



## ESR Australia Continues to See Strong Capital Flows into Australian Logistics

- ESR Australia expands its core plus Logistics Strategy with A\$600 million commitment to ESR Australia Logistics Partnership II (“EALP II”)
- M&G Real Estate Asia (“M&G”) commit A\$200 million to ESR Australia Development Partnership (“EADP”)

**SYDNEY, Embargoed until 29 July 2021:** ESR Australia continues its strong run of capital raising, securing an initial commitment from investors of A\$480 million to EALP II, an extension of the successful EALP, and global asset management firm M&G Investments has committed A\$200 million to EADP.

With the initial \$600m equity commitment to EALP I near fully utilised, ESR Australia has established EALP II with an additional A\$600m. EALP I was launched with a seed portfolio valued of A\$715 million in May 2021, growing via acquisition and development to a portfolio with a forecast end value of circa A\$1.6 billion.

Now nearing full utilisation, EALP I holds 33 income-producing assets in strategic locations, including The Iconic’s fulfilment centre in Yenorra and Bringelly Road Business Hub and Developments such as Clayton Business Hub and Sherbrooke Industrial Estate in Willawong. Fund assets account for over 500,000sqm of GFA, with circa 200,000sqm of development opportunities.

ESR Australia CEO, Phil Pearce, said, “Following the successful deployment of the initial equity committed to EALP and the continued positive outlook for the logistics sector in Australia, we felt confident to commit an additional \$600 million to the core plus strategy via the launch of EALP II”.

In addition to the launch of EALP II, ESR Australia is pleased to announce that M&G has committed A\$200 million to EADP. Following M&G commitment ESR and GIC will hold 40 per cent each and M&G 20 per cent.

Launched in June 2020, with A\$1 billion of equity commitments, EADP is a develop-to-hold logistics strategy with cornerstone investor GIC committing 40 per cent of the equity. At the time of launch, EADP was seeded with two Western Sydney projects, Horsley Logistics Park and Leppington Industrial Estate. The partnership has since acquired Acacia Ridge Business Park in Queensland along with a 79ha site in Cranbourne, Victoria. Since the launch of the partnership, ESR has secured several pre-commitments from groups such as UPS, PACT, and SPAR.

EADP currently has A\$270 million AUM and a pipeline of developable land of 81,000 sqm, with an anticipated end value of A\$1.1 billion.



Mr Pearce said, “We are pleased to have M&G on board as a partner in EADP. Their A\$200 million commitment further demonstrates ESR Australia’s ability to attract new capital, backed by an ever-growing track record of successful development projects in the local market.”

Jingdong Lai, CIO and interim CEO at M&G Real Estate Asia, says, “The logistics sector is a high conviction theme for our real estate portfolios, and Australia is a core market for us in Asia Pacific. Extending our strategic partnership with ESR in this highly competitive market grants us exposure to a high quality and modern portfolio of assets to invest in over the long-term.”

Mr Pearce concluded, “Through the sustained review of core funds, paired with the delivery of strong performing development sites and reoccurring earnings, ESR Australia is well-positioned to forge greater collaboration with capital partners to achieve our mandate of sustained growth.”

**ENDS**

## **About ESR Australia**

ESR Australia is a leading manager of industrial and business park real estate with assets under management of more than A\$2.5 billion, and a robust pipeline of developments underway. ESR Australia also has established funds management capabilities with long term relationships with global institutional investors.

Their team has deep expertise across the industrial and office real estate markets. A fully integrated service offering is delivered by this in-house team, achieving positive customer outcomes through tenant-driven development solutions, active asset management, and a strategic approach to property investment management.

ESR Group is the largest Asia-Pacific logistics real estate group by gross floor area (GFA) and by value of the assets owned directly and by the funds and investment vehicles it manages. With over US\$29.9 billion in assets under management across 20.1 million sqm of real estate and land, ESR operates across the region in China, Japan, Singapore, South Korea, India and Australia. ESR has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 1 November 2019. For more information on ESR Australia, please visit [au.esr.com](http://au.esr.com)

## **Assets Under Management @ 31 December 2020**

## **About M&G Investments**

M&G Investments is part of M&G plc, a savings and investment business which was formed in 2017 through the merger of Prudential plc’s UK and Europe savings and insurance operation and M&G, its wholly owned international investment manager. M&G plc listed as an independent company on the London Stock Exchange in October 2019 and has £367 billion of assets under management (as at 31 December 2021). M&G plc has around 5 million customers in the UK, Europe, the Americas and Asia, including individual savers and investors, life insurance policy holders and pension scheme members and over 800 institutional clients.

For nearly nine decades M&G Investments has been helping its customers to prosper by putting investments to work, which in turn creates jobs, homes and vital infrastructure in the real economy. Its investment solutions span equities, fixed income, multi asset, cash, private debt, infrastructure and real estate.

M&G recognises the importance of responsible investing and is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and is a member of the Climate Bonds Initiative Partners Programme.

M&G plc has committed to achieve net zero carbon emissions on its total book of assets under management and administration by 2050 and committed to reduce operational carbon emissions as a corporate entity to net zero by 2030. Its £33.7 billion property arm (as at 30 June 2020 including cash), M&G Real Estate, is a leading financial solutions provider for global real estate investors, has a sector leading approach to responsible property management and is committed to



continuously improving the sustainability performance of its funds. For more information, please visit:  
<https://global.mandg.com/>

For ESR Australia media enquiries, please contact:

**Australia:**

Erica Moloney  
Head of PR and Communications  
Neue Media  
T +61 421 289 036  
E [erica@neuemediacom.au](mailto:erica@neuemediacom.au)

Cara Cunningham  
Director  
Neue Media  
T +61 404 522 477  
E [cara@neuemediacom.au](mailto:cara@neuemediacom.au)

**Asia-Pacific Region:**

Antonia Au  
Executive Director Group Corporate  
Communications  
T +852 2376 9617  
E [antonia.au@esr.com](mailto:antonia.au@esr.com)