

ESR completes APAC's largest logistics warehousing project
388,570 sqm state-of-the-art distribution centre in Japan's Greater Osaka to set new standards for modern logistics properties



TOKYO/HONG KONG, 8 July 2020 – ESR Cayman Limited (“ESR” or the “Group”; SEHK Stock Code: 1821), the largest APAC focused logistics real estate platform, today announced the completion of ESR Amagasaki Distribution Centre (“ESR Amagasaki DC”) in Greater Osaka which, with a GFA of 388,570 sqm (117,542 tsubo), is the largest domestic consumption logistics warehousing project in Japan as well as in APAC¹.

Strategically located in the Greater Osaka Metropolitan area, the six-storey, state-of-the-art facility epitomises the highest quality specifications as well as the human-centric and sustainable designs for which ESR properties are renowned. The development is a landmark project for ESR’s RJLF2 Japan development fund and key co-investment partners.

Stuart Gibson, Co-founder and Co-CEO of ESR, said, “The development of ESR Amagasaki DC marks a milestone for ESR. It further cements our position not only as APAC’s leading logistics real estate platform, but as a company that consistently leads the industry with the highest standards of innovation. The state-of-the-art operational design and visionary elements that the ESR team have crafted for this facility are ground-breaking.”

¹ The largest single-phase, single-asset logistics warehousing project in terms of GFA, as of July 2020. Sources: CBRE data and ESR research.

In the wake of the Covid-19 pandemic, e-commerce and related businesses are displaying a strong appetite for expansion amid rising online consumption of food and daily necessities. As a result, the vacancy rate for large multi-tenant properties has been in decline, 3.7% in Greater Osaka and 0.5% in Greater Tokyo, according to CBRE Research². Approximately 70% of the newly completed facility, representing over 270,000 sqm of space, has already been pre-leased to some of ESR's largest global tenants, further reinforcing the trend in demand for high quality, well-located and innovative logistics warehouses.

Flourishing as one of the most advanced gateways to Japan and a major base for global businesses, Greater Osaka will continue to see multiple catalysts including a number of large-scale infrastructure projects. Built at the centre of the country's key logistics network, ESR Amagasaki DC is well-placed to service the Japanese domestic market, with exceptional access to Osaka CBD, large national ports and international airports.

"This property provides an important new platform to service the logistics industry, especially given the current social and economic environments. The pandemic has accelerated the structural shift toward online consumption. We believe this trend will continue for the foreseeable future and drive even greater demand for high quality logistics space among e-commerce and 3PL companies. We will continue to invest in advanced, modern facilities like ESR Amagasaki DC to support our global and domestic tenants, allowing them greater capacity and agility of delivery for the rapidly evolving needs of their customers," continued Mr. Gibson.

In line with the cutting-edge design, architecture and top international standards that the Group's best-in-class properties emulate, ESR Amagasaki DC has been awarded a CASBEE (Comprehensive Assessment System for Built Environment Efficiency) Class A certification and an ABINC (Association for Business Innovation in harmony with Nature and Community) certification. In addition to a wide array of sustainable elements such as energy-saving features, onsite solar energy generation and ample green space, the facility boasts a suite of human-centric features underpinning ESR's design philosophy, including a child day-care centre (BARNKLÜBB), a private lounge (KLÜBB Lounge), a retail shop, communal amenities and open space for onsite workers.

ESR continues to accelerate its efforts to provide scalable and efficient space and solutions for its customers, underscored by a focus on strategic investments in key cities of Japan. The total AUM of its Japan business grew 48% to US\$7.7 billion as of 31 December 2019. The Group manages approximately 3 million sqm of GFA in the country and holds the largest development pipeline in Greater Tokyo and Greater Osaka.

About ESR

ESR is the largest APAC focused logistics real estate platform by gross floor area (GFA) and by value of the assets owned directly and by the funds and investment vehicles it manages. Co-founded by its senior management team and Warburg Pincus, ESR and the funds and investment vehicles it manages are backed by some of the world's preeminent investors including APG, SK Holdings, JD.com, CPP Investments, OMERS, PGGM, Ping An and Allianz Real Estate. The ESR platform spans across the People's Republic of China, Japan, South Korea, Singapore, Australia and India. As of 31 December 2019, the fair value of the properties directly held by ESR and the assets under management with respect to the funds and investment vehicles managed by ESR recorded approximately US\$22.1 billion, and GFA of properties completed and under development as well as GFA to be built on land held for

² *Asia Pacific MarketView Q1 2020, CBRE Research*

future development comprised over 17.2 million sqm in total. 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, please visit www.esr.com.

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