



FOR IMMEDIATE RELEASE

Prologis Announces Fourth Quarter 2011 Results

- *Core FFO Exceeds Previous Guidance -*
- *Strong Leasing Activity Across Regions -*
- *Strategic Priorities Ahead of Plan -*
- *Company Provides 2012 Guidance -*

SAN FRANCISCO, February 8, 2012 – Prologis, Inc. (NYSE: PLD), the leading global owner, operator and developer of industrial real estate, today reported results for the fourth quarter 2011.

Core funds from operations (Core FFO) per fully diluted share was \$0.44 for the fourth quarter 2011 compared to \$0.41 for the same period in 2010. Funds from operations (FFO) as defined by Prologis per fully diluted share was \$0.29 for the fourth quarter 2011 compared to \$(4.81) for the same period in 2010. The differential between Core FFO and FFO in the fourth quarter 2011 primarily relates to impairment charges and merger costs. Net income (loss) per share was \$(0.10) for the fourth quarter 2011 compared to a net loss of \$(4.86) for the same period in 2010. All results for 2010 represent solely legacy ProLogis and therefore are not directly comparable to the 2011 reported results.

Full-year 2011 results include combined company results since the merger on June 3, 2011, and legacy ProLogis prior to the merger. Core FFO per fully diluted share was \$1.58 for the full year 2011 compared to \$1.27 for the same period in 2010. FFO as defined by Prologis per fully diluted share was \$1.10 for the full year 2011 compared with \$(4.44) for the same period in 2010. Net loss per share was \$(0.51) for the full year 2011 compared to a net loss of \$(5.90) for the same period in 2010.

“We had an excellent quarter with financial and operating results that were ahead of plan. The team came together seamlessly and we made excellent progress on our strategic priorities,” said Hamid R. Moghadam, chairman and co-chief executive officer, Prologis. “Noteworthy accomplishments include increasing our occupancy to 92.2 percent, a 120 basis point improvement over the third quarter and reducing our share of outstanding debt by more than \$900 million. In addition, the heavy lifting associated with the merger integration is effectively complete and we have increased our synergy target to an annual savings of \$115 million.”

Operating Portfolio Metrics

Same-store net operating income (NOI) increased over the prior year by 0.4 percent in the fourth quarter, compared to a decrease of 0.7 percent in the third quarter of 2011. Rental rates on leases signed in the fourth quarter same-store pool decreased 4.5 percent, compared to rental rates on leases signed in the third quarter 2011, which decreased by 8.6 percent.

During the fourth quarter, the company leased a total of 37.6 million square feet (3.5 million square meters) in its combined operating and development portfolios. The company also achieved an 80.1 percent tenant retention rate for the quarter, signing 22.5 million square feet (2.1 million square meters) of renewals.



“Our strong performance for the quarter was driven principally by higher than expected occupancy in the operating portfolio and higher Private Capital revenues. Additionally, our financial performance benefitted by year-end adjustments including a one-time adjustment to G&A expenses,” said Walter C. Rakowich, co-chief executive officer, Prologis. “Our teams around the world delivered outstanding results in the fourth quarter, especially in Europe, where occupancy increased 160 basis points over the third quarter.”

Contributions & Dispositions

The company closed 37 contribution and disposition transactions during the fourth quarter 2011 with a stabilized capitalization rate of 7.1 percent. The transactions totaled more than \$1.25 billion, of which more than \$1.0 billion was Prologis' share of the proceeds, comprising:

- \$907 million in building contributions and sales to five of its co-investment vehicles on three continents, of which \$750 million was the company's share; and
- \$366 million of third-party dispositions, of which \$316 million was the company's share.

At year end, the company had more than \$500 million of operating portfolio assets in five separate transactions under contract and scheduled to close in the first quarter of 2012, subject to customary closing conditions. The combination of the total \$1.65 billion in transactions closed in the second half of 2011 and the \$500 million in transactions under contract at year end represents an 8 percent increase to the top end of the company's second half 2011 guidance range for contributions and dispositions of \$1.8 billion to \$2.0 billion.

Acquisitions & Development Starts

Capital deployed or committed during the fourth quarter 2011 totaled approximately \$345 million, of which \$210 million was Prologis' share, including:

- Acquisitions of \$178 million including 11 industrial properties totaling to 1.6 million square feet (150,000 square meters) with a stabilized capitalization rate of 7.0 percent and 10 acres of land. Of the total acquisitions, \$106 million was Prologis' share; and
- Development starts of \$166 million totaling 2.2 million square feet (206,500 square meters) in 9 projects, which monetized \$41 million of land. Prologis' share of the total expected investment is \$105 million.

At quarter end, Prologis' global development portfolio totaled 13.1 million square feet (1.2 million square meters), with an estimated total investment of \$1.4 billion. Prologis' share of the estimated total investment was \$1.2 billion with an estimated value creation at stabilization of \$238 million.

Private Capital Activity

In 2011, Prologis raised or received new, third-party equity commitments of approximately \$1.8 billion.



Consistent with the company's priority to streamline its private capital business, it has implemented a plan to rationalize its co-investment ventures into a smaller number of differentiated investment vehicles.

- As previously announced the company sold its 20 percent interest in its Prologis Korea Fund and liquidated the first phase of its Prologis North America Properties Fund I during the second half of 2011.
- Subsequent to year end, the company purchased its partner's 63 percent interest in Prologis North America Fund II and brought the portfolio entirely onto its balance sheet.

Financing Activity

During the fourth quarter, Prologis completed approximately \$1.4 billion of capital markets activities, including debt repurchases, refinancings, and new financings.

As a result and in combination with the significant disposition and contribution activity, the company:

- Reduced its share of total debt by \$907 million;
- Lowered its share of 2012 debt maturities by \$399 million; and
- Improved its key debt metrics in line with its previously stated strategic priorities.

"We exceeded our balance sheet management and delevering objectives for 2011 and remain committed to building one of the top balance sheets in the industry," said William Sullivan, chief financial officer, Prologis. "Carrying this momentum into 2012, a key area of focus is on further improving our financial position and mitigating our exposure to foreign currency."

Guidance for 2012

Prologis established a full-year 2012 Core FFO guidance range of \$1.60 to \$1.70 per diluted share. The company also expects to recognize a net loss for GAAP purposes, on a relative basis, of \$(0.40) to \$(0.50) per share. The difference between the company's Core FFO and net earnings guidance for 2012 predominately relates to real estate depreciation and merger related expenses.

