

April 14, 2011



ProLogis Increases Ownership in ProLogis European Properties ("PEPR") to 38 Percent; Announces Offer for Remaining PEPR Units at Euro 6.10 per Ordinary Unit

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DENVER, April 14, 2011 /PRNewswire/ -- ProLogis (NYSE: PLD), the leading global provider of distribution facilities, today announced that it has purchased approximately 11 million ordinary units ("Units") in ProLogis European Properties (Euronext/Amsterdam:PEPR) from a major institutional investor, bringing ProLogis' ownership in PEPR to approximately 38 percent of the Units. ProLogis will now launch a mandatory tender offer to acquire any or all of the outstanding Units and convertible preferred units it does not currently own in PEPR, subject to approval of the offer document by the Luxembourg regulator.

ProLogis will offer each PEPR unitholder Euro 6.10 per Unit in cash, which represents a 22 percent premium over the unaffected closing price on Euronext of PEPR shares on April 12, 2011, a 27 percent premium over the volume weighted average price in the preceding six months, and a 33 percent premium over the volume weighted average share price in the preceding 12 months. Separately, ProLogis will offer each PEPR convertible preferred unitholder an appropriate cash consideration, which will be further detailed in the offer document.

The offer has no material conditions to close. It is expected that the tender period will be open for two to four weeks as required by applicable law.

The ProLogis offer provides PEPR unitholders an opportunity to sell their Units at an attractive price and eliminates the instability and uncertainty created by the non-definitive and highly conditional proposal for ProLogis' stake in PEPR by Algemene Pensioen Groep N.V. ("APG") and Goodman Group (referred to collectively as the "Investor Group"). Although the Investor Group has not made an offer for all PEPR Units, its recent press release stated that a price of Euro 6.00 per Unit would represent "a compelling value proposition for all unitholders."

ProLogis has taken this immediate action for the benefit of all unitholders following the Investor Group's indicative non-binding proposal, which also included several conditions, including that ProLogis sell its ownership stake in PEPR and relinquish its management

contract to Goodman, a competitor of ProLogis in Europe. ProLogis announced earlier this week that it has no intention or desire to sell its interest in PEPR, nor does it intend to sell the management agreement. It said the value proposition of PEPR has always been inextricably linked to ProLogis' active ownership and management.

"Under ProLogis' management, PEPR's occupancy has consistently outperformed the broader pan-European market by 300-500 basis points," said ProLogis CEO Walter C. Rakowich. "Additionally, over the last two years ProLogis has managed the refinancing or repayment of over Euro 1.3 billion of debt on behalf of PEPR."

ProLogis has and will continuously review ways to further enhance the capitalization and value of PEPR for all PEPR unitholders. Its decision to make an offer for the Units represents its response to the desire of certain unitholders to monetize their investment.

J.P. Morgan is acting as financial adviser to ProLogis.

About PEPR

ProLogis European Properties, or PEPR, is one of the largest pan-European owners of high quality distribution and logistics facilities. PEPR was established in 1999 as a closed-end, real estate investment fund, externally managed by a subsidiary of ProLogis (NYSE: PLD), a leading global provider of industrial distribution facilities. In September 2006, PEPR was listed on Euronext Amsterdam. As at 31 December 2010, PEPR has a portfolio of 232 buildings, covering 4.9 million square metres in 11 European countries, with a market value of Euro 2.8 billion. The portfolio has an occupancy level of 94.5% and an average of 3.4 years to the next lease break or 5.3 years to lease expiry.

About ProLogis

ProLogis is the leading global provider of distribution facilities, with more than 435 million square feet of industrial space owned and managed (40 million square meters) in markets across North America, Europe and Asia. The company leases its industrial facilities to more than 3,800 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.

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