



Daiwa House®
Group

Press Release

September 5, 2018

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Work Starts on D Project Rental Warehouse – Loc An Binh Son:

a Logistics Facility Developed by Daiwa House Vietnam on the Outskirts of Ho Chi Minh in Vietnam

Daiwa House Industry Co., Ltd. (Head Office: Osaka, President and COO: Keiichi Yoshii; hereinafter “the Company”) will start work on “D Project Rental Warehouse – Loc An Binh Son” in the Loc An Binh Son Industrial Park in Long Thanh, Dong Nai Province in the southern part of the Socialist Republic of Vietnam (hereinafter “Vietnam”). This will be our first multi-tenant-type logistics facility*¹ in Vietnam.

Construction of the first building in this project called “D Project Rental Warehouse – Loc An Binh Son Phase I” (site area: approximately 66,000 m², rental area: approximately 32,000 m²) shall commence on October 1, 2018.



Image of the Appearance of “D Project Rental Warehouse – Loc An Binh Son Phase I”

The Company established the Long Duc Industrial Park (total site area: 270 ha) jointly with Sojitz Corporation and Kobelco Eco-Solutions Co., Ltd. in Long Thanh, Dong Nai Province in the southern part of Vietnam in August 2011, and proceeded with attracting companies and building factories, for which we gained a favorable reputation.

Against this backdrop, to meet the increasingly diversifying needs for logistics facilities in Vietnam the Company decided to develop a new multi-tenant-type logistics facility in Loc An Binh Son Industrial Park - located approximately 15 km to the south of the Long Duc Industrial Park and approximately 40 km to the east of the center of Ho Chi Minh. On June 14, 2018 the Company entered into a rental agreement (until 2060) for land with a site area of approximately 132,600 m²*² in this Industrial Park with VRG Long Thanh Development and Investment Joint Stock Company. The multi-tenant-type logistics facility (“D Project Rental Warehouse – Loc An Binh Son.”) will have a total rental area of approximately 62,000 m² (planned).

-Daiwa House Vietnam Co., Ltd. shall take charge in the design and construction of this facility.

*1: A logistics facility that can accommodate multiple customers.

*2: Approximately three times the size of Tokyo Dome.

●Features

1. Development of a logistics facility in a location with easy access to air and sea transportation
2. Development of a multi-tenant-type logistics facility that can meet diversifying needs

●Background to Development

Vietnam has a population of approximately 93.7 million people, a GDP growth rate of 6.81% (2017) *³ and a young workforce with those under the age of 40 accounting for 65%*⁴ of the population.

Traditionally dominated by local companies, in recent years the Vietnamese logistics property market has seen increasing demand partly due to the increase in presence of Japanese companies in the country.

The number of Japanese companies with in Vietnam has approximately doubled in 10 years from 948 firms in 2007 to 1,816 firms in 2017.*⁵ Accordingly, to meet the diversifying needs for logistics facilities by Japanese companies in Vietnam, we have decided to start work on the development of a multi-tenant-type logistics facility by taking advantage of our expertise in logistics facility development in Japan.

*3: General Statistics Office of Vietnam 2017.

*4: United Nations, Department of Economic and Social Affairs, Population Division (2017)

*5: Annual Report of Statistics on Japanese Nationals Overseas by the Consular Policy Division in the Consular Affairs Bureau of the Ministry of Foreign Affairs of Japan.

1. Development of a Logistics Facility in a Location with Easy Access to Sea and Air Transportation

This area is located approximately 8 km (approximately 14 minutes by car) from Long Thanh Interchange (east-west highway) and approximately 40 km (approximately 40 minutes by car) to the east of Ho Chi Minh. It is located approximately 30 km (approximately 30 minutes by car) to Cat Lai Port, the main port in the southern part of Vietnam, and approximately 40 km (approximately 40 minutes by car) to Cai Mep Thi Vai Port, where it is possible to berth large ships. This makes it ideal as a manufacturing base and logistics base. In addition, the facility is only approximately 3 km (distance in a straight line) to the Long Thanh International Airport (scheduled to open in 2025). This is a highly advantageous location with easy access to both sea and air transportation.

2. Multi-tenant-type Logistics Facility That Can Meet Diversifying Needs

The “D Project Rental Warehouse – Loc An Binh Son” project consists of Phase I and Phase II (total site area: 132,600 m², total rental area: 62,000 m² (planned)). It will be a multi-tenant-type logistics facility that can meet diverse needs. It will accommodate up to 12 tenants (from approximately 5,000 m² per tenant). It is assumed that target tenants will be both local and foreign logistics companies in Vietnam.

