



Daiwa House[®]
Group
Press Release

November 28, 2018

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Daiwa House Industry Co., Ltd.
3-3-5 Umeda, Kita-ku, Osaka

**Development of Daiwa House Industry's First Logistics Facility to Support Cold Chain Logistics in the Suburbs of Kuala Lumpur, Malaysia
Work Starts on D Project Malaysia I**

Daiwa House Industry Co., Ltd. (Head Office: Osaka; President and COO: Keiichi Yoshii; hereinafter “the Company”) will start work on “D Project Malaysia I” (site area: approx. 30,000 m², total floor area: approx. 18,000 m², rentable area: approx. 16,500 m²) in Selangor, Malaysia on January 7, 2019. This will be our first multi-tenant logistics facility*¹ in Malaysia.

*1: A logistics facility that can accommodate multiple customers



“D Project Malaysia I”

The Company developed the “Long Duc Industrial Park” jointly with Sojitz Corporation and Kobelco Eco-Solutions Co., Ltd. in the Socialist Republic of Vietnam in 2011. We attracted Japanese companies to the Industrial Park and built their factories there. Furthermore, the Company has also been working on developing logistics facilities elsewhere in the Socialist Republic of Vietnam, the Kingdom of Thailand, and the Republic of Indonesia.

Against this backdrop, we have decided to start work on “D Project Malaysia I” to support the diversifying logistics facility needs in Malaysia.

“D Project Malaysia I” is located in an area lined with factories and logistics facilities in Shah Alam, Malaysia. It is approximately 27 km southwest of Kuala Lumpur and approximately 40 km north of Kuala Lumpur International Airport. This will be a logistics facility - cold chain logistics*² for which demand has been growing in Malaysia in recent years.

Daiwa House Malaysia Logistic Sdn. Bhd - the Company's Malaysian subsidiary, established in May 2018, will lease and manage this facility.

*2: This is a type of logistics in which perishable foods and frozen foods are stored and transported at a fixed temperature from their area of production to their area of consumption

- **Features**

1. **Development of a logistics facility in a location with easy access to sea and air transportation**
2. **Development of a multi-tenant logistics facility to support cold chain logistics**

- **Background to Development**

Malaysia is located at the heart of Southeast Asia. It has a land area of approximately 330,000 km² (approx. 90% that of Japan), a population of approximately 32 million people*³ and a GDP growth rate in 2017 of 5.9%*³. The country has been undergoing economic growth with infrastructure development that is remarkable even for Southeast Asia.

The need for logistics facilities has been growing recently in Malaysia. This is due to the increase in demand for general consumer goods and e-commerce. Many Japanese logistics companies have also entered into the country. Accordingly, the Company has decided to start work on the development of a multi-tenant-type logistics facility to support cold chain logistics by taking advantage of our expertise in logistics facility development in Japan. We will do this to support the diversifying logistics facility needs in the region.

*3: Department of Statistics Malaysia

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

This area is located approximately 3.5 km from the Kota Kemuning Interchange on the Shah Alam Expressway and approximately 27 km to the southwest from the center of Kuala Lumpur. The facility is also located at the midway point between Kuala Lumpur and its ports/airports. It is approximately 24 km to the east of Port Klang, which boasts the greatest volume of containers handled in Malaysia, and approximately 40 km to the north of Kuala Lumpur International Airport. Therefore, it is a location with easy access to sea and air transportation as a manufacturing and logistics base.

2. **Development of a Multi-tenant Logistics Facility to Support Cold Chain Logistics**

“D Project Malaysia I” will consist of a site area of approximately 30,000 m², a total floor area of 18,000 m² and a total rentable area of approximately 16,500 m². It will be able to accommodate two tenants (from approximately 7,100 m² for each tenant). This will be a multi-tenant logistics facility with three temperature zones*⁴ to support cold chain logistics, for which the need is increasing in Malaysia.

*4: Dry, chilled and frozen

<u>Main Facilities and Specifications</u>
Offices (all sections), support for three temperature zones, LED lighting in the whole building, one-way passage in the site, outlets for forklift charging and dock levelers* ⁵
*5: Devices that adjust the height when taking out and putting in packages.



Location Map

■ **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 Malaysia I”
Location	Shah Alam, Selangor , Malaysia
Transportation	Approx. 3.5 km from the Kota Kemuning Interchange Approx. 27 km to the southwest of central Kuala Lumpur Approx. 24 km to the east of Port Klang Approx. 40 km to the north of Kuala Lumpur International Airport
Building use	Multi-tenant logistics facility
Operator and management company	Daiwa House Malaysia Logistic Sdn. Bhd
Structure and number of floors	Single-floor reinforced concrete construction (office located on 2 nd floor)
Total project cost	Approx. 2.0 billion yen
Site area	Approx. 30,000 m ²
Total floor area	Approx. 18,000 m ²
Rentable area	Approx. 16,500 m ² <u>Breakdown</u> Dry: Approx. 8,600 m ² Chilled and Frozen: Approx. 6,600 m ² Office: Approx. 1,300 m ²
Number of tenants	2 tenants
Start of construction (planned)	January 7, 2019
Completion (planned)	January 2020
Moving in (planned)	March 2020
Customer inquiries	General Construction Division, Tokyo Head Branch, Daiwa House Industry Co., Ltd. Contact: Tetsuhira Sato +81-3-5214-2200 Daiwa House Malaysia Logistic Sdn. Bhd. Contact: Seiji Iwasaki +60-10-892-5011

■ Overview of Our Local Subsidiary

Company name	Daiwa House Malaysia Logistic Sdn. Bhd.
Representative	Tatsuya Urakawa
Investment company	Daiwa House Industry Co., Ltd. (Wholly owned)

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