

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): October 16, 2018

**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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

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

On October 16, 2018, Prologis, Inc., the general partner of Prologis, L.P., issued a press release announcing third quarter 2018 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 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.

(d) Exhibits

Exhibit No. Description

99.1 Supplemental information, dated October 16, 2018.

99.2 Press release, dated October 16, 2018.

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Supplemental information, dated October 16, 2018.
99.2	Press release, dated October 16, 2018.

SIGNATURES

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

PROLOGIS, INC.

October 16, 2018

By: /s/ Thomas S. Olinger

Name: Thomas S. Olinger

Title: Chief Financial Officer

PROLOGIS, L.P.,

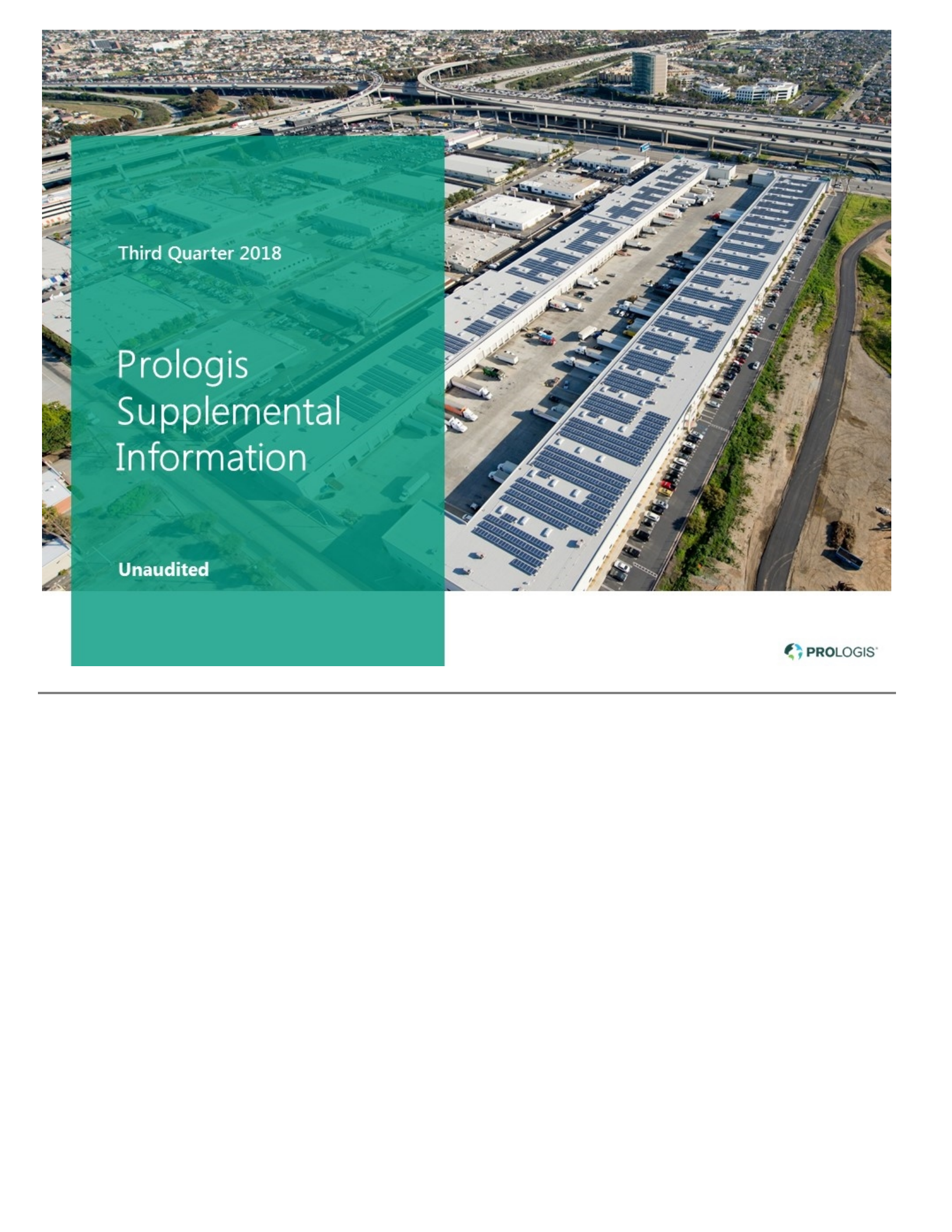
October 16, 2018

By: Prologis, Inc., its general partner

By: /s/ Thomas S. Olinger

Name: Thomas S. Olinger

Title: Chief Financial Officer



Third Quarter 2018

Prologis Supplemental Information

Unaudited

Highlights

- 1 Company Profile
- 3 Company Performance
- 5 Guidance

Financial Information

- 6 Consolidated Balance Sheets
- 7 Consolidated Statements of Income
- 8 Reconciliations of Net Earnings to FFO
- 9 Reconciliations of Net Earnings to Adjusted EBITDA

Strategic Capital

- 10 Summary and Financial Highlights
- 11 Operating and Balance Sheet Information of the Unconsolidated Co-Investment Ventures
- 12 Non-GAAP Pro-Rata Financial Information

Operations

- 13 Overview
- 14 Operating Metrics
- 16 Operating Portfolio
- 19 Customer Information

Capital Deployment

- 20 Overview
- 21 Development Stabilizations
- 22 Development Starts
- 23 Development Portfolio
- 24 Third Party Building Acquisitions
- 25 Dispositions and Contributions
- 26 Land Portfolio

Capitalization

- 28 Overview
- 29 Debt Components - Consolidated
- 30 Debt Components - Noncontrolling Interests and Unconsolidated

Net Asset Value

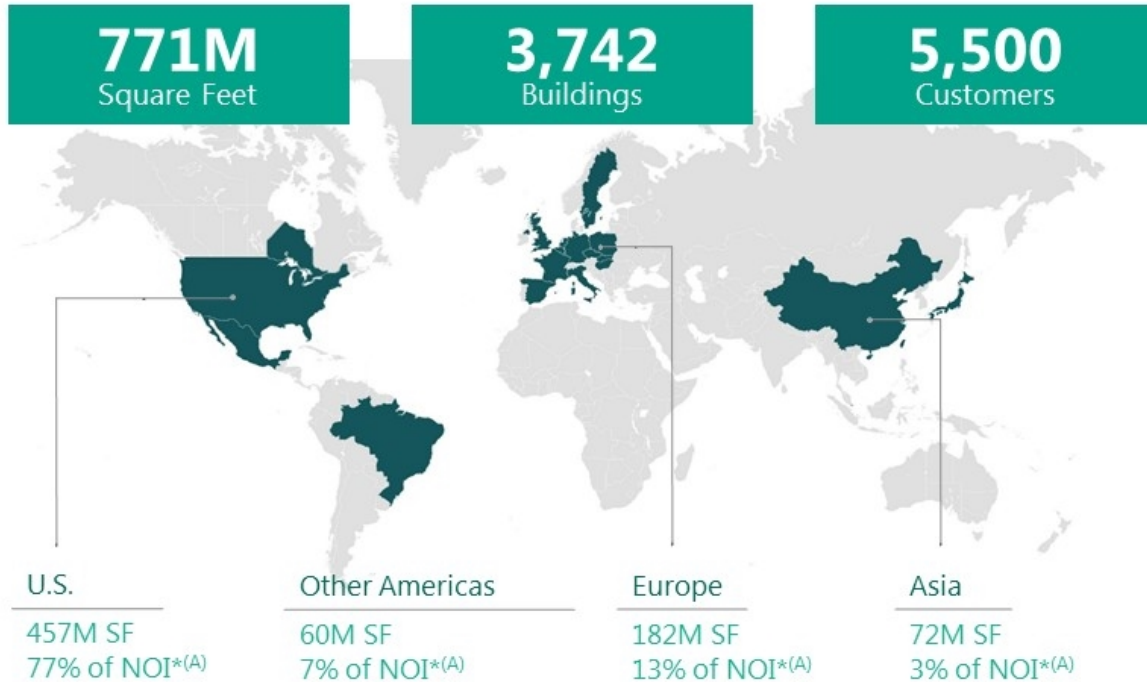
- 31 Components

Notes and Definitions

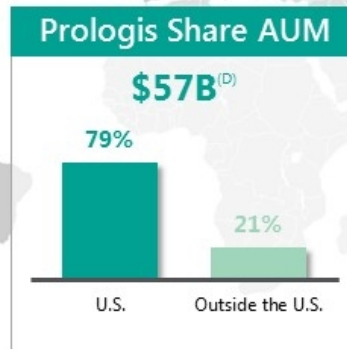
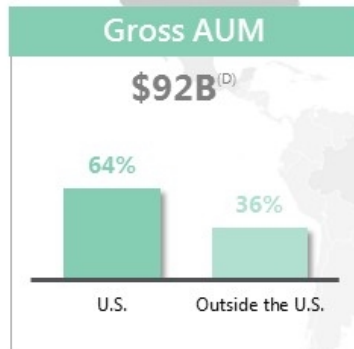
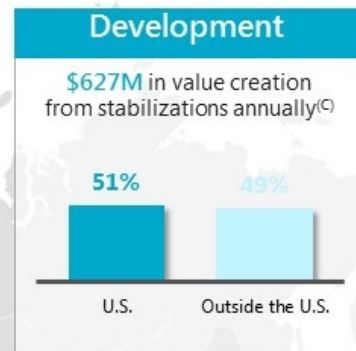
- 33 Notes and Definitions ^(A)

Prologis, Inc., is the global leader in logistics real estate with a focus on high-barrier, high-growth markets. As of September 30, 2018, 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 771 million square feet (72 million square meters) in 19 countries. Prologis leases modern logistics facilities to a diverse base of approximately 5,500 customers across two major categories: business-to-business and retail/online fulfillment.

On August 22, 2018, Prologis completed the acquisition of DCT Industrial Trust (DCT) for approximately \$8.5 billion (through the issuance of equity and the assumption of debt) and therefore these results include the operations from that date forward.



* This is a non-GAAP financial measure. Please see our Notes and Definitions for further explanation.
(A) NOI calculation based on Prologis share of the Operating Portfolio, after adjusting for a full quarter NOI from DCT.



* This is a non-GAAP financial measure. Please see our Notes and Definitions for further explanation.

(A) 3Q 2018 Prologis Share of NOI of the Operating Portfolio annualized, after adjusting for a full quarter of NOI from DCT.

(B) 3Q 2018 third-party share of asset management fees annualized plus trailing twelve month third-party share of transaction fees and Net Promotes.

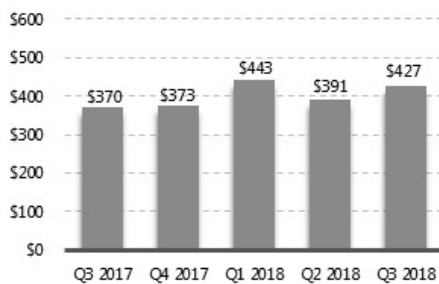
(C) Prologis Share of trailing twelve month Estimated Value Creation from development stabilizations.

