

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): April 19, 2016

**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))
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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 April 19, 2016, Prologis, Inc., the general partner of Prologis, L.P., issued a press release announcing first quarter 2016 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	Supplemental information, dated April 19, 2016.
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99.2	Press release, dated April 19, 2016.
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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.

April 19, 2016

By: /s/ Thomas S. Olinger

Name: Thomas S. Olinger

Title: Chief Financial Officer

PROLOGIS, L.P.,


April 19, 2016

By: Prologis, Inc., its general partner

By: /s/ Thomas S. Olinger

Name: Thomas S. Olinger

Title: Chief Financial Officer



First Quarter 2016

Prologis Earnings Release and Supplemental Information

Unaudited

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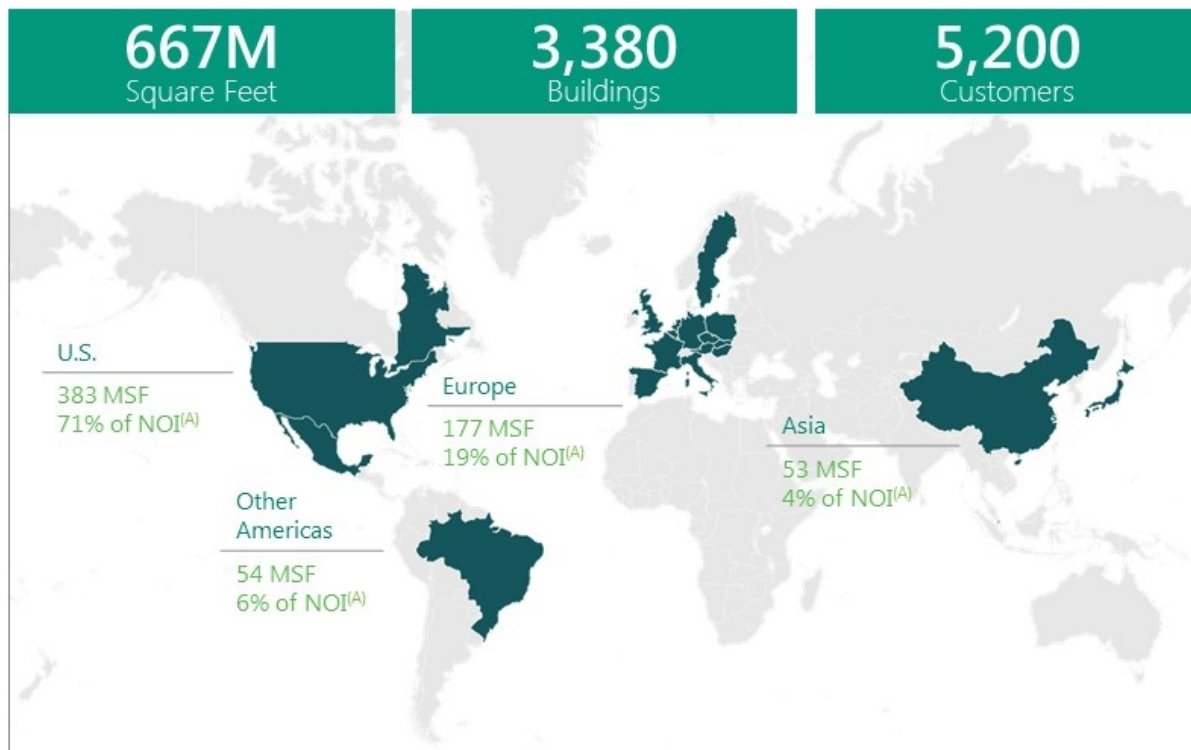
Net Asset Value

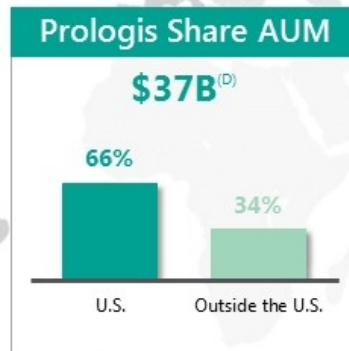
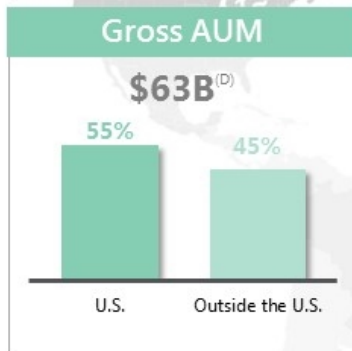
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Prologis, Inc., is the global leader in logistics real estate with a focus on high-barrier, high-growth markets. As of March 31, 2016, the company owned or had investments in, on a wholly owned basis or through co-investment ventures, properties and development projects expected to total approximately 667 million square feet (62 million square meters) in 20 countries. Prologis leases modern distribution facilities to a diverse base of approximately 5,200 customers across two major categories: business-to-business and retail/online fulfillment.



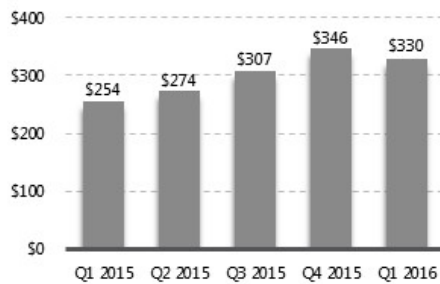


(A) 1Q 2016 Prologis share of NOI annualized.
 (B) 1Q 2016 third-party asset management fees annualized plus trailing twelve month third party transaction fees and net promotes.
 (C) Prologis share of trailing twelve month estimated value creation from development starts.
 (D) Mexico is included in the U.S. as it is U.S. dollar functional.

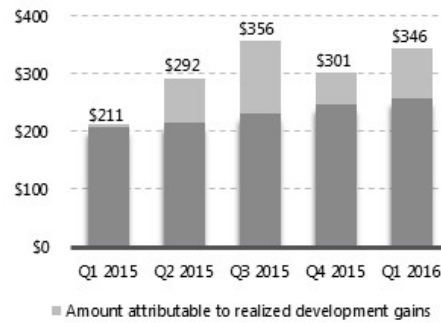
dollars in millions, except per share unit/data

	Three Months ended March 31,	
	2016	2015
Revenues	\$ 606	\$ 463
Revenues - Prologis share	677	579
Net earnings attributable to common stockholders	208	345
Core FFO	330	254
AFFO	346	211
Adjusted EBITDA	549	367
Estimated value creation from development starts - Prologis share	39	46
Common stock dividends and common limited partnership unit distributions	230	189
Per common share - diluted:		
Net earnings attributable to common stockholders	\$ 0.39	\$ 0.65
Core FFO	0.61	0.49
AFFO	0.64	0.41
Business line reporting:		
Real estate operations	0.57	0.45
Strategic capital	0.04	0.04
Core FFO	0.61	0.49
Realized development gains, net of taxes	0.16	0.01
Dividends and distributions per common share/unit	0.42	0.36

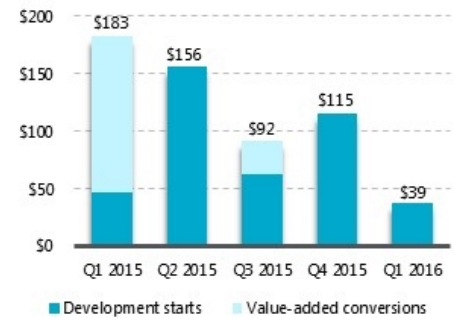
Core FFO



AFFO

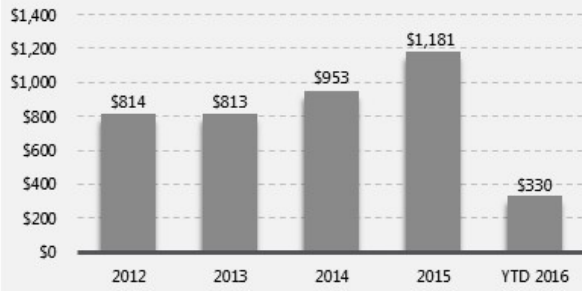


Estimated Value Creation



(in millions)

Core FFO



AFFO



Estimated Value Creation



Asset Management Fees and Net Promotes



dollars in millions, except per share

2016 Guidance	Low	High
Net earnings (A)(B)(C)	\$ 0.87	\$ 0.95
Core FFO (A)(B)(C)	\$ 2.50	\$ 2.60
AFFO	\$ 2.40	\$ 2.50
Operations		
Year-end occupancy	96.0%	97.0%
Same store NOI - GAAP increase - Prologis share	4.0%	4.5%
Other Assumptions		
Strategic capital revenue- without promote income	\$ 180	\$ 190
Net promote income	\$ 90	\$ 100
General & administrative expenses	\$ 218	\$ 228
Realized development gains	\$ 150	\$ 200
Annualized first quarter 2016 dividend		\$ 1.68
Capital Deployment - Prologis Share		
Development stabilizations (80% Prologis share)	\$ 2,000	\$ 2,200
Development starts (80% Prologis share)	\$ 1,800	\$ 2,300
Building acquisitions (40% Prologis share)	\$ 400	\$ 700
Building and land dispositions (75% Prologis share)	\$ 1,700	\$ 2,200
Building contributions (75% Prologis share)	\$ 900	\$ 1,200

Exchange Rates

We have hedged the rates for the majority of our estimated 2016 Euro, Sterling and Yen Core FFO, effectively insulating 2016 results from any FX movements. For purposes of capital deployment and other metrics, we assumed effective rates for EUR, GBP and JPY of 1.10 (\$/€), 1.40 (\$/£) and 110 (¥/\$), respectively.

(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) Net promote guidance range is \$0.17 to \$0.19 per share.

(C) Core FFO and earnings guidance excludes any potential future gains (losses) recognized from real estate transactions.



In thousands	March 31, 2016	December 31, 2015
Assets:		
Investments in real estate properties:		
Operating properties	\$ 23,788,600	\$ 23,735,745
Development portfolio	1,923,362	1,872,903
Land	1,341,600	1,359,794
Other real estate investments	575,118	552,926
	27,628,680	27,521,368
Less accumulated depreciation	3,424,143	3,274,284
Net investments in real estate properties	24,204,537	24,247,084
Investments in and advances to unconsolidated entities	4,866,664	4,755,620
Assets held for sale	431,332	378,423
Notes receivable backed by real estate	37,550	235,050
Net investments in real estate	29,540,083	29,616,177
Cash and cash equivalents	369,737	264,080
Other assets	1,465,928	1,514,510
Total assets	\$ 31,375,748	\$ 31,394,767
Liabilities and Equity:		
Liabilities:		
Debt	\$ 11,687,171	\$ 11,626,831
Accounts payable, accrued expenses and other liabilities	1,347,953	1,347,100
Total liabilities	13,035,124	12,973,931
Equity:		
Stockholders' equity:		
Preferred stock	78,235	78,235
Common stock	5,251	5,245
Additional paid-in capital	19,311,795	19,302,367
Accumulated other comprehensive loss	(813,900)	(791,429)
Distributions in excess of net earnings	(3,948,720)	(3,926,483)
Total stockholders' equity	14,632,661	14,667,935
Noncontrolling interests	3,264,088	3,320,227
Noncontrolling interests - limited partnership unitholders	443,875	432,674
Total equity	18,340,624	18,420,836
Total liabilities and equity	\$ 31,375,748	\$ 31,394,767

in thousands	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	\$ 23,788,600	\$ (3,637,329)	\$ 7,358,153	\$ 27,509,424	\$ 16,164,163	\$ 3,637,329	\$ 47,310,916
Other real estate	4,308,962	(24,819)	227,983	4,312,126	548,897	224,819	5,085,842
Accumulated depreciation	(3,424,143)	150,581	(681,661)	(3,955,223)	(1,492,409)	(150,581)	(5,598,213)
Net investments in real estate properties	24,673,419	(3,711,567)	6,904,475	27,866,327	15,220,651	3,711,567	46,798,545
Investments in unconsolidated co-investment ventures	4,711,977	(52,092)	(4,979,360)	(319,475)	-	52,092	(267,383)
Investments in other unconsolidated ventures	154,687	(8,315)	-	146,372	-	8,315	154,687
Other assets	1,835,665	(263,919)	255,816	1,827,562	985,511	263,919	3,076,992
Total assets	\$ 31,375,748	\$ (4,035,893)	\$ 2,180,931	\$ 29,520,786	\$ 16,206,162	\$ 4,035,893	\$ 49,762,841
Liabilities and Equity:							
Liabilities:							
Debt	\$ 11,687,171	\$ (694,247)	\$ 1,731,612	\$ 12,724,536	\$ 4,664,079	\$ 694,247	\$ 18,082,862
Other liabilities	1,347,953	(77,558)	449,319	1,719,714	910,388	77,558	2,707,660
Total liabilities	13,035,124	(771,805)	2,180,931	14,444,250	5,574,467	771,805	20,790,522
Equity:							
Stockholders' / partners' equity	14,632,661	-	-	14,632,661	10,631,695	3,264,088	28,528,444
Noncontrolling interests	3,264,088	(3,264,088)	-	-	-	-	-
Noncontrolling interests - limited partnership unit holders	443,875	-	-	443,875	-	-	443,875
Total equity	18,340,624	(3,264,088)	-	15,076,536	10,631,695	3,264,088	28,972,319
Total liabilities and equity	\$ 31,375,748	\$ (4,035,893)	\$ 2,180,931	\$ 29,520,786	\$ 16,206,162	\$ 4,035,893	\$ 49,762,841

