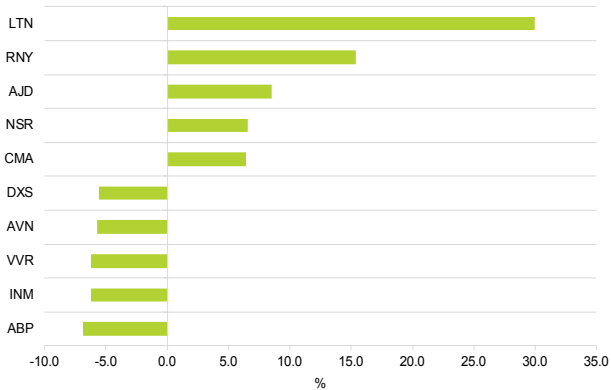




A-REIT SECTOR PERFORMANCE MONTHLY UPDATE - JUNE 2017

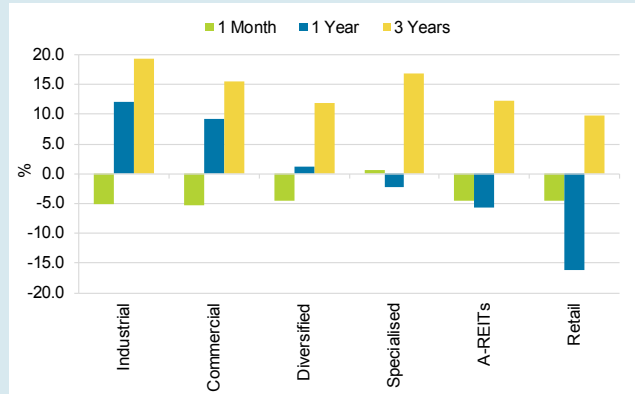
- A-REITs generated a total return of -4.5% in June underperforming equities (+0.2%) and underperforming bonds (-0.9%);
- A-REITs have significantly underperformed equities over the year -5.6% versus 13.8%;
- Specialised A-REITs were the best performing A-REIT sector for the month (+0.7%) and Industrial was the best performing for the year (+12.0%);
- As at 30 June 2017 A-REITs were trading at approximately a 17.9% premium to NTA and FY18e DPS yield of 5.2%, representing a 261 basis points spread to 10 year bonds; and
- A-REITs were the worst performing global REIT market for the year and the second best performing for three years to 30 June 2017.