The Core FFO and earnings guidance reflected above excludes any potential gains (losses) recognized from property dispositions, due to the variability of timing, composition of properties and estimate of proceeds. In reconciling from net earnings to Core FFO, Prologis makes certain adjustments including but not limited to real estate depreciation and amortization expense, impairment charges, deferred taxes, unrealized gains or losses on foreign currency or derivative activity, as well as transaction and merger costs.

The principal drivers supporting Prologis' 2012 guidance include the following:



- Year end occupancy in its operating portfolio between 92.5 and 93.5 percent (consistent with historical seasonal trends, the company expects occupancy to decrease in the first quarter and trend higher through the remainder of the year);
- Same-store NOI growth flat to 1.0 percent, excluding the impact of foreign exchange movements;
- Development starts of \$1.1 to \$1.4 billion, of which approximately 70 percent is expected to be the company's share;
- Acquisitions of buildings of \$400 to \$600 million, of which approximately 40 percent is expected to be the company's share;
- Building and land dispositions and contributions of \$4.5 to \$5.5 billion, of which approximately 70 percent is expected to be the company's share. A substantial portion of the disposition and contribution guidance relates to the formation of the Prologis Targeted Japan Logistics Fund and subsequent contribution of assets from its balance sheet; and
- An average euro exchange rate of \$1.30 and an average yen exchange rate of ¥80 per U.S. dollar.

Webcast and Conference Call Information

The company will host a webcast /conference call to discuss quarterly results, current market conditions and future outlook today, February 8, 2012, at 12:00 p.m. Eastern Time. Interested parties are encouraged to access the live webcast by clicking the microphone icon located near the top of the opening page at: <http://ir.prologis.com>. Interested parties also can participate via conference call by dialing (877) 256-7020 from the U.S. and Canada or (+1 973-409-9692) internationally with reservation code 40596350.

A telephonic replay will be available from February 8, 2012, through March 8, 2012, at 855-859-2056 (from the U.S. and Canada) or +1 404-537-3406 (from all other countries), with the reservation code 40596350. The webcast and podcast replay will be posted when available in the "Financial Information" section of the Prologis Investor Relations website.

About Prologis

Prologis, Inc. is the leading owner, operator and developer of industrial real estate, focused on global and regional markets across the Americas, Europe and Asia. As of December 31, 2011, Prologis owned or had investments in, on a consolidated basis or through unconsolidated joint ventures, properties and development projects expected to total approximately 600 million square feet (55.7 million square meters) in 22 countries. The company leases modern distribution facilities to more than 4,500 customers, including manufacturers, retailers, transportation companies, third-party logistics providers and other enterprises.



The statements in this release that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which Prologis operates, management's beliefs and assumptions made by management. Such statements involve uncertainties that could significantly impact Prologis' financial results. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," variations of such words and similar expressions are intended to identify such forward-looking statements, which generally are not historical in nature. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future — including statements relating to rent and occupancy growth, development activity and changes in sales or contribution volume of developed properties, disposition activity, general conditions in the geographic areas where we operate, synergies to be realized from our recent merger transaction, our debt and financial position, our ability to form new property funds and the availability of capital in existing or new property funds — are forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Although we believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that our expectations will be attained and therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Some of the factors that may affect outcomes and results include, but are not limited to: (i) national, international, regional and local economic climates, (ii) changes in financial markets, interest rates and foreign currency exchange rates, (iii) increased or unanticipated competition for our properties, (iv) risks associated with acquisitions, dispositions and development of properties, (v) maintenance of real estate investment trust ("REIT") status and tax structuring, (vi) availability of financing and capital, the levels of debt that we maintain and our credit ratings, (vii) risks related to our investments in our co-investment ventures and funds, including our ability to establish new co-investment ventures and funds, (viii) risks of doing business internationally, including currency risks, (ix) environmental uncertainties, including risks of natural disasters, and (x) those additional factors discussed in reports filed with the Securities and Exchange Commission by Prologis under the heading "Risk Factors." Prologis undertakes no duty to update any forward-looking statements appearing in this release.

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Company Profile

<i>(dollars in thousands)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2011 (A)	2010 (A)	2011 (A)	2010 (A)
Revenues	\$ 484,132	\$ 236,223	\$ 1,533,291	\$ 884,587
Net loss attributable to common shares	(45,459)	(1,166,589)	(188,110)	(1,295,920)
FFO, as defined by Prologis	134,147	(1,154,157)	411,688	(974,197)
Core FFO	203,945	99,380	593,917	281,386
AFFO	145,593	75,857	423,821	206,669
Core EBITDA	397,629	247,801	1,548,470	870,847
Per common share - diluted:				
Net earnings (loss) attributable to common shares	\$ (0.10)	\$ (4.86)	\$ (0.51)	\$ (5.90)
FFO, as defined by Prologis	0.29	(4.81)	1.10	(4.44)
Core FFO	0.44	0.41	1.58	1.27

(A) AMB and Prologis completed the merger (the "Merger") on June 3, 2011. The financial results presented throughout this supplemental include Prologis for the full period and AMB results from the date of the Merger going forward. Results for the twelve months ended December 31, 2011 include approximately seven months of the impact from both the Merger and PEPR acquisition. See Notes and Definitions for more information.

