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# ProLogis Closes on \$2.25 Billion Amended and Extended Global Senior Credit Facility to Mature in 2012

## - November 2008 Objectives Substantially Complete -

DENVER, Aug. 24 /PRNewswire-FirstCall/ -- ProLogis (NYSE: PLD), a leading global provider of distribution facilities, announced today that it has amended its Global Senior Credit Facility (credit facility), reducing the size to \$2.25 billion (subject to currency fluctuations), after October 6, 2010, and extending the maturity to August 21, 2012. The credit facility will continue to have a capacity of \$3.6 billion (subject to currency fluctuations) through October 6, 2010.

ProLogis secured commitments of \$2.25 billion from 19 lenders under the amended and extended credit facility. The commitments of these lenders will immediately be subject to revised grid pricing, dependent on credit ratings, from LIBOR plus 80 basis points to LIBOR plus 325 basis points, but will not be subject to a LIBOR floor. Funds may be drawn in US dollars, euros, Japanese yen, British pound sterling and Canadian dollars during the extended period. Those lenders that are not participating in the amended and extended facility will be subject to the existing grid pricing through October 6, 2010.

As of the effective date of the agreement, the parties agreed to amend the fixed charge coverage ratio and unencumbered debt service coverage ratios to be 1.5 times or greater. Additionally, a borrowing base covenant was added to the credit facility.

An accordion feature will allow ProLogis to increase the amended credit facility to \$2.75 billion, subject to obtaining additional lender commitments. Borrowings under the amended credit facility will be used principally for working capital, capital expenditures, development and acquisitions, as well as other corporate purposes.

In connection with the amendment, ProLogis terminated its existing \$600 million senior, term-loan facility, which was scheduled to mature on October 6, 2009.

"We are pleased to have successfully secured such a strong level of commitments under very difficult bank lending conditions," said William E. Sullivan, chief financial officer. "The size of the amended and extended credit facility is consistent with our expectations and appropriate for our current level of business activity. Additionally, we believe the participation of 17 of our major, existing lenders and two new lenders in the amended and extended credit facility is directly related to our progress in de-leveraging the company and right-sizing our balance sheet. We appreciate the vote of confidence from our extending lending group for our plan."

"Since November 2008, we have consistently communicated our dedication to de-leveraging

and de-risking the company in response to the seismic shifts in global capital markets and economies," said Walter C. Rakowich, chief executive officer. "With the closing of this senior credit facility, those initial efforts are substantially complete.

"Over the past nine months, we have generated more than \$3.6 billion of gross proceeds from asset sales and contributions, raised over \$1.1 billion of equity and bought back roughly \$1.2 billion of bonds at a discount of over \$300 million. We have further demonstrated our ability to execute in a very tough environment with the issuance of approximately \$400 million of secured financings in the second quarter and our recent issuance of \$350 million of senior unsecured debt. In addition, we reduced our at-risk development investment by \$2.2 billion and substantially funded the remainder of our development portfolio while reducing our on balance sheet debt by more than \$2.9 billion. In all, over the last nine months, we've created over \$5.0 billion of liquidity. While our work is not done, we are a stronger company today and remain focused on the continued execution of our plan," Rakowich concluded.

Banc of America Securities LLC, RBS Securities Inc., Sumitomo Mitsui Banking Corporation and J.P. Morgan Securities Inc. acted as global lead arrangers and global book runners.

#### *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 4,500 customers, including manufacturers, retailers, transportation companies, third-party logistics providers and other enterprises with large-scale distribution needs. For additional information about the company, go to [www.prologis.com](http://www.prologis.com).

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