

July 2, 2018

Press release

Daiwa House Industry Co., Ltd.  
Odakyu Electric Railway Co., Ltd.

**Announcing the Box Hill Project (provisional name)  
First Large-Scale Residential Housing Joint Development Project in New South Wales,  
Australia**

Daiwa House Industry Co., Ltd. (Head office: Kita-ku, Osaka, President: Keiichi Yoshii) and Odakyu Electric Railway Co., Ltd. (Shinjuku-ku, Tokyo, President: Koji Hoshino) are set to begin development on the “Box Hill Project (provisional name)”, a large-scale residential housing development in the suburbs of Sydney, the capital of New South Wales, Australia. Ahead of the development project, on April 13, 2018 we established DH Box Hill Pty Ltd. to serve as the company in charge of the development land.

We are also pleased to announce that the inspection conducted by the Australian government’s Foreign Investment Review Board (FIRB) have been concluded.

As such, we are set to begin site preparation and lot division sales from July 2018.

Daiwa House Industry exists as a group that “co-creates value for individuals, communities, and people’s lifestyles” and operates in 20 countries\*<sup>1</sup> overseas offering Single-Family Houses, Rental housing, Commercial facilities, logistics facilities, contracted construction of plants and structures, condominium sales, housing development, and the development of commercial facilities for sale.

Odakyu Electric Railway upholds the management philosophy of “contributing to creating irreplaceable moments and pleasant living for our customers”. Under this philosophy, the company engages various businesses including the domestic transportation and real estate businesses. With Group companies in countries such as China and Cambodia, Odakyu Electric Railway continues to expand its operations into overseas markets.

Through this partnership, we will apply our combined knowledge and experience in real estate development and residential housing business to develop land for high-quality Single-Family Houses in Australia.

\*1 As of June 30, 2018

## Key Point

1. **First overseas collaborative development by Daiwa House Industry and Odakyu Electric Railway. Large-scale project to span 89ha and offer land for a total of 1,500 units.**
2. **Real estate development business in the Sydney area, which boasts a fast-growing population and booming economy.**
3. **New urban development near the newly constructed Rouse Hill Station on the Sydney Metro.**
4. **Core target is affluent workers**
5. **Daiwa House Group subsidiary Rawson Group will also conduct sales of single-family houses.**

### **1. First overseas joint development project by Daiwa House Industry and Odakyu Electric Railway Large-scale project to span 89ha and offer land for a total of 1,500 units.**

This project is located approximately 35 kilometers northwest from central Sydney (50 minutes by car, 45 minutes by train) and covers 89ha (equivalent of approximate 19 times the size of the Tokyo Dome). The plan calls for land development for approximately 1,500 Single-Family Houses. This large-scale joint development project marks the first development project in Australia for Daiwa House Industry and the first overseas real estate development for Odakyu Electric Railway. Through the joint venture development company DH Box Hill Pty Ltd., site preparation for Single-Family Houses will be divided into 8 phases. Land will be sold to the Rawson Group, a Daiwa House Group housing construction and sales subsidiary, as well as local homebuilders and individual customers.

The first development area, which entails development for approximately 160 lots, will begin in July 2018 with sales scheduled to begin gradually one after the other. The project plan calls for the conclusion of the project by the end of December 2025.

### **2. Real estate development business in the Sydney area, which boasts a fast-growing population and booming economy.**

With a population of 4.67 million<sup>\*2</sup> and a land area of approximately 12,428 km<sup>2</sup>, Sydney is the state capital of New South Wales, and Australia's business and cultural center. In terms of the population, it is expected to grow from 4.7 million people in 2016 <sup>\*3</sup> to 6.44 million people by 2036<sup>\*3</sup> and to 8 million people by 2056<sup>\*3</sup> due to an influx of immigrants and a stable birthrate.