Consolidated Balance Sheets

<i>(in thousands)</i>	December 31, 2011	September 30, 2011	December 31, 2010 (A)
Assets:			
Investments in real estate assets:			
Operating portfolio	\$ 21,552,548	\$ 22,474,206	\$ 10,714,799
Development portfolio	860,531	676,019	365,362
Land	1,984,233	1,972,277	1,533,611
Other real estate investments	390,225	469,852	265,869
	<u>24,787,537</u>	<u>25,592,354</u>	<u>12,879,641</u>
Less accumulated depreciation	2,157,907	1,908,152	1,595,678
Net investments in properties	<u>22,629,630</u>	<u>23,684,202</u>	<u>11,283,963</u>
Investments in and advances to unconsolidated investees	2,857,755	2,900,646	2,024,661
Notes receivable backed by real estate	322,834	354,254	302,144
Assets held for sale	444,850	89,519	574,791
Net investments in real estate	<u>26,255,069</u>	<u>27,028,621</u>	<u>14,185,559</u>
Cash and cash equivalents	176,072	216,749	37,634
Restricted cash	71,992	77,798	27,081
Accounts receivable	147,999	216,423	58,979
Other assets	1,072,780	1,046,713	593,414
Total assets	\$ 27,723,912	\$ 28,586,304	\$ 14,902,667
Liabilities and Equity:			
Liabilities:			
Debt	\$ 11,382,408	\$ 12,147,277	\$ 6,506,029
Accounts payable, accrued expenses, and other liabilities	1,886,030	1,837,061	876,283
Total liabilities	<u>13,268,438</u>	<u>13,984,338</u>	<u>7,382,312</u>
Equity:			
Stockholders' equity:			
Preferred stock	582,200	582,200	350,000
Common stock	4,594	4,592	2,545
Additional paid-in capital	16,349,328	16,365,581	9,671,560
Accumulated other comprehensive loss	(182,321)	(102,546)	(3,160)
Distributions in excess of net earnings	(3,092,162)	(2,916,997)	(2,515,722)
Total stockholders' equity	<u>13,661,639</u>	<u>13,932,830</u>	<u>7,505,223</u>
Noncontrolling interests	735,222	609,259	15,132
Noncontrolling interests - limited partnership unitholders	58,613	59,877	-
Total equity	<u>14,455,474</u>	<u>14,601,966</u>	<u>7,520,355</u>
Total liabilities and equity	\$ 27,723,912	\$ 28,586,304	\$ 14,902,667

(A) Represents legacy Prologis only

Consolidated Statements of Operations

<i>(in thousands, except per share amounts)</i>	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2011	2010 (A)	2011 (A)	2010 (A)
Revenues:				
Rental income	\$ 442,581	\$ 192,551	\$ 1,376,836	\$ 744,540
Private capital revenue	40,230	34,645	137,619	122,526
Development management and other income	1,321	9,027	18,836	17,521
Total revenues	484,132	236,223	1,533,291	884,587
Expenses:				
Rental expenses	118,300	53,130	384,652	215,208
Private capital expenses	15,734	10,580	54,962	40,659
General and administrative expenses	50,797	50,095	195,161	165,981
Merger, acquisition and other integration expenses	18,772	-	140,495	-
Impairment of real estate properties	21,237	733,316	21,237	736,612
Depreciation, amortization and other expenses	202,168	83,194	609,354	327,623
Total expenses	427,008	930,315	1,405,861	1,486,083
Operating income (loss)	57,124	(694,092)	127,430	(601,496)
Other income (expense):				
Earnings from unconsolidated property funds, net	904	(2,757)	49,326	10,548
Earnings from other unconsolidated investees, net	3,016	5,933	10,609	13,130
Interest income	5,780	2,008	19,843	5,022
Interest expense	(129,341)	(112,034)	(468,738)	(461,166)
Impairment of other assets	(22,609)	(412,745)	(126,432)	(412,745)
Gains (losses) on acquisitions and dispositions of investments in real estate, net	(2,966)	(30,200)	111,684	28,488
Foreign currency and derivative gains (losses) and other income (expenses), net	(3,584)	(5,701)	33,337	(256)
Gain (loss) on early extinguishment of debt, net	556	(153,037)	258	(201,486)
Total other income (expense)	(148,244)	(708,533)	(370,113)	(1,018,465)
Loss before income taxes	(91,120)	(1,402,625)	(242,683)	(1,619,961)
Income tax expense (benefit) - current and deferred	(8,184)	(5,907)	1,776	(30,499)
Loss from continuing operations	(82,936)	(1,396,718)	(244,459)	(1,589,462)
Discontinued operations:				
Income attributable to disposed properties and assets held for sale	5,852	18,434	27,907	84,435
Net gains on dispositions, net of related impairment charges and taxes	37,069	217,421	58,614	234,574
Total discontinued operations	42,921	235,855	86,521	319,009
Consolidated net loss	(40,015)	(1,160,863)	(157,938)	(1,270,453)
Net earnings attributable to noncontrolling interests	4,832	591	4,524	(43)
Net loss attributable to controlling interests	(35,183)	(1,160,272)	(153,414)	(1,270,496)
Less preferred stock dividends	10,276	6,317	34,696	25,424
Net loss attributable to common shares	\$ (45,459)	\$ (1,166,589)	\$ (188,110)	\$ (1,295,920)
Weighted average common shares outstanding - Diluted (B)	458,383	239,912	370,534	219,515
Net loss per share attributable to common shares - Diluted	\$ (0.10)	\$ (4.86)	\$ (0.51)	\$ (5.90)

(A) The financial results include Prologis for the full period and AMB and PEPR results from approximately June 1, 2011.

(B) See Calculation of Per Share Amounts in the Notes and Definitions.

Consolidated Statements of Funds from Operations (FFO)

