

M&G Real Estate Asia increases commitment to Asia logistics; becomes majority shareholder in Japan's ESR Ichikawa Distribution Centre

SINGAPORE/HONG KONG/JAPAN/LONDON, 19 January 2023 – M&G Real Estate Asia (M&G) – part of M&G plc's £76.7 billion private assets and alternatives business, through its M&G Asia core property strategy, has become a majority shareholder in the fully leased ESR Ichikawa Distribution Centre, in a deal which builds on its geographical footprint in Japan and its strong relationship with ESR as developer and operator of the logistics facility. It further increases its exposure to the logistics sector and reaffirms its commitment to its logistics strategy in Asia. Through this JP¥ 34 billion/ US\$ 267* million acquisition, M&G has raised its stake in the asset from 25% to 58.3%.

Located in the prime distribution submarket of Ichikawa City in the Greater Tokyo Bay Area, this state-of-the-art four-storey asset carries the CASBEE S rating and holds one of Japan's most prestigious awards for outstanding green design innovations. It is the Fund's largest logistics facility with circa 201,111 sq. m. of rentable space in an area favoured by leading e-commerce companies and third party logistics providers due to its optimal supply routes into central Tokyo and Haneda International Airport.

"Increasing our stake makes sense on multiple fronts," explains **Richard van den Berg, fund manager of M&G's Asia core property strategy**. "Acquiring a majority stake at an attractive going-in yield is an important milestone for M&G as we double down on our conviction and commitment to Japan's logistics sector, which we believe will continue to play a pivotal role in the country's economy as demand for high quality assets remains robust. Ichikawa Distribution Centre with its high ESG credentials is well-positioned to deliver stable and long-term value, backed by the strong fundamentals of the Japanese market."

* Source: xe.com: 1 JP¥ = 0.00784669 USD = 1 USD = 127.442 JPY as at 16 January 2023

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M&G Investments is part of M&G plc, a savings and investment business which was formed in 2017 through the merger of Prudential plc's UK and Europe savings and insurance operation and M&G, its wholly owned international investment manager. M&G plc listed as an independent company on the London Stock Exchange in October 2019 and has £348.9 billion of assets under management (as at 30 June 2022). M&G plc has customers in the UK, Europe, the Americas and Asia, including individual savers and investors, life insurance policy holders and pension scheme members.

For nearly nine decades M&G Investments has been helping its customers to prosper by putting investments to work, which in turn creates jobs, homes and vital infrastructure in the real economy. Its investment solutions span equities, fixed income, multi asset, cash, private debt, infrastructure and real estate.

M&G recognises the importance of responsible investing and is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and is a member of the Climate Bonds Initiative Partners Programme.

M&G plc has committed to achieve net zero carbon emissions on its total book of assets under management and administration by 2050 and committed to reduce operational carbon emissions as a corporate entity to net zero by 2030.

M&G's real estate business, with £33.5 billion under management (as at 30 June 2022), is a leading financial solutions provider for global real estate investors, has a sector leading approach to responsible property management and is committed to continuously improving the sustainability performance of its funds.

For more information, please visit: <https://global.mandg.com/>

Dinah Seah (M&G Investments)	dinah.seah@mandg.com	+65 6436 5305
Erin Tan (M&G Investments)	erin.tan@mandg.com	+852 3725 3191
Justin Teh (Singapore)	justin.teh@fticonsulting.com	+65 6506 7685
Christy Leung (Hong Kong)	christy.leung@fticonsulting.com	+852 3768 4543

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