

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): October 20, 2015

**PROLOGIS, INC.
PROLOGIS, L.P.**

(Exact name of registrant as specified in charter)

Maryland (Prologis, Inc.)
Delaware (Prologis, L.P.)
(State or other jurisdiction
of Incorporation)

001-13545 (Prologis, Inc.)
001-14245 (Prologis, L.P.)
(Commission File Number)

94-3281941 (Prologis, Inc.)
94-3285362 (Prologis, L.P.)
(I.R.S. Employer Identification
No.)

Pier 1, Bay 1, San Francisco, California
(Address of Principal Executive Offices)

94111
(Zip Code)

Registrants' Telephone Number, including Area Code: (415) 394-9000

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 2.02. Results of Operations and Financial Condition (Prologis, Inc.) and

Item 7.01. Regulation FD Disclosure (Prologis, Inc. and Prologis, L.P.).

On October 20, 2015, Prologis, Inc., the general partner of Prologis, L.P., issued a press release announcing third quarter 2015 financial results. A copy of the press release as well as supplemental information is furnished with this report as Exhibit 99.1, and is incorporated herein by reference.

The information in this report and the exhibits attached hereto is being furnished, not filed, for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and pursuant to Items 2.02 and 7.01 of Form 8-K will not be incorporated by reference into any filing under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
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99.1	Press release, dated October 20, 2015, and supplemental information.
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

PROLOGIS, INC.

October 20, 2015

By: /s/ Thomas S. Olinger

Name: Thomas S. Olinger

Title: Chief Financial Officer

PROLOGIS, L.P.,

October 20, 2015

By: Prologis, Inc., its general partner

By: /s/ Thomas S. Olinger

Name: Thomas S. Olinger

Title: Chief Financial Officer



THIRD QUARTER **2015**

Earnings Release and Supplemental Information

UNAUDITED





Prologis Suzhou Xuguan Logistics Center, Shanghai, China



Prologis Rancho Cucamonga DC 6, Rancho Cucamonga, CA, USA



Prologis Park Poznan II, Poznań, Poland

Cover: Prologis Park Budapest, Sziget, Hungary

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(A) Terms used throughout document are defined in the Notes and Definitions

Prologis Reports Third Quarter 2015 Earnings Results

SAN FRANCISCO (October 20, 2015) – Prologis, Inc. (NYSE: PLD), the global leader in industrial real estate, today reported results for the third quarter of 2015.

HIGHLIGHTS FROM THE QUARTER

- Core funds from operations per diluted share was \$0.58, up 21 percent year-over-year
- Prologis' share of GAAP same store NOI increased 6.2 percent
- Completed \$733 million of dispositions and contributions at a 4.9 percent stabilized cap rate
- Estimated value creation of \$158 million from stabilizations, reflecting a 35.8 percent margin

"The team produced exceptionally strong financial and operating results in the third quarter," said Hamid Moghadam, chairman and CEO, Prologis. "The underlying trends in our businesses continue to be favorable, and as we look across our global portfolio, rents are trending higher while supply remains in check."

OPERATING RESULTS EXCEPTIONALLY STRONG

Owned & Managed	3Q15	3Q14	Notes
Occupancy	96.0%	95.0%	Up 60 basis points over 2Q15
Leases Signed	42.2MSF	40.8MSF	
Customer Retention	87.0%	83.9%	

Prologis Share	3Q15	3Q14	Notes
Rent Change (GAAP)	12.0%	11.9%	Driven by the U.S. at 16.4%
Rent Change (Cash)	3.6%	1.6%	
Same store NOI (GAAP)	6.2%	3.9%	Driven by the U.S. at 8.0%
Same store NOI (Cash)	4.5%	4.7%	

CAPITAL ACTIVITY HIGHLIGHTED BY DISPOSITIONS AND CONTRIBUTIONS

Prologis Share (Millions of \$)	3Q15	YTD	Notes
Building Acquisitions	\$240.3	\$3,514.7	
Weighted avg stabilized cap rate	5.8%	5.5%	
Development Stabilizations	\$441.0	\$1,350.1	
Value creation (estimate)	\$157.9	\$459.3	Weighted average yield (estimate) of 7.5%
Weighted avg margin (estimate)	35.8%	34.0%	
Development Starts	\$229.0	\$1,246.1	
Weighted avg margin (estimate)	27.5%	21.3%	
% Build-to-suit	36.0%	37.9%	Up from 28.8% in 3Q14
Total Dispositions and Contributions	\$733.0	\$1,704.7	3Q15 dispositions include \$492.3 of buildings and \$78.5 of land
Weighted avg stabilized cap rate	4.9%	4.8%	Excludes land and other real estate

"During the quarter we made good progress on our dispositions and contributions," said Tom Olinger, chief financial officer, Prologis. "Investor demand for high-quality industrial real estate around the world remains strong and we are confident in our ability to execute on our disposition and contribution activity."

GAAP NET EARNINGS

Net earnings per diluted share was \$0.49 compared with \$0.23 for the same period in 2014.

GUIDANCE MIDPOINT CONFIRMED AND RANGE NARROWED FOR 2015 CORE FFO

Core FFO guidance at the midpoint implies year-over-year growth of 17 percent.

Per diluted share	Previous	Revised
Core FFO	\$2.18 to \$2.22	\$2.19 to \$2.21
GAAP Net Earnings	\$1.12 to \$1.16	\$1.51 to \$1.53

The Core FFO and earnings guidance described above excludes any potential future gains (losses) recognized from real estate transactions. In reconciling from net earnings to Core FFO, Prologis makes certain adjustments, including but not limited to real estate depreciation and amortization expense, gains (losses) recognized from real estate transactions and early extinguishment of debt, acquisition costs, impairment charges, deferred taxes and unrealized gains or losses on foreign currency or derivative activity. The difference between the company's Core FFO and net earnings guidance for 2015 relates predominantly to these items.

WEBCAST & CONFERENCE CALL INFORMATION

Prologis will host a live webcast and conference call to discuss quarterly results, current market conditions and future outlook. Here are the event details:

- Tuesday, October 20, 2015 at 12 p.m. U.S. Eastern Time.
- Live webcast at <http://ir.prologis.com> or by clicking Investors>Investor Events and Presentations
- Dial in: +1 877-256-7020 or +1 973-409-9692 and enter Passcode 48765491.

A telephonic replay will be available Oct. 20-Oct. 27 at +1 855-859-2056 (from the U.S. and Canada) or +1 404-537-3406 (from all other countries); please use conference code 48765491. The webcast replay will be posted when available in the "Events & Presentations" section of Investor Relations on the Prologis website.

ABOUT PROLOGIS

Prologis, Inc. is the global leader in industrial real estate. As of September 30, 2015, Prologis owned or had investments in, on a wholly owned basis or through co-investment ventures, properties and development projects expected to total approximately 671 million square feet (62 million square meters) in 21 countries. The company leases modern distribution facilities to more than 5,200 customers, including third-party logistics providers, transportation companies, retailers and manufacturers.

FORWARD-LOOKING STATEMENTS

The statements in this document 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 properties, disposition activity, general conditions in the geographic areas where we operate, our debt and financial position, our ability to form new co-investment ventures and the availability of capital in existing or new co-investment ventures — 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 document.

CONTACTS

Investors: Tracy Ward, Tel: +1 415 733 9565, tward@prologis.com, San Francisco

Media: Jason Golz, Tel: +1 415 733 9439, jgolz@prologis.com, San Francisco

Highlights

Company Profile

Supplemental 3Q 2015

Prologis, Inc., is the global leader in industrial real estate. As of September 30, 2015, Prologis owned or had investments in, on a wholly owned basis or through co-investment ventures, properties and development projects expected to total approximately 671 million square feet (62 million square meters) in 21 countries. The company leases modern distribution facilities to more than 5,200 customers, including third-party-logistics providers, transportation companies, retailers and manufacturers.



	AMERICAS (4 countries)	EUROPE (14 countries)	ASIA (3 countries)	TOTAL
Number of operating portfolio buildings	2,430	708	76	3,214
Operating portfolio (msf)	412	165	33	610
Development portfolio (msf)	19	9	17	45
Other (msf) (A)	10	5	1	16
Total (msf)	441	179	51	671
Development portfolio TEI (millions)	\$1,314	\$623	\$1,564	\$3,501
Land (acres)	6,740	2,269	286	9,295
Land book value (millions)	\$1,068	\$513	\$191	\$1,772

(A) Generally represents properties in which Prologis has an ownership interest but does not manage (6 msf) and other properties owned by Prologis (10 msf), which includes value added properties (8 msf) and assets held for sale to third parties (1 msf).

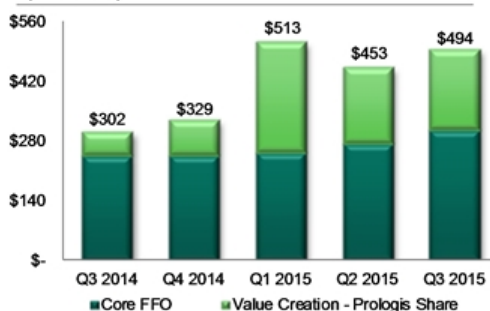
Highlights

Company Performance

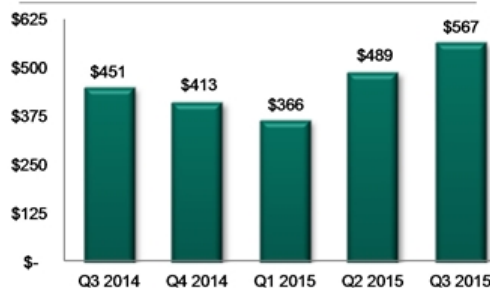
Supplemental 3Q 2015

(dollars in thousands, except per share data)	Three Months ended September 30,		Nine Months ended September 30,	
	2015	2014	2015	2014
Revenues	\$ 580,622	\$ 415,151	\$ 1,553,873	\$ 1,309,922
Net earnings attributable to common stockholders	258,979	136,245	744,425	213,626
Core FFO	307,268	244,896	835,532	706,726
AFFO	355,634	266,144	980,262	668,299
Adjusted EBITDA	566,615	450,604	1,421,646	1,215,303
Value creation from development stabilizations - Prologis share	157,906	56,921	459,290	189,646
Common stock dividends paid	209,935	166,697	587,776	500,025
Per common share - diluted:				
Net earnings attributable to common stockholders	\$ 0.49	\$ 0.23	\$ 1.41	\$ 0.43
Core FFO	0.58	0.48	1.59	1.39
Business line reporting:				
Real estate operations	0.54	0.43	1.47	1.23
Strategic capital	0.04	0.05	0.12	0.16
Core FFO	<u>0.58</u>	<u>0.48</u>	<u>1.59</u>	<u>1.39</u>
Realized development gains	0.24	0.16	0.39	0.22
Dividends per share	0.40	0.33	1.12	0.99

Core FFO and Value Creation (A)
(in millions)



Adjusted EBITDA
(in millions)



(A) Includes value creation from the stabilization of development buildings and the sale of value-added conversion properties. Value creation in the third quarter of 2015, first quarter of 2015 and fourth quarter of 2014 includes \$28.6 million, \$137.0 million and \$36.8 million, respectively, related to the sale of value-added conversions.

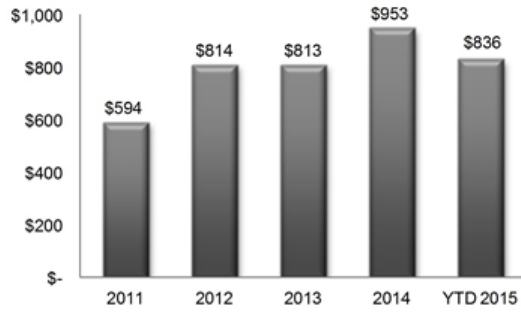
Highlights

Company Performance

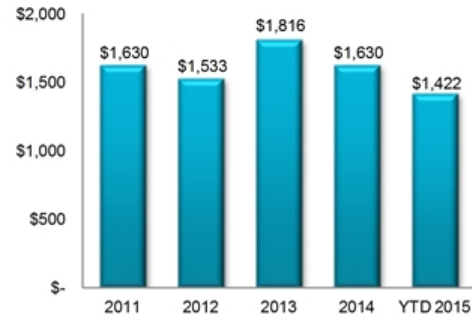
Supplemental 3Q 2015

(in millions)

Core FFO



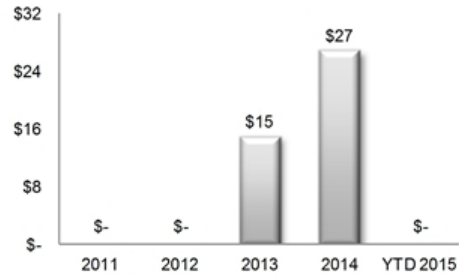
Adjusted EBITDA



Value Creation (A)



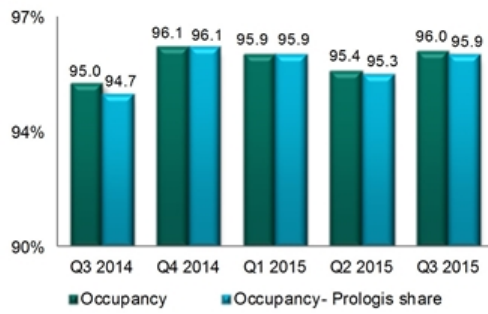
Net Promote (B)



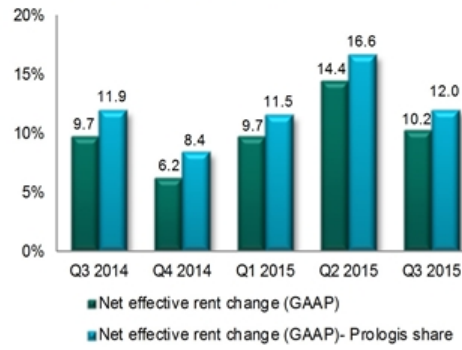
(A) Prologis share. Includes value creation from the stabilization of development buildings and the sale of value-added conversion properties. Value creation in 2012, 2014 and 2015 includes \$11.0 million, \$36.8 million and \$165.6 million, respectively, related to the sale of value-added conversions.

(B) Net promote includes actual promote earned from third party investors during the period, net of related cash expenses.

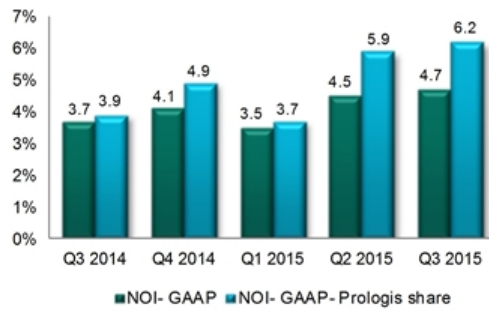
Period End Occupancy



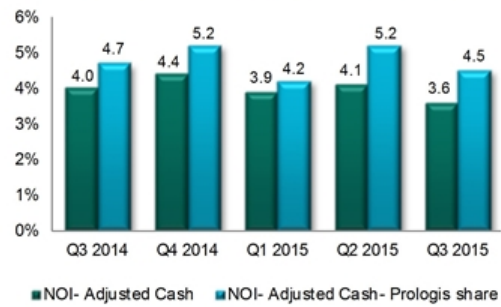
Net Effective Rent Change (GAAP)



Same Store NOI Change Over Prior Year - GAAP



Same Store NOI Change Over Prior Year - Adjusted Cash



Highlights

Guidance

(dollars in millions, except per share)

Supplemental 3Q 2015

2015 Guidance

	Low	High
Net earnings (A)	\$1.51	\$1.53
Core FFO (A)	\$2.19	\$2.21
Operations		
Year-end occupancy	96.0%	96.5%
Same store NOI - GAAP increase - Prologis share	5.00%	5.50%
Same store NOI - GAAP increase	4.00%	4.50%
Other Assumptions		
Strategic capital income	\$200	\$210
General & administrative expenses	\$235	\$240
Realized development gains	\$300	\$325
Annualized third quarter 2015 dividend		\$1.60

	Low	High	Q4 2015 Guidance (B)
Capital Deployment			
Development stabilizations (90% Prologis share)	\$1,800	\$1,900	\$400
Development starts (75% Prologis share)	\$2,500	\$2,600	\$1,000
Building acquisitions (60% Prologis share) (C)	\$6,900	\$7,200	\$700
Building and land dispositions (80% Prologis share)	\$2,600	\$2,800	\$1,300
Building contributions (60% Prologis share)	\$1,300	\$1,400	\$600

Exchange Rates

We have hedged the majority of our estimated 2015 Euro, Sterling and Yen Core FFO, effectively insulating 2015 results from any FX movements. For purposes of capital deployment and other metrics, we assumed effective rates for EUR, GBP and JPY of 1.05 (\$/€), 1.50 (£/\$) and 125 (¥/\$), respectively.