(in thousands, except per share amounts)	December 31,		December 31,	
	2011	2010 (A)	2011 (A)	2010 (A)
Revenues:				
Rental income	\$ 456,462	\$ 227,750	\$ 1,436,419	\$ 925,169
Private capital revenue	40,230	34,645	137,619	122,526
Development management and other income	1,321	9,027	18,836	17,521
Total revenues	498,013	271,422	1,592,874	1,065,216
Expenses:				
Rental expenses	120,265	61,169	397,216	263,776
Private capital expenses	15,734	10,580	54,962	40,659
General and administrative expenses	50,797	50,095	195,161	165,981
Merger, acquisition and other integration expenses	18,772	-	140,495	-
Depreciation and amortization of non-real estate assets and other expenses	14,663	6,696	43,026	32,441
Total operating expenses	220,231	128,540	830,860	502,857
Operating FFO	277,782	142,882	762,014	562,359
Other income (expense):				
FFO from unconsolidated property funds	42,328	23,910	189,591	139,927
FFO from other unconsolidated investees	5,164	7,987	17,052	20,121
Interest income	5,780	2,008	19,843	5,022
Interest expense	(129,480)	(112,034)	(469,289)	(461,166)
Impairment of real estate properties and other assets	(38,546)	(1,107,725)	(145,028)	(1,110,072)
Gains (losses) on acquisitions and dispositions of investments in real estate, net	(2,538)	48,785	117,800	110,786
Foreign currency exchange gains (losses) and other income (expenses), net	2,418	8,395	(5,697)	11,231
Gain (loss) on early extinguishment of debt, net	556	(153,037)	258	(201,486)
Current income tax expense	(15,674)	(9,602)	(24,795)	(25,452)
Total other income (expense)	(129,992)	(1,291,313)	(300,265)	(1,511,089)
Less preferred share dividends	10,276	6,317	34,696	25,424
Less FFO attributable to noncontrolling interests	3,367	(591)	15,365	43
FFO, as defined by Prologis	134,147	(1,154,157)	411,688	(974,197)
Impairment charges	38,546	1,107,725	145,028	1,110,072
Japan disaster expenses	-	-	5,210	-
Merger, acquisition and other integration expenses	18,772	-	140,495	-
Our share of losses (gains) on acquisitions and dispositions of investments in real estate,	7,621	(48,785)	(115,577)	(110,786)
Loss (gain) on early extinguishment of debt, net	(556)	153,037	(258)	201,486
Income tax expense on dispositions	5,415	7,932	7,331	10,783
Adjustments made in 2010, not applicable to 2011	-	33,628	-	44,028
Total of adjustments	69,798	1,253,537	182,229	1,255,583
Core FFO	\$ 203,945	\$ 99,380	\$ 593,917	\$ 281,386
Weighted average common shares outstanding - Diluted (B)	474,881	253,776	385,960	221,356
Core FFO per share - Diluted	\$ 0.44	\$ 0.41	\$ 1.58	\$ 1.27

(A) The financial results include Prologis for the full period and AMB and PEPR results from approximately June 1, 2011.

(B) See Calculation of Per Share Amounts in the Notes and Definitions.

Reconciliations of Net Earnings (Loss) to FFO

(in thousands)	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2011	2010 (A)	2011 (A)	2010 (A)
Reconciliation of net loss to FFO				
Net loss attributable to common shares	\$ (45,459)	\$ (1,166,589)	\$ (188,110)	\$ (1,295,920)
Add (deduct) NAREIT defined adjustments:				
Real estate related depreciation and amortization	187,505	76,498	566,328	295,182
Impairment on certain real estate properties	5,300	126,038	5,300	126,987
Net gains on non-FFO dispositions	(32,016)	(221,140)	(39,812)	(196,080)
Reconciling items related to noncontrolling interests	(8,199)	-	(19,889)	-
Our share of reconciling items from unconsolidated investees	43,879	35,891	147,608	141,721
Subtotal-NAREIT defined FFO	151,010	(1,149,302)	471,425	(928,110)
Add (deduct) our defined adjustments:				
Unrealized foreign currency and derivative losses (gains), net	6,002	14,096	(39,034)	11,487
Deferred income tax expense (benefit)	(22,558)	(11,781)	(19,803)	(52,223)
Our share of reconciling items from unconsolidated investees	(307)	(7,170)	(900)	(5,351)
FFO, as defined by Prologis	134,147	(1,154,157)	411,688	(974,197)
Adjustments to arrive at Core FFO	69,798	1,253,537	182,229	1,255,583
Core FFO	\$ 203,945	\$ 99,380	\$ 593,917	\$ 281,386
Adjustments to arrive at Adjusted FFO ("AFFO"), including our share of unconsolidated investees:				
Straight-lined rents and amortization of lease intangibles	(9,178)	(12,089)	(44,507)	(47,455)
Property improvements	(21,472)	(12,289)	(64,903)	(37,921)
Tenant improvements	(19,558)	(13,811)	(60,790)	(45,066)
Leasing commissions	(15,739)	(8,589)	(47,789)	(30,826)
Amortization of management contracts	1,925	550	6,749	2,200
Amortization of debt discounts/(premiums) and financing costs, net of capitalization	(4,185)	14,993	9,662	59,266
Stock compensation expense	9,856	7,712	31,483	25,085
AFFO	\$ 145,593	\$ 75,857	\$ 423,822	\$ 206,668
Common stock dividends	\$ 130,573	\$ 69,296	\$ 388,333	\$ 285,217

(A) The financial results include Prologis for the full period and AMB and PEPR results from approximately June 1, 2011.

(B) See Calculation of Per Share Amounts in the Notes and Definitions.

EDITDA Reconciliation

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2011	2010	2011	2010
Reconciliation of Consolidated Net Loss to Core EBITDA				
Consolidated net loss	\$ (40,015)	\$ (1,160,863)	\$ (157,938)	\$ (1,270,453)
Net gains on acquisitions and dispositions of investments in real estate, net	(35,403)	(195,153)	(173,514)	(273,845)
Depreciation and amortization	192,379	81,164	585,323	311,268
Interest expense	129,341	112,034	468,738	461,166
Impairment charges	43,846	1,146,061	147,669	1,149,357
Merger, acquisition and other integration expenses	18,772	-	140,495	-
Loss (gain) on early extinguishment of debt	(556)	153,037	(258)	201,486
Current and deferred income tax expense (benefit)	(6,884)	2,025	4,992	(19,716)
Pro forma adjustment (A)	-	-	263,994	-
Income on properties sold during the period included in discontinued operation	(5,852)	(18,434)	(27,907)	(84,435)
Other non-cash charges (gains)	15,858	21,808	(7,551)	36,572
Other adjustments made to arrive at Core FFO	-	14,784	5,210	19,213
Core EBITDA, prior to our share of unconsolidated investees	311,486	156,463	1,249,253	530,613
Our share of reconciling items from unconsolidated investees:				
Net losses (gains) on disposition of real estate, net	5,083	-	5,083	-
Depreciation and amortization	43,879	35,891	147,608	141,721
Interest expense	37,231	42,563	142,282	171,332
Current and deferred income tax expense (benefit)	257	1,210	4,918	7,717
Other non-cash charges (gains)	(307)	(7,170)	(900)	(5,351)
Realized losses (gains) on derivative activity	-	18,844	226	24,815
Core EBITDA	\$ 397,629	\$ 247,801	\$ 1,548,470	\$ 870,847

(A) Adjustments for the effects of the Merger and PEPR acquisition to reflect NOI for the full period.