In thousands, except per share amounts

	Three Months Ended March 31,	
	2016	2015
Revenues:		
Rental	\$ 554,116	\$ 418,802
Strategic capital	49,666	42,025
Development management and other	2,518	2,020
Total revenues	606,300	462,847
Expenses:		
Rental	146,581	127,095
Strategic capital	25,293	25,182
General and administrative	50,543	51,306
Depreciation and amortization	250,000	169,808
Other	4,685	5,575
Total expenses	477,102	378,966
Operating income	129,198	83,881
Other income (expense):		
Earnings from unconsolidated entities, net	58,311	31,042
Interest expense	(80,812)	(68,761)
Gains on dispositions of development properties and land, net	93,985	831
Gains on dispositions of real estate, net (excluding development properties and land)	50,332	276,884
Foreign currency and derivative gains (losses) and interest and other income (expense), net	(11,620)	45,615
Losses on early extinguishment of debt, net	(1,052)	(16,289)
Total other income	109,144	269,322
Earnings before income taxes	238,342	353,203
Current income tax expense	(16,156)	(839)
Deferred income tax benefit (expense)	619	(1,052)
Consolidated net earnings	222,805	351,312
Net earnings attributable to noncontrolling interests	(3,075)	(4,436)
Net earnings attributable to controlling interests	209,730	346,876
Preferred stock dividends	(1,689)	(1,670)
Net earnings attributable to common stockholders	\$ 208,041	\$ 345,206
Weighted average common shares outstanding - Diluted	543,562	529,022
Net earnings per share attributable to common stockholders - Diluted	\$ 0.39	\$ 0.65

in thousands	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	\$ 554,116	\$ (83,119)	\$ 152,334	\$ 623,331	\$ 322,210	\$ 83,119	\$ 1,028,660
Strategic capital	49,666	-	672	50,338	672	-	51,010
Development management and other	2,518	(59)	649	3,108	890	59	4,057
Total revenues	606,300	(83,178)	153,655	676,777	323,772	83,178	1,083,727
Expenses:							
Rental	146,581	(22,003)	33,674	158,252	75,502	22,003	255,757
Strategic capital	25,293	-	-	25,293	-	-	25,293
General and administrative	50,543	(5,460)	11,506	56,589	23,115	5,460	85,164
Depreciation and amortization	250,000	(45,593)	50,423	254,830	109,399	45,593	409,822
Other	4,685	-	2,436	7,121	552	-	7,673
Total expenses	477,102	(73,056)	98,039	502,085	208,568	73,056	783,709
Operating income	129,198	(10,122)	55,616	174,692	115,204	10,122	300,018
Earnings from unconsolidated co-investment ventures, net	47,192	(1,302)	(45,890)	-	-	1,302	1,302
Earnings from other unconsolidated joint ventures, net	11,119	-	-	11,119	-	-	11,119
Interest expense	(80,812)	4,792	(14,950)	(90,970)	(36,550)	(4,792)	(132,312)
Gains on dispositions of development properties and land, net	93,985	(90)	216	94,111	244	90	94,445
Gains on dispositions of real estate, net (excluding development properties and land)	50,332	916	10,423	61,771	24,147	(916)	84,902
Foreign currency and derivative gains (losses) and interest and other income (expense), net	(11,620)	(664)	(262)	(12,546)	(613)	664	(12,495)
Losses on early extinguishment of debt, net	(1,052)	-	(1,544)	(2,596)	(2,833)	-	(5,429)
Current income tax expense	(16,156)	191	(5,768)	(21,733)	(8,267)	(191)	(30,191)
Deferred income tax benefit	619	(562)	2,159	2,216	2,159	562	4,937
Consolidated net earnings	222,805	(6,841)	-	215,964	93,491	6,841	316,296
Net earnings attributable to noncontrolling interests	(6,841)	6,841	-	-	-	-	-
Net earnings attributable to limited partnership unitholders	(6,234)	-	-	(6,234)	-	-	(6,234)
Preferred stock dividends	(1,689)	-	-	(1,689)	-	-	(1,689)
Net earnings attributable to common stockholders	\$ 208,041	\$ -	\$ -	\$ 208,041	\$ 93,491	\$ 6,841	\$ 308,373

in thousands	Three Months Ended March 31,	
	2016	2015
Net earnings attributable to common stockholders	\$ 208,041	\$ 345,206
Add (deduct) NAREIT defined adjustments:		
Real estate related depreciation and amortization	243,592	164,251
Gains on dispositions of real estate, net (excluding development properties and land)	(50,332)	(276,884)
Reconciling items related to noncontrolling interests	(40,275)	(11,512)
Our share of reconciling items related to unconsolidated co-investment ventures	40,000	47,372
Our share of reconciling items related to other unconsolidated ventures	(2,506)	1,721
Subtotal-NAREIT defined FFO	\$ 398,520	\$ 270,154
Add (deduct) our defined adjustments:		
Unrealized foreign currency and derivative losses (gains), net	15,328	(32,860)
Deferred income tax benefit (expense)	(619)	1,052
Reconciling items related to noncontrolling interests	483	(1,568)
Our share of reconciling items related to unconsolidated co-investment ventures	(1,974)	1,949
FFO, as defined by Prologis	\$ 411,738	\$ 238,727
Adjustments to arrive at Core FFO:		
Net gain on dispositions of development properties and land, net of taxes	(85,662)	(3,234)
Acquisition expenses	1,261	1,304
Losses on early extinguishment of debt, net	1,052	16,289
Reconciling items related to noncontrolling interests	90	(2,029)
Our share of reconciling items related to unconsolidated entities	1,154	3,322
Core FFO	\$ 329,633	\$ 254,379
Adjustments to arrive at Adjusted FFO ("AFFO"), including our share of unconsolidated co-investment ventures less third party share of consolidated entities:		
Net gains on dispositions of development properties and land, net of taxes	85,662	3,234
Straight-lined rents and amortization of lease intangibles	(31,561)	(4,832)
Property improvements	(7,257)	(11,470)
Tenant improvements	(20,289)	(18,334)
Leasing commissions	(21,280)	(12,426)
Amortization of management contracts	916	944
Amortization of debt premiums and financing costs, net	(5,391)	(6,419)
Stock compensation expense	12,465	13,234
Reconciling items related to noncontrolling interests	17,441	7,782
Our share of reconciling items related to unconsolidated co-investment ventures	(14,664)	(14,768)
AFFO	\$ 345,675	\$ 211,324
Common stock dividends and common limited partnership unit distributions	\$ 230,279	\$ 188,915
Payout ratio - AFFO	67%	89%
Payout ratio - AFFO, excluding development gains	89%	91%

in thousands	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	
Net earnings attributable to common stockholders	\$ 208,041	\$ -	\$ -	\$ 208,041	\$ 93,491	\$ 6,841	\$ 308,373
Add (deduct) adjustments to arrive at FFO, as defined by Prologis							
Real estate related depreciation and amortization	243,592	(45,593)	50,423	248,422	109,399	45,593	403,414
Gains on dispositions of real estate, net (excluding development properties and land)	(50,332)	(916)	(10,423)	(61,671)	(24,147)	916	(84,902)
Unrealized foreign currency and derivative losses (gains), net	15,328	(79)	185	15,434	495	79	16,008
Deferred income tax benefit	(619)	562	(2,159)	(2,216)	(2,159)	(562)	(4,937)
Reconciling items related to noncontrolling interests	(46,026)	46,026	-	-	-	-	-
Reconciling items related to noncontrolling interests - limited partnership unitholders	6,234	-	-	6,234	-	-	6,234
Our share of reconciling items related to unconsolidated co-investment ventures	38,026	-	(38,026)	-	-	-	-
Our share of reconciling items related to other unconsolidated ventures	(2,506)	-	-	(2,506)	-	-	(2,506)
FFO, as defined by Prologis	\$ 411,738	\$ -	\$ -	\$ 411,738	\$ 177,079	\$ 52,867	\$ 641,684
Adjustments to arrive at Core FFO:							
Dispositions of development properties and land, net of taxes	(85,662)	90	495	(85,077)	578	(90)	(84,589)
Acquisition expenses	1,261	-	425	1,686	919	-	2,605
Losses on early extinguishment of debt and repurchase of preferred stock, net	1,052	-	1,544	2,596	2,833	-	5,429
Reconciling items related to noncontrolling interests	90	(90)	-	-	-	-	-
Our share of reconciling items related to unconsolidated co-investment ventures	2,464	-	(2,464)	-	-	-	-
Our share of reconciling items related to other unconsolidated ventures	(1,310)	-	-	(1,310)	-	-	(1,310)
Core FFO	\$ 329,633	\$ -	\$ -	\$ 329,633	\$ 181,409	\$ 52,777	\$ 563,819
Adjustments to arrive at AFFO:							
Net gains on dispositions of development properties and land, net of taxes	85,662	(90)	(495)	85,077	(578)	90	84,589
Straight-lined rents and amortization of lease intangibles	(31,561)	8,462	(4,797)	(27,896)	(8,722)	(8,462)	(45,080)
Property improvements	(7,257)	936	(4,363)	(10,684)	(7,484)	(936)	(19,104)
Tenant improvements	(20,289)	1,747	(2,761)	(21,303)	(6,110)	(1,747)	(29,160)
Leasing Commissions	(21,280)	3,420	(2,148)	(20,008)	(5,256)	(3,420)	(28,684)
Amortization of management contracts	916	-	-	916	-	-	916
Amortization of debt premiums and financing costs, net	(5,391)	2,966	(100)	(2,525)	1,090	(2,966)	(4,401)
Stock compensation expense	12,465	-	-	12,465	-	-	12,465
Reconciling items related to noncontrolling interests	17,441	(17,441)	-	-	-	-	-
Our share of reconciling items related to unconsolidated co-investment ventures	(14,664)	-	14,664	-	-	-	-
AFFO	\$ 345,675	\$ -	\$ -	\$ 345,675	\$ 154,349	\$ 35,336	\$ 535,360

In the us ands	Three Months Ended March 31,	
	2016	2015
Net earnings attributable to common stockholders	\$ 208,041	\$ 345,206
Gains on dispositions of real estate, net (excluding development properties and land)	(50,332)	(276,884)
Depreciation and amortization expenses	250,000	169,808
Interest expense	80,812	68,761
Losses on early extinguishment of debt, net	1,052	16,289
Current and deferred income tax expense, net	15,537	1,891
Reconciling items related to noncontrolling interests - limited partnership unitholders	6,234	1,282
Pro forma adjustments	(5,935)	740
Preferred stock dividends	1,689	1,670
Unrealized foreign currency and derivative losses (gains), net	15,328	(32,860)
Stock compensation expense	12,465	13,234
Acquisition expenses	1,261	1,304
Adjusted EBITDA, consolidated	\$ 536,152	\$ 310,441
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)	(11,339)	5
Depreciation and amortization expenses	5,216	38,181
Interest expense	10,158	13,773
Losses on early extinguishment of debt, net	1,544	342
Current income tax expense	5,577	2,189
Unrealized foreign currency and derivative losses (gains) and deferred income tax expense, net	1,491	381
Acquisition expenses	425	1,966
Adjusted EBITDA	\$ 549,224	\$ 367,278