(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 September 30,		Nine Months ended September 30,	
	2018	2017	2018	2017
Rental and other revenues	\$ 611	\$ 535	\$ 1,717	\$ 1,692
Strategic capital revenues	71	68	280	306
Total revenues	682	603	1,997	1,998
Net earnings attributable to common stockholders	346	876	1,047	1,346
Core FFO attributable to common stockholders/unit holders*	427	370	1,262	1,178
AFFO attributable to common stockholders/unit holders*	462	460	1,424	1,212
Adjusted EBITDA attributable to common stockholders*	710	665	2,005	1,814
Estimated value creation from development stabilizations - Prologis Share	104	212	475	431
Common stock dividends and common limited partnership unit distributions	315	244	849	730
Per common share - diluted:				
Net earnings attributable to common stockholders	\$ 0.60	\$ 1.63	\$ 1.90	\$ 2.51
Core FFO attributable to common stockholders/unit holders*	0.72	0.67	2.22	2.14
Business line reporting:				
Real estate operations*	0.67	0.62	1.96	1.79
Strategic capital*	0.05	0.05	0.26	0.35
Core FFO attributable to common stockholders/unit holders*	0.72	0.67	2.22	2.14
Realized development gains, net of taxes	0.17	0.28	0.56	0.41
Dividends and distributions per common share/unit	0.48	0.44	1.44	1.32

Core FFO*



AFFO*



Estimated Value Creation - Stabilizations

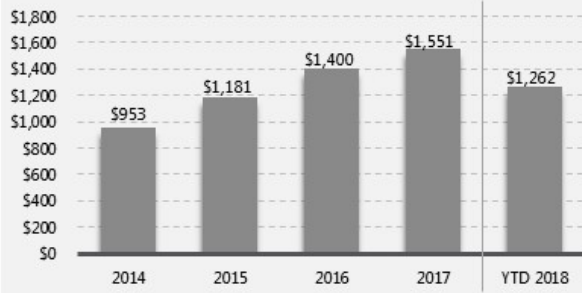


* This is a non-GAAP financial measure. Please see our Notes and Definitions for further explanation.

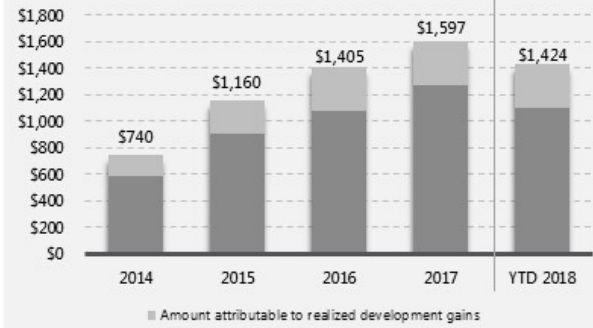
Copyright © 2018 Prologis

(in millions)

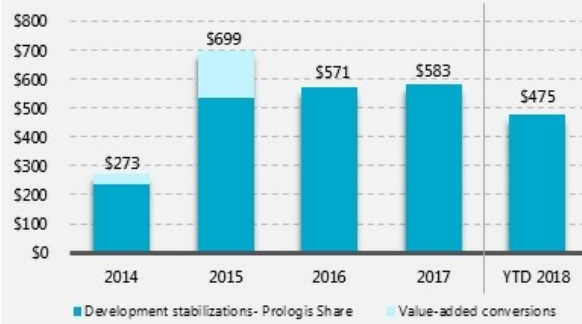
Core FFO*



AFFO*



Estimated Value Creation



Asset Management Fees and Net Promotes



dollars in millions, except per share

2018 Guidance		Low	High		
Net earnings (A)(B)(C)		\$ 2.68	\$ 2.72		
Core FFO* (A)(B)(C)		\$ 3.01	\$ 3.03		
Operations					
Year-end occupancy		97.00%	97.50%		
Same store NOI - Cash - Prologis share*		6.25%	6.75%		
Same store NOI - Net effective - Prologis share*		4.70%	5.20%		
Other Assumptions					
Strategic capital revenue, exuding promote revenue		\$ 280	\$ 285		
Net promote income (B)		\$ 74	\$ 79		
General & administrative expenses		\$ 235	\$ 240		
Realized development gains		\$ 450	\$ 500		
Capital Deployment					
		PROLOGIS SHARE		OWNED AND MANAGED	
		Low	High		
Development stabilizations		\$ 1,900	\$ 2,100	\$ 2,300	\$ 2,500
Development starts		\$ 2,400	\$ 2,600	\$ 2,900	\$ 3,200
Building acquisitions (D)		\$ 300	\$ 400	\$ 600	\$ 800
Building and land dispositions		\$ 1,400	\$ 1,600	\$ 2,400	\$ 2,600
Building contributions		\$ 1,600	\$ 1,800	\$ 2,200	\$ 2,400

Exchange Rates

We have hedged the rates for the majority of our estimated 2018 Euro, Sterling and Yen Core FFO, effectively insulating 2018 results from FX movements in these currencies. For purposes of capital deployment and other metrics, we assumed effective rates for EUR, GBP and JPY of 1.16 (\$/€), 1.30 (\$/£) and 113 (¥/\$), respectively.

* This is a non-GAAP financial measure. Please see our Notes and Definitions for further explanation.

- (A) The difference between Core FFO and Net Earnings predominately relates to real estate depreciation and gains or losses on real estate transactions. See the Notes and Definitions for more information.
- (B) Net promote guidance is \$0.13 per share.
- (C) Earnings guidance includes potential future gains recognized from real estate transactions, but excludes future foreign currency or derivative gains or losses as these items are difficult to predict.
- (D) Excludes DCT acquisition.



In thousands	September 30, 2018	June 30, 2018	December 31, 2017
Assets:			
Investments in real estate properties:			
Operating properties	\$ 30,473,036	\$ 22,267,134	\$ 22,585,327
Development portfolio	2,010,046	1,655,895	1,593,489
Land	1,264,815	1,111,185	1,154,383
Other real estate investments	537,886	521,129	505,445
	34,285,783	25,555,343	25,838,644
Less accumulated depreciation	4,451,434	4,283,877	4,059,348
Net investments in real estate properties	29,834,349	21,271,466	21,779,296
Investments in and advances to unconsolidated entities	5,618,178	5,414,623	5,496,450
Assets held for sale or contribution	761,575	892,546	342,060
Notes receivable backed by real estate	-	-	34,260
Net investments in real estate	36,214,102	27,578,635	27,652,066
Cash and cash equivalents	275,562	527,830	447,046
Other assets	1,778,498	1,396,417	1,381,963
Total assets	\$ 38,268,162	\$ 29,502,882	\$ 29,481,075
Liabilities and Equity:			
Liabilities:			
Debt	\$ 11,232,129	\$ 9,427,124	\$ 9,412,631
Accounts payable, accrued expenses and other liabilities	1,598,378	1,349,255	1,362,703
Total liabilities	12,830,507	10,776,379	10,775,334
Equity:			
Stockholders' equity	22,030,599	15,638,570	15,631,158
Noncontrolling interests	2,743,408	2,624,175	2,660,242
Noncontrolling interests - limited partnership unitholders	663,648	463,758	414,341
Total equity	25,437,655	18,726,503	18,705,741
Total liabilities and equity	\$ 38,268,162	\$ 29,502,882	\$ 29,481,075

In the usands, except per share amounts

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Revenues:				
Rental	\$ 608,974	\$ 531,182	\$ 1,709,596	\$ 1,674,492
Strategic capital	71,142	68,042	279,800	305,741
Development management and other	2,316	3,650	7,968	17,979
Total revenues	682,432	602,874	1,997,364	1,998,212
Expenses:				
Rental	147,184	128,735	423,454	429,185
Strategic capital	35,390	35,996	114,100	119,781
General and administrative	62,244	57,656	182,287	171,350
Depreciation and amortization	252,702	201,903	660,456	656,639
Other	3,391	3,093	11,145	8,608
Total expenses	500,911	427,383	1,391,442	1,385,563
Operating income	181,521	175,491	605,922	612,649
Other income (expense):				
Earnings from unconsolidated co-investment ventures, net	56,342	53,775	164,983	160,400
Earnings from other unconsolidated ventures, net	292	1,291	16,856	11,867
Interest expense	(64,186)	(64,190)	(166,761)	(212,456)
Gains on dispositions of development properties and land, net	108,049	168,214	329,286	235,734
Gains on dispositions of real estate, net (excluding development properties and land)	86,009	610,839	154,144	723,650
Foreign currency and derivative gains (losses) and interest and other income, net	23,404	(14,056)	75,309	(36,834)
Losses on early extinguishment of debt, net	(1,955)	-	(2,657)	(30,596)
Total other income	207,955	755,873	571,160	851,765
Earnings before income taxes	389,476	931,364	1,177,082	1,464,414
Current income tax expense	(13,841)	(20,412)	(45,691)	(42,525)
Deferred income tax benefit (expense)	(115)	2,465	1,079	197
Consolidated net earnings	375,520	913,417	1,132,470	1,422,086
Net earnings attributable to noncontrolling interests	(17,264)	(11,411)	(50,204)	(33,534)
Net earnings attributable to noncontrolling interests - limited partnership units	(1,042)	(24,113)	(30,965)	(37,113)
Net earnings attributable to controlling interests	347,836	877,893	1,051,301	1,351,439
Preferred stock dividends	(1,491)	(1,675)	(4,443)	(5,023)
Net earnings attributable to common stockholders	\$ 346,345	\$ 876,218	\$ 1,046,858	\$ 1,346,416
Weighted average common shares outstanding - Diluted	597,647	554,163	568,599	551,618
Net earnings per share attributable to common stockholders - Diluted	\$ 0.60	\$ 1.63	\$ 1.90	\$ 2.51

