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ProLogis Research Group Releases New Report on Industrial Property Markets in Europe

AMSTERDAM, Sept. 13 /PRNewswire/ -- ProLogis (NYSE: PLD), a leading global provider of distribution facilities, announced today the release of a new research report on the state of the industrial property markets in Europe, titled "Glimmers of Recovery."

The report is based on market statistics and data compiled from a variety of sources, including ProLogis market officers, brokerage companies and market research groups. The information covers distribution property markets in the United Kingdom as well as northern, southern and central Europe for the first half of 2010.

"Despite its volatile sovereign debt crisis, Europe's economic recovery has managed to gain traction in recent months, and its distribution property markets have begun to show signs of improvement," said Leonard Sahling, first vice president of the ProLogis Research Group. "Europe's logistics property markets are at a transitional stage of the real estate cycle where leasing market conditions have stopped deteriorating and are on the threshold of recovery."

Detailed findings in the report include the following:

- Investment flows into Europe's logistics property markets increased sharply during the first half of 2010, albeit with little impact on yields.
- Across most of Europe, the construction pipeline remained subdued during the first half of 2010. Northern Europe's markets are the exception. And what few new construction starts there were, were limited primarily to build-to-suit projects.
- At midyear 2010, occupancy rates across Europe were holding steady but varied widely. They ranged from 90 percent or more in the Netherlands, Belgium and Southern Europe to 83-to-84 percent in Central Europe and the UK.
- Pan-European demand for distribution space continued to strengthen during the first half of 2010, buoyed by supply chain reconfigurations and the unrelenting search for lower operating costs and supply chain efficiencies.
- Continental Europe's dearth of large, modern, and efficient distribution facilities, along with the users' emphasis on improving the efficiency of their pan-European distribution, continues to impart a modest degree of uplift to demand for space.

For a copy of the report on the property markets in Europe, please visit:
<http://ir.prologis.com/research/EuropeResearchMY2010.cfm>.

The ProLogis Research Group monitors, analyzes and reports on key trends and dynamics in both real estate and supply chain management, drawing from industry data and primary research conducted by company analysts and a network of affiliated academics and other professionals. Past reports have focused on global supply chain dynamics, internet retailing, RFID technology, offshore outsourcing and other related topics. For more, please visit <http://ir.prologis.com/research.cfm>.

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 4,400 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 <http://www.prologis.com>.

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