

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): July 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))
-

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 July 19, 2016, Prologis, Inc., the general partner of Prologis, L.P., issued a press release announcing second quarter 2016 financial results. A copy of the supplemental information as well as the press release is furnished with this report as Exhibit 99.1 and Exhibit 99.2, respectively, 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 July 19, 2016.
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99.2	Press release, dated July 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.

July 19, 2016

By: /s/ Thomas S. Olinger

Name: Thomas S. Olinger

Title: Chief Financial Officer

PROLOGIS, L.P.,


July 19, 2016

By: Prologis, Inc., its general partner

By: /s/ Thomas S. Olinger

Name: Thomas S. Olinger

Title: Chief Financial Officer



Second Quarter 2016

Prologis Supplemental Information

Unaudited

Highlights

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Net Asset Value

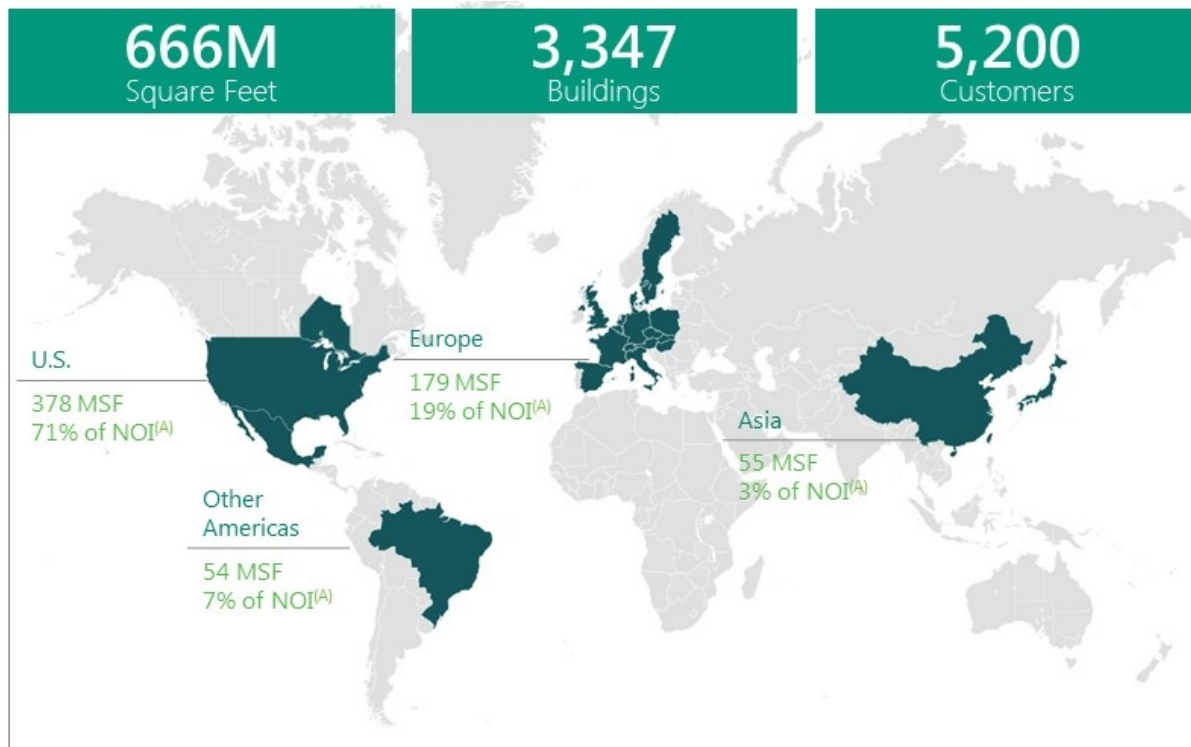
- 33 Components

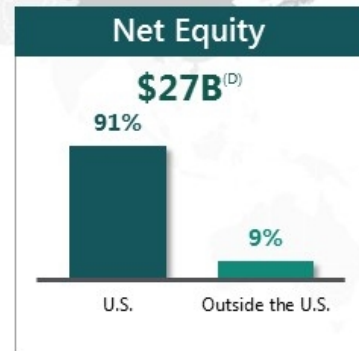
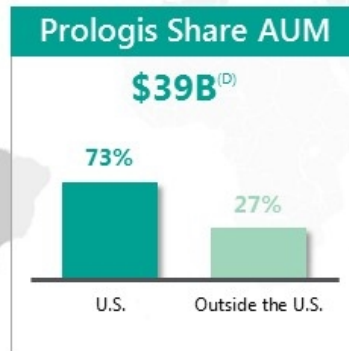
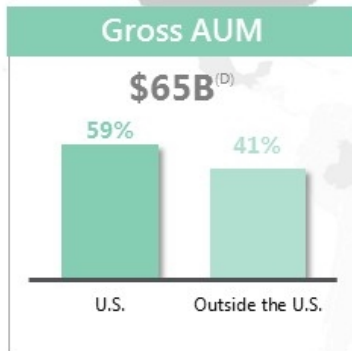
Notes and Definitions

- 35 Notes and Definitions ^(A)



Prologis, Inc., is the global leader in logistics real estate with a focus on high-barrier, high-growth markets. As of June 30, 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 666 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) 2Q 2016 Prologis share of NOI annualized.

(B) 2Q 2016 third-party share of asset management fees annualized plus trailing twelve month third party transaction fees and net promotes.

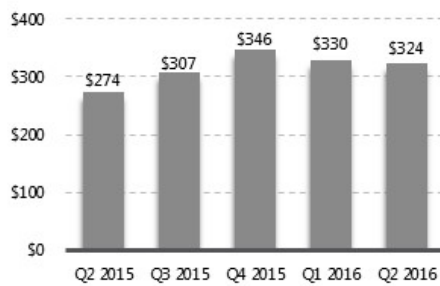
(C) Prologis share of trailing twelve month estimated value creation from development starts.

(D) Mexico is included in the U.S. as it is U.S. dollar functional.

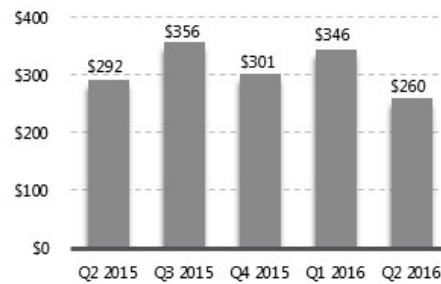
dollars in millions, except per share/unit data

	Three Months ended June 30,		Six Months ended June 30,	
	2016	2015	2016	2015
Revenues	\$ 602	\$ 510	\$ 1,208	\$ 973
Revenues - Prologis share	674	610	1,351	1,189
Net earnings attributable to common stockholders	275	140	483	485
Core FFO	324	274	654	528
AFFO	260	292	606	503
Adjusted EBITDA	459	490	1,009	858
Estimated value creation from development starts - Prologis share	82	156	121	202
Common stock dividends and common limited partnership unit distributions	231	189	461	378
Per common share - diluted:				
Net earnings attributable to common stockholders	\$ 0.52	\$ 0.27	\$ 0.92	\$ 0.92
Core FFO	0.60	0.52	1.20	1.01
AFFO	0.48	0.55	1.12	0.96
Business line reporting:				
Real estate operations	0.54	0.48	1.10	0.93
Strategic capital	0.06	0.04	0.10	0.08
Core FFO	0.60	0.52	1.20	1.01
Realized development gains, net of taxes	0.02	0.14	0.18	0.15
Dividends and distributions per common share/unit	0.42	0.36	0.84	0.72

Core FFO



AFFO



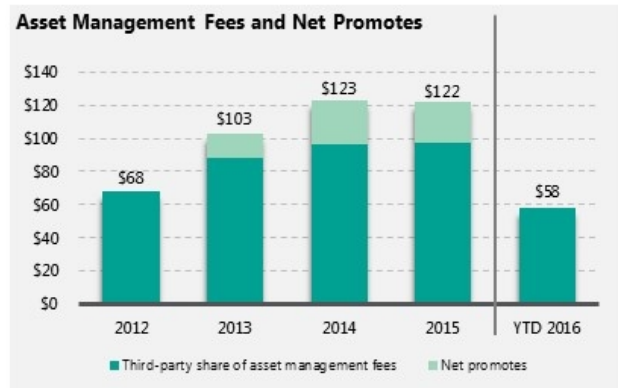
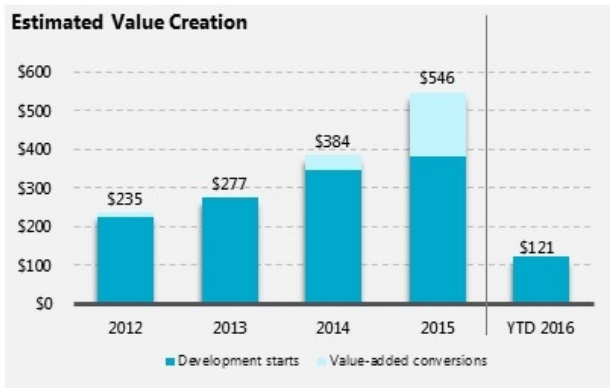
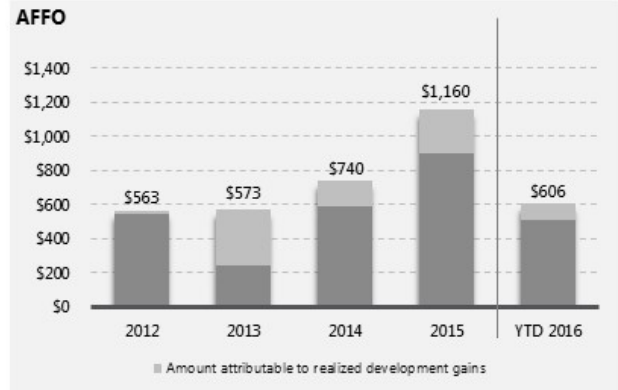
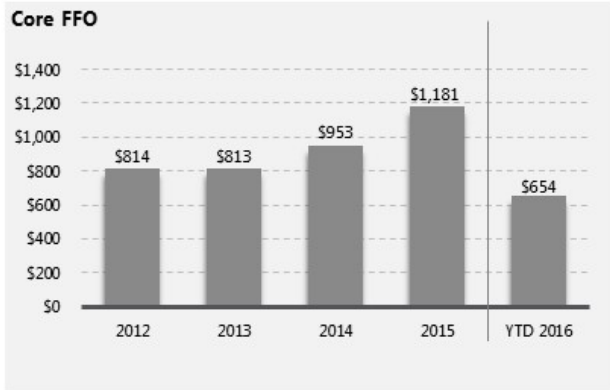
Estimated Value Creation (A)



(A) Includes value creation from value added conversions, including \$29 million in Q2 2015.

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(in millions)



dollars in millions, except per share

2016 Guidance	Low		High	
Net earnings (A)(B)(C)	\$	1.70	\$	1.90
Core FFO (A)(B)(C)	\$	2.52	\$	2.58
AFFO	\$	2.40	\$	2.50
Operations				
Year-end occupancy		96.0%		97.0%
Same store NOI - GAAP increase - Prologis share		4.75%		5.25%
Other Assumptions				
Strategic capital revenue- without promote income	\$	190	\$	200
Net promote income	\$	75	\$	85
General & administrative expenses	\$	218	\$	228
Liquidity	\$	3,700	\$	4,000
Realized development gains	\$	200	\$	250
Annualized second quarter 2016 dividend			\$	1.68
Capital Deployment				
	PROLOGIS SHARE		OWNED AND MANAGED	
	Low	High		
Development stabilizations (85% Prologis share)	\$ 1,870	\$ 2,040	\$ 2,200	\$ 2,400
Development starts (85% Prologis share)	\$ 1,700	\$ 1,960	\$ 2,000	\$ 2,300
Building acquisitions (50% Prologis share)	\$ 150	\$ 250	\$ 300	\$ 500
Building and land dispositions (75% Prologis share)	\$ 1,500	\$ 1,730	\$ 2,000	\$ 2,300
Building contributions (75% Prologis share)	\$ 825	\$ 1,050	\$ 1,100	\$ 1,400

In addition to the capital deployment guidance shown above, we expect an incremental \$809 million of cash proceeds, \$198 million of which are from the installment sale related to Facebook and \$611 million of which are from fund ownership rebalances.

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 (\$/€), 1.30 (\$/£) and 105 (¥/\$), 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 \$0.14 to \$0.16 per share.
- (C) Earnings guidance includes potential future gains (losses) recognized from real estate transactions, but exclude future foreign currency or derivative gains or losses as these items are difficult to predict.



