7.2%
Data Pipe	5.3%
Daikin Applied Americas (TYO: 6367)	5.1%
Jackson Hewitt Tax Service	3.4%
Citrix Systems (NASDAQ: CTXS)	3.2%
EXL Service (NASDAQ: EXLS)	3.1%
Total	78.3%

Expand Tenant Base

IPO Portfolio Cash Rental Income by Trade Sector¹



Enlarged Portfolio Cash Rental Income by Trade Sector¹



- ✓ Improve tenant diversification since IPO Portfolio
- ✓ Four new trade sectors added: (1) Transportation & Warehousing (2) Professional & Technical Services (3) Retail Trade (4) Medical & Diagnostics
- ✓ Percentage of law firms decreased from 44.0% to 27.8%

(1) As at 31 Jul 2017

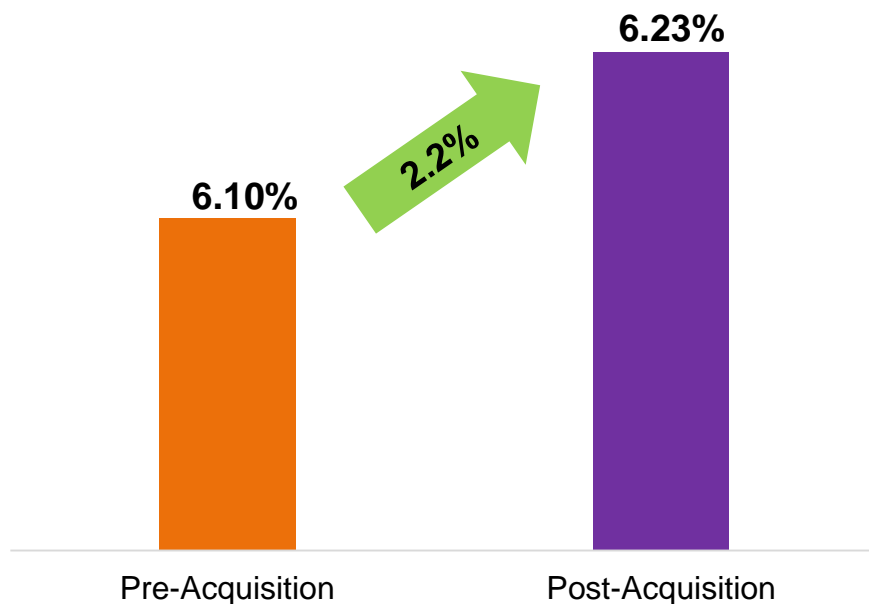
Accretive Acquisition Funded by Rights Issue

Rights Issue Price of US\$0.695 – 21.6% Discount to TERP¹

- Partially funded by rights issue of approximately **US\$208.0 million**
- Rights ratio of **41 Rights Units** for every 100 Existing Units