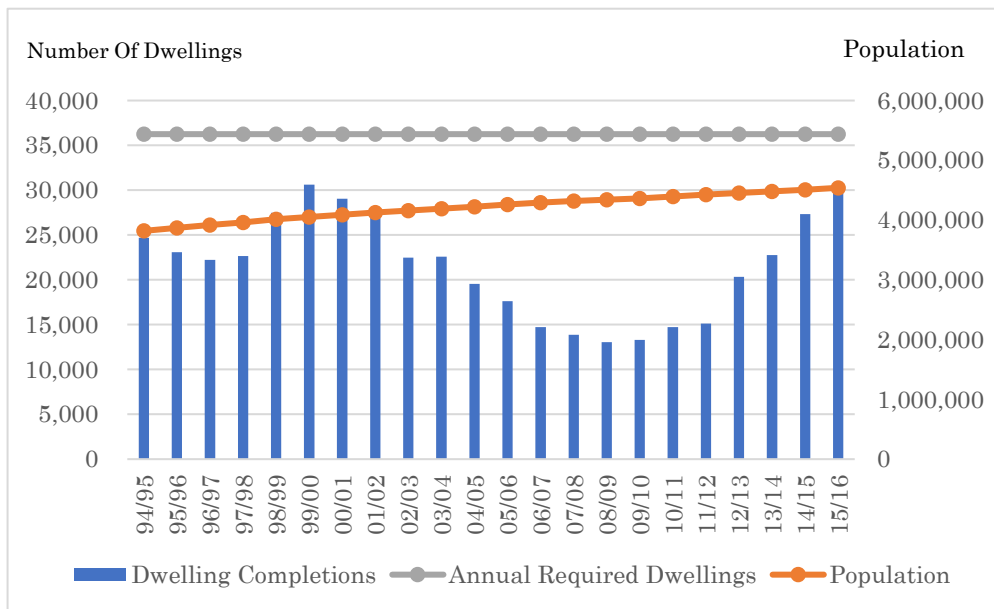
With firm population growth, there is annual housing provision anywhere from 13,000 to 30,000 homes but its actual annual housing requirements are approximately 36,000<sup>\*4</sup> homes (average), meaning the city faces a long-term shortage in Sydney.

In light of these market conditions, Daiwa House Industry and Odakyu Electric Railway moved to launch a new real estate development project in the Sydney suburb of Box Hill.

<sup>\*2</sup> From the Australian Bureau of Statistics (ABS)

<sup>\*3</sup> From NSW Population Projections date

<sup>\*4</sup> From Review of A Plan for Growing Sydney. Projected to exceed 725,000 houses during the 20 years between 2016 and 2036, resulted in a projected increase of 36,250 units/year.



[Sydney Population and Housing Availability Trends]

**3. New development near newly constructed Rouse Hill Station on the Sydney Metro**

**(1) Sydney Metro enables direct connection to Sydney Central Business District (CBD)**

The Box Hill large-scale housing development project is located approximately 5 minutes by car from Rouse Hill Station (provisional name), which is an extended zone on the Sydney Metro Northern West Line (provisional name) scheduled for completion in 2019. The project area is only some 4 minutes by car from the existing Vineyard Station on the Sydney Metro North Shore Northern & Western Line.

There is a large-scale shopping mall or parking lot around each stations. Park & Ride is commonplace in Australia. If using a car from the Box Hill Project (provisional name) area, commuters can reach the Rouse Hill Station (provisional name) in approximately 5 minutes. By taking advantage of Park & Ride, commuters can reach the Sydney Central Business District in less than 1 hour.

**(2) Near work and home**

Located in the 20 to 25km radius around Box Hill are business parks such as Macquarie Park, which is home to numerous businesses, including Norwest, whose tenants include Novotel Sydney Norwest (hotel) and the Australian Postal Corporation. The project site is also close to the suburb of Parramatta, making it a convenient area also for commuting to work by car.

**(3) Conveniently located 5 minutes by car from a shopping center**

The Rouse Hill area in the suburbs of Western Sydney was originally livestock and agricultural land but population increased rapidly due to residential housing development. Timed to this residential housing development, the Rouse Hill Town Center opened in 2007. The Town Center features various lifestyle functions, including a hospital, library, rental housing, and commercial functions such as a hotel, shopping center, and theater.

The Center is home to some 230 stores including core tenants Woolworths and Coles (supermarkets), Target (discount store), and Reading Cinemas (movie theater).



[Vineyard Station]



[Suburb of Parramatta]



[Norwest Business Park]

#### 4. Core target is actual customers

The target for subdivision sales of this project will mainly be by affluent workers including first home buyers living in the suburbs of Sydney, New South Wales. We also will sell housing land to local Australian housing sales companies.

#### 5. Daiwa House Group subsidiary Rawson Group will also conduct sales of single-family houses.

Daiwa House Group subsidiary Rawson Group Pty Ltd. (below, Rawson Group) conducts the development and construction of Single-Family Houses mainly in Sydney, New South Wales. We plan for the Rawson Group to conduct sales of housing subdivisions for the Box Hill Project. Operations will include sales of Rawson Homes, their housing brand for buyers upgrading from existing homes, and Thrive Home, their housing brand for primary buyers.



