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# **Prologis and CBRE Global Investment Partners Announce Formation of UK Logistics Venture**

## **Venture to pursue develop-to-own strategy for logistics real estate in the UK**

SAN FRANCISCO, Feb. 24, 2017 /PRNewswire/ -- Prologis, Inc. (NYSE: PLD), the global leader in logistics real estate, and CBRE Global Investment Partners, a division of CBRE Global Investors, one of the world's largest real estate investment management firms, today announced the formation of a new development venture in the United Kingdom.

The venture, called Prologis UK Logistics Venture (UKLV), will pursue a develop-to-own strategy focusing on prime UK markets in the East and West Midlands, London and the South East. UKLV will acquire land, develop buildings and operate and hold logistics real estate. The venture will be seeded with a 7.6 million square foot portfolio of stabilized properties, developments in progress and land, with an initial closing of approximately 3.9m square feet. UKLV will be structured as a 15/85 joint venture with 15 percent owned by Prologis and 85 percent owned by clients of CBRE Global Investment Partners, with total expected value of approximately £1 billion GBP (\$1.26B USD).

"Our customers continue to grow in the UK and this venture helps meet new demand," said Gary Anderson, CEO, Prologis Europe and Asia. "Current opportunities exceed the capacity of our existing funds and partnering with CBRE Global Investment Partners is an efficient way to match available capital with the breadth of prospects in the UK."

Jeremy Plummer, Head of EMEA for CBRE Global Investors said, "Prologis has a highly experienced team on the ground in the UK with a track record of successfully delivering development projects and managing stabilized assets. They are the ideal partner for this venture and will help meet our clients' demand for high quality logistics investments in the UK."

Prologis currently owns and operates 23 million square feet in 97 buildings in the UK market. The formation of this venture demonstrates investor confidence in the continuing strength of the UK logistics property market. Strong demand in the UK for logistics real estate is driven by consumption, e-commerce and supply chain modernization. Prologis' business strategy in Europe is to hold properties in a series of funds. UKLV is an extension of this strategy and will be the first venture dedicated to the UK market, as Prologis' existing Pan-European funds already have significant allocations to UK properties.

The transaction is expected to close at the end of February.

CBRE Global Investment Partners were advised by CBRE Capital Markets and Jones Day.

Prologis' in-house legal team was assisted by Linklaters LLP.

### **About Prologis**

Prologis, Inc. is the global leader in logistics real estate with a focus on high-barrier, high-growth markets. As of December 31, 2016, the company owned or had investments in, on a wholly owned basis or through co-investment ventures, properties and development projects expected to total approximately 676 million square feet (63 million square meters) in 20 countries. Prologis leases modern distribution facilities to a diverse base of approximately 5,200 customers across two major categories: business-to-business and retail/online fulfillment.

### **About CBRE Global Investors**

CBRE Global Investors is a global real estate investment management firm with \$87.9 billion in assets under management\* as of September 30, 2016. The firm sponsors investment programs across the risk/return spectrum for investors worldwide. CBRE Global Investment Partners is a division of CBRE Global Investors that delivers investment solutions using private funds, secondaries, co-investments and joint ventures, partnering with leading operators and fund managers for each strategy.

CBRE Global Investors is an independently operated affiliate of CBRE Group, Inc. (NYSE:CBG). It harnesses the research, investment sourcing and other resources of the world's premier, full-service commercial real estate services and investment company for the benefit of its investors. CBRE Group, Inc. has more than 70,000 employees in more than 400 offices (excluding affiliates) worldwide. For more information about CBRE Global Investors, please visit [www.cbreglobalinvestors.com](http://www.cbreglobalinvestors.com).

\*Assets under management (AUM) refers to the fair market value of real estate-related assets with respect to which CBRE Global Investors provides, on a global basis, oversight, investment management services and other advice, and which generally consist of investments in real estate; equity in funds and joint ventures; securities portfolios; operating companies and real estate-related loans. This AUM is intended principally to reflect the extent of CBRE Global Investors' presence in the global real estate market, and its calculation of AUM may differ from the calculations of other asset managers.

### **Forward-Looking Statements**

The statements in this document 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 we operate as well as management's beliefs and assumptions. Such statements involve uncertainties that could significantly impact our financial results. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," and "estimates", including 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, contribution and disposition activity, general conditions in the geographic areas where we operate, our debt, capital structure and financial position, our ability to form new co-investment ventures and the availability of capital in existing or new co-investment ventures — 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 and political 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, dispositions and development of properties, (v) maintenance of real estate investment trust status, tax structuring and changes in income tax rates (vi) availability of financing and capital, the levels of debt that we maintain and our credit ratings, (vii) risks related to our investments in our co-investment ventures, including our ability to establish new co-investment ventures, (viii) risks of doing business internationally, including currency risks, (ix) environmental uncertainties, including risks of natural disasters, and (x) those additional factors discussed in reports filed with the Securities and Exchange Commission by us under the heading "Risk Factors." We undertake no duty to update any forward-looking statements appearing in this document except as may be required by law.



To view the original version on PR Newswire, visit <http://www.prnewswire.com/news-releases/prologis-and-cbre-global-investment-partners-announce-formation-of-uk-logistics-venture-300413039.html>

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