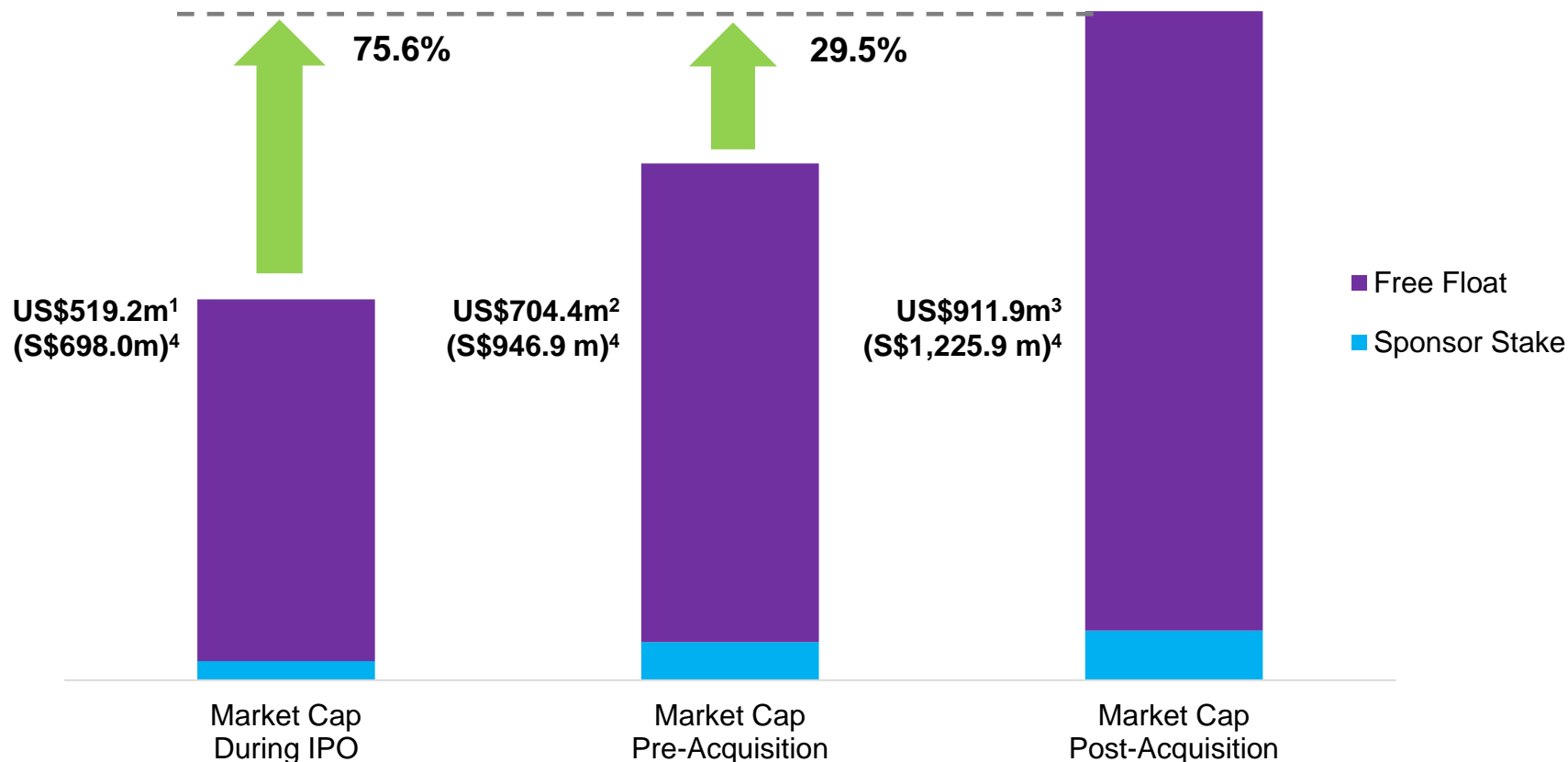
FY2016 Pro Forma DPU Yield Accretive



(1) Based on Theoretical Ex-Rights Price (TERP) of US\$0.886

Market Cap Increased by 75.6% since IPO

Increase in Free Float Trading Liquidity



(1) Based on 625.5 million Units in issue and the issue price of US\$0.83 per Unit during IPO

(2) Based on 730.0 million Units in issue and unit price of US\$0.965 per Unit as at 31 Aug 2017

(3) Based on 730.0 million Units in issue and approximately 299.3 million new Units to be issued in connection with the Acquisition and TERP of US\$0.886 per Unit (assuming, for illustrative purposes, MIL's and MLRL's ownership percentage in Manulife US REIT remained constant before and after the Acquisition)

(4) Based on an exchange rate of 1 USD : 1.3443 SGD as at 15 Sep 2017



Financials

Financial Effects of Transaction

	FY2016 Audited	Pro Forma FY2016	
		After acquisition of Plaza (and 2017 Private Placement)	After acquisition of Plaza (and 2017 Private Placement), the Rights Issue and the Acquisition
Distributable Income (US\$ m)	22.3	26.4	35.1
DPU Yield (%)	5.96 ¹	6.10 ¹	6.23 ²
NAV (US\$ m)	547.0	624.0	827.5
NAV per Unit (US\$)	0.87	0.86	0.80

