

## ESR accelerates growth in India via US\$1b joint venture with Allianz

**Mumbai/SINGAPORE/HONG KONG, 23 November 2018** – ESR, a leading Asia-Pacific logistics real estate and fund management platform, announced it has entered into a strategic partnership with Allianz Real Estate (“Allianz”), one of the world’s leading real estate investment and asset managers, targeting a total investment (inclusive of debt) of circa US\$1 billion into India’s rapidly growing logistics and industrial property market.

The joint venture (“JV”) will focus on developing large-scale, institutional grade logistics and industrial facilities in eight key cities across India, including Mumbai, Pune, Chennai, Delhi, Ahmedabad, Kolkata, Bangalore and Hyderabad with an opportunistic approach to investments in other markets in India. In addition to development, the programme will also identify opportunities to acquire quality assets in these cities.

Charles de Portes, Co-founder & President of ESR, said, “We are delighted to partner with Allianz, an existing strategic partner of ESR in other geographies. This JV with a leading institutional investor who has deep experience in Asia marks a key milestone in our regional growth plan. As one of the main contributors to Asian and global growth, India presents a unique opportunity for not only ESR, but also our domestic and international customers expanding with India’s economy as well as our preferred investment partners.”

In India, e-commerce revenue is expected to jump from US\$39 billion in 2017 to US\$120 billion in 2020, growing at an annual rate of 51%, the highest in the world<sup>1</sup>. The increasing internet and smartphone penetration, growing acceptance of online payments, and favourable demographics will continue to propel e-commerce growth, and hence spurring demand for modern logistics facilities.

“India’s logistics sector is coming of age. The sector is benefitting from a lot of favourable trends, such as stellar consumption patterns, continued infrastructure spending, increasing transparency and the nation-wide implementation of a uniform indirect tax system”, said Rushabh Desai, Asia-Pacific CEO of Allianz Real Estate. “This is the second time we are collaborating with ESR in the Asia-Pacific region. They have built a best-in-class team in India to take advantage of the favourable environment for logistics. The pipeline indicates a strong start to the programme.”

Since 2016, ESR has been focused on bringing its integrated development and funds management platform to India to service the country’s growing demand for modern logistics facilities. With a long-standing track record in Asia-Pacific, ESR is committed to implementing the same best practices in India while helping drive and innovate the future development of logistics real estate in the country.

Abhijit Malkani and Jai Mirpuri, co-CEOs of ESR India made a joint statement, “ESR has demonstrated accelerated growth in the Indian market over the course of the last 18 months in terms of building a best-in-class local team, land acquisition and securing multiple build-to-suit (BTS) contracts with name-brand customers. At present, ESR has approximately 7 million sq. ft. of developable GFA and a robust pipeline of projects in prime locations across tier-one cities. Allianz’s strong global institutional support and local experience will further strengthen our position in the market. We are fully focused to harness the burgeoning opportunities in the Indian logistics property market.”

<sup>1</sup> Source: *E-commerce Industry in India*, India Brand Equity Foundation. IBEF is a trust established by the Department of Commerce, Ministry of Commerce and Industry, Government of India. <https://www.ibef.org/industry/ecommerce.aspx>

## **About ESR**

ESR is a leading Asia-Pacific focused logistics real estate and funds management platform. Co-founded by senior management and Warburg Pincus, ESR is backed by some of the world's preeminent investors including APG, SK Holdings, JD.com, CITIC CLSA, Goldman Sachs, CPPIB, PGGM, Ping An and Allianz. The ESR platform represents one of the largest in the Asia-Pacific region, spanning across the People's Republic of China, Japan, Singapore, South Korea, Australia and India. As at 31 July 2018, the company's assets under management (AUM) were approximately US\$13 billion, and the gross floor area (GFA) of projects owned and under development stood at over 11 million square metres.

## **About Allianz Real Estate**

Allianz Real Estate is the strategic real estate organization within the Allianz Group and a leading international real estate investment and asset manager. Allianz Real Estate develops and executes worldwide tailored portfolio and investment strategies on behalf of the Allianz companies, considering direct as well as indirect investments and real estate loans. The operational management of investments and assets is currently performed in 5 regions, West Europe (Belgium, France, Italy, Luxembourg, Portugal, Spain), North & Central Europe (Austria, CEE, Germany, Ireland, Nordics), Switzerland, USA and Asia Pacific. The headquarters of Allianz Real Estate are located in Munich and Paris. Allianz Real Estate has approximately 60 billion euros assets under management.

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