In thousands	June 30, 2016	March 31, 2016	December 31, 2015
Assets:			
Investments in real estate properties:			
Operating properties	\$ 23,913,335	\$ 23,788,600	\$ 23,735,745
Development portfolio	1,770,771	1,923,362	1,872,903
Land	1,322,214	1,341,600	1,359,794
Other real estate investments	550,090	575,118	552,926
	27,556,410	27,628,680	27,521,368
Less accumulated depreciation	3,521,198	3,424,143	3,274,284
Net investments in real estate properties	24,035,212	24,204,537	24,247,084
Investments in and advances to unconsolidated entities	4,483,804	4,866,664	4,755,620
Assets held for sale	393,434	431,332	378,423
Notes receivable backed by real estate	33,800	37,550	235,050
Net investments in real estate	28,946,250	29,540,083	29,616,177
Cash and cash equivalents	332,221	369,737	264,080
Other assets	1,467,463	1,465,928	1,514,510
Total assets	\$ 30,745,934	\$ 31,375,748	\$ 31,394,767
Liabilities and Equity:			
Liabilities:			
Debt	\$ 11,139,415	\$ 11,687,171	\$ 11,626,831
Accounts payable, accrued expenses and other liabilities	1,323,485	1,347,953	1,347,100
Total liabilities	12,462,900	13,035,124	12,973,931
Equity:			
Stockholders' equity:			
Preferred stock	78,235	78,235	78,235
Common stock	5,265	5,251	5,245
Additional paid-in capital	19,361,787	19,302,387	19,302,367
Accumulated other comprehensive loss	(848,079)	(813,900)	(791,429)
Distributions in excess of net earnings	(3,885,017)	(3,939,312)	(3,926,483)
Total stockholders' equity	14,712,191	14,632,661	14,667,935
Noncontrolling interests	3,154,205	3,264,088	3,320,227
Noncontrolling interests - limited partnership unitholders	416,638	443,875	432,674
Total equity	18,283,034	18,340,624	18,420,836
Total liabilities and equity	\$ 30,745,934	\$ 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	\$ 23,913,335	\$ (3,629,467)	\$ 6,847,907	\$ 27,131,775	\$ 16,931,912	\$ 3,629,467	\$ 47,698,154
Other real estate	4,070,309	(131,328)	193,661	4,132,642	473,682	131,328	4,737,652
Accumulated depreciation	(3,521,198)	171,046	(656,275)	(4,006,427)	(1,606,203)	(171,046)	(5,783,676)
Net investments in real estate properties	24,462,446	(3,589,749)	6,385,293	27,257,990	15,799,391	3,589,749	46,647,130
Investments in unconsolidated co-investment ventures	4,328,459	(57,523)	(4,574,102)	(303,166)	-	57,523	(245,643)
Investments in other unconsolidated ventures	155,345	(8,317)	-	147,028	-	8,317	155,345
Other assets	1,799,684	(267,940)	252,371	1,784,115	1,005,840	267,940	3,057,895
Total assets	\$ 30,745,934	\$ (3,923,529)	\$ 2,063,562	\$ 28,885,967	\$ 16,805,231	\$ 3,923,529	\$ 49,614,727
Liabilities and Equity:							
Liabilities:							
Debt	\$ 11,139,415	\$ (685,684)	\$ 1,631,824	\$ 12,085,555	\$ 4,988,065	\$ 685,684	\$ 17,759,304
Other liabilities	1,323,485	(83,640)	431,738	1,671,583	995,599	83,640	2,750,822
Total liabilities	12,462,900	(769,324)	2,063,562	13,757,138	5,983,664	769,324	20,510,126
Equity:							
Stockholders' / partners' equity	14,712,191	-	-	14,712,191	10,821,567	3,154,205	28,687,963
Noncontrolling interests	3,154,205	(3,154,205)	-	-	-	-	-
Noncontrolling interests - limited partnership unit holders	416,638	-	-	416,638	-	-	416,638
Total equity	18,283,034	(3,154,205)	-	15,128,829	10,821,567	3,154,205	29,104,601
Total liabilities and equity	\$ 30,745,934	\$ (3,923,529)	\$ 2,063,562	\$ 28,885,967	\$ 16,805,231	\$ 3,923,529	\$ 49,614,727

In thousands, except per share amounts

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Revenues:				
Rental	\$ 546,131	\$ 461,444	\$ 1,100,247	\$ 880,246
Strategic capital	51,322	47,046	100,988	89,071
Development management and other	4,702	1,914	7,220	3,934
Total revenues	602,155	510,404	1,208,455	973,251
Expenses:				
Rental	140,725	125,820	287,306	252,915
Strategic capital	27,866	24,947	53,159	50,129
General and administrative	56,934	51,974	107,477	103,280
Depreciation and amortization	230,382	190,188	480,382	359,996
Other	3,900	30,127	8,585	35,702
Total expenses	459,807	423,056	936,909	802,022
Operating income	142,348	87,348	271,546	171,229
Other income (expense):				
Earnings from unconsolidated entities, net	41,454	41,784	99,765	72,826
Interest expense	(76,455)	(68,902)	(157,267)	(137,663)
Gains on dispositions of development properties and land, net	12,299	74,236	106,284	75,067
Gains on dispositions of real estate, net (excluding development properties and land)	188,051	34,546	238,383	311,430
Foreign currency and derivative gains (losses) and interest and other income (expense), net	(8,808)	(23,665)	(20,428)	21,950
Gain (losses) on early extinguishment of debt, net	2,044	(236)	992	(16,525)
Total other income	158,585	57,763	267,729	327,085
Earnings before income taxes	300,933	145,111	539,275	498,314
Current income tax expense	(9,125)	(4,706)	(25,281)	(5,545)
Deferred income tax benefit (expense)	3,983	(145)	4,602	(1,197)
Consolidated net earnings	295,791	140,260	518,596	491,572
Net loss (earnings) attributable to noncontrolling interests	(8,712)	1,658	(31,787)	(2,778)
Net earnings attributable to controlling interests	277,079	141,918	486,809	488,794
Preferred stock dividends	(1,696)	(1,678)	(3,385)	(3,348)
Net earnings attributable to common stockholders	\$ 275,383	\$ 140,240	\$ 483,424	\$ 485,446
Weighted average common shares outstanding - Diluted	545,388	530,640	544,293	529,827
Net earnings per share attributable to common stockholders - Diluted	\$ 0.52	\$ 0.27	\$ 0.92	\$ 0.92

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	\$ 546,131	\$ (75,813)	\$ 146,517	\$ 616,835	\$ 344,837	\$ 75,813	\$ 1,037,485
Strategic capital	51,322	-	663	51,985	664	-	52,649
Development management and other	4,702	(1)	189	4,890	133	1	5,024
Total revenues	602,155	(75,814)	147,369	673,710	345,634	75,814	1,095,158
Expenses:							
Rental	140,725	(21,219)	31,176	150,682	79,533	21,219	251,434
Strategic capital	27,866	-	-	27,866	-	-	27,866
General and administrative	56,934	(9,729)	12,846	60,051	27,878	9,729	97,658
Depreciation and amortization	230,382	(36,116)	47,654	241,920	117,289	36,116	395,325
Other	3,900	(4)	2,980	6,876	238	4	7,118
Total expenses	459,807	(67,068)	94,656	487,395	224,938	67,068	779,401
Operating income	142,348	(8,746)	52,713	186,315	120,696	8,746	315,757
Earnings from unconsolidated co-investment ventures, net	40,934	(1,108)	(39,826)	-	-	1,108	1,108
Earnings from other unconsolidated joint ventures, net	520	-	-	520	-	-	520
Interest expense	(76,455)	4,666	(13,322)	(85,111)	(37,404)	(4,666)	(127,181)
Gains on dispositions of development properties and land, net	12,299	(14)	(1)	12,284	(5)	14	12,293
Gains on dispositions of real estate, net (excluding development properties and land)	188,051	(3,785)	7,627	191,893	5,998	3,785	201,676
Foreign currency and derivative gains (losses) and interest and other income (expense), net	(8,808)	453	(1,447)	(9,802)	(4,437)	(453)	(14,692)
Gains (losses) on early extinguishment of debt, net	2,044	(952)	(203)	889	(157)	952	1,684
Current income tax expense	(9,125)	406	(4,714)	(13,433)	(7,987)	(406)	(21,826)
Deferred income tax benefit (expense)	3,983	(1,316)	(827)	1,840	(1,454)	1,316	1,702
Consolidated net earnings	295,791	(10,396)	-	285,395	75,250	10,396	371,041
Net earnings attributable to noncontrolling interests	(10,396)	10,396	-	-	-	-	-
Net earnings attributable to limited partnership unitholders	(8,316)	-	-	(8,316)	-	-	(8,316)
Preferred stock dividends	(1,696)	-	-	(1,696)	-	-	(1,696)
Net earnings attributable to common stockholders	\$ 275,383	\$ -	\$ -	\$ 275,383	\$ 75,250	\$ 10,396	\$ 361,029

in thousands	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Net earnings attributable to common stockholders	\$ 275,383	\$ 140,240	\$ 483,424	\$ 485,446
Add (deduct) NAREIT defined adjustments:				
Real estate related depreciation and amortization	221,233	183,237	464,825	347,488
Gains on dispositions of real estate, net (excluding development properties and land)	(188,051)	(84,546)	(238,383)	(311,430)
Reconciling items related to noncontrolling interests	(24,015)	(20,781)	(64,290)	(32,293)
Our share of reconciling items related to unconsolidated co-investment ventures	40,027	47,578	80,027	94,950
Our share of reconciling items related to other unconsolidated ventures	1,522	1,577	(984)	3,298
Subtotal-NAREIT defined FFO	\$ 326,099	\$ 317,305	\$ 724,619	\$ 587,459
Add (deduct) our defined adjustments:				
Unrealized foreign currency and derivative losses (gains), net	8,451	29,354	23,779	(8,506)
Deferred income tax expense (benefit)	(3,983)	145	(4,602)	1,197
Reconciling items related to noncontrolling interests	803	776	1,286	(792)
Our share of reconciling items related to unconsolidated co-investment ventures	2,314	(15,836)	340	(13,887)
FFO, as defined by Prologis	\$ 333,604	\$ 331,744	\$ 745,422	\$ 570,471
Adjustments to arrive at Core FFO:				
Net gain on dispositions of development properties and land, net of taxes	(10,503)	(76,306)	(96,165)	(79,540)
Acquisition expenses	967	26,130	2,228	27,484
Losses (gains) on early extinguishment of debt, net	(2,044)	236	(992)	16,525
Reconciling items related to noncontrolling interests	966	(10,198)	1,056	(12,227)
Our share of reconciling items related to unconsolidated entities	855	2,279	2,009	5,601
Core FFO	\$ 323,925	\$ 273,885	\$ 653,558	\$ 528,264
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	10,503	76,306	96,165	79,540
Straight-lined rents and amortization of lease intangibles	(22,830)	(10,528)	(54,391)	(15,360)
Property improvements	(20,700)	(14,487)	(27,957)	(25,957)
Tenant improvements	(26,592)	(8,390)	(46,881)	(36,724)
Leasing commissions	(20,558)	(16,187)	(41,838)	(28,613)
Amortization of management contracts	938	1,351	1,854	2,295
Amortization of debt premiums and financing costs, net	(4,225)	(7,967)	(9,616)	(14,386)
Stock compensation expense	16,747	13,484	29,212	26,718
Reconciling items related to noncontrolling interests	14,587	9,993	32,028	17,775
Our share of reconciling items related to unconsolidated co-investment ventures	(11,526)	(15,680)	(26,190)	(30,448)
AFFO	\$ 260,269	\$ 291,780	\$ 605,944	\$ 503,104