in thousands	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Net earnings attributable to common stockholders	\$ 346,345	\$ 876,218	\$ 1,046,858	\$ 1,346,416
Add (deduct) NAREIT defined adjustments:				
Real estate related depreciation and amortization	244,475	194,023	634,804	633,224
Gains on dispositions of real estate, net (excluding development properties and land)	(86,009)	(610,839)	(154,144)	(723,650)
Reconciling items related to noncontrolling interests	(9,705)	1,074	(33,132)	(40,633)
Our share of reconciling items related to unconsolidated co-investment ventures	50,306	46,588	152,216	102,636
Our share of reconciling items related to other unconsolidated ventures	2,056	1,731	5,330	5,031
Subtotal-NAREIT defined FFO attributable to common stockholders/unitholders*	\$ 547,468	\$ 508,795	\$ 1,651,932	\$ 1,323,024
Add (deduct) our defined adjustments:				
Unrealized foreign currency and derivative losses (gains), net	(20,750)	20,294	(73,276)	55,800
Deferred income tax expense (benefit)	115	(2,465)	(1,079)	(197)
Current income tax expense on dispositions related to acquired tax assets	-	757	878	90
Reconciling items related to noncontrolling interests	74	(22)	118	(9)
Our share of reconciling items related to unconsolidated co-investment ventures	1,789	(612)	2,979	(2,441)
FFO, as modified by Prologis attributable to common stockholders/unitholders*	\$ 528,696	\$ 526,747	\$ 1,581,552	\$ 1,376,267
Adjustments to arrive at Core FFO attributable to common stockholders/unitholders*:				
Gains on dispositions of development properties and land, net	(108,049)	(168,214)	(329,286)	(235,734)
Current income tax expense on dispositions	3,162	11,662	13,581	12,573
Losses on early extinguishment of debt, net	1,955	-	2,657	30,596
Reconciling items related to noncontrolling interests	(153)	(8)	5,267	(687)
Our share of reconciling items related to unconsolidated co-investment ventures	495	(386)	1,223	(191)
Our share of reconciling items related to other unconsolidated ventures	1,378	(71)	(3,166)	(4,938)
Core FFO attributable to common stockholders/unitholders*	\$ 427,484	\$ 369,730	\$ 1,261,828	\$ 1,177,886
Adjustments to arrive at Adjusted FFO ("AFFO") attributable to common stockholders/unitholders*, including our share of unconsolidated ventures less noncontrolling interest:				
Gains on dispositions of development properties and land, net	108,049	168,214	329,286	235,734
Current income tax expense on dispositions	(3,162)	(11,662)	(13,581)	(12,573)
Straight-lined rents and amortization of lease intangibles	(19,003)	(17,314)	(45,372)	(66,233)
Property improvements	(28,888)	(22,365)	(59,862)	(50,030)
Turnover costs	(31,852)	(37,100)	(91,194)	(115,442)
Amortization of debt discount (premium), financing costs and management contracts, net	2,879	3,740	9,684	992
Stock compensation expense	18,947	20,487	58,029	58,091
Reconciling items related to noncontrolling interests	7,346	5,685	14,478	26,257
Our share of reconciling items related to unconsolidated ventures	(20,236)	(18,950)	(39,236)	(42,932)
AFFO attributable to common stockholders/unitholders*	\$ 461,564	\$ 460,465	\$ 1,424,060	\$ 1,211,750

In thousands	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
		\$	\$	\$
Net earnings attributable to common stockholders	346,345	876,218	1,046,858	1,346,416
Gains on dispositions of real estate, net (excluding development properties and land)	(86,009)	(610,839)	(154,144)	(723,650)
Depreciation and amortization expenses	252,702	201,903	660,456	656,639
Interest expense	64,186	64,190	166,761	212,456
Losses on early extinguishment of debt, net	1,955	-	2,657	30,596
Current and deferred income tax expense, net	13,956	17,947	44,612	42,328
Net earnings attributable to noncontrolling interests - limited partnership unitholders	10,420	24,113	30,965	37,113
Pro forma adjustments	54,517	3,519	58,660	14,605
Preferred stock dividends	1,491	1,675	4,443	5,023
Unrealized foreign currency and derivative losses (gains), net	(20,750)	20,294	(73,276)	55,800
Stock compensation expense	18,947	20,487	58,029	58,091
Adjusted EBITDA, consolidated*	\$ 657,760	\$ 619,507	\$ 1,846,021	\$ 1,735,417
Reconciling items related to noncontrolling interests	(20,781)	(24,420)	(66,209)	(84,108)
Our share of reconciling items related to unconsolidated ventures	72,606	69,690	225,232	162,532
Adjusted EBITDA attributable to common stockholders/unitholders*	\$ 709,585	\$ 664,777	\$ 2,005,044	\$ 1,813,841

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 2019
Prologis Targeted U.S. Logistics Fund	Core	2004	Unconsolidated	U.S.	26.7%	Open end	Q2 2020
FIBRA Prologis	Core	2014	Unconsolidated	Mexico	46.3%	Public, Mexican Exchange	Q2 2019
Prologis European Logistics Fund	Core	2007	Unconsolidated	Europe	27.3%	Open end	Q3 2019
Prologis European Logistics Partners	Core	2013	Unconsolidated	Europe	50.0%	Open end	Q4 2018
Prologis UK Logistics Venture	Core/Development	2017	Unconsolidated	Europe	15.0%	Closed 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	Q4 2020

In thousands	Venture (at 100%) (A)		
	Square Feet	GBV of Operating Bldgs	Debt
Unconsolidated Co-Investment Ventures			
Prologis Targeted U.S. Logistics Fund	87,594	\$ 7,598,760	\$ 2,093,313
FIBRA Prologis (B)	34,763	2,065,248	752,006
Prologis European Logistics Fund	105,066	9,319,650	2,374,280
Prologis European Logistics Partners	50,458	3,750,865	-
Prologis UK Logistics Venture	2,528	383,927	281,731
Nippon Prologis REIT (B)	28,137	4,986,513	1,796,785
Prologis China Logistics Venture	21,609	1,083,188	831,645
Brazil joint ventures	2,803	166,771	-
Unconsolidated Co-Investment Ventures Total	332,958	29,354,922	8,129,760
Consolidated Co-Investment Ventures			
Prologis U.S. Logistics Venture	63,367	5,839,956	135,860
Consolidated Co-Investment Ventures Total	63,367	5,839,956	135,860
Total	396,325	\$ 35,194,878	\$ 8,265,620

(A) Values represent the entire venture at 100%, not Prologis proportionate share. Values are presented at Prologis' adjusted basis derived from the ventures' U.S. GAAP information and may not be comparable to values reflected in the ventures' stand alone financial statements calculated on a different basis.

(B) 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
Operating Information					
For the Three Months Ended September 30, 2018					
Rental revenues	\$ 167,865	\$ 54,119	\$ 271,669	\$ 117,318	\$ 610,965
Rental expenses	(44,236)	(9,561)	(56,262)	(25,867)	(135,926)
General and administrative expenses	(8,457)	(4,997)	(13,614)	(11,173)	(38,241)
Depreciation and amortization expenses	(67,939)	(12,466)	(99,222)	(30,383)	(210,010)
Other operating revenues (expenses)	-	113	(4)	5	114
Operating income	47,233	27,208	102,561	49,900	226,902
Interest expense	(21,650)	(9,800)	(16,861)	(14,156)	(62,467)
Gains (losses) on dispositions of real estate	820	-	16,108	(197)	16,731
Current and deferred income tax benefit (expense)	151	(14)	(4,402)	(1,528)	(5,793)
Other income (expense)	1,457	222	(112)	(12,921)	(11,354)
Net earnings	28,011	17,616	97,294	21,088	164,009
Real estate related depreciation and amortization expenses	67,500	11,938	97,284	28,768	205,490
Losses (gains) on dispositions of real estate, net (excluding land)	(827)	-	(16,013)	197	(16,643)
Unrealized foreign currency and derivative losses (gains), net	-	(269)	(275)	13,278	12,734
Deferred income tax benefit	-	-	-	(2)	(2)
FFO, as modified by Prologis*	94,684	29,285	178,290	63,329	365,588
Reconciling Items to Core FFO	66	-	1,809	-	1,875
Core FFO*	\$ 94,750	\$ 29,285	\$ 180,099	\$ 63,329	\$ 367,463
Balance Sheet Information					
As of September 30, 2018					
Operating properties, before depreciation	\$ 7,598,760	\$ 2,232,019	\$ 13,454,442	\$ 6,069,701	\$ 29,354,922
Accumulated depreciation	(1,009,442)	(219,281)	(1,623,209)	(395,911)	(3,247,843)
Properties under development and land	24,744	8,296	243,347	488,935	865,322
Net assets held for sale	41,641	-	360,320	-	401,961
Other assets	518,881	49,703	865,743	546,403	1,980,730
Total assets	\$ 7,180,584	\$ 2,070,737	\$ 13,400,643	\$ 6,709,128	\$ 29,361,092
Third party debt	\$ 2,093,313	\$ 752,006	\$ 2,656,011	\$ 2,628,430	\$ 8,129,760
Other liabilities	224,932	44,703	1,070,504	291,816	1,631,955
Total liabilities	\$ 2,318,245	\$ 796,709	\$ 3,726,515	\$ 2,920,246	\$ 9,761,715
Weighted average ownership	26.7%	43.9%	33.1%	15.1%	28.3%

* This is a non-GAAP financial measure. Please see our Notes and Definitions for further explanation.

(A) Values represent the entire venture at 100%, not Prologis' proportionate share. Values are presented at Prologis' adjusted basis derived from the ventures' U.S. GAAP information and may not be comparable to values reflected in the ventures' stand alone financial statements calculated on a different basis.



