

July 26, 2016

Press release

Daiwa House Industry Co., Ltd.
President and COO, Naotake Ohno
3-3-5 Umeda, Kita-ku, Osaka

■ **Establishment of WHA Daiwa Logistics Property, a joint venture with WHA Corporation**

Logistics facilities development in Thailand

On July 26, 2016, Daiwa House Industry Co., Ltd. (Head office: Osaka City, President: Naotake Ohno) entered into an agreement to establish a joint venture with WHA Corporation PCL (WHA), (Head office: Samutprakarn Province, Thailand, Group CEO: Ms. Jareeporn Jarukornsakul), a leader in Built-to-suit developer of logistics facilities and factories in the Kingdom of Thailand (Thailand). In accordance with this, WHA Daiwa Logistics Property Co., Ltd. is to be founded on July 27, 2016.

From July 27, WHA Daiwa Logistics Property will be incorporated to take part in the planning of the Laem Chabang Project and Bang Na Project (Chonlaharnbhichit), which are under development with WHA, and carry out the development, operation, management and leasing of logistics facilities.

Additionally, we will combine management resources held by our Group, including the know-how related to investigations, design, and construction for the development of logistics facilities, and the management and operation of buildings. In line with this, we will make efforts to attract Japanese-owned companies and global companies who are looking for logistics facilities overseas.

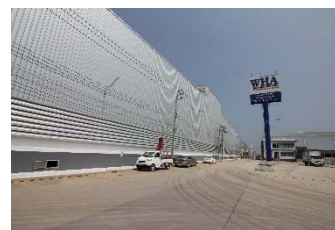
■ **Laem Chabang Project**

Laem Chabang Project (site area: approximately 78,400 m²) is in Laem Chabang District, Chonburi Province approximately 14.7 km from Laem Chabang Deep Seaport, Thailand's largest trading port. The location encompasses routes for domestic and overseas distribution. A large-scale industrial park occupies the surrounding area, and numerous major Japanese-owned companies are planning to set up operations there.



■ Bang Na Project (Chonlaharnbhicit)

Bang Na Project (site area: approximately 123,200 m²) is in Bang Phli District, Samut Prakan Province approximately 35 km from downtown Bangkok, 10 km from Suvarnabhumi Airport, and 30 km from Bangkok Port. The distribution site is attracting much attention, and has good accessibility to Bangkok city and nationwide.



1. Objectives of establishing a joint venture

In conjunction with Japanese companies and a Vietnamese company, we are currently developing Long Duc Industrial Park in the Long Thanh District of Dong Nai Province in the south of the Socialist Republic of Vietnam. Additionally, in cooperation with an Indonesian company, we are supporting the overseas expansion of Japanese-owned companies in the ASEAN region by the development of Daiwa Manunggal Industrial Park in Cikarang Barat, Bekasi, West Java in the Republic of Indonesia, and developing and leasing our first overseas logistics facilities.

Thailand, where we are now expanding, has a large number of Japanese-owned companies among the ASEAN states. Its logistics market is brisk, and we anticipate that such companies will have multiple needs as distribution tenants. Since we can expect future business developments in the region, we decided to establish WHA Daiwa Logistics Property, a joint venture with WHA, Thailand's leader in the development of logistics facilities, as our second overseas logistics facility development.

2. Outline of Joint Venture

Trade name	WHA Daiwa Logistics Property Co., Ltd.
Location	Kingdom of Thailand, Samutprakarn Province
Founding date	July 27, 2016
Description of business	Development, operation, management and leasing of logistics facilities
Controlling share	Daiwa House Industry Co., Ltd. (through DH Asia Investment PTE. LTD.): 49% WHA Corporation PCL: 51%

3. Thailand

Thailand is an emerging nation with a 2015 GDP of approximately 395.3 billion US dollars, and a scale of economy second to Indonesia in Southeast Asia.

Affiliated members of the Japanese Chamber of Commerce, Bangkok stood at 1,715 companies as of the end of April 2016. From here on many companies are considering expanding into Thailand to take advantage of growth in Asia and other countries.



■ Outline of WHA Corporation PCL

Trade name	WHA Corporation PCL
Group CEO	Ms. Jareeporn Jarukornsakul
Location	Kingdom of Thailand, Samutprakarn Province
Founding date	2003
Description of business	A fully integrated industrial and logistics facility developer in Thailand
Paid-in capital	about 4.7 billion JPY
Net sales	about 37.7billion JPY(2015 consolidated)
Term-end	December 31 of each year

※1THB=3.3JPY

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