Impact of USD strengthening 10%

	2015 Core FFO
USD	-
Sterling	(0¢)
Euro	(0¢)
Yen	(0¢)
Other	(0¢)
Total	<(1¢)

(A) The difference between Core FFO and Net Earnings predominately relates to real estate depreciation, gains or losses on real estate transactions, acquisition expenses and early extinguishment of debt. See the Notes and Definitions for more information.

(B) Remaining activity to achieve midpoint of guidance range.

(C) Building acquisitions for Q4 2015 include the industrial portfolio of Morris Realty Associates LLC which was funded through the issuance of approximately \$400 million of partnership units in our operating portfolio.

Financial Information

Consolidated Balance Sheets

(in thousands)

Supplemental 3Q 2015

	September 30, 2015	June 30, 2015	December 31, 2014
Assets:			
Investments in real estate properties:			
Operating properties	\$ 23,499,186	\$ 23,685,534	\$ 18,635,452
Development portfolio	1,575,389	1,547,395	1,473,980
Land	1,569,416	1,597,802	1,577,786
Other real estate investments	625,367	632,318	502,927
	<u>27,269,358</u>	<u>27,463,049</u>	<u>22,190,145</u>
Less accumulated depreciation	3,156,445	3,075,438	2,790,781
Net investments in real estate properties	<u>24,112,913</u>	<u>24,387,611</u>	<u>19,399,364</u>
Investments in and advances to unconsolidated entities	4,841,225	4,911,505	4,824,724
Assets held for sale	369,382	514,752	43,934
Note receivable backed by real estate	197,500	197,500	-
Net investments in real estate	<u>29,521,020</u>	<u>30,011,368</u>	<u>24,268,022</u>
Cash and cash equivalents	310,433	351,025	350,692
Other assets	1,587,901	1,240,004	1,199,509
Total assets	\$ 31,419,354	\$ 31,602,397	\$ 25,818,223
Liabilities and Equity:			
Liabilities:			
Debt			
Accounts payable, accrued expenses and other liabilities	\$ 11,934,355	\$ 12,121,305	\$ 9,380,199
Total liabilities	<u>13,234,383</u>	<u>13,248,373</u>	<u>10,634,624</u>
Equity:			
Stockholders' equity:			
Preferred stock	78,235	78,235	78,235
Common stock	5,242	5,241	5,095
Additional paid-in capital	19,150,336	19,129,348	18,467,009
Accumulated other comprehensive loss	(776,570)	(631,265)	(600,337)
Distributions in excess of net earnings	(3,825,673)	(3,870,808)	(3,974,493)
Total stockholders' equity	<u>14,631,570</u>	<u>14,710,751</u>	<u>13,975,509</u>
Noncontrolling interests	3,371,425	3,461,450	1,159,901
Noncontrolling interests - limited partnership unitholders	181,976	181,823	48,189
Total equity	<u>18,184,971</u>	<u>18,354,024</u>	<u>15,183,599</u>
Total liabilities and equity	\$ 31,419,354	\$ 31,602,397	\$ 25,818,223

Financial Information

Pro-rata Balance Sheet Information

(in thousands)

Supplemental 3Q 2015

Pro-rata Balance Sheet Information as of September 30, 2015	Prologis Consolidated	Less Non Controlling Interests	Plus Prologis Share of Unconsolidated Co-Investment Ventures	Prologis Total Share	Investors' Share of		Total Owned and Managed
					Unconsolidated Ventures	Consolidated Ventures	
Assets:							
Investments in real estate properties:							
Operating properties	\$ 23,499,186	\$ (3,665,169)	\$ 7,298,981	\$ 27,132,998	\$ 15,358,167	\$ 3,665,169	\$ 46,156,334
Other real estate (A)	4,337,054	(193,361)	187,344	4,331,037	515,198	193,361	5,039,596
Accumulated depreciation	(3,156,445)	104,331	(598,583)	(3,650,697)	(1,288,456)	(104,331)	(5,043,484)
Net investments in real estate properties	24,679,795	(3,754,199)	6,887,742	27,813,338	14,584,909	3,754,199	46,152,446
Investments in unconsolidated co-investment ventures (B)	4,631,329	(46,555)	(4,874,974)	(290,200)	-	46,555	(243,645)
Investments in other unconsolidated ventures	209,896	(8,299)	-	201,597	-	8,299	209,896
Other assets	1,898,334	(541,879)	271,768	1,628,223	659,909	541,879	2,830,011
Total assets	\$ 31,419,354	\$ (4,350,932)	\$ 2,284,536	\$ 29,352,958	\$ 15,244,818	\$ 4,350,932	\$ 48,948,708
Liabilities and Equity:							
Liabilities:							
Debt	\$ 11,934,355	\$ (711,605)	\$ 1,838,724	\$ 13,061,474	\$ 4,719,426	\$ 711,605	\$ 18,492,505
Other liabilities	1,300,028	(85,926)	445,812	1,659,914	897,150	85,926	2,642,990
Total liabilities	13,234,383	(797,531)	2,284,536	14,721,388	5,616,576	797,531	21,135,495
Equity:							
Stockholders' / partners' equity	14,631,570	-	-	14,631,570	9,628,242	3,553,401	27,813,213
Noncontrolling interests	3,553,401	(3,553,401)	-	-	-	-	-
Total equity	18,184,971	(3,553,401)	-	14,631,570	9,628,242	3,553,401	27,813,213
Total liabilities and equity	\$ 31,419,354	\$ (4,350,932)	\$ 2,284,536	\$ 29,352,958	\$ 15,244,818	\$ 4,350,932	\$ 48,948,708

(A) Other real estate includes the development portfolio, land, other real estate investments, assets held for sale and note receivable backed by real estate.

(B) The remaining balance in Prologis Total Share includes the deferred portion of gains on the contributions of properties to our ventures, net of any additional costs included in our investment in the venture.

Financial Information

Consolidated Statements of Operations

(in thousands, except per share amounts)

Supplemental 3Q 2015

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2015	2014	2015	2014
Revenues:				
Rental income	\$ 532,755	\$ 355,822	\$ 1,413,001	\$ 1,125,335
Strategic capital income	44,176	54,070	133,247	175,714
Development management and other income	3,691	5,259	7,625	8,873
Total revenues	580,622	415,151	1,553,873	1,309,922
Expenses:				
Rental expenses	139,905	102,324	392,438	322,417
Strategic capital expenses	21,714	22,442	62,190	74,442
General and administrative expenses	59,375	58,203	172,690	181,781
Depreciation and amortization	247,471	149,202	607,467	471,059
Other expenses	8,765	4,868	44,467	15,371
Total expenses	477,230	337,039	1,279,252	1,065,070
Operating income	103,392	78,112	274,621	244,852
Other income (expense):				
Earnings from unconsolidated entities, net	33,557	28,514	106,383	79,411
Interest expense	(81,035)	(69,086)	(218,698)	(234,793)
Gains on dispositions of development properties and land, net	135,043	89,270	210,110	126,321
Gains on dispositions of real estate, net (excluding development properties and land)	133,748	61,787	445,178	211,374
Foreign currency and derivative gains (losses) and interest and other income (expense), net	(3,191)	21,342	18,759	22,454
Losses on early extinguishment of debt, net	-	(86,076)	(16,525)	(163,361)
Total other income	218,122	45,751	545,207	41,406
Earnings before income taxes	321,514	123,863	819,828	286,258
Current income tax expense	(17,283)	(10,394)	(22,828)	(59,292)
Deferred income tax benefit	2,955	33,658	1,758	84,594
Consolidated net earnings	307,186	147,127	798,758	311,560
Net earnings attributable to noncontrolling interests	(46,536)	(9,212)	(49,314)	(85,664)
Net earnings attributable to controlling interests	260,650	137,915	749,444	225,896
Preferred stock dividends	(1,671)	(1,670)	(5,019)	(5,753)
Loss on preferred stock repurchase	-	-	-	(6,517)
Net earnings attributable to common stockholders	\$ 258,979	\$ 136,245	\$ 744,425	\$ 213,626
Weighted average common shares outstanding - Diluted	532,073	516,088	531,121	504,211
Net earnings per share attributable to common stockholders - Diluted	\$ 0.49	\$ 0.23	\$ 1.41	\$ 0.43

Financial Information

Reconciliations of Net Earnings to FFO

(in thousands)

Supplemental 3Q 2015

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Reconciliation of net earnings to FFO				
Net earnings attributable to common stockholders	\$ 258,979	\$ 136,245	\$ 744,425	\$ 213,626
Add (deduct) NAREIT defined adjustments:				
Real estate related depreciation and amortization	239,896	143,370	587,384	453,707
Gains on dispositions of real estate, net (excluding development properties and land)	(133,748)	(61,787)	(445,178)	(211,374)
Reconciling items related to noncontrolling interests	(1,080)	(4,821)	(33,373)	48,923
Our share of reconciling items included in earnings from unconsolidated co-investment ventures	49,349	57,130	144,299	148,583
Our share of reconciling items included in earnings from other unconsolidated ventures	1,650	1,452	4,948	4,536
Subtotal-NAREIT defined FFO	415,046	271,589	1,002,505	658,001
Add (deduct) our defined adjustments:				
Unrealized foreign currency and derivative losses (gains), net	12,362	(18,978)	8,856	(903)
Deferred income tax benefit	(2,955)	(33,658)	(1,758)	(84,594)
Current income tax expense related to acquired tax liabilities	3,497	-	3,497	30,521
Reconciling items related to noncontrolling interests	(375)	-	(1,167)	-
Our share of reconciling items included in earnings from unconsolidated co-investment ventures	2,116	4,147	(11,771)	287
FFO, as defined by Prologis	429,691	223,100	1,000,162	603,312
Adjustments to arrive at Core FFO:				
Net gain on dispositions of development properties and land, net of taxes (A)	(125,640)	(80,402)	(205,180)	(111,508)
Acquisition expenses	2,115	413	29,549	2,616
Losses on early extinguishment of debt and repurchase of preferred stock, net	-	86,076	16,525	169,878
Reconciling items related to noncontrolling interests	(180)	-	(12,407)	-
Our share of reconciling related to unconsolidated co-investment ventures	1,282	15,709	6,883	42,428
Core FFO	\$ 307,268	\$ 244,896	\$ 835,532	\$ 706,726
Adjustments to arrive at Adjusted FFO ("AFFO"), including our share of unconsolidated ventures less third party share of consolidated entities:				
Net gains on dispositions of development properties and land, net of taxes	125,640	73,669	206,247	104,809
Straight-lined rents and amortization of lease intangibles	(20,677)	(5,538)	(41,130)	(20,597)
Property improvements	(22,136)	(34,131)	(55,475)	(61,172)
Tenant improvements	(24,148)	(22,750)	(64,960)	(63,529)
Leasing commissions	(20,591)	(15,584)	(52,324)	(43,520)
Amortization of management contracts	1,088	1,445	3,383	3,842
Amortization of debt discounts (premiums) and financing costs, net	(4,216)	2,359	(12,659)	(1,169)
Cash received (paid) on net investment hedges	-	7,722	121,524	(133)
Stock compensation expense	13,406	14,056	40,124	43,042
AFFO	\$ 355,634	\$ 266,144	\$ 980,262	\$ 668,299
Common stock dividends	\$ 209,935	\$ 166,697	\$ 587,776	\$ 500,025

(A) Includes income tax expense on dispositions of \$9.4 million and \$8.9 million for the three months ended September 30, 2015 and 2014, respectively, and \$4.9 million and \$14.8 million for the nine months ended September 30, 2015 and 2014, respectively.

Financial Information

Pro-rata Operating Information and Reconciliation to FFO

(in thousands)

Supplemental 3Q 2015

Pro-rata Operating Information for Three Months Ended September 30, 2015	Prologis Consolidated	Less Non Controlling Interests	Plus Prologis Share of Unconsolidated Co-Investment Ventures	Prologis Total Share	Investors' Share of		Total Owned and Managed
					Unconsolidated Ventures	Consolidated Ventures	
Revenues:							
Rental income	\$ 532,755	\$ (76,564)	\$ 149,509	\$ 605,700	\$ 309,052	\$ 76,564	\$ 991,316
Strategic capital income	44,176	-	776	44,952	779	-	45,731
Development management and other income	3,691	(7)	-	3,684	-	7	3,691
Total revenues	580,622	(76,571)	150,285	654,336	309,831	76,571	1,040,738
Expenses:							
Rental expenses	139,905	(19,894)	31,932	151,943	68,621	19,894	240,458
Strategic capital expenses	21,714	-	-	21,714	-	-	21,714
General and administrative expenses	59,375	(5,733)	11,250	64,892	22,155	5,733	92,780
Depreciation and amortization	247,471	(40,916)	50,205	256,760	102,693	40,916	400,369
Other expenses	8,765	(5)	3,276	12,036	2,376	5	14,417
Total expenses	477,230	(66,548)	96,663	507,345	195,845	66,548	769,738
Operating income	103,392	(10,023)	53,622	146,991	113,986	10,023	271,000
Earnings from unconsolidated co-investment ventures, net	32,617	(1,081)	(31,536)	-	-	1,081	1,081
Earnings from other unconsolidated joint ventures, net	940	-	-	940	-	-	940
Interest expense	(81,035)	4,576	(16,669)	(93,128)	(39,488)	(4,576)	(137,192)
Gains on dispositions of development properties and land, net	135,043	(142)	122	135,023	1,011	142	136,176
Gains on dispositions of real estate, net (excluding development properties and land)	133,748	(39,836)	856	94,768	3,326	39,836	137,930
Foreign currency and derivative gains (losses) and interest and other income (expense), net	(3,191)	412	(1,878)	(4,657)	(9,813)	(412)	(14,882)
Losses on early extinguishment of debt, net	-	-	(79)	(79)	(221)	-	(300)
Current income tax expense	(17,283)	(405)	(4,438)	(22,126)	(6,175)	405	(27,896)
Deferred income tax benefit	2,955	(37)	-	2,918	-	37	2,955
Consolidated net earnings	307,186	(46,536)	-	260,650	62,626	46,536	369,812
Net earnings attributable to noncontrolling interests	(46,536)	46,536	-	-	-	-	-
Preferred stock dividends	(1,671)	-	-	(1,671)	-	-	(1,671)
Net earnings attributable to common stockholders	258,979	-	-	258,979	62,626	46,536	368,141
Add (deduct) adjustments to arrive at FFO, as defined by Prologis:							
Real estate related depreciation and amortization	239,896	(40,916)	50,205	249,185	102,693	40,916	392,794
Gains on dispositions of real estate, net (excluding development properties and land)	(133,748)	39,836	(856)	(94,768)	(3,327)	(39,836)	(137,931)
Unrealized foreign currency and derivative losses (gains), net	12,362	(412)	2,116	14,066	10,190	412	24,668
Current and deferred income tax expense (benefit)	542	37	-	579	-	(37)	542
Reconciling items related to noncontrolling interests	(1,455)	1,455	-	-	-	-	-
Our share of reconciling items included in earnings from unconsolidated co-investment ventures	51,465	-	(51,465)	-	-	-	-
Our share of reconciling items included in earnings from other unconsolidated ventures	1,650	-	-	1,650	-	-	1,650
FFO, as defined by Prologis	429,691	-	-	429,691	172,182	47,991	649,864
Adjustments to arrive at Core FFO:							
Dispositions of development properties and land, net of taxes	(125,640)	91	(122)	(125,671)	(1,011)	(91)	(125,762)
Acquisition expenses	2,115	(271)	1,325	3,169	2,686	271	2,429
Losses on early extinguishment of debt and repurchase of preferred stock, net	-	-	79	79	221	-	300
Reconciling items related to noncontrolling interests	(180)	180	-	-	-	-	-
Our share of reconciling related to unconsolidated co-investment ventures	1,282	-	(1,282)	-	-	-	-
Core FFO	\$ 307,268	\$ -	\$ -	\$ 307,268	\$ 174,078	\$ 48,171	\$ 526,831

Financial Information

EBITDA Reconciliations

(in thousands)

Supplemental 3Q 2015

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Reconciliation of net earnings to Adjusted EBITDA				
Net earnings attributable to common stockholders	\$ 258,979	\$ 136,245	\$ 744,425	\$ 213,626
Gains on dispositions of real estate, net (excluding development properties and land)	(133,748)	(61,787)	(445,178)	(211,374)
Depreciation and amortization	247,471	149,202	607,467	471,059
Interest expense	81,035	69,086	218,698	234,793
Losses on early extinguishment of debt, net	-	86,076	16,525	163,361
Current and deferred income tax expense (benefit), net	14,328	(23,264)	21,070	(25,302)
Pro forma adjustments	(664)	1,967	28,751	(2,008)
Preferred stock dividends and loss on preferred stock repurchase	1,671	1,670	5,019	12,270
Unrealized foreign currency and derivative losses (gains), net	12,362	(18,978)	8,856	(903)
Stock compensation expense	13,406	14,056	40,124	43,042
Acquisition expenses	2,115	413	29,549	2,616
Adjusted EBITDA, consolidated	496,955	354,686	1,275,306	901,180
Our share of reconciling items from unconsolidated entities less third party share of consolidated entities:				
Gains on dispositions of real estate, net (excluding development properties and land) (A)	38,980	(1,008)	39,457	40,614
Depreciation and amortization	10,870	54,717	76,004	148,495
Interest expense	12,093	24,668	36,736	63,159
Losses on early extinguishment of debt, net	79	-	1,132	221
Current income tax expense	4,843	4,403	11,507	14,298
Unrealized foreign currency and derivative losses (gains) and deferred income tax expense, net	1,741	4,121	(12,938)	11,794
Acquisition expenses	1,054	9,017	(5,558)	35,542
Adjusted EBITDA	\$ 566,615	\$ 450,604	\$ 1,421,646	\$ 1,215,303

(A) These amounts primarily represent the third party share of gains recognized within consolidated co-investment ventures on dispositions of properties that are not development and that are subtracted above at 100%.