Co-Investment Ventures	Type	Established	Accounting Method	Region	Ownership	Structure	Next Promote Opportunity
Prologis U.S. Logistics Venture	Core	2014	Consolidated	U.S.	55.0%	Open end	Q4 2016
Prologis North American Industrial Fund	Core	2006	Consolidated	U.S.	66.1%	Open end	Q1 2018
Prologis Targeted U.S. Logistics Fund	Core	2004	Unconsolidated	U.S.	22.5%	Open end	Q2 2017
FIBRA Prologis	Core	2014	Unconsolidated	Mexico	45.9%	Public, Mexican Exchange	Q2 2016
Brazil Fund and joint ventures	Core/Development	2010	Unconsolidated	Brazil	various	Closed end	Q4 2017
Prologis Targeted Europe Logistics Fund	Core	2007	Unconsolidated	Europe	40.0%	Open end	Q3 2016
Prologis European Properties Fund II	Core	2007	Unconsolidated	Europe	31.1%	Open end	Q3 2016
Europe Logistics Venture I	Core	2011	Unconsolidated	Europe	15.0%	Open end	Q4 2018
Prologis European Logistics Partners	Core	2013	Unconsolidated	Europe	50.0%	Open end	Q4 2018
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

In thousands

	Venture			Prologis Share		Prologis Investment
	Square Feet	GBV of Operating Bldgs	Debt	Net Tangible Other Assets	Debt	
Unconsolidated Co-Investment Ventures						
Prologis Targeted U.S. Logistics Fund	49,573	\$ 4,638,134	\$ 1,446,618	\$ 45,849	\$ 325,344	\$ 688,415
FIBRA Prologis (A)	32,396	1,872,816	659,293	24,506	302,483	566,477
Brazil Fund and joint ventures	6,983	416,031	-	18,285	-	250,079
Prologis Targeted Europe Logistics Fund	22,111	2,287,120	610,771	23,793	244,492	486,226
Prologis European Properties Fund II	71,436	5,354,744	1,899,867	44,412	590,859	427,307
Europe Logistics Venture I	5,622	404,520	-	1,465	-	53,608
Prologis European Logistics Partners	59,364	4,108,410	-	26,449	-	1,792,148
Nippon Prologis REIT (A)	23,179	3,989,546	1,563,268	25,889	236,053	343,658
Prologis China Logistics Venture	8,816	450,995	215,874	8,607	32,381	104,059
Unconsolidated Co-Investment Ventures Total	279,480	23,522,316	6,395,691	219,255	1,731,612	4,711,977
Consolidated Co-Investment Ventures						
Prologis U.S. Logistics Venture	71,049	6,004,941	719,248	15,352	395,874	3,195,437
Prologis North American Industrial Fund	42,480	2,540,365	1,078,543	18,356	713,348	949,613
Consolidated Co-Investment Ventures Total	113,529	8,545,306	1,797,791	33,708	1,109,222	4,145,050
Total	393,009	\$ 32,067,622	\$ 8,193,482	\$ 252,963	\$ 2,840,834	\$ 8,857,027

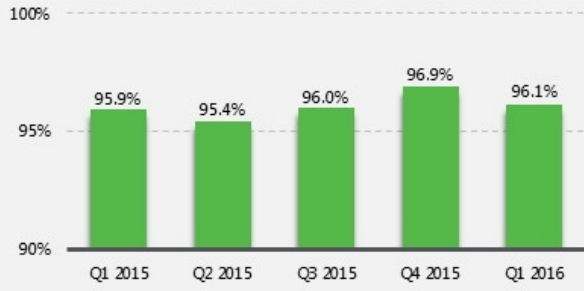


(A) Throughout this document we use the most recent public information for these co-investment ventures.

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dollars in thousands	U.S.	Other Americas	Europe	Asia	Total
Core FFO and Net Earnings					
For the Three Months Ended March 31, 2016					
Rental revenue	\$ 97,961	\$ 56,414	\$ 244,319	\$ 75,850	\$ 474,544
Rental expenses	(29,667)	(7,581)	(55,342)	(16,586)	(109,176)
Net operating income from properties	68,294	48,833	188,977	59,264	365,368
Other income (expense), net	(122)	1,768	1,122	(1,724)	1,044
General and administrative expenses	(5,188)	(6,468)	(14,383)	(8,582)	(34,621)
Interest expense	(15,935)	(7,043)	(20,701)	(7,821)	(51,500)
Current income tax expense	(138)	(1,199)	(10,353)	(812)	(12,502)
Core FFO	46,911	35,891	144,662	40,325	267,789
Acquisition expenses, gains on dispositions of development properties and land and early extinguishment of debt, net	(484)	(2,968)	(3,342)	-	(6,794)
FFO, as defined by Prologis	46,427	32,923	141,320	40,325	260,995
Real estate related depreciation and amortization	(40,355)	(18,743)	(82,681)	(18,043)	(159,822)
Gains on dispositions of real estate, net (excluding development properties and land)	24,503	-	10,067	-	34,570
Unrealized foreign currency and derivative losses, net	-	(282)	(192)	(206)	(680)
Deferred tax benefit, net	-	-	4,318	-	4,318
Net earnings	\$ 30,575	\$ 13,898	\$ 72,832	\$ 22,076	\$ 139,381
Prologis' Share of Core FFO and Net Earnings					
For the Three Months Ended March 31, 2016					
AFFO from unconsolidated co-investment ventures, net	\$ 7,813	\$ 10,149	\$ 49,097	\$ 5,959	\$ 73,018
Core FFO from unconsolidated co-investment ventures, net	\$ 10,356	\$ 14,930	\$ 56,253	\$ 6,143	\$ 87,682
Fees earned by Prologis	8,995	5,365	22,019	12,599	48,978
Total Core FFO recognized by Prologis, net	\$ 19,351	\$ 20,295	\$ 78,272	\$ 18,742	\$ 136,660
Prologis' share of the unconsolidated co-investment ventures' net earnings	\$ 6,659	\$ 5,299	\$ 31,579	\$ 3,655	\$ 47,192
Fees earned by Prologis	8,995	5,365	22,019	12,599	48,978
Total earnings recognized by Prologis, net	\$ 15,654	\$ 10,664	\$ 53,598	\$ 16,254	\$ 96,170
Condensed Balance Sheet					
As of March 31, 2016					
Operating industrial properties, before depreciation	\$ 4,638,134	\$ 2,288,847	\$ 12,154,794	\$ 4,440,541	\$ 23,522,316
Accumulated depreciation	(593,253)	(98,555)	(1,291,945)	(190,317)	(2,174,070)
Properties under development and land	-	277,440	94,012	405,427	776,880
Other assets	336,927	131,886	580,806	255,782	1,305,400
Total assets	\$ 4,381,808	\$ 2,599,618	\$ 11,537,667	\$ 4,911,433	\$ 23,430,526
Third party debt	\$ 1,446,618	\$ 659,293	\$ 2,510,638	\$ 1,779,142	\$ 6,395,691
Other liabilities	81,476	96,351	937,863	244,017	1,359,707
Total liabilities	\$ 1,528,094	\$ 755,644	\$ 3,448,501	\$ 2,023,159	\$ 7,755,398
Weighted average ownership	22.5%	43.7%	38.5%	15.0%	31.1%

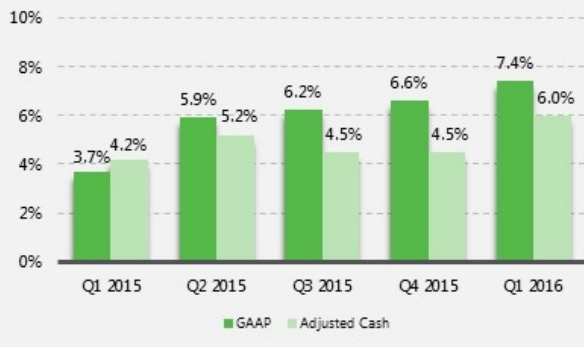
Period End Occupancy



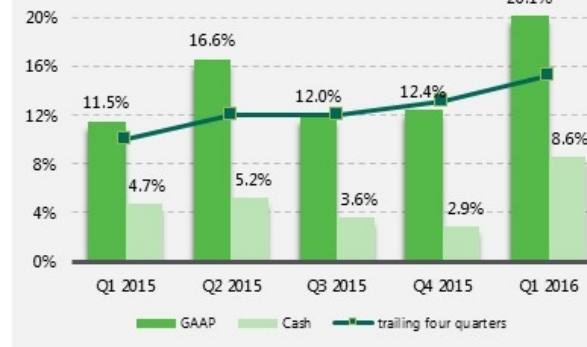
Customer Retention



Same Store NOI Change Over Prior Year – Prologis Share



Net Effective Rent Change – Prologis Share



Period Ending Occupancy



square feet in thousands

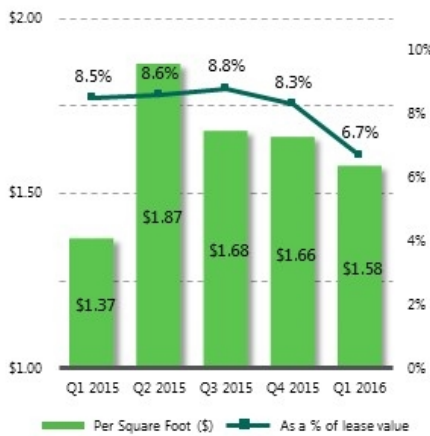
Leasing Activity

	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Square feet of leases signed:					
Operating portfolio:					
Renewals	26,893	24,581	26,870	23,155	29,380
New leases	8,468	11,872	11,047	10,192	9,939
Total operating portfolio	35,361	36,453	37,917	33,347	39,319
Properties under development	3,870	8,156	4,245	6,774	7,006
Total Square Feet of Leases Signed	39,231	44,609	42,162	40,121	46,325
Average term of leases signed (months)	42	56	45	56	54
Operating Portfolio:					
Trailing four quarters - leases signed	134,096	141,533	142,600	143,078	147,036
Trailing four quarters - % of average portfolio	25.0%	26.1%	25.4%	24.8%	24.7%
Net effective rent change (GAAP)	9.7%	14.4%	10.2%	9.5%	16.2%
Net effective rent change (GAAP) - Prologis share	11.5%	16.6%	12.0%	12.4%	20.1%
Net effective rent change (Cash)	3.3%	3.7%	2.4%	1.9%	5.5%
Net effective rent change (Cash) - Prologis share	4.7%	5.2%	3.6%	2.9%	8.6%
Customer retention	86.3%	79.0%	87.0%	85.9%	84.4%

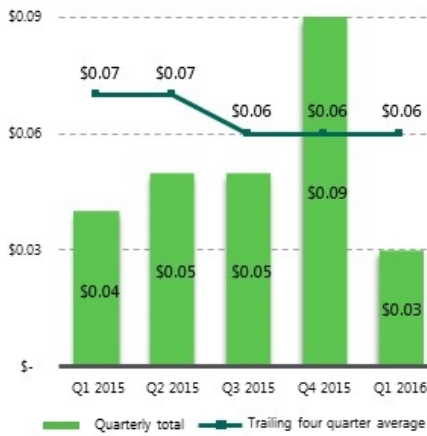
In thousands, except for percentages and per square foot

Capital Expenditures						Same Store Information					
	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016		Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Property improvements	\$ 23,713	\$ 30,064	\$ 31,650	\$ 57,535	\$ 19,104	Square feet	511,717	508,195	504,807	491,666	517,525
Tenant improvements	28,932	28,848	32,187	37,167	29,160	Average occupancy	95.7%	95.8%	95.9%	96.7%	96.4%
Leasing commissions	21,385	25,790	29,796	31,105	28,684	Period end occupancy	96.0%	95.8%	96.4%	97.1%	96.4%
Total turnover costs	50,317	54,698	61,983	68,272	57,844	Percentage change:					
Total Capital Expenditures	\$ 74,030	\$ 84,702	\$ 93,633	\$125,807	\$ 76,948	Rental revenue	4.5%	4.2%	4.6%	4.0%	3.6%
Trailing four quarters - % of gross NOI	14.0%	14.3%	13.7%	13.9%	13.4%	Rental expenses	7.0%	3.4%	4.6%	2.4%	(1.7)%
Weighted average ownership percent	67.1%	66.4%	71.4%	67.2%	67.6%	NOI - GAAP	3.5%	4.5%	4.7%	4.5%	5.6%
Prologis share	\$ 49,658	\$ 56,226	\$ 66,875	\$ 84,584	\$ 51,995	NOI - GAAP - Prologis share	3.7%	5.9%	6.2%	6.6%	7.4%
						NOI - adjusted cash	3.9%	4.1%	3.6%	3.5%	4.9%
						NOI - adjusted cash - Prologis share	4.2%	5.2%	4.5%	4.5%	6.0%
						Average occupancy	2.0%	1.7%	1.1%	1.0%	1.4%