Main Facilities and Specifications

Offices (all sections), power supplies for cold storage and refrigeration (half of the sections), LED lighting in the whole building, one-way passage in the site, outlets for forklift charging, dock levelers*⁶ and solar power system (planned)

*6: Devices that adjust the height when taking out and putting in packages.

●Future

The Company is working to attract both Japanese companies and companies from around the world that are considering logistics facilities overseas, and plans to expand the development of logistics facilities tailored to the needs of the customers. This will be done by combining the management resources (expertise on building surveying, design and execution, and building management and operation) possessed by the Daiwa House Group.

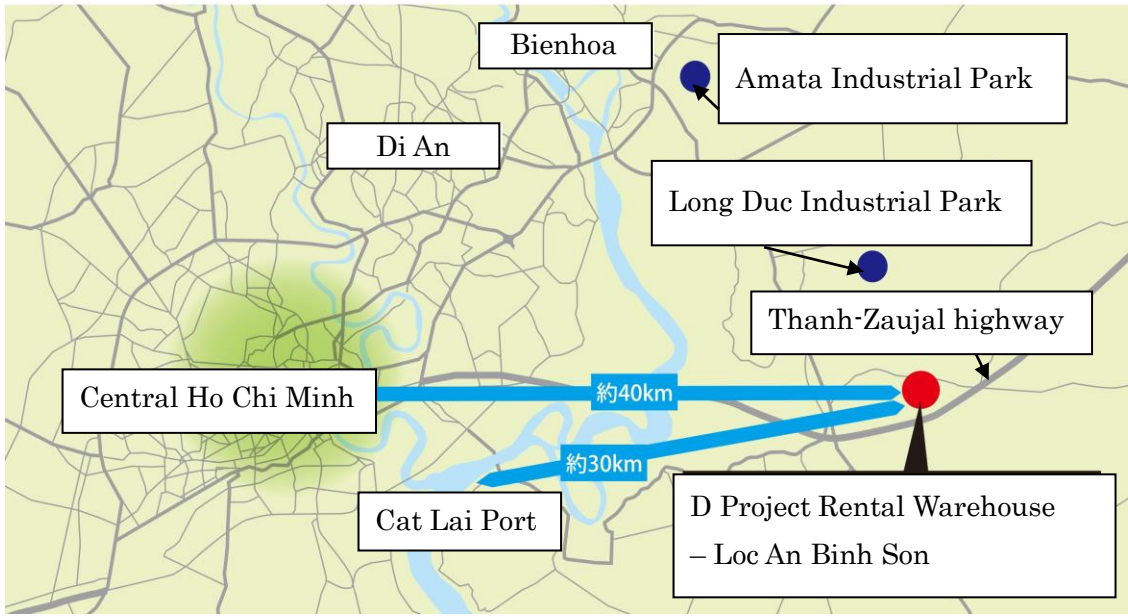
■Overview of the Building

Name	“D Project Rental Warehouse – Loc An Binh Son”	
Location	Loc An Binh Son IP, Long Thanh, Dong Nai Province, Socialist Republic of Vietnam	
Transportation	Approx. 8 km (approx. 14 minutes by car) to Long Thanh Interchange (east-west highway) Approx. 40 km (approx. 40 minutes by car) to the east of Ho Chi Minh Approx. 30 km (approx. 30 minutes by car) to Cat Lai Port Approx. 40 km (approx. 40 minutes by car) to Cai Mep Thi Vai Port Approx. 3km (distance in a straight line) to Long Thanh International Airport (scheduled to open in 2025)	
Building use	Multi-tenant-type logistics facility	
Operator and management company	DH Logistic Property Vietnam Co., Ltd.	
Design and execution	Daiwa House Vietnam Co., Ltd.	
Structure and number of floors	Single-floor reinforced concrete construction (two floors in part (office part))	
Total project cost	Approx. 3.3 billion yen	
	Phase I	Phase II
Site area	Approx. 66,000 m ²	Approx. 66,600 m ²
Rental area	Approx. 32,000 m ²	Approx. 30,000 m ² (planned)
Maximum number of tenants	6 tenants	6 tenants (planned)
Start of construction (planned)	October 1, 2018	July 2019
Completion (planned)	June 2019	March 2020
Moving in (planned)	July 2019	April 2020
Customer inquiries	General Construction Division, Tokyo Head Branch, Daiwa House Industry Co., Ltd. Contact: Chono Shinichi (03-5214-2200) Daiwa House Vietnam Co., Ltd Contact: Cho Hong Rae (+84-943-941-538)	

■ Overview of Our Local Subsidiary

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Investment company	Daiwa House Industry Co., Ltd.

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Location Map