Strategic Capital

Summary and Financial Highlights

Supplemental 3Q 2015

Co-Investment Ventures (A)	Type	Established	Accounting Method	Region	Ownership	Structure	Next Promote Opportunity
Americas:							
Prologis U.S. Logistics Venture	Core	2014	Consolidated	US	55.0%	Open end	Q4 2016 (C)
Prologis North American Industrial Fund	Core	2006	Consolidated	US	66.1%	Open end	Q1 2018 (C)
Prologis Targeted U.S. Logistics Fund	Core	2004	Unconsolidated	US	22.6%	Open end	Q2 2017 (C)
FIBRA Prologis	Core	2014	Unconsolidated	Mexico	45.9%	Public, Mexican Exchange	Q2 2016 (D)
Brazil Fund and joint ventures (B)	Development	2010	Unconsolidated	Brazil	various	Closed end	Q4 2017 (E)
Europe:							
Prologis Targeted Europe Logistics Fund	Core	2007	Unconsolidated	Europe	44.2%	Open end	Q3 2016 (C)
Prologis European Properties Fund II	Core	2007	Unconsolidated	Europe	31.5%	Open end	Q3 2016 (C)
Europe Logistics Venture 1	Core	2011	Unconsolidated	Europe	15.0%	Open end	Q4 2015 (C)
Prologis European Logistics Partners	Core	2013	Unconsolidated	Europe	50.0%	Open end	Q4 2015 (C)
Asia:							
Nippon Prologis REIT	Core	2013	Unconsolidated	Japan	15.1%	Public, Tokyo Exchange	n/a
Prologis China Logistics Venture	Core/Development	2011	Unconsolidated	China	15.0%	Closed end	Q1 2018

Unconsolidated Co-Investment Ventures (F):				Prologis Share		Prologis Investment
	Square Feet	GBV of Operating Bldgs	Debt	Debt	Net Tangible Other Assets	
<i>(in thousands)</i>						
Prologis Targeted U.S. Logistics Fund	51,564	\$ 4,742,258	\$ 1,459,379	\$ 329,236	\$ 19,132	\$ 703,194
FIBRA Prologis (G)	31,438	1,773,619	566,107	259,673	23,737	583,237
Brazil Fund and joint ventures	6,220	330,204	-	-	12,190	194,161
Americas	89,222	6,846,081	2,025,486	588,909	55,059	1,480,592
Prologis Targeted Europe Logistics Fund	20,894	2,186,575	706,024	311,921	48,078	499,649
Prologis European Properties Fund II	71,300	5,322,464	1,978,632	623,863	49,298	434,038
Europe Logistics Venture I	5,623	397,246	-	-	1,412	54,252
Prologis European Logistics Partners	60,721	4,187,991	101,370	50,685	29,139	1,807,747
Europe	158,538	12,094,276	2,786,026	986,469	127,927	2,795,686
Nippon Prologis REIT (G)	20,907	3,373,153	1,349,117	203,717	21,521	293,032
Prologis China Logistics Venture	6,379	343,638	397,521	59,629	7,229	62,019
Asia	27,286	3,716,791	1,746,638	263,346	28,750	355,051
Total	275,046	\$ 22,657,148	\$ 6,558,150	\$ 1,838,724	\$ 211,736	\$ 4,631,329

- (A) The information presented excludes the co-investment venture Prologis DFS Fund I due to the investment size of the venture.
- (B) We have a 50% ownership interest in Prologis Brazil Logistics Partners Fund I ("Brazil Fund"), a consolidated co-investment venture. The Brazil Fund in turn has an ownership interest in various joint ventures that are accounted for on the equity method. We also have other Brazil joint ventures that we account for using the equity method. Prologis' share in these Brazil entities is reflected at our effective economic ownership.
- (C) Promote opportunity is every three years.
- (D) Promote opportunity is every year.
- (E) We have an opportunity to earn a promote, at the end of the term of the fund, based on the performance of the Brazil Fund only. We do not have a promote opportunity in any of the other Brazil joint ventures.
- (F) Values represent Prologis' adjusted basis and may not be comparable to values reflected in the ventures' stand alone financial statements calculated on a different basis.
- (G) Throughout this document, we use the most recent public information for these co-investment ventures.

Strategic Capital

Operating and Balance Sheet Information

(dollars in thousands)

Supplemental 3Q 2015

	Americas	Europe	Asia	Total
FFO and Net Earnings of the Unconsolidated Co-Investment Ventures, Aggregated (A)(B)				
For the Three Months Ended September 30, 2015				
Rental income	\$ 152,196	\$ 237,914	\$ 68,451	\$ 458,561
Rental expenses	(34,050)	(51,135)	(15,368)	(100,553)
Net operating income from properties	118,146	186,779	53,083	358,008
Other income (expense), net	1,583	(1,173)	118	528
General and administrative expenses	(11,386)	(14,416)	(7,603)	(33,405)
Interest expense	(22,653)	(25,512)	(7,992)	(56,157)
Current income tax expense	(1,449)	(8,671)	(493)	(10,613)
Core FFO	84,241	137,007	37,113	258,361
Acquisition expenses, gains on dispositions of development properties and land and early extinguishment of debt, net	670	(3,848)	-	(3,178)
FFO, as defined by Prologis	84,911	133,159	37,113	255,183
Real estate related depreciation and amortization	(54,718)	(82,270)	(15,910)	(152,898)
Gains (losses) on dispositions of real estate, net (excluding development properties and land)	4,314	(131)	-	4,183
Unrealized foreign currency and derivative losses, net	(946)	(254)	(11,106)	(12,306)
Net earnings	\$ 33,561	\$ 50,504	\$ 10,097	\$ 94,162
Prologis' Share of Core FFO and Net Earnings of the Unconsolidated Co-Investment Ventures (A)				
For the Three Months Ended September 30, 2015				
Core FFO from unconsolidated co-investment ventures, net	\$ 25,593	\$ 54,116	\$ 5,655	\$ 85,364
Fees earned by Prologis	14,098	20,652	8,760	43,510
Total Core FFO recognized by Prologis, net	\$ 39,691	\$ 74,768	\$ 14,415	\$ 128,874
Prologis' share of the unconsolidated co-investment ventures' net earnings	\$ 10,558	\$ 20,871	\$ 1,188	\$ 32,617
Fees earned by Prologis	14,098	20,652	8,760	43,510
Total earnings recognized by Prologis, net	\$ 24,656	\$ 41,523	\$ 9,948	\$ 76,127
Condensed Balance Sheet of the Unconsolidated Co-Investment Ventures, Aggregated (A)(B)				
As of September 30, 2015				
Operating industrial properties, before depreciation	\$ 6,846,081	\$ 12,094,276	\$ 3,716,791	\$ 22,657,148
Accumulated depreciation	(593,856)	(1,144,859)	(148,324)	(1,887,039)
Properties under development and land	191,622	85,090	425,830	702,542
Other assets	425,948	699,261	254,163	1,379,372
Total assets	\$ 6,869,795	\$ 11,733,768	\$ 4,248,460	\$ 22,852,023
Third party debt	\$ 2,025,486	\$ 2,786,026	\$ 1,746,638	\$ 6,558,150
Other liabilities	140,047	980,227	222,688	1,342,962
Total liabilities	\$ 2,165,533	\$ 3,766,253	\$ 1,969,326	\$ 7,901,112
Weighted average ownership	29.7%	39.5%	15.0%	32.1%

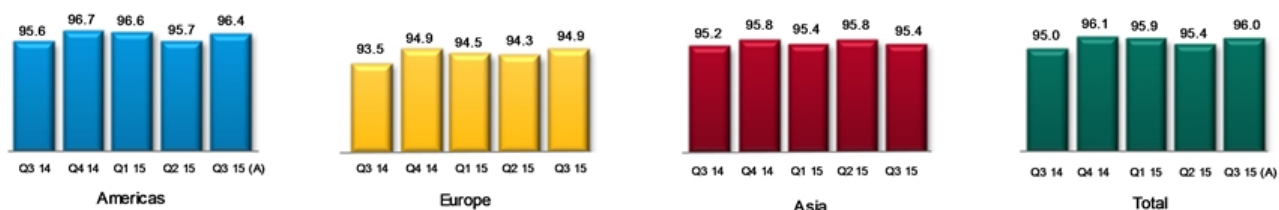
(A) Includes the unconsolidated co-investment ventures listed on the previous page.
 (B) Represents the entire entity, not our proportionate share.

Operations Overview

Operating Metrics – Owned and Managed

Supplemental 3Q 2015

Period Ending Occupancy by Division (%)



Leasing Activity

(square feet in thousands)

	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015
Square feet of leases signed:					
Operating portfolio:					
Renew als	24,596	21,075	26,893	24,581	26,870
New leases	12,254	11,794	8,468	11,872	11,047
Total operating portfolio	36,850	32,869	35,361	36,453	37,917
Properties under development	3,938	8,878	3,870	8,156	4,245
Total square feet of leases signed	40,788	41,747	39,231	44,609	42,162
Average term of leases signed (months)	45	60	42	56	45
Operating Portfolio:					
Trailing four quarters - leases signed	136,438	130,334	134,096	141,533	142,600
Trailing four quarters - % of average portfolio	25.7%	24.4%	25.0%	26.1%	25.4%
Net effective rent change (GAAP)	9.7%	6.2%	9.7%	14.4%	10.2%
Net effective rent change (GAAP) - Prologis share	11.9%	8.4%	11.5%	16.6%	12.0%
Net effective rent change (Cash)	1.6%	-0.1%	3.3%	3.7%	2.4%
Net effective rent change (Cash) - Prologis share	1.6%	0.7%	4.7%	5.2%	3.6%
Weighted Average Customer Retention	83.9%	85.5%	86.3%	79.0%	87.0%

(A) The period end occupancy was 96.9% and 96.2% for the Americas and in total, respectively, excluding the properties acquired from KTR.

Operations Overview

Operating Metrics – Owned and Managed

(in thousands, except for percentages and per square foot)

Supplemental 3Q 2015

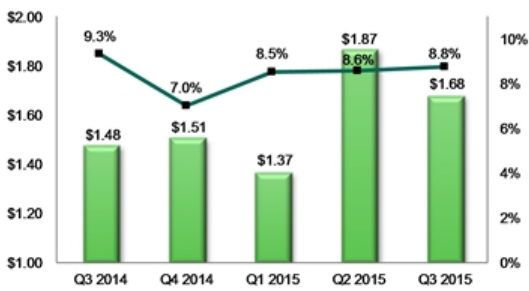
Capital Expenditures Incurred

	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015
Property improvements	\$ 45,615	\$ 49,516	\$ 23,713	\$ 30,064	\$ 31,650
Tenant improvements	30,589	30,591	28,932	28,848	32,187
Leasing commissions	22,162	27,483	21,385	25,790	29,796
Total turnover costs	52,751	58,074	50,317	54,638	61,983
Total capital expenditures	\$ 98,366	\$ 107,590	\$ 74,030	\$ 84,702	\$ 93,633
Trailing four quarters - % of gross NOI	13.7%	13.6%	14.0%	14.3%	13.7%
Weighted average ownership percent	73.7%	71.4%	67.1%	66.4%	71.4%
Prologis share	\$ 72,465	\$ 76,862	\$ 49,658	\$ 56,226	\$ 66,875

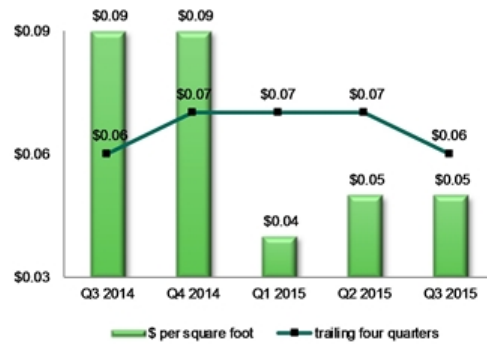
Same Store Information

	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015
Square feet of population	490,614	487,240	511,717	508,195	504,807
Average occupancy	94.7%	95.4%	95.7%	95.8%	95.9%
Period end occupancy	95.0%	96.2%	96.0%	95.8%	96.4%
Percentage change:					
Rental income	2.9%	4.7%	4.5%	4.2%	4.6%
Rental expenses	0.9%	6.2%	7.0%	3.4%	4.6%
NOI - GAAP	3.7%	4.1%	3.5%	4.5%	4.7%
NOI - GAAP - Prologis share	3.9%	4.9%	3.7%	5.9%	6.2%
NOI - Adjusted Cash	4.0%	4.4%	3.9%	4.1%	3.6%
NOI - Adjusted Cash - Prologis share	4.7%	5.2%	4.2%	5.2%	4.5%
Average occupancy	1.2%	1.2%	2.0%	1.7%	1.1%

Turnover Costs: per Square Foot (\$) and per Value of Lease (%)



Property Improvements per Square Foot



Operations Overview

Operating Portfolio – Square Feet, Occupied and Leased

(square feet in thousands)

Supplemental 3Q 2015

	# of Buildings	Square Feet			Occupied %		Leased %		
		Owned and Managed	Owned and Managed	Prologis Share Sq Ft (%)	% of Total	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
Global Markets									
U.S.									
Atlanta	28	19,342	4,639	75.7	3.8	94.6	94.4	95.5	95.0
Baltimore/Washington	66	8,073	5,878	72.8	15	98.0	98.6	98.0	98.6
Central Valley	26	10,640	9,406	88.4	2.5	98.4	98.8	98.4	98.8
Central & Eastern PA	32	16,898	12,234	73.3	3.2	96.8	95.9	96.8	95.9
Chicago	270	46,559	34,933	75.0	9.1	95.8	96.3	95.8	96.4
Dallas/Ft. Worth	168	25,569	20,063	78.5	5.2	97.6	98.2	97.6	98.2
Houston	100	12,661	8,840	69.6	2.3	97.4	97.9	97.5	98.0
New Jersey/New York City	55	30,520	21,971	72.0	5.7	91.5	91.6	95.1	94.3
San Francisco Bay Area	222	19,171	5,379	80.2	4.0	95.0	95.1	95.7	95.5
Seattle	102	14,121	6,983	49.5	18	97.9	98.1	97.9	98.1
South Florida	52	15,003	10,053	67.0	2.6	96.4	95.9	96.8	96.4
Southern California	354	70,419	55,317	78.6	14.4	96.9	96.3	97.1	96.5
Canada	21	7,065	6,492	91.9	1.7	96.5	96.2	97.2	96.9
Mexico									
Guadalajara	28	6,237	3,018	48.4	0.8	95.4	93.6	96.4	95.6
Mexico City	49	11,476	5,862	51.1	15	98.6	98.7	98.6	98.7
Monterrey	25	3,915	2,067	52.8	0.5	90.9	92.1	90.9	92.1
Brazil	16	6,219	1,101	17.7	0.3	99.2	98.8	99.2	98.8
Americas total	1,914	323,688	234,206	72.4	60.9	96.1	96.1	96.7	96.5
Belgium	12	2,499	1,259	50.4	0.3	77.3	74.1	77.3	74.1
Czech Republic	50	9,650	4,276	44.3	1.1	97.1	97.2	97.4	97.7
France	137	34,093	14,771	43.3	3.8	92.8	92.7	93.4	92.9
Germany	98	21,187	7,984	37.7	2.2	98.0	98.1	98.3	98.6
Italy	35	9,715	5,078	52.3	1.3	89.8	80.7	89.8	80.7
Netherlands	69	15,527	6,147	39.6	1.6	91.4	90.1	91.5	90.2
Poland	107	23,793	10,008	42.1	2.6	94.2	94.3	94.8	95.0
Spain	34	8,914	4,312	48.4	1.1	92.5	93.4	92.5	93.4
United Kingdom	96	23,553	10,147	43.1	2.6	99.9	99.8	99.9	99.8
Europe total	638	148,931	63,982	43.0	16.6	94.5	93.5	94.9	93.8
China	38	8,704	3,282	37.7	0.9	94.1	92.5	94.1	92.5
Japan	33	23,269	5,519	23.7	1.4	95.8	92.8	97.9	96.4
Singapore	5	959	959	100.0	0.2	100.0	100.0	100.0	100.0
Asia total	76	32,932	9,760	29.6	2.5	95.4	93.4	97.0	95.4
Total global markets	2,628	505,551	307,948	60.9	80.0	95.6	95.4	96.2	95.9
Regional markets (A)									
Denver	29	5,286	4,976	94.1	1.3	98.6	98.5	98.6	98.5
Las Vegas	47	6,088	4,292	70.5	1.1	98.4	98.6	98.6	98.9
Columbus	28	9,084	7,753	85.3	2.0	97.0	96.6	99.2	99.1
Louisville	12	6,020	4,858	80.7	1.3	100.0	100.0	100.0	100.0
Orlando	35	4,176	3,460	82.9	0.9	96.3	96.8	96.4	97.0
Remaining other regional (16 markets)	415	69,522	48,555	69.8	12.7	97.5	97.4	98.0	97.9
Regional markets total	566	100,176	73,894	73.8	19.3	97.7	97.6	98.2	98.2
Other markets (8 markets)	20	4,202	2,871	68.3	0.7	94.0	94.9	94.0	94.9
Total operating portfolio - owned and managed	3,214	609,929	384,713	63.1	100.0	96.0	95.9	96.5	96.3

(A) Selected and ordered by Prologis share of Gross Book Value (\$).

