



M&G REAL ESTATE ACQUIRES €230 MILLION STOCKHOLM OFFICE IN OFF MARKET TRANSACTION

- *M&G Real Estate completes largest single transaction in continental Europe*

LONDON, 13 January 2017 – M&G Real Estate, one of the world’s largest property investors, has acquired the leasehold of, Blekholmen 1, an office scheme in central Stockholm for €230m (£196m) from NIAM. The acquisition was made on behalf of the global real estate fund manager’s core European property strategy, managed by David Jackson and Simon Ellis.

Located next to Stockholm’s Central Station, the 34,000 sq m building is multi-let to 30 tenants and has recently undergone significant refurbishment.

The deal marks M&G Real Estate’s largest single continental European acquisition, surpassing the €208 million acquisition of Market Central Da Vinci in Rome, a joint venture with GWM Group, announced earlier in the year.

M&G Real Estate’s existing portfolio in Sweden is comprised of 44,400 sq m of assets across the office, logistics and retail sectors, collectively valued at €83 million. Including assets in Denmark and Finland, its existing portfolio in the Nordics region is valued €256m.

David Jackson, fund manager at M&G Real Estate, says: “This deal in Stockholm’s Central Business District is now our fund’s single largest acquisition to date, again considerably increasing our average transaction size. We continue to raise and deploy significant capital, targeting major European cities where prime assets in core locations benefit from strong rental growth and give our investors long-term income driven returns.”

In August, M&G Real Estate announced that it had appointed Thorsten Slytå to manage Nordic assets, and support the investment ambitions of the business in this key European region, based out of M&G Real Estate’s new Stockholm office.

Thorsten Slytå, Director, Nordic Region at M&G Real Estate, adds: “Against the backdrop of Stockholm’s buoyant economy and office real estate market, demonstrated by the sector’s low vacancy rate of 3 per cent, rental growth is being pushed upwards and investor appetite remains strong for core assets. Blekholmen 1 provided a unique investment opportunity for our investors seeking access to this well-established market.”

Including this latest acquisition, the European core property strategy has deployed over €1 billion of capital since March 2015, with acquisitions also made in Italy, Spain, Denmark, Germany, Portugal and France.

- Ends -

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Notes to Editors:

About M&G Real Estate's core European property strategy:

- Invests directly in core European property markets to optimise long-term total return for institutional investors
- A diversified pan European commercial property portfolio in prime locations across 11 European jurisdictions and in all three sectors of retail, industrial and offices.
- David Jackson and Simon Ellis together have 47 years of experience in UK and international commercial property investment
- M&G Real Estate provides asset and investment management services for the strategy.

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 £25 billion invested in a broad spread of properties across Europe, North America and the Asia Pacific region (as of 30 June 2016). 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

About M&G

M&G is an international active asset manager, investing on behalf of individuals and institutions for over 80 years. As of 30 June 2016 the firm manages over £255 billion of assets through a wide range of investment strategies across equities, bonds, property and multi asset.