



September 29, 2014

News Release

Daiwa House Industry Co., Ltd.

### **Australian Real Estate Development Project**

Daiwa House Industry to Engage in Development of Condominiums and Commercial Facilities in Sydney

In early 2015, Daiwa House Industry Co., Ltd. (hereinafter, “the Company”) plans to commence a multipurpose development project (tentatively named the Summer Hill Project) in a suburban area of Sydney, New South Wales, the Commonwealth of Australia (hereinafter, “Australia”). The project will be pursued in collaboration with local real estate investment and management company EG Funds Management Pty Ltd (hereinafter, “EG Funds Management”), as well as Sumitomo Forestry Co., Ltd. and Daiwa House Group member, Cosmos Initia Co., Ltd.

Daiwa House Industry intends to make optimal use of the know-how that it has accumulated in the Japanese real estate development and housing businesses to develop condominiums, commercial facilities, and other properties that will be eagerly received by our customers in Australia.

#### **1. Background to project**

The Company's first business in Australia was in December 1987, when we set up a local subsidiary in Queensland. This resulted in the completion of a 35-story condominium building (92 units) in the city of Gold Coast, which went on the market in September 1989.

After that, in May 2011, we established Daiwa House Australia Pty Ltd. and began conducting market surveys with a view to finding business opportunities that would enable the Company to once more make inroads into the Australian market.

Finally, we have teamed up with local real estate investment and management firm EG Funds Management with the goal of promoting real estate development in Australia. Our first planned project will be a multipurpose development project in the Sydney suburb, to be pursued in collaboration with Sumitomo Forestry and Cosmos Initia.

#### **2. 300-unit condominium project with site area of approx. 25,000 square meters**

As the first development project to be undertaken as part of the Company's business tie-up with EG Funds Management, we plan to develop and sell condominium units and commercial facilities on the site of a former flour milling plant in the suburbs of Sydney. This site is currently under management by EG Funds Management, and the project has been given the tentative name of the Summer Hill Project. This will be the second real estate development project to be undertaken by the Company in Australia.

The site has a total area of approximately 25,000 square meters (roughly the size of a baseball stadium), and will be developed into condominium units and town houses (terraced houses) for a total of 300 units, as well as offices and retail outlets.

The Company has been engaged in housing, condominium and commercial facility development in Japan for many years. We plan to leverage our know-how and expertise in these fields in this project, and look forward to further development projects in Australia in collaboration with EG Funds Management.



**The planned condominium buildings seen from the northwest direction**



**The planned condominium buildings seen from the northeast direction**

### **3. Real estate development business in the fast-growing Sydney area**

With a population of 4.39 million (\*1), Sydney is the state capital of New South Wales, and Australia's leading business and cultural centers. According to a forecast, the population of Sydney, which was 3.90 million (\*2) in the year 2000, will have grown to 4.46 million by 2015, partly as a result of an influx of immigrants. It is against this background, in consideration not only of the population growth of Sydney but also its vigorous economy, that the Company has decided to become involved in a real estate development business in the suburbs of the city.

1. From Census of Australia
2. From UN, World Urbanization Prospects: The 2001 Revision

#### **■Profile of EG Funds Management**

EG Funds Management Pty Ltd is a real estate investment and management company established in 2001 which engages in the creation and management of real estate funds. It currently has some A\$1,250 million (roughly 120 billion Japanese yen) in real estate assets under management, and acts as a real estate fund manager for Australian pension funds, as well as engaging in in-house development operations.

In response to rising population, Australian cities are conducting urbanization projects, centered on provision of infrastructure. EG Funds Management is creating new funds to realize added value through redevelopment projects and projects involving alternative applications for existing sites that take advantage of this infrastructure provision.

**■Project Outline**

Tentative name: Summer Hill Project

Location: 2-32 Smith St., Summer Hill, New South Wales, Australia

Site area: 24,789 square meters

Total prospective floor area for sale: 35,000 meters

Total number of units to be offered: 300

Construction start: Early 2015

Scheduled date of completion: Mid-2016 or later

**■Profile of Daiwa House local subsidiary**

Name: Daiwa House Australia Pty Ltd

Address: Suite 402, Level 4, 2 Elizabeth Plaza, North Sydney, NSW 2060, Australia

Line of business: Real estate development and related businesses

About Daiwa House Industry Co., Ltd.

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