dollars in thousands

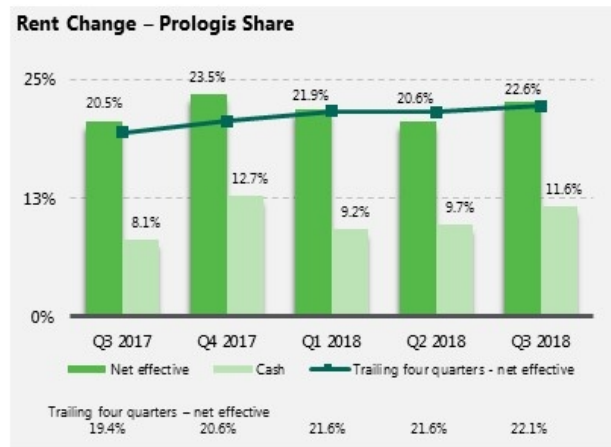
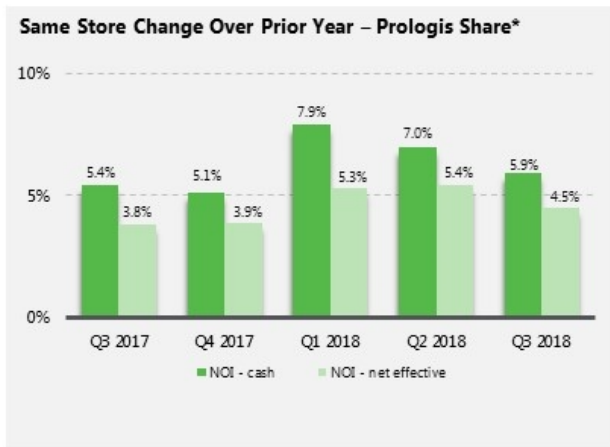
	Non Controlling Interests included in Consolidated Amounts*	Prologis Share of Unconsolidated Co-Investment Ventures*
Operating Information for the Three Months Ended September 30, 2018		
Rental revenues	\$ 58,876	\$ 178,884
Rental expenses	(14,901)	(39,198)
General and administrative expenses	(6,298)	(11,959)
Depreciation and amortization expenses	(22,895)	(59,279)
Other operating revenue	167	12
Operating income	14,949	68,460
Interest expense	(621)	(16,825)
Gains on dispositions of real estate	2,841	7,733
Current and deferred income tax expense	(242)	(1,609)
Other income (expense)	259	(1,417)
Earnings from unconsolidated co-investment ventures, net	78	-
Net earnings	17,264	56,342
Real estate related depreciation and amortization expenses	22,895	58,016
Gains on dispositions of real estate, net (excluding land)	(2,770)	(7,710)
Unrealized foreign currency and derivative losses (gains), net	(73)	1,789
Deferred income tax benefit	(1)	-
FFO, as modified by Prologis*	37,315	108,437
Gains on dispositions of development properties and land, net	(71)	(23)
Current income tax expense on dispositions	217	501
Losses on early extinguishment of debt, net	7	17
Core FFO*	\$ 37,468	\$ 108,932
Balance Sheet Information as of September 30, 2018		
Operating properties, before depreciation	\$ 2,730,994	\$ 8,393,142
Accumulated depreciation	(271,702)	(1,005,225)
Properties under development, land and other real estate	101,756	147,523
Assets held for sale	126,116	142,632
Other assets	173,775	586,722
Total assets	\$ 2,860,939	\$ 8,264,794
Third party debt	\$ 71,827	\$ 1,998,270
Other liabilities	45,704	427,216
Total liabilities	\$ 117,531	\$ 2,425,486
Weighted average ownership	41.0%	28.3%
Noncontrolling interests investment	\$ 2,743,408	-
Investment in and advances to unconsolidated co-investment ventures (B)	-	\$ 5,282,935
Investment in and advances to other unconsolidated ventures	-	335,243
Investment in and advances to unconsolidated entities	-	\$ 5,618,178

* This is a non-GAAP financial measure, please see our Notes and Definitions for further explanation.

(A) See our Notes and Definitions for further explanation of how these amounts are calculated.

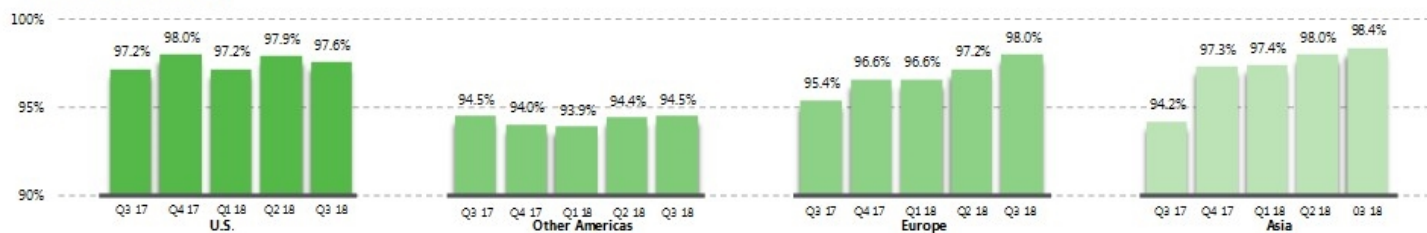
(B) This balance includes the deferred portion of gains on the contribution of our properties to the ventures, net of any additional costs, included in our investment in the venture.





* This is a non-GAAP financial measure. Please see our Notes and Definitions for further explanation.

Period Ending Occupancy



square feet in thousands

Leasing Activity

	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Square feet of leases commenced:					
Operating portfolio:					
Renewals	19,707	16,753	21,555	17,887	21,128
New leases	11,483	11,307	6,757	11,361	10,534
Total Operating Portfolio	31,190	28,060	28,312	29,248	31,662
Properties under development	4,343	7,181	4,300	9,633	5,305
Total Square Feet of Leases Commenced	35,533	35,241	32,612	38,881	36,967
Average term of leases started (months)	58	56	57	61	62
Operating Portfolio:					
Trailing four quarters - square feet of leases commenced	126,770	127,263	115,233	116,810	117,282
Trailing four quarters - average % of portfolio	20.3%	20.3%	18.3%	18.6%	18.5%
Rent change (net effective)	15.6%	14.9%	16.0%	15.3%	18.8%
Rent change (net effective) - Prologis share	20.5%	23.5%	21.9%	20.6%	22.6%
Rent change (cash)	5.1%	7.9%	6.1%	5.9%	9.5%
Rent change (cash) - Prologis share	8.1%	12.7%	9.2%	9.7%	11.6%
Total square feet of Operating Portfolio leases commenced (A)	34,523	32,764	29,845	31,398	33,649



(A) Amount includes leases less than one year, exclusive of month-to-month leases and holdovers.

Copyright © 2018 Prologis

In thousands, except for percentages and per square foot

Capital Expenditures						Same Store Information					
	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018		Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Property improvements	\$ 50,898	\$ 71,654	\$ 26,890	\$ 50,230	\$ 55,381	Square feet	565,525	553,259	582,492	565,141	562,123
Tenant improvements	32,047	39,621	31,579	29,990	26,151	Average occupancy	96.5%	97.0%	96.8%	97.0%	97.4%
Leasing commissions	30,255	32,194	22,997	27,794	32,448	Period end occupancy	96.6%	97.5%	96.8%	97.4%	97.6%
Total turnover costs	62,302	71,815	54,576	57,784	58,599	Percentage change:					
Total Capital Expenditures	\$113,200	\$143,469	\$ 81,466	\$108,014	\$113,980	Rental revenues - cash*	4.4%	4.1%	6.1%	5.3%	5.5%
Trailing four quarters - % of NOI*	13.1%	13.5%	13.3%	13.3%	13.0%	Rental revenues - net effective	3.1%	3.6%	4.6%	4.1%	4.5%
Weighted average ownership percent	64.8%	60.4%	56.4%	59.8%	62.7%	Rental expenses	4.7%	5.4%	5.1%	2.4%	5.9%
Prologis share	\$ 73,373	\$ 86,710	\$ 45,957	\$ 64,598	\$ 71,420	Same store NOI - cash*	4.2%	3.7%	6.5%	6.3%	5.4%
						Same store NOI - cash - Prologis share*	5.4%	5.1%	7.9%	7.0%	5.9%
						Same store NOI - net effective*	2.6%	2.9%	4.4%	4.7%	4.1%
						Same store NOI - net effective - Prologis share*	3.8%	3.9%	5.3%	5.4%	4.5%
						Average occupancy	(0.3%)	(0.3%)	0.2%	0.2%	0.8%

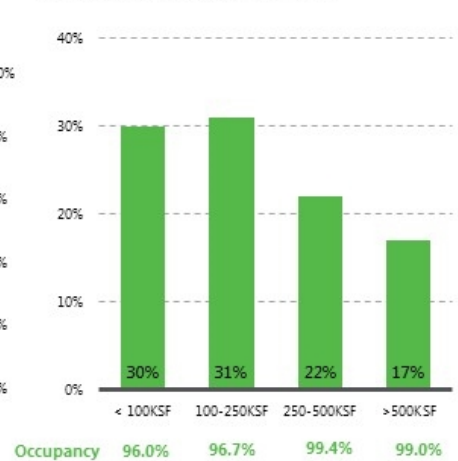
Property Improvements per Square Foot



Turnover Costs on Leases Commenced



Composition of Portfolio (by Unit Size)



* This is a non-GAAP financial measure. Please see our Notes and Definitions for further explanation.

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	403	82,695	64,180	15.1	99.5	99.6	99.5	99.6
New Jersey/New York City	135	33,455	25,003	5.9	99.7	99.7	99.7	99.7
San Francisco Bay Area	235	22,773	18,915	4.4	97.6	97.4	98.0	97.8
Chicago	233	42,616	32,551	7.7	97.9	97.7	97.9	97.7
Dallas/Ft. Worth	189	32,103	26,252	6.2	97.8	98.3	97.8	98.3
South Florida	131	15,861	11,066	2.6	94.8	94.8	96.0	95.7
Atlanta	134	25,536	21,647	5.1	96.6	96.6	96.8	96.8
Seattle	133	18,072	11,846	2.8	94.9	95.4	96.7	97.2
Central Valley	29	14,288	13,056	3.1	100.0	100.0	100.0	100.0
Central & Eastern PA	45	19,858	13,914	3.3	95.0	94.9	95.0	94.9
Houston	142	18,467	13,392	3.2	95.4	95.5	95.8	96.0
Baltimore/Washington	77	9,210	6,581	1.6	98.2	97.7	98.2	97.7
Las Vegas	61	9,230	6,538	1.5	97.6	98.4	98.3	98.7
Denver	38	6,543	5,873	1.4	99.4	99.3	100.0	100.0
Nashville	29	7,542	6,205	1.4	99.0	99.7	99.0	99.7
Remaining U.S. markets (14 markets)	332	55,670	49,799	10.3	95.9	95.4	96.1	95.6
Total U.S.	2,346	413,919	320,818	75.6	97.6	97.7	97.8	97.9
Mexico	205	38,179	19,494	4.6	96.2	95.9	96.2	95.9
Canada	30	8,917	8,917	2.1	96.6	96.6	96.6	96.6
Brazil	23	9,741	7,218	1.7	86.2	83.0	86.2	83.0
Total Other Americas	258	56,837	35,629	8.4	94.5	93.5	94.5	93.5
United Kingdom	100	23,127	8,049	1.9	99.3	99.0	99.3	99.0
France	113	29,316	11,320	2.6	98.1	98.5	98.1	98.5
Germany	90	21,856	6,734	1.6	97.9	98.1	98.2	98.4
Netherlands	70	19,152	6,407	1.5	99.8	99.8	99.8	99.8
Poland	87	19,541	6,683	1.6	98.4	98.4	98.8	98.8
Spain	39	8,352	4,143	1.0	96.4	96.6	96.4	96.6
Czech Republic	59	11,804	4,228	1.0	98.7	98.9	98.7	98.9
Remaining European countries (5 countries)	128	27,952	10,205	2.4	95.6	96.0	96.7	96.9
Total Europe	686	161,100	57,769	13.6	98.0	98.1	98.3	98.3
Japan	42	29,603	5,708	1.4	98.5	98.8	98.7	98.9
China	83	21,808	3,442	0.8	98.2	98.3	98.7	98.8
Singapore	5	951	951	0.2	97.4	97.4	97.4	97.4
Total Asia	130	52,362	10,101	2.4	98.4	98.5	98.7	98.7
Total Outside the U.S.	1,074	270,299	103,499	24.4	97.3	96.6	97.6	96.7
Total Operating Portfolio	3,420	684,218	424,317	100.0	97.5	97.4	97.7	97.6
Total Global markets	2,817	579,768	352,739	83.1	97.7	97.6	97.9	97.8
Total Regional markets	599	103,897	71,035	16.8	96.6	96.5	97.0	96.7
Total Other markets	4	553	543	0.1	96.0	96.1	96.0	96.1

