



GIC and Dexus establish joint venture to invest in Australian logistics properties

Singapore, 26 November 2018 – GIC, Singapore’s sovereign wealth fund, and Dexus, an Australian REIT, have established the Dexus Australian Logistics Trust (“DALT” or “the Joint Venture”), a new circa A\$2 billion unlisted trust, to invest in logistics properties in Australia.

The Joint Venture will be seeded with a A\$1.4 billion, high-quality logistics portfolio, comprising mostly core logistics facilities in strong performing precincts with good access to major arterial roads, rails and ports. The assets are located mostly in Sydney and Melbourne (97%), Australia’s key metropolitan areas and strongest logistics markets. The weighted average lease expiry of the portfolio is at a healthy level of 5.3 years with occupancy at a high 98%.

In addition, the Joint Venture will acquire three development opportunities with a total future completion value of A\$0.5 billion. It will continue to pursue an acquisition and development strategy targeting core logistics properties in Australia.

Lee Kok Sun, Chief Investment Officer, Real Estate, said “This investment reflects GIC’s confidence in the long-term potential of Australia’s logistics sector. We believe the structural and consumption growth in Australia, particularly from favourable demographics and growth in e-commerce, will continue to drive demand for logistics properties. This portfolio of quality assets in strong locations is well-positioned to capitalise on this and generate steady income over the long term. We look forward to partnering Dexus, a leading manager and developer of industrial properties in Australia, to establish and scale this venture.”

Subject to FIRB¹ approval, GIC will be DALT’s foundation investor, taking an initial 25% investment in the core portfolio, with put and call rights to acquire an additional 24% by June 2020. GIC will also take an initial 49% interest in the Joint Venture’s seed development portfolio.

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About GIC

GIC is a leading global investment firm with well over US\$100 billion in assets under management. Established in 1981 to secure the financial future of Singapore, the firm manages Singapore’s foreign reserves. A disciplined long-term value investor, GIC is uniquely positioned for investments across a wide range of asset classes, including real estate, private equity, equities and fixed income. GIC has investments in over 40 countries and has been investing in emerging markets for more than two decades. Headquartered in Singapore, GIC employs close to 1,500 people across 10 offices in key financial cities worldwide. For more information about GIC, please visit www.gic.com.sg.

¹ Foreign Investment Review Board