Operations Overview

Operating Portfolio – NOI and Gross Book Value

(dollars in thousands)

Supplemental 3Q 2015

	Third Quarter NOI				Gross Book Value			
	Owned and Managed	Prologis Share (A) (\$)	% of Total	% of Total	Owned and Managed	Prologis Share (\$)	% of Total	% of Total
Global Markets								
U.S.								
Atlanta	\$ 4,528	\$ 10,584	72.9	2.5	\$ 899,139	\$ 653,140	72.6	2.4
Baltimore/Washington	3,057	9,974	76.4	2.3	703,482	508,092	72.2	1.9
Central Valley	10,724	9,497	88.6	2.2	579,656	516,857	89.2	1.9
Central & Eastern PA	17,656	12,597	71.3	2.9	1,041,286	745,209	71.6	2.8
Chicago	41,530	29,800	71.3	6.9	2,844,851	2,058,350	72.4	7.6
Dallas/Ft. Worth	21,586	16,074	74.5	3.8	1,392,131	1,028,250	73.9	3.8
Houston	14,209	9,865	68.0	2.3	816,987	513,228	62.8	1.9
New Jersey/New York City	44,082	30,243	68.6	7.1	2,984,960	1,963,943	65.8	7.2
San Francisco Bay Area	30,596	24,373	79.7	5.7	1,899,460	1,502,364	79.1	5.5
Seattle	16,365	9,132	48.2	2.1	1,349,507	663,360	49.2	2.4
South Florida	23,603	15,794	66.9	3.7	1,533,785	1,057,082	68.9	3.9
Southern California	89,299	66,985	75.0	15.6	6,615,075	5,037,832	76.2	18.5
Canada	7,761	7,090	91.4	1.7	550,252	500,995	91.0	1.8
Mexico								
Guadalajara	7,238	3,394	46.9	0.8	335,995	163,020	48.5	0.6
Mexico City	13,491	6,893	51.1	1.6	769,455	388,185	50.4	1.4
Monterrey	4,808	2,548	53.0	0.6	227,463	119,715	52.6	0.4
Brazil	10,185	1,739	17.1	0.4	330,203	56,893	17.2	0.2
Americas total	383,318	266,182	69.4	62.2	24,873,687	17,476,616	70.3	64.2
Belgium	2,344	1,170	49.9	0.3	165,963	84,009	50.6	0.3
Czech Republic	10,184	4,535	44.5	1.1	589,895	251,087	42.6	0.9
France	34,515	14,805	42.9	3.5	2,294,244	968,163	42.2	3.6
Germany	26,705	10,064	37.7	2.4	1,592,092	591,916	37.2	2.2
Italy	7,607	3,428	45.1	0.8	517,062	268,501	51.9	1.0
Netherlands	17,632	6,945	39.4	1.6	1,169,408	467,964	40.0	1.7
Poland	19,790	8,200	41.4	1.9	1,357,556	539,754	39.8	2.0
Spain	9,190	4,675	50.9	1.0	587,582	291,552	49.6	1.1
United Kingdom	51,033	23,151	45.4	5.4	3,221,667	1,387,730	43.1	5.0
Europe total	179,000	76,973	43.0	18.0	11,495,469	4,850,676	42.2	17.8
China	7,263	1,917	26.4	0.4	420,008	127,916	30.5	0.5
Japan	49,744	10,221	20.5	2.4	3,666,757	802,950	21.9	2.9
Singapore	2,284	2,284	100.0	0.5	130,577	130,577	100.0	0.5
Asia total	59,291	14,422	24.3	3.3	4,217,342	1,061,443	25.2	3.9
Total global markets	621,609	357,577	57.5	83.5	40,586,498	23,388,634	57.6	85.9
Regional markets (B)								
Denver	5,538	5,192	93.8	1.2	314,411	297,270	94.5	1.1
Las Vegas	7,253	4,996	68.9	1.2	418,365	284,604	68.0	1.0
Columbus	5,897	4,966	84.2	1.2	325,160	281,607	86.6	1.0
Louisville	5,697	4,420	77.6	1.0	310,078	235,165	75.8	0.9
Orlando	4,407	3,616	82.1	0.9	277,917	231,343	83.2	0.8
Remaining other regional (16 markets)	65,413	43,401	66.3	10.1	3,494,618	2,332,622	66.7	8.6
Regional markets total	94,205	66,591	70.7	15.6	5,140,549	3,662,611	71.2	13.4
Other markets (8 markets)	6,285	3,954	62.9	0.9	294,671	186,629	63.0	0.7
Total operating portfolio - owned and managed	\$ 722,099	\$ 428,122	59.3	100.0	\$ 46,021,718	\$ 27,236,874	59.2	100.0

(A) Includes NOI Prologis share of NOI for the properties contributed to or acquired from co-investment ventures at our actual share prior to and subsequent to change in ownership.

(B) Selected and ordered by Prologis share of Gross Book Value (\$).

Operations Overview

Operating Portfolio – Summary by Division

(square feet and dollars in thousands)

Supplemental 3Q 2015

	# of Buildings		Square Feet		% of Total	Occupied %		Leased %	
	Owned and Managed	Owned and Managed	Prologis Share Sq Ft	%		Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
Consolidated									
Americas	1,835	323,973	277,328	85.6	72.1	96.2	96.3	96.8	96.8
Europe	40	8,852	8,852	100.0	2.3	86.4	86.4	86.6	86.6
Asia	19	5,646	5,646	100.0	1.4	91.2	91.2	93.9	93.9
Total operating portfolio - consolidated	1,894	338,471	291,826	86.2	75.8	95.9	95.9	96.5	96.5
Unconsolidated									
Americas	595	88,260	26,938	30.5	7.0	97.0	96.8	97.3	97.1
Europe	668	155,912	61,835	39.7	16.1	95.4	95.1	95.7	95.4
Asia	57	27,286	4,114	15.1	1.1	96.3	96.3	97.6	97.6
Total operating portfolio - unconsolidated	1,320	271,458	92,887	34.2	24.2	96.0	95.7	96.4	96.0
Total									
Americas	2,430	412,233	304,266	73.8	79.1	96.4	96.4	96.9	96.8
Europe	708	164,764	70,687	42.9	18.4	94.9	94.0	95.2	94.3
Asia	76	32,932	9,760	29.6	2.5	95.4	93.4	97.0	95.4
Total operating portfolio - owned and managed	3,214	609,929	384,713	63.1	100.0	96.0	95.9	96.5	96.3
Value added properties - consolidated	15	4,291	2,691	62.7		42.9	44.9	42.9	44.9
Value added properties - unconsolidated	22	3,588	1,297	36.1		56.3	55.2	57.3	56.1
Total owned and managed	3,251	617,808	388,701	62.9		95.4	95.4	95.9	95.8

	Third Quarter NOI				Gross Book Value			
	Owned and Managed	Prologis Share (A)	% of Total	% of Total	Owned and Managed	Prologis Share	% of Total	% of Total
	\$	\$	%	%	\$	\$	%	%
Consolidated								
Americas	\$351,361	\$295,825	84.2	69.1	\$22,562,334	\$18,996,108	84.2	69.7
Europe	8,083	8,083	100.0	1.9	510,086	510,086	100.0	1.9
Asia	6,449	6,449	100.0	1.5	500,551	500,551	100.0	1.8
Total operating portfolio - consolidated	\$365,893	\$310,357	84.8	72.5	\$23,572,971	\$20,006,745	84.9	73.4
Unconsolidated								
Americas	\$115,659	\$33,935	29.3	7.9	\$6,760,599	\$1,921,021	28.4	7.1
Europe	187,705	75,857	40.4	17.7	11,971,357	4,748,216	39.7	17.4
Asia	52,842	7,973	15.1	1.9	3,716,791	560,892	15.1	2.1
Total operating portfolio - unconsolidated	\$356,206	\$117,765	33.1	27.5	\$22,448,747	\$7,230,129	32.2	26.6
Total								
Americas	\$467,020	\$329,760	70.6	77.0	\$29,322,933	\$20,917,129	71.3	76.8
Europe	195,788	83,940	42.9	19.6	12,481,443	5,258,302	42.1	19.3
Asia	59,291	14,422	24.3	3.4	4,217,342	1,061,443	25.2	3.9
Total operating portfolio - owned and managed	\$722,099	\$428,122	59.3	100.0	\$46,021,718	\$27,236,874	59.2	100.0
Value added properties - consolidated	154	193	125.3		280,262	181,319	64.7	
Value added properties - unconsolidated	2,391	737	30.8		208,401	68,852	33.0	
Total owned and managed	\$724,644	\$429,052	59.2		\$46,510,381	\$27,487,045	59.1	

(A) Includes NOI Prologis share of NOI for the properties contributed to or acquired from co-investment ventures at our actual share prior to and subsequent to change in ownership.

Operations Overview

Customer Information – Owned and Managed

(square feet and dollars in thousands)

Supplemental 3Q 2015

Top Customers

	% of Net Effective Rent	Total Square Feet
1 Amazon.com	2.5	11,472
2 DHL	1.6	10,006
3 Kuehne + Nagel	1.2	6,920
4 CEVA Logistics	1.1	6,743
5 Home Depot	1.0	5,441
6 Geodis	0.9	5,911
7 DB Schenker	0.9	3,765
8 FedEx Corporation	0.8	2,762
9 Nippon Express Group	0.7	2,672
10 Wal-Mart Stores	0.7	4,979
Top 10 Customers	11.4	60,671
11 United States Government	0.6	1,243
12 Tesco	0.6	3,172
13 UPS	0.5	3,300
14 Ingram Micro	0.5	3,181
15 Panalpina	0.5	2,164
16 Hitachi	0.4	1,868
17 LG	0.4	2,566
18 Con-way (Menlo Logistics)	0.4	3,054
19 Georgia - Pacific	0.4	2,770
20 XPO Logistics	0.4	3,489
21 PepsiCo	0.4	2,618
22 Bayerische Motoren Werke AG (BMW)	0.4	1,991
23 La Poste	0.4	1,673
24 Rehenus AG & CO KG	0.3	2,122
25 UTI	0.3	2,083
Top 25 Customers	17.9	97,965

Lease Expirations - Operating Portfolio - Owned and Managed

Year	Occupied Sq Ft	Net Effective Rent		
		\$	% of Total	\$ Per Sq Ft
2015 remaining	9,666	\$ 48,852	1.7	5.12
2016	91,887	427,242	14.6	4.76
2017	117,402	557,989	19.1	4.81
2018	97,921	490,546	16.8	5.09
2019	66,583	340,096	11.7	5.19
Thereafter	191,149	1,052,562	36.1	5.63
	574,608	\$ 2,917,287	100.0	5.17
Month to month	10,629			
Total	585,237			

Lease Expirations - Operating Portfolio - Prologis Share

Year	Occupied Sq Ft	Net Effective Rent		
		\$	% of Total	\$ Per Sq Ft
2015 remaining	6,574	\$ 31,977	1.8	4.91
2016	58,143	255,693	14.6	4.46
2017	73,001	329,654	18.8	4.56
2018	61,276	296,975	17.0	4.91
2019	45,094	216,143	12.3	4.87
Thereafter	117,947	622,461	35.5	5.36
	362,035	\$ 1,752,903	100.0	4.91
Month to month	6,763			
Total	368,798			

Capital Deployment

Overview – Owned and Managed

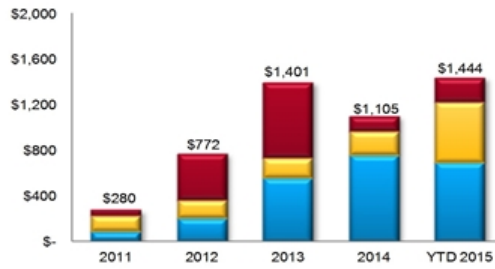
(in millions)

Supplemental 3Q 2015

Development Starts (TEI)

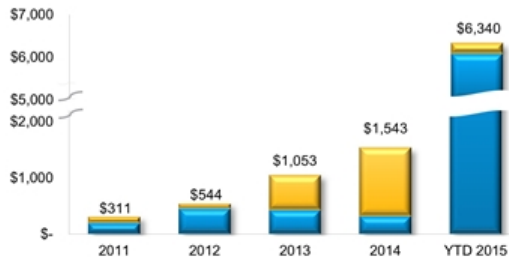


Development Stabilizations

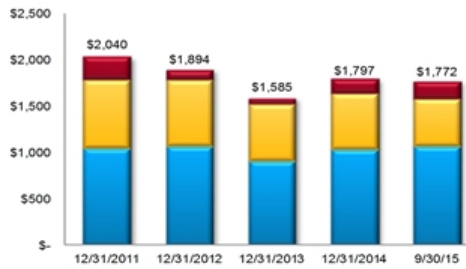


Value Creation	2011	2012	2013	2014	YTD 2015
Value Creation	\$26	\$184	\$426	\$255	\$486

Building Acquisitions



Land Portfolio



■ Americas ■ Europe ■ Asia

Capital Deployment

Value Creation from Development Stabilization

(square feet and dollars in thousands)

Supplemental 3Q 2015

	Q3 2015					YTD 2015				
	Square Feet	Leased % at Start	Owned and Managed	TB		Square Feet	Leased % at Start	Owned and Managed	TB	
				\$	%				\$	%
Americas										
U.S.										
Central	765	8.2	\$ 43,366	\$ 43,366	100.0	1,048	18.0	\$ 60,350	\$ 60,350	100.0
East	2,244	84.7	122,133	122,133	100.0	3,928	64.0	256,290	256,290	100.0
Northwest	600	0.0	36,225	36,225	100.0	1,002	25.7	58,354	58,354	100.0
Southwest	963	15.9	59,600	59,600	100.0	2,436	8.1	164,159	164,159	100.0
Canada	-	-	-	-	-	-	-	-	-	-
Mexico	810	61.9	46,721	46,721	100.0	1,613	31.1	95,721	95,721	100.0
Brazil	-	-	-	-	-	971	0.0	63,546	21,310	33.5
Americas total	5,382	48.7	308,045	308,045	100.0	10,998	33.3	698,420	656,184	94.0
Europe										
Northern	282	100.0	16,736	16,736	100.0	995	83.4	65,843	65,843	100.0
Southern	143	100.0	14,457	14,457	100.0	758	100.0	53,286	45,312	85.0
Central	474	100.0	26,055	26,055	100.0	1,562	58.6	81,770	81,770	100.0
United Kingdom	547	76.7	74,225	74,225	100.0	2,519	65.0	334,746	334,746	100.0
Europe total	1,446	91.2	131,473	131,473	100.0	5,834	71.0	535,645	527,671	98.5
Asia										
Japan	-	-	-	-	-	1,546	25.8	158,566	158,566	100.0
China	203	100.0	9,736	1,460	15.0	1,095	40.9	51,451	7,717	15.0
Asia total	203	100.0	9,736	1,460	15.0	2,641	32.0	210,017	166,283	79.2
Total	7,031	58.9	\$ 449,254	\$ 440,978	98.2	19,473	44.4	\$ 1,444,082	\$ 1,350,138	93.5
Weighted average estimated stabilized yield			7.5%					7.5%		
Pro forma NOI			\$33,903					\$108,736		
Weighted average estimated cap rate at stabilization			5.5%					5.6%		
Estimated value creation			\$159,948					\$485,764		
Estimated development margin			36.0%					33.6%		
Prologis share of estimated value creation (\$)			\$157,906					\$459,290		
Prologis share of estimated value creation (%)			98.7%					94.6%		

Capital Deployment

Development Starts

(square feet and dollars in thousands)