TOP 5 / BOTTOM 5 A-REIT PERFORMERS: ONE MONTH TO 30 JUNE 2017



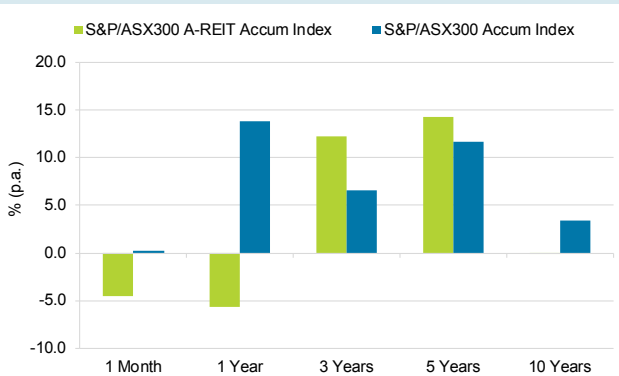
Source: IRESS

A-REIT SECTOR PERFORMANCE: TO 30 JUNE 2017



Source: UBS

A-REIT VS EQUITIES – TOTAL RETURNS: TO 30 JUNE 2017



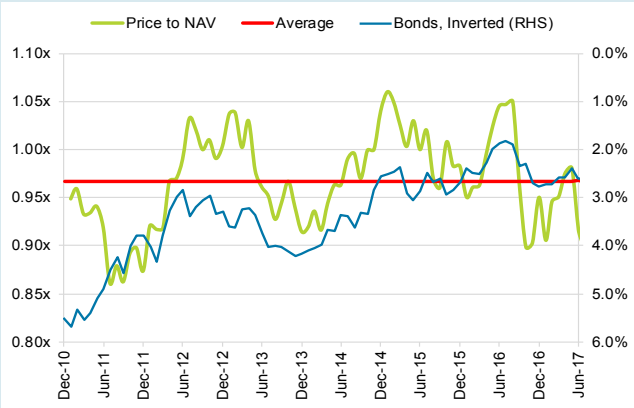
Source: UBS

A-REIT VS EQUITIES RELATIVE PERFORMANCE: 2006 – 2017



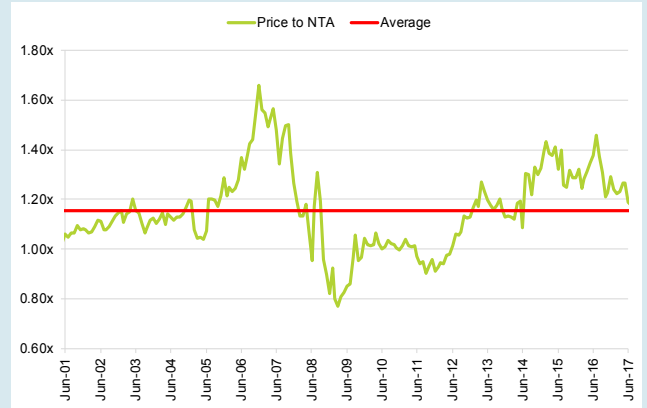
Source: IRESS

A-REIT PRICE TO NAV: 2010 – 2017



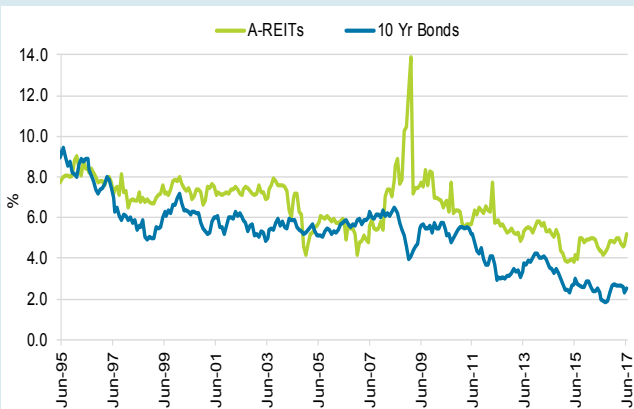
Source: Credit Suisse

A-REIT PRICE TO NTA: 2001 – 2017



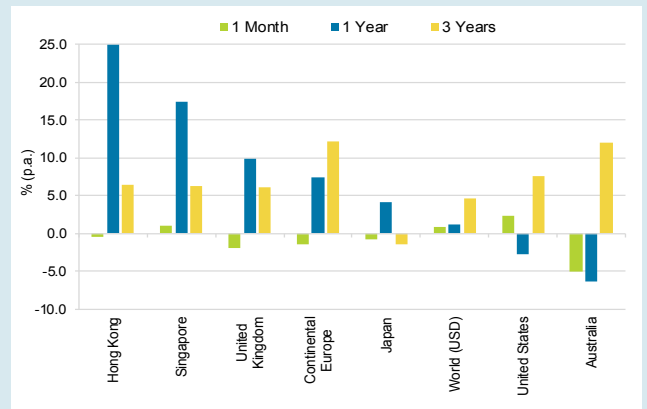
Source: Credit Suisse

A-REIT SECTOR YIELD VS 10 YEAR BOND YIELD: 1995 – 2017



Source: IRESS

GLOBAL REIT PERFORMANCE – TOTAL RETURNS IN LOCAL CURRENCY: 30 JUNE 2017



Source: UBS

Disclaimer: This paper has been published for information purposes only. The information contained in this paper is of a general nature only and does not constitute financial product advice. This presentation has been prepared without taking account of any person's objectives, financial situation or needs. Because of that, each person should, before acting on this presentation, consider its appropriateness, having regard to their own objectives, financial situation and needs. You should consult a professional investment adviser before making any decision regarding a financial product.

In preparing this paper the author has relied upon and assumed, without independent verification, the accuracy and completeness of all information available from public sources or which has otherwise been reviewed in preparation of the paper. The information contained in this paper is current as at the date of this paper and is subject to change without notice. Past performance is not an indicator of future performance.

Neither Folkestone Limited, nor any of their associates, related entities or directors, give any warranty as to the accuracy, reliability or completeness of the information contained in this paper. Except insofar as liability under any statute cannot be excluded, Folkestone Limited and its associates, related entities, directors, employees and consultants do not accept any liability for any loss or damage (whether direct, indirect, consequential or otherwise) arising from the use of this paper.

If a product managed by Folkestone Limited or its associates is acquired, Folkestone Limited or its associates and related entities may receive fees and other benefits. The author of this paper does not receive commissions or remuneration from transactions involving the financial products mentioned in this paper.

Folkestone Maxim Asset
Management Ltd
ACN 104 512 978 AFSL 238349

e: office@folkestone.com.au
www.folkestone.com.au

Sydney Office
Level 10, 60 Carrington Street
Sydney NSW 2000

t: +61 2 8667 2800
f: +61 2 8667 2880

Melbourne Office
Level 14, 357 Collins Street
Melbourne VIC 3000

t: +61 3 9046 9900
f: +61 3 9046 9999



Folkestone
MAXIM A-REIT SECURITIES FUND