

Media release

Hankyu Hanshin Holdings Group enters overseas commercial property management business with stake in landmark Jakarta buildings

July 4, 2019, Osaka—Hankyu Hanshin Properties Corp. (“Hankyu Hanshin Properties”), an 100% subsidiary of Hankyu Hanshin Holdings, Inc. (“Hankyu Hanshin Holdings”), is entering the overseas commercial real estate leasing business with the partial acquisition of two properties in Indonesia. The properties, Plaza Indonesia Complex and fX Sudirman, are both landmark multipurpose buildings in Jakarta, and Hankyu Hanshin Properties became the beneficial partial owner on June 24 through the acquisition of shares in the local entity that holds the assets.

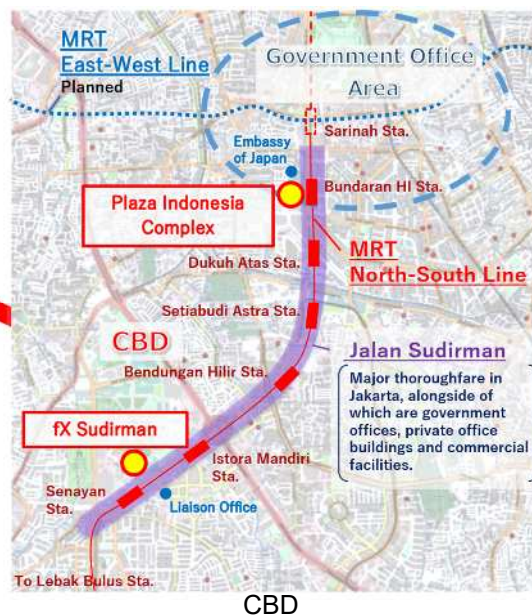
Jakarta is one of South East Asia’s leading global cities, and the properties are located on the main thoroughfare of Jakarta’s central business district in prime positions next to stations on the North-South Line of the MRT, Indonesia’s first subway system, which opened in April 2019. Management of the properties will be carried out jointly with Bumi Serpong Damai (“BSD”), a subsidiary of major Indonesian real estate developer Sinarmas Land, and other parties. BSD has extensive previous experience with large scale commercial, office and other real estate developments in and around Jakarta, including the development of Bumi Serpong Damai City.

Hankyu Hanshin Properties has been investing in residential condominiums outside of Japan since 2015, and currently has a portfolio of more than 26,000 units in five South East Asian countries. The Company intends to build on its experience in residential property and pursue further real estate development and leasing business outside of Japan.

■ Location Map



Note: (1)-(3) refer to projects being developed by the company within Indonesia.



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(Modified slightly)

Additional information for reference

1 Overview of Properties

(1) Plaza Indonesia Complex



Lower middle:
Plaza Indonesia Shopping Center
Middle:
Grand Hyatt Hotel
Right back:
The Plaza Office

The Plaza Indonesia Complex is composed of the following:

- I. Plaza Indonesia Shopping Center (high-quality shopping mall focused on luxury brands such as Hermes, Louis Vuitton and Chanel, currently housing about 400 tenants)
- II. Grand Hyatt Hotel (427 rooms, 5-star hotel)
- III. The Plaza Office (premium grade office building with 49 floors, already housing international enterprises such as ITOCHU Corporation, Deloitte and IBM)

(2) fX Sudirman

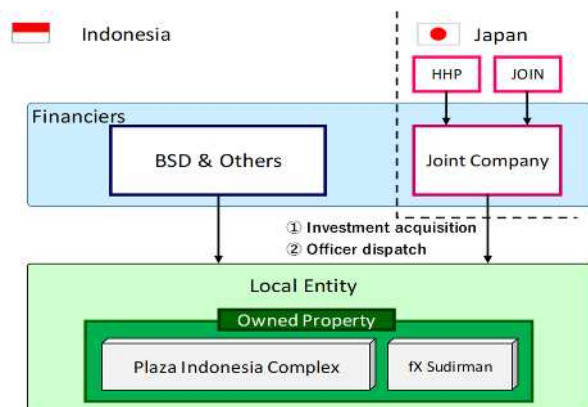
A multi-purpose commercial building targeting younger and middle-class customers. Together with restaurants and fashion boutiques, the diverse variety of tenants also includes a university, JKT48 theater and a cinema.