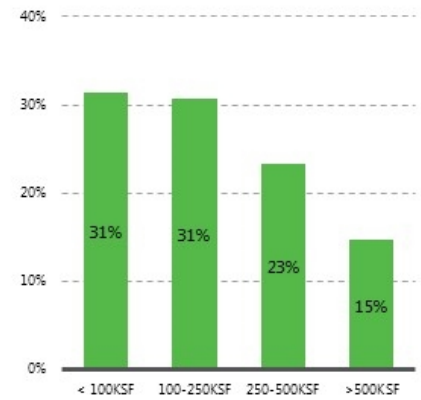
Turnover Costs on Leases Signed



Property Improvements per Square Foot



Composition of Portfolio by Unit Size



square feet in thousands and ordered by Prologis share of NOI (%)	# of Buildings	Square Feet			Occupied %		Leased %	
		Owned and Managed	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	Owned and Managed
Southern California	340	69,493	54,424	14.3	96.9	97.2	96.9	97.2
New Jersey/New York City	164	33,223	24,836	6.5	95.1	94.4	95.1	94.4
San Francisco Bay Area	222	19,465	15,740	4.2	97.0	96.7	97.6	97.4
Chicago	247	43,083	31,653	8.3	96.6	96.9	96.8	97.0
Dallas/Ft. Worth	169	26,142	20,489	5.4	94.4	95.0	94.8	95.5
South Florida	131	14,350	9,601	2.5	96.9	96.3	97.7	97.6
Atlanta	111	18,114	14,237	3.8	96.6	96.5	96.8	96.5
Central & Eastern PA	31	16,243	11,779	3.1	92.1	89.2	92.1	89.2
Houston	100	12,661	8,807	2.3	95.4	94.5	95.7	94.6
Seattle	100	13,962	7,026	1.9	96.9	96.7	97.0	96.7
Central Valley	26	10,640	9,405	2.5	99.6	99.7	99.6	99.7
Baltimore/Washington	67	8,208	6,011	1.6	99.6	99.5	99.6	99.5
Las Vegas	47	6,088	4,292	1.1	98.7	99.0	99.3	99.5
Denver	29	5,296	4,976	1.3	100.0	100.0	100.0	100.0
Louisville	12	6,109	4,946	1.3	100.0	100.0	100.0	100.0
Columbus	26	7,793	6,463	1.7	99.2	99.0	99.6	99.6
San Antonio	49	5,462	4,837	1.3	96.2	95.8	98.4	98.3
Remaining U.S. markets (15)	253	41,433	34,999	9.2	97.7	97.8	98.2	98.3
Total U.S.	2,124	357,755	274,521	72.3	96.6	96.6	96.9	96.8
Mexico	192	33,159	15,626	4.1	96.5	96.6	96.7	96.8
Canada	24	7,960	7,387	1.9	100.0	100.0	100.0	100.0
Brazil	18	6,983	1,502	0.4	100.0	100.0	100.0	100.0
Total Other Americas	234	48,102	24,515	6.4	97.6	97.8	97.7	97.9
United Kingdom	93	22,591	9,674	2.6	98.8	99.1	98.8	99.1
France	140	35,329	15,641	4.1	92.3	91.4	92.8	92.6
Germany	99	21,269	7,628	2.0	99.0	99.1	99.0	99.1
Poland	109	24,275	10,298	2.7	93.4	93.9	93.9	94.4
Netherlands	69	16,041	6,174	1.6	95.4	94.8	95.4	94.8
Czech Republic	53	10,343	4,887	1.3	91.8	90.6	97.7	98.1
Remaining European countries (7)	157	36,519	16,687	4.4	94.5	92.3	94.6	92.4
Total Europe	720	166,367	70,989	18.7	94.9	94.1	95.5	95.0
Japan	37	24,958	5,288	1.4	96.3	91.7	96.7	92.0
China	50	11,140	3,647	1.0	92.1	90.3	94.1	91.3
Singapore	5	959	959	0.2	77.6	77.6	77.6	77.6
Total Asia	92	37,057	9,894	2.6	94.5	89.8	95.4	90.3
Total Outside the U.S.	1,046	251,526	105,398	27.7	95.4	94.6	95.9	95.2
Total Operating Portfolio	3,170	609,281	379,919	100.0	96.1	96.0	96.5	96.4
Total Global markets	2,593	509,421	307,236	80.9	95.7	95.5	96.1	95.8
Total Regional markets	563	97,365	71,141	18.7	98.2	98.3	98.7	98.8
Total Other markets	14	2,495	1,542	0.4	91.5	92.5	92.3	92.1

dollars in thousands and ordered by Prologis share of NOI (%)

	First Quarter NOI			Gross Book Value		
	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	% of Total
Southern California	\$ 92,766	\$ 71,460	16.5	\$ 6,608,267	\$ 5,023,344	18.2
New Jersey/New York City	47,753	34,746	8.0	3,361,299	2,353,086	8.5
San Francisco Bay Area	34,486	27,388	6.3	1,990,305	1,595,482	5.8
Chicago	37,446	26,082	6.0	2,700,186	1,916,277	7.0
Dallas/Ft. Worth	23,166	17,412	4.0	1,438,147	1,062,865	3.9
South Florida	21,782	14,512	3.4	1,468,304	1,009,953	3.6
Atlanta	13,413	10,336	2.4	834,825	632,737	2.3
Central & Eastern PA	14,977	10,157	2.4	1,017,914	721,031	2.6
Houston	14,479	9,714	2.2	823,591	517,287	1.9
Seattle	18,859	9,345	2.2	1,346,939	672,484	2.4
Central Valley	10,345	9,244	2.1	580,963	517,750	1.9
Baltimore/Washington	11,567	8,763	2.0	724,052	527,076	1.9
Las Vegas	8,044	5,633	1.3	423,237	287,448	1.0
Denver	5,874	5,514	1.3	313,591	296,259	1.1
Louisville	5,927	4,684	1.1	314,819	239,594	0.9
Columbus	5,406	4,387	1.0	279,744	236,026	0.9
San Antonio	4,987	4,377	1.0	250,099	220,499	0.8
Remaining U.S. markets (15)	39,172	32,365	7.5	2,155,545	1,760,274	6.4
Total U.S.	410,449	306,120	70.7	26,631,827	19,589,572	71.1
Mexico	38,377	18,109	4.2	1,914,147	900,579	3.3
Canada	8,691	8,034	1.9	649,061	597,571	2.2
Brazil	11,013	2,331	0.5	416,032	88,380	0.3
Total Other Americas	58,081	28,474	6.6	2,979,240	1,586,530	5.8
United Kingdom	47,195	20,510	4.7	3,022,670	1,278,233	4.7
France	35,407	14,761	3.4	2,401,488	1,021,963	3.7
Germany	26,757	9,609	2.2	1,632,828	576,195	2.1
Poland	20,938	8,750	2.0	1,404,108	559,864	2.0
Netherlands	20,259	7,745	1.8	1,231,966	474,493	1.7
Czech Republic	9,876	4,433	1.0	637,180	284,872	1.0
Remaining European countries (7)	35,498	15,574	3.6	2,294,741	1,040,132	3.8
Total Europe	195,930	81,382	18.7	12,624,981	5,235,752	19.0
Japan	56,192	12,678	2.9	4,243,122	857,594	3.1
China	9,452	2,503	0.6	525,020	141,674	0.5
Singapore	1,971	1,971	0.5	138,144	138,144	0.5
Total Asia	67,615	17,152	4.0	4,906,286	1,137,412	4.1
Total Outside the U.S.	321,626	127,008	29.3	20,510,507	7,959,694	29.9
Total Operating Portfolio	\$ 732,075	\$ 433,128	100.0	\$ 47,142,334	\$ 27,549,266	100.0
Total Global markets	633,012	363,232	83.9	41,837,898	23,834,930	86.5
Total Regional markets	95,543	67,897	15.7	5,089,056	3,591,639	13.0
Total Other markets	3,520	1,999	0.4	215,380	122,697	0.5

square feet and dollars in thousands	# of Buildings	Square Feet			Occupied %		Leased %	
	Owned and Managed	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
Consolidated								
Total U.S.	1,749	308,931	263,541	69.4	96.5	96.5	96.7	96.8
Total Outside the U.S.	89	24,139	23,565	6.2	90.9	90.7	92.8	92.6
Total Operating Portfolio - Consolidated	1,838	333,070	287,106	75.6	96.1	96.0	96.4	96.4
Unconsolidated								
Total U.S.	375	48,824	10,980	2.9	97.6	97.6	98.0	98.0
Total Outside the U.S.	957	227,387	81,833	21.5	95.9	95.7	96.3	96.0
Total Operating Portfolio - Unconsolidated	1,332	276,211	92,813	24.4	96.2	95.9	96.6	96.2
Total								
Total U.S.	2,124	357,755	274,521	72.3	96.6	96.6	96.9	96.8
Total Outside the U.S.	1,046	251,526	105,398	27.7	95.4	94.6	95.9	95.2
Total Operating Portfolio	3,170	609,281	379,919	100.0	96.1	96.0	96.5	96.4
Value added properties - consolidated	15	3,947	2,597		33.8	31.1	43.4	45.8
Value added properties - unconsolidated	16	3,269	1,126		51.1	46.8	59.3	52.9
Total	3,201	616,497	383,642		95.5	95.4	96.0	95.9

	First Quarter NOI			Gross Book Value		
	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	% of Total
Consolidated						
Total U.S.	\$ 344,432	\$ 291,273	67.3	\$22,066,154	\$ 18,562,752	67.4
Total Outside the U.S.	23,656	22,998	5.3	\$1,735,399	1,683,909	6.1
Total Operating Portfolio - Consolidated	\$ 368,088	\$ 314,271	72.6	\$ 23,801,553	\$ 20,246,661	73.5
Unconsolidated						
Total U.S.	\$ 66,017	\$ 14,847	3.4	\$4,565,673	\$ 1,026,820	3.7
Total Outside the U.S.	297,970	104,010	24.0	\$18,775,108	6,275,785	22.8
Total Operating Portfolio - Unconsolidated	\$ 363,987	\$ 118,857	27.4	\$ 23,340,781	\$ 7,302,605	26.5
Total						
Total U.S.	\$ 410,449	\$ 306,120	70.7	\$ 26,631,827	\$ 19,589,572	71.1
Total Outside the U.S.	321,626	127,008	29.3	20,510,507	7,959,694	28.9
Total Operating Portfolio	\$ 732,075	\$ 433,128	100.0	\$ 47,142,334	\$ 27,549,266	100.0
Value added properties - consolidated	(53)	-		255,327	172,890	
Value added properties - unconsolidated	1,200	325		181,535	55,548	
Total	\$ 733,222	\$ 433,453		\$ 47,579,196	\$ 27,777,704	

square feet and dollars in thousands

Top Customers		
	% of Net Effective Rent	Total Square Feet
1 Amazon.com	3.1	14,167
2 DHL	1.7	10,348
3 Geodis	1.2	7,930
4 XPO Logistics	1.2	8,509
5 Kuehne + Nagel	1.1	6,123
6 FedEx	1.1	3,697
7 CEVA Logistics	1.0	6,578
8 Home Depot	1.0	5,533
9 Wal-Mart	0.8	4,905
10 Nippon Express	0.7	2,724
Top 10 Customers	12.9	70,514
11 U.S. Government	0.6	1,201
12 DVS Air and Sea	0.6	4,465
13 UPS	0.6	3,342
14 DB Schenker	0.6	3,939
15 Ingram Micro	0.5	3,181
16 Tesco	0.5	3,172
17 Hitachi	0.5	1,907
18 LG	0.4	2,567
19 Panalpina	0.4	2,134
20 PepsiCo	0.4	2,618
21 BMW	0.4	1,991
22 Cal Cartage	0.4	1,345
23 Samsung Electronics	0.4	2,184
24 Best Buy	0.3	1,827
25 La Poste	0.3	1,673
Top 25 Customers	19.8	108,060

Lease Expirations - Operating Portfolio - Owned and Managed				
Year	Occupied Sq Ft	Net Effective Rent		
		\$	% of Total	\$ Per Sq Ft
2016	50,215	\$ 237,429	8.0	4.82
2017	117,149	560,639	18.9	4.82
2018	99,931	493,085	16.6	4.94
2019	79,669	404,641	13.6	5.10
2020	66,094	354,907	12.0	5.39
Thereafter	162,616	916,648	30.9	5.72
	575,674	\$ 2,967,349	100.0	5.20
Month to month	9,988			
Total	585,662			

Lease Expirations - Operating Portfolio - Prologis Share				
Year	Occupied Sq Ft	Net Effective Rent		
		\$	% of Total	\$ Per Sq Ft
2016	30,436	\$ 138,048	7.8	4.59
2017	71,313	327,477	18.4	4.61
2018	62,169	299,232	16.8	4.82
2019	51,944	250,879	14.1	4.85
2020	37,624	195,683	11.0	5.21
Thereafter	105,035	568,110	31.9	5.46
	358,521	\$ 1,779,429	100.0	4.99
Month to month	6,238			
Total	364,759			