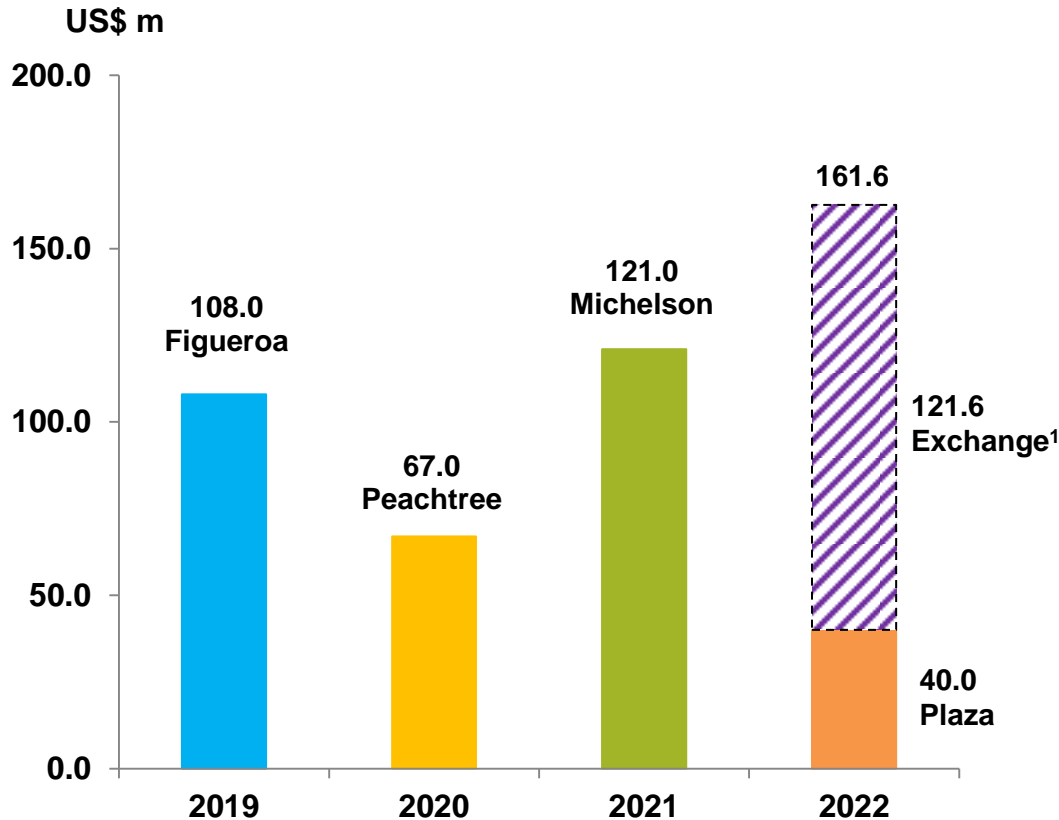
(1) Based on Closing price of US\$0.965 as at 31 Aug 2017

(2) Based on TERP of US\$0.886

Refer to the announcement dated 2 Sep 2017 for details of the pro forma financial effects of the Acquisition and the Rights Issue

Debt Maturity Profile post Acquisition

100% Fixed Rate Loans with No Near-term Refinancing



Enlarged Portfolio ²	
Gearing Ratio ³	34.5%
Weighted Average Interest Rate	2.84% p.a.
Weighted Average Debt Maturity ⁴	3.9 years

(1) Assuming debt funding of US\$121.6 million to part finance the acquisition of Exchange. The final decision regarding the amount of financing to be employed for the purpose of financing the Acquisition will be made by the Manager at the appropriate time, taking into account the then prevailing market conditions and interest rate environment, availability of alternative funding options, the impact of Manulife US REIT's capital structure DPU and debt expiry profile and the covenants and requirements associated with each financing option

(2) As at 30 Jun 2017, assuming acquisitions of Plaza and Exchange have been completed

(3) Based on gross borrowings as percentage of total assets post 10 Exchange acquisition

(4) Based on total facility debt maturity



Conclusion

Key Milestones since IPO



US REIT

Listed on SGX on
20 May 2016

3Q2016 Results

7 Nov 2016
DPU exceeded
forecast by 5.8%

FY2016 Results

13 Feb 2017
DPU exceeded
forecast by 4.8%

1Q2017 Results

2 May 2017
DPU exceeded
projection by 8.6%



Announced
maiden
acquisition of
Plaza
US\$115.0m

1H2017 Results

8 Aug 2017
DPU exceeded
projection by 8%



Announced
acquisition
of
Exchange
US\$313.2m

2016

2017

May

Sep

Nov

Dec

Feb

Mar

May

Jun

Jul

Aug

Sep



Awarded runner-up in the New Issues Category of the Most Transparent Company Award at SIAS' 17th Investors' Choice Awards



Awarded Best REIT Deal of the Year and Best IPO for Retail Investors in Southeast Asia by Alpha Southeast Asia's Deal & Solution Awards 2016



Included in the MSCI Singapore Small Cap Index



Included in the GPR/APREA Investable REIT 100 Index



Ranked 11th among 43 REITs and Business Trusts in the Governance Index for Trusts 2017



Awarded Best Annual Report for First-Year Listed Companies at the Singapore Corporate Awards 2017

Approvals Required and Indicative Rights Issue Timetable¹

Resolution 1	The Proposed Acquisition of the Property as an Interested Person Transaction
Resolution 2	The Rights Issue

Key Events	Date
First day of “ex-rights” trading for the Rights Issue	25 September 2017
Commencement of Rights Issue and trading of Rights Entitlements	2 October 2017
Close of trading of Rights Entitlements	10 October 2017
Closing date of Rights Issue	16 October 2017
Listing and commencement of trading of Rights Units on the SGX-ST	26 October 2017

(1) The timetable for the events which are scheduled to take place after the EGM is indicative only and is subject to change at the Manager's absolute discretion. Any changes (including any determination of the relevant dates) to the timetable below will be announced



Hudson River

Thank You

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