

Fourth Quarter and 2023 Activity

Prologis Europe

We're pleased to share our fourth quarter and full year 2023 activity for Prologis Europe. This summary includes operating performance highlights and insights into select milestones and achievements.



Quote from Ben Bannatyne

President, Prologis Europe

"We closed the fourth quarter of 2023 with a solid pipeline, a healthy uptick in development and vacancy levels well below market average. Given current conditions, demand for quality and sustainable warehouse space remains strong, particularly in dense markets like the UK, the Netherlands and Germany. Across all European markets we continue to be focused on our customers success, providing solutions through our industry-leading [Prologis Essentials](#) platform, strategic landbank and the best team in the business."

Operating Performance – Fourth Quarter and Full Year 2023:

Total portfolio:	22.5 million square metres*
Fourth quarter total leasing activity:	637,075 square metres**
New leases:	160,796 square metres
Renewals:	476,279 square metres
Occupancy:	97.7%
Rent change:	34.4%**
Full year rent change:	27.3%**

* includes operating, development, held for sale, other and VAA/VAC ** based on lease start date

Leasing Highlights Fourth Quarter 2023:

30,501 sqm at Prologis Park Coventry DC10, for IFCO Systems in the UK.

21,868 sqm at Prologis Park Plessis Pate DC1, for Alive Events in France.

19,779 sqm at Prologis Park Dabrowa DC1C, for BCUBE Poland Services Sp. z o.o. in Poland.

13,823 sqm at Prologis Park Moissy DC5, for EXPERIS France in France.

Capital Deployment – Fourth Quarter and Full Year 2023:

Development Starts:

- Total development activity in the fourth quarter was **137,833** square metres, in the Czech Republic, Poland, Germany, Italy and the UK, of which **55.6%** was build-to-suit.
- Full year 2023 saw 26 development starts totalling **356,545** square metres, of which **60.3%** was build-to-suit.

Additional commentary from Ben Bannatyne

President, Prologis Europe

“Over the past 12 months, our Prologis Essentials business has increasingly provided vital continuity for our customers’ operational needs. We understand that local requirements such as permitting are increasingly linked to ESG vision and measurable social impact, which is why our solutions in the areas of operations, energy + sustainability, mobility and workforce continue to evolve to stay ahead of what’s next. In the field of energy for instance, we ended the year on a high, reaching the halfway milestone of 500MW of on-roof solar generation and battery storage; putting us well on the track to surpassing our own goal of 1GW by 2025.”

A Note from Eva van der Pluijm-Kok

Vice President, Prologis EU Research

Prologis has released its annual Seven Predictions research for the coming year. Our outlook highlights 2024 as a year of healthy demand growth, constrained supply, technological evolution of logistics facilities and a turning of the capital markets cycle.

What we see for 2024:

1. Looking at the double-digit growth in port and truck traffic, the global freight recession is expected to reverse.
2. The Great Construction Bust will intensify, with global starts hitting their lowest level since the 2008 financial crisis.
3. Latin America has experienced record demand and this will continue into 2024, especially in Mexico as nearshored manufacturing capacity comes online.
4. Net absorption in China will reach the second highest level on record, helping to work through excess supply from the past few years.
5. Technology, especially artificial intelligence, will drive up energy requirements in logistics facilities, incentivising warehouse owners to double solar capacity.
6. Interest rate declines will double private equity real estate funding in 2024.
7. European cap rates expected to compress while expansion rotates to Asia.

[Read the full paper](#)

GROUNDBREAKERS 2024 in LONDON

2024 brings some exciting opportunities for us as well: for the first time, our signature thought leadership event, GROUNDBREAKERS will take place in Europe! It’s in London in October and we’re gearing up for it to be a truly one-of-a-kind event, bringing leaders from the region for robust discussions such as innovations into energy sustainability, AI and supply chain. [Join the mailing list for updates](#) to secure your seat when registration opens.

Additional Resources/Insights:

- Prologis Performance Call [video recording](#)
- Press release: [Prologis Inc reports fourth quarter and full year 2023](#)
- Press release: [Prologis' latest Quarterly dividend](#)
- Solar generation progress: [Prologis now generates 500MW on roof solar, halfway to our 1GW by 2025 goal](#)
- Zero carbon certification: [Prologis Park Eindhoven DC4 awarded world's first zero carbon certification for logistics building](#)
- ESG Report: [2022-2023 ESG Report](#)
- GROUNDBREAKERS 2024: [Check our website to secure your seat when registrations open or watch the 2023 replays](#)
- Trends: [Four forces shaping the logistics real estate cycle](#) (Oct 2023)
- Trends: [Seven Supply Predictions for 2024](#) (Dec 2023)
- Complete warehouse solutions platform: [Find out more about the Prologis Essentials Platform](#)
- Prologis is the #1 real estate investment trust (REIT) on the [2022 Global 100 Most Sustainable Corporations in the World](#) list. This is the company's thirteenth appearance on the list, which is widely considered one of the most reputable sustainability rankings. Corporate Knights, a specialised media company and investment research firm, ranks publicly traded global companies on a broad scope of metrics related to environmental stewardship, social responsibility and governance (ESG).
- Prologis receives [HRH The Prince of Wales' Terra Carta Seal](#)

About Prologis

Prologis, Inc. is the global leader in logistics real estate with a focus on high-barrier, high-growth markets. At December 31, 2023, 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 1.2 billion square feet (115 million square metres) in 19 countries. Prologis leases modern logistics facilities to a diverse base of approximately 6,700 customers principally across two major categories: business-to-business and retail/online fulfillment.

Forward-Looking Statement

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 global 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 laws and 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; (x) risks related to the current coronavirus pandemic; and (xi) those additional factors discussed in reports led 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.

**Further questions
and interview
requests?**

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