Notes and Definitions

Company Profile

	Three Months Ended December 31,		Twelve Months Ended December 31,	
<i>(dollars in thousands)</i>	2011 (A)	2010 (A)	2011 (A)	2010 (A)
Revenues	\$ 484,132	\$ 236,223	\$ 1,533,291	\$ 884,587
Net loss attributable to common shares	(45,459)	(1,166,589)	(188,110)	(1,295,920)
FFO, as defined by Prologis	134,147	(1,154,157)	411,688	(974,197)
Core FFO	203,945	99,380	593,917	281,386
AFFO	145,593	75,857	423,821	206,669
Core EBITDA	397,629	247,801	1,548,470	870,847
Per common share - diluted:				
Net earnings (loss) attributable to common shares	\$ (0.10)	\$ (4.86)	\$ (0.51)	\$ (5.90)
FFO, as defined by Prologis	0.29	(4.81)	1.10	(4.44)
Core FFO	0.44	0.41	1.58	1.27

(A) AMB and Prologis completed the merger (the "Merger") on June 3, 2011. The financial results presented throughout this supplemental include Prologis for the full period and AMB results from the date of the Merger going forward. Results for the twelve months ended December 31, 2011 include approximately seven months of the impact from both the Merger and PEPR acquisition. See Notes and Definitions for more information.

Consolidated Balance Sheets

<i>(in thousands)</i>	December 31, 2011	September 30, 2011	December 31, 2010 (A)
Assets:			
Investments in real estate assets:			
Operating portfolio	\$ 21,552,548	\$ 22,474,206	\$ 10,714,799
Development portfolio	860,531	676,019	365,362
Land	1,984,233	1,972,277	1,533,611
Other real estate investments	390,225	469,852	265,869
	<u>24,787,537</u>	<u>25,592,354</u>	<u>12,879,641</u>
Less accumulated depreciation	2,157,907	1,908,152	1,595,678
Net investments in properties	<u>22,629,630</u>	<u>23,684,202</u>	<u>11,283,963</u>
Investments in and advances to unconsolidated investees	2,857,755	2,900,646	2,024,661
Notes receivable backed by real estate	322,834	354,254	302,144
Assets held for sale	444,850	89,519	574,791
Net investments in real estate	<u>26,255,069</u>	<u>27,028,621</u>	<u>14,185,559</u>
Cash and cash equivalents	176,072	216,749	37,634
Restricted cash	71,992	77,798	27,081
Accounts receivable	147,999	216,423	58,979
Other assets	1,072,780	1,046,713	593,414
Total assets	\$ 27,723,912	\$ 28,586,304	\$ 14,902,667
Liabilities and Equity:			
Liabilities:			
Debt	\$ 11,382,408	\$ 12,147,277	\$ 6,506,029
Accounts payable, accrued expenses, and other liabilities	1,886,030	1,837,061	876,283
Total liabilities	<u>13,268,438</u>	<u>13,984,338</u>	<u>7,382,312</u>
Equity:			
Stockholders' equity:			
Preferred stock	582,200	582,200	350,000
Common stock	4,594	4,592	2,545
Additional paid-in capital	16,349,328	16,365,581	9,671,560
Accumulated other comprehensive loss	(182,321)	(102,546)	(3,160)
Distributions in excess of net earnings	(3,092,162)	(2,916,997)	(2,515,722)
Total stockholders' equity	<u>13,661,639</u>	<u>13,932,830</u>	<u>7,505,223</u>
Noncontrolling interests	735,222	609,259	15,132
Noncontrolling interests - limited partnership unitholders	58,613	59,877	-
Total equity	<u>14,455,474</u>	<u>14,601,966</u>	<u>7,520,355</u>
Total liabilities and equity	\$ 27,723,912	\$ 28,586,304	\$ 14,902,667

(A) Represents legacy Prologis only

Consolidated Statements of Operations

<i>(in thousands, except per share amounts)</i>	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2011	2010 (A)	2011 (A)	2010 (A)
Revenues:				
Rental income	\$ 442,581	\$ 192,551	\$ 1,376,836	\$ 744,540
Private capital revenue	40,230	34,645	137,619	122,526
Development management and other income	1,321	9,027	18,836	17,521
Total revenues	484,132	236,223	1,533,291	884,587
Expenses:				
Rental expenses	118,300	53,130	384,652	215,208
Private capital expenses	15,734	10,580	54,962	40,659
General and administrative expenses	50,797	50,095	195,161	165,981
Merger, acquisition and other integration expenses	18,772	-	140,495	-
Impairment of real estate properties	21,237	733,316	21,237	736,612
Depreciation, amortization and other expenses	202,168	83,194	609,354	327,623
Total expenses	427,008	930,315	1,405,861	1,486,083
Operating income (loss)	57,124	(694,092)	127,430	(601,496)
Other income (expense):				
Earnings from unconsolidated property funds, net	904	(2,757)	49,326	10,548
Earnings from other unconsolidated investees, net	3,016	5,933	10,609	13,130
Interest income	5,780	2,008	19,843	5,022
Interest expense	(129,341)	(112,034)	(468,738)	(461,166)
Impairment of other assets	(22,609)	(412,745)	(126,432)	(412,745)
Gains (losses) on acquisitions and dispositions of investments in real estate, net	(2,966)	(30,200)	111,684	28,488
Foreign currency and derivative gains (losses) and other income (expenses), net	(3,584)	(5,701)	33,337	(256)
Gain (loss) on early extinguishment of debt, net	556	(153,037)	258	(201,486)
Total other income (expense)	(148,244)	(708,533)	(370,113)	(1,018,465)
Loss before income taxes	(91,120)	(1,402,625)	(242,683)	(1,619,961)
Income tax expense (benefit) - current and deferred	(8,184)	(5,907)	1,776	(30,499)
Loss from continuing operations	(82,936)	(1,396,718)	(244,459)	(1,589,462)
Discontinued operations:				
Income attributable to disposed properties and assets held for sale	5,852	18,434	27,907	84,435
Net gains on dispositions, net of related impairment charges and taxes	37,069	217,421	58,614	234,574
Total discontinued operations	42,921	235,855	86,521	319,009
Consolidated net loss	(40,015)	(1,160,863)	(157,938)	(1,270,453)
Net earnings attributable to noncontrolling interests	4,832	591	4,524	(43)
Net loss attributable to controlling interests	(35,183)	(1,160,272)	(153,414)	(1,270,496)
Less preferred stock dividends	10,276	6,317	34,696	25,424
Net loss attributable to common shares	\$ (45,459)	\$ (1,166,589)	\$ (188,110)	\$ (1,295,920)
Weighted average common shares outstanding - Diluted (B)	458,383	239,912	370,534	219,515
Net loss per share attributable to common shares - Diluted	\$ (0.10)	\$ (4.86)	\$ (0.51)	\$ (5.90)

(A) The financial results include Prologis for the full period and AMB and PEPR results from approximately June 1, 2011.

