

NEWS RELEASE

PGIM Real Estate tops \$12 billion in 2016 global transactions

Completed 220 transactions in the U.S., Latin America, Europe and Asia Pacific

MADISON, N.J., Feb. 6, 2017 – PGIM Real Estate completed more than \$12 billion in transactions worldwide on behalf of investors in 2016, including about \$8 billion in the U.S., the company announced today. PGIM Real Estate is the real estate investment business of PGIM, the trillion-dollar global investment management business of Prudential Financial, Inc. (NYSE: PRU).

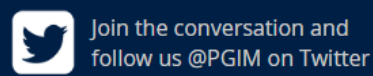
“During a year marked by market volatility and political uncertainty, PGIM Real Estate’s transactions in 2016 reflect our ability to successfully identify cyclical momentum and growth potential in the short term, and invest into longer-term structural trends that offer attractive pricing opportunities around the world,” said Eric Adler, Chief Executive Officer of PGIM Real Estate.

“Despite continued market uncertainty, the economic backdrop for real estate investment remains largely supportive,” Adler continued. “As markets and geopolitical events evolve, we will employ our disciplined investment approach to capitalize on income-driven core opportunities in major markets alongside targeting value-add strategies, alternative real estate sectors and select emerging markets. We will also continue to selectively sell stabilized, non-strategic properties.”

The more than \$12 billion across 220 transactions in 2016 spanned the Americas, Europe, and Asia Pacific regions, including investments in real estate equity and debt and property dispositions. The U.S. and Europe accounted for most of the activity. Overall, highlights include:

- More than \$8 billion through 120 U.S. transactions
- Approximately \$2.5 billion through 70 Europe transactions
- More than \$400 million of Latin America transactions, primarily in Mexico
- Approximately \$1 billion of Asia Pacific transactions, primarily in Japan, China, South Korea and Malaysia
- More than \$700 million invested through debt strategies, primarily across the U.K., Germany and the U.S.

[Learn more about PGIM Real Estate:](#)
www.pgimrealestate.com



Regional highlights and trends

Americas

In the United States, PGIM Real Estate continued to focus primarily on high barrier, coastal markets. Nearly 75 percent of its acquisitions targeted the office and multifamily sectors, consistent with the company's expectations that job growth and demographic trends will continue to fuel growth in apartment rentals and improve office demand.

In addition, PGIM Real Estate provided approximately \$200 million in financing, including preferred equity and mezzanine debt.

In Latin America, transaction activity included retail and industrial development projects in the central area of Mexico, the Bajío region, Monterrey and the northern state of Chihuahua.

Europe

In Europe, the U.K., Germany and France accounted for the majority of transactions activity. Most of the 53 European acquisitions targeted office, multifamily and retail sectors, as PGIM Real Estate focused on value-add opportunities resulting from market dislocation, a cyclical recovery and ongoing structural trends in the region.

In addition, PGIM Real Estate provided approximately \$500 million in financing across 18 transactions, primarily in Germany and the U.K., including preferred equity provided for student housing and mezzanine facilities to support office and retail assets.

Asia Pacific

In Asia Pacific, transactions focused on major cities in Japan, China, South Korea and Malaysia. The retail, multifamily and office sectors accounted for the majority of transactions as PGIM Real Estate targeted high-quality assets with the potential to capitalize on mid-term market recovery and add value through active asset management strategies.

Representative activity around the world

Acquisitions

- 40 percent interest in Eleven Madison Avenue with S.L. Green Corp.— a 2.3 million square foot Class-A office in New York City
- Avalon, a 1.1 million square foot mixed-use, open-air lifestyle center in Alpharetta, a suburb of Atlanta
- The Nuevo Sur Shopping Center, a 34,149 square meter open-air lifestyle retail center in Monterrey, Mexico
- The Ginza Building, Abercrombie & Fitch Company's flagship store comprising 11 stories across 2,131 square meters in Tokyo
- Waterfront Place, two class-A office properties across a total area of 27,805 square meters in Shanghai
- Junghof Plaza in Frankfurt, an office property to be redeveloped in a joint venture with FGI

Dispositions

- 41 Rue Ybry, a class-A office asset situated over 15,000 square meters in Neuilly-sur-Seine, a Paris suburb
- Adlerwerke, an office campus comprising five buildings with a total lettable area of approximately 80,000 square meters, in Frankfurt

Financing Activity

- Closed a preferred equity investment for the privatization of a retail REIT by a New York-based investment advisor
- Closed a subordinated debt facility to assist the funding of a multi-stage development for Wentworth Park in Sydney, including more than 1,100 pre-sold apartments

About PGIM Real Estate

PGIM Real Estate is the real estate investment business of PGIM, Inc., the global investment management businesses of Prudential Financial, Inc. (NYSE: PRU). Redefining the real estate investing landscape since 1970, PGIM Real Estate has professionals in 18 cities in the Americas, Europe and Asia Pacific with deep local knowledge and expertise, and gross assets under management of \$66.9 billion (\$48.4 billion net) as of Sept. 30, 2016. PGIM Real Estate's tenured team offers to its global client base a broad range of real estate investment vehicles that span the risk-return spectrum across core, core plus, value-add, debt, securities, and specialized investment strategies. For more information, visit www.pgimrealestate.com.

About PGIM and Prudential Financial, Inc.

With 13 consecutive years of positive third-party institutional net flows, PGIM, the global asset management businesses of Prudential Financial, Inc. (NYSE: PRU), ranks among the top 10 largest asset managers in the world with more than \$1 trillion in assets under management as of Sept. 30, 2016. PGIM's businesses offer a range of investment solutions for retail and institutional investors around the world across a broad range of asset classes, including fundamental equity, quantitative equity, public fixed income, private fixed income, real estate and commercial mortgages. Its businesses have offices in 16 countries across five continents.

Prudential's additional businesses offer a variety of products and services, including life insurance, annuities and retirement-related services. For more information about PGIM, please visit <http://www.pgim.com>. For more information about Prudential, please visit www.news.prudential.com.



MEDIA CONTACT: Brendan Duffy
973-802-5711
brendan.duffy@prudential.com