(in millions)

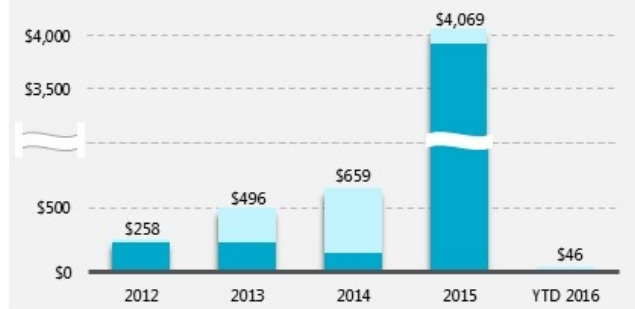
Development Starts (TEI)



Development Stabilizations (TEI)



Building Acquisitions



Land Portfolio



■ U.S. ■ Outside the U.S.

square feet and dollars in thousands

	Q1 2016		
	Square Feet	TEI	
		Owned and Managed	Prologis Share
Central	971	\$ 58,005	\$ 58,005
East	1,025	113,170	113,170
Northwest	-	-	-
Southwest	-	-	-
Total U.S.	1,996	171,175	171,175
Canada	-	-	-
Mexico	-	-	-
Brazil	278	20,241	10,121
Total Other Americas	278	20,241	10,121
Northern	287	15,238	4,739
Southern	696	43,234	43,234
Central	957	49,957	48,756
United Kingdom	-	-	-
Total Europe	1,940	108,429	96,729
Japan	1,404	186,454	186,454
China	506	25,162	3,774
Singapore	-	-	-
Total Asia	1,910	211,616	190,228
Total Outside the U.S.	4,128	340,286	297,078
Total Development Stabilizations	6,124	\$ 511,461	\$ 468,253
Percent build to suit			26.7%
Estimated weighted average yield			6.8%
Pro forma NOI			\$ 31,856
Weighted average estimated cap rate			5.4%
Estimated weighted average margin			26.8%
Estimated value creation			\$ 125,527

square feet and dollars in thousands

	Q1 2016			
	Square Feet	Leased % at Start	T E I	
			Owned and Managed	Prologis Share
Central	-	-	\$ -	\$ -
East	204	0.0	33,801	33,801
Northwest	-	-	-	-
Southwest	753	74.0	64,642	64,642
Total U.S.	957	58.2	98,443	98,443
Canada	323	0.0	26,924	26,924
Mexico	249	0.0	14,191	14,191
Brazil	-	-	-	-
Total Other Americas	572	0.0	41,115	41,115
Northern	394	100.0	25,250	25,250
Southern	-	-	-	-
Central	111	100.0	7,350	7,350
United Kingdom	130	0.0	21,077	21,077
Total Europe	635	79.5	53,677	53,677
Japan	-	-	-	-
China	-	-	-	-
Singapore	-	-	-	-
Total Asia	-	-	-	-
Total Outside the U.S.	1,207	41.8	94,792	94,792
Total Development Starts	2,164	49.1	\$ 193,235	\$ 193,235
Percent build to suit				41.5%
Estimated weighted average start yield				6.6%
Pro forma NOI				\$ 12,830
Weighted average estimated cap rate at stabilization				5.4%
Estimated weighted average margin				20.3%
Estimated value creation				\$ 39,315

square feet and dollars in thousands

	Pre-Stabilized Developments				Under Development						Total Development Portfolio			
	TEI				2016 Expected Completion			2017 and Thereafter Expected Completion			TEI			
	Sq Ft	Leased %	Owned and Managed	Prologis Share	TEI			TEI			Sq Ft	Leased %	Owned and Managed	Prologis Share
					Sq Ft	Owned and Managed	Prologis Share	Sq Ft	Owned and Managed	Prologis Share				
Central	2,041	14.9	\$ 132,043	\$ 96,394	2,949	\$ 203,672	\$ 203,672	-	\$ -	\$ -	4,990	58.0	\$ 335,715	\$ 300,066
East	1,514	32.0	94,574	94,574	1,039	140,640	140,640	-	-	-	2,553	51.7	235,214	235,214
Northwest	2,044	31.6	155,337	123,028	1,335	134,790	117,218	-	-	-	3,379	32.3	290,087	240,246
Southwest	1,792	19.0	167,334	112,641	1,019	76,791	76,791	342	36,827	36,827	3,153	41.1	280,952	226,259
Total U.S.	7,391	24.0	549,288	426,637	6,342	555,853	538,321	342	36,827	36,827	14,075	46.9	1,141,968	1,001,785
Canada	-	-	-	-	808	67,757	67,757	-	-	-	808	13.1	67,757	67,757
Mexico	646	22.4	39,380	33,538	1,721	114,613	113,419	-	-	-	2,367	7.7	153,993	146,957
Brazil	1,813	59.1	110,760	55,380	963	62,107	31,053	-	-	-	2,776	38.6	172,867	86,433
Total Other Americas	2,459	49.4	150,140	88,918	3,492	244,477	212,229	-	-	-	5,951	22.8	394,617	301,147
Northern Europe	1,992	89.7	139,283	137,277	1,809	130,340	119,833	-	-	-	3,801	94.6	269,623	257,110
Southern Europe	-	-	-	-	771	45,615	45,615	-	-	-	771	25.7	45,615	45,615
Central and Eastern Europe	639	66.4	33,513	16,833	644	40,557	40,557	-	-	-	1,283	76.9	74,070	57,390
United Kingdom	316	0.0	49,614	24,807	1,564	244,297	244,297	-	-	-	1,880	4.5	293,911	269,104
Total Europe	2,947	75.0	222,410	178,917	4,788	460,809	450,302	-	-	-	7,735	62.9	683,219	629,219
Japan	1,675	27.8	228,906	228,906	3,830	572,917	572,917	212	26,364	26,364	5,717	30.0	828,187	828,187
China	2,481	80.3	167,301	25,095	2,159	128,771	19,316	4,498	262,366	39,355	9,138	21.8	558,438	83,766
Singapore	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Asia	4,156	59.1	396,207	254,001	5,989	701,688	592,233	4,710	288,730	65,719	14,855	25.0	1,386,625	911,953
Total Outside the U.S.	9,562	61.5	768,757	521,836	14,269	1,406,974	1,254,764	4,710	288,730	65,719	28,541	34.8	2,464,461	1,842,319
Total Development Portfolio	16,953	45.2	\$ 1,318,045	\$ 948,473	20,611	\$ 1,962,827	\$ 1,793,085	5,052	\$ 325,557	\$ 102,546	42,616	38.8	\$ 3,606,429	\$ 2,844,104
Cost to complete			\$ 121,947	\$ 97,677		\$ 682,827	\$ 627,640		\$ 227,635	\$ 79,843			\$ 1,032,409	\$ 805,160
Percent build to suit				15.2%			34.3%			61.6%				29.0%
Wtd. avo. estimated stabilized yield														
U.S.				6.1%			6.2%			7.1%				6.2%
Other Americas				10.1%			7.9%			-				8.6%
Europe				6.4%			7.1%			-				6.9%
Asia				6.5%			6.2%			6.9%				6.3%
Total				6.6%			6.6%			7.0%				6.6%
									Pro forma NOI					\$188,939
									Weighted average estimated cap rate at stabilization					5.5%
									Estimated development margin					19.4%
									Value creation					\$551,677

square feet and dollars in thousands

	Q1 2016			
	Square Feet		Acquisition Costs	
	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
Prologis Wholly Owned	334	334	\$ 17,114	\$ 17,114
Prologis Targeted U.S. Logistics Fund	131	29	11,457	2,577
Total U.S.	465	363	28,571	19,691
Prologis Wholly Owned	210	210	15,338	15,338
Total Other Americas	210	210	15,338	15,338
Prologis European Properties Fund II	569	177	33,857	10,529
Total Europe	569	177	33,857	10,529
Total Outside the U.S.	779	387	49,195	25,867
Total Third Party Building Acquisitions	1,244	750	\$ 77,766	\$ 45,558
Weighted average stabilized cap rate				6.6%

square feet and dollars in thousands

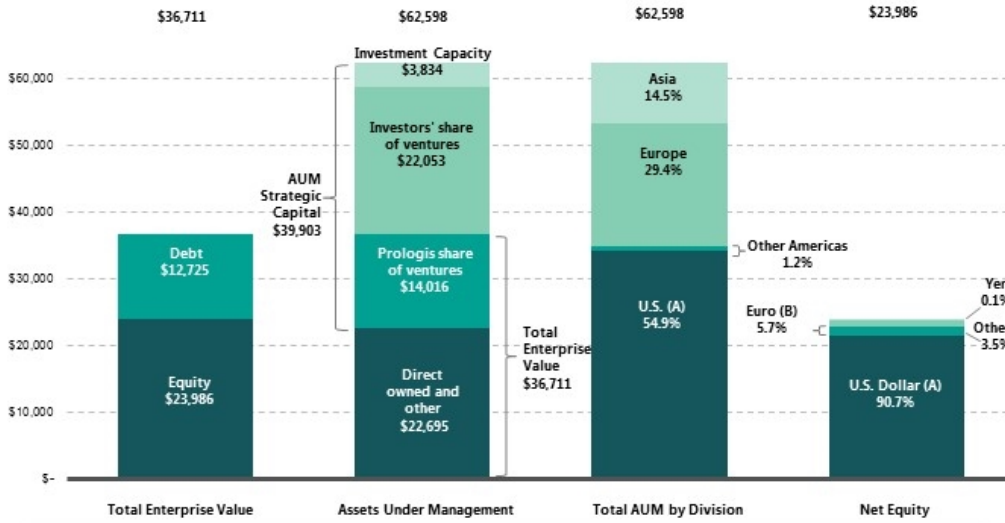
	Q1 2016			
	Square Feet		Sales Price	
	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
Third-Party Building Dispositions				
Prologis Wholly Owned	639	639	\$ 40,030	\$ 40,030
Prologis U.S. Logistics Venture	859	473	96,320	53,015
Prologis North American Industrial Fund	746	493	32,163	21,273
Prologis Targeted U.S. Logistics Fund	432	97	66,899	15,045
Total U.S.	2,676	1,702	235,412	129,363
Prologis Targeted Europe Logistics Fund	159	64	20,574	8,236
Prologis European Logistics Partners	862	431	47,803	23,901
Total Europe	1,021	495	68,377	32,137
Total Outside the U.S.	1,021	495	68,377	32,137
Total Third Party Building Dispositions	3,697	2,197	\$ 303,789	\$ 161,500
Building Contributions to Co-Investment Ventures				
Prologis Targeted Europe Logistics Fund	439	439	\$ 30,911	\$ 18,537
Total Europe	439	439	30,911	18,537
Nippon Prologis REIT	2,272	2,272	384,434	326,231
Total Asia	2,272	2,272	384,434	326,231
Total Outside the U.S. Contributions to Co-Investment Ventures	2,711	2,711	\$ 415,345	\$ 344,768
Total Building Dispositions and Contributions	6,408	4,908	\$ 719,134	\$ 506,268
Land dispositions			32,138	31,883
Dispositions of other investments in real estate			79,032	79,032
Grand Total Dispositions and Contributions			\$ 830,304	\$ 617,183
Weighted average stabilized cap rate				5.7%

acres and dollars in thousands and ordered by Prologis share of NOI (%)	Acres			Current Book Value		
	Owned and Managed	Prologis Share	Estimated Build Out (sq ft)	Owned and Managed	Prologis Share	% of Total
Southern California	269	250	5,472	\$ 81,395	\$ 72,029	5.3
New Jersey/New York City	152	130	2,213	46,988	40,695	3.0
San Francisco Bay Area	-	-	-	-	-	0.0
Chicago	434	429	7,974	20,177	19,626	1.4
Dallas/Ft. Worth	239	196	4,111	32,176	28,216	2.1
South Florida	300	299	5,586	144,686	144,460	10.6
Atlanta	247	247	3,414	11,292	11,292	0.8
Central & Eastern PA	309	231	3,941	39,882	32,592	2.4
Houston	78	64	1,427	11,097	8,099	0.6
Seattle	-	-	-	-	-	0.0
Central Valley	1,178	1,178	23,312	90,457	90,457	6.6
Baltimore/Washington	39	39	400	1,098	1,098	0.1
Las Vegas	-	-	-	-	-	0.0
Denver	11	11	196	2,981	2,981	0.2
Louisville	-	-	-	-	-	0.0
Columbus	25	25	450	1,614	1,614	0.1
San Antonio	-	-	-	-	-	0.0
Remaining U.S. markets (15 markets)	616	608	9,520	45,137	44,342	3.2
Total U.S.	3,897	3,707	68,016	528,820	497,501	36.4
Mexico	836	824	15,162	201,638	200,317	14.6
Canada	166	166	2,938	41,808	41,808	3.1
Brazil	423	162	9,784	113,766	46,528	3.4
Total Other Americas	1,425	1,152	27,884	357,212	288,653	21.1
United Kingdom	320	320	5,208	126,206	126,206	9.2
France	381	328	7,131	67,901	59,363	4.4
Germany	73	67	1,416	19,103	17,799	1.3
Poland	606	602	11,744	68,264	67,526	4.9
Netherlands	46	46	1,538	30,020	30,020	2.2
Czech Republic	225	221	3,676	44,598	43,596	3.2
Remaining European countries (7 countries)	649	609	12,675	112,000	101,063	7.4
Total Europe	2,300	2,193	43,388	468,092	445,573	32.6
Japan	57	57	2,597	116,642	116,642	8.5
China	247	52	7,194	95,324	19,112	1.4
Singapore	-	-	-	-	-	-
Total Asia	304	109	9,791	211,966	135,754	9.9
Total Outside the U.S.	4,029	3,454	81,063	1,037,270	869,980	63.6
Total Land Portfolio	7,926	7,161	149,079	\$ 1,566,090	\$ 1,367,481	100.0

