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## **ProLogis Signs Development Portfolio Alliance With Japan Logistics Fund**

DENVER, Aug. 31 /PRNewswire-FirstCall/ -- ProLogis (NYSE: PLD), a leading global provider of distribution facilities, announced today it has entered into an alliance with Japan Logistics Fund, Inc and Mitsui & Co., Logistics Partners Ltd. (JLF) related to the acquisition of properties from ProLogis' Japan development portfolio.

In November 2008, ProLogis outlined a series of immediate, definitive actions to strengthen its balance sheet and reduce risk given global financial market conditions. To reduce risk in the company's development portfolio in Japan, the company plans to own and manage some of its distribution facilities with joint venture partners and will retain other assets on its balance sheet. Additionally, ProLogis has been working with strategic partners to jointly develop new facilities on its land bank in Japan.

ProLogis' strategy to align with joint venture partners fits well with JLF's objective of expanding its portfolio through external growth opportunities that provide long-term ownership of state-of-the-art distribution facilities. It is anticipated that some of the distribution facilities ProLogis currently owns, and will develop, in Japan will be jointly owned by both parties. Moreover, through this joint ownership structure, ProLogis would continue managing and leasing the properties, earning management fees related to those services.

The distribution facilities to be jointly owned by JLF and ProLogis will be determined after both parties conclude a formal agreement, under which ProLogis may also provide JLF with continued investment opportunities. ProLogis' alliance with JLF has no exclusivity component. In addition, ProLogis is currently in discussions regarding a possible joint development partnership agreement with the Mitsui & Co. Group, which holds a controlling interest in the asset management company of JLF.

In addition to the JLF alliance and potential venture with the Mitsui & Co. Group, ProLogis will continue its ongoing capital raising initiatives to partner with additional third-party capital sources as it grows its operations in Japan.

### *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).

### *About Japan Logistics Fund, Inc*

Japan Logistics Fund, Inc (TSE:8967, called "JLF" hereafter), which is managed by Mitsui & Co., Logistics Partners, is the first and only Japanese Real Estate Investment Trust (J-REIT) dedicated into the logistics properties. JLF was listed in Tokyo Stock Exchange in May, 2005 and started its history with 26 billion yen of the portfolio. As of the end of August, 2009, the portfolio of JLF reaches 115.8billion JPY and 26 facilities throughout Japan but JLF would like to expand its AUM up to the level of 300 billion JPY in the future. Due to its stable and sound financial status, JLF was granted the best rating by several rating companies. We would like to contribute to further development of the logistics business sector through our activities as the unique J-REIT dedicating to the logistics facilities.

SOURCE ProLogis