



Partners Group

REALIZING POTENTIAL IN PRIVATE MARKETS

Press release

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Partners Group to acquire and develop a portfolio of industrial and logistics properties in France, in partnership with Proudreed

- The portfolio will be seeded with properties totaling EUR 120 million in Gross Asset Value
- Partners Group and Proudreed plan to scale the portfolio to more than EUR 500 million in Gross Asset Value
- The portfolio is positioned to benefit from structural tailwinds driving the growth of e-commerce

Partners Group, a leading global private markets firm, has agreed a joint venture to acquire and develop a portfolio of high-quality, multi-let industrial parks and logistics assets in France, on behalf of its clients. The firm has formed the joint venture with Proudreed, a fully-integrated developer and operator that has been operating in France's industrial sector for over 20 years.

The portfolio will be seeded with properties totaling EUR 120 million in Gross Asset Value, with assets across key French metropolitan areas including Paris, Nice, and Bordeaux. It is positioned to benefit from structural tailwinds driving the growth of e-commerce, particularly as France has a relatively low e-commerce penetration rate, at around 15% of retail turnover last year, compared to more mature markets, such as the UK at 26%. As e-commerce penetration rises in the country, demand for high-quality multi-let industrial parks and logistics assets, which play a key role in the e-commerce supply chain, is expected to grow substantially.

Partners Group already has extensive experience in the industrial sector; for example, the firm built a portfolio of 88 large-scale industrial properties in the US, which was recently sold for USD 1 billion, and earlier this year acquired a portfolio of 27 light industrial properties in the UK for GBP 253 million, on behalf of its clients. Together, Partners Group and Proudreed intend to scale this portfolio to more than EUR 500 million in Gross Asset Value through new acquisitions and developments over the next two years.

Rahul Ghai, Managing Director, Co-Head Private Real Estate Europe, Partners Group, states: "The multi-let industrial sector is seeing high levels of demand due to the rise of e-commerce, yet shrinking supply, which is being caused by competition for land from other real estate segments, such as residential. We believe aggregating a portfolio of properties over time to get exposure to this demand offers superior economics, making this portfolio an attractive investment

opportunity for Partners Group and our clients. The industrial sector in France has also performed well with high collection and occupancy ratios during historic downturns."

Romain Ruiz, Member of Management, Private Real Estate Europe, Partners Group, adds: "The industrials sector is one of Partners Group's core investment areas, experiencing exponential growth due to transformative trends such as digitization and new consumer behaviors. Through partnering with a best-in-class local operator such as Proudreed, securing a high-quality seed portfolio and pipeline of more than EUR 300 million Gross Asset Value, the partnership offers our investors a large and diversified portfolio of industrial assets in France, with additional room to scale."

The portfolio represents Partners Group's third direct real estate investment in Europe so far this year and its second in the industrial sector. Partners Group's Real Estate business has USD 17 billion in AuM and has invested USD 22 billion since inception.

Partners Group was advised by Latham & Watkins and Ernst & Young. Proudreed was advised by Savills.

About Partners Group

Partners Group is a leading global private markets firm. Since 1996, the firm has invested over USD 150 billion in private equity, private real estate, private debt and private infrastructure on behalf of its clients globally. Partners Group seeks to generate strong returns through capitalizing on thematic growth trends and transforming attractive businesses and assets into market leaders. The firm is a committed, responsible investor and aims to create sustainable returns with lasting, positive impact for all its stakeholders. With USD 119 billion in assets under management as of 30 June 2021, Partners Group provides an innovative range of bespoke client solutions to institutional investors, sovereign wealth funds, family offices and private individuals globally. The firm employs more than 1,500 diverse professionals across 20 offices worldwide and has regional headquarters in Baar-Zug, Switzerland; Denver, USA; and Singapore. It has been listed on the SIX Swiss Exchange since 2006 (symbol: PGHN). For more information, please visit www.partnersgroup.com or follow us on LinkedIn or Twitter.

Partners Group media relations contact

Henry Weston

Tel: +44 207 575 2593

Email: henry.weston@partnersgroup.com