

August 29, 2007



ProLogis to Develop New Logistics Park Near Shanghai Hongqiao International Airport

SHANGHAI, China, Aug. 29 /PRNewswire-FirstCall/ -- ProLogis (NYSE: PLD), the world's largest owner, manager and developer of distribution facilities, announced today that it will develop a new distribution park near Shanghai Hongqiao International Airport, one of China's primary air-cargo hubs.

(Photo: <http://www.newscom.com/cgi-bin/prnh/20070829/LAW017>)

The company has acquired a 48-acre parcel that includes an existing warehouse and two closed manufacturing facilities, which it will convert for use as distribution centers. The site can accommodate four additional two-story buildings ranging in size from about 200,000 to 450,000 square feet (18,600 to 41,800 square meters). The park, to be called ProLogis Park Hongqiao West, will total over 1.8 million square feet (170,000 square meters) at full buildout. Total investment at the site will be approximately US\$60 million.

"We expect strong growth in demand for high-quality warehouse space in the area due to the dramatic increase in air cargo predicted for Hongqiao Airport over the next several years," said Ming Mei, ProLogis' president of China operations. "We look forward to building a development that can serve this demand effectively and help our customers build more efficient distribution systems in the region."

Hongqiao Airport is China's fifth-largest by cargo volume, handling an estimated 360,000 tons per annum. Over the next few years, the airport will undergo a significant expansion program that is expected to increase cargo volume to approximately 1 million tons by 2010.

The new park site is located approximately 7 kilometers from the airport and 20 kilometers from downtown Shanghai, near the junction of two major expressways. The area around the site will be served by a series of new rail and subway lines and has also been designated for large-scale office, hotel and retail development.

"Given its prime location, the park property is ideal for logistics and shipping companies using the airport to move product in and out of Shanghai, as well as for companies with local distribution operations," Mei said.

ProLogis entered China in 2004 and has since established a leading position as a provider of industrial distribution facilities. The company had 12.7 million square feet (1.2 million square meters) in operation and under development at June 30, 2007. Major customers in China include adidas, Best Buy, DHL, L'Oreal, Menlo Worldwide, Nokia, NYK, Samsung, UPS and Yum! Brands.

About ProLogis

ProLogis is the world's largest owner, manager and developer of distribution facilities, with operations in 105 markets across North America, Europe and Asia. The company has \$29.9 billion of assets owned, managed and under development, comprising 446.9 million square feet (41.5 million square meters) in 2,523 properties as of June 30, 2007. ProLogis' customers include manufacturers, retailers, transportation companies, third-party logistics providers and other enterprises with large-scale distribution needs. Headquartered in Denver, Colorado, ProLogis employs more than 1,300 people worldwide. For additional information about the company, go to <http://www.prologis.com>.

SOURCE ProLogis