August 13, 2018

Notice of Acquisition of Office Building Development Project in Sydney CBD by Daibiru Corporation

Mitsui O.S.K. Lines, Ltd. (the "Company") would like to give notice that Daibiru Corporation ("Daibiru"), the Company's consolidated subsidiary, announced the acquisition of an office building development project in Sydney CBD. For details, please refer to the attached news release from Daibiru.

Attachment: News release from Daibiru

DAIBIRU CORPORATION

News Release

To whom it may concern

August 13th, 2018

DAIBIRU Corporation

Acquisition of office building development project in Sydney CBD "275 George Street"

As part of the medium-term management plan "Design 100" Project Phase-II starting in FY 2018, Daibiru Corporation (Head Office: Osaka, Japan) is promoting "Improvement of overseas businesses (Expansion of Vietnam businesses, Businesses evolution to Australia, etc.)" as one of their priority measures. Of a total planned investment of JPY120billion, JPY40billion is designated for overseas investment.

In line with this course of action, we have signed contracts with the John Holland Group（JHG）, a leading general contractor and developer in Australia, to acquire an office building development project in the Sydney CBD (central business district). This will be the first project in Australia for our company.

We will acquire the land from the JHG and entrust the office building development work to them. This acquisition is subject to investment approval by the relevant Australian authorities.



Rendered Image

■Project Overview

(1) Location	275 George Street, Sydney, NSW, Australia
(2) Site Area	626 ㎡
(3) Net Leasable Area	7,274 ㎡
(4) Completion Date	June, 2020 (planned)
(5) Structure	Reinforced Concrete (RC)
(6) Scale	above ground 15 floors, basement 3 floors
(7) Usage	Office and Retail

■Features of the Project:

・Excellent location

Located adjacent to Wynyard Station, one of the main stations in the Sydney CBD, the site has an excellent location facing George Street, which is the main arterial road running north and south of the city center. The Sydney CBD, especially in the western parts surrounding Wynyard Station, is undergoing significant infrastructure development (new installation of a light rail along George Street and redevelopments in Barangaroo and Wynyard Station). The advantages of this location are set to increase significantly over the coming years.

・A high-quality building

We will be offering a high-quality office building with considerable floor space (approximately 500m^2 per floor) to meet market demand in this district. We plan to acquire Green Star and NABERS Energy environmental performance certification, and additionally will install lockers/shower rooms for tenants, and a bicycle parking lot to support bicycle commuters.

・A trusted team for the project

John Holland, which is responsible for the construction and development of this project, is a major general contractor* with more than 65 years history in Australia and internationally. They are the 4th ranking contractor in Australia's non-residential sector, with abundant experience in infrastructure constructions such as subways and airports. TH Real Estate, one of the largest real estate investment managers in the world with over US$100billion in assets under management, will take charge of the asset management of this project.

* Please refer to HIA-CoreLogic Construction 2016/17

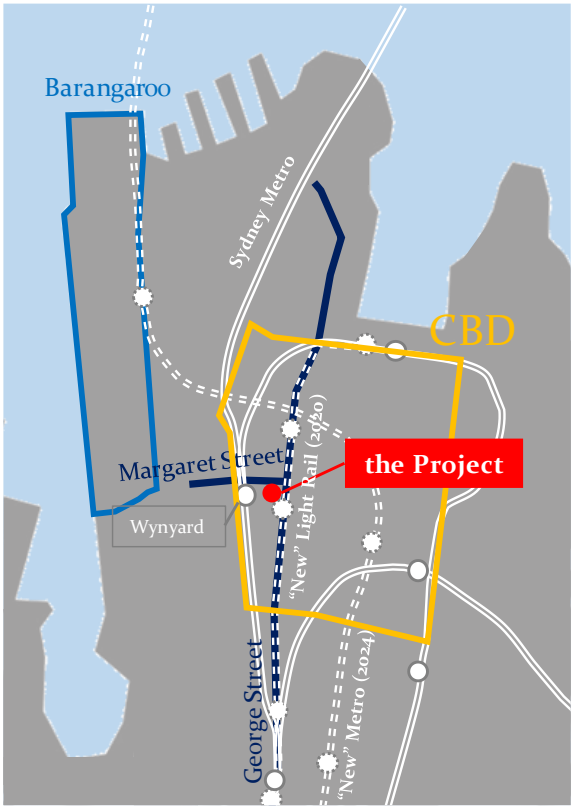
■Daibiru Overseas Business

Our overseas business includes the acquisition of two A-class office buildings, namely “Saigon Tower”, located in the Ho Chi Minh City CBD, in 2012, and “CornerStone Building”, located in the Hanoi CBD, in 2014. In 2017, we participated in a new development project in Vietnam (already sold to a third party) and have developed our overseas business centered on Vietnam. As a pioneer among Japanese companies of the office building business in Vietnam, we will continue to expand our investments centered on office buildings in the country. However, considering the size and the recent overheating of the office building market in Vietnam, we have decided, as a second destination for our overseas investment, to focus on the Australian market, which has a high level of market transparency and liquidity. This market has the added attractions of having stable economic growth and population increase forecasted. We have had the acquisition of office buildings there under consideration for some time, and given the positive market conditions have decided now is an opportune moment to move into the market. We will keep our overseas business developments centered on Australia and Vietnam for now.

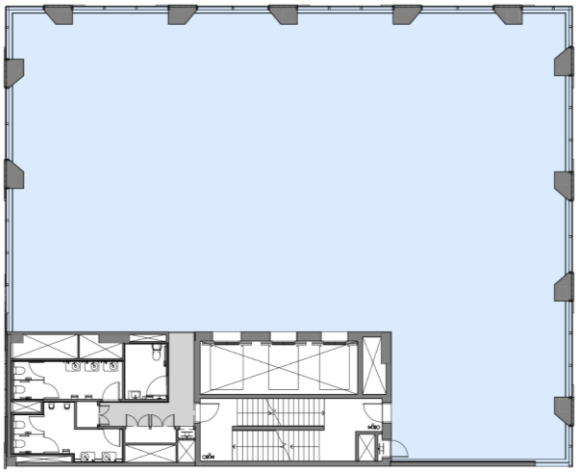
■Images for Reference



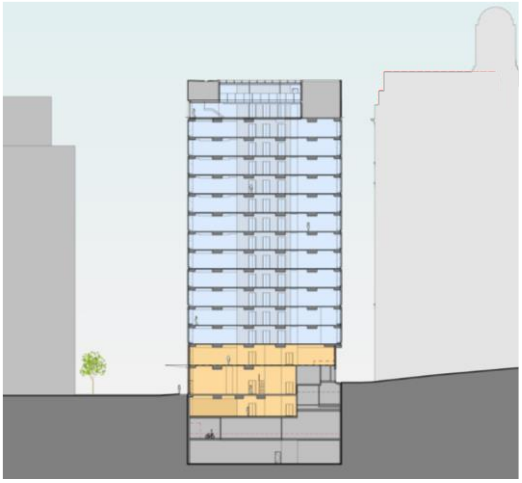
Current Status
(Existing building being demolished)



Location of the Project



Floor Plan



Elevation (North)

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