

March 9, 2010



## ProLogis Prices \$1.5 Billion of Senior Notes

DENVER, March 9 /PRNewswire-FirstCall/ -- ProLogis (NYSE: PLD) announced today that it has priced an offering of \$400 million aggregate principal amount of 3.25% convertible senior notes due 2015. The company granted to the underwriters an option to purchase up to an additional \$60 million aggregate principal amount of convertible senior notes to cover over-allotments. In addition, the company announced that it has concurrently priced \$1.1 billion aggregate principal amount of fixed-rate senior notes. Included in the aggregate amount is \$800 million of notes due March 15, 2020, that have an annual coupon rate of 6.875% and were priced at 99.765% of the principal amount and \$300 million of notes due March 15, 2017, that have an annual coupon rate of 6.25% and were priced at 99.637% of the principal amount. The sale of the convertible senior notes and the fixed-rate senior notes is expected to close on March 16, 2010, subject to customary closing conditions.

The convertible senior notes will mature on March 15, 2015. The convertible senior notes are convertible by holders into ProLogis common shares at an initial conversion rate of 57.8503 shares per \$1,000 principal amount of notes, equivalent to an initial conversion price of approximately \$17.29 per share, subject to adjustment upon the occurrence of certain events, at any time prior to the close of business on the trading day preceding the maturity date. The initial conversion price represents a 29% premium to the closing price of ProLogis common shares on March 9, 2010.

The convertible senior notes are not redeemable by ProLogis prior to maturity except to the extent necessary to preserve its status as a REIT. In connection with any redemption, the redemption price will be equal to 100% of the principal amount of the convertible senior notes being redeemed plus any accrued and unpaid interest up to, but excluding the redemption date.

The convertible senior notes and the fixed-rate senior notes are senior obligations of ProLogis. The company plans to use the proceeds from both offerings for the repayment of borrowings under its global line of credit. The company expects to re-borrow such amounts to fund the cash purchase of certain of its senior notes that are tendered in its tender offer for such notes, which commenced on March 8, 2010, the repayment or repurchase of other indebtedness and for general corporate purposes.

Citi, Barclays Capital, Deutsche Bank Securities, J.P. Morgan and Morgan Stanley are acting as Joint Book-Running Managers for the offering of the convertible senior notes. Citi, BofA Merrill Lynch, Goldman, Sachs & Co., and RBS are acting as Joint Book-Running Managers for the offerings of the fixed-rate senior notes. Copies of the preliminary and final prospectus supplement relating to the offering of convertible senior notes may be obtained from Citi, Attention: Prospectus Department, Brooklyn Army Terminal, 140 58th Street, 8th Floor, Brooklyn, NY 11220 or by calling toll-free at 1-877-858-5407; by calling Barclays Capital Inc. toll-free at 1-888-603-5847; by calling Deutsche Bank Securities toll-free at 1-

800-503-4611; from J.P. Morgan Securities Inc., c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717 or by calling 1-866-803-9204; or from Morgan Stanley & Co. Incorporated, 180 Varick Street, 2nd Floor, New York, NY 10014, Attention: Prospectus Department or by calling toll-free at 1-866-718-1649. Copies of the preliminary and final prospectus supplement relating to the offering of fixed-rate senior notes may be obtained from Citi, Attention: Prospectus Department, Brooklyn Army Terminal, 140 58th Street, 8th Floor, Brooklyn, NY 11220 or by calling 1-800-858-5407; from Banc of America Securities LLC, Attention: Prospectus Department, 100 West 33rd Street, 3rd Floor, New York, NY 10001 or by calling toll-free at 1-800-294-1322; from Goldman, Sachs & Co., 200 West Street, New York, NY 10282 or by calling toll-free at 1-866-471-2526; or by calling RBS Securities Inc. toll-free at 1-866-884-2071.

This release shall not constitute an offer to sell or the solicitation of an offer to buy any of these securities, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful.

### **About ProLogis**

ProLogis is a leading global provider of distribution facilities, with more than 475 million square feet of industrial space (44 million square meters) in markets across North America, Europe and Asia. The company leases its industrial facilities to more than 4,400 customers, including manufacturers, retailers, transportation companies, third-party logistics providers and other enterprises with large-scale distribution needs.

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