

ESR Australia and Mitsubishi Estate Asia form strategic partnership to accelerate growth in Melbourne's high-demand South East

- ***ESR Australia welcomes Mitsubishi Estate Asia as a new capital partner for ESR Group.***
- ***The partnership will acquire a 12.1Ha site in Pakenham to develop a prime industrial estate.***

SYDNEY, 1 August 2024 – ESR Australia (ESR) has partnered with Mitsubishi Estate Asia (MEA) to develop a leading-edge industrial estate on land in Victoria.

In 2021, ESR originally purchased a 25Ha site at 92 Enterprise Road, Pakenham, retaining it on their balance sheet. They later entered into a sales contract for over 13Ha with a private owner-occupier. This new partnership with MEA acquires the remaining 12.1Ha in the same location, in which it will develop a 70,000sqm prime industrial estate to be known as Enterprise Industry Park with an end value of c.A\$175M.

The first stage of the development is currently under construction, with the 12,600sqm build pre-leased to a global textile manufacturer and expected to be completed in early 2025. Development on the second stage is expected to start within the second half of this year and is currently available for lease.

Melbourne's south-east continues to be a strong strategic location for industrial estates, with limited available land and vacancy. Enterprise Industry Park will give customers a cost-effective alternative to the already established Dandenong market, offering strong visibility to the Princes Freeway, connectivity to the city's key infrastructure and population hubs of south-east Melbourne and further afield.

Phil Pearce, ESR Group Deputy CEO and ESR Australia CEO, said ESR is delighted to welcome MEA as a new capital partner.

"We look forward to a long and fruitful partnership with Mitsubishi Estate Asia," Mr Pearce said.

"The partnership aligns with the broader ESR Group's continued focus on lightening its balance sheet and diversifying capital sources.

"This partnership reflects ESR Australia's development capabilities and together with Mitsubishi Estate Asia will focus on delivering a modern portfolio of high-quality and strategically located industrial estates."

The joint venture with ESR marks MEA's first significant investment in logistics and industrial property.

Yuzo Nishiyama, Executive Director - Head of Australia at Mitsubishi Estate Asia, said: "We are delighted and grateful to be partnering with ESR on Mitsubishi Estate Asia's first investment in the logistics and industrial sector in Australia. This transaction is an important milestone in our strategic expansion in Australia where we are now invested in every key real estate sector including living, office, hotel and now logistics and industrial. MEA's goal is to expand further in these key sectors with the valuable support of our trusted partners."



PRESS RELEASE

Mitsubishi Estate Co, Ltd is one of the largest real-estate developers in Japan with successful and growing global portfolios including, Australia, United Kingdom, United States, Southeast Asia region, and China. MEA launched its Australian branch in Sydney in 2021.

The deal was advised on by Greg Hyland and Stuart Mcann from CBRE for ESR and by Nathan Parris from Emerge Capital for MEA.

ESR Australia is a leading developer and manager of industrial, logistics and other property, with assets under management of A\$15.4bn. It is part of the ESR Group, APAC's largest real asset manager powered by the New Economy.

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About ESR Group

ESR Group is Asia-Pacific's leading New Economy real asset manager and one of the largest listed real estate investment managers globally. Our fully integrated fund management and development platform extends across Australia/New Zealand, Japan, South Korea, Greater China, Southeast Asia, and India, including a presence in Europe and the United States. We provide investors with a diverse range of real asset investment and development solutions across private and public investment vehicles. Our focus on New Economy real assets offers customers modern solutions for logistics, data centres, life sciences, infrastructure, and renewables. Our purpose, Space and Investment Solutions for a Sustainable Future, drives us to manage sustainably and impactfully for the communities where we operate and the spaces we develop to thrive for generations to come. ESR Group is listed on The Stock Exchange of Hong Kong (HKSE: 1821.HK). Visit www.esr.com for more information.

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