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	\$ 275,383	\$ -	\$ -	\$ 275,383	\$ 75,250	\$ 10,396	\$ 361,029
Add (deduct) adjustments to arrive at FFO, as defined by Prologis:							
Real estate related depreciation and amortization	221,233	(36,116)	47,654	232,771	117,289	36,116	386,176
Gains on dispositions of real estate, net (excluding development properties and land)	(188,051)	3,785	(7,627)	(191,893)	(5,998)	(3,785)	(201,676)
Unrealized foreign currency and derivative losses (gains), net	8,451	(513)	1,487	9,425	4,457	513	14,395
Deferred income tax expense (benefit)	(3,983)	1,316	827	(1,840)	1,454	(1,316)	(1,702)
Reconciling items related to noncontrolling interests	(31,528)	31,528	-	-	-	-	-
Reconciling items related to noncontrolling interests - limited partnership unitholders	8,316	-	-	8,316	-	-	8,316
Our share of reconciling items related to unconsolidated co-investment ventures	42,341	-	(42,341)	-	-	-	-
Our share of reconciling items related to other unconsolidated ventures	1,522	-	-	1,522	-	-	1,522
FFO, as defined by Prologis	\$ 333,684	\$ -	\$ -	\$ 333,684	\$ 192,452	\$ 41,924	\$ 568,060
Adjustments to arrive at Core FFO:							
Net gains on dispositions of development properties and land, net of taxes	(10,503)	14	(697)	(11,186)	(822)	(14)	(12,022)
Acquisition expenses	967	-	1,349	2,316	2,654	-	4,970
Losses (gains) on early extinguishment of debt, net	(2,044)	952	203	(889)	157	(952)	(1,684)
Reconciling items related to noncontrolling interests	966	(966)	-	-	-	-	-
Our share of reconciling items related to unconsolidated co-investment ventures	855	-	(855)	-	-	-	-
Core FFO	\$ 323,925	\$ -	\$ -	\$ 323,925	\$ 194,441	\$ 40,958	\$ 559,324
Adjustments to arrive at AFFO:							
Net gains on dispositions of development properties and land, net of taxes	10,503	(14)	697	11,186	822	14	12,022
Straight-lined rents and amortization of lease intangibles	(22,830)	3,089	(2,819)	(22,560)	(5,159)	(3,089)	(30,808)
Property improvements	(20,700)	1,639	(5,647)	(24,708)	(13,890)	(1,639)	(40,237)
Tenant improvements	(26,592)	4,283	(1,830)	(24,139)	(5,224)	(4,283)	(33,646)
Leasing commissions	(20,558)	2,759	(1,844)	(19,643)	(5,202)	(2,759)	(27,604)
Amortization of management contracts	938	-	-	938	-	-	938
Amortization of debt premiums and financing costs, net	(4,225)	2,831	(83)	(1,477)	1,262	(2,831)	(3,046)
Stock compensation expense	16,747	-	-	16,747	-	-	16,747
Reconciling items related to noncontrolling interests	14,587	(14,587)	-	-	-	-	-
Our share of reconciling items related to unconsolidated co-investment ventures	(11,526)	-	11,526	-	-	-	-
AFFO	260,269	\$ -	\$ -	\$ 260,269	\$ 167,050	\$ 26,371	\$ 453,690

In the usands	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Net earnings attributable to common stockholders	\$ 275,383	\$ 140,240	\$ 483,424	\$ 485,446
Gains on dispositions of real estate, net (excluding development properties and land)	(188,051)	(34,546)	(238,383)	(311,430)
Depreciation and amortization expenses	230,382	190,188	480,382	359,996
Interest expense	76,455	68,902	157,267	137,663
Losses (gains) on early extinguishment of debt, net	(2,044)	236	(92)	16,525
Current and deferred income tax expense, net	5,142	4,851	20,679	6,742
Reconciling items related to noncontrolling interests - limited partnership unitholders	8,316	1,298	14,550	2,580
Pro forma adjustments	(1,069)	28,675	(7,004)	29,415
Preferred stock dividends	1,696	1,678	3,385	3,348
Unrealized foreign currency and derivative losses (gains), net	8,451	29,354	23,779	(3,506)
Stock compensation expense	16,747	13,484	29,212	26,718
Acquisition expenses	967	26,130	2,228	27,434
Adjusted EBITDA, consolidated	\$ 432,375	\$ 470,490	\$ 968,527	\$ 780,931
Our share of reconciling items from unconsolidated entities less third party share of consolidated entities				
Losses (gains) on dispositions of real estate, net (excluding development properties and land)	(3,842)	472	(15,181)	477
Depreciation and amortization expenses	12,240	26,953	17,456	65,134
Interest expense	8,656	10,870	18,814	24,643
Losses on early extinguishment of debt, net	1,155	711	2,699	1,053
Current income tax expense	4,308	4,475	9,885	6,664
Unrealized foreign currency and derivative losses (gains) and deferred income tax expense, net	3,117	(15,060)	4,608	(14,679)
Acquisition expenses	1,349	(8,578)	1,774	(6,612)
Adjusted EBITDA	\$ 459,358	\$ 490,333	\$ 1,008,582	\$ 857,611

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.	17.6%	Open end	Q2 2017
FIBRA Prologis	Core	2014	Unconsolidated	Mexico	45.9%	Public, Mexican Exchange	Q2 2017
Brazil Fund and joint ventures	Core/Development	2010	Unconsolidated	Brazil	various	Closed end	Q4 2017
Prologis Targeted Europe Logistics Fund	Core	2007	Unconsolidated	Europe	27.9%	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	49,484	\$ 4,649,381	\$ 1,424,904	\$ 18,211	\$ 251,068	\$ 518,025
FIBRA Prologis (A)	33,137	1,925,928	677,273	10,743	310,733	562,311
Brazil Fund and joint ventures	8,053	532,526	-	21,917	-	286,021
Prologis Targeted Europe Logistics Fund	22,379	2,230,178	691,530	20,387	192,799	306,098
Prologis European Properties Fund II	72,185	5,189,243	1,874,273	52,280	582,899	386,036
Europe Logistics Venture I	5,622	395,277	-	1,556	-	52,177
Prologis European Logistics Partners	59,418	3,954,223	-	39,030	-	1,719,947
Nippon Prologis REIT (A)	23,179	4,368,246	1,709,437	31,273	257,954	398,601
Prologis China Logistics Venture	10,446	534,817	242,472	7,912	36,371	99,243
Unconsolidated Co-Investment Ventures Total	283,903	23,779,819	6,619,889	203,309	1,631,824	4,328,459
Consolidated Co-Investment Ventures						
Prologis U.S. Logistics Venture	71,583	6,038,503	714,205	11,781	393,098	3,060,146
Prologis North American Industrial Fund	41,179	2,477,895	1,063,247	90,522	703,232	965,447
Consolidated Co-Investment Ventures Total	112,762	8,516,398	1,777,452	102,303	1,096,330	4,025,593
Total	396,665	\$ 32,296,217	\$ 8,397,341	\$ 305,612	\$ 2,728,154	\$ 8,354,052



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

dollars in thousands	U.S.	Other Americas	Europe	Asia	Total
Core FFO and Net Earnings					
For the Three Months Ended June 30, 2016					
Rental revenues	\$ 98,009	\$ 59,669	\$ 247,264	\$ 86,412	\$ 491,354
Rental expenses	(28,161)	(8,651)	(54,568)	(19,329)	(110,709)
Net operating income from properties	69,848	51,018	192,696	67,083	380,645
Other income (expense), net	590	2,966	(1,244)	176	2,488
General and administrative expenses	(6,114)	(5,720)	(18,914)	(9,976)	(40,724)
Interest expense	(15,721)	(7,080)	(20,123)	(7,802)	(50,726)
Current income tax expense	(179)	(2,068)	(10,218)	(1,755)	(14,220)
Core FFO	48,424	39,116	142,197	47,726	277,463
Acquisition expenses, gains on dispositions of development properties and land and early extinguishment of debt, net	(226)	64	(1,878)	(804)	(2,844)
FFO, as defined by Prologis	48,198	39,180	140,319	46,922	274,619
Real estate related depreciation and amortization	(40,233)	(17,582)	(85,888)	(21,240)	(164,943)
Gains (losses) on dispositions of real estate, net (excluding development properties and land)	(2,680)	22	16,283	-	13,625
Unrealized foreign currency and derivative gains (losses), net	-	(2,169)	134	(8,909)	(5,944)
Deferred tax expense, net	-	-	(2,281)	-	(2,281)
Net earnings	\$ 5,285	\$ 19,451	\$ 68,567	\$ 21,773	\$ 115,076
Prologis' Share of Core FFO and Net Earnings					
For the Three Months Ended June 30, 2016					
AFFO from unconsolidated co-investment ventures, net	\$ 6,126	\$ 13,449	\$ 46,386	\$ 6,643	\$ 72,604
Core FFO from unconsolidated co-investment ventures, net	\$ 8,422	\$ 16,088	\$ 52,486	\$ 7,124	\$ 84,130
Fees earned by Prologis	9,179	5,693	25,428	10,448	50,748
Total Core FFO recognized by Prologis, net	\$ 17,601	\$ 21,781	\$ 77,914	\$ 17,572	\$ 134,878
Prologis' share of the unconsolidated co-investment ventures' net earnings	\$ 718	\$ 7,509	\$ 29,014	\$ 3,693	\$ 40,934
Fees earned by Prologis	9,179	5,693	25,428	10,448	50,748
Total earnings recognized by Prologis, net	\$ 9,897	\$ 13,202	\$ 54,442	\$ 14,141	\$ 91,682
Condensed Balance Sheet					
As of June 30, 2016					
Operating industrial properties, before depreciation	\$ 4,649,381	\$ 2,458,454	\$ 11,768,921	\$ 4,903,063	\$ 23,779,819
Accumulated depreciation	(627,367)	(115,551)	(1,319,317)	(200,243)	(2,262,478)
Properties under development and land	-	241,195	74,569	351,579	667,343
Other assets	205,850	110,456	663,462	292,019	1,271,787
Total assets	\$ 4,227,864	\$ 2,694,554	\$ 11,187,635	\$ 5,346,419	\$ 23,456,471
Third party debt	\$ 1,424,904	\$ 677,273	\$ 2,565,803	\$ 1,951,909	\$ 6,619,889
Other liabilities	79,093	95,268	954,839	298,137	1,427,337
Total liabilities	\$ 1,503,997	\$ 772,541	\$ 3,520,642	\$ 2,250,046	\$ 8,047,226
Weighted average ownership	17.6%	43.6%	36.2%	15.0%	28.8%

Period End Occupancy



Customer Retention



Same Store Change Over Prior Year – Prologis Share



Rent Change – Prologis Share



Period Ending Occupancy (%)



square feet in thousands

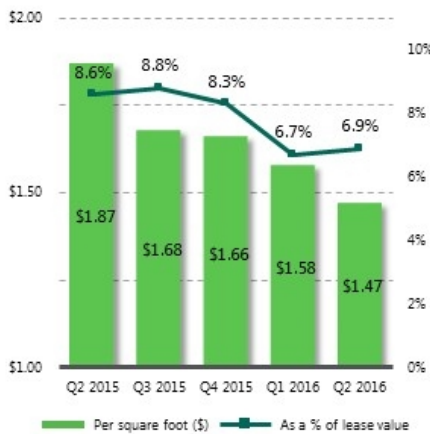
Leasing Activity

	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016
Square feet of leases signed:					
Operating portfolio:					
Renewals	24,581	26,870	23,155	29,380	26,682
New leases	11,872	11,047	10,192	9,939	12,339
Total operating portfolio	36,453	37,917	33,347	39,319	39,021
Properties under development	8,156	4,245	6,774	7,006	9,488
Total Square Feet of Leases Signed	44,609	42,162	40,121	46,325	48,509
Average term of leases signed (months)	56	45	56	54	61
Operating Portfolio:					
Trailing four quarters - leases signed	141,533	142,600	143,078	147,036	149,604
Trailing four quarters - % of average portfolio	26.1%	25.4%	24.8%	24.7%	24.5%
Rent change (net effective)	14.4%	10.2%	9.5%	16.2%	14.6%
Rent change (net effective) - Prologis share	16.6%	12.0%	12.4%	20.1%	17.8%
Rent change (cash)	3.7%	2.4%	1.9%	5.5%	5.8%
Rent change (cash) - Prologis share	5.2%	3.6%	2.9%	8.6%	7.9%
Customer retention	79.0%	87.0%	85.9%	84.4%	82.6%

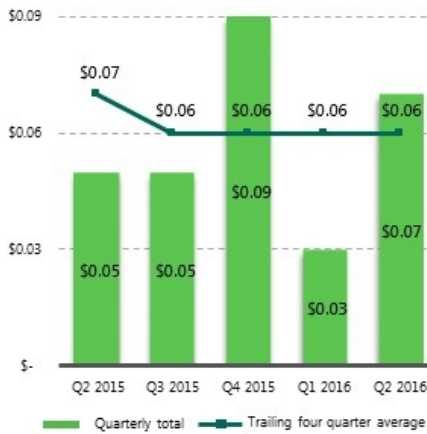
In thousands, except for percentages and per square foot

Capital Expenditures						Same Store Information					
	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	
Property improvements	\$ 30,064	\$ 31,650	\$ 57,535	\$ 19,104	\$ 40,237	Square feet	508,195	504,807	491,666	517,525	511,133
Tenant improvements	28,848	32,187	37,167	29,160	33,646	Average occupancy	95.8%	95.9%	96.7%	96.4%	96.1%
Leasing commissions	25,790	29,796	31,105	28,684	27,604	Period end occupancy	95.8%	96.4%	97.1%	96.4%	96.5%
Total turnover costs	54,638	61,983	68,272	57,844	61,250	Percentage change:					
Total Capital Expenditures	\$ 84,702	\$ 93,633	\$ 125,807	\$ 76,948	\$ 101,487	Rental revenue	4.2%	4.6%	4.0%	3.6%	3.8%
Trailing four quarters - % of gross NOI	14.3%	13.7%	13.9%	13.4%	13.5%	Rental expenses	3.4%	4.6%	2.4%	(1.7%)	1.1%
Weighted average ownership percent	66.4%	71.4%	67.2%	67.6%	67.5%	Same store NOI	4.5%	4.7%	4.5%	5.6%	4.7%
Prologis share	\$ 56,226	\$ 66,875	\$ 84,584	\$ 51,995	\$ 68,490	Same store NOI - Prologis share	5.9%	6.2%	6.6%	7.4%	6.1%
						Same store NOI - cash	4.1%	3.6%	3.5%	4.9%	4.4%
						Same store NOI - cash - Prologis share	5.2%	4.5%	4.5%	6.0%	5.3%
						Average occupancy	1.7%	1.1%	1.0%	1.4%	1.1%