Supplemental 3Q 2015

	Q3 2015					YTD 2015				
	Square Feet	Leased % at Start	Owned and Managed	Prologis Share		Square Feet	Leased % at Start	Owned and Managed	Prologis Share	
				\$	%				\$	%
Americas										
U.S.										
Central	583	52.5	\$ 36,803	\$ 36,803	100.0	2,776	60.5	\$ 155,991	\$ 155,991	100.0
East	-	-	-	-	-	-	-	-	-	-
Northwest	-	-	-	-	-	899	0.0	87,536	87,536	100.0
Southwest	-	-	-	-	-	989	15.6	75,010	75,010	100.0
Canada	-	-	-	-	-	-	-	-	-	-
Mexico	38	100.0	2,132	978	45.9	308	12.3	18,308	17,154	93.7
Brazil	586	0.0	30,046	15,023	50.0	2,458	0.0	154,606	77,303	50.0
Americas total	1,207	28.5	68,981	52,804	76.5	7,430	25.2	491,451	412,994	84.0
Europe										
Northern	809	100.0	51,083	49,110	96.1	2,638	100.0	173,725	161,597	93.0
Southern	385	0.0	20,785	20,785	100.0	1,081	64.4	64,856	64,856	100.0
Central	473	88.6	24,623	17,527	71.2	1,562	72.5	77,226	60,041	77.7
United Kingdom	769	0.0	86,048	86,048	100.0	1,127	0.0	134,888	134,888	100.0
Europe total	2,436	50.4	182,539	173,470	95.0	6,408	69.7	450,695	421,382	93.5
Asia										
Japan	-	-	-	-	-	2,685	38.7	372,724	372,724	100.0
China	317	0.0	18,373	2,756	15.0	4,265	0.0	259,920	38,988	15.0
Asia total	317	-	18,373	2,756	15.0	6,950	15.0	632,644	411,712	65.1
Total	3,960	39.7	\$ 269,893	\$ 229,030	84.9	20,788	35.5	\$ 1,574,790	\$ 1,246,088	79.1
Weighted average estimated stabilized yield			7.8%					7.3%		
Pro forma NOI			\$21,116					\$115,516		
Weighted average estimated cap rate at stabilization			6.0%					6.0%		
Estimated value creation			\$71,875					\$329,807		
Estimated development margin			26.6%					20.9%		
Prologis share of estimated value creation (\$)			\$62,882					\$265,374		
Prologis share of estimated value creation (%)			87.5%					80.5%		
% BTS (based on Prologis share)			36.0%					37.9%		

Capital Deployment

Third Party Building Acquisitions

(square feet and dollars in thousands)

Supplemental 3Q 2015

	Q3 2015					YTD 2015				
	Square Feet	Prologis Share of Square Feet	Owned and Managed Acquisition Cost	Prologis Share of Acquisition Costs		Square Feet	Prologis Share of Square Feet	Owned and Managed Acquisition Cost	Prologis Share of Acquisition Costs	
			\$	%				\$	%	
Third Party Building Acquisitions										
Americas										
Prologis Wholly Owned	1,680	1,680	\$ 156,473	\$ 156,473	100.0	2,628	2,628	\$ 232,428	\$ 232,428	100.0
Prologis U.S. Logistics Venture	686	378	45,224	24,890	55.0	60,413	33,252	5,693,066	3,133,461	55.0
Prologis Targeted U.S. Logistics Fund	591	133	54,665	12,330	22.6	1,510	348	160,018	36,935	23.1
FBRA Prologis	-	-	-	-	-	76	35	4,803	2,203	45.9
Total Americas	2,957	2,191	256,362	193,693	75.6	64,627	36,263	6,090,315	3,405,027	55.9
Europe										
Prologis Wholly Owned	-	-	-	-	-	270	270	15,683	15,683	100.0
Prologis Targeted Europe Logistics Fund	1,670	737	105,554	46,629	44.2	3,026	1,325	165,136	72,482	43.9
Prologis European Properties Fund II	-	-	-	-	-	1,306	405	68,971	21,489	31.2
Total Europe	1,670	737	105,554	46,629	44.2	4,602	2,000	249,790	109,654	43.9
Total Third Party Building Acquisitions	4,627	2,928	\$ 361,916	\$ 240,322	66.4	69,229	38,263	\$ 6,340,105	\$ 3,514,681	55.4
Weighted average stabilized cap rate				5.8%					5.5%	

Capital Deployment

Dispositions and Contributions

(square feet and dollars in thousands)

Supplemental 3Q 2015

	Q3 2015					YTD 2015				
	Square Feet	Prologis Share of Square Feet	Owned and Managed Total Sales Price	Prologis Share of Sales Price		Square Feet	Prologis Share of Square Feet	Owned and Managed Total Sales Price	Prologis Share of Sales Price	
			\$	% (A)				\$	% (A)	
Third Party Building Dispositions										
Americas										
Prologis wholly owned	6,900	6,900	\$ 411,695	\$ 411,695	100.0	11,205	11,205	\$ 962,975	\$ 962,975	100.0
Prologis U.S. Logistics Venture	457	252	133,426	73,438	55.0	632	348	187,426	103,160	55.0
Prologis North American Industrial Fund	-	-	-	-	-	487	322	16,952	11,213	66.1
Prologis Targeted U.S. Logistics Fund	378	85	31,700	7,152	22.6	438	98	35,700	8,075	22.6
Total Americas	7,735	7,237	\$ 576,821	\$ 492,285	85.3	12,760	11,973	\$ 1,203,053	\$ 1,085,423	90.2
Europe										
Total Europe	-	-	-	-	-	-	-	-	-	-
Asia										
Prologis wholly owned	-	-	-	-	-	399	399	49,264	49,264	100.0
Total Asia	-	-	-	-	-	399	399	49,264	49,264	100.0
Total Third Party Building Dispositions	7,735	7,237	\$ 576,821	\$ 492,285	85.3	13,159	12,372	\$ 1,252,317	\$ 1,134,687	90.6
Building Contributions to Co-Investment Ventures										
Americas										
Total Americas	-	-	-	-	-	-	-	-	-	-
Europe										
Prologis Targeted Europe Logistics Fund	1,724	1,724	\$ 256,789	\$ 143,340	55.8	2,343	2,343	\$ 302,805	\$ 169,243	55.9
ProLogis European Properties Fund II	-	-	-	-	-	1,186	1,186	79,925	54,835	68.6
Europe Logistics Venture 1	369	369	21,446	18,229	85.0	369	369	21,446	18,229	85.0
Prologis European Logistics Partners	-	-	-	-	-	2,761	2,761	348,515	174,257	50.0
Total Europe	2,093	2,093	\$ 278,235	\$ 161,569	58.1	6,659	6,659	\$ 752,691	\$ 416,564	55.3
Asia										
Total Asia	-	-	-	-	-	-	-	-	-	-
Total Contributions to Co-Investment Ventures	2,093	2,093	\$ 278,235	\$ 161,569	58.1	6,659	6,659	\$ 752,691	\$ 416,564	55.3
Total Building Dispositions and Contributions	9,828	9,330	\$ 855,056	\$ 653,854	76.5	19,818	19,031	\$ 2,005,008	\$ 1,551,251	77.4
Land dispositions			79,805	78,549	98.4			129,411	123,588	95.5
Other real estate dispositions			2,489	562	22.6			32,141	29,829	92.8
Grand Total Dispositions and Contributions			\$ 937,350	\$ 732,965	78.2			\$ 2,166,560	\$ 1,704,668	78.7
Weighted average stabilized cap rate on building dispositions and contributions					4.9%					4.8%

(A) For contributions, this amount reflects total proceeds to Prologis, net of units received for partial consideration.

Capital Deployment

Land Portfolio – Owned and Managed

(square feet and dollars in thousands)

Supplemental 3Q 2015

Land by Market	Acres				Current Book Value			
	Owned and Managed	Prologis Share		Estimated Build Out (sq ft)	Owned and Managed	Prologis Share		% of Total
		Acres	(%)		(\$)	(\$)	(%)	
Global markets								
U.S.								
Atlanta	377	377	100.0	5,538	\$ 19,290	\$ 19,290	100.0	12
Baltimore/Washington	39	39	100.0	400	1,568	1,568	100.0	0.1
Central Valley	1215	1207	99.3	24,036	96,724	91,409	94.5	5.8
Central & Eastern PA	360	283	78.6	4,791	44,971	37,736	83.9	2.4
Chicago	480	475	99.0	9,095	26,478	25,950	98.0	1.6
Dallas/Ft. Worth	380	337	88.7	6,737	40,401	36,441	90.2	2.3
Houston	111	97	87.4	1,977	15,517	12,600	81.2	0.8
New Jersey/New York City	197	175	88.8	2,950	91,689	85,467	93.2	5.4
South Florida	339	338	99.7	6,321	177,264	177,039	99.9	11.2
Southern California	668	648	97.0	13,012	120,087	111,064	92.5	7.0
Canada	185	185	100.0	3,292	48,148	48,148	100.0	3.0
Mexico								
Guadalajara	50	50	100.0	1,066	11919	11919	100.0	0.8
Mexico City	295	295	100.0	5,518	127,201	127,201	100.0	8.0
Monterrey	183	171	93.4	3,038	33,499	32,184	96.1	2.0
Brazil	497	183	36.8	9,784	97,358	39,931	41.0	2.5
Total Americas	5,376	4,860	90.4	97,555	952,114	857,947	90.1	54.1
Belgium	37	30	81.1	810	11,378	9,741	85.6	0.6
Czech Republic	231	228	98.7	3,819	44,048	43,131	97.9	2.7
France	402	349	86.8	7,554	70,112	61,423	87.6	3.9
Germany	58	54	93.1	1,161	13,323	12,608	94.6	0.8
Italy	92	80	87.0	2,451	21,698	16,974	78.2	1.1
Netherlands	56	56	100.0	1,538	45,201	45,201	100.0	2.9
Poland	609	609	100.0	11,645	69,389	69,389	100.0	4.4
Spain	137	118	86.1	2,870	25,674	21,100	82.2	1.3
United Kingdom	245	245	100.0	5,010	168,823	168,823	100.0	10.7
Total Europe	1,867	1,769	94.8	36,858	469,646	448,390	95.5	28.4
China	231	50	21.6	7,471	91,846	16,636	20.3	1.2
Japan	55	55	100.0	2,466	99,048	99,048	100.0	6.3
Total Asia	286	105	36.7	9,937	190,894	117,684	61.6	7.5
Total global markets	7,529	6,734	89.4	144,350	1,612,654	1,424,021	88.3	90.0
Regional markets (A)								
Hungary	335	335	100.0	5,604	32,769	32,769	100.0	2.1
Orlando	69	69	100.0	998	17,578	17,578	100.0	1.1
Juarez	137	137	100.0	2,692	14,212	14,212	100.0	0.9
Reynosa	194	194	100.0	3,422	12,121	12,121	100.0	0.8
Las Vegas	57	57	100.0	1,134	11,432	11,432	100.0	0.7
Remaining other regional (10 markets)	579	571	98.6	9,978	44,106	43,312	98.2	2.7
Total regional markets	1,371	1,363	99.4	23,828	132,218	131,424	99.4	8.3
Total other markets (3 markets)	395	395	100.0	5,954	27,404	27,404	100.0	1.7
Total land portfolio - owned and managed	9,295	8,492	91.4	174,132	\$ 1,772,276	\$ 1,582,849	89.3	100.0
Original Cost Basis					\$ 2,348,852	\$ 2,189,699		

Capital Deployment

Land Portfolio – Summary and Roll Forward

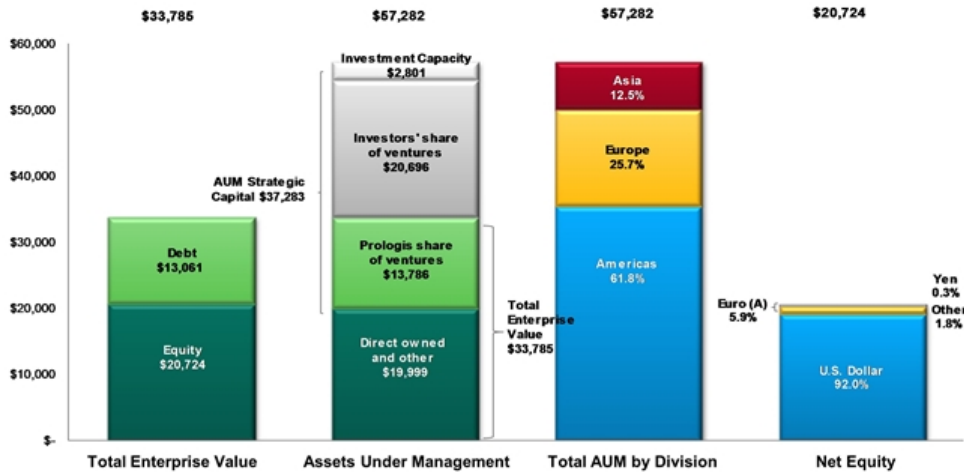
(dollars in thousands)

Supplemental 3Q 2015

Land Portfolio Summary	Acres			Current Book Value			
	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	% of Total	
Americas							
U.S.							
Central	1,256	1,194	14.1	\$ 96,439	\$ 89,034	5.6	
East	1,784	1,682	19.7	380,502	366,820	23.2	
Northw est	1,344	1,336	15.7	105,067	99,752	6.3	
Southw est	781	753	8.9	136,356	126,539	8.0	
Canada	185	185	2.2	48,148	48,148	3.0	
Mexico	893	882	10.4	204,675	203,360	12.8	
Brazil	497	183	2.2	97,358	39,931	2.5	
Total Americas	6,740	6,215	73.2	1,068,545	973,584	61.4	
Europe							
Central	1,242	1,239	14.6	156,628	155,711	9.8	
Northern	151	141	1.7	69,902	67,550	4.3	
Southern	631	547	6.4	117,484	99,497	6.3	
United Kingdom	245	245	2.9	168,823	168,823	10.7	
Total Europe	2,269	2,172	25.6	512,837	491,581	31.1	
Asia							
China	231	50	0.6	91,846	18,636	1.2	
Japan	55	55	0.6	99,048	99,048	6.3	
Total Asia	286	105	1.2	190,894	117,684	7.5	
Total land portfolio - owned and managed	9,295	8,492	100.0	\$ 1,772,276	\$ 1,582,849	100.0	
Estimated Build Out (in TB)				\$ 10,800,000	\$ 9,900,000		
Land Roll Forward - Owned and Managed				Americas	Europe	Asia	Total
As of June 30, 2015				\$ 1,094,454	\$ 539,140	\$ 159,495	\$ 1,793,089
Acquisitions				9,976	50,332	32,818	93,126
Dispositions				(28,801)	(33,755)	-	(62,556)
Development starts				(9,017)	(53,690)	(3,865)	(66,572)
Infrastructure costs				28,695	16,622	4,425	49,742
Effect of changes in foreign exchange rates and other				(26,762)	(5,812)	(1,979)	(34,553)
As of September 30, 2015				\$ 1,068,545	\$ 512,837	\$ 190,894	\$ 1,772,276

Assets Under Management

(in millions)

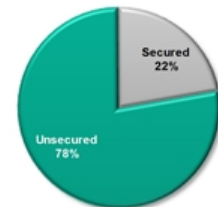


Unencumbered Assets-Prologis Share

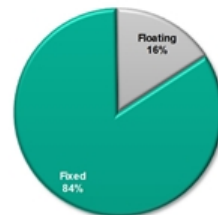
(in billions)



Secured & Unsecured Debt-Prologis Share



Fixed vs. Floating Debt-Prologis Share



Debt Metrics (B)

	2015	
	Third Quarter	Second Quarter
Debt as % of gross real estate assets	39.7%	40.2%
Debt as % of gross market capitalization	37.8%	39.2%
Secured debt as % of gross real estate assets	9.0%	8.7%
Unencumbered gross real estate assets to unsecured debt	248.3%	244.2%
Fixed charge coverage ratio	4.41x	4.19x
Fixed charge coverage ratio, excluding development gains (C)	3.84x	3.70x
Debt/Adjusted EBITDA	6.34x	6.80x
Debt/Adjusted EBITDA, excluding development gains (C)	7.28x	7.64x

Investment Ratings at September 30, 2015 (D)

Moody's	Baa1 (Outlook Stable)
Standard & Poor's	BBB+ (Outlook Stable)

(A) This includes the currencies in Europe in which we operate, predominately Euro and GBP.

(B) These calculations are included in the Notes and Definitions section, and are not calculated in accordance with the applicable SEC rules.

(C) Prologis share of gains on dispositions of development properties for the 12 months ended September 30, 2015 and June 30, 2015 was \$255.8 million and \$203.3 million, respectively.

(D) A securities rating is not a recommendation to buy, sell or hold securities and is subject to revision or withdrawal at any time by the rating organization.