(B) See Calculation of Per Share Amounts in the Notes and Definitions.

Consolidated Statements of Funds from Operations (FFO)

(in thousands, except per share amounts)

	December 31,		December 31,	
	2011	2010 (A)	2011 (A)	2010 (A)
Revenues:				
Rental income	\$ 456,462	\$ 227,750	\$ 1,436,419	\$ 925,169
Private capital revenue	40,230	34,645	137,619	122,526
Development management and other income	1,321	9,027	18,836	17,521
Total revenues	498,013	271,422	1,592,874	1,065,216
Expenses:				
Rental expenses	120,265	61,169	397,216	263,776
Private capital expenses	15,734	10,580	54,962	40,659
General and administrative expenses	50,797	50,095	195,161	165,981
Merger, acquisition and other integration expenses	18,772	-	140,495	-
Depreciation and amortization of non-real estate assets and other expenses	14,663	6,696	43,026	32,441
Total operating expenses	220,231	128,540	830,860	502,857
Operating FFO	277,782	142,882	762,014	562,359
Other income (expense):				
FFO from unconsolidated property funds	42,328	23,910	189,591	139,927
FFO from other unconsolidated investees	5,164	7,987	17,052	20,121
Interest income	5,780	2,008	19,843	5,022
Interest expense	(129,480)	(112,034)	(469,289)	(461,166)
Impairment of real estate properties and other assets	(38,546)	(1,107,725)	(145,028)	(1,110,072)
Gains (losses) on acquisitions and dispositions of investments in real estate, net	(2,538)	48,785	117,800	110,786
Foreign currency exchange gains (losses) and other income (expenses), net	2,418	8,395	(5,697)	11,231
Gain (loss) on early extinguishment of debt, net	556	(153,037)	258	(201,486)
Current income tax expense	(15,674)	(9,602)	(24,795)	(25,452)
Total other income (expense)	(129,992)	(1,291,313)	(300,265)	(1,511,089)
Less preferred share dividends	10,276	6,317	34,696	25,424
Less FFO attributable to noncontrolling interests	3,367	(591)	15,365	43
FFO, as defined by Prologis	134,147	(1,154,157)	411,688	(974,197)
Impairment charges	38,546	1,107,725	145,028	1,110,072
Japan disaster expenses	-	-	5,210	-
Merger, acquisition and other integration expenses	18,772	-	140,495	-
Our share of losses (gains) on acquisitions and dispositions of investments in real estate,	7,621	(48,785)	(115,577)	(110,786)
Loss (gain) on early extinguishment of debt, net	(556)	153,037	(258)	201,486
Income tax expense on dispositions	5,415	7,932	7,331	10,783
Adjustments made in 2010, not applicable to 2011	-	33,628	-	44,028
Total of adjustments	69,798	1,253,537	182,229	1,255,583
Core FFO	\$ 203,945	\$ 99,380	\$ 593,917	\$ 281,386
Weighted average common shares outstanding - Diluted (B)	474,881	253,776	385,960	221,356
Core FFO per share - Diluted	\$ 0.44	\$ 0.41	\$ 1.58	\$ 1.27

(A) The financial results include Prologis for the full period and AMB and PEPR results from approximately June 1, 2011.

(B) See Calculation of Per Share Amounts in the Notes and Definitions.

Reconciliations of Net Earnings (Loss) to FFO

(in thousands)	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2011	2010 (A)	2011 (A)	2010 (A)
Reconciliation of net loss to FFO				
Net loss attributable to common shares	\$ (45,459)	\$ (1,166,589)	\$ (188,110)	\$ (1,295,920)
Add (deduct) NAREIT defined adjustments:				
Real estate related depreciation and amortization	187,505	76,498	566,328	295,182
Impairment on certain real estate properties	5,300	126,038	5,300	126,987
Net gains on non-FFO dispositions	(32,016)	(221,140)	(39,812)	(196,080)
Reconciling items related to noncontrolling interests	(8,199)	-	(19,889)	-
Our share of reconciling items from unconsolidated investees	43,879	35,891	147,608	141,721
Subtotal-NAREIT defined FFO	151,010	(1,149,302)	471,425	(928,110)
Add (deduct) our defined adjustments:				
Unrealized foreign currency and derivative losses (gains), net	6,002	14,096	(39,034)	11,487
Deferred income tax expense (benefit)	(22,558)	(11,781)	(19,803)	(52,223)
Our share of reconciling items from unconsolidated investees	(307)	(7,170)	(900)	(5,351)
FFO, as defined by Prologis	134,147	(1,154,157)	411,688	(974,197)
Adjustments to arrive at Core FFO	69,798	1,253,537	182,229	1,255,583
Core FFO	\$ 203,945	\$ 99,380	\$ 593,917	\$ 281,386
Adjustments to arrive at Adjusted FFO ("AFFO"), including our share of unconsolidated investees:				
Straight-lined rents and amortization of lease intangibles	(9,178)	(12,089)	(44,507)	(47,455)
Property improvements	(21,472)	(12,289)	(64,903)	(37,921)
Tenant improvements	(19,558)	(13,811)	(60,790)	(45,066)
Leasing commissions	(15,739)	(8,589)	(47,789)	(30,826)
Amortization of management contracts	1,925	550	6,749	2,200
Amortization of debt discounts/(premiums) and financing costs, net of capitalization	(4,185)	14,993	9,662	59,266
Stock compensation expense	9,856	7,712	31,483	25,085
AFFO	\$ 145,593	\$ 75,857	\$ 423,822	\$ 206,668
Common stock dividends	\$ 130,573	\$ 69,296	\$ 388,333	\$ 285,217

(A) The financial results include Prologis for the full period and AMB and PEPR results from approximately June 1, 2011.

(B) See Calculation of Per Share Amounts in the Notes and Definitions.