2. Property management and operations

Hankyu Hanshin Properties, through a company jointly established with the Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development (“JOIN”), will invest in the local entity that currently owns these properties (total investment amount is approx. JPY 83.2 billion, including that of other investors).

Hankyu Hanshin Properties will also dispatch one officer to be actively engaged in the management of the properties.



Through this transaction, Hankyu Hanshin Properties will acquire a part of one of Indonesia's leading commercial properties and make a full-scale entry into management and operations of overseas complex properties.

3. Hankyu Hanshin Properties' development business in Indonesia

Hankyu Hanshin Properties is aiming to expand the scale of its real estate business portfolio under the slogan of the Hankyu Hanshin Holdings Group's Long-term Management Vision "Enhancing Line-Side Areas and Expanding Fields." Currently, Hankyu Hanshin Properties is involved in real estate projects across six countries—Indonesia, Singapore, Vietnam, Thailand, the Philippines and Malaysia. Below is an outline of Hankyu Hanshin Properties' projects in Indonesia.

(1) the ZORA (housing development)

A development in BSD City, Tangerang Province on the outskirts of Jakarta, consisting of detached houses and residences with shops (total 701 units, comprising 543 detached houses and 158 residences with shops). This is a joint project undertaken by Hankyu Hanshin Properties in cooperation with other Japanese entities and local partner Bumi Serpong Damai Tbk PT (BSD). Sales launched in January 2018 and have been progressing steadily.

(2) OPUS PARK (housing development)

A condominium development project in Sentul City, Bogor, on the outskirts of Jakarta. This is a joint project undertaken by Hankyu Hanshin Properties, other Japanese entities, and local partner Sentul City Tbk. It consists of three buildings (total 1,077 units) directly connected to an AEON Mall. Sales launched in September 2018 and have been progressing steadily.

(3) Logistics warehouse (logistics warehouse development)

Positioned on the outskirts of Jakarta within the MM2100 Industrial Town, which is home to the local operations of many Japanese companies and offers convenient access to sea- and airports. Owned by an Hankyu Hanshin Properties subsidiary, the warehouse has been used by Hankyu Hanshin Express Indonesia since 2016 for the provision of high-quality logistics services mainly to companies in the automotive industry.

■ Overview of Hankyu Hanshin Properties Corp.

Company Name: Hankyu Hanshin Properties Corp.
Location: Hankyu Terminal Bldg., 1-1-4 Shibata, Kita-ku, Osaka
Chief Executive Officer: Tsuneo Wakabayashi
Capital Stock: JPY 12.4 billion
Annual sales: JPY 114.8 billion (as of March 2019)
Business Content: Rental of offices and commercial facilities; development of real estate; area management; real estate fund; sales of condominiums, housing lots and detached houses; brokerage; renovation; rental management; land utilization, etc.
Employees: Approx. 820 (as of April 2019)

■ Overview of JOIN

Company Name: Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development
Location: 2-2-3 Marunouchi, Chiyoda-ku, Tokyo
Chief Executive Officer: Takuma Hatano
Capital Stock: JPY 71.4 billion (as of May 2019)
Business Content: Funding, dispatch of experts, and other support for businesses engaged in transport and urban development projects outside Japan
Employees: 49 (as of March 2019)

■ Overview of BSD

*Conversion rate: IDR 100 = JPY 0.8

Company Name: PT. Bumi Serpong Damai Tbk
Location: Sinar Mas Land Plaza, Grand Boulevard, BSD Green Office Park, BSD City, Tangerang 15345
Chief Executive Officer: Franciscus Xaverius RD
Capital Stock: Approx. IDR 19.2 billion (approx. JPY 150 million as of December 2018)
Sales: Approx. IDR 6.6 trillion (approx. JPY 53 billion as of December 2018)
Business Content: Real estate
Employees: 2,143 (as of December 2018)

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