

May 1, 2008



ProLogis Prices Notes Offerings

DENVER, May 1 /PRNewswire-FirstCall/ -- ProLogis (NYSE: PLD) announced today that it has priced an offering of \$500 million aggregate principal amount of 2.625% convertible senior notes due 2038. The company also has granted to the underwriters an option to purchase up to an additional \$50 million aggregate principal amount of senior convertible notes to cover over-allotments.

In addition, the company announced that it has concurrently priced an offering of \$600 million aggregate principal amount of fixed-rate senior notes. The fixed-rate senior notes will be due May 15, 2018, have an annual coupon rate of 6.625% and were priced at 99.766%. The sale of the convertible senior notes and the fixed-rate notes is expected to close on May 7, 2008, subject to customary closing conditions.

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 to repay a portion of the outstanding balance under its global line of credit and for general corporate purposes.

The convertible senior notes will bear interest at a rate of 2.625% per annum, mature on May 15, 2038, and were priced at 99% of par. Prior to February 15, 2013, upon the occurrence of specified events, the convertible senior notes will be convertible at the option of the holder at an initial conversion rate of 13.1203 shares per \$1,000 principal amount of convertible senior notes. The conversion of the convertible senior notes may be satisfied in cash, common shares or a combination of cash and common shares, at the election of the company. The initial conversion price of approximately \$76.22 represents a 21.25% premium to the closing price of the company's common shares on May 1, 2008 and is subject to adjustment in certain circumstances. On and after February 15, 2013, the convertible senior notes will be convertible at any time at the option of the holder.

On or after May 20, 2013, the company may at its option redeem all or part of the convertible senior notes for cash, provided that the company must make at least 10 semi-annual interest payments (including the interest payments on November 15, 2008 and May 15, 2013) in full before redeeming any notes. The company may also redeem all of the notes at any time prior to maturity to the extent necessary to preserve ProLogis' status as a real estate investment trust. Holders may require the company to repurchase the convertible senior notes for cash in full on May 15, 2013, 2018, 2023, 2028 and 2033 and at any time prior to their maturity upon a "fundamental change." In connection with any redemption or repurchase, the redemption or repurchase price will be equal to 100% of the principal amount of the convertible senior notes being redeemed or repurchased plus any accrued and unpaid interest up to, but excluding the repurchase date.

Goldman, Sachs & Co., Banc of America Securities LLC, and Morgan Stanley & Co. Incorporated acted as Joint Book-Running Managers for the offering of the convertible senior notes. Citigroup Global Markets Inc., Goldman, Sachs & Co. and RBS Greenwich Capital acted as Joint Book-Running Managers for the offering of the fixed-rate senior notes.

Copies of the preliminary and final prospectus supplements relating to the offering of convertible senior notes may be obtained from Goldman, Sachs & Co., Attn: Prospectus Dept., 85 Broad Street, New York, New York, 10004, Fax: 212-902-9316, at 1-866-471-2526 or email at prospectus-ny@ny.email.gs.com; from Banc of America Securities LLC, Capital Markets (Prospectus Fulfillment) by email to dg.prospectus_distribution@bofasecurities.com or by mail to Banc of America Securities LLC, Capital Markets Operations, 100 West 33rd Street, 3rd Floor, New York, New York, 10001; or from Morgan Stanley & Co. Incorporated, 180 Varick Street 2/F, New York, New York, 10014, at 1-866-718-1649 or email at prospectus@morganstanley.com. Copies of the preliminary and final prospectus supplements relating to the offering of fixed-rate senior notes may be obtained from Citigroup Global Markets Inc., at 1-800-858-5407; from Goldman, Sachs & Co. as discussed above; or from RBS Greenwich Capital, at 1-866-844-2071.

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 the world's largest owner, manager and developer of distribution facilities, with operations in 121 markets across North America, Europe and Asia. The company has \$38.8 billion of assets owned, managed and under development, comprising 526.3 million square feet (48.9 million square meters) in 2,817 properties as of March 31, 2008. 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 over 1,500 people worldwide.

SOURCE ProLogis