

## **ESR upsizes Japan Logistics Fund III to JPY150 billion**

*New capital will fund ESR's robust development pipeline*

**TOKYO/SINGAPORE/HONG KONG, 6 July 2021** – ESR Cayman Limited (“ESR” or the “Company”, together with its subsidiaries as the “Group”; SEHK Stock Code: 1821), the largest APAC focused logistics real estate platform, announced a JPY75 billion (circa US\$675 million) expansion of ESR Japan Logistics Fund III (“RJLF3”), a development joint venture established with Dutch pension fund APG (“APG”) and a global institutional investor. The new capital has effectively doubled the size of RJLF3 to JPY150 billion (circa US\$1.35 billion) in total capital commitment, bringing the total investment capacity to as much as JPY470 billion (circa US\$4.2 billion) over time.

RJLF3 was established in 2019 with an initial capital commitment of JPY75 billion to focus on the development of large-scale, state-of-the-art logistics facilities in the major metropolitan areas of Japan. Since its inception, JPY65 billion has been committed into five projects, namely ESR Higashi Ogishima A Distribution Centre (Tokyo), ESR Sachiura Distribution Centre (Tokyo), ESR Ukishima Distribution Centre (Tokyo), ESR Aisai Distribution Centre (Nagoya), and ESR Fukuoka Asakura Distribution Centre (Fukuoka), with a total GFA of approximately 870,000 sqm.

Jeffrey Shen and Stuart Gibson, Co-founders and Co-CEOs of ESR, said: “Institutional investment in Japan and APAC’s logistics sector has been very strong, as e-commerce acceleration and structural shifts in supply chain management continue to fuel demand for well-located, large-scale modern logistics properties. Against this backdrop, we are delighted to have created yet another successful vehicle with our longstanding capital partners and extend our record of delivering consistently solid performances across our APAC portfolio.”

“Developing logistics assets in Asia Pacific and particularly in the major economies continues to offer risk adjusted returns that are attractive to long term investors such as APG. Our partnership with ESR extends across many jurisdictions and we are delighted we’ve been able to extend our strategy in the prime locations of Japan,” commented Graeme Torre, Head of Real Estate for APG Asset Management Asia.

“The supply of modern institutional quality logistics assets in Japan remains low, while Japanese household online shopping usage grew 19% in 2020 and is up 11% year to date. This imbalance is common across the APAC region which is why we are seeing increasing capital targeting the sector in APAC. The upsize of RJLF3 reflects the collective confidence of our institutional investment partners in ESR’s ability to continue capitalise on this robust secular opportunity,” said Josh Daitch, ESR Group Head of Fund Management & Capital. “We will continue to build on our capital management and development strengths to identify quality opportunities for institutional investors who believe in modern logistics across our geographies in the APAC market.”

In Japan, ESR manages US\$7.9 billion of best-in-class logistics facilities in strategic locations across major metropolitan areas in the country. The Group also owns 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. ESR and the funds and investment vehicles it manages are backed by some of the world’s preeminent investors including APG, CPP Investments, JD.com, Oxford Properties, PGGM and SK Holdings. The ESR platform spans major economies across the APAC region, including the People’s Republic of China, Japan, South Korea, Singapore, Australia, India, and Vietnam. As of 31 December 2020, 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\$30 billion, and GFA of properties completed and under development as well as GFA to be built on land held for future development comprised over 20 million sqm in total. Listed on the Main Board of The Stock Exchange of Hong Kong Limited in November 2019, ESR is a constituent of the FTSE Global Equity Index Series (Large Cap), Hang Seng Composite Index and MSCI Hong Kong Index.

For more information on ESR, please visit [www.esr.com](http://www.esr.com).

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