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ProLogis Expands Industrial Portfolio in South Korea

- Acquires 889,000 Square Feet in the Cities of Milyang, Icheon, and Cheonan -

DENVER, May 8 /PRNewswire-FirstCall/ -- ProLogis (NYSE: PLD), the world's largest owner, manager and developer of distribution facilities, announced today that ProLogis Korea Property Fund has acquired approximately 889,000 square feet of industrial warehouse space in the cities of Milyang, Icheon and Cheonan.

The fund has purchased a \$31.0 million portfolio in Milyang City totaling 292,330 square feet (27,168 square meters), a \$38.1 million portfolio in Icheon City totaling 327,000 square feet (30,426 square meters) and a \$17.2 million portfolio in Cheonan City totaling 269,560 square feet (24,959 square meters) of distribution space.

"We continue to see excellent opportunities to grow our presence in South Korea," said Thomas Nam, senior vice president and head of ProLogis' Korean operations. "The nation is gaining prominence as a vital hub for global manufacturing and trade. These new acquisitions will help expand our market presence and customer base, as well as further our commitment to becoming a key provider of distribution space in South Korea."

The property acquired in Milyang is a two-story warehouse built in 2007 and is fully leased to a local retail company. Strategically located in Milyang City, an emerging distribution hub in the southern part of the country, the facility is in close proximity to major modes of transportation including the Seoul-Busan Expressway, the Busan Seaport and a new logistics railway scheduled for completion at the end of this year.

"Milyang has the potential to rival traditional logistics hubs like Busan and Yangsan," said Tony Yoon, senior marketing manager for ProLogis. "Access to land in those areas is becoming more challenging, while recent improvements in infrastructure and close proximity to two of South Korea's largest cities have made Milyang an increasingly attractive distribution hub."

In Icheon, the fund has acquired a sale-leaseback portfolio comprising nine distribution facilities from a major third party logistics provider in Korea. The property is located in the Deokpyung market, one of the major logistics hubs in the Gyeonggi and Seoul regions.

The Cheonan property consists of two separate two-story warehouses completed in 2007; both are fully leased to a local third party logistics provider. The property is strategically located in Cheonan City, which is known as a top logistics hub for many of the world's top electronics manufacturers. Located at the junction of the Seoul-Busan Expressway, the site offers quick access to major national highways as well as the future North Cheonan interchange, scheduled to be completed in December 2009.

"Both the Icheon and Cheonan acquisitions are landmark distribution centers to add to our portfolio, given their size, quality, and location," added Yoon.

As of May 1, 2008, ProLogis has 14 distribution facilities owned, managed or under development in Korea, totaling 4 million square feet (372,605 square meters).

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. For additional information about the company, go to <http://www.prologis.com>.

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