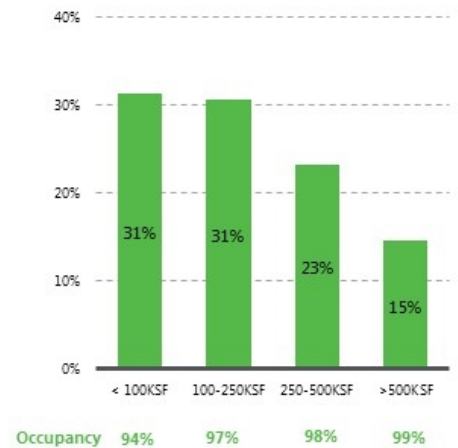
Turnover Costs on Leases Signed



Property Improvements per Square Foot



Composition of Portfolio (by Unit Size) and Occupancy



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	342	70,489	54,509	14.3	97.4	97.8	97.9	98.3
New Jersey/New York City	160	32,865	24,247	6.4	95.2	94.3	95.2	94.3
San Francisco Bay Area	226	20,396	16,339	4.3	97.0	96.8	97.0	96.8
Chicago	239	41,017	29,417	7.7	95.0	95.7	95.2	95.9
Dallas/Ft. Worth	172	27,629	21,570	5.7	94.4	95.0	94.6	95.3
South Florida	132	14,451	9,440	2.5	97.5	97.0	98.1	97.8
Central & Eastern PA	32	16,726	12,263	3.2	96.6	95.4	98.5	98.0
Atlanta	108	17,988	14,123	3.7	97.5	97.1	97.9	97.6
Baltimore/Washington	67	8,208	5,908	1.6	97.7	98.0	98.8	98.3
Seattle	103	14,380	6,902	1.8	95.9	94.3	95.9	94.3
Central Valley	25	11,360	10,277	2.7	96.1	97.1	96.1	97.1
Houston	100	12,661	8,622	2.3	90.6	88.4	91.3	89.1
Las Vegas	47	6,160	4,364	1.1	96.5	97.2	96.6	97.4
Denver	29	5,286	4,976	1.3	99.8	99.8	99.8	99.8
San Antonio	50	5,768	5,143	1.4	98.3	98.2	98.6	98.5
Columbus	26	7,793	6,463	1.7	99.6	99.6	99.6	99.6
Nashville	28	6,292	5,251	1.4	92.0	94.7	92.0	94.7
Louisville	11	5,689	4,527	1.2	100.0	100.0	100.0	100.0
Remaining U.S. markets (14 markets)	222	35,423	30,090	7.8	95.7	96.5	97.9	98.1
Total U.S.	2,119	360,591	274,431	72.1	96.2	96.3	96.7	96.9
Mexico	192	33,360	15,427	4.1	96.4	96.5	96.5	96.5
Canada	24	7,960	7,387	1.9	100.0	100.0	100.0	100.0
Brazil	19	8,054	2,037	0.5	100.0	100.0	100.0	100.0
Total Other Americas	235	49,374	24,851	6.5	97.6	97.8	97.6	97.8
United Kingdom	92	22,417	9,406	2.5	98.8	99.1	98.8	99.1
France	140	35,392	14,762	3.9	93.1	92.3	93.6	93.5
Germany	99	22,864	8,665	2.3	98.1	98.9	99.5	99.5
Poland	110	24,473	10,111	2.7	93.1	92.7	94.3	94.8
Netherlands	71	16,736	6,323	1.7	97.4	95.5	97.6	95.7
Czech Republic	54	10,614	5,117	1.3	97.6	97.3	98.3	98.8
Remaining European countries (7 countries)	161	37,341	16,822	4.4	94.7	92.9	94.9	93.0
Total Europe	727	169,837	71,206	18.8	95.6	95.0	96.2	95.6
Japan	37	24,958	5,276	1.4	96.7	95.0	97.1	95.4
China	54	12,769	3,891	1.0	96.2	94.1	96.3	94.2
Singapore	5	959	959	0.2	77.6	77.6	77.6	77.6
Total Asia	96	38,686	10,126	2.6	96.0	93.0	96.3	93.2
Total Outside the U.S.	1,058	257,897	106,183	27.9	96.0	95.5	96.5	95.9
Total Operating Portfolio	3,177	618,488	380,614	100.0	96.1	96.1	96.6	96.6
Total Global markets	2,600	517,871	307,369	80.7	96.0	95.8	96.4	96.3
Total Regional markets	564	99,137	72,279	19.0	96.9	97.4	97.7	98.1
Total Other markets	13	1,480	966	0.3	85.6	88.2	86.8	89.0

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

	Second Quarter NOI			Gross Book Value		
	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	% of Total
Southern California	\$ 91,834	\$ 69,994	15.9	\$ 6,732,056	\$ 5,048,389	18.4
New Jersey/New York City	53,497	38,142	8.7	3,326,049	2,285,797	8.4
San Francisco Bay Area	33,758	26,851	6.1	2,089,190	1,655,265	6.0
Chicago	36,751	25,365	5.7	2,621,460	1,817,161	6.6
Dallas/Ft. Worth	23,949	17,964	4.1	1,512,779	1,113,758	4.1
South Florida	23,707	15,764	3.6	1,484,525	998,607	3.6
Central & Eastern PA	16,968	12,060	2.7	1,049,193	752,273	2.7
Atlanta	14,066	10,790	2.4	826,958	627,421	2.3
Baltimore/Washington	13,747	10,376	2.3	725,662	519,295	1.9
Seattle	19,631	9,045	2.1	1,380,273	653,824	2.4
Central Valley	9,709	8,792	2.0	629,867	572,730	2.1
Houston	13,301	8,638	2.0	825,788	503,767	1.8
Las Vegas	8,016	5,575	1.3	428,085	291,823	1.1
Denver	5,615	5,279	1.2	314,501	297,161	1.1
San Antonio	5,334	4,694	1.1	268,007	238,380	0.9
Columbus	5,245	4,241	1.0	280,463	236,650	0.9
Nashville	4,885	4,207	1.0	252,753	214,111	0.8
Louisville	5,256	4,174	1.0	299,976	224,701	0.8
Remaining U.S. markets (14 markets)	34,049	28,467	6.5	1,868,796	1,537,087	5.6
Total U.S.	419,318	310,418	70.7	26,916,381	19,588,200	71.5
Mexico	38,436	18,283	4.1	1,938,570	896,257	3.2
Canada	9,274	8,594	2.0	648,977	597,467	2.2
Brazil	13,460	3,430	0.8	532,526	133,649	0.5
Total Other Americas	61,170	30,307	6.9	3,120,073	1,627,373	5.9
United Kingdom	47,115	19,740	4.5	2,806,328	1,141,003	4.1
France	37,380	14,605	3.3	2,348,240	920,896	3.4
Germany	28,636	10,574	2.4	1,695,445	611,935	2.2
Poland	20,118	8,448	1.9	1,379,196	540,543	2.0
Netherlands	20,647	7,549	1.7	1,240,637	445,582	1.6
Czech Republic	11,494	5,454	1.3	641,401	293,761	1.1
Remaining European countries (7)	36,811	16,136	3.7	2,271,443	1,010,666	3.7
Total Europe	202,201	82,506	18.8	12,382,690	4,964,386	18.1
Japan	59,133	10,977	2.5	4,645,593	936,515	3.4
China	11,764	2,885	0.7	606,954	152,360	0.6
Singapore	1,969	1,969	0.4	137,885	137,885	0.5
Total Asia	72,866	15,831	3.6	5,390,432	1,226,760	4.5
Total Outside the U.S.	336,237	128,644	29.3	20,893,195	7,818,519	28.5
Total Operating Portfolio	\$ 755,555	\$ 439,062	100.0	\$ 47,809,576	\$ 27,406,719	100.0
Total Global markets	656,836	368,979	84.0	42,539,256	23,693,423	86.6
Total Regional markets	96,600	68,778	15.7	5,153,272	3,647,150	13.3
Total Other markets	2,119	1,305	0.3	117,048	66,146	0.1

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.	1,745	311,757	265,826	69.8	96.0	96.3	96.6	96.8	
Total Outside the U.S.	93	26,131	25,557	6.7	93.0	92.9	94.0	93.9	
Total Operating Portfolio - Consolidated	1,838	337,888	291,383	76.5	95.7	96.0	96.4	96.6	
Unconsolidated									
Total U.S.	374	48,834	8,605	2.3	97.5	97.5	97.7	97.7	
Total Outside the U.S.	965	231,766	80,626	21.2	96.4	96.3	96.7	96.5	
Total Operating Portfolio - Unconsolidated	1,339	280,600	89,231	23.5	96.6	96.4	96.9	96.7	
Total									
Total U.S.	2,119	360,591	274,431	72.1	96.2	96.3	96.7	96.9	
Total Outside the U.S.	1,058	257,897	106,183	27.9	96.0	95.5	96.5	95.9	
Total Operating Portfolio	3,177	618,488	380,614	100.0	96.1	96.1	96.6	96.6	
Value added properties - consolidated	6	1,515	964		10.8	9.8	32.2	28.4	
Value added properties - unconsolidated	16	3,303	1,034		53.7	49.4	63.4	56.0	
Total	3,199	623,306	382,612		95.7	95.7	96.3	96.3	

	Second Quarter NOI			Gross Book Value		
	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	% of Total
Consolidated						
Total U.S.	\$ 351,105	\$ 298,399	68.0	\$ 22,328,311	\$ 18,779,782	68.6
Total Outside the U.S.	27,601	26,922	6.1	1,878,389	1,826,879	6.6
Total Operating Portfolio - Consolidated	\$ 378,706	\$ 325,321	74.1	\$ 24,206,700	\$ 20,606,661	75.2
Unconsolidated						
Total U.S.	\$ 68,213	\$ 12,019	2.7	\$ 4,588,070	\$ 808,418	2.9
Total Outside the U.S.	308,636	101,722	23.2	19,014,806	5,991,640	21.9
Total Operating Portfolio - Unconsolidated	\$ 376,849	\$ 113,741	25.9	\$ 23,602,876	\$ 6,800,058	24.8
Total						
Total U.S.	\$ 419,318	\$ 310,418	70.7	\$ 26,916,381	\$ 19,588,200	71.5
Total Outside the U.S.	336,237	128,644	29.3	20,893,195	7,818,519	28.5
Total Operating Portfolio	\$ 755,555	\$ 439,062	100.0	\$ 47,809,576	\$ 27,406,719	100.0
Value added properties - consolidated	(297)	(245)		82,298	52,870	
Value added properties - unconsolidated	1,889	560		176,943	47,849	
Total	\$ 757,147	\$ 439,377		\$ 48,068,817	\$ 27,507,438	

square feet and dollars in thousands

Top Customers

	% of Net Effective Rent	Total Square Feet
1 Amazon.com	3.1	14,836
2 DHL	1.6	10,664
3 XPO Logistics	1.2	9,197
4 Geodis	1.2	8,535
5 Kuehne + Nagel	1.1	6,173
6 FedEx	1.0	3,587
7 Home Depot	1.0	5,533
8 CEVA Logistics	1.0	6,469
9 Wal-Mart	0.8	4,924
10 Nippon Express	0.6	2,666
Top 10 Customers	12.6	72,584
11 U.S. Government	0.6	1,201
12 BMW	0.6	3,533
13 DSV Air and Sea	0.5	4,444
14 UPS	0.5	3,333
15 DB Schenker	0.5	3,767
16 Hitachi	0.5	1,906
17 Tesco	0.5	2,785
18 Ingram Micro	0.5	2,959
19 Panalpina	0.4	2,235
20 PepsiCo	0.4	2,586
21 Cal Cartage	0.4	1,345
22 Samsung Electronics	0.3	2,183
23 Kimberly-Clark	0.3	2,841
24 Best Buy	0.3	1,827
25 La Poste	0.3	1,673
Top 25 Customers	19.2	111,202

Lease Expirations - Operating Portfolio - Owned and Managed

Year	Occupied Sq Ft	Net Effective Rent		
		\$	% of Total	\$ Per Sq Ft
2016	44,659	\$ 190,610	6.4	4.80
2017	98,030	461,050	15.4	4.78
2018	102,466	508,014	17.0	5.01
2019	78,133	387,629	13.0	5.17
2020	74,125	390,456	13.1	5.32
Thereafter	187,444	1,049,190	35.1	5.74
	584,857	\$ 2,986,949	100.0	5.25
Month to month	9,561			
Total	594,418			