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

	Third Quarter NOI*(A)			Gross Book Value		
	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	% of Total
Southern California	\$ 122,088	\$ 92,952	17.6	\$ 8,847,924	\$ 6,816,935	19.1
New Jersey/New York City	59,615	44,121	8.4	3,545,999	2,522,649	7.1
San Francisco Bay Area	49,125	40,159	7.6	2,844,280	2,398,961	6.7
Chicago	43,279	30,612	5.8	3,184,308	2,417,245	6.8
Dallas/Ft. Worth	30,144	23,898	4.5	2,016,641	1,607,705	4.5
South Florida	24,274	16,822	3.2	1,796,562	1,308,850	3.7
Atlanta	19,457	15,655	3.0	1,496,277	1,277,734	3.6
Seattle	25,116	15,015	2.9	2,175,754	1,513,737	4.2
Central Valley	16,485	14,877	2.8	969,181	886,343	2.5
Central & Eastern PA	19,975	13,832	2.6	1,422,926	1,012,121	2.8
Houston	19,529	13,519	2.6	1,477,808	1,078,877	3.0
Baltimore/Washington	13,768	9,516	1.8	958,090	697,940	2.0
Las Vegas	12,813	9,111	1.7	682,791	468,813	1.3
Denver	7,551	6,627	1.3	496,053	447,134	1.3
Nashville	6,231	5,056	1.0	395,124	333,024	0.9
Remaining U.S. markets (14 markets)	52,156	39,600	7.5	3,251,857	2,517,494	7.1
Total U.S.	521,556	391,312	74.3	35,561,569	27,305,562	76.6
Mexico	44,285	22,680	4.3	2,255,726	1,145,655	3.2
Canada	10,086	10,086	1.9	727,637	727,637	2.0
Brazil	10,354	6,803	1.3	596,769	446,675	1.3
Total Other Americas	64,725	39,569	7.5	3,580,142	2,319,977	6.5
United Kingdom	47,732	16,860	3.2	3,180,904	1,082,988	3.0
France	35,190	13,422	2.4	2,366,255	857,453	2.4
Germany	30,476	9,463	1.8	1,826,005	543,879	1.5
Netherlands	26,483	8,832	1.7	1,713,609	552,636	1.6
Poland	17,914	6,306	1.2	1,216,813	409,708	1.1
Spain	11,340	5,654	1.1	647,810	323,591	0.9
Czech Republic	13,953	5,072	1.0	858,059	298,045	0.9
Remaining European countries (5 countries)	29,564	11,450	2.2	1,872,258	667,089	1.9
Total Europe	212,652	77,059	14.6	13,681,707	4,735,383	13.3
Japan	71,962	13,511	2.6	5,194,218	959,671	2.7
China	19,431	3,342	0.6	1,093,038	172,329	0.5
Singapore	1,979	1,979	0.4	136,936	136,936	0.4
Total Asia	93,372	18,832	3.6	6,424,192	1,268,936	3.6
Total Outside the U.S.	370,749	135,460	25.7	23,686,041	8,334,296	23.4
Total Operating Portfolio	\$ 892,305	\$ 526,772	100.0	\$ 59,247,610	\$ 35,629,858	100.0
Total Global markets	784,047	455,218	86.4	52,927,618	31,383,815	88.1
Total Regional markets	107,538	70,852	13.5	6,284,027	4,210,961	11.8
Total Other markets	720	702	0.1	35,965	35,082	0.1



*This is a non-GAAP financial measure. Please see our Notes and Definitions for further explanation.
(A) Includes NOI for DCT from the acquisition date.

Copyright © 2018 Prologis

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.	1,792	326,573	297,532	70.1	97.6	97.7	97.7	97.8
Total Outside the U.S.	86	25,498	25,498	6.0	92.5	92.5	92.5	92.5
Total Operating Portfolio - Consolidated	1,878	352,071	323,030	76.1	97.2	97.3	97.4	97.4
Unconsolidated								
Total U.S.	554	87,346	23,286	5.5	97.8	97.8	98.1	98.1
Total Outside the U.S.	988	244,801	78,001	18.4	97.9	97.9	98.1	98.1
Total Operating Portfolio - Unconsolidated	1,542	332,147	101,287	23.9	97.8	97.9	98.1	98.1
Total								
Total U.S.	2,346	413,919	320,818	75.6	97.6	97.7	97.8	97.9
Total Outside the U.S.	1,074	270,299	103,499	24.4	97.3	96.6	97.6	96.7
Total Operating Portfolio	3,420	684,218	424,317	100.0	97.5	97.4	97.7	97.6
Value added properties - consolidated	27	7,339	7,003		12.2	12.8	26.8	28.0
Value added properties - unconsolidated	4	811	241		13.3	20.9	13.3	20.9
Total Operating Properties	3,451	692,368	431,561		96.5	96.0	96.9	96.4

	Third Quarter NOI ^(A)			Gross Book Value		
	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	% of Total
Consolidated						
Total U.S.	\$ 399,523	\$ 358,778	68.1	\$ 27,978,726	\$ 25,283,976	70.9
Total Outside the U.S.	30,286	30,285	5.7	1,969,777	1,969,777	5.5
Total Operating Portfolio - Consolidated	\$ 429,809	\$ 389,063	73.8	\$ 29,948,503	\$ 27,253,753	76.4
Unconsolidated						
Total U.S.	\$ 122,033	\$ 32,534	6.2	\$ 7,582,843	\$ 2,021,586	5.7
Total Outside the U.S.	340,463	105,175	20.0	21,716,264	6,354,519	17.9
Total Operating Portfolio - Unconsolidated	\$ 462,496	\$ 137,709	26.2	\$ 29,299,107	\$ 8,376,105	23.6
Total						
Total U.S.	\$ 521,556	\$ 391,312	74.3	\$ 35,561,569	\$ 27,305,562	76.6
Total Outside the U.S.	370,749	135,460	25.7	23,686,041	8,324,296	23.4
Total Operating Portfolio	\$ 892,305	\$ 526,772	100.0	\$ 59,247,610	\$ 35,629,858	100.0
Value added properties - consolidated	(56)	(67)		710,293	674,048	
Value added properties - unconsolidated	(44)	6		55,815	17,037	
Total Operating Properties	\$ 891,705	\$ 526,411		\$ 60,013,718	\$ 36,320,943	



* This is a non-GAAP financial measure. Please see our Notes and Definitions for further explanation.
(A) Includes NOI for DCT from the acquisition date.

Copyright © 2018 Prologis

square feet and dollars in thousands

Top Customers - Owned and Managed

	% of Net Effective Rent	Total Square Feet
1 Amazon.com	3.3	19,692
2 DHL	1.4	10,387
3 XPO Logistics	1.3	9,795
4 Geodis	1.2	9,991
5 FedEx	1.1	4,392
6 Home Depot	1.0	6,962
7 Kuehne + Nagel	1.0	6,467
8 DSV Air and Sea Inc.	0.9	5,290
9 UPS	0.9	5,652
10 Wal-Mart	0.6	4,466
Top 10 Customers	12.7	83,094
11 CEVA Logistics	0.6	4,739
12 BMW	0.6	4,244
13 Nippon Express	0.6	2,714
14 Cainiao Network	0.6	4,106
15 DB Schenker	0.5	3,898
16 Hitachi	0.5	2,236
17 Ingram Micro	0.5	3,885
18 Panalpina	0.4	2,855
19 U.S. Government	0.4	1,143
20 Yusen Logistics	0.4	2,159
21 PepsiCo	0.4	2,754
22 Office Depot	0.3	2,266
23 APL Logistics	0.3	2,729
24 LG	0.3	2,304
25 Kimberly-Clark Corporation	0.3	2,841
Top 25 Customers	19.4	127,967

Lease Expirations - Operating Portfolio - Owned and Managed

Year	Occupied Sq Ft	Net Effective Rent		
		\$	% of Total	\$ Per Sq Ft
2018	23,542	119,739	3.1	5.09
2019	99,622	532,245	13.8	5.34
2020	103,174	578,479	15.0	5.61
2021	104,038	585,719	15.2	5.63
2022	93,332	544,781	14.2	5.84
Thereafter	243,415	1,488,001	38.7	6.11
	667,123	\$ 3,848,964	100.0	5.77

Lease Expirations - Operating Portfolio - Prologis Share

Year	Occupied Sq Ft	Net Effective Rent		
		\$	% of Total	\$ Per Sq Ft
2018	14,516	73,404	3.1	5.06
2019	61,011	314,727	13.4	5.16
2020	56,609	310,544	13.3	5.49
2021	66,017	364,858	15.6	5.53
2022	58,583	331,247	14.2	5.65
Thereafter	156,571	944,934	40.4	6.04
	413,307	\$ 2,339,714	100.0	5.66

(dollars in millions)

Development Starts (TEI)



Development Stabilizations (TEI)



Building Acquisitions



Land Portfolio



■ U.S. ■ Outside the U.S.

