

PanaHome Corporation and Sojitz Group Announce Joint Venture to Build Sustainable Smart Town, Kota Deltamas

Indonesia, 30 May 2017- PanaHome Group (“PanaHome”) and Sojitz Group will establish PT. PanaHome Deltamas Indonesia (“PHDI”) with the aim of building a sustainable smart town within Deltamas City (Kota Deltamas*, a comprehensive urban development project that includes commercial facilities, residential neighborhoods, and an industrial park) located in Indonesia’s Bekasi Municipality, which brings a residential neighborhood in close convenience to business districts.

PHDI will begin residential development within Deltamas City—a comprehensive urban infrastructure development project established and operated by Sojitz Group’s PT. Puradelta Lestari (“PDL”). The company will be established as a joint venture in October 2017 with equity interest split 51% to PT. PanaHome Gobel Indonesia (“PHGI”) (PanaHome’s consolidated subsidiary and joint venture between PanaHome Asia Pacific Pte. Ltd. and local company PT. Gobel International (“GI”)), and 49% to PDL.

PHDI will pursue detached housing development based on PDL’s concept of creating a residential neighborhood proximal to business districts and simultaneously incorporates PanaHome’s expertise in building sustainable smart towns in Japan. PHDI aims to create a safe and comfortable housing in the suburbs of Jakarta to alleviate overcrowding in central Jakarta while providing a new living environment that promotes balance and prosperity.

The first phase of the project will involve construction of 520 housing units with costs up to JPY 10 billion plus construction of 1000 housing units for the second phase. The total costs will be capped at a target of approximately JPY 30 billion for 2026.

PanaHome, the housing subsidiary of Panasonic has built a total of approximately 480,000 homes in Japan over the past 50 years. In addition, PanaHome is also actively expanding its business overseas, beginning with Taiwan in 2010 and Malaysia in 2012, further strengthening Panasonic’s footsteps in the housing industry across Southeast Asia. Starting from June 2017, PanaHome plans to partner with Gobel Indonesia to establish PHGI in Indonesia.

PDL operates under Sojitz and one of Indonesia’s largest conglomerate, Sinar Mas Land Group, and began the world’s largest Japanese comprehensive urban infrastructure project back in 1996. Now, PDL is involved in the development and

operation of the 3,200ha Deltamas City, with the goal of developing a comprehensive urban infrastructure that includes residences, commercial spaces, an industrial park, government institutions, and education facilities.

PanaHome Group and the Sojitz Group will partner on this project to provide Japan’s high-quality housing in Indonesia to further improve the quality of life within the country.

“Kota Deltamas” is Deltamas City’s official name, where “kota” is the Indonesian word for “city.”