Lease Expirations - Operating Portfolio - Prologis Share

Year	Occupied Sq Ft	Net Effective Rent		
		\$	% of Total	\$ Per Sq Ft
2016	27,549	\$ 112,968	6.4	4.59
2017	57,574	256,864	14.5	4.52
2018	61,351	296,742	16.8	4.88
2019	49,020	231,460	13.1	4.89
2020	42,016	217,657	12.3	5.21
Thereafter	122,290	652,314	36.9	5.47
	359,800	\$ 1,768,005	100.0	5.03
Month to month	5,912			
Total	365,712			

(in millions)

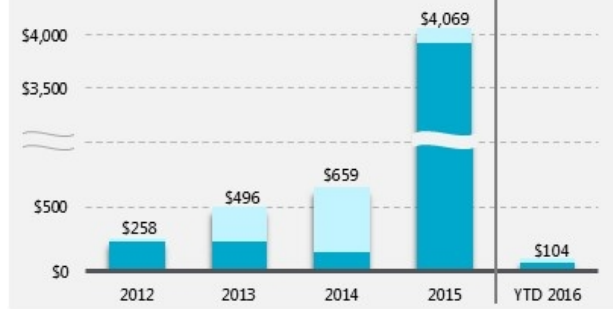
Development Starts (TEI)



Development Stabilizations (TEI)



Building Acquisitions



Land Portfolio



■ U.S. ■ Outside the U.S.

square feet and dollars in thousands

	Q2 2016			YTD		
	Square Feet	T E I		Square Feet	T E I	
		Owned and Managed	Prologis Share		Owned and Managed	Prologis Share
Central	2,612	\$ 136,676	\$ 124,940	3,583	\$ 194,681	\$ 182,945
East	484	31,793	31,793	1,509	144,963	144,963
Northwest	2,550	206,175	172,919	2,550	206,175	172,919
Southwest	654	58,548	40,563	654	58,548	40,563
Total U.S.	6,300	433,192	370,215	8,296	604,367	541,390
Canada	-	-	-	-	-	-
Mexico	248	12,507	11,384	248	12,507	11,384
Brazil	1,071	64,362	32,181	1,349	84,603	42,302
Total Other Americas	1,319	76,869	43,565	1,597	97,110	53,686
Northern	2,580	162,681	151,111	2,867	177,919	155,850
Southern	64	3,314	3,314	760	46,548	46,548
Central	462	21,197	14,732	1,419	71,154	63,488
United Kingdom	228	22,695	22,695	228	22,695	22,695
Total Europe	3,334	209,887	191,852	5,274	318,316	288,581
Japan	-	-	-	1,404	186,454	186,454
China	1,521	100,316	15,047	2,026	125,478	18,821
Singapore	-	-	-	-	-	-
Total Asia	1,521	100,316	15,047	3,430	311,932	205,275
Total Outside the U.S.	6,174	387,072	250,464	10,301	727,358	547,542
Total Development Stabilizations	12,474	\$ 820,264	\$ 620,679	18,597	\$ 1,331,725	\$ 1,088,932
Percent build to suit			41.3%			35.0%
Estimated weighted average yield			6.8%			6.8%
Pro forma NOI			\$ 41,920			\$ 73,776
Weighted average estimated cap rate			5.2%			5.3%
Estimated weighted average margin			25.7%			26.2%
Estimated value creation			\$ 159,283			\$ 284,810

square feet and dollars in thousands

	Q2 2016				YTD			
	Square Feet	Leased % at Start	T E I		Square Feet	Leased % at Start	T E I	
			Owned and Managed	Prologis Share			Owned and Managed	Prologis Share
Central	1,721	100.0	\$ 87,148	\$ 87,148	1,721	100.0	\$ 87,148	\$ 87,148
East	1,151	97.4	61,006	61,006	1,355	82.7	94,807	94,807
Northwest	-	-	-	-	-	-	-	-
Southwest	924	56.8	60,799	60,799	1,677	64.5	125,441	125,441
Total U.S.	3,796	88.7	208,953	208,953	4,753	82.6	307,396	307,396
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	398	0.0	41,304	41,304	792	49.7	66,554	66,554
Southern	-	-	-	-	-	-	-	-
Central	1,099	83.6	58,173	56,357	1,210	85.1	65,523	63,707
United Kingdom	302	100.0	32,251	21,029	432	69.9	53,328	42,106
Total Europe	1,799	67.9	131,728	118,690	2,434	70.9	185,405	172,367
Japan	544	49.3	129,076	129,076	544	49.3	129,076	129,076
China	1,048	0.0	56,553	8,483	1,048	0.0	56,553	8,483
Total Asia	1,592	16.8	185,629	137,559	1,592	16.8	185,629	137,559
Total Outside the U.S.	3,391	43.9	317,357	256,249	4,598	43.4	412,149	351,041
Total Development Starts	7,187	67.6	\$ 526,310	\$ 465,202	9,351	63.3	\$ 719,545	\$ 658,437
Percent build to suit				49.8%				47.4%
Estimated weighted average start yield				6.4%				6.5%
Pro forma NOI				\$ 29,767				\$ 42,597
Weighted average estimated cap rate at stabilization				5.4%				5.4%
Estimated weighted average margin				17.6%				18.4%
Estimated value creation				\$ 82,100				\$ 121,415

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	Sq Ft	Owned and Managed	Prologis Share	Sq Ft	Owned and Managed	Prologis Share	Sq Ft	Leased %	Owned and Managed	Prologis Share
Central	909	53.5	\$ 73,406	\$ 49,679	1,626	\$ 132,022	\$ 132,022	1,565	\$ 78,851	\$ 78,851	4,100	83.1	\$ 284,279	\$ 260,552
East	1,030	0.0	60,626	60,626	946	114,938	114,938	1,244	83,116	83,116	3,220	60.7	258,680	258,680
Northwest	521	26.4	48,253	48,253	308	39,030	21,482	-	-	-	829	53.7	87,283	69,735
Southwest	1,371	24.9	127,086	90,450	786	59,577	59,577	1,267	97,697	97,697	3,424	46.4	284,360	247,724
Total U.S.	3,831	25.2	309,371	249,008	3,666	345,567	328,019	4,076	259,664	259,664	11,573	63.9	914,602	836,691
Canada	484	21.8	41,503	41,503	324	26,902	26,902	-	-	-	808	22.6	68,405	68,405
Mexico	1,053	63.6	70,392	64,555	1,067	67,295	67,295	-	-	-	2,120	31.6	137,687	131,850
Brazil	1,119	0.0	81,432	40,716	586	37,256	18,628	-	-	-	1,705	0.0	118,688	59,344
Total Other Americas	2,656	29.2	193,327	146,774	1,977	131,453	112,825	-	-	-	4,633	18.4	324,780	259,599
Northern Europe	447	100.0	31,548	31,548	773	65,267	65,267	397	41,304	41,304	1,617	75.4	138,119	138,119
Southern Europe	385	51.4	20,967	20,967	322	20,500	20,500	-	-	-	707	28.0	41,467	41,467
Central and Eastern Europe	262	79.3	14,069	4,375	1,294	72,127	70,311	360	21,835	21,835	1,916	83.6	108,031	96,521
United Kingdom	891	0.0	106,597	83,430	765	143,017	143,017	303	32,251	21,029	1,959	35.7	281,865	247,476
Total Europe	1,985	43.0	173,181	140,320	3,154	300,911	299,095	1,060	95,390	84,168	6,199	60.0	569,482	523,588
Japan	2,820	32.9	436,550	436,550	2,685	441,277	441,277	756	157,740	157,740	6,261	39.1	1,035,567	1,035,567
China	960	49.1	51,304	7,696	2,159	125,512	18,827	5,546	311,167	46,675	8,665	5.4	487,983	73,198
Singapore	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Asia	3,780	37.0	487,854	444,246	4,844	566,789	460,104	6,302	468,907	204,415	14,926	19.6	1,523,550	1,108,765
Total Outside the U.S.	8,421	35.9	854,362	731,340	9,975	999,153	872,024	7,362	564,297	288,583	25,758	29.1	2,417,812	1,891,947
Total Development Portfolio	12,252	32.6	\$1,163,733	\$ 980,348	13,641	\$ 1,344,720	\$ 1,200,043	11,438	\$823,961	\$ 548,247	37,331	39.9	\$ 3,332,414	\$ 2,728,638
Cost to complete			\$ 97,541	\$ 84,835		\$ 379,792	\$ 345,432		\$561,679	\$ 405,577			\$ 1,039,012	\$ 835,844
Percent build to suit				3.2%			41.8%			48.9%				29.3%
Wtd. avo. estimated stabilized yield														
U.S.				6.0%			6.3%			6.4%				6.3%
Other Americas				8.3%			8.2%			-				8.3%
Europe				7.4%			7.0%			7.2%				7.2%
Asia				6.2%			6.2%			5.8%				6.2%
Total				6.7%			6.7%			6.3%				6.6%
									Pro forma NOI					\$179,522
									Weighted average estimated cap rate at stabilization					5.4%
									Estimated development margin					19.0%
									Value creation					\$518,416

in square feet and dollars in the thousands

	Q2 2016				YTD			
	Square Feet		Acquisition Costs		Square Feet		Acquisition Costs	
	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
Prologis Wholly Owned	345	345	\$ 48,322	\$ 48,322	679	679	\$ 65,436	\$ 65,436
Prologis Targeted U.S. Logistics Fund	56	10	10,011	1,763	187	39	21,468	4,340
Total U.S.	401	355	58,333	50,085	866	718	86,904	69,776
Prologis Wholly Owned	-	-	-	-	210	210	15,338	15,338
Total Other Americas	-	-	-	-	210	210	15,338	15,338
Prologis Targeted Europe Logistics Fund	269	75	18,328	5,109	269	75	18,328	5,109
Prologis European Properties Fund II	133	41	8,991	2,796	702	218	42,848	13,325
Total Europe	402	116	27,319	7,905	971	293	61,176	18,434
Total Outside the U.S.	402	116	27,319	7,905	1,181	503	76,514	33,772
Total Third Party Building Acquisitions	803	471	\$ 85,652	\$ 57,990	2,047	1,221	\$ 163,418	\$ 103,548
Weighted average stabilized cap rate				6.4%				6.5%

square feet and dollars in thousands

	Q2 2016				YTD			
	Square Feet		Sales Price		Square Feet		Sales Price	
	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
Third-Party Building Dispositions								
Prologis Wholly Owned	4,571	4,571	\$ 274,497	\$ 274,497	5,210	5,210	\$ 314,527	\$ 314,527
Prologis U.S. Logistics Venture	2,011	1,107	215,686	118,713	2,870	1,580	312,006	171,728
Prologis North American Industrial Fund	1,652	1,093	93,435	61,798	2,398	1,586	125,598	83,071
Prologis Targeted U.S. Logistics Fund	187	33	12,094	2,131	619	130	78,993	17,176
Total U.S.	8,421	6,804	595,712	457,139	11,097	8,506	831,124	586,502
FIBRA	47	21	1,750	803	47	21	1,750	803
Total Other Americas	47	21	1,750	803	47	21	1,750	803
Prologis Targeted Europe Logistics Fund	-	-	-	-	159	64	20,574	8,236
Prologis European Properties Fund II	89	28	13,008	4,046	89	28	13,008	4,046
Prologis European Logistics Partners	313	157	41,015	20,508	1,175	588	88,818	44,409
Total Europe	402	185	54,023	24,554	1,423	680	122,400	56,691
Total Outside the U.S.	449	206	55,773	25,357	1,470	701	124,150	57,494
Total Third Party Building Dispositions	8,870	7,010	\$ 651,485	\$ 482,496	12,567	9,207	\$ 955,274	\$ 643,996
Building Contributions to Co-Investment Ventures								
FIBRA	750	750	\$ 50,500	\$ 27,331	750	750	\$ 50,500	\$ 27,331
Total Other Americas	750	750	50,500	27,331	750	750	50,500	27,331
Prologis Targeted Europe Logistics Fund	-	-	-	-	439	439	30,911	18,537
Prologis European Properties Fund II	558	558	21,211	14,614	558	558	21,211	14,614
Total Europe	558	558	21,211	14,614	997	997	52,122	33,151
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	1,308	1,308	71,711	41,945	4,019	4,019	487,056	386,713
Total Building Dispositions and Contributions	10,178	8,318	\$ 723,196	\$ 524,441	16,586	13,226	\$ 1,442,330	\$ 1,030,709
Land dispositions			16,401	14,818			48,539	46,701
Dispositions of other investments in real estate			18,889	18,889			97,921	97,921
Grand Total Dispositions and Contributions			\$ 758,486	\$ 558,148			\$ 1,588,790	\$ 1,175,331
Weighted average stabilized cap rate				6.5%				6.1%