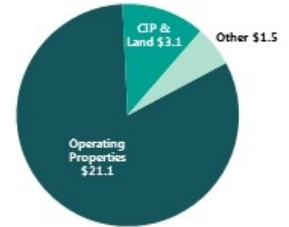
acres and dollars in thousands	Acres			Current Book Value		
	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	% of Total
Central	880	818	11.4	\$ 71,860	\$ 64,411	4.7
East	1,393	1,293	18.1	272,557	258,848	18.9
Northwest	1,299	1,299	18.1	98,161	98,161	7.2
Southwest	325	297	4.2	86,242	76,081	5.6
Total U.S.	3,897	3,707	51.8	528,820	497,501	36.4
Mexico	836	824	11.5	201,638	200,317	14.6
Canada	166	166	2.3	41,808	41,808	3.1
Brazil	423	162	2.3	113,766	46,528	3.4
Total Other Americas	1,425	1,152	16.1	357,212	288,653	21.1
Central	1,238	1,223	17.1	158,690	156,054	11.4
Northern	161	153	2.1	61,725	59,734	4.4
Southern	581	497	6.9	121,471	103,579	7.6
United Kingdom	320	320	4.5	126,206	126,206	9.2
Total Europe	2,300	2,193	30.6	468,092	445,573	32.6
Japan	57	57	0.8	116,642	116,642	8.5
China	247	52	0.7	95,324	19,112	1.4
Total Asia	304	109	1.5	211,966	135,754	9.9
Total Outside the U.S.	4,029	3,454	48.2	1,037,270	869,980	63.6
Total Land Portfolio	7,926	7,161	100.0	\$ 1,566,090	\$ 1,367,481	100.0
Estimated Build Out (in TB)				\$ 8,700,000	\$ 7,700,000	

Land Roll Forward - Prologis Share	U.S.	Other Americas	Europe	Asia	Total
As of December 31, 2015	\$ 539,120	\$ 289,117	\$ 425,418	\$ 126,950	\$ 1,380,605
Acquisitions	-	-	19,144	-	19,144
Dispositions	(16,986)	-	(2,155)	-	(19,141)
Development starts	(25,964)	(12,707)	(15,158)	-	(53,829)
Infrastructure costs	16,551	12,487	11,258	983	41,229
Effect of changes in foreign exchange rates and other	(15,220)	(194)	7,066	7,821	(527)
As of March 31, 2016	\$ 497,501	\$ 288,653	\$ 445,573	\$ 135,754	\$ 1,367,481

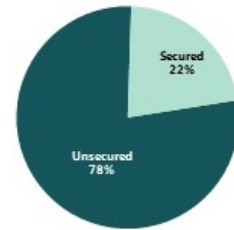
Assets Under Management (dollars in millions)



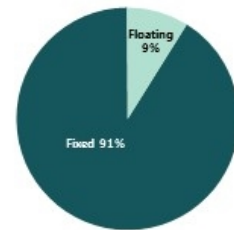
Unencumbered Assets – Prologis Share (in billions)



Secured & Unsecured Debt- Prologis Share



Fixed vs. Floating Debt- Prologis Share



Debt Metrics (C)		
	March 31, 2016	December 31, 2015
Debt as % of gross real estate assets	38.1%	38.4%
Debt as % of gross market capitalization	33.9%	34.7%
Secured debt as % of gross real estate assets	8.7%	9.7%
Unencumbered gross real estate assets to unsecured debt	258.1%	261.6%
Fixed charge coverage ratio	5.09x	4.51x
Fixed charge coverage ratio, excluding development gains	4.28x	3.95x
Debt/Adjusted EBITDA	5.59x	6.01x
Debt/Adjusted EBITDA, excluding development gains	6.66x	6.87x

Investment Ratings at March 31, 2016 (D)		
Moody's	Baa1 (Outlook Positive)	
Standard & Poor's	BBB+ (Outlook Positive)	

(A) Mexico is included in the U.S. as it is U.S. dollar functional.
 (B) This includes the currencies in Europe in which we operate, predominately Euro and GBP.
 (C) These calculations are included in the Notes and Definitions section, and are not calculated in accordance with the applicable SEC rules.
 (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.



dollars in millions	Unsecured									Prologis Share			
	Senior	Credit Facilities (A)	Other (A)	Secured Mortgage	Total	Consolidated Entities	Total Consolidated	Unconsolidated Entities (A)	Total	(\$)	% Maturing	Wtd. Avg. Interest Rate	% Fixed
Maturity													
2016	\$ -	\$ -	\$ 1	\$ 168	\$ 169	\$ 168	\$ 337	\$ 36	\$ 373	\$ 289	2.3%	5.1%	99%
2017	-	-	100	8	108	515	623	383	1,006	552	4.3%	2.8%	80%
2018	175	307	1	167	650	403	1,053	1,324	2,377	1,222	9.6%	3.0%	74%
2019	618	-	563	303	1,484	143	1,627	801	2,428	1,778	13.9%	3.5%	60%
2020	885	-	1	6	892	252	1,144	1,107	2,251	1,388	10.9%	2.8%	96%
2021	1,297	-	365	14	1,676	128	1,804	1,003	2,807	2,010	15.8%	2.4%	100%
2022	797	-	579	10	1,386	1	1,387	791	2,178	1,591	12.5%	2.6%	100%
2023	850	-	288	33	1,171	142	1,313	287	1,600	1,324	10.4%	3.9%	100%
2024	797	-	1	132	930	1	931	245	1,176	978	7.7%	4.1%	100%
2025	750	-	1	139	890	1	891	345	1,236	998	7.8%	3.7%	100%
2026	569	-	1	-	570	1	571	100	671	617	4.8%	3.2%	100%
Thereafter	-	-	6	-	6	1	7	-	7	6	0.0%	5.5%	100%
Subtotal	6,738	307	1,907	980	9,932	1,756	11,688	6,422	18,110	12,753	100.0%		
Unamortized net premiums (discounts)	(23)	-	-	12	(11)	60	49	14	63	32			
Unamortized finance costs	(33)	-	(9)	(4)	(46)	(4)	(50)	(40)	(90)	(60)			
Subtotal	6,682	307	1,898	988	9,875	1,812	11,687	6,396	18,083	12,725		3.2%	91.0%
Third party share of debt	-	-	-	-	-	(694)	(694)	(4,664)	(5,358)				
Prologis share of debt	\$ 6,682	\$ 307	\$ 1,898	\$ 988	\$ 9,875	\$ 1,118	\$ 10,993	\$ 1,732	\$ 12,725				
Weighted average GAAP interest rate	3.3%	1.5%	1.9%	6.0%	3.2%	2.9%	3.2%	3.3%	3.2%	3.2%			
Weighted average remaining maturity in years	6.4	2.3	5.0	4.5	5.8	2.9	5.5	4.5	5.4	5.4			

Prologis share of debt by local currency										Total	Investment Hedges (B)	Total Prologis Share	Wtd. Avg. Interest Rate	Wtd. Avg. Term
Dollars	\$ 2,986	\$ 241	\$ 576	\$ 837	\$ 4,640	\$ 1,117	\$ 5,757	\$ 753	\$ 6,510	\$ (990)	\$ 5,520	3.9%	4.7	
Euro	3,606	40	-	-	3,646	1	3,647	561	4,208	278	4,486	2.6%	6.3	
GBP	-	7	-	-	7	-	7	167	174	433	607	3.9%	5.1	
Yen	90	-	1,037	-	1,127	-	1,127	236	1,363	62	1,425	1.6%	5.1	
CAD	-	19	285	151	455	-	455	-	455	205	660	3.2%	7.6	
Other	-	-	-	-	-	-	-	15	15	12	27	2.5%	4.1	
Prologis share of debt	\$ 6,682	\$ 307	\$ 1,898	\$ 988	\$ 9,875	\$ 1,118	\$ 10,993	\$ 1,732	\$ 12,725	\$ -	\$ 12,725	3.2%	5.4	

(A) The maturity of credit facilities, certain term loan debt (Prologis share \$868.7 million) and certain unconsolidated entity debt (Prologis share \$325.9 million) is reflected at the extended maturity date as the extension is at the entity's option.

(B) 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 U.S. dollar denominated debts as reflected in the table under Investment Hedges. See also page 30 for our net equity exposure by currency.



dollars in thousands

Near Term Maturities

	Prologis Share of Debt	Wtd. Avg. Interest Rate
Q2 2016	\$ 156,076	7.1%
Q3 2016	5,521	4.5%
Q4 2016	127,755	2.6%
Q1 2017	114,186	1.4%
Total next 12 months	\$ 403,538	4.0%

Liquidity

Aggregate lender commitments - GLOC and revolver	\$ 2,748,619
Less:	
Borrowings outstanding	306,775
Outstanding letters of credit	26,113
Current availability - credit facilities	2,415,731
Unrestricted cash - Prologis share of consolidated	314,189
Total liquidity	\$ 2,729,920

Encumbrances

	Unencumbered	Encumbered	Total
Consolidated operating properties	\$ 17,734,167	\$ 6,054,433	\$ 23,788,600
Consolidated development portfolio and land	3,243,538	21,424	3,264,962
Consolidated other investments in real estate	1,497,116	-	1,497,116
Total Consolidated	22,474,821	6,075,857	28,550,678
Less: third party share of investments in real estate	2,743,240	1,231,726	3,974,966
Total consolidated - Prologis share	19,731,581	4,844,131	24,575,712
Unconsolidated operating properties - Prologis share	5,782,382	1,575,771	7,358,153
Unconsolidated development portfolio and land - Prologis share	169,139	58,844	227,983
Gross Real Estate Assets - Prologis Share	\$ 25,683,102	\$ 6,478,746	\$ 32,161,848

