



New Forests Issues New Timberland Investment Outlook: Insights for institutional investors for 2013-2017

SYDNEY (24 April 2013) – New Forests today released its new publication, *Timberland Investment Outlook, 2013-2017*. Timberland, along with farmland, infrastructure, and other real assets, has been growing in favour among institutional investors due to the attractive characteristics of the asset class. The publication focuses on key trends in institutional investment into timberland and provides recommendations on the development of internationally diversified timberland portfolios. The report also explores key trends in the forest sector, including the international supply-demand picture, potential for new markets for biomass from forests, and the growing role of sustainability in forest management. The report is a follow-up to New Forests' first Timberland Investment Outlook, released in 2011.

New Forests research suggests that US\$50-60 billion dollars has now been invested worldwide in unlisted timberland vehicles, and the asset class is set to grow by US\$6-7 billion per annum over the next five years. While much of the investment to date has been in US timberland, the next five years will likely see half of new investment flowing outside the US, principally in Australia, New Zealand, Latin America, Europe, and Asia. At the same time, the global forestry sector is expanding and restructuring to accommodate growing demand from Asia for a range of wood products, as well as a rebound in US housing. The next five years may also see the steady growth in a range of new markets for bioenergy, biofuels, and bio-materials.

New Forests' Outlook suggests that timberland investors will need to navigate a maturing asset class and position their timberland portfolio to gain from shifts in market conditions and competitive dynamics to be successful.

"There are a number of trends taking place in timberland investment, the forest sector, and in regional markets that make it clear that the timberland asset class is and will remain a dynamic marketplace with plenty of opportunities," said David Brand, Managing Director. "Our Timberland Investment Outlook discusses the key issues and opportunities that investors face in building a timberland portfolio. Ultimately, we believe investors must seek out local expertise and take account of risk factors including currency risk, physical risk, business and political environment, and market conditions."

Download the full report online at:

<http://newforests.com.au/news/pdf/articles/NewForestsTimberlandInvestmentOutlook2013.pdf>

About New Forests

New Forests Pty Limited (www.newforests.com.au) manages investments in sustainable forestry for institutional and other qualified wholesale investors. New Forests executes three investment strategies that provide clients with diversity and choice around risk-adjusted returns, geography, and market exposure: sustainable timberland investment in Australia and New Zealand; forestry investment in high-growth markets of the Asia Pacific region; and conservation real estate and environmental markets investment in the United States. The company has offices in Sydney, Singapore, and San Francisco and currently manages more than AU\$1.3 billion in assets and over 400,000 hectares of land in Australia, the United States, and Asia.

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