[Rawson Homes]



[Thrive Home]

#### ■ About the Rawson Group

Rawson Group Pty Ltd. (Rawson Group) constructs single-family housing and develops land for residential housing. Their headquarters is located in Sydney, New South Wales. Founded in 1978, they have been in business for nearly 40 years. The company boasted 1,188 new single-family house construction projects in FY2017 (FYE June 2017) and is the second largest builder of single-family homes in New South Wales in terms of new single-family house construction projects. The single-family houses they sell have received the Australian housing construction industry Award for Design Excellence, and they pride themselves on providing the highest quality products and services to their customers.



### ●Comment from Rawson Group Managing Director and CEO Matthew Ramaley

This land development project is taking place in a wonderful location in Sydney. The Daiwa House Group undertaking a large-scale residential housing development project in the Sydney area is a significant opportunity for the Rawson Group to offer our high-quality Rawson Homes and Thrive Homes housing products to a great number of customers.

#### ■Project overview

Name	: Box Hill Project(provisional name)
Location	: 93-103 Boundary Rd,Box Hill NSW 2765 Australia
Transportation	: Approx. 35 kilometers from central Sydney (approx. 50 minutes by car, approx. 45 minutes by train + 5 minutes by car) Approx. 4 minutes by car from Sydney Metro Vineyard Station Approx. 5 minutes by car from Sydney Metro Rouse Hill Station (provisional name, scheduled for completion in 2019)
Purpose	: Land for Single-Family Houses
Land area	: 891,900 m <sup>2</sup> (269,261 tsubo)
Sale area	: 529,568 m <sup>2</sup> (159,874 tsubo) planned
No. of lots	: 1,511 lots (planned)
Project period	: July 2018 – December 2025
Total project costs	: Approx. 50 billion yen
Sales start	: July 2018 (planned)
Customer Inquiries	: Daiwa House Australia +61 2 8036 4550

#### ■Development company overview

Company name	: DH Box Hill Pty Ltd. Daiwa House Industry (75%) , Odakyu Electric Railway (25%) joint venture
Location	: Suite 502, Level 5, 2 Elizabeth Plaza North Sydney NSW 2060 Australia
Established	: April 13, 2018
Capital	: Approx. 8.6 billion yen
Business	: Real estate development

#### ■Company overview

<Daiwa House Industry Co., Ltd.>

Founded on April 5, 1955 based on the corporate philosophy of industrialization of construction. With Single-Family Houses as its core business, the company operates in a variety of fields, including Rental housing, condominiums, Commercial facilities, Logistics, Business & Corporate Facilities (logistics facilities, medical and long-term nursing facilities), and the Environment and Energy. In Australia, the Group established a local subsidiary in Queensland, Australia in December 1987. In September 1989, the company completed a 35-story condominium (92 units). In May 2011, the company established Daiwa House Australia as a local subsidiary to conduct research on market opportunities as part of effort to reengage in the Australian market, leading to the development of the Flouer Mill of Summer Hill project (356 360 units) and the 「TEMPO(Drummoyne project)」 (164 units), multi-use development projects combining condominiums and commercial facilities.

<Odakyu Electric Railway Co., Ltd.>

Odakyu Electric Railway operates three railway lines, the Odawara Line, the Enoshima Line, and the Tama Line. These lines extend 120.5 kilometers (total of 70 stations) and service an average of 2.06 million people daily. Operating mainly in the Tokyo and Kawagawa areas, the

Odakyu Group consists of some 100 Group companies operating in various segments, including transportation, logistics, real estate, hotels, and restaurants. Recently, the Group engaged in the real estate development business, including the ViNA GARDENS development project (scheduled for completion by FY2025). The project is adjacent to the Ebina Station West Exit and covers a land area of 35,000m<sup>2</sup>.

In March of this year, the company completed construction work on multiple double tracks to fundamentally improve their transport network and solidify business infrastructure in the areas along their tracks. They also are engaging in promising markets in Japan and overseas as they work to capture new income streams and establish a growth cycle for the future. As part of their engagement in overseas markets, through this project the company will examine expanding their existing Group presence in Australia and also explore potential for business development in other areas overseas.



**[Current view of Box Hill area]**



**【Box Hill of the Future (nearby residential area) 】**

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