Secured and Unsecured Debt

	Unsecured Debt	Secured Mortgage Debt	Total
Prologis debt	\$ 8,952,298	\$ 980,121	\$ 9,932,419
Consolidated entities debt	-	1,755,861	1,755,861
Our share of unconsolidated entities debt	997,508	740,327	1,737,835
Total debt - at par	9,949,806	3,476,309	13,426,115
Less: third party share of consolidated debt	-	(673,086)	(673,086)
Total Prologis share of debt - at par	9,949,806	2,803,223	12,753,029
Premium (discount) and deferred finance costs - consolidated	(64,633)	63,524	(1,109)
Less: third party share of consolidated debt discount (premium) and deferred finance costs	-	(21,161)	(21,161)
Our share of premium (discount) and deferred finance costs - unconsolidated	-	(6,223)	(6,223)
Total Prologis Share of Debt, Net of Premium (Discount)	\$ 9,885,173	\$ 2,839,363	\$ 12,724,536



in thousands, except for percentages and per square foot

Operating								
	Square Feet	Gross Book Value	GBV per Sq Ft	Adjusted Cash NOI (Actual)	Adjusted Cash NOI (Pro Forma)	Annualized Adjusted Cash NOI	Percent Occupied	
Consolidated Operating Portfolio								
U.S.	263,541	\$ 18,562,752	\$ 70	\$ 290,879	\$ 290,879	\$ 1,163,516	96.5%	
Other Americas	8,150	638,903	78	9,398	9,398	37,592	100.0%	
Europe	10,353	579,260	56	10,339	10,339	41,356	86.7%	
Asia	5,062	465,746	92	5,470	5,470	21,880	83.7%	
Pro forma adjustment for mid-quarter acquisitions/development completions					3,213	12,852		
Total consolidated operating portfolio	287,106	20,246,661	71	316,086	319,299	1,277,196	96.0%	
UNCONSOLIDATED OPERATING PORTFOLIO								
U.S.	10,980	1,026,820	94	15,216	15,216	60,864	97.6%	
Other Americas	16,365	947,627	58	19,675	19,675	78,700	96.8%	
Europe	60,636	4,656,491	77	77,608	77,608	310,430	95.3%	
Asia	4,832	671,666	139	9,623	9,623	38,493	96.2%	
Pro forma adjustment for mid-quarter acquisitions/development completions					290	1,161		
Total unconsolidated operating portfolio	92,813	7,302,604	79	122,122	122,412	489,647	95.7%	
Total Operating Portfolio	379,919	\$ 27,549,265	\$ 73	\$ 438,208	\$ 441,711	\$ 1,766,843	96.0%	
Development								
	Square Feet	Investment Balance	TEI	TEI per Sq Ft		Annualized Pro Forma NOI	Percent Occupied	
Consolidated Prestabilized								
U.S.	6,024	\$ 357,444	\$ 426,637	\$ 71		\$ 26,170	7.8%	
Other Americas	480	23,019	28,585	60		2,511	30.2%	
Europe	2,133	126,762	144,575	68		9,033	12.7%	
Asia	1,675	214,159	228,906	137		14,458	5.3%	
							11.8%	
Properties under development								
U.S.	6,546	339,171	575,148	88		35,883		
Other Americas	2,492	101,840	180,164	72		13,468		
Europe	4,503	260,007	445,560	99		31,687		
Asia	4,042	387,184	599,281	148		36,877		
Total consolidated development portfolio	27,895	1,809,586	2,628,856	94		\$ 170,087		
Unconsolidated								
Other Americas	1,481	79,595	92,398	62		\$ 9,796		
Europe	412	32,368	39,084	95		2,838		
Asia	1,371	47,365	83,766	61		6,218		
Total unconsolidated development portfolio	3,264	159,328	215,248	66		\$ 18,852		
Total Development Portfolio	31,159	\$ 1,968,914	\$ 2,844,104	\$ 91		\$ 188,939		
Prologis share of estimated value creation (see Capital Deployment - Development Portfolio)			551,677					
Total development portfolio, including estimated value creation		\$ 2,520,591						

In thousands

Balance Sheet and Other Items		As of March 31, 2016	
Consolidated			
Other assets			
	Cash and cash equivalents	\$	369,737
	Restricted cash		7,808
	Accounts receivable, prepaid assets and other tangible assets		770,632
	Other real estate investments and assets held for sale		730,468
	Note receivable backed by real estate		37,550
	Prologis share of value added operating properties		228,438
	Prologis receivable from unconsolidated co-investment ventures		144,126
	Investments in and advances to other unconsolidated joint ventures		154,887
	Less: third party share of other assets		(172,369)
	Total other assets	\$	2,271,097
Other liabilities			
	Accounts payable and other current liabilities	\$	698,678
	Deferred income taxes		78,625
	Value added tax and other tax liabilities		13,880
	Tenant security deposits		195,458
	Other liabilities		324,420
	Less: third party share of other liabilities		(86,264)
	Total liabilities and noncontrolling interests	\$	1,224,798
UNCONSOLIDATED			
	Prologis share of net tangible other assets	\$	219,255
Land			
	Current book value of land	\$	1,341,600
	Less: third party share of the current book value of land		(42,774)
	Prologis share of book value of land in unconsolidated entities		68,655
	Total Land Portfolio	\$	1,367,481
Strategic Capital / Development Management			
Strategic Capital			
	Third party share of asset management fees from consolidated and unconsolidated co-investment ventures	\$	26,684
	Third party share of other transactional fees from consolidated and unconsolidated co-investment ventures (trailing 12 months)		4,597
	Strategic capital expenses for asset management and other transactional fees (annualized based on estimated 12 months)		(11,713)
	Total strategic capital EBITDA	\$	19,568
	Promotes earned in last 12 months, net of cash expenses		24,517
	Development management income	\$	2,518
	Debt (at par) and Preferred Stock		
Debt			
	Prologis debt	\$	9,932,419
	Consolidated entities debt		1,755,861
	Less: third party share of consolidated debt		(673,086)
	Prologis share of unconsolidated debt		1,737,835
	Total debt		12,753,029
	Preferred stock		78,235
	Total debt and preferred stock	\$	12,831,264
	Outstanding shares of common stock and limited operating partnership units		541,051



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. This amount includes the building 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.

Adjusted EBITDA. We use Adjusted EBITDA to measure our operating performance. 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 in which we invest, 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 and the other required Generally Accepted Accounting Principles ("GAAP") measures of our performance to improve their understanding of our operating results, 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, contractual commitments or 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 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 revenue	\$ 554,116
Rental expenses	(146,581)
NOI	407,535
Net termination fees and adjustments (a)	(15,631)
Less: actual NOI for development portfolio and other	(12,541)
Less: properties contributed or sold (b)	(9,976)
Less: third party share of NOI	(61,116)
Adjusted NOI for consolidated operating portfolio owned at March 31, 2016	314,271
Straight-line rents (c)	(17,030)
Free rent (c)	17,124
Amortization of lease intangibles (d)	(940)
Effect of foreign currency exchange (d)	743
Less: third party share	1,918
First Quarter Adjusted Cash NOI (Actual)	\$ 316,086

(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.

Asset Management Fees represents the third party share of asset management and transactional fees from both consolidated and unconsolidated co-investment ventures.

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 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

in thousands, except per share amount

	Three Months Ended March 31,	
	2016	2015
Net earnings		
Net earnings	\$ 208,041	\$ 345,206
Noncontrolling interest attributable to exchangeable limited partnership units	6,609	1,650
Gains, net of expenses, associated with exchangeable debt assumed exchanged	-	(1,614)
Adjusted net earnings - Diluted	\$ 214,650	\$ 345,242
Weighted average common shares outstanding - Basic	524,205	514,022
Incremental weighted average effect on exchange of limited partnership units	17,543	3,794
Incremental weighted average effect of stock awards	1,814	2,394
Incremental weighted average effect on exchangeable debt assumed exchanged (a)	-	8,812
Weighted average common shares outstanding - Diluted	543,562	529,022
Net earnings per share - Basic	\$ 0.40	\$ 0.67
Net earnings per share - Diluted	\$ 0.39	\$ 0.65
Core FFO		
Core FFO	\$ 329,693	\$ 254,379
Noncontrolling interest attributable to exchangeable limited partnership units	46	881
Interest expense on exchangeable debt assumed exchanged	-	3,506
Core FFO - Diluted	\$ 329,679	\$ 258,766
Weighted average common shares outstanding - Basic	524,205	514,022
Incremental weighted average effect on exchange of limited partnership units	15,877	3,794
Incremental weighted average effect of stock awards	1,814	2,394
Incremental weighted average effect on exchangeable debt assumed exchanged (a)	-	8,812
Weighted average common shares outstanding - Diluted	541,896	529,022
Core FFO per share - Diluted	\$ 0.61	\$ 0.49
AFFO		
AFFO	\$ 345,675	\$ 211,324
Noncontrolling interest attributable to exchangeable limited partnership units	1,067	60
Interest expense on exchangeable debt assumed exchanged	-	3,113
AFFO - Diluted	\$ 346,742	\$ 214,497
Weighted average common shares outstanding - Basic	524,205	514,022
Incremental weighted average effect on exchange of limited partnership units	17,543	2,103
Incremental weighted average effect of stock awards	1,814	2,394
Incremental weighted average effect on exchangeable debt assumed exchanged (a)	-	8,812
Weighted average common shares outstanding - Diluted	543,562	527,331
AFFO per share - Diluted	\$ 0.64	\$ 0.41

(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 Mar. 31, / Dec. 31,	
	2016	2015
Debt as a % of gross real estate assets:		
Total Prologis share of debt - at par	\$ 12,753,029	\$ 12,715,847
Less: Prologis share of outstanding foreign currency derivatives	(47,975)	(34,769)
Less: consolidated cash and cash equivalents	(369,737)	(264,080)
Add: consolidated cash and cash equivalents - third party share	55,548	51,204
Less: unconsolidated entities cash - Prologis share	(143,591)	(163,595)
Total Prologis share of debt, net of adjustments	\$ 12,247,274	\$ 12,304,607
Gross real estate assets - Prologis share	\$ 32,161,848	\$ 32,018,387
Debt as a % of gross real estate assets	38.1%	38.4%
Debt as a % of gross market capitalization:		
Total Prologis share of debt, net of adjustments	\$ 12,247,274	\$ 12,304,607
Total outstanding common stock and limited partnership units	541,051	540,067
Share price at quarter end	\$ 44.18	\$ 42.92
Total equity capitalization	\$ 23,903,633	\$ 23,179,676
Total Prologis share of debt, net of adjustments	12,247,274	12,304,607
Gross market capitalization	\$ 36,150,907	\$ 35,484,283
Debt as a % of gross market capitalization	33.9%	34.7%
Secured debt as a % of gross real estate assets:		
Prologis share of secured debt - at par	\$ 2,803,223	\$ 3,099,536
Gross real estate assets - Prologis share	\$ 32,161,848	\$ 32,018,387
Secured debt as a % of gross real estate assets	8.7%	9.7%
Unencumbered gross real estate assets to unsecured debt		
Unencumbered gross real estate assets - Prologis share	\$ 25,683,102	\$ 25,151,705
Prologis share of unsecured debt - at par	\$ 9,949,806	\$ 9,616,311
Unencumbered gross real estate assets to unsecured debt	258.1%	261.6%
Fixed Charge Coverage ratio:		
Adjusted EBITDA	\$ 549,224	\$ 514,705
Adjusted EBITDA-annualized including development gains (a)	\$ 2,168,138	\$ 2,024,273
Net promote for the twelve months ended	24,517	24,762
Adjusted EBITDA-annualized	\$ 2,192,655	\$ 2,049,035
Pro forma adjustment for mid-quarter activity and NOI from disposed properties - annualized	23,740	37,416
Adjusted EBITDA, including NOI from disposed properties, annualized	\$ 2,216,395	\$ 2,086,451
Interest expense	\$ 80,812	\$ 82,665
Amortization and write-off of deferred loan costs	(3,763)	(3,528)
Amortization of debt premium (discount), net	9,154	13,098
Capitalized interest	13,802	14,122
Preferred stock dividends	1,639	1,632
Third party share of fixed charges from consolidated entities	(7,846)	(8,260)
Our share of fixed charges from unconsolidated entities	14,902	15,852
Total fixed charges	\$ 108,757	\$ 115,581
Total fixed charges, annualized	\$ 435,028	\$ 462,324
Fixed charge coverage ratio	5.09	4.51
Debt to Adjusted EBITDA:		
Total Prologis share of debt, net of adjustments	\$ 12,247,274	\$ 12,304,607
Adjusted EBITDA-annualized	\$ 2,192,655	\$ 2,049,035
Debt to Adjusted EBITDA ratio	5.59	6.01

(a) Prologis share of gains on dispositions of development properties for the rolling 12 month period was \$352.2 million and \$258.1 million for the current quarter and the previous quarter, respectively.

Development Margin is calculated on developed properties as the Value Creation less estimated closing costs and taxes, if any, on properties expected to be sold or contributed, divided by the TEI.

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 lease 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 that FFO is only meaningful when it is used in conjunction with net earnings computed under GAAP. Furthermore, we believe our consolidated financial statements, prepared in accordance with GAAP, provide the most meaningful picture of our financial condition.

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 with 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 with 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 revenue. 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 nonrecurring 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.

AFFO

To arrive at AFFO, we adjust Core FFO to include realized gains from the disposition of land and development properties and our share of recurring capital expenditures and exclude our share of the impact of: (i) straight-line rents; (ii) amortization of above- and below-market lease intangibles; (iii) amortization of management contracts; (iv) amortization of debt premiums and discounts and financing costs, net of amounts capitalized; and; (v) stock compensation expense.

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 revenue 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 and AFFO, 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 revenue. 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.

As discussed above, we believe AFFO is a supplemental measure of operating performance, although we also believe AFFO provides a meaningful indicator of our ability to fund our distributions to our stockholders.

Limitations on the 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 we have or may pay.
- Depreciation and amortization of real estate assets are economic costs that are excluded from FFO. Certain of our FFO measures are limited, as not all reflect the cash requirements that may be necessary for future replacements of the real estate assets. Furthermore, 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 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.