square feet and dollars in thousands

	Q3 2018			YTD		
	Square Feet	T E I		Square Feet	T E I	
		Owned and Managed	Prologis Share		Owned and Managed	Prologis Share
Central	750	\$ 55,283	\$ 55,283	2,863	\$ 158,480	\$ 125,628
East	505	60,333	60,333	505	60,333	60,333
West	622	40,169	40,169	4,078	331,798	310,999
Total U.S.	1,877	155,785	155,785	7,446	550,611	496,960
Canada	-	-	-	-	-	-
Mexico	200	11,586	11,586	1,509	98,797	98,797
Brazil	-	-	-	-	-	-
Total Other Americas	200	11,586	11,586	1,509	98,797	98,797
Northern Europe	435	27,310	7,466	2,680	206,779	165,001
Southern Europe	220	14,822	14,822	2,339	170,502	170,502
Central Europe	886	52,287	52,287	1,604	95,691	92,433
United Kingdom	116	12,218	1,832	1,256	143,629	94,114
Total Europe	1,657	106,637	76,407	7,879	616,601	522,050
Japan	314	38,233	38,233	857	160,700	160,700
China	1,018	54,038	8,106	5,513	289,158	43,374
Singapore	-	-	-	-	-	-
Total Asia	1,332	92,271	46,339	6,370	449,858	204,074
Total Outside the U.S.	3,189	210,494	134,332	15,758	1,165,256	824,921
Total Development Stabilizations	5,066	\$ 366,279	\$ 290,117	23,204	\$ 1,715,867	\$ 1,321,881
Percent build to suit			45.6%			53.2%
Estimated weighted average stabilized yield			6.7%			6.6%
Annualized estimated NOI			\$ 19,458			\$ 87,681
Estimated weighted average stabilized cap rate			4.9%			4.8%
Estimated weighted average margin			35.9%			35.9%
Estimated value creation			\$ 104,077			\$ 475,026

square feet and dollars in thousands

	Q3 2018				YTD			
	Square Feet	Leased % at Start	TEI		Square Feet	Leased % at Start	TEI	
			Owned and Managed	Prologis Share			Owned and Managed	Prologis Share
Central	2,211	100.0	\$ 126,763	\$ 126,763	2,755	80.3	\$ 164,385	\$ 164,385
East	-	-	-	-	1,206	39.8	154,626	128,560
West	1,086	0.0	86,375	86,375	3,503	16.2	323,307	323,307
Total U.S.	3,297	67.1	213,138	213,138	7,464	43.7	642,318	616,252
Canada	-	-	-	-	-	-	-	-
Mexico	-	-	-	-	559	100.0	39,320	39,320
Brazil	-	-	-	-	-	-	-	-
Total Other Americas	-	-	-	-	559	100.0	39,320	39,320
Northern Europe	747	10.0	80,355	75,004	3,396	59.1	309,620	304,269
Southern Europe	307	17.9	31,798	31,798	933	73.0	83,338	83,338
Central Europe	896	32.9	58,051	48,291	1,752	31.6	112,153	102,393
United Kingdom	-	-	-	-	705	70.1	99,309	35,290
Total Europe	1,950	21.8	170,204	155,093	6,786	55.0	604,420	525,290
Japan	-	-	-	-	2,030	61.0	322,349	322,349
China	2,339	0.0	132,166	19,825	4,471	0.0	250,688	37,603
Total Asia	2,339	0.0	132,166	19,825	6,501	19.1	573,037	359,952
Total Outside the U.S.	4,289	9.9	302,370	174,918	13,846	40.0	1,216,777	924,562
Total Development Starts	7,586	34.7	\$ 515,508	\$ 388,056	21,310	41.3	\$ 1,859,095	\$ 1,540,814
Percent build to suit				34.8%				37.9%
Estimated weighted average stabilized yield				6.2%				6.1%
Annualized estimated NOI				\$ 24,028				\$ 94,710
Estimated weighted average stabilized cap rate				5.1%				5.0%
Estimated weighted average margin				17.3%				19.8%
Estimated value creation				\$ 66,994				\$ 305,434

square feet and dollars in thousands

	Pre-Stabilized Developments				Under Development						Total Development Portfolio			
	TEI				2018 Expected Completion			2019 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	759	7.0	\$ 65,165	\$ 65,165	567	\$ 43,437	\$ 43,437	2,752	\$ 164,763	\$ 164,763	4,078	55.5	\$ 279,365	\$ 279,365
East	358	29.9	54,641	54,641	2,292	224,887	206,960	1,223	148,370	122,297	3,873	49.5	427,898	383,898
West	450	55.0	36,436	36,436	3,096	389,806	389,806	5,348	516,832	516,832	8,894	19.2	943,074	943,074
Total U.S.	1,567	26.0	156,242	156,242	5,955	658,130	640,203	9,323	829,965	803,892	16,845	35.0	1,644,337	1,600,337
Canada	249	100.0	25,890	25,890	-	-	-	-	-	-	249	100.0	25,890	25,890
Mexico	902	31.4	59,156	59,156	-	-	-	559	40,748	40,748	1,461	57.6	99,904	99,904
Brazil	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Americas	1,151	46.2	85,046	85,046	-	-	-	559	40,748	40,748	1,710	69.8	125,794	125,794
Northern Europe	566	81.2	42,803	42,803	273	27,130	27,130	3,105	276,562	271,211	3,944	62.5	346,495	341,144
Southern Europe	826	34.7	56,796	56,796	254	22,556	22,556	934	82,976	82,976	2,014	60.7	162,328	162,328
Central Europe	572	28.3	37,839	37,839	1,130	72,891	72,891	297	19,521	9,760	1,999	36.1	130,251	120,490
United Kingdom	-	-	-	-	1,064	202,171	50,001	434	54,105	8,116	1,478	33.4	256,276	58,117
Total Europe	1,964	46.2	137,438	137,438	2,721	324,748	172,578	4,750	433,164	372,063	9,435	52.0	895,350	682,079
Japan	1,334	57.0	181,772	181,772	2,006	325,344	325,344	2,290	344,156	344,156	5,630	54.2	851,272	851,272
China	4,713	39.4	258,372	38,756	-	-	-	9,103	497,657	74,649	13,816	13.7	756,029	113,405
Singapore	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Asia	6,047	43.3	440,144	220,528	2,006	325,344	325,344	11,393	841,813	418,805	19,446	25.4	1,607,301	964,677
Total Outside the U.S.	9,162	44.3	662,628	443,012	4,727	650,092	497,922	16,702	1,315,725	831,616	30,591	35.7	2,628,445	1,772,550
Total Development Portfolio	10,729	41.6	\$ 818,870	\$ 599,254	10,682	\$ 1,308,222	\$ 1,138,125	26,025	\$ 2,145,690	\$ 1,635,508	47,436	35.5	\$ 4,272,782	\$ 3,372,887
Cost to complete			\$ 86,337	\$ 65,671		\$ 206,629	\$ 182,232		\$ 1,234,819	\$ 956,975			\$ 1,527,785	\$ 1,204,878
Percent build to suit				21.5%			21.2%			35.8%				28.3%
Estimated weighted average stabilized yield														
U.S.				5.7%			5.7%			6.0%				5.9%
Other Americas				7.2%			n/a			8.3%				7.6%
Europe				6.8%			6.7%			5.7%				6.2%
Asia				6.1%			5.9%			5.9%				6.0%
Total				6.3%			5.9%			6.0%				6.0%
Annualized estimated NOI														\$203,652
Estimated weighted average stabilized cap rate														4.9%
Estimated weighted average margin														21.0%
Estimated value creation														\$707,692

square feet and dollars in thousands

	Q3 2018				YTD			
	Square Feet		Acquisition Price		Square Feet		Acquisition Price	
	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
Prologis Wholly Owned	372	372	\$ 41,893	\$ 41,893	947	947	\$ 94,966	\$ 94,966
Prologis U.S. Logistics Venture	151	83	60,422	33,256	459	252	116,714	64,239
Prologis Targeted U.S. Logistics Fund	116	31	20,406	5,440	587	159	66,562	17,932
Total U.S. (A)	639	486	122,721	80,589	1,993	1,358	278,242	177,137
Prologis European Logistics Fund	-	-	-	-	471	126	30,523	8,189
Prologis European Logistics Partners	92	46	10,711	5,355	92	46	10,711	5,355
Total Outside the U.S.	92	46	10,711	5,355	563	172	41,234	13,544
Total Third Party Building Acquisitions	731	532	\$ 133,432	\$ 85,944	2,556	1,530	\$ 319,476	\$ 190,681
Weighted average stabilized cap rate				5.0%				4.9%

square feet and dollars in thousands

	Q3 2018				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	1,551	1,551	\$ 106,322	\$ 106,322	4,653	4,653	\$ 293,710	\$ 293,710
Prologis U.S. Logistics Venture	276	152	25,720	14,156	2,003	1,103	111,626	61,439
Prologis Targeted U.S. Logistics Fund	120	32	7,100	1,893	390	108	23,163	6,407
Total U.S.	1,947	1,735	139,142	122,371	7,046	5,864	428,499	361,556
Total Other Americas								
Prologis Wholly Owned	-	-	-	-	613	613	50,842	50,842
Prologis European Logistics Fund	-	-	-	-	4,147	1,105	325,751	86,782
Prologis European Logistics Partners	-	-	-	-	2,702	1,351	129,645	64,822
Total Europe	-	-	-	-	7,462	3,069	506,238	202,446
Total Asia								
Prologis Wholly Owned	-	-	-	-	-	-	-	-
Total Outside the U.S.	-	-	-	-	7,462	3,069	506,238	202,446
Total Third Party Building Dispositions	1,947	1,735	\$ 139,142	\$ 122,371	14,508	8,933	\$ 934,737	\$ 564,002
Building Contributions to Co-Investment Ventures								
Prologis U.S. Logistics Venture	1,030	1,030	\$ 82,293	\$ 36,999	1,030	1,030	\$ 82,293	\$ 36,999
Total U.S.	1,030	1,030	82,293	36,999	1,030	1,030	82,293	36,999
Total Other Americas								
FIBRA Prologis	269	269	13,550	7,283	269	269	13,550	7,283
Total Other Americas	269	269	13,550	7,283	269	269	13,550	7,283
Total Europe								
Prologis European Logistics Fund	3,038	3,038	319,975	232,494	5,000	5,000	499,954	364,526
Prologis UK Logistics Venture	-	-	-	-	379	379	52,231	44,397
Total Europe	3,038	3,038	319,975	232,494	5,379	5,379	552,185	408,923
Total Asia								
Nippon Prologis REIT	-	-	-	-	1,901	1,901	407,885	346,213
Prologis China Logistics Venture	885	885	51,490	43,767	885	885	51,490	43,767
Total Asia	885	885	51,490	43,767	2,786	2,786	459,375	389,980
Total Outside the U.S.	4,192	4,192	385,015	283,544	8,434	8,434	1,025,110	806,186
Total Building Dispositions and Contributions	7,169	6,957	\$ 606,450	\$ 442,914	23,972	18,397	\$ 2,042,140	\$ 1,407,187
Weighted average stabilized cap rate				4.9%				5.1%
Land dispositions			17,450	14,144			80,212	75,935
Dispositions of other investments in real estate			5,204	5,204			42,032	37,168
Grand Total Dispositions and Contributions			\$ 629,104	\$ 462,262			\$ 2,164,384	\$ 1,520,290

square feet and dollars in thousands, ordered by Prologis share of NOI (%) of the operating portfolio

