

News release

ProLogis European Properties increases pan-European investment

- Invests €19.5 million into ProLogis European Properties Fund II –
- New Fund II secured funding demonstrates continued access to debt capital –

Luxembourg – 18 August 2008 – ProLogis European Properties (Euronext: PEPR), Europe's largest owner of modern distribution facilities, announced today that it has invested a further €19.5 million into ProLogis European Properties Fund II (PEPF II), a private equity fund established by ProLogis (NYSE: PLD) to acquire assets from ProLogis' development pipeline in Europe and assets from third-parties. This investment, entirely funded from cash in hand, increases PEPR's gross investment in PEPF II to €314.7 million and maintains PEPR's 30% ownership in the fund.

ProLogis has contributed 14 modern distribution facilities into PEPF II, covering 235,500 square metres in France (1), Germany (2), Hungary (5) and Poland (6), with third-party appraised values totalling €164.6 million gross (€159.1 million net), representing a 6.8% yield on investment. These facilities are two years old on average, 99.9% occupied by pan-European customers such as Kuehne + Nagel, Schneider Electric and Wincanton and have 4.1 years to lease expiry or 4.0 years to first lease break on average.

Of the 14 state-of-the-art facilities, five were developed by Parkridge, whom ProLogis acquired in 2007, and nine were developed by ProLogis.

Following this acquisition, PEPF II's portfolio consists of 107 buildings, covering 2.5 million square metres in 11 European countries. This brings PEPR's combined portfolio to 354 buildings and some 7.7 million square metres of space in 12 European countries.

Additionally, PEPF II has recently obtained a five-year secured term loan for up to €276 million, provided by a four-bank syndicate led by Hypo Real Estate Bank International AG. The funds will be used to finance PEPF II properties located in Central Europe.

Gordon Keiser, chief executive officer, commented "We are pleased to be able to continue to accretively invest in modern, well located distribution facilities in our target markets. The high occupancy levels of these facilities reflect continued occupier demand across our European markets. Given current challenging credit market conditions, PEPF II's ability to access new debt underlines the strong business relationships ProLogis and PEPR have with the global banking community."

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About ProLogis European Properties (PEPR)

ProLogis European Properties, or PEPR, which listed on Euronext Amsterdam on 22 September 2006, is the largest pan-European owner of high quality distribution and logistics facilities. Established in 1999, PEPR is a real estate investment fund (organised as a Luxembourg closed-ended *fonds commun de placement*) externally managed by a subsidiary of ProLogis (NYSE: PLD), the world's largest owner, manager and developer of industrial distribution properties.

As at 30 June 2008, PEPR has a portfolio of 340 buildings, owned both directly and indirectly, covering 7.5 million square metres in 12 European countries, with an open market value estimated at €5.6 billion. The combined portfolio has an occupancy level of 97.9% and an average of 5.0 years to the next lease break or 6.8 years to lease expiry. Of the combined portfolio, PEPR's directly owned properties comprise 247 buildings, covering 5.2 million square metres in 11 European countries, with an open market value estimated at €3.9 billion.