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	\$ 82,238	\$ 72,714	5.4
New Jersey/New York City	152	130	1,845	51,831	45,454	3.3
San Francisco Bay Area	-	-	-	-	-	0.0
Chicago	451	446	8,258	21,937	21,385	1.6
Dallas/Ft. Worth	229	186	3,956	31,482	27,522	2.0
South Florida	296	295	4,718	143,266	143,041	10.6
Central & Eastern PA	309	231	3,941	39,696	32,455	2.4
Atlanta	132	132	1,655	3,665	3,665	0.3
Baltimore/Washington	39	39	400	1,098	1,098	0.1
Seattle	-	-	-	-	-	0.0
Central Valley	1,161	1,161	23,312	97,221	97,221	7.2
Houston	74	62	1,242	8,304	6,595	0.5
Las Vegas	39	39	745	5,630	5,630	0.4
Denver	11	11	196	2,616	2,616	0.2
San Antonio	-	-	-	-	-	0.0
Columbus	25	25	450	1,749	1,749	0.1
Nashville	-	-	-	-	-	0.0
Louisville	-	-	-	-	-	0.0
Remaining U.S. markets (14 markets)	563	555	8,467	42,621	41,824	3.1
Total U.S.	3,750	3,562	64,657	533,354	502,969	37.2
Mexico	824	819	15,961	208,020	206,699	15.3
Canada	161	161	3,224	42,170	42,170	3.1
Brazil	441	166	9,784	123,893	50,290	3.7
Total Other Americas	1,426	1,146	28,969	374,083	299,159	22.1
United Kingdom	313	313	5,227	125,865	125,865	9.3
France	363	310	6,865	64,329	56,005	4.1
Germany	74	68	1,484	18,630	17,359	1.3
Poland	594	590	11,525	66,672	65,951	4.9
Netherlands	46	46	1,538	29,274	29,274	2.2
Czech Republic	192	188	3,068	35,664	34,489	2.6
Remaining European countries (7 countries)	719	679	15,001	129,285	118,470	8.8
Total Europe	2,301	2,194	44,708	469,719	447,413	33.2
Japan	45	45	1,007	84,093	84,093	6.2
China	194	45	6,187	83,336	17,204	1.3
Singapore	-	-	-	-	-	-
Total Asia	239	90	7,194	167,429	101,297	7.5
Total Outside the U.S.	3,966	3,430	80,871	1,011,231	847,869	62.8
Total Land Portfolio	7,716	6,992	145,528	\$ 1,544,585	\$ 1,350,838	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	830	770	11.0	\$ 66,257	\$ 60,036	4.4
East	1,274	1,173	16.8	269,820	255,975	19.0
North west	1,282	1,282	18.4	104,561	104,561	7.7
Southwest	364	337	4.8	92,716	82,397	6.1
Total U.S.	3,750	3,562	51.0	533,354	502,969	37.2
Mexico	824	819	11.7	208,020	206,699	15.3
Canada	161	161	2.3	42,170	42,170	3.1
Brazil	441	166	2.4	123,893	50,290	3.7
Total Other Americas	1,426	1,146	16.4	374,083	299,159	22.1
Central	1,240	1,225	17.5	153,919	151,149	11.2
Northern	168	160	2.3	61,970	60,043	4.5
Southern	580	496	7.1	127,965	110,356	8.2
United Kingdom	313	313	4.5	125,865	125,865	9.3
Total Europe	2,301	2,194	31.4	469,719	447,413	33.2
Japan	45	45	0.6	84,093	84,093	6.2
China	194	45	0.6	83,336	17,204	1.3
Total Asia	239	90	1.2	167,429	101,297	7.5
Total Outside the U.S.	3,966	3,430	49.0	1,011,231	847,869	62.8
Total Land Portfolio	7,716	6,992	100.0	\$ 1,544,585	\$ 1,350,838	100.0
Estimated Build Out (in TED (A))				\$ 8,400,000	\$ 7,400,000	

Land Roll Forward - Prologis Share	U.S.	Other Americas	Europe	Asia	Total
As of March 31, 2016	\$ 497,501	\$ 288,653	\$ 445,573	\$ 135,754	\$ 1,367,481
Acquisitions	17,259	-	20,387	-	37,646
Dispositions	(1,489)	(2,248)	(2,157)	(3,448)	(9,342)
Development starts	(26,332)	-	(15,933)	(42,035)	(84,300)
Infrastructure costs	12,007	6,833	16,599	602	36,041
Effect of changes in foreign exchange rates and other	4,023	5,921	(17,056)	10,424	3,312
As of June 30, 2016	\$ 502,969	\$ 299,159	\$ 447,413	\$ 101,297	\$ 1,350,838



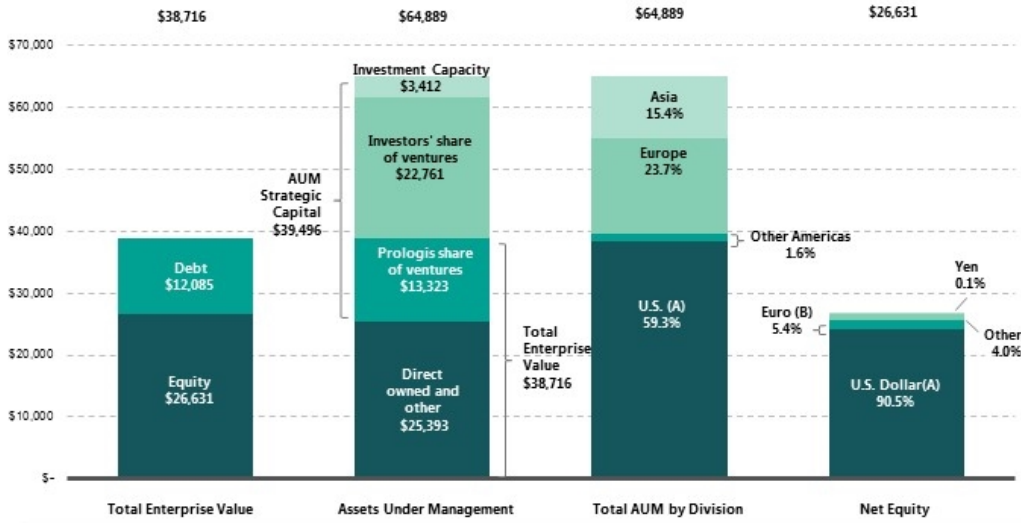
(A) Amounts don't include approximately 1,500 acres of land that we currently control through options, ground leases, joint ventures and other contractual arrangements. This represents a potential estimated build out of approximately \$1.7 billion in TED.

Capitalization Overview

2Q 2016 Supplemental

Assets Under Management

(dollars in millions)

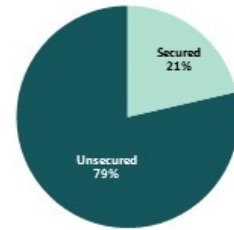


Unencumbered Assets – Prologis Share

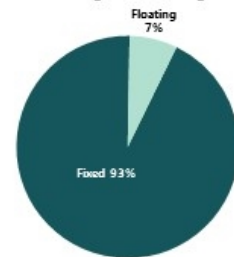
(in billions)



Secured & Unsecured Debt- Prologis Share



Fixed vs. Floating Debt- Prologis Share



Debt Metrics (Q)		
	June 30, 2016	March 31, 2016
Debt as % of gross real estate assets	37.0%	38.1%
Debt as % of gross market capitalization	30.6%	33.9%
Secured debt as % of gross real estate assets	8.2%	8.7%
Unencumbered gross real estate assets to unsecured debt	271.7%	258.1%
Fixed charge coverage ratio	5.02x	5.09x
Fixed charge coverage ratio, excluding development gains	4.32x	4.28x
Debt/Adjusted EBITDA	5.55x	5.59x
Debt/Adjusted EBITDA, excluding development gains	6.45x	6.66x

Investment Ratings at June 30, 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					Secured Mortgage				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	\$ 14	\$ 15	\$ 6	\$ 21	\$ 12	\$ 33	\$ 20	0.2%	3.5%	95%
2017	-	-	110	8	118	514	632	386	1,018	559	4.6%	2.8%	78%
2018	175	-	1	167	343	403	746	1,339	2,085	883	7.3%	3.5%	99%
2019	618	-	413	219	1,350	143	1,493	857	2,350	1,626	12.4%	3.7%	66%
2020	877	-	1	59	937	252	1,189	1,222	2,411	1,452	12.0%	2.7%	91%
2021	1,277	-	399	14	1,690	128	1,818	1,042	2,860	1,990	16.4%	2.4%	99%
2022	777	-	632	10	1,419	154	1,573	799	2,372	1,709	14.1%	2.6%	100%
2023	850	-	288	33	1,171	142	1,313	299	1,612	1,324	10.9%	3.9%	100%
2024	777	-	1	132	910	1	911	256	1,167	954	7.9%	4.1%	100%
2025	750	-	1	139	890	1	891	336	1,227	995	8.2%	3.8%	100%
2026	555	-	1	-	556	1	557	100	657	602	5.0%	3.3%	100%
Thereafter	-	-	6	-	6	1	7	-	7	6	0.0%	5.5%	100%
Subtotal	6,656	-	1,854	895	9,405	1,746	11,151	6,648	17,799	12,120	100.0%		
Unamortized net premiums (discounts)	(22)	-	-	11	(11)	49	38	12	50	24			
Unamortized finance costs	(31)	-	(9)	(5)	(45)	(5)	(50)	(40)	(90)	(59)			
Subtotal	6,603	-	1,845	901	9,349	1,790	11,139	6,620	17,759	12,085		3.2%	93%
Third party share of debt	-	-	-	-	-	(686)	(686)	(4,988)	(5,674)				
Prologis share of debt	\$ 6,603	\$ -	\$ 1,845	\$ 901	\$ 9,349	\$ 1,104	\$ 10,453	\$ 1,632	\$ 12,085				
Weighted average interest rate	3.3%	-	1.9%	5.3%	3.2%	3.0%	3.2%	3.2%	3.2%	3.2%			
Weighted average remaining maturity in years	6.1	-	4.9	5.0	5.8	3.1	5.5	4.3	5.3	5.3			

Prologis share of debt by local currency	Total	Investment Hedges (B)	Total Prologis Share	Wtd. Avg. Interest Rate	Wtd. Avg. Term								
Dollars	\$ 2,987	\$ -	\$ 426	\$ 680	\$ 4,093	\$ 1,104	\$ 5,197	\$ 690	\$ 5,887	\$ (812)	\$ 5,075	4.0%	4.8
Euro	3,518	-	-	-	3,518	-	3,518	533	4,051	186	4,237	2.6%	6.1
GBP	-	-	-	-	-	-	-	137	137	414	551	4.0%	4.9
Yen	98	-	1,134	70	1,302	-	1,302	258	1,560	77	1,637	1.6%	4.8
CAD	-	-	285	151	436	-	436	-	436	123	559	3.3%	7.5
Other	-	-	-	-	-	-	-	14	14	12	26	2.5%	3.8
Prologis share of debt	\$ 6,603	\$ -	\$ 1,845	\$ 901	\$ 9,349	\$ 1,104	\$ 10,453	\$ 1,632	\$ 12,085	\$ -	\$ 12,085	3.2%	5.3

(A) The maturity of credit facilities, certain term loan debt (Prologis share \$411.9 million) and certain unconsolidated entity debt (Prologis share \$274.8 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
Q3 2016	\$ 5,072	4.5%
Q4 2016	15,309	3.2%
Q1 2017	123,950	1.3%
Q2 2017	69,949	2.6%
Total next 12 months	\$ 214,280	1.9%

Liquidity

Aggregate lender commitments- GLOC and revolver	\$ 3,455,604
Less:	
Borrowings outstanding	-
Outstanding letters of credit	38,534
Current availability - credit facilities	3,417,070
Unrestricted cash - Prologis share of consolidated	252,794
Total liquidity	\$ 3,669,864

Encumbrances

	Unencumbered	Encumbered	Total
Consolidated operating properties	\$ 18,295,751	\$ 5,617,584	\$ 23,913,335
Consolidated development portfolio and land	3,071,913	21,072	3,092,985
Consolidated other investments in real estate	1,423,138	-	1,423,138
Total Consolidated	22,790,802	5,638,656	28,429,458
Less: third party share of investments in real estate	2,639,692	1,229,011	3,868,703
Total consolidated - Prologis share	20,151,110	4,409,645	24,560,755
Unconsolidated operating properties - Prologis share	5,531,455	1,316,452	6,847,907
Unconsolidated development portfolio and land - Prologis share	192,002	1,659	193,661
Gross Real Estate Assets - Prologis Share	\$ 25,874,567	\$ 5,727,756	\$ 31,602,323