General and Administrative Expenses ("G&A"). All of the property management functions are provided by property management personnel of Prologis who perform the property-level management of the properties in our owned and managed portfolio, which include properties we consolidate and those we manage that are owned by the unconsolidated co-investment ventures. We allocate the costs of our property management to the properties we consolidate (included in Rental Expenses) and the properties owned by the unconsolidated co-investment ventures (included in Strategic Capital Expenses) by using the square feet owned by the respective portfolios. During the first quarters of 2016 and 2015, \$8.6 million and \$8.1 million, respectively, of net employee costs related to property management activities were included in Rental Expenses. Strategic Capital Expenses also include the direct expenses associated with the asset management of the unconsolidated co-investment ventures provided by our employees who are assigned to our Strategic Capital segment. We do not allocate the indirect costs to Strategic Capital Expenses.

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 March 31,	
	2016	2015
Building development activities	\$ 10,767	\$ 11,555
Leasing activities	4,958	5,048
Operating building improvements, land improvements and other	7,341	7,469
Total capitalized G&A	\$ 23,066	\$ 24,072

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

Net G&A - midpoint of 2016 guidance range (a)	\$ 223,000
Add: estimated 2016 strategic capital expenses	108,000
Less: estimated 2016 strategic capital property management expenses	(54,000)
Adjusted G&A, using 2016 guidance amounts	\$ 277,000
Gross book value at period end (b):	
Operating properties	\$ 47,579,196
Development portfolio - TEI	3,606,429
Land portfolio	1,566,090
Other real estate investments, assets held for sale and note receivable backed by real estate	768,018
Total Gross Book Value of Assets Under Management	\$ 53,519,733
G&A as % of Assets Under Management	0.52%

(a) This amount represents the 2016 guidance provided in this Supplemental Package.
(b) This amount does not represent enterprise value.

Interest Expense

	Three Months Ended March 31,	
	2016	2015
Gross interest expense	\$ 100,005	\$ 91,464
Amortization of discount (premium), net	(9,154)	(9,837)
Amortization of deferred loan costs	3,763	3,418
Interest expense before capitalization	94,614	85,045
Capitalized amounts	(13,802)	(16,284)
Interest expense	\$ 80,812	\$ 68,761

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 assuming the ventures maximum leverage limits are used.

Land Portfolio. The markets presented represent markets that are generally greater than 1% of NOI in the Operating Portfolio.

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.

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 the change in rental rates per the lease agreement on new and renewed leases signed during the period as compared with the previous rental rates in that same space. This measure excludes certain adjustments made to GAAP accounting.

Net Effective Rent Change (GAAP) represents a non-GAAP measure and is calculated as the change in net effective rental rates (average rate over the lease term based on rental income in accordance with GAAP) on new and renewed leases signed during the period as compared with the previous effective rental rates in that same space.

Net Equity represents the sum of all the outstanding shares of common stock, limited partnership units and preferred stock multiplied by the closing stock price at the end of the period.

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

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

Operating Margin represents NOI divided by rental income and was 75% Prologis share for the trailing twelve months.

Operating Portfolio includes stabilized industrial properties in our owned and managed portfolio. A developed property moves into the Operating Portfolio when it meets Stabilization. Prologis share of NOI includes NOI for the properties contributed to or acquired from co-investment ventures at our actual share prior to and subsequent to change in ownership. The markets presented represent markets that are generally greater than 1% of Prologis share of NOI.

Pro-Rata Balance Sheet, Income Statement and Reconciliation of Net Earnings to FFO. The consolidated amounts shown are derived from our consolidated financial statements and are adjusted to remove the amounts attributable to non-controlling interests. The Prologis share of unconsolidated co-investment ventures amounts are 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 use our ownership percentage at the end of the period and for operating information, we use our average ownership percentage for the period, consistent with how we calculate our share of net earnings (loss) during the period. We use a similar calculation to derive the noncontrolling interests' share of each line item. In order to present the total owned and managed portfolio, we add 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.

The balance remaining of Total Owned and Managed in Investments in unconsolidated co-investment ventures includes the deferred portion of gains on the contribution of our properties to the ventures, net of any additional costs included in our investment in the venture.

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

Rental Revenue

in thousands	Three Months Ended March 31,	
	2016	2015
Rental revenue	\$ 416,821	\$ 319,715
Rental expense recoveries	117,012	94,255
Amortization of lease intangibles	415	(5,853)
Straight-lined rents	19,868	10,685
	\$ 554,116	\$ 418,802

Retention is the square footage of all leases rented by existing tenants divided by the square footage of all expiring and in-place 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.

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, 2015 and throughout the full periods in both 2015 and 2016. 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 March 31,		
	2016	2015	Change (%)
Rental Revenue:			
Rental Revenue	\$ 437,104	\$ 324,547	
Rental Recoveries	117,012	94,255	
Rental Revenue per the Consolidated Statements of Operations	554,116	418,802	
Properties not included and other adjustments (a)	(160,098)	(40,293)	
Unconsolidated Co-Investment Ventures	441,104	427,657	
Same Store - Rental Income	\$ 835,182	\$ 806,166	3.6%
Rental Expense:			
Per the Consolidated Statements of Operations	\$ 146,581	\$ 126,934	
Properties not included and other adjustments (b)	(30,270)	(6,418)	
Unconsolidated Co-Investment Ventures	101,059	100,625	
Same Store - Rental Expense	\$ 217,370	\$ 221,141	(1.7%)
NOI-GAAP:			
Per the Consolidated Statements of Operations	\$ 407,525	\$ 291,868	
Properties not included and other adjustments	(129,768)	(33,875)	
Unconsolidated Co-Investment Ventures	340,045	327,032	
Same Store - NOI - GAAP	\$ 617,812	\$ 585,025	5.6%
Same Store - NOI - GAAP - Prologis Share (c)	\$ 363,527	\$ 338,396	7.4%
NOI-Adjusted Cash:			
Same store- NOI - GAAP	\$ 617,812	\$ 585,025	
Straight-line rent adjustments (d)	(16,628)	(17,635)	
Fair value lease adjustments (d)	(1,075)	4,781	
Same Store - NOI - Adjusted Cash	\$ 600,109	\$ 572,171	4.9%
Same Store - NOI - Adjusted Cash - Prologis Share (c)	\$ 353,027	\$ 333,036	6.0%

- 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.
- 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.
- 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 March 31, 2016 to the NOI of each building for both periods.
- 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 is calculated as "Stabilized NOI" divided by the "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.

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 obligations 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 ("VAC") 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 stabilized NOI that the property will generate and applying a stabilized capitalization rate applicable to that property. The value creation is calculated as the amount by which the value exceeds our total expected investment and does not include any fees or promotes we may earn. Value Creation for our value-added conversion properties includes the realized economic gain.

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

Weighted Average GAAP Interest Rate is based on the effective rate, which includes the amortization of related premiums and discounts and finance costs.



FOR IMMEDIATE RELEASE

Prologis Reports First Quarter 2016 Earnings Results

SAN FRANCISCO (April 19, 2016) – Prologis, Inc. (NYSE: PLD), the global leader in logistics real estate, today reported results for the first quarter of 2016.

HIGHLIGHTS

- Core funds from operations per diluted share was \$0.61, up 24 percent year-over-year
- Prologis' share of GAAP same store NOI increased 7.4 percent
- Prologis' share of GAAP rent change on rollovers was +20.1 percent
- Short-term financing associated with the acquisition of the KTR real estate portfolio was fully repaid, ahead of plan

"We are off to an excellent start this year," said Hamid Moghadam, chairman and CEO, Prologis. "Operating conditions remain extremely healthy in the majority of our markets, above our expectations. Consumption and e-commerce are the key drivers of our growth and both continue to grow faster than underlying economies would suggest. These factors, combined with our focused investment strategy, have resulted in strong operational and financial results in the first quarter."

HIGH-QUALITY PORTFOLIO DRIVES RECORD OPERATING RESULTS

Owned & Managed	1Q16	1Q15	Notes
Period End Occupancy	96.1%	95.9%	
Leases Signed	46MSF	39MSF	<i>Record leasing volume</i>
Customer Retention	84.4%	86.3%	

Prologis Share	1Q16	1Q15	Notes
Rent Change (GAAP)	20.1%	11.5%	<i>Record led by the U.S. at 27.3%</i>
Rent Change (Cash)	8.6%	4.7%	
Same store NOI (GAAP)	7.4%	3.7%	<i>Record led by the U.S. at 9.6%</i>
Same store NOI (Cash)	6.0%	4.2%	

PRUDENT CAPITAL DEPLOYMENT

Prologis Share	1Q16	Notes
Building Acquisitions	\$46M	
Weighted avg stabilized cap rate	6.6%	
Development Stabilizations	\$468M	63% outside the U.S.
Estimated weighted avg yield	6.8%	
Estimated weighted avg margin	26.8%	
Estimated value creation	\$126M	
Development Starts	\$193M	
Estimated weighted avg margin	20.3%	
Estimated value creation	\$39M	
% Build-to-suit	41.5%	
Total Dispositions (Buildings and Land) and Contributions	\$617M	Excludes \$198M of cash received from the installment sale related to Facebook
Weighted avg stabilized cap rate	5.7%	Excludes land and other real estate

CONTINUED STRENGTHENING OF FINANCIAL POSITION

During the first quarter, Prologis completed \$1.2 billion of refinancings and fully retired the \$400 million short-term financing associated with the acquisition of the KTR real estate portfolio. Subsequent to quarter-end, the company recast its Global Line of Credit which now matures in 2021; the new facility was increased by \$640 million to \$3.0 billion and pricing decreased by 10 basis points to 90 basis points over LIBOR as of the closing of the line.

“With the recast of our credit facility last week and our existing yen facility, we’ve increased our total line capacity to \$3.4 billion at attractive pricing as well as enhanced our already significant liquidity position,” said Thomas S. Olinger, chief financial officer, Prologis. “During the quarter, we received positive outlook revisions to our Baa1/BBB+ credit ratings from Moody’s and S&P, which support the continued upward trajectory of our balance sheet.”

GAAP NET EARNINGS

Net earnings per diluted share was \$0.39 for the first quarter compared with \$0.65 for the same period in 2015.

GUIDANCE UPDATED FOR 2016

Per diluted share	
GAAP Net Earnings	\$0.87 to \$0.95
Core FFO	\$2.50 to \$2.60
AFFO	\$2.40 to \$2.50

Operations

Year-end occupancy	96.0% to 97.0%
GAAP Same store NOI – Prologis share	4.0% to 4.5%

Other Assumptions (in millions)

Strategic capital revenue	\$180 to \$190
Net promote income	\$90 to \$100
General & administrative expense*	\$218 to \$228
Realized development gains	\$150 to \$200

Annualized first quarter 2016 dividend	\$1.68
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*Reduction from original 2016 guidance due to a reclassification of \$17 million to strategic capital expenses

Capital Deployment (in millions)

Development stabilizations (80% Prologis share)	\$2,000 to \$2,200
Development starts (80% Prologis share)	\$1,800 to \$2,300
Building acquisitions (40% Prologis share)	\$400 to \$700
Building and land dispositions (75% Prologis share)	\$1,700 to \$2,200
Building contributions (75% Prologis share, net of retained ownership)	\$900 to \$1,200

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 2016 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, April 19, 2016 at 12 p.m. U.S. Eastern Time.
- Live webcast at <http://ir.prologis.com> by clicking Investors>Investor Events and Presentations
- Dial in: +1 877-256-7020 or +1 973-409-9692 and enter Passcode 74787274.

A telephonic replay will be available April 19-26 at +1 (855) 859-2056 (from the United States and Canada) or +1 (404) 537-3406 (from all other countries) using conference code 74787274. The webcast replay will be posted when available in the Investor Relations "Events & Presentations" section.

ABOUT PROLOGIS

Prologis, Inc., is the global leader in logistics real estate with a focus on high-barrier, high-growth markets. As of March 31, 2016, the company owned or had investments in, on a wholly owned basis or through co-investment ventures, properties and development projects expected to total approximately 667 million square feet (62 million square meters) in 20 countries. Prologis lease modern distribution facilities to a diverse base of approximately 5,200 customers across two major categories: business-to-business and retail/online fulfillment.

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 we operate as well as management's beliefs and assumptions. Such statements involve uncertainties that could significantly impact our financial results. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates" and 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, capital structure 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 status, tax structuring and income tax rates (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, 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 us under the heading “Risk Factors.” We undertake no duty to update any forward-looking statements appearing in this document.

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