Capitalization

Debt Summary

(dollars in millions)

Supplemental 3Q 2015

Maturity	Prologis					Consolidated Entities	Total Consolidated	Unconsolidated Entities (A)	Total	Prologis Share		
	Unsecured			Secured Mortgage	Total					(\$)	% Maturing	Wtd. Avg. Interest Rate (B)
	Senior	Credit Facilities (A)	Other (A)									
2015	\$-	\$-	\$-	\$15	\$15	\$3	\$18	\$242	\$260	\$55	0.4	2.1%
2016	-	-	1	199	200	455	655	894	1,549	792	6.1	3.6%
2017	377	-	1,001	6	1,384	516	1,900	324	2,224	1,820	14.0	2.5%
2018	262	208	1	112	583	403	986	1,279	2,265	1,152	8.9	3.1%
2019	693	-	563	285	1,541	143	1,684	817	2,501	1,868	14.4	3.5%
2020	1,040	-	1	6	1,047	252	1,299	825	2,124	1,421	10.9	3.2%
2021	1,284	-	341	11	1,636	1	1,637	946	2,583	1,891	14.5	2.3%
2022	784	-	542	7	1,333	1	1,334	724	2,058	1,532	11.8	2.5%
2023	850	-	1	7	858	1	859	119	978	878	6.8	4.2%
2024	784	-	1	129	914	1	915	27	942	920	7.1	4.0%
2025	-	-	1	-	1	1	2	335	337	108	0.8	1.9%
Thereafter	560	-	6	-	566	2	568	-	568	566	4.3	3.0%
Subtotal	6,634	208	2,459	777	10,078	1,779	11,857	6,532	18,389	13,003	100.0	
Unamortized net premiums (discounts)	(12)	-	-	8	(4)	81	77	26	103	58		
Subtotal	6,622	208	2,459	785	10,074	1,860	11,934	6,558	18,492	\$ 13,061		3.0%
Third party share of debt	-	-	-	-	-	(712)	(712)	(4,719)	(5,431)			
Prologis share of debt	\$6,622	\$208	\$2,459	\$785	\$10,074	\$1,148	\$11,222	\$1,839	\$13,061			

Prologis share of debt by local currency (C)	Dollars	Euro	GBP	Yen	Other	Total	Investment Hedges (C)	Total Prologis Share			
									Total	Investment Hedges (C)	Total Prologis Share
Dollars	\$2,975	\$97	\$1,578	\$732	\$5,482	\$1,146	\$6,628	\$742	\$7,370	(653)	\$6,717
Euro	3,563	-	-	12	3,575	2	3,577	652	4,229	151	4,380
GBP	-	-	-	-	-	-	-	227	227	466	693
Yen	84	11	881	40	1,016	-	1,016	204	1,220	26	1,246
Other	-	-	-	1	1	-	1	14	15	10	25
Prologis share of debt	\$6,622	\$208	\$2,459	\$785	\$10,074	\$1,148	\$11,222	\$1,839	\$13,061	-	\$13,061

	3.3%	12%	14%	6.4%	3.1%	2.7%	3.0%	3.2%	3.0%
Weighted average GAAP interest rate (D)	3.3%	12%	14%	6.4%	3.1%	2.7%	3.0%	3.2%	3.0%
Weighted average remaining maturity in years	6.1	2.8	3.9	3.9	5.3	2.4	5.0	4.0	4.9

Near Term Maturities	Prologis Share of Debt	Wtd Avg Interest Rate	Liquidity	
Q4 2015	\$55	2.1%	Aggregate lender commitments- GLOC and revolver	\$2,682
Q1 2016	88	3.5%	Less:	
Q2 2016	372	4.3%	Borrowings outstanding	208
Q3 2016	62	5.0%	Outstanding letters of credit	31
Total next 12 months	\$577	4.1%	Current availability- credit facilities	\$2,443
			Term loans net availability	-
			Unrestricted cash - Prologis share of consolidated	261
			Total liquidity	\$2,704

- (A) The maturity of outstanding balances for our global credit facilities, certain term loan debt (Prologis share \$1.6 billion) and certain unconsolidated entity debt (Prologis share \$218.7 million) is reflected at the extended maturity date if the extension is at the entity's option.
- (B) Interest rate is based on the effective rate (which includes the amortization of related premiums and discounts) assuming the net premiums (discounts) associated with the respective debt were included in the maturities by year.
- (C) We hedge the net assets of certain international subsidiaries using foreign currency forward contracts, including those that are accounted for as net investment hedges, to economically reduce our exposure to fluctuations in foreign currency rates. The effect is to essentially exchange US dollar denominated debt into foreign currency denominated debt as reflected in the table under Investment Hedges. See also page 31 for our net equity exposure by currency.
- (D) Interest rate is based on the effective rate and weighted based on borrowings outstanding.

Capitalization

Debt Covenants and Other Metrics

(dollars in thousands)

Supplemental 3Q 2015

Covenants as of September 30, 2015 (A)

	Indenture (B)		Global Line	
	Covenant	Actual	Covenant	Actual
Leverage ratio	<60%	34.9%	<60%	35.0%
Fixed charge coverage ratio	>1.5x	5.25x	>1.5x	4.87x
Secured debt leverage ratio	<40%	7.5%	<40%	7.7%
Unencumbered asset to unsecured debt ratio	>150%	255.1%	NA	NA
Unencumbered debt service coverage ratio	NA	NA	>150%	705.7%

Encumbrances as of September 30, 2015

	Unencumbered	Encumbered	Total
Consolidated operating properties	\$ 18,062,494	\$ 5,436,692	\$ 23,499,186
Consolidated development portfolio and land	3,123,784	21,021	3,144,805
Consolidated other investments in real estate (C)	1,388,820	13,325	1,402,145
Total consolidated	22,575,098	5,471,038	28,046,136
Less: third party share of investments in real estate	2,629,754	1,237,075	3,866,829
Total consolidated - Prologis share	19,945,344	4,233,963	24,179,307
Unconsolidated operating properties - Prologis share	5,110,104	2,188,877	7,298,981
Unconsolidated development portfolio and land - Prologis share	178,747	8,597	187,344
Gross real estate assets - Prologis share	\$ 25,234,195	\$ 6,431,437	\$ 31,665,632

Secured and Unsecured Debt as of September 30, 2015

	Unsecured Debt	Secured Mortgage Debt	Total
Prologis debt	\$ 9,300,794	\$ 777,056	\$ 10,077,850
Consolidated entities debt	-	1,779,291	1,779,291
Our share of unconsolidated entities debt	860,450	967,544	1,827,994
Total debt - at par	10,161,244	3,523,891	13,685,135
Less: third party share of consolidated debt	-	(681,353)	(681,353)
Total Prologis share of debt - at par	10,161,244	2,842,538	13,003,782
Premium (discount) - consolidated	(11,880)	89,094	77,214
Less: third party share of consolidated debt discount (premium)	-	(30,252)	(30,252)
Our share of premium (discount) - unconsolidated	-	10,730	10,730
Total Prologis share of debt, net of premium (discount)	\$ 10,149,364	\$ 2,912,110	\$ 13,061,474

(A) These calculations are made in accordance with the respective debt agreements, may be different than other covenants or metrics presented and are not calculated in accordance with the applicable SEC rules.

(B) Please refer to the respective agreements for full financial covenant descriptions and calculation methods.

(C) These covenants are calculated in accordance with the Indenture dated June 8, 2011 and its supplemental indentures, including the Fifth Supplemental Indenture dated August 15, 2013.

(D) Consolidated other investments in real estate includes other real estate investments, assets held for sale, notes receivable backed by real estate and investments in other unconsolidated joint ventures.

Net Asset Value

Components

(in thousands, except for percentages and per square foot)

Supplemental 3Q 2015

Operating

	Square Feet	Gross Book Value	GBV per Sq Ft	Third Quarter Adjusted Cash NOI (Actual)	Third Quarter Adjusted Cash NOI (Pro Forma)	Annualized Adjusted Cash NOI	Percent Occupied
CONSOLIDATED OPERATING PORTFOLIO (Prologis Share)							
Prologis interest in consolidated operating portfolio							
Americas	277,328	\$ 18,996,108	\$ 68	\$ 294,955	\$ 294,955	\$ 1,179,820	96.3%
Europe	8,852	510,086	58	8,645	8,645	34,580	86.4%
Asia	5,646	500,551	89	6,237	6,237	24,948	91.2%
Pro forma adjustment for mid-quarter acquisitions/development completions					3,078	12,312	
Prologis share of consolidated operating portfolio	291,826	\$20,006,745	\$ 69	\$ 309,837	\$ 312,915	\$ 1,251,660	95.9%
UNCONSOLIDATED OPERATING PORTFOLIO (Prologis Share)							
Prologis interest in unconsolidated operating portfolio							
Americas	26,938	\$ 1,921,021	\$ 71	\$ 33,987	\$ 33,987	\$ 135,948	96.8%
Europe	61,835	4,748,216	77	77,169	77,169	308,675	95.1%
Asia	4,114	560,892	136	8,092	8,092	32,368	96.3%
Pro forma adjustment for mid-quarter acquisitions/development completions					653	2,613	
Prologis share of unconsolidated operating portfolio	92,887	\$ 7,230,129	\$ 78	\$ 119,248	\$ 119,901	\$ 479,604	95.7%
Total operating portfolio	384,713	\$27,236,874	\$ 71	\$ 429,085	\$ 432,816	\$ 1,731,264	95.9%

Development

	Square Feet	Investment Balance	TEI	TEI per Sq Ft	Annualized Pro Forma NOI	Percent Occupied
CONSOLIDATED (Prologis Share)						
Prestabilized						
Americas	3,650	\$ 244,268	\$ 280,359	\$ 77	\$ 16,808	30.7%
Europe	1,248	61,327	74,256	60	5,940	19.4%
Asia	1,391	170,051	175,687	126	10,811	47.7%
						32.2%
Properties under development						
Americas	10,302	422,242	688,758	67	45,211	
Europe	5,776	168,055	445,276	77	31,512	
Asia	5,786	368,941	783,906	135	48,545	
Prologis share of consolidated development portfolio	28,153	\$ 1,454,884	\$ 2,448,242	\$ 87	\$ 158,827	
UNCONSOLIDATED (Prologis Share)						
Prologis interest in unconsolidated development portfolio						
Americas	1,866	\$ 45,704	\$ 99,332	\$ 53	\$ 10,772	
Europe	464	30,534	43,266	93	3,161	
Asia	1,505	50,848	90,695	60	6,833	
Prologis share of unconsolidated development portfolio	3,835	\$ 127,086	\$ 233,313	\$ 61	\$ 20,766	
Total development portfolio	31,988	\$ 1,581,970	\$ 2,681,555	\$ 84	\$ 179,593	
Prologis share of estimated value creation (see Capital Deployment - Development Portfolio)		619,819				
Total development portfolio, including estimated value creation		\$ 2,201,789				

Net Asset Value

Components - Continued

(in thousands)

Supplemental 3Q 2015

Balance Sheet and Other Items

	As of September 30, 2015
CONSOLIDATED	
Other assets	
Cash and cash equivalents	\$ 310,433
Restricted cash	5,238
Accounts receivable, prepaid assets and other tangible assets	743,805
Other real estate investments and assets held for sale	669,699
Note receivable backed by real estate	197,500
Prologis share of value added operating properties	250,171
Prologis receivable from unconsolidated co-investment ventures	145,627
Investments in and advances to other unconsolidated joint ventures	209,897
Less: third party share of other assets	(215,857)
Total other assets - Prologis share	\$ 2,316,513
Other liabilities	
Accounts payable and other current liabilities	\$ 697,860
Deferred income taxes	73,907
Value added tax and other tax liabilities	13,810
Tenant security deposits	191,187
Other liabilities	271,901
Less: third party share of other liabilities	(102,042)
Total liabilities and noncontrolling interests - Prologis share	\$ 1,146,623
UNCONSOLIDATED	
Prologis share of net tangible other assets	\$ 211,736

Land

	Investment Balance
Prologis share of original land basis	\$ 2,189,699
Current book value of land	\$ 1,569,416
Less: third party share of the current book value of land	(46,825)
Prologis share of book value of land in unconsolidated entities	60,258
Total	\$ 1,582,849

Strategic Capital / Development Management

	Third Quarter	Annualized
Strategic Capital		
Strategic capital income - third party share of asset management fees from consolidated and unconsolidated co-investment ventures	\$ 26,197	\$ 104,788
Strategic capital income - third party share of other transactional fees from consolidated and unconsolidated co-investment ventures (trailing 12 months)	3,456	18,289
Strategic capital expenses for asset management and other transactional fees (annualized based on estimated 12 months)	(11,271)	(42,897)
Strategic capital NOI	\$ 18,382	\$ 80,180
Promotes earned in last 12 months, net of cash expenses		\$ -
Development management income	\$ 3,691	\$ 14,764

Debt (at par) and Preferred Stock

	As of September 30, 2015
Prologis debt	\$ 10,077,850
Consolidated entities debt	1,779,291
Less: third party share of consolidated debt	(681,353)
Prologis share of unconsolidated debt	1,827,994
Subtotal debt	13,003,782
Preferred stock	78,235
Total debt and preferred stock	\$ 13,082,017
Outstanding shares of common stock and limited operating partnership units	530,741

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 current presentation.

Acquisition Costs, as presented for building acquisitions, represents the economic cost and not necessarily what is capitalized. See detail of what is included in acquisition costs in the definition of Stabilized Capitalization Rate.

Adjusted EBITDA. We use Adjusted EBITDA to measure both our operating performance and liquidity. We calculate Adjusted EBITDA beginning with consolidated net earnings (loss) attributable to common stockholders and removing the effect of interest, income taxes, depreciation and amortization, impairment charges, third party acquisition expenses related to the acquisition of real estate, gains or losses from the acquisition or disposition of investments in real estate (other than from land and development properties), gains from the revaluation of equity investments upon acquisition of a controlling interest, gains or losses on early extinguishment of debt and derivative contracts (including cash charges), similar adjustments we make to our FFO measures (see definition below), and other non-cash charges or gains (such as stock based compensation and unrealized gains or losses on foreign currency and derivative activity). We make adjustments to reflect our economic ownership in each entity, whether consolidated or unconsolidated.

We consider Adjusted EBITDA to provide investors relevant and useful information because it permits investors to view our operating performance on an unleveraged basis before the effects of income tax, non-cash depreciation and amortization expense, gains and losses on the disposition of non-development properties and other items (outlined above), items that affect comparability, and other significant non-cash items. We also include a pro forma adjustment in Adjusted EBITDA to reflect a full period of NOI on the operating properties we acquire and stabilize and to remove NOI on properties we dispose of during the quarter assuming the transaction occurred at the beginning of the quarter. By excluding interest expense, Adjusted EBITDA allows investors to measure our operating performance independent of our capital structure and indebtedness and, therefore, allows for a more meaningful comparison of our operating performance to that of other companies, both in the real estate industry and in other industries. Gains and losses on the early extinguishment of debt generally include the costs of repurchasing debt securities. While not infrequent or unusual in nature, these items result from market fluctuations that can have inconsistent effects on our results of operations. The economics underlying these items reflect market and financing conditions in the short-term but can obscure our performance and the value of our long-term investment decisions and strategies.

We believe that Adjusted EBITDA helps investors to analyze our ability to meet interest payment obligations and to make quarterly preferred share dividends. We believe that investors should consider Adjusted EBITDA in conjunction with net earnings (the primary measure of our performance) and the other required Generally Accepted Accounting Principles ("GAAP") measures of our performance and liquidity, to improve their understanding of our operating results and liquidity, and to make more meaningful comparisons of our performance against other companies. By using Adjusted EBITDA, an investor is assessing the earnings generated by our operations but not taking into account the eliminated expenses or gains incurred in connection with such operations. As a result, Adjusted EBITDA has limitations as an analytical tool and should be used in conjunction with our GAAP presentations. Adjusted EBITDA does not reflect our historical cash expenditures or future cash requirements for working capital, capital expenditures, distribution requirements or contractual commitments. Adjusted EBITDA, also does not reflect the cash required to make interest and principal payments on our outstanding debt.

While EBITDA is a relevant and widely used measure of operating performance, it does not represent net income or cash flow from operations as defined by GAAP and it should not be considered as an alternative to those indicators in evaluating operating performance or liquidity. Further, our computation of Adjusted EBITDA may not be comparable to EBITDA reported by other companies. We compensate for the limitations of Adjusted EBITDA by providing investors with

financial statements prepared according to GAAP, along with this detailed discussion of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to consolidated net earnings (loss), a GAAP measurement.

Adjusted Cash NOI (Actual). A reconciliation of our rental income and rental expenses included in our Statement of Operations to adjusted cash NOI for the consolidated operating portfolio for purposes of the Net Asset Value calculation is as follows (in thousands):

Rental income	\$ 532,755
Rental expenses	(139,905)
NOI	392,850
Net termination fees and adjustments (a)	(1,602)
Less: actual NOI for development portfolio and other	(17,947)
Less: properties contributed or sold (b)	(6,274)
Less: third party share of NOI	(56,670)
Adjusted NOI for consolidated operating portfolio owned at September 30, 2015	310,357
Straight-line rents (c)	(19,638)
Free rent (c)	16,716
Amortization of lease intangibles (c)	167
Effect of foreign currency exchange (d)	(279)
Less: third party share	2,514
Third Quarter Adjusted Cash NOI (Actual)	\$ 309,837

(a) Net termination fees generally represent the gross fee negotiated at the time a customer is allowed to terminate its lease agreement offset by that customer's rent leveling asset or liability, if any, that has been previously recognized. Removing the net termination fees from rental income allows for the calculation of Adjusted Cash NOI (Pro forma) to include only rental income that is indicative of the property's recurring operating performance.