	Acres			Current Book Value		
	Owned and Managed	Prologis Share	Estimated Build Out (sq ft)	Owned and Managed	Prologis Share	% of Total
Southern California	102	98	2,012	\$ 86,514	\$ 84,627	6.6
New Jersey/New York City	91	91	1,120	46,014	46,014	3.6
San Francisco Bay Area	35	35	663	31,497	31,497	2.5
Chicago	194	194	2,369	22,253	22,253	1.8
Dallas/Ft. Worth	43	43	1,215	7,731	7,731	0.6
South Florida	141	138	2,930	92,375	90,811	7.1
Atlanta	218	218	2,593	16,547	16,547	1.3
Seattle	36	36	908	42,408	42,408	3.3
Central Valley	1,017	1,017	20,321	130,200	130,200	10.2
Central & Eastern PA	29	16	399	7,953	4,377	0.4
Houston	175	163	3,008	22,434	20,791	1.6
Baltimore/Washington	-	-	-	-	-	0.0
Las Vegas	57	57	1,315	11,734	11,734	0.9
Denver	18	18	278	7,310	7,310	0.6
Nashville	-	-	-	-	-	0.0
Remaining U.S. markets (14 markets)	226	217	3,842	40,686	39,582	3.1
Total U.S.	2,382	2,341	42,973	565,656	555,882	43.6
Mexico	596	566	11,029	122,492	115,042	9.0
Canada	159	159	3,181	57,130	57,130	4.5
Brazil	531	490	11,950	144,126	128,326	10.1
Total Other Americas	1,286	1,215	26,160	323,748	300,498	23.6
United Kingdom	307	187	5,700	227,220	114,023	9.0
France	297	237	5,112	51,916	39,776	3.1
Germany	18	14	399	3,292	2,506	0.2
Netherlands	35	35	1,045	16,674	16,674	1.3
Poland	442	414	8,120	59,796	53,275	4.2
Spain	107	88	2,837	30,980	25,835	2.0
Czech Republic	89	79	1,446	16,783	14,398	1.1
Remaining European countries (5 countries)	534	512	10,045	58,671	55,422	4.3
Total Europe	1,829	1,566	34,704	465,332	321,909	25.2
Japan	57	57	4,324	89,052	89,052	7.0
China	145	22	5,974	53,880	8,082	0.6
Singapore	-	-	-	-	-	0.0
Total Asia	202	79	10,298	142,932	97,134	7.6
Total Outside the U.S.	3,317	2,860	71,162	932,012	719,541	56.4
Total Land Portfolio	5,699	5,201	114,135	\$ 1,497,668	\$ 1,275,423	100.0

dollars in thousands	Acres			Current Book Value		
	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	% of Total
Central	478	465	9.0	\$ 56,041	\$ 54,400	4.3
East	549	534	10.2	185,471	180,329	14.1
West	1,355	1,342	25.8	324,144	321,153	25.2
Total U.S.	2,382	2,341	45.0	565,656	555,882	48.6
Mexico	596	566	10.9	122,492	115,042	9.0
Canada	159	159	3.1	57,130	57,130	4.5
Brazil	531	490	9.4	144,126	128,326	10.1
Total Other Americas	1,286	1,215	23.4	323,748	300,498	23.6
Central Europe	952	900	17.3	113,468	103,118	8.1
Northern Europe	101	95	1.8	34,890	33,483	2.6
Southern Europe	469	384	7.4	89,754	71,285	5.6
United Kingdom	307	187	3.6	227,220	114,023	8.9
Total Europe	1,829	1,566	30.1	465,332	321,909	25.2
Japan	57	57	1.1	89,052	89,052	7.0
China	145	22	0.4	53,880	8,082	0.6
Total Asia	202	79	1.5	142,932	97,134	7.6
Total Outside the U.S.	3,317	2,860	55.0	932,012	719,541	56.4
Total Land Portfolio	5,699	5,201	100.0	\$ 1,497,668	\$ 1,275,423	100.0
Estimated build out of land portfolio (in TEI)				\$ 8,800,000	\$ 7,900,000	
Estimated build out of other land (in TEI) (A)				2,800,000	2,700,000	
Total				\$ 11,600,000	\$ 10,600,000	

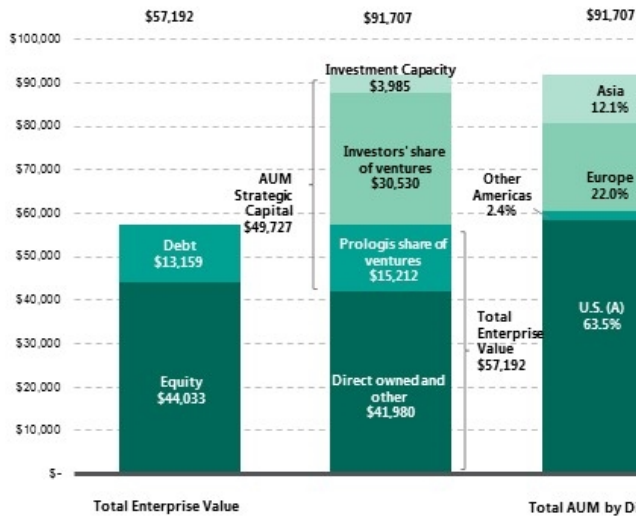
Land Roll Forward - Prologis Share	U.S.	Other Americas	Europe	Asia	Total
As of June 30, 2018	\$ 397,158	\$ 278,363	\$ 355,153	\$ 102,236	\$ 1,132,910
Acquisitions	158,308	19,003	5,194	-	182,505
Dispositions	(6,641)	-	(2,362)	-	(9,003)
Development starts	(30,830)	-	(43,268)	(4,409)	(78,507)
Infrastructure costs	29,552	15,167	3,709	1,903	50,331
Effect of changes in foreign exchange rates and other	8,335	(12,035)	3,483	(2,996)	(2,813)
As of September 30, 2018	\$ 555,882	\$ 300,498	\$ 321,909	\$ 97,134	\$ 1,275,423



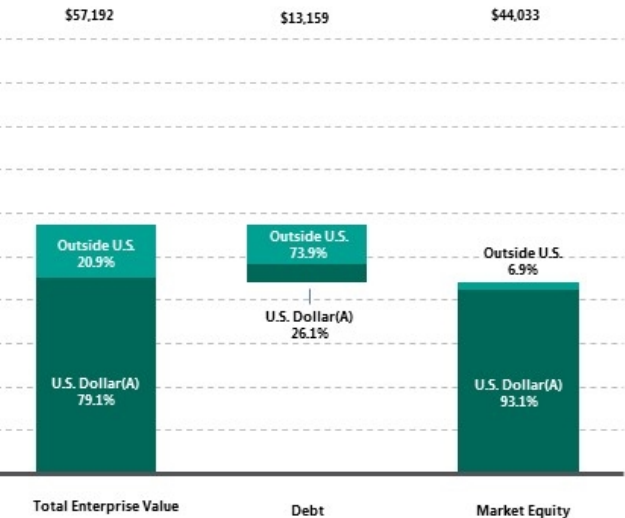
(A) Amounts include approximately 2,600 acres that we currently control through options, ground leases, unconsolidated joint ventures and other contractual arrangements.

Copyright © 2018 Prologis

Assets Under Management
(dollars in millions)



U.S. Dollar Exposure
(dollars in millions)



Prologis Share - Debt Metrics (B)

	September 30, 2018	June 30, 2018
Debt as % of gross real estate assets*	20.8%	22.8%
Debt as % of gross market capitalization*	22.5%	22.9%
Secured debt as % of gross real estate assets*	3.7%	4.8%
Unencumbered gross real estate assets to unsecured debt*	318.7%	292.2%
Fixed charge coverage ratio*	7.24x	7.62x
Fixed charge coverage ratio, excluding development gains*	6.08x	6.16x
Debt/Adjusted EBITDA*	4.40x	4.14x
Debt/Adjusted EBITDA, excluding development gains*	5.17x	5.12x
Weighted average interest rate	2.8%	3.0%
Weighted average remaining maturity in years	6.0	5.8
Credit Ratings at September 30, 2018 (C)		
Moody's	A3 (Outlook Stable)	
Standard & Poor's	A- (Outlook Stable)	

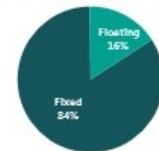
* This is a non-GAAP financial measure. Please see our Notes and Definitions for detailed calculation.

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

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

(C) 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.

Debt
Fixed vs. Floating Debt - Prologis Share



Unencumbered Assets - Prologis Share
(in billions)



Copyright © 2018 Prologis

dollars in thousands

Maturity	Unsecured			Secured Mortgage	Total	% Ownership	Wtd. Avg. Interest Rate	% Fixed
	Senior	Credit Facilities (A)	Other (A)					
2018	\$ -	\$ -	\$ 492	\$ 2,427	\$ 2,919	90%	5.9%	100%
2019	-	-	1,014	443,143	444,157	87%	5.6%	90%
2020	1,157,600	-	1,077	23,493	1,182,170	100%	1.1%	99%
2021	810,320	219,944	910	71,073	1,102,247	100%	1.5%	76%
2022	810,320	15,878	831,792	12,236	1,670,226	100%	2.6%	49%
2023	850,000	-	749,310	39,382	1,638,692	100%	3.0%	54%
2024	810,320	-	874	133,397	944,591	100%	4.1%	100%
2025	794,106	-	950	139,298	934,354	100%	3.7%	100%
2026	578,800	-	591	1,213	580,604	100%	3.1%	100%
2027	-	-	64,143	1,255	65,398	99%	1.1%	100%
2028	752,846	-	43,016	-	795,862	100%	2.5%	100%
Thereafter	1,851,729	-	92,554	-	1,944,283	100%	2.4%	100%
Subtotal	8,416,041	235,822	1,786,723	866,917	11,305,503	99%	2.7%	83%
Unamortized net premiums (discounts)	(27,318)	-	-	1,547	(25,771)			
Unamortized finance costs	(35,627)	-	(8,330)	(3,646)	(47,603)			
Total consolidated debt, net of premium (discount)	\$ 8,353,096	\$ 235,822	\$ 1,778,393	\$ 864,818	\$ 11,232,129			
Weighted average interest rate	2.7%	0.8%	1.6%	5.3%	2.7%			
Weighted average remaining maturity in years	7.0	2.6	5.1	3.1	6.3			

Prologis debt by local currency									Liquidity	
	Senior	Credit Facilities	Other	Secured Mortgage	Total	Investment Hedges (B)	Total	% of Total		
Dollars	\$ 2,275,634	\$ -	\$ 401,904	\$ 669,382	\$ 3,346,920	\$ (810,819)	\$ 2,536,101	23%	Aggregate lender commitments-GLOC and revolver	\$ 3,452,898
Euro	4,946,073	219,944	-	-	5,166,017	240,540	5,406,557	48%	Less:	
GBP	648,184	-	-	-	648,184	99,332	747,516	7%	Borrowings outstanding	235,822
Yen	483,205	15,878	1,246,218	46,523	1,791,824	150,622	1,942,446	17%	Outstanding letters of credit	31,653
CAD	-	-	130,271	148,913	279,184	162,932	442,116	4%	Current availability-credit facilities	3,185,423
Other	-	-	-	-	-	157,393	157,393	1%	Cash and cash equivalents	275,562
Total Debt	\$ 8,353,096	\$ 235,822	\$ 1,778,393	\$ 864,818	\$ 11,232,129	\$ -	\$ 11,232,129	100%	Total liquidity	\$ 3,460,985

- (A) The maturity for the global senior credit facility and revolver (\$236 million) and a certain term loan (\$390 million) is reflected at the extended maturity date as the extension is at our option.
- (B) We manage our exposure to changes in foreign currency exchange rates 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 reflected in the table under Investment Hedges. See also page 28 for our market equity exposure by currency.