Overview of Deltamas City

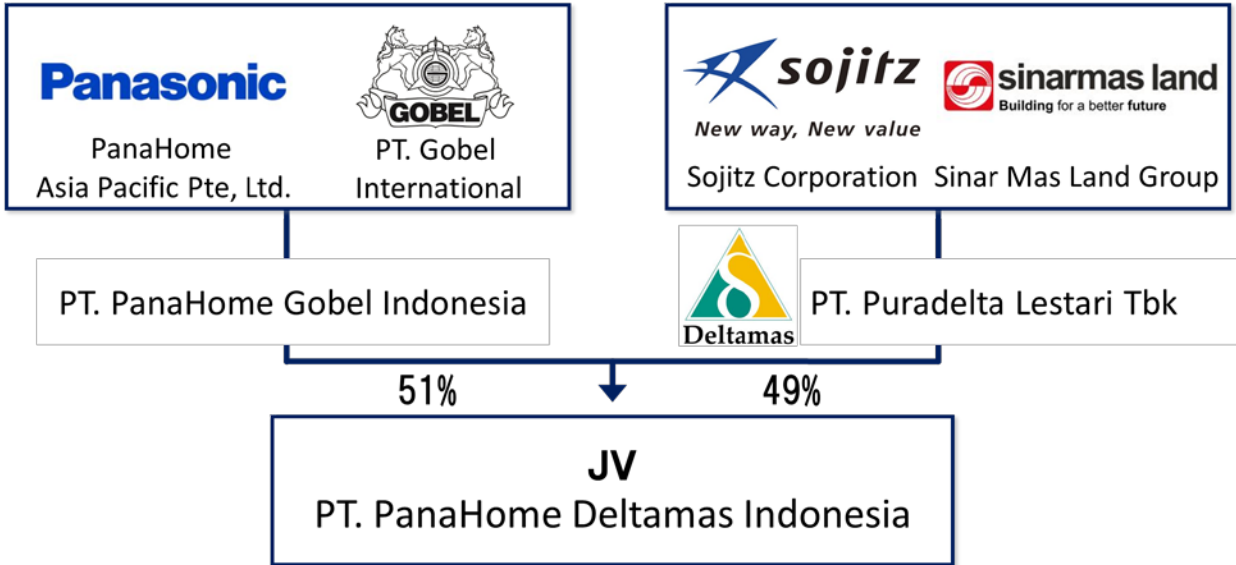
	Deltamas City (Kota Deltamas)
Location	Bekasi Municipality, West Java, Indonesia
Business	Comprehensive development operation of residences, commercial facilities, and industrial parks
Total area	3,200ha



Map of Deltamas City Location

Deltamas is located within a city center roughly 37km from Jakarta that is home to government offices such as the Bekasi Regency and educational institutions such as the Institut Teknologi Bandung (in the planning stages.) Additionally, Deltamas City plans to open the largest Aeon mall in the ASEAN region and continue to develop the area into an attractive city, fully-equipped with urban infrastructures.

Business Scheme



■ Companies

[PT. PanaHome Deltamas Indonesia (“PHDI”)]

Representative Director	Kazuhiko Tanaka
Capitalization	360 billion rupiah (approx. JPY 3.2 billion) (forecast)
Ownership	PT. PanaHome Gobel Indonesia : 51% PT. Puradelta Lestari Tbk : 49%
Main Business	Development and sale of condominiums
Established	October 2017 (expected date)

[PT. PanaHome Gobel Indonesia (“PHGI”)]

Head Office	Jl. Jend. Sudirman Kav.61-62, Jakarta, Indonesia
Representative Director	Kazuhiko Tanaka
Capitalization	10 billion rupiah (approx. JPY 89 million) (forecast)
Ownership	PanaHome Asia Pacific Pte, Ltd. : 75% PT. Gobel International Corporation : 25%
Main Business	Real estate developer
Established	June 2017 (expected date)

[PT. Puradelta Lestari Tbk (“PDL”)]

Head Office	Kota Deltamas Jalan Tol Jakarta Cikanmpek KM37, Cikarang Pusat, Bekasi, Indonesia
Representative Director	(President Director) Hongky Jeffry Nantung
Capitalization	4.8 trillion rupiah (approx. JPY 42.7 billion)
Ownership	Sojitz Corporation : 25% Sinar Mas Land Group : 55.68% General Shareholders : 19.32% Listed on the Indonesia Stock Exchange (May 2015)
Main Business	Comprehensive development and operation of residences, commercial facilities, and industrial parks
Established	November 1993

[PanaHome Corporation]

Head Office	1-4, Shinsenri-nishimachi, 1 Chome, Toyonaka, Osaka 560-8543, Japan
Representative Director	Ryuji Matsushita
Capitalization	JPY 28.4 billion (as of March 31 st , 2017)
Established	July 1963

[Sojitz Corporation]

Head Office	1-1, Uchisaiwaicho 2-chome, Chiyoda-ku, Tokyo 100-8691, Japan
Representative Director	Yoji Sato
Capitalization	JPY 160.3 billion (as of March 31 st , 2017)
Established	April 2003

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