

## **New Forests announces initial close of the Australia New Zealand Forest Fund 2: *Fund has initial capital commitments of AU\$570 million***

**SYDNEY (27 June 2013)** – New Forests today announced the launch of the New Forests Australia New Zealand Forest Fund 2 (“ANZFF2”), a private investment vehicle offering qualified investors exposure to sustainable timberland investment in Australia and New Zealand. The initial close of ANZFF2 includes AU\$570 million in capital commitments from institutional investors. The fund will target hardwood and softwood timber plantation investments in Australia and New Zealand.

ANZFF2 is New Forests’ second timberland fund investing in the forest sectors of Australia and New Zealand. The company’s first such fund, ANZFF, closed in October 2010 with AU\$490 million in commitments and is now fully invested. Including co-investments with ANZFF, New Forests has invested more than AU\$1 billion in the regional forestry sector for its clients over the past three years.

ANZFF2 offers qualified investors exposure to a region with strong forest sector fundamentals, including a robust operating environment, low technical risk, established domestic and export timber markets, and nearly 4 million hectares of existing timber plantation assets across the two countries. Australia and New Zealand have seen an increase in institutional ownership of forests as the industry restructures, reducing corporate and government ownership. New Forests has estimated that over the next five years, approximately 25% of global institutional timberland investment transactions will occur in Australia and New Zealand.

“Australia and New Zealand offer attractive but distinct timberland investment opportunities, with some premier assets likely to come to market over the next two to three years,” said David Brand, New Forests’ Managing Director. “New Forests has demonstrated an ability to invest successfully in our region. We offer our clients specialist expertise and local knowledge in a region exposed to demand growth from both domestic and Asian export markets.”

New Forests’ investment business is led by David Brand and James Davies, Head of Funds Management. The ANZFF2 portfolio will be managed from the company’s Sydney headquarters with David Shelton, Director of Investment Programs, leading acquisitions and Keith Lamb, Director of Operations, leading asset management. Since New Forests’ establishment in 2005, Mr Lamb and Mr Shelton have undertaken numerous investments in Australia and New Zealand including both softwood and hardwood plantations and the Timberlink softwood timber processing, sales and distribution business.

New Forests also operates the Tropical Asia Forest Fund from its office in Singapore, providing the company with a comprehensive capacity to source and manage investment opportunities throughout the Asia Pacific region.

“In addition to pursuing attractive commercial returns for our clients, New Forests seeks to add value through responsible investment practices that incorporate environmental, social, and governance considerations throughout the investment chain,” remarked Mr Brand. “This means in Australia and New Zealand, as for all of our funds, we apply our comprehensive Social and Environmental Management System and pursue third-party forest certification to manage our investments on a commercially, environmentally, and socially sustainable basis.”

### **About New Forests**

New Forests ([www.newforests.com.au](http://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 AU\$1.8 billion in committed capital and assets and over 415,000 hectares of land in Australia, the United States, and Asia.

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