EDITDA Reconciliation

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2011	2010	2011	2010
Reconciliation of Consolidated Net Loss to Core EBITDA				
Consolidated net loss	\$ (40,015)	\$ (1,160,863)	\$ (157,938)	\$ (1,270,453)
Net gains on acquisitions and dispositions of investments in real estate, net	(35,403)	(195,153)	(173,514)	(273,845)
Depreciation and amortization	192,379	81,164	585,323	311,268
Interest expense	129,341	112,034	468,738	461,166
Impairment charges	43,846	1,146,061	147,669	1,149,357
Merger, acquisition and other integration expenses	18,772	-	140,495	-
Loss (gain) on early extinguishment of debt	(556)	153,037	(258)	201,486
Current and deferred income tax expense (benefit)	(6,884)	2,025	4,992	(19,716)
Pro forma adjustment (A)	-	-	263,994	-
Income on properties sold during the period included in discontinued operation	(5,852)	(18,434)	(27,907)	(84,435)
Other non-cash charges (gains)	15,858	21,808	(7,551)	36,572
Other adjustments made to arrive at Core FFO	-	14,784	5,210	19,213
Core EBITDA, prior to our share of unconsolidated investees	311,486	156,463	1,249,253	530,613
Our share of reconciling items from unconsolidated investees:				
Net losses (gains) on disposition of real estate, net	5,083	-	5,083	-
Depreciation and amortization	43,879	35,891	147,608	141,721
Interest expense	37,231	42,563	142,282	171,332
Current and deferred income tax expense (benefit)	257	1,210	4,918	7,717
Other non-cash charges (gains)	(307)	(7,170)	(900)	(5,351)
Realized losses (gains) on derivative activity	-	18,844	226	24,815
Core EBITDA	\$ 397,629	\$ 247,801	\$ 1,548,470	\$ 870,847

(A) Adjustments for the effects of the Merger and PEPR acquisition to reflect NOI for the full period.

Notes and Definitions

Notes and Definitions

Please refer to our annual and quarterly financial statements filed with the Securities and Exchange Commission on Forms 10-K and 10-Q and other public reports for further information about us and our business. Certain amounts from previous periods presented in the Supplemental Information have been reclassified to conform to the 2011 presentation.

Our real estate operations segment represents the direct, long-term ownership of industrial properties. Our investment strategy in this segment focuses primarily on the ownership and leasing of industrial properties in global and regional markets. Our intent is to hold and use these properties; however, depending on market and other conditions, we may contribute or sell these properties to property funds/co-investment ventures or sell to third parties. When we contribute or sell properties we have developed, we recognize FFO to the extent the proceeds received exceed our original investment (i.e. prior to depreciation) and present the results as Net Gains on Dispositions. In addition, we have industrial properties that are currently under development and land available for development that are part of this segment as well. We may develop the land or sell to third parties, depending on market conditions, customer demand and other factors. The private capital segment represents primarily the management of unconsolidated property funds and joint ventures and the properties they own.

On June 3, 2011, AMB Property Corporation (“AMB”) and ProLogis combined through a merger of equals (the “Merger”). As a result of the Merger, each outstanding ProLogis common share was converted into 0.4464 shares of AMB common stock. At the time of the Merger, AMB changed its name to Prologis, Inc. After consideration of all applicable factors pursuant to the business combination accounting rules, the Merger resulted in a reverse acquisition in which AMB was considered the “legal acquirer” and ProLogis was considered the “accounting acquirer”. As such, the historical results of ProLogis are included for the full period and AMB results are included from the date of the Merger going forward.

During the second quarter of 2011, we increased our ownership of ProLogis European Properties (“PEPR”), through open market purchases and a mandatory tender offer. On May 25, 2011, we settled on our mandatory tender offer. Pursuant to the tender offer and open-market purchases made during the tender period, we acquired an additional 96.5 million ordinary units and 2.7 million convertible preferred units of PEPR for an aggregate purchase price of approximately €615.5 million. We funded the aggregate purchases through borrowings under our existing credit facilities and a new €500 million bridge facility, which was subsequently repaid with proceeds received from our June equity offering.

After completion of the tender offer, we began consolidating PEPR and recognized a gain of €59.6 million (\$85.9 million). Following the tender offer, and including open market purchases and our participation in new equity offerings through December 31, 2011, we owned approximately 93.7% of the voting ordinary units of PEPR and 94.9% of the convertible preferred units as of December 31, 2011.

We have preliminarily allocated the aggregate purchase price related to the Merger of \$5.9 billion and PEPR of €1.1 billion (\$1.6 billion) as set forth below. The allocations are based on our preliminary valuations, estimates and assumptions and are subject to change.

(amounts in thousands)	Merger	PEPR	Total
Investments in real estate properties	\$ 8,172,814	\$ 4,453,069	\$ 12,625,883
Investments in and advances to unconsolidated investees	1,620,336	-	1,620,336
Cash, accounts receivable and other assets	687,857	251,826	939,683
Debt	(3,646,719)	(2,240,764)	(5,887,483)
Accounts payable, accrued expenses and other liabilities	(430,562)	(703,541)	(1,134,103)
Noncontrolling interests	(547,277)	(133,651)	(680,928)
Total purchase price	\$ 5,856,449	\$ 1,626,939	\$ 7,483,388

Assets Held For Sale and Discontinued Operations. As of December 31, 2011, we had four land parcels and 35 operating properties that met the criteria to be presented as held for sale. The amounts included in *Assets Held for Sale* include real estate investment balances and the related assets and liabilities for each property.

During 2011, we disposed of 92 properties (most of which were non-development properties) aggregating 10.2 million square feet to third parties. During all of 2010, we disposed of land subject to ground leases and 205 properties aggregating 25.4 million square feet to third parties, two of which were development properties.

The operations of the properties held for sale and properties that were disposed of to third parties during a period, including the aggregate net gains or losses recognized upon their disposition, are presented as discontinued operations in our Consolidated Statements of Operations for all periods presented. The income attributable to these properties was as follows (in thousands):

Notes and Definitions

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2011	2010	2011	2010
Rental income.....	\$ 13,881	\$ 35,199	\$ 59,583	\$ 180,629
Rental expenses.....	(1,965)	(8,039)	(12,564)	(48,568)
Depreciation and amortization	(5,925)	(8,726)	(18,561)	(47,626)
Interest expense	(139)	-	(551)	-
Income attributable to disposed properties and assets held for sale	\$ 5,852	\$ 18,434	\$ 27,907	\$ 84,435

For purposes of our Consolidated Statements of FFO, we do not segregate discontinued operations. In addition, we include the gains and losses from disposition impairment charges of land parcels and development properties in the calculation of FFO, including those classified as discontinued operations.