Secured and Unsecured Debt

	Unsecured Debt	Secured Mortgage Debt	Total
Prologis debt	\$ 8,510,260	\$ 894,915	\$ 9,405,175
Consolidated entities debt	-	1,746,421	1,746,421
Our share of unconsolidated entities debt	1,013,449	623,732	1,637,181
Total debt - at par	9,523,709	3,265,068	12,788,777
Less: third party share of consolidated debt	-	(668,987)	(668,987)
Total Prologis share of debt - at par	9,523,709	2,596,081	12,119,790
Premium (discount) and deferred finance costs - consolidated	(18,337)	6,156	(12,181)
Less: third party share of consolidated debt discount (premium) and deferred finance costs	-	(16,697)	(16,697)
Our share of premium (discount) and deferred finance costs - unconsolidated	-	(5,357)	(5,357)
Total Prologis Share of Debt, Net of Premium (Discount)	\$ 9,505,372	\$ 2,580,183	\$ 12,085,555



	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.	265,826	\$ 18,779,782	\$ 71	\$ 298,137	\$ 298,137	\$ 1,192,548	96.3%
Other Americas	7,610	610,109	80	8,770	8,770	35,080	100.0%
Europe	12,885	729,401	57	12,677	12,677	50,708	90.2%
Asia	5,062	487,369	96	5,618	5,618	22,472	89.0%
Pro forma adjustments						4,545	18,179
Total consolidated operating portfolio	291,383	20,606,661	71	325,202	329,747	1,318,987	96.0%
Unconsolidated Operating Portfolio							
U.S.	8,605	808,418	94	12,306	12,306	49,224	97.5%
Other Americas	17,241	1,017,264	59	21,558	21,558	86,231	96.8%
Europe	58,321	4,234,985	73	70,803	70,803	283,212	96.0%
Asia	5,064	739,391	146	11,103	11,103	44,411	97.1%
Pro forma adjustments						290	1,161
Total unconsolidated operating portfolio	89,231	6,800,058	76	115,770	116,060	464,239	96.4%
Total Operating Portfolio	380,614	\$ 27,406,719	\$ 72	\$ 440,972	\$ 445,807	\$ 1,783,226	96.1%
Development							
	Square Feet	Investment Balance	TEI	TEI per Sq Ft		Annualized Pro Forma NOI	Percent Occupied
Consolidated Prestabilized							
U.S.	2,225	\$ 214,895	\$ 249,008	\$ 77		\$ 14,989	16.3%
Other Americas	1,371	84,893	101,110	74		7,481	3.8%
Europe	1,407	93,249	112,777	80		8,495	42.2%
Asia	2,820	410,119	436,550	155		27,096	17.6%
							20.4%
Properties under development							
U.S.	7,603	283,553	587,683	77		37,305	
Other Americas	1,391	48,960	94,197	68		7,277	
Europe	4,016	194,243	377,378	94		26,645	
Asia	3,442	378,944	599,017	174		35,875	
Total consolidated development portfolio	25,285	1,708,856	2,557,720	101		\$ 165,163	
Unconsolidated							
Other Americas	929	57,123	64,292	69		\$ 6,750	
Europe	301	25,108	33,428	111		2,381	
Asia	1,300	41,066	73,198	56		5,228	
Total unconsolidated development portfolio	2,530	123,297	170,918	68		\$ 14,359	
Total Development Portfolio	27,815	\$ 1,832,153	\$ 2,728,638	\$ 98		\$ 179,522	
Prologis share of estimated value creation (see Capital Deployment - Development Portfolio)			518,416				
Total development portfolio, including estimated value creation		\$ 2,350,569					

In the usands

Balance Sheet and Other Items		As of June 30, 2016	
Consolidated			
Other assets			
Cash and cash equivalents		\$	332,221
Restricted cash			6,310
Accounts receivable, prepaid assets and other tangible assets			779,742
Other real estate investments and assets held for sale			555,405
Note receivable backed by real estate			33,800
Prologis share of value added operating properties			100,719
Prologis receivable from unconsolidated co-investment ventures			165,195
Investments in and advances to other unconsolidated joint ventures			155,345
Less: third party share of other assets			(185,705)
Total other assets		\$	1,943,132
Other liabilities			
Accounts payable and other current liabilities		\$	627,441
Deferred income taxes			77,763
Value added tax and other tax liabilities			13,482
Tenant security deposits			715,341
Other liabilities			352,209
Less: third party share of other liabilities			(80,995)
Total liabilities and noncontrolling interests		\$	1,195,241
UNCONSOLIDATED			
Prologis share of net tangible other assets		\$	203,309
Land			
Current book value of land		\$	1,322,214
Less: third party share of the current book value of land			(441,740)
Prologis share of book value of land in unconsolidated entities			70,364
Total Land Portfolio		\$	1,350,838
Strategic Capital / Development Management			
		Second Quarter	Annualized
Strategic Capital			
Third party share of asset management fees from consolidated and unconsolidated co-investment ventures	\$	30,834	\$ 123,336
Third party share of other transactional fees from consolidated and unconsolidated co-investment ventures (trailing 12 months)		3,923	15,689
Strategic capital expenses for asset management and other transactional fees (annualized based on estimated 12 months)		(13,070)	(53,569)
Total strategic capital EBITDA	\$	21,687	\$ 85,456
Promotes earned in last 12 months, net of cash expenses			\$ 24,517
Development management income	\$	4,702	\$ 18,808
Debt (at par) and Preferred Stock			
		As of June 30, 2016	
Debt			
Prologis debt		\$	9,405,175
Consolidated entities debt			1,746,421
Less: third party share of consolidated debt			(668,987)
Prologis share of unconsolidated debt			1,627,181
Total debt			12,119,790
Preferred stock			78,235
Total debt and preferred stock	\$		12,198,025
Outstanding shares of common stock and limited operating partnership units			541,449

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	\$ 546,131
Rental expenses	(140,725)
NOI	405,406
Net termination fees and adjustments (a)	(536)
Less: actual NOI for development portfolio and other	(18,819)
Less: properties contributed or sold (b)	(6,136)
Less: third party share of NOI	(4,594)
Adjusted NOI for consolidated operating portfolio owned at June 30, 2016	325,321
Straight-line rents (c)	(21,051)
Free rent (c)	20,876
Amortization of lease intangibles (c)	(294)
Effect of foreign currency exchange (d)	(299)
Less: third party share	649
Second Quarter Adjusted Cash NOI (Actual)	\$ 325,202

(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.

Annualized Pro forma NOI 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 investor's 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 June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Net earnings				
Net earnings	\$ 275,383	\$ 140,240	\$ 483,424	\$ 485,446
Noncontrolling interest attributable to exchangeable limited partnership units	9,085	1,623	15,694	3,273
Gains, net of expenses, associated with exchangeable debt assumed exchanged	-	-	-	(1,614)
Adjusted net earnings - Diluted	\$ 284,468	\$ 141,863	\$ 499,118	\$ 487,105
Weighted average common shares outstanding - Basic	524,842	523,476	524,540	518,791
Incremental weighted average effect on exchange of limited partnership units	17,703	5,431	17,623	4,617
Incremental weighted average effect of stock awards	2,843	1,733	2,130	2,037
Incremental weighted average effect on exchangeable debt assumed exchanged (a)	-	-	-	4,382
Weighted average common shares outstanding - Diluted	545,388	530,640	544,293	529,827
Net earnings per share - Basic	\$ 0.52	\$ 0.27	\$ 0.92	\$ 0.94
Net earnings per share - Diluted	\$ 0.52	\$ 0.27	\$ 0.92	\$ 0.92
Core FFO				
Core FFO	\$ 323,925	\$ 273,885	\$ 653,558	\$ 528,264
Noncontrolling interest attributable to exchangeable limited partnership units	47	902	93	1,782
Interest expense on exchangeable debt assumed exchanged	-	-	-	3,506
Core FFO - Diluted	\$ 323,972	\$ 274,787	\$ 653,651	\$ 533,552
Weighted average common shares outstanding - Basic	524,842	523,476	524,540	518,791
Incremental weighted average effect on exchange of limited partnership units	16,037	5,431	15,957	4,617
Incremental weighted average effect of stock awards	2,843	1,733	2,130	2,037
Incremental weighted average effect on exchangeable debt assumed exchanged (a)	-	-	-	4,382
Weighted average common shares outstanding - Diluted	543,722	530,640	542,627	529,827
Core FFO per share - Diluted	\$ 0.60	\$ 0.52	\$ 1.20	\$ 1.01
AFFO				
AFFO	\$ 260,269	\$ 291,780	\$ 605,944	\$ 503,104
Noncontrolling interest attributable to exchangeable limited partnership units	47	902	93	1,12
Interest expense on exchangeable debt assumed exchanged	-	-	-	3,113
AFFO - Diluted	\$ 260,316	\$ 292,682	\$ 606,037	\$ 506,329
Weighted average common shares outstanding - Basic	524,842	523,476	524,540	518,791
Incremental weighted average effect on exchange of limited partnership units	16,037	5,431	15,957	2,939
Incremental weighted average effect of stock awards	2,843	1,733	2,130	2,037
Incremental weighted average effect on exchangeable debt assumed exchanged (a)	-	-	-	4,382
Weighted average common shares outstanding - Diluted	543,722	530,640	542,627	528,149
AFFO per share - Diluted	\$ 0.48	\$ 0.55	\$ 1.12	\$ 0.96

(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 Covenants are made in accordance with the respective debt agreements, may be different than other covenants or metrics presented and are not calculated in accordance with the applicable SEC rules. Please refer to the respective agreements for full financial covenant descriptions. Debt covenants as of the period end were as follows:

dollars in thousands	Indenture		Global Line	
	Covenant	Actual	Covenant	Actual
Leverage ratio	<60%	33.0%	<60%	31.3%
Fixed charge coverage ratio	>1.5x	5.99x	>1.5x	5.15x
Secured debt leverage ratio	<40%	7.8%	<40%	7.6%
Unencumbered asset to unsecured debt ratio	>150%	278.2%	N/A	N/A
Unencumbered debt service coverage ratio	N/A	N/A	>150%	788.8%

Debt Metrics

dollars in thousands	Three Months Ended	
	Jun. 30	Mar. 31
	2016	2016
Debt as a % of gross real estate assets:		
Total Prologis share of debt - at mar	\$ 12,119,790	\$ 12,753,029
Less: Prologis share of outstanding foreign currency derivatives	(57,123)	(47,975)
Less: consolidated cash and cash equivalents	(322,221)	(369,737)
Add: consolidated cash and cash equivalents - third party share	79,427	55,548
Less: unconsolidated entities cash - Prologis share	(124,228)	(142,581)
Total Prologis share of debt, net of adjustments	\$ 11,685,644	\$ 12,247,274
Gross real estate assets - Prologis share	\$ 31,602,323	\$ 32,161,848
Debt as a % of gross real estate assets	37.0%	38.1%
Debt as a % of gross market capitalization:		
Total Prologis share of debt, net of adjustments	\$ 11,685,644	\$ 12,247,274
Total outstanding common stock and limited partnership units	\$ 441,449	\$ 541,051
Share price at quarter end	\$ 49.04	\$ 44.18
Total equity capitalization	\$ 26,552,659	\$ 23,903,639
Total Prologis share of debt, net of adjustments	\$ 11,685,644	\$ 12,247,274
Gross market capitalization	\$ 38,238,303	\$ 36,150,907
Debt as a % of gross market capitalization	30.6%	33.9%
Secured debt as a % of gross real estate assets:		
Prologis share of secured debt - at mar	\$ 2,595,081	\$ 2,802,222
Gross real estate assets - Prologis share	\$ 31,602,323	\$ 32,161,848
Secured debt as a % of gross real estate assets	8.2%	8.7%
Unencumbered gross real estate assets to unsecured debt:		
Unencumbered gross real estate assets - Prologis share	\$ 25,874,567	\$ 25,683,102
Prologis share of unsecured debt - at mar	\$ 9,523,709	\$ 9,949,806
Unencumbered gross real estate assets to unsecured debt	271.7%	258.1%
Fixed Charge Coverage ratio:		
Adjusted EBITDA	\$ 459,358	\$ 549,224
Adjusted EBITDA-annualized including development gains (a)	\$ 2,079,593	\$ 2,168,138
Net promote for the twelve months ended	24,517	24,517
Adjusted EBITDA-annualized	\$ 2,104,050	\$ 2,192,655
Pro forma adjustment for mid-quarter activity and NOI from disposed properties - annualized	(4,276)	23,740
Adjusted EBITDA, including NOI from disposed properties, annualized	\$ 2,099,774	\$ 2,216,395
Interest expense	\$ 76,455	\$ 80,812
Amortization and write-off of deferred loan costs	(3,707)	(3,763)
Amortization of debt premium (discount), net	7,932	9,154
Capitalized interest	16,473	13,802
Preferred stock dividends	1,696	1,689
Third party share of fixed charges from consolidated entities	(7,645)	(7,846)
Our share of fixed charges from unconsolidated entities	13,337	14,909
Total fixed charges	\$ 104,541	\$ 108,757
Total fixed charges annualized	\$ 418,164	\$ 435,028
Fixed charge coverage ratio	5.02	5.09
Debt to Adjusted EBITDA:		
Total Prologis share of debt, net of adjustments	\$ 11,685,644	\$ 12,247,274
Adjusted EBITDA-annualized	\$ 2,104,050	\$ 2,192,655
Debt to Adjusted EBITDA ratio	5.55	5.59

(a) Prologis share of gains on dispositions of development properties for the rolling 12 month period was \$291.2 million and \$353.2 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 the 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 are payable.
- Depreciation and amortization of real estate assets are economic costs that are excluded from FFO. FFO is limited, as it does not reflect the cash requirements that may be necessary for future replacements of the real estate assets. 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 non-development property acquisitions and dispositions or impairment charges related to expected dispositions represent changes in value of the properties. By excluding these gains and losses, FFO does not capture realized changes in the value of acquired or disposed properties arising from changes in market conditions.
- The deferred income tax benefits and expenses that are excluded from our defined FFO measures result from the creation of a deferred income tax asset or liability that may have to be settled at some future point. Our defined FFO measures do not currently reflect any income or expense that may result from such settlement.
- The foreign currency exchange gains and losses that are excluded from our defined FFO measures are generally recognized based on movements in foreign currency exchange rates through a specific point in time. The ultimate settlement of our foreign currency-denominated net assets is indefinite as to timing and amount. Our FFO measures are limited in that they do not reflect the current period changes in these net assets that result from periodic foreign currency exchange rate movements.
- The gains and losses on extinguishment of debt that we exclude from our Core FFO, may provide a benefit or cost to us as we may be settling our debt at less or more than our future obligation.
- The natural disaster expenses that we exclude from Core FFO are costs that we have incurred.

