

NEWS RELEASE



Sebastiano Ferrante
Deputy Head of Europe,
PGIM Real Estate

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PGIM Real Estate acquires three logistics properties in Italy

LONDON, 19 May 2021 – PGIM Real Estate has acquired three logistics assets in Italy on behalf of the investors in its European core strategy. PGIM Real Estate is the real estate investment business of PGIM, the US\$1.5 trillion global investment management businesses of Prudential Financial, Inc. ([NYSE: PRU](https://www.nyse.com/quote/nyse:pru)).

The properties, which are fully let to prime tenants, are located in Northern Italy—one of the country’s most significant regions for logistics properties due to strong transport links.

The first two properties are newly built Grade A warehouses totaling 40,000 square metres. They are located in the Milan logistics sub-market of the Lombardy region, an area which includes well-known logistics hubs along the A1 highway connecting Milan to Bologna, Florence and Rome. Lombardy is a significant region for logistics infrastructure, with its central position providing a connection between Western and Eastern Europe.

The third property, a 45,000-square-metre warehouse in the Emilia Romagna region, is located in a strategic area between Bologna and the Adriatic coast. The property is fully let to a top-tier logistics company and in a desirable location due to its proximity to the A1 and A14 motorways. Prime logistics rents in Bologna are forecast to increase over the next five years, on the back of an expected strong economic recovery from the Covid-19 downturn.

In 2020, PGIM Real Estate announced a dedicated on-the-ground presence in Italy, appointing Musie Bocrezian as head of transactions for Italy. Based in the group’s Milan office, Bocrezian leads PGIM Real Estate’s efforts to source and execute investment opportunities in the country.

Sebastiano Ferrante, deputy head of Europe and head of Italy at PGIM Real Estate, comments: “Driven by robust e-commerce activities, logistics take-up in Italy reached a record high in 2020 – despite the challenging macroeconomic environment due to Covid-19. However, while the market share for e-commerce has increased significantly in Italy over the past decade, penetration is still low. This means there remains substantial catch-up potential relative to more mature markets, such as the UK and Germany. Both the Lombardy and Emilia Romagna acquisitions offer strong downside protection, are fully aligned to our defensive investment philosophy and support our aim to deliver long-term outperformance with low volatility through cashflow diversification.”

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The team continues to build exposure to the logistics sector, against a backdrop of increasing online retail demand and an increasing emphasis on supply-chain resilience.

About PGIM Real Estate

As one of the largest real estate managers in the world with US\$188.5 billion in gross assets under management and administration¹, PGIM Real Estate strives to deliver exceptional outcomes for investors and borrowers through a range of real estate equity and debt solutions across the risk-return spectrum. PGIM Real Estate is a business of PGIM, the US\$1.5 trillion global asset management business of Prudential Financial, Inc. ([NYSE: PRU](#)).

PGIM Real Estate's rigorous risk management, seamless execution, and extensive industry insights are backed by a 50-year legacy of investing in commercial real estate, a 140-year history of real estate financing², and the deep local expertise of professionals in 32 cities globally. Through its investment, financing, asset management, and talent management approach, PGIM Real Estate engages in practices that ignite positive environmental and social impact, while pursuing activities that strengthen communities around the world. For more information visit pgimrealestate.com.

About PGIM

PGIM is the global asset management business of Prudential Financial, Inc. ([NYSE: PRU](#)). PFI ranks among the top 10 largest asset managers in the world³ with US\$1.5 trillion in assets under management as of 31 Dec. 2020. With offices in 16 countries, PGIM's businesses offer a range of investment solutions for retail and institutional investors around the world across a broad range of asset classes, including public fixed income, private fixed income, fundamental equity, quantitative equity, real estate and alternatives. For more information about PGIM, visit pgim.com.

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¹ As of 31 Dec. 2020, net AUM is US\$124.3 billion and AUA is US\$42.8 billion.

² Includes legacy lending through PGIM's parent company, Prudential Financial, Inc.

³ PGIM is the investment management business of Prudential Financial, Inc. (PFI); PFI is the 10th largest investment manager (out of 527 firms surveyed) in terms of global assets under management based on Pensions & Investments' Top Money Managers list published on 1 June 2020. This ranking represents global assets under management by PFI as of 31 March 2020.

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