Calculation of Per Share Amounts are as follows (in thousands, except per share amounts):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2011	2010	2011	2010
Net earnings (loss)				
Net earnings (loss)	\$ (45,459)	\$ (1,166,589)	\$ (188,110)	\$ (1,295,920)
Noncontrolling interest attributable to convertible limited partnership units	-	-	-	-
Adjusted net earnings (loss) - Diluted	\$ (45,459)	\$ (1,166,589)	\$ (188,110)	\$ (1,295,920)
Weighted average common shares outstanding - Basic (a)	458,383	239,912	370,534	219,515
Incremental weighted average effect of conversion of limited partnership units	-	-	-	-
Incremental weighted average effect of stock awards	-	-	-	-
Weighted average common shares outstanding - Diluted (a)	458,383	239,912	370,534	219,515
Net earnings (loss) per share - Basic	\$ (0.10)	\$ (4.86)	\$ (0.51)	\$ (5.90)
Net earnings (loss) per share - Diluted	\$ (0.10)	\$ (4.86)	\$ (0.51)	\$ (5.90)
FFO, as defined by Prologis				
FFO, as defined by Prologis	\$ 134,147	\$ (1,154,157)	\$ 411,688	\$ (974,197)
Noncontrolling interest attributable to convertible limited partnership units	108	-	289	-
FFO - Diluted, as defined by Prologis	\$ 134,255	\$ (1,154,157)	\$ 411,977	\$ (974,197)
Weighted average common shares outstanding - Basic (a)	458,383	239,912	370,534	219,515
Incremental weighted average effect of conversion of limited partnership units	3,361	-	2,095	-
Incremental weighted average effect of stock awards	1,258	-	1,452	-
Weighted average common shares outstanding - Diluted (a)	463,002	239,912	374,081	219,515
FFO per share - Diluted, as defined by Prologis	\$ 0.29	\$ (4.81)	\$ 1.10	\$ (4.44)
Core FFO				
Core FFO	\$ 203,945	\$ 99,380	\$ 593,917	\$ 281,386
Noncontrolling interest attributable to convertible limited partnership units	108	(588)	289	(64)
Interest expense on convertible debt assumed converted	4,165	4,218	16,824	-
Core FFO - Diluted	\$ 208,218	\$ 103,010	\$ 611,030	\$ 281,322
Weighted average common shares outstanding - Basic (a)	458,383	239,912	370,534	219,515
Incremental weighted average effect of conversion of limited partnership units	3,361	339	2,095	346
Incremental weighted average effect of stock awards	1,258	1,646	1,452	1,495
Incremental weighted average effect of conversion of certain convertible debt	11,879	11,879	11,879	-
Weighted average common shares outstanding - Diluted (a)	474,881	253,776	385,960	221,356
Core FFO per share - Diluted	\$ 0.44	\$ 0.41	\$ 1.58	\$ 1.27

(a) The historical Prologis shares outstanding have been adjusted by the Merger exchange ratio of 0.4464. Amounts in 2011 include the assumed issuance of 254.8 million shares as of the Merger date.

General and Administrative Expenses ("G&A") consisted of the following (*in thousands*):

	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2011	2010	2011	2010
Gross G&A expense.....	\$ 89,259	\$ 76,404	\$ 332,632	\$ 266,932
Reported as rental expense.....	(7,484)	(4,888)	(24,741)	(19,709)
Reported as private capital expenses.....	(15,734)	(10,580)	(54,962)	(40,659)
Capitalized amounts.....	(15,244)	(10,841)	(57,768)	(40,583)
Net G&A	\$ 50,797	\$ 50,095	\$ 195,161	\$ 165,981

Interest Expense consisted of the following (*in thousands*):

	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2011	2010	2011	2010
Gross interest expense.....	\$ 144,797	\$ 102,764	\$ 500,685	\$ 435,289
Amortization of discount (premium), net.....	(5,682)	8,724	228	47,136
Amortization of deferred loan costs.....	4,316	12,375	20,476	32,402
Interest expense before capitalization.....	143,431	123,863	521,389	514,827
Capitalized amounts.....	(14,090)	(11,829)	(52,651)	(53,661)
Net interest expense	\$ 129,341	\$ 112,034	\$ 468,738	\$ 461,166

Merger, Acquisition and Other Integration Expenses. In connection with the Merger, we have incurred and expect to incur additional significant transaction, integration, and transitional costs. These costs include investment banker advisory fees; legal, tax, accounting and valuation fees; termination and severance costs (both cash and stock based compensation awards) for terminated and transitional employees; system conversion; and other integration costs. Certain of these costs were obligations of AMB and were expensed prior to the closing of the Merger by AMB. The remainder of the costs will be expensed by us as incurred, which in some cases will be through the end of 2012. At the time of the Merger, we cancelled our existing credit facilities and wrote-off the remaining unamortized deferred loan costs associated with such facilities, which is included in Merger, Acquisition and Other Integration Expenses. In addition, we have included costs associated with the acquisition of a controlling interest in PEPR and reduction in workforce charges associated with dispositions made in 2011. The following is a breakdown of the costs incurred (*in thousands*):

Notes and Definitions

	Three Months Ended December 31		Twelve Months Ended December 31	
	2011		2011	
Professional Fees.....	\$	4,069	\$	46,467
Termination, severance and transitional employee costs.....		13,001		58,445
Office closure, travel and other costs.....		1,702		24,714
Write-off of deferred loan costs.....		-		10,869
Total	\$	18,772	\$	140,495

Rental Income includes the following (in thousands):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2011	2010	2011	2010
Rental income.....	\$ 347,848	\$ 143,531	\$ 1,062,098	\$ 547,259
Amortization of lease intangibles	(9,030)	(189)	(22,736)	(495)
Rental expense recoveries	88,643	40,006	283,081	160,962
Straight-lined rents	15,120	9,203	54,393	36,814
	\$ 442,581	\$ 192,551	\$ 1,376,836	\$ 744,540