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Prologis Research: A New Demand Model for Logistics Real Estate

SAN FRANCISCO, July 14, 2014 /PRNewswire/ -- Prologis, Inc. (NYSE:PLD), the global leader in industrial real estate, today released a research paper titled, "Inside the Global Supply Chain: E-commerce and a New Demand Model for Logistics Real Estate."

In the report, the company's research team answers how e-commerce is changing retailers' requirements for logistics real estate and how distribution centers are adapting. The report:

- Explores the evolution of the supply chain and the arc of customer's fulfillment footprint;
- Examines growth of the retail industry, addresses the risk of cannibalization and positive implications for demand growth for logistics real estate; and
- Considers the activities that are unique to e-commerce and the associated implications for asset selection and obsolescence.

"Online fulfillment is in its infancy and we anticipate e-commerce will create significant new demand for logistics real estate well into the future," said Chris Caton, vice president and head, Prologis Research. "Our analysis indicates fulfillment models emphasize proximity to major population centers, allowing for faster delivery times, higher services levels, and greater flexibility in the supply chain."

The complete report is available on the company's website in the Research section at www.prologis.com.

Prologis Research monitors, analyzes and reports on key trends and dynamics in both real estate and supply chain management to provide customers, investors and the general public with insight from a global perspective.

ABOUT PROLOGIS

Prologis, Inc., is the leading owner, operator and developer of industrial real estate, focused on global and regional markets across the Americas, Europe and Asia. As of March 31, 2014, Prologis owned or had investments in, on a wholly owned basis or through co-investment ventures, properties and development projects expected to total approximately 574 million square feet (53.3 million square meters) in 21 countries. The company leases modern distribution facilities to more than 4,700 customers, including manufacturers, retailers, transportation companies, third-party logistics providers and other enterprises.

The statements in this release that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which Prologis operates, management's beliefs and assumptions made by management. Such statements involve uncertainties that could significantly impact Prologis' financial results. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," variations of such words and similar expressions are intended to identify such forward-looking statements, which generally are not historical in nature. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future — including statements relating to rent and occupancy growth, development activity and changes in sales or contribution volume of properties, disposition activity, general conditions in the geographic areas where we operate, our debt and financial position, our ability to form new co-investment ventures and the availability of capital in existing or new co-investment ventures — are forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Although we believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that our expectations will be attained and therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Some of the factors that may affect outcomes and results include, but are not limited to: (i) national, international, regional and local economic climates, (ii) changes in financial markets, interest rates and foreign currency exchange rates, (iii) increased or unanticipated competition for our properties, (iv) risks associated with acquisitions, dispositions and development of properties, (v) maintenance of real estate investment trust ("REIT") status and tax structuring, (vi) availability of financing and capital, the levels of debt that we maintain and our credit ratings, (vii) risks related to our investments in our co-investment ventures and funds, including our ability to establish new co-investment ventures and funds, (viii) risks of doing business internationally, including currency risks, (ix) environmental uncertainties, including risks of natural disasters, and (x) those additional factors discussed in reports filed with the Securities and Exchange Commission by Prologis under the heading "Risk Factors." Prologis undertakes no duty to update any forward-looking statements appearing in this release.

Video - http://origin-qps.onstreammedia.com/origin/multivu_archive/PRNA/ENR/A218Prologis-V5_high.mp4

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