

## **M&G REAL ESTATE ACQUIRES €59.3M PRIME INDUSTRIAL PORTFOLIO IN DENMARK**

- **Latest acquisition sees European strategy reach €2.2 billion under management**

**LONDON, 20 JULY 2017** – M&G Real Estate has acquired a €59.3m industrial portfolio in Denmark, representing a net yield of 6.8 percent. This latest purchase further demonstrates the firm's core strategy for pan-European growth, and marks its fourth acquisition in Denmark.

The 75,139 sq m Danish portfolio has been leased back to Denmark's largest steel and technology wholesaler, on long term leases and is strategically located in key industrial locations across Denmark including Køge (14,873 sq m), Odense (25,905 sq m) & Kolding (38,361 sq m).

It marks M&G Real Estate's second acquisition in the Nordics this year following the purchase of Blekholmen 1, a €230 million office scheme in central Stockholm in January. Including this latest acquisition in Denmark, M&G Real Estate's Nordic portfolio comprises 186,503 sq m with a value of approximately €560 million. In August 2016, M&G Real Estate appointed Thorsten Slytå to manage Nordic assets and support the investment ambitions of the business in this key European region, based in the firm's new Stockholm office.

Fund manager Simon Ellis, comments: "With high demand for logistics across the Europe, this acquisition provides a robust investment opportunity with a strong tenant on attractive lease terms.

"We will continue to increase our asset allocation to the logistics, office and retail sectors across continental Europe, as well as further diversifying our portfolio's jurisdiction exposure. Transparent and mature European markets where strong fundamentals and economic stability prevail will continue to be our focus."

Thorsten Slytå, M&G Real Estate's Stockholm-based Director of Asset Management, adds: "We are very pleased to be able to secure this high yielding long income portfolio in a logistics market that has traditionally been dominated by owner occupiers. The Danish net initial yield requirements on prime logistics properties are higher compared to the net initial yields offered in the rest of Europe, making investments in this segment of the market very attractive. With a very strong logistics market with low new supply and low vacancies, we believe this may harbor potential for further yield compression."



NCAP advised M&G Real Estate. The seller was advised by Sadolin & Albæk, the Danish partner of JLL.

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**Notes to Editors:**

**About M&G Real Estate**

M&G Real Estate is the real estate fund management arm of M&G and is one of the top 25 real estate fund managers in the world by assets under management, with over £27 billion invested in a broad spread of properties across Europe, North America and the Asia Pacific region (as of 31 March 2017). M&G Real Estate has a sector leading approach to responsible property management, and is committed to assessing and improving the sustainability performance of funds under management.

M&G is the investment arm of Prudential Plc in the UK, Europe and Asia. For more information please visit [www.mandg.com/realestate](http://www.mandg.com/realestate)

**About M&G**

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Headquartered in London, M&G employs over 2,000 people worldwide in 16 countries, managing assets in Europe, Asia and the US. M&G is the asset management arm of Prudential Plc in the UK and Europe.

As a steward of clients' assets M&G recognises the importance of responsible investing with the analysis of environmental, social and governance (ESG) factors core to the business. M&G is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and is a member of the Climate Bonds Initiative Partners Program, which is dedicated to achieving the long-term goal of building climate resilient economies. M&G's £27 billion real estate business arm has a sector leading approach to responsible property management, and is committed to assessing and improving the sustainability performance of its funds.

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