

News release

Annual General Meeting Statement Thursday 20 May 2010

Luxembourg – 20 May 2010 –Peter Cassells, CEO of ProLogis European Properties (Euronext: PEPR), Europe's largest owner of modern distribution facilities, will make the following statements at today's AGM to be held from 09:00am CET at Sofitel Luxembourg Hotel, 4 Rue du Fort Niedergrunewald, Quartier Européen Nord, Plateau de Kirchberg, L-2015, Luxembourg

In February this year, PEPR reported financial results for 2009 in line with guidance and strong operating performance. We maintained high occupancy levels throughout the sustained market downturn and completed record levels of leasing in 2009, resulting in an extremely high level of customer retention for the year. In addition, we completed our 2009 deleveraging initiatives, repaying or refinancing 95% of the €1.3 billion of debt outstanding in 2009 and 2010 in what remains an extremely tight and conservative credit market.

During 2009 and Q1 2010, we completed over €680 million of new secured debt packages, including one of the largest syndicated real estate loans finalised since September 2008, and extended €126 million of existing secured debt for a further three years. This, combined with the retention of some €157 million of distributable cash flow for the year, the disposal of two real estate portfolios for net proceeds of €189.1 million and the raising of €54 million (net) of convertible preferred equity has meant that we now have no debt maturing until December 2012.

The first quarter 2010 results, announced in April, saw PEPR continue to achieve robust operational performance and financial results in line with guidance in spite of the sustained challenging market conditions. Portfolio occupancy remains high, at 94.8%, and continues to be a primary focus for us. The volume of leasing completed during the quarter demonstrates that our modern, pan-European portfolio remains highly sought-after to existing and prospective customers.

Market outlook

2010 remains a testing time for the European commercial property sector, given the slow and intermittent recovery of the pan-European economy. The below-trend growth projections for 2010 suggest that the markets will stabilise but not rebound. However, world trade, a key indicator for logistics real estate, appears to be increasing faster than market commentators had predicted.

Improving investor sentiment has led to a steady increase in the volume of investment transactions in the logistics sector since summer 2009 and to improving portfolio yields across the majority of sectors, particularly the UK and core Western European markets, after nearly 2½ years of decline.

Occupier demand continues to be driven by customer consolidation and business rationalisation, with little net absorption for the time being. Nonetheless, certain market segments such as food and discount retailers have continued to expand their supply chains. We remain cautious about net occupier demand and short-term rental declines.

New speculative development remains non-existent across all markets. There is limited build-to-suit activity as financing of these developments remains relatively difficult to source. The impact of these demand and supply metrics has meant that net effective rents remain under downward pressure.

Looking ahead, we believe that the patchy economic recovery will lead to a gradual absorption of existing vacancy over the coming months and as such we do not expect to see material improvement in the occupier markets until later in 2010.

PEPR's future priorities

Having achieved our objectives for 2009, our main operational priority for 2010 is to continue to drive cash flow from the portfolio through proactive asset management and exemplary customer service. Whilst the market outlook remains challenging and we continue to be cautious over net occupier demand and rental levels for the remainder of 2010, we believe that the strength of our pan-European portfolio and strong customer relationships leave PEPR well positioned for the future.

-Ends-

For further information, please contact:

Investor relations

ProLogis European Properties

Jennifer van der Eem

+44 207 518 8708

jvandereem@prologis.com

Media

M:Communications

Ed Orlebar / Charlotte McMullen

+44 20 7920 2323 or 7920 2349

orlebar@mcomgroup.com / mcmullen@mcomgroup.com

About ProLogis European Properties (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 March 2010, PEPR has a portfolio of 232 buildings, covering 4.9 million square metres in 11 European countries, with an estimated market value of €2.8 billion. The portfolio has an occupancy level of 94.8% and an average of 3.3 years to the next lease break or 5.4 years to lease expiry.