

November 12, 2008



ProLogis Announces CEO Resignation and Strategic Initiatives to Address Market Conditions

- Walter C. Rakowich Named Chief Executive Officer and Joins Board -

- Initiatives Include Reduction in Common Dividend, Halt to New Development Starts and Reduction in General and Administrative Expenses -

DENVER, Nov. 12 /PRNewswire-FirstCall/ -- ProLogis (NYSE: PLD), the world's largest owner, manager and developer of distribution facilities, announced that Jeffrey H. Schwartz has resigned as the company's chairman and chief executive officer. In conjunction with Schwartz's resignation, Walter C. Rakowich, former president and chief operating officer of the company, has been named chief executive officer by the Board of Trustees and will join the company's Board. Stephen L. Feinberg, the Board's lead trustee, will assume the role of Board chairman.

"I would like to thank Jeff for his vision and leadership on behalf of the Board and ProLogis' entire global organization. Jeff was the key driver behind our international expansion and accomplished a great deal during his 14 years with the company," said Feinberg. "With the economy facing significant headwinds due to dislocation in the credit markets and the negative effect on business conditions around the world, Walt brings a deep background in real estate, encompassing both operational and financial expertise. Together, the senior management team is prepared to make the tough choices necessary to ensure the company is positioned to weather this storm and preserve its market leadership position."

Rakowich most recently was ProLogis' president and chief operating officer from 2005 until the present. Prior to that, he was chief financial officer from 1999 through 2004. Additionally, he held various market-level positions, including serving as Mid-Atlantic regional director from 1995 to 1998. Before joining ProLogis, Rakowich held several positions with the Trammell Crow Company in Los Angeles, following the completion of his MBA at Harvard Business School.

Rakowich said, "Together, our senior management team has developed a solid plan to reposition the company, and I look forward to working with our team to address the challenges ahead. We believe the current share price substantially understates the company's worth but realize we need to prove that with actions rather than words. Both the Board and our entire management team are committed to significantly enhancing the intrinsic value for all our stakeholders."

"Building ProLogis into the leading global provider of logistics facilities has been truly

rewarding," said Schwartz. "Today's market calls for a focus on de-leveraging, cost management and greater operational efficiencies, and I have confidence in management's ability to execute that plan under Walt's leadership."

Dividend Cut Enhances Liquidity

The Board has targeted a new annualized dividend of \$1.00 per common share for 2009, subject to market conditions and REIT distribution requirements. This new rate revises the \$2.28 per share level previously announced for 2009 and represents a 52 percent reduction from the \$2.07 per share rate declared during 2008. This action will permit the company to retain additional capital, which will be used to repay debt and strengthen the balance sheet.

Targeted Initial Reduction in General and Administrative Expenses of 20 to 25 Percent

The company also said that in response to the tough economic climate, over the near term it will reduce G&A spending by 20 to 25 percent through a combination of a reduction in workforce and cutting of business spending. "Obviously, the credit markets and overall market conditions make it clear that we need to significantly reduce expenses," said William E. Sullivan, chief financial officer. "Difficult times require difficult choices, and we are currently implementing our expense reduction plan."

New Development on Hold Pending Improved Market Conditions

The company said that it intends to complete those development projects currently underway. Going forward, however, the company does not expect any new development activity for the foreseeable future and will not pursue entry into any new markets until conditions improve and liquidity returns.

Company to Host Investor Meeting to Discuss Plan Details

The company will expand upon its plans at an investor meeting to be held at The New York Palace on Thursday, November 13, from 8:30am to 10:30am ET. For those that cannot attend in person, the meeting can be accessed telephonically by dialing (800) 768-6569 domestically or (785) 830-7992 internationally (passcode 9027242) or via a webcast accessed from the company's website at <http://ir.prologis.com> on the Presentations and Webcasts page. Both the telephonic and webcast replays will be available after 1:30pm ET on Thursday, November 13, and remain available until such time as an update to the materials is made available. The dial-in number for the replay is (888) 203-1112 domestically or (719) 457-0820 internationally with a passcode of 9027242.

About ProLogis

ProLogis is the world's largest owner, manager and developer of distribution facilities, with operations in 136 markets across North America, Europe and Asia. The company has \$40.8 billion of assets owned, managed and under development, comprising 548 million square feet (51 million square meters) in 2,898 facilities as of September 30, 2008. ProLogis' customers include manufacturers, retailers, transportation companies, third-party logistics providers and other enterprises with large-scale distribution needs.

The statements above 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, they 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 developed properties, general conditions in the geographic areas where we operate and the availability of capital in existing or new property funds -- 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, (v) maintenance of real estate investment trust ("REIT") status, (vi) availability of financing and capital, (vii) changes in demand for developed properties, and (viii) those additional factors discussed under "Item 1A -Risk Factors" in ProLogis' Annual Report on Form 10-K for the year ended December 31, 2007. ProLogis undertakes no duty to update any forward- looking statements appearing in this press release.

SOURCE ProLogis