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

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

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 three and six months ended 2016 and 2015, \$8.4 million, \$8.3 million, \$17.0 million and \$16.4 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 June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Building development activities	\$ 11,472	\$ 11,737	\$ 22,239	\$ 23,292
Leasing activities	6,510	5,241	11,468	10,289
Operating building improvements, land improvements and other	8,474	8,099	15,815	15,568
Total capitalized G&A	\$ 26,456	\$ 25,077	\$ 49,522	\$ 49,149

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	110,000
Less: estimated 2016 strategic capital property management expenses	(56,000)
Adjusted G&A, using 2016 guidance amounts	\$ 277,000
Gross book value at period end (b):	
Operating properties	\$ 48,068,817
Development portfolio - TEI	3,332,414
Land portfolio	1,544,585
Other real estate investments, assets held for sale and note receivable backed by real estate	589,305
Total Gross Book Value of Assets Under Management	\$ 53,535,121
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.

Guidance. The following is a reconciliation of our guided Net Earnings per share to our guided Core FFO and AFFO per share:

	Low	High
Net Earnings	\$ 1.70	\$ 1.90
Our share of:		
Depreciation and amortization	1.71	1.73
Net gains of real estate transactions, net of taxes	(0.94)	(1.10)
Unrealized foreign currency and other	0.05	0.05
Core FFO	\$ 2.52	\$ 2.58
Our share of:		
Capital expenditures and other	(0.49)	(0.54)
Net gains on disposition of development properties and land	0.37	0.46
AFFO	\$ 2.40	\$ 2.50

Income Taxes. The following table summarizes our income tax expense:

in thousands	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Current income tax expense	\$ 7,329	\$ 6,777	\$ 15,162	\$ 10,019
Current income tax expense (benefit) on dispositions	1,796	(2,071)	10,119	(4,474)
Total current income tax expense	9,125	4,706	25,281	5,545
Deferred income tax expense (benefit)	(3,983)	145	(4,602)	1,197
Total income tax expense	\$ 5,142	\$ 4,851	\$ 20,679	\$ 6,742

Interest Expense

in thousands	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Gross interest expense	\$ 97,153	\$ 93,357	\$ 197,158	\$ 184,821
Amortization of discount (premium), net	(7,932)	(10,829)	(17,086)	(20,667)
Amortization of deferred loan costs	3,707	2,862	7,470	6,281
Interest expense before capitalization	92,928	85,390	187,542	170,435
Capitalized amounts	(16,473)	(16,488)	(30,275)	(32,772)
Interest expense	\$ 76,455	\$ 68,902	\$ 157,267	\$ 137,663

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 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 Prologis share was 75% 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, excluding termination fees and adjustments, 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 June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Rental revenue	\$ 403,320	\$ 347,302	\$ 820,141	\$ 667,016
Rental expense recoveries	119,981	103,615	236,999	197,871
Amortization of lease intangibles	(54)	(3,276)	361	(9,129)
Straight-lined rents	22,884	13,803	42,752	24,488
	\$ 546,131	\$ 461,444	\$ 1,100,247	\$ 880,246

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 and teaser rates defined as 50% or less of the stabilized rate.

Rent Change (Net Effective) represents 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.

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

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 and one Same Store NOI - 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 and then to Same Store NOI - 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 June 30,		
	2016	2015	Change (%)
Rental Revenue:			
Rental Revenue	\$ 426,150	\$ 357,829	
Rental Recoveries	119,981	103,615	
Rental Revenue per the Consolidated Statements of Operations	546,131	461,444	
Properties not included and other adjustments (a)	(152,644)	(81,594)	
Unconsolidated Co-Investment Ventures	447,530	429,785	
Same Store - Rental Income	\$ 840,017	\$ 809,635	3.8%
Rental Expense:			
Per the Consolidated Statements of Operations	\$ 140,725	\$ 125,820	
Properties not included and other adjustments (b)	(29,884)	(13,990)	
Unconsolidated Co-Investment Ventures	100,528	97,210	
Same Store - Rental Expense	\$ 211,369	\$ 209,040	1.1%
NOI:			
Per the Consolidated Statements of Operations	\$ 405,406	\$ 335,624	
Properties not included and other adjustments	(123,760)	(67,604)	
Unconsolidated Co-Investment Ventures	347,002	332,575	
Same Store - NOI	\$ 628,648	\$ 600,595	4.7%
Same Store - NOI - Prologis Share (c)	\$ 362,766	\$ 341,857	6.1%
NOI - Cash:			
Same store - NOI	\$ 628,648	\$ 600,595	
Straight-line rent adjustments (d)	\$ (12,033)	\$ (13,829)	
Fair value lease adjustments (d)	(1,154)	2,593	
Same Store - NOI - Cash	\$ 615,461	\$ 589,359	4.4%
Same Store - NOI - Prologis Share (c)	\$ 354,103	\$ 336,401	5.3%

- (a) To calculate Same Store rental income, we exclude the net termination and renegotiation fees to allow us to evaluate the growth or decline in each property's rental income without regard to items that are not indicative of the property's recurring operating performance.
- (b) To calculate Same Store rental expense, we include an allocation of the property management expenses for our consolidated properties based on the property management fee that is provided for in the individual management agreements under which our wholly owned management companies provide property management services (generally the fee is based on a percentage of revenue). On consolidation, the management fee income and expenses are eliminated and the actual cost of providing property management services is recognized.
- (c) Prologis share of Same Store is calculated using the underlying building information from the Same Store NOI and NOI - Cash calculations and applying our ownership percentage as of June 30, 2016 to the NOI of each building for both periods.
- (d) In order to derive Same Store - NOI - Cash, we adjust Same Store - NOI to exclude non-cash items included in our rental income in our 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 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 Second Quarter 2016 Earnings Results

SAN FRANCISCO (July 19, 2016) – Prologis, Inc. (NYSE: PLD), the global leader in logistics real estate, today reported results for the second quarter of 2016. Net earnings per share was \$0.52 compared with \$0.27 for the same period in 2015. Core funds from operations per diluted share was \$0.60 compared with \$0.52 for the same period in 2015.

HIGHLIGHTS (*Prologis Share*)

- Net effective same store NOI increased 6.1 percent
- Net effective rent change on rollover was +17.8 percent
- Stabilized \$621 million in development projects, with an estimated margin of 25.7 percent
- Liquidity of more than \$3.7 billion, the highest level in the company's history

“The incredible effort the team has made to position our portfolio and to optimize our business is paying off,” said Hamid Moghadam, chairman and CEO, Prologis. “We delivered another great quarter and we remain focused on refining our portfolio consistent with our investment strategy, further strengthening our balance sheet and increasing operational efficiencies. These efforts keep us on the path for above-average earnings growth across the business cycle.”

Moghadam added: “Demand remains ahead of supply in both the U.S. and Europe, leading to all-time low vacancy rates. In spite of Brexit, our key business drivers remain intact, and we do not anticipate a material operational impact. Consumers continue to migrate toward e-commerce, and companies still need to adapt their supply chain strategies, driving demand for high-quality, well-located logistics facilities.”

ROBUST RESULTS REFLECT CONTINUED STRENGTH IN FUNDAMENTALS FOR HIGH-QUALITY ASSETS

Owned & Managed	2Q16	2Q15	Notes
Period End Occupancy	96.1%	95.4%	<i>Europe increased 130 bps year-over-year</i>
Leases Signed	49MSF	45MSF	<i>Record leasing volume, including 9 msf of development leasing</i>
Customer Retention	82.6%	79.0%	

Prologis Share	2Q16	2Q15	Notes
Net Effective Rent Change	17.8%	16.6%	<i>Led by the U.S. at 23.5%</i>
Cash Rent Change	7.9%	5.2%	
Net Effective Same Store NOI	6.1%	5.9%	<i>Led by the U.S. at 7.5%</i>
Cash Same Store NOI	5.3%	5.2%	

SELF-FUNDING CONTINUES AS DISPOSITIONS AND DEVELOPMENT STARTS ACCELERATE

Prologis Share	2Q16	Notes
Building Acquisitions	\$58M	
Weighted avg stabilized cap rate	6.4%	
Development Stabilizations	\$621M	
Estimated weighted avg yield	6.8%	
Estimated weighted avg margin	25.7%	
Estimated value creation	\$159M	
Development Starts	\$465M	
Estimated weighted avg margin	17.6%	
Estimated value creation	\$82M	
% Build-to-suit	49.8%	
Total Dispositions and Contributions	\$558M	
Weighted avg stabilized cap rate	6.5%	<i>Excludes land and other real estate</i>
Total Fund Ownership Rebalances	\$411M	

STRONG LIQUIDITY POSITION CONTINUES TO BUILD

Prologis increased its total liquidity to \$3.7 billion. During the second quarter, notable capital markets activities included the recast and upsize of the company's Global Line of Credit to \$3.0 billion.

"Our balance sheet and liquidity have never been stronger," said Thomas S. Olinger, chief financial officer, Prologis. "We expect our financial position to continue to improve with additional capital proceeds in the back half of the year. We plan to generate proceeds above our prior forecast from incremental dispositions and contributions as well as from \$200 million of additional ownership rebalancing across two of our co-investment ventures."

GUIDANCE UPDATED FOR 2016

Net earnings guidance increased \$0.89 at the midpoint, primarily a result of an increase in expected gains from the disposition of real estate.

"We anticipate meaningful outperformance from operations," Olinger said. "This performance will more than offset the incremental dilution from the increase in dispositions, contributions and fund ownership rebalances. Additionally, we modestly lowered our net promote income, principally driven by a negative debt mark-to-market adjustment and the weakening of the pound against the euro. With respect to guidance, these changes offset one another, and we are holding the midpoint of our Core FFO guidance constant."

Per diluted share	Previous	Revised
GAAP Net Earnings	\$0.87 to \$0.95	\$1.70 to \$1.90
Core FFO	\$2.50 to \$2.60	\$2.52 to \$2.58

Operations

	Previous	Revised
Same Store NOI – Prologis share	4.0% to 4.5%	4.75% to 5.25%

Other Assumptions (in millions)	Previous	Revised
Strategic capital revenue	\$180 to \$190	\$190 to \$200
Net promote income	\$90 to \$100	\$75 to \$85
Realized development gains	\$150 to \$200	\$200 to \$250
Liquidity	\$3,700	\$4,000

Capital Deployment (in millions)	Previous	Revised
Development stabilizations (85% Prologis share)	\$2,000 to \$2,200	\$2,200 to \$2,400
Development starts (85% Prologis share)	\$1,800 to \$2,300	\$2,000 to \$2,300
Building acquisitions (50% Prologis share)	\$400 to \$700	\$300 to \$500
Building and land dispositions (75% Prologis share)	\$1,700 to \$2,200	\$2,000 to \$2,300
Building contributions (75% Prologis share, net of retained ownership)	\$900 to \$1,200	\$1,100 to \$1,400

The earnings guidance described above includes potential future gains (losses) recognized from real estate transactions but excludes any future foreign currency or derivative gains or losses as these items are difficult to predict. 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. Refer to our second quarter Supplemental Information that is available on our Investor Relations website at www.ir.prologis.com and on the SEC's website at www.sec.gov for a definition of Core FFO and other non-GAAP measures used by Prologis, along with reconciliations of these items to the closest GAAP measure for our results and guidance.

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, July 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 37196022.

A telephonic replay will be available July 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 37196022. 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 June 30, 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 666 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.

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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