(b) The actual NOI for properties that were contributed or sold during the three-month period is removed.

(c) Straight-lined rents, free rent amount and amortization of lease intangibles (above and below market leases) are removed from rental income for the Operating Portfolio to allow for the calculation of a cash yield.

(d) The actual NOI and related adjustments are calculated in local currency and translated at the period end rate to allow for consistency with other assets and liabilities as of the reporting date.

Adjusted Cash NOI (Pro forma) consists of Adjusted Cash NOI (Actual) for the properties in our Operating Portfolio adjusted to reflect NOI for a full quarter for operating properties that were acquired or stabilized during the quarter. Adjusted Cash NOI (Pro forma) for the properties in our Development Portfolio is based on current Total Expected Investment and an estimated stabilized yield.

Assets Under Management ("AUM") represents the estimated value of the real estate we own or manage through both our consolidated and unconsolidated entities. We calculate AUM by adding the third party investors' share of the estimated fair value of the assets in the co-investment ventures to our share of total market capitalization (calculated using the market price of our equity plus our share of total debt).

Business Line Reporting. Core FFO and development gains are generated by our three lines of business: (i) real estate operations; (ii) strategic capital; and (iii) development. Real estate operations represents total Prologis Core FFO, less the amount allocated to the Strategic Capital line of business. The amount of Core FFO allocated to the Strategic Capital line of business represents the third party share of the asset management related fees we earn from our co-investment ventures (both consolidated and unconsolidated) less costs directly associated to our strategic capital group, plus development management income. Development gains include our share of gains on dispositions of development properties and land, net of taxes. To calculate the

Notes and Definitions

(continued)

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per share amount, the amount generated by each line of business is divided by the weighted average diluted common shares outstanding used in our Core FFO calculation of per share amounts. Management believes evaluating our results by line of business is a useful supplemental measure of our operating performance because it helps the investing public compare the operating performance of Prologis' respective businesses to other companies' comparable businesses. Prologis' computation of FFO by line of business may not be comparable to that reported by other real estate investment trusts as they may use different methodologies in computing such measures.

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

	Three Months Ended		Nine Months Ended	
	September 30,	2014	September 30,	2014
	2015		2015	
Net earnings				
Net earnings	\$ 258,979	\$ 136,245	\$ 744,425	\$ 213,626
Noncontrolling interest attributable to exchangeable limited partnership units	3,203	493	7,331	767
Gains, net of expenses, associated with exchangeable debt assumed exchanged	-	(18,658)	(1,614)	-
Adjusted net earnings - Diluted	\$ 262,182	\$ 118,080	\$ 750,142	\$ 214,393
Weighted average common shares outstanding - Basic	523,528	499,292	520,388	499,045
Incremental weighted average effect of stock awards of limited partnership units	6,685	1,843	5,875	1,792
Incremental weighted average effect of stock awards	1,860	3,074	1,953	3,374
Incremental weighted average effect on exchangeable debt assumed exchanged (a)	-	11,879	2,905	-
Weighted average common shares outstanding - Diluted	532,073	516,088	531,121	504,211
Net earnings per share - Basic	\$ 0.49	\$ 0.27	\$ 1.43	\$ 0.43
Net earnings per share - Diluted	\$ 0.49	\$ 0.23	\$ 1.41	\$ 0.43
Core FFO				
Core FFO	\$ 307,268	\$ 244,896	\$ 835,532	\$ 706,726
Noncontrolling interest attributable to exchangeable limited partnership units	48	92	160	149
Interest expense on exchangeable debt assumed exchanged	-	4,246	3,506	12,738
Core FFO - Diluted	\$ 307,316	\$ 249,234	\$ 839,198	\$ 719,613
Weighted average common shares outstanding - Basic	523,528	499,292	520,388	499,045
Incremental weighted average effect of stock awards of limited partnership units	6,685	2,040	4,201	1,990
Incremental weighted average effect of stock awards	1,860	3,074	1,953	3,374
Incremental weighted average effect on exchangeable debt assumed exchanged (a)	-	11,879	2,905	11,879
Weighted average common shares outstanding - Diluted	532,073	516,285	529,447	516,288
Core FFO per share - Diluted	\$ 0.58	\$ 0.48	\$ 1.59	\$ 1.39

(a) In March 2015, the exchangeable debt was settled primarily through the issuance of common stock. The adjustment in 2015 assumes the exchange occurred on January 1, 2015.

Debt Metrics. See below for the detailed calculations for the respective period (dollars in thousands):

	Three Months Ended	
	Sept. 30,	June 30,
	2015	2015
Debt as a % of gross real estate assets:		
Total Prologis share of debt - at par	\$ 13,003,782	\$ 13,076,352
Less: Prologis share of outstanding foreign currency derivatives	(35,279)	(17,749)
Less: consolidated cash and cash equivalents	(310,433)	(351,025)
Add: consolidated cash and cash equivalents - third party share	49,017	114,522
Less: unconsolidated entities cash - Prologis share	(134,270)	(136,501)
Total Prologis share of debt, net of adjustments	\$ 12,572,817	\$ 12,685,599
Gross real estate assets - Prologis share	\$ 31,665,632	\$ 31,531,375
Debt as a % of gross real estate assets	39.7%	40.2%
Debt as a % of gross market capitalization:		
Total Prologis share of debt, net of adjustments	\$ 12,572,817	\$ 12,685,599
Total outstanding common stock and limited partnership units	530,741	530,635
Share price at quarter end	\$ 38.90	\$ 37.10
Total equity capitalization	\$ 20,645,825	\$ 19,686,559
Total Prologis share of debt, net of adjustments	12,572,817	12,685,599
Gross market capitalization	\$ 33,218,642	\$ 32,372,158
Debt as a % of gross market capitalization	37.8%	39.2%
Secured debt as a % of gross real estate assets:		
Prologis share of secured debt - at par	\$ 2,842,538	\$ 2,740,183
Gross real estate assets - Prologis share	\$ 31,665,632	\$ 31,531,375
Secured debt as a % of gross real estate assets	9.0%	8.7%
Unencumbered gross real estate assets to unsecured debt:		
Unencumbered gross real estate assets - Prologis share	\$ 25,234,195	\$ 25,240,772
Prologis share of unsecured debt - at par	\$ 10,161,244	\$ 10,336,169
Unencumbered gross real estate assets to unsecured debt	248.3%	244.2%
Fixed Charge Coverage ratio:		
Adjusted EBITDA	\$ 566,615	\$ 489,035
Adjusted EBITDA-annualized including 12 month rolling development gains	\$ 1,982,003	\$ 1,862,306
Net promote for the twelve months ended	-	2,018
Adjusted EBITDA-annualized	\$ 1,982,003	\$ 1,864,324
Pro forma adjustment for mid-quarter activity and NOI from disposed properties - annualized	2,656	(114,700)
Adjusted EBITDA, including NOI from disposed properties, annualized	\$ 1,984,659	\$ 1,749,624
Interest expense	\$ 81,035	\$ 68,902
Amortization and write-off of deferred loan costs	(3,604)	(2,862)
Amortization of debt premium (discount), net	11,489	10,829
Capitalized interest	13,915	16,488
Preferred stock dividends	1,671	1,678
Third party share of fixed charges from consolidated entities	(8,344)	(6,531)
Our share of fixed charges from unconsolidated entities	16,260	15,921
Total fixed charges	\$ 112,422	\$ 104,425
Total fixed charges, annualized	\$ 449,687	\$ 417,700
Fixed charge coverage ratio	4.41	4.19
Debt to Adjusted EBITDA:		
Total Prologis share of debt, net of adjustments	\$ 12,572,817	\$ 12,685,599
Adjusted EBITDA-annualized	\$ 1,982,003	\$ 1,864,324
Debt to Adjusted EBITDA ratio	6.34	6.80

Development Margin is calculated on developed properties as the estimated value at Stabilization minus estimated total investment, before closing costs, the impact of any deferred rents, taxes or third party promotes, divided by the estimated total investment.

Development Portfolio includes industrial properties that are under development and properties that are developed but have not met Stabilization.

Estimated Build Out (TEI and sq ft) represents the estimated TEI and finished square feet available for rent upon completion of an industrial building on existing parcels of land.

FFO, as defined by Prologis attributable to common stockholders/unitholders ("FFO, as defined by Prologis"); Core FFO attributable to common stockholders/unitholders ("Core FFO"); AFFO (collectively referred to as "FFO"). FFO is a financial measure that is not determined in accordance with GAAP, but is a measure that is commonly used in the real estate industry. The most directly comparable GAAP measure to FFO is net earnings. Although the National Association of Real Estate Investment Trusts ("NAREIT") has published a definition of FFO, modifications to the NAREIT calculation of FFO are common among REITs, as companies seek to provide financial measures that meaningfully reflect their business.

FFO is not meant to represent a comprehensive system of financial reporting and does not present, nor do we intend it to present, a complete picture of our financial condition and operating performance. We believe net earnings computed under GAAP remains the primary measure of performance and that FFO is only meaningful when it is used in conjunction with net earnings computed under GAAP. Further, we believe our consolidated financial statements, prepared in accordance with GAAP, provide the most meaningful picture of our financial condition and our operating performance.

NAREIT's FFO measure adjusts net earnings computed under GAAP to exclude historical cost depreciation and gains and losses from the sales, along with impairment charges, of previously depreciated properties. We agree that these NAREIT adjustments are useful to investors for the following reasons:

- (i) historical cost accounting for real estate assets in accordance with GAAP assumes, through depreciation charges, that the value of real estate assets diminishes predictably over time. NAREIT stated in its White Paper on FFO "since real estate asset values have historically risen or fallen with market conditions, many industry investors have considered presentations of operating results for real estate companies that use historical cost accounting to be insufficient by themselves." Consequently, NAREIT's definition of FFO reflects the fact that real estate, as an asset class, generally appreciates over time and depreciation charges required by GAAP do not reflect the underlying economic realities. We exclude depreciation from our unconsolidated entities and the third parties' share of our consolidated ventures.
- (ii) REITs were created in order to encourage public ownership of real estate as an asset class through investment in firms that were in the business of long-term ownership and management of real estate. The exclusion, in NAREIT's definition of FFO, of gains and losses from the sales, along with impairment charges, of previously depreciated operating real estate assets allows investors and analysts to readily identify the operating results of the long-term assets that form the core of a REIT's activity and assists in comparing those operating results between periods. We include the gains and losses (including impairment charges) from dispositions of land and development properties, as well as our proportionate share of the gains and losses (including impairment charges) from dispositions of development properties recognized by our unconsolidated and consolidated entities, in our definition of FFO. We exclude the gain on revaluation of equity investments upon acquisition of a controlling interest from our definition of FFO.

Our FFO Measures

At the same time that NAREIT created and defined its FFO measure for the REIT industry, it also recognized that "management of each of its member companies has the responsibility and authority to publish financial information that it regards as useful to the financial community." We believe stockholders, potential investors and financial analysts who review our operating results are best served by a defined FFO measure that includes other adjustments to net earnings computed under GAAP in addition to those included in the NAREIT defined measure of FFO. Our FFO measures are used by management in analyzing our business and the performance of our properties and we believe that it is important that stockholders, potential investors and financial analysts understand the measures management uses.

We calculate our FFO measures, as defined below, based on our proportionate ownership share of both our unconsolidated and consolidated ventures. We reflect our share of our FFO measures for unconsolidated ventures by applying our average ownership percentage for the period to the applicable reconciling items on an entity by entity basis. We reflect our share for consolidated ventures in which we do not own 100% of the equity by adjusting our FFO measures to remove the third party ownership share of the applicable reconciling items based on average ownership percentage for the applicable periods.

We use these FFO measures, including by segment and region, to: (i) evaluate our performance and the performance of our properties in comparison to expected results and results of previous periods, relative to resource allocation decisions; (ii) evaluate the performance of our management; (iii) budget and forecast future results to assist in the allocation of resources; (iv) assess our performance as compared to similar real estate companies and the industry in general; and (v) evaluate how a specific potential investment will impact our future results. Because we make decisions with regard to our performance with a long-term outlook, we believe it is appropriate to remove the effects of short-term items that we do not expect to affect the underlying long-term performance of the properties. The long-term performance of our properties is principally driven by rental income. While not infrequent or unusual, these additional items we exclude in calculating FFO, as defined by Prologis, defined below, are subject to significant fluctuations from period to period that cause both positive and negative short-term effects on our results of operations in inconsistent and unpredictable directions that are not relevant to our long-term outlook.

We use our FFO measures as supplemental financial measures of operating performance. We do not use our FFO measures as, nor should they be considered to be, alternatives to net earnings computed under GAAP, as indicators of our operating performance, as alternatives to cash from operating activities computed under GAAP or as indicators of our ability to fund our cash needs.

FFO, as defined by Prologis

To arrive at FFO, as defined by Prologis, we adjust the NAREIT defined FFO measure to exclude:

- (i) deferred income tax benefits and deferred income tax expenses recognized by our subsidiaries;
- (ii) current income tax expense related to acquired tax liabilities that were recorded as deferred tax liabilities in an acquisition, to the extent the expense is offset with a deferred income tax benefit in GAAP earnings that is excluded from our defined FFO measure;
- (iii) unhedged foreign currency exchange gains and losses resulting from debt transactions between us and our foreign consolidated subsidiaries and our foreign unconsolidated entities;
- (iv) foreign currency exchange gains and losses from the remeasurement (based on current foreign currency exchange rates) of certain third party debt of our foreign consolidated subsidiaries and our foreign unconsolidated entities; and
- (v) mark-to-market adjustments associated with derivative financial instruments.

We believe investors are best served if the information that is made available to them allows them to align their analysis and evaluation of our operating results along the same lines that our management uses in planning and executing our business strategy.

Core FFO

In addition to FFO, as defined by Prologis, we also use Core FFO. To arrive at Core FFO, we adjust FFO, as defined by Prologis, to exclude the following recurring and non-recurring items that we recognized directly in FFO, as defined by Prologis:

- (i) gains or losses from contribution or sale of land or development properties;
- (ii) income tax expense related to the sale of investments in real estate and third-party acquisition costs related to the acquisition of real estate;
- (iii) impairment charges recognized related to our investments in real estate generally as a result of our change in intent to contribute or sell these properties;
- (iv) gains or losses from the early extinguishment of debt and redemption and repurchase of preferred stock; and
- (v) expenses related to natural disasters.

We believe it is appropriate to further adjust our FFO, as defined by Prologis for certain recurring items as they were driven by transactional activity and factors relating to the financial and real estate markets, rather than factors specific to the on-going operating performance of our properties or investments. The impairment charges we have recognized were primarily based on valuations of real estate, which had declined due to market conditions, that we no longer expected to hold for long-term investment. Over the last few years, we made it a priority to strengthen our financial position by reducing our debt, our investment in certain low yielding assets and our exposure to foreign currency exchange fluctuations. As a result, we changed our intent to sell or contribute certain of our real estate properties and recorded impairment charges when we did not expect to recover the costs of our investment. Also, we purchased portions of our debt securities when we believed it was advantageous to do so, which was based on market conditions, and in an effort to lower our borrowing costs and extend our debt maturities. As a result, we have recognized net gains or losses on the early extinguishment of certain debt due to the financial market conditions at that time.

We analyze our operating performance primarily by the rental income of our real estate and the revenue driven by our strategic capital business, net of operating, administrative and financing expenses. This income stream is not directly impacted by fluctuations in the market value of our investments in real estate or debt securities. Although these items discussed above have had a material impact on our operations and are reflected in our financial statements, the removal of the effects of these items allows us to better understand the core operating performance of our properties over the long term.

We use Core FFO, including by segment and region, to: (i) evaluate our performance and the performance of our properties in comparison to expected results and results of previous periods, relative to resource allocation decisions; (ii) evaluate the performance of our management; (iii) budget and forecast future results to assist in the allocation of resources; (iv) provide guidance to the financial markets to understand our expected operating performance; (v) assess our operating performance as compared to similar real estate companies and the industry in general; and (vi) evaluate how a specific potential investment will impact our future results. Because we make decisions with regard to our performance with a long-term outlook, we believe it is appropriate to remove the effects of items that we do not expect to affect the underlying long-term performance of the properties we own. As noted above, we believe the long-term performance of our properties is principally driven by rental income. We believe investors are best served if the information that is made available to them allows them to align their analysis and evaluation of our operating results along the same lines that our management uses in planning and executing our business strategy.

