

M&G and TPG create logistics joint venture on c. £700 million multi-let portfolio

London, 20 January 2025 - M&G Real Estate (M&G) and TPG Real Estate, the real estate platform of the global alternative asset management firm, TPG, today announce a c. £700 million strategic joint venture to manage and grow the 'Active Growth Logistics Partnership' (AGLP).

Created by M&G for its £129 billion With Profits Fund¹, AGLP is the UK's fourth largest multi-let industrial portfolio at 6 million sq ft, occupied by 630 businesses, serving communities across the country in strategically valuable locations. The new partnership sees TPG Real Estate acquire a 50% equity stake in AGLP from M&G, with M&G retaining 50% and remaining as asset manager on the portfolio.

The partnership with TPG Real Estate, an experienced investor in pan-European logistics, builds on the success of the AGLP platform. Together, M&G and TPG Real Estate will drive further value across the platform, including a planned £53 million capital expenditure programme to strengthen asset quality and sustainability. The joint venture comes as increasing demand for UK industrial space meets constrained supply, with land around towns and cities often having been transferred to residential use.

Martin Towns, Deputy Global Head of M&G Real Estate, commented: "Backed by the fire power of M&G's With Profits Fund, aligned with our extensive capability in the UK market, we've built a platform of significant scale with a highly diverse and defensive income stream that is difficult to replicate.

"Together with TPG we plan to actively evolve the portfolio, investing in the assets to ensure we continue to meet the needs of today's occupiers. We are at a really interesting point in the cycle as we continue to expand our capabilities beyond core real estate. We look forward to working with TPG to deliver a diversified and growing income stream for our clients."

James Piper, partner at TPG Real Estate, added: "This strategic joint venture represents our latest investment into European industrial real estate and leverages our strong track record and experience in the sector. It also reflects our ability to partner with existing owners as a path to investing in high-quality, scaled portfolios in markets that continue to experience strong demand for logistics space. We look forward to working alongside our new partner, M&G, to support and enhance the AGLP platform."

Valued at £13 billion, M&G's With Profits Fund holds one of the world's largest global real estate portfolios, advised and managed by M&G Real Estate on behalf of its 4.6 million UK policy holders.

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Notes to Editors

¹M&G as of 30 June 2024

About TPG

TPG is a leading global alternative asset management firm, founded in San Francisco in 1992, with \$239 billion of assets under management and investment and operational teams around the world. TPG invests across a broadly diversified set of strategies, including private equity, impact, credit, real estate, and market solutions, and our unique strategy is driven by collaboration, innovation and inclusion. Our teams combine deep product and sector experience with broad capabilities and expertise to develop differentiated insights and add value for our fund investors, portfolio companies, management teams, and communities. For more information, visit www.tpg.com

Additional Information on TPG Real Estate

TPG Real Estate has built a differentiated investment portfolio comprised primarily of real estate-rich platforms and portfolios located in the US and Europe. The team has been investing in pan-European industrial for more than a decade, with investments that have included Interinvest, a leading logistics platform in the Benelux region; 4th Industrial, a UK commercial real estate company that invests in multi let and light industrial property; and CT Real Estate, a portfolio of 10 logistics parks in the Czech Republic and Slovakia that quadrupled in size under ownership, and P3 Logistics Parks, one of Europe's largest fully integrated developers and logistics platforms.

About M&G Real Estate

M&G's £73 billion¹ Private Markets business comprises six core centres of excellence. This includes real estate, of which M&G Real Estate is the 11th largest real estate manager globally of those headquartered outside of the US, with nine offices in Europe and four in Asia Pacific. With more than £40 billion in assets under management covering both real estate equity and debt strategies, M&G Real Estate's platform provides global market insight and the ability to deliver a variety of compelling strategies to clients. Managing circa 41 million sq feet globally, it has invested more than £3.3 billion into the industrial sector over the past five years, underscoring its commitment to growth and innovation.

About M&G Investments

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 £346.1 billion of assets under management (as at 30 June 2024). 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. For more information, please visit: <https://global.mandg.com/>

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