
THE CARLYLE GROUP

THE CARLYLE GROUP ACQUIRES C. 180,000 SQM LOGISTICS PORTFOLIO IN FRANCE FROM PROLOGIS

30 May 2017 - Global alternative investment manager The Carlyle Group (NASDAQ: CG) (“Carlyle”) announces that it has completed the acquisition of a high-quality 180,000 m² logistics portfolio in France on behalf of investment funds that it advises, from Prologis, a global leader in logistics real estate.

This acquisition marks the first stage of Carlyle’s plan to assemble a high-yielding French logistics platform where demand is driven by the exponential growth of e-commerce and rapidly evolving consumer behaviour. The portfolio is currently 80+%-occupied and comprises eight modern logistics units with an average construction date of 2003. Over 80% of the portfolio’s value is located in Paris and Lyon - the two largest consumer & industrial markets in France - and in other established regional markets. The portfolio also offers a number of value-enhancing asset management opportunities, including lease-up of the vacant space, refurbishments, lease re-gears and potential new development.

Carlyle intends to grow its presence in France, one of Europe’s largest logistics markets, as well as other Western European markets through additional investments in locations exhibiting attractive supply-demand fundamentals. Carlyle believes the French market represents an attractive investment proposition with increased take-up on the back of modest economic recovery and rapid online sales growth, and a shortage of grade A assets.

Marc-Antoine Bouyer, Managing Director Carlyle Europe Real Estate, said: *“This acquisition represents a great opportunity to acquire a high-quality portfolio as we look to build a portfolio of European logistics assets that offers a strong income profile with potential capital value uplift.”*

Peter Stoll, Head of Carlyle Europe Real Estate, said: *“Our ambition in the logistics space is one of a number of strategies that Carlyle is currently pursuing in the UK and mainland European real estate market. Our priority is to focus on sectors that are driven by demographic trends and/or structural changes to how real estate is owned and used. This investment responds completely to this theme.”*

Carlyle was advised by DLA Piper, Darrois Villey Maillot Brochier, PWC, and Attal & Associés for the transaction with CBRE and Expansion Asset Management respectively providing market and asset

THE CARLYLE GROUP

management advice. The acquisition has been financed through a combination of equity and debt, with HSBC providing a financing facility.

For further information, please contact:

FTI Consulting – for The Carlyle Group:

+44 (0)20 3727 1000

Richard Sunderland / Richard Gotla

Carlyle@fticonsulting.com

About The Carlyle Group

The Carlyle Group (NASDAQ: CG) is a global alternative asset manager with \$162 billion of assets under management across 287 investment vehicles as of March 31, 2017. Carlyle's purpose is to invest wisely and create value on behalf of its investors, many of whom are public pensions. Carlyle invests across four segments – Corporate Private Equity, Real Assets, Global Market Strategies and Investment Solutions – in Africa, Asia, Australia, Europe, the Middle East, North America and South America. Carlyle has expertise in various industries, including: aerospace, defense & government services, consumer & retail, energy, financial services, healthcare, industrial, real estate, technology & business services, telecommunications & media and transportation. The Carlyle Group employs more than 1,550 people in 31 offices across six continents.

Web: www.carlyle.com

Videos: www.youtube.com/onecarlyle

Tweets: www.twitter.com/onecarlyle

Podcasts: www.carlyle.com/about-carlyle/market-commentary

ABOUT PROLOGIS

Prologis, Inc. is the global leader in logistics real estate with a focus on high-barrier, high-growth markets. As of March 31, 2017, the company owned or had investments in, on a wholly owned basis or through co-investment ventures, properties and development projects expected to total approximately 678 million square feet (63 million square meters) in 19 countries. Prologis leases modern distribution facilities to a diverse base of approximately 5,200 customers across two major categories: business-to-business and retail/online fulfilment.

Web: <https://www.prologis.com/>