AFFO

To arrive at AFFO, we adjust Core FFO to include realized gains from the disposition of land and development properties and to exclude our share of the impact of, (i) straight-line rents; (ii) amortization of above- and below-market lease intangibles; (iii) recurring capital expenditures; (iv)

amortization of management contracts; (v) amortization of debt premiums and discounts and financing costs, net of amounts capitalized, and; (vi) stock compensation expense.

We believe AFFO provides a meaningful indicator of our ability to fund cash needs, including cash distributions to our stockholders.

Limitations on Use of our FFO Measures

While we believe our defined FFO measures are important supplemental measures, neither NAREIT's nor our measures of FFO should be used alone because they exclude significant economic components of net earnings computed under GAAP and are, therefore, limited as an analytical tool. Accordingly, these are only a few of the many measures we use when analyzing our business. Some of these limitations are:

- The current income tax expenses and acquisition costs that are excluded from our defined FFO measures represent the taxes and transaction costs that are payable.
- Depreciation and amortization of real estate assets are economic costs that are excluded from FFO. FFO is limited, as it does not reflect the cash requirements that may be necessary for future replacements of the real estate assets. Further, the amortization of capital expenditures and leasing costs necessary to maintain the operating performance of industrial properties are not reflected in FFO.
- Gains or losses from non-development property acquisitions and dispositions or impairment charges related to expected dispositions represent changes in value of the properties. By excluding these gains and losses, FFO does not capture realized changes in the value of acquired or disposed properties arising from changes in market conditions.
- The deferred income tax benefits and expenses that are excluded from our defined FFO measures result from the creation of a deferred income tax asset or liability that may have to be settled at some future point. Our defined FFO measures do not currently reflect any income or expense that may result from such settlement.
- The foreign currency exchange gains and losses that are excluded from our defined FFO measures are generally recognized based on movements in foreign currency exchange rates through a specific point in time. The ultimate settlement of our foreign currency-denominated net assets is indefinite as to timing and amount. Our FFO measures are limited in that they do not reflect the current period changes in these net assets that result from periodic foreign currency exchange rate movements.
- The gains and losses on extinguishment of debt that we exclude from our Core FFO, may provide a benefit or cost to us as we may be settling our debt at less or more than our future obligation.
- The natural disaster expenses that we exclude from Core FFO are costs that we have incurred.

We compensate for these limitations by using our FFO measures only in conjunction with net earnings computed under GAAP when making our decisions. This information should be read with our complete consolidated financial statements prepared under GAAP. To assist investors in compensating for these limitations, we reconcile our defined FFO measures to our net earnings computed under GAAP.

Fixed Charge Coverage is defined as Adjusted EBITDA divided by total fixed charges. Fixed charges consist of net interest expense adjusted for amortization of finance costs and debt discount (premium), capitalized interest, and preferred stock dividends. We use fixed charge coverage to measure our liquidity. We believe that fixed charge coverage is relevant and useful to investors because it allows fixed income investors to measure our ability to make interest payments on outstanding debt and make distributions/dividends to preferred unitholders/stockholders. Our computation of fixed charge coverage is not calculated in accordance with applicable SEC rules and may not be comparable to fixed charge coverage reported by other companies.

Notes and Definitions

(continued)

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General and Administrative Expenses ("G&A") were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Gross overhead	\$ 115,687	\$ 109,485	\$ 334,692	\$ 344,669
Allocated to rental expenses	(9,183)	(7,141)	(25,248)	(22,761)
Allocated to strategic capital expenses	(21,714)	(22,442)	(62,190)	(74,442)
Capitalized amounts	(25,415)	(21,699)	(74,564)	(65,685)
G&A expenses	\$ 59,375	\$ 58,203	\$ 172,690	\$ 181,781

We capitalize certain costs directly related to our development and leasing activities. Capitalized G&A expenses include salaries and related costs as well as other G&A costs. The capitalized costs were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Development activities	\$ 18,752	\$ 17,058	\$ 55,423	\$ 51,322
Leasing activities	5,588	4,296	15,877	13,418
Costs related to internally developed software	1,075	345	3,264	945
Total capitalized G&A	\$ 25,415	\$ 21,699	\$ 74,564	\$ 65,685

G&A as a Percent of Assets Under Management (in thousands):

Net G&A - midpoint of 2015 guidance range (a)	\$ 238,000
Add: estimated 2015 strategic capital expenses	89,000
Less: estimated 2015 strategic capital property management expenses	(42,000)
Adjusted G&A, using 2015 guidance amounts	\$ 285,000
Gross book value at period end (b):	
Operating properties	\$ 46,510,381
Development portfolio - TEI	3,500,628
Land portfolio	1,772,276
Other real estate investments, assets held for sale and note receivable backed by real estate	867,199
Total Gross Book Value of Assets Under Management	\$ 52,650,484

G&A as % of Assets Under Management 0.54%

(a) This amount represents the 2015 guidance provided in this Supplemental Package.

(b) This amount does not represent enterprise value.

Interest Expense consisted of the following (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Gross interest expense	\$ 102,835	\$ 82,870	\$ 287,655	\$ 282,209
Amortization of discount (premium), net	(11,489)	(2,590)	(32,155)	(12,538)
Amortization of deferred loan costs	3,604	3,827	9,884	10,447
Interest expense before capitalization	94,950	84,107	265,384	280,118
Capitalized amounts	(13,915)	(15,021)	(46,686)	(45,325)
Interest expense	\$ 81,035	\$ 69,086	\$ 218,698	\$ 234,793

Investment Capacity is our estimate of the gross real estate, which could be acquired by our co-investment ventures through the use of existing equity commitments from us and our partners up to the ventures maximum leverage limits.

Market Classification

- Global Markets** feature large population centers with high per-capita consumption and are located near major seaports, airports, and ground transportation systems.
- Regional Markets** benefit from large population centers but typically are not as tied to the global supply chain, but rather serve local consumption and are often less supply constrained. Markets included as regional markets include: Austin, Charlotte, Cincinnati, Columbus, Denver, Hungary, Indianapolis, Juarez, Las Vegas, Louisville, Memphis, Nashville, Orlando, Phoenix, Portland, Reno, Reynosa, San Antonio, Slovakia, Sweden and Tijuana.
- Other Markets** represent a small portion of our portfolio that is located outside global and regional markets. These markets include: Austria, Boston, Jacksonville, Kansas City, Norfolk, Salt Lake City, Savannah and Tampa.

Net Asset Value ("NAV"). We consider NAV to be a useful supplemental measure of our operating performance because it enables both management and investors to estimate the fair value of our business. The assessment of the fair value of a particular segment of our business is subjective in that it involves estimates and can be calculated using various methods. Therefore, we have presented the financial results and investments related to our business segments that we believe are important in calculating our NAV but have not presented any specific methodology nor provided any guidance on the assumptions or estimates that should be used in the calculation.

The components of NAV do not consider the potential changes in rental and fee income streams or the franchise value associated with our global operating platform, strategic capital platform, or development platform.

Net Effective Rent is calculated at the beginning of the lease using the estimated total cash to be received over the term of the lease (including base rent and expense reimbursements) and annualized. Amounts derived in a currency other than the U.S. Dollar have been translated using the average rate from the previous twelve months. The per square foot number is calculated by dividing the annualized net effective rent by the occupied square feet of the lease.

Net Effective Rent Change (Cash) represents Net Effective Rent Change (GAAP) adjusted to exclude certain non-cash items including straight-line rent adjustments and adjustments related to purchase accounting to reflect leases at fair value at the time of acquisition.

Net Effective Rent Change (GAAP) represents the change on operating portfolio properties in net effective rental rates (average rate over the lease term) on new and renewed leases signed during the period as compared with the previous effective rental rates in that same space.

Net Operating Income ("NOI") represents rental income less rental expenses.

Noncontrolling Interest. The following table includes information for each entity we consolidate and in which we own less than 100% (dollars in thousands):

	Ownership Percentage	Noncontrolling Interest	Real Estate	Debt
Prologis U.S. Logistics Venture	55.0%	\$ 2,697,369	\$ 6,508,973	\$ 729,232
Prologis North American Industrial Fund	66.1%	523,817	2,616,676	1,114,579
Brazil Fund	50.0%	47,245	-	-
Other consolidated entities	various	102,994	1,006,607	16,150
Limited partners in the Operating Partnership		181,976	-	-
Noncontrolling interests		\$ 3,553,401	\$ 10,132,256	\$ 1,859,961

Operating Portfolio includes stabilized industrial properties in our owned and managed portfolio. A developed property moves into the Operating Portfolio when it meets Stabilization.

Pro-Rata Balance Sheet and Operating Information. The consolidated amounts shown are derived from and prepared on a consistent basis with our consolidated financial statements and are adjusted to remove the amounts attributable to non-controlling interests. The Prologis share of unconsolidated co-investment ventures column was derived on an entity-by-entity basis by applying our ownership percentage to each line item to calculate our share of that line item. For purposes of balance sheet data, we used our ownership percentage at the end of the period and for operating information, we used our average ownership percentage for the period, consistent with how we calculate our share of net earnings (loss) during the period. We used a similar calculation to derive the noncontrolling interests' share of each line item. In order to present the total owned and managed portfolio, we added our investors' share of each line item in the unconsolidated co-investment ventures and the noncontrolling interests share of each line item to the Prologis Total Share.

Prologis Share represents our proportionate economic ownership of each entity included in our total owned and managed portfolio.

Rental Income included the following (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Rental income	\$ 395,938	\$ 273,503	\$ 1,062,954	\$ 859,812
Amortization of lease intangibles	(318)	(6,803)	(9,447)	(21,777)
Rental expense recoveries	114,639	80,136	312,510	254,310
Straight-lined rents	22,496	8,986	46,984	32,990
	\$ 532,755	\$ 355,822	\$ 1,413,001	\$ 1,125,335

Same Store. We evaluate the operating performance of the operating properties we own and manage using a "Same Store" analysis because the population of properties in this analysis is consistent from period to period, thereby eliminating the effects of changes in the composition of the portfolio on performance measures. We include the properties included in our owned and managed portfolio that were in operation (including development properties that have been completed and available for lease) at January 1, 2014 and throughout the full periods in both 2014 and 2015. We have removed all properties that were disposed of to a third party from the population for both periods. We believe the factors that impact rental income, rental expenses and NOI in the Same Store portfolio are generally the same as for the total operating portfolio. In order to derive an appropriate measure of period-to-period operating performance, we remove the effects of foreign currency exchange rate movements by using the current exchange rate to translate from local currency into U.S. dollars, for both periods.

Our same store measures are non-GAAP measures that are commonly used in the real estate industry and are calculated beginning with rental income and rental expenses from the financial statements prepared in accordance with GAAP. It is also common in the real estate industry and expected from the analyst and investor community that these numbers be further adjusted to remove certain non-cash items included in the financial statements prepared in accordance with GAAP to reflect a cash same store number. In order to clearly label these metrics, we call one Same Store NOI - GAAP and one Same Store NOI-Adjusted Cash. As these are non-GAAP measures they have certain limitations as an analytical tool and may vary among real estate companies. As a result, we provide a reconciliation from our financial statements prepared in accordance with GAAP to Same Store NOI-GAAP and then to Same Store NOI-Adjusted Cash with explanations of how these metrics are calculated and adjusted.

The following is a reconciliation of our consolidated rental income, rental expenses and NOI, as included in the Consolidated Statements of Operations, to the respective amounts in our Same Store portfolio analysis (dollars in thousands):

	Three Months Ended September 30,		
	2015	2014	Change (%)
Rental Income:			
Per the Consolidated Statements of Operations	\$ 532,755	\$ 355,822	
Properties not included and other adjustments (a)	(147,104)	(46,967)	
Unconsolidated Co-Investment Ventures	409,489	451,005	
Same Store - Rental Income	\$ 795,140	\$ 759,860	4.6%
Rental Expense:			
Per the Consolidated Statements of Operations	\$ 139,905	\$ 102,324	
Properties not included and other adjustments (b)	(27,882)	(10,566)	
Unconsolidated Co-Investment Ventures	91,284	102,664	
Same Store - Rental Expense	\$ 203,307	\$ 194,422	4.6%
NOI-GAAP:			
Per the Consolidated Statements of Operations	\$ 392,850	\$ 253,498	
Properties not included and other adjustments	(119,222)	(36,401)	
Unconsolidated Co-Investment Ventures	318,205	348,341	
Same Store - NOI - GAAP	\$ 591,833	\$ 565,438	4.7%
Same Store - NOI - GAAP - Prologis Share (c)	\$ 353,092	\$ 332,421	6.2%
NOI-Adjusted Cash:			
Same store - NOI - GAAP	\$ 591,833	\$ 565,438	
Adjustments (d)	(11,809)	(5,806)	
Same Store - NOI - Adjusted Cash	\$ 580,024	\$ 559,632	3.6%
Same Store - NOI - Adjusted Cash - Prologis Share (c)	\$ 345,367	\$ 330,607	4.5%

(a) To calculate Same Store rental income, we exclude the net termination and renegotiation fees to allow us to evaluate the growth or decline in each property's rental income without regard to items that are not indicative of the property's recurring operating performance.

(b) To calculate Same Store rental expense, we include an allocation of the property management expenses for our consolidated properties based on the property management fee that is provided for in the individual management agreements under which our wholly owned management companies provide property management services (generally the fee is based on a percentage of revenue). On consolidation, the management fee income and expenses are eliminated and the actual cost of providing property management services is recognized.

- (c) *Prologis share of Same Store* is calculated using the underlying building information from the *Same Store NOI GAAP and Adjusted Cash calculations and applying our ownership percentage as of September 30, 2015 to the NOI of each building for both periods.*
- (d) *In order to derive Same Store- NOI - Adjusted Cash, we adjust Same Store- NOI- GAAP to exclude non-cash items included in our rental income in our GAAP financial statements, including straight line rent adjustments and adjustments related to purchase accounting to reflect leases at fair value at the time of acquisition.*

Same Store Average Occupancy represents the average occupied percentage of the Same Store portfolio for the period.

Stabilization is defined when a property that was developed has been completed for one year or is 90% occupied. Upon stabilization, a property is moved into our Operating Portfolio.

Stabilized capitalization rate equals "stabilized NOI" divided by the "total acquisition cost". Stabilized NOI equals the estimated twelve months of potential gross rental revenue (base rent, including above or below market rents plus operating expense reimbursements) multiplied by 95% to adjust income to a stabilized vacancy factor of 5%, minus estimated operating expenses. The total acquisition cost comprises the purchase price plus 1) transaction closing costs, 2) all due diligence costs, 3) immediate capital expenditures (including two years of property improvements and all leasing commissions and tenant improvements required to stabilize the property), 4) the effects of marking assumed debt to market and 5) the net present value of free rent, if applicable.

Strategic Capital NOI represents strategic capital income less strategic capital expenses.

Tenant Retention is the square footage of all leases rented by existing tenants divided by the square footage of all expiring and rented leases during the reporting period, excluding the square footage of tenants that default or buy-out prior to expiration of their lease, short-term tenants and the square footage of month-to-month leases.

Total Expected Investment ("TEI") represents total estimated cost of development or expansion, including land, development and leasing costs. TEI is based on current projections and is subject to change. Non-U.S. dollar investments are translated to U.S. dollars using the exchange rate at period end or the date of development start for purposes of calculating development starts in any period.

Turnover Costs represent the costs incurred in connection with the signing of a lease, including leasing commissions and tenant improvements. Tenant improvements include costs to prepare a space for a new tenant and for a lease renewal with the same tenant. It excludes costs to prepare a space that is being leased for the first time (i.e. in a new development property).

Value-Added Acquisitions are properties we acquire for which we believe the discount in pricing attributed to the operating challenges could provide greater returns post-stabilization than the returns of stabilized properties that are not Value-Added Acquisitions. Value Added Acquisitions must have one or more of the following characteristics: (i) existing vacancy in excess of 20%; (ii) short term lease roll-over, typically during the first two years of ownership; (iii) significant capital improvement requirements in excess of 10% of the purchase price that must be invested within the first two years of ownership.

Value-Added Conversions represent the repurposing of industrial properties to a higher and better use, including office, residential, retail, research and development, data center, self storage or manufacturing with the intent to ultimately sell the property once repositioned. Activities required to prepare the property for conversion to a higher and better use may include such activities as re-zoning, re-designing, re-constructing, and re-tenanting. The economic gain on sales of value added

conversions represents the amount by which the sales proceeds exceeds the amount included in NAV for the disposed property.

Value Creation represents the value that we will create through our development and leasing activities. We calculate value creation by estimating the NOI that the property will generate at Stabilization and applying an estimated stabilized capitalization rate applicable to that property. The value creation is calculated as the amount by which the estimated value exceeds our total expected investment and does not include any fees or promotes we may earn. This can also include realized economic gains from value-added conversion properties.

Weighted Average Estimated Stabilized Yield is calculated as NOI assuming stabilized occupancy divided by Acquisition Cost or TEI, as applicable.