dollars in thousands										
Maturity	Noncontrolling Interests					Prologis Share of Unconsolidated Co-Investment Ventures				
	Unsecured	Secured	Total	Wtd. Avg. Interest Rate	% Fixed	Unsecured (B)	Secured	Total	Wtd. Avg. Interest Rate	% Fixed
2018	\$ -	\$ 291	\$ 291	3.7%	100%	\$ 8,515	\$ 1,246	\$ 9,761	1.4%	98%
2019	-	59,520	59,520	3.1%	72%	65,355	75,061	140,416	3.6%	37%
2020	-	4,533	4,533	3.5%	80%	199,971	171,588	371,559	4.3%	99%
2021	-	1,245	1,245	3.8%	100%	97,223	202,525	299,748	3.7%	99%
2022	-	1,207	1,207	3.8%	100%	282,247	98,879	381,126	3.5%	85%
2023	-	3,087	3,087	3.8%	100%	145,325	103,635	248,960	3.1%	98%
2024	-	412	412	3.5%	100%	92,715	46,014	138,729	3.0%	93%
2025	-	427	427	3.5%	100%	125,943	2,474	128,417	1.7%	99%
2026	-	441	441	3.5%	100%	30,997	47,630	78,627	3.2%	98%
2027	-	457	457	3.5%	100%	60,980	242	61,222	2.0%	100%
2028	-	-	-	0.0%	0%	145,284	-	145,284	2.0%	100%
Thereafter	-	-	-	-	-	1,331	-	1,331	0.9%	100%
Subtotal	\$ -	\$ 71,620	\$ 71,620	3.2%	75%	\$ 1,255,886	\$ 749,294	\$ 2,005,180	3.3%	91%
Unamortized net premiums (discounts)	-	419	419			-	3,039	3,039		
Unamortized finance costs	-	(212)	(212)			(7,691)	(2,258)	(9,949)		
Noncontrolling interests share and Prologis Share of unconsolidated debt	\$ -	\$ 71,827	\$ 71,827			\$ 1,248,195	\$ 750,075	\$ 1,998,270		
Weighted average interest rate	-	3.2%	3.2%			2.9%	4.0%	3.3%		
Weighted average remaining maturity in years	-	1.3	1.3			4.7	3.2	4.1		

Noncontrolling interests share of Consolidated debt and Prologis Share of unconsolidated debt by local currency											
	Noncontrolling Interests				Prologis Share of Unconsolidated Co-Investment Ventures				Investment Hedges (C)		
	Unsecured	Secured	Total	% of Total	Unsecured	Secured	Total	Total	Total	% of Total	
Dollars	\$ -	\$ 71,827	\$ 71,827	100%	\$ 643,317	\$ 448,875	\$ 1,092,192	\$ (118,530)	\$ 973,662	49%	
Euro	-	-	-	-	322,832	127,191	450,023	82,020	532,043	27%	
GBP	-	-	-	-	-	149,196	149,196	-	149,196	7%	
Yen	-	-	-	-	270,955	-	270,955	-	270,955	14%	
CAD	-	-	-	-	-	-	-	-	-	0%	
Other	-	-	-	-	11,091	24,813	35,904	36,510	72,414	3%	
Total Debt	\$ -	\$ 71,827	\$ 71,827	100%	\$ 1,248,195	\$ 750,075	\$ 1,998,270	\$ -	\$ 1,998,270	100%	

- (A) Refer to Notes and Definitions under Non-GAAP Pro-Rata Financial Information for further explanation on how these amounts are calculated.
- (B) The maturity of certain unsecured debt (Prologis Share \$307 million) is reflected at the extended maturity dates as the extensions are at the entity's option.
- (C) We manage our exposure to changes in foreign currency exchange rates 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 reflected in the table under Investment Hedges. See also page 28 for our market equity exposure by currency.

in thousands, except for percentages and per square foot

Operating							
	Square Feet	Gross Book Value	GBV per Sq Ft	Adjusted Cash NOI (Actual)**	Adjusted Cash NOI (Pro Forma)**	Annualized Adjusted Cash NOI*	Percent Occupied
Consolidated Operating Portfolio							
U.S.	297,532	\$ 25,289,976	\$ 85	\$ 356,277	\$ 356,277	\$ 1,425,108	97.7%
Other Americas	19,271	1,348,123	70	21,582	21,582	86,328	90.9%
Europe	3,610	267,163	74	4,436	4,436	17,744	96.3%
Asia	2,617	354,491	135	5,273	5,273	21,092	98.9%
Pro forma adjustments for mid-quarter acquisitions/development completions					46,986	187,944	
Total consolidated operating portfolio	323,030	27,253,753	84	387,568	434,554	1,738,216	97.3%
Unconsolidated Operating Portfolio							
U.S.	23,286	2,021,586	87	32,321	32,321	129,284	97.8%
Other Americas	16,358	971,854	59	19,747	19,747	78,988	96.5%
Europe	54,159	4,468,220	82	72,535	72,535	290,140	98.3%
Asia	7,484	914,445	122	12,948	12,948	51,792	98.3%
Pro forma adjustments for mid-quarter acquisitions/development completions					919	3,676	
Total unconsolidated operating portfolio	101,287	8,376,105	83	137,551	138,470	553,880	97.9%
Total Operating Portfolio	424,317	\$ 35,629,858	\$ 84	\$ 525,119	\$ 573,024	\$ 2,292,096	97.4%
Development							
	Square Feet	Investment Balance	TEI	TEI per Sq Ft		Annualized Estimated NOI	Percent Occupied
Consolidated							
Prestabilized							
U.S.	1,567	\$ 131,946	\$ 156,242	\$ 100		\$ 8,941	23.8%
Other Americas	1,151	70,009	85,046	74		6,161	0.0%
Europe	1,964	116,097	137,438	70		9,335	25.0%
Asia	1,334	170,933	181,772	136		10,669	5.9%
							15.7%
Properties under development							
U.S.	14,664	836,499	1,437,579	98		84,841	
Other Americas	559	22,978	40,748	73		3,294	
Europe	5,831	255,770	497,897	85		30,201	
Asia	4,296	390,102	669,500	156		38,779	
Total consolidated development portfolio	31,366	1,994,334	3,206,222	102		\$ 192,321	
Unconsolidated							
U.S.	348	6,597	6,516	19		\$ 401	
Other Americas	-	-	-	-		-	
Europe	359	27,519	46,744	130		2,718	
Asia	2,072	65,258	113,405	55		8,212	
Total unconsolidated development portfolio	2,779	99,374	166,665	60		\$ 11,331	
Total Development Portfolio	34,145	\$ 2,093,708	\$ 3,372,887	\$ 99		\$ 203,652	
Prologis share of estimated value creation (see Capital Deployment - Development Portfolio)		707,692					
Total development portfolio, including estimated value creation		\$ 2,801,400					



* This is a non-GAAP financial measure. Please see our Notes and Definitions for further explanation.

Copyright © 2018 Prologis

In thousands

Balance Sheet and Other Items		As of September 30, 2018	
Consolidated			
Other assets			
Cash and cash equivalents		\$	275,562
Restricted cash			1,937
Accounts receivable, prepaid assets and other tangible assets			925,715
Other real estate investments and gross book value of assets held for sale			1,039,476
Prologis share of value added operating properties			691,085
Prologis receivable from unconsolidated co-investment ventures			217,599
Investments in and advances to other unconsolidated joint ventures			335,243
Less: noncontrolling interests share of other assets			(197,308)
Total other assets		\$	3,299,309
Other liabilities			
Accounts payable and other current liabilities		\$	873,412
Deferred income taxes			64,506
Value added tax and other tax liabilities			17,866
Tenant security deposits			235,040
Other liabilities			330,076
Less: noncontrolling interests share of other liabilities			(41,330)
Total liabilities		\$	1,479,570
Unconsolidated			
Prologis share of net tangible other assets and gross book value of assets held for sale		\$	328,049
Land			
Current book value of land		\$	1,264,815
Less: noncontrolling interests share of the current book value of land			(37,541)
Prologis share of book value of land in unconsolidated co-investment ventures			48,149
Total land portfolio		\$	1,275,423
Strategic Capital / Development Management			
		Third Quarter	Annualized
Strategic Capital			
Third party share of asset management fees from consolidated and unconsolidated co-investment ventures	\$	39,597	\$ 158,388
Third party share of other transactional fees from consolidated and unconsolidated co-investment ventures (trailing 12 months)		7,553	32,232
Strategic capital expenses for asset management and other transactional fees (annualized based on actuals plus remaining forecast for the year)		(13,400)	(58,154)
Total strategic capital	\$	33,750	\$ 132,466
Promotes, net of expenses (trailing 12 months) (A)	\$	(4,628)	\$ 41,570
Development management income (trailing 12 months)	\$	2,316	\$ 9,093
Debt (at par) and Preferred Stock			
Debt			As of September 30, 2018
Consolidated debt		\$	11,305,503
Noncontrolling interests share of consolidated debt			(71,620)
Prologis share of unconsolidated co-investment ventures debt			2,005,180
Total debt			13,239,063
Preferred stock			68,948
Total debt and preferred stock	\$		\$ 13,308,011
Outstanding shares of common stock and limited operating partnership units			648,545



(A) The third quarter amount relates to promote amortization expense.

Copyright © 2018 Prologis

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 Price, as presented for building acquisitions, represent economic cost. This amount includes the building purchase price plus 1) transaction closing costs, 2) 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 and discounts, if applicable.

Adjusted Cash NOI (Actual) is a non-Generally Accepted Accounting Principles ("GAAP") financial measure and a component of Net Asset Value ("NAV"). It is used to assess the operating performance of our properties and enables both management and investors to estimate the fair value of our operating portfolio. A reconciliation for the most recent quarter ended of our rental income and rental expenses included in our Consolidated Statement of Income to Adjusted Cash NOI for the consolidated Operating Portfolio is as follows (in thousands):

Rental revenues	\$ 608,974
Rental expenses	(147,184)
NOI	461,790
Net termination fees and adjustments (a)	(2,303)
Less: actual NOI for development portfolio and other	(17,570)
Less: property management fees	(7,541)
Less: properties contributed or sold (b)	(1,338)
Less: noncontrolling interests share of NOI	(43,975)
Prologis share of adjusted NOI for consolidated Operating Portfolio at Sept 30, 2018	389,063
Straight-line rents (c)	(14,772)
Free rent (c)	15,248
Amortization of lease intangibles (c)	(1,654)
Effect of foreign currency exchange (d)	(897)
Less: noncontrolling interests and other	580
Third quarter Adjusted Cash NOI (Actual)	\$ 387,568

(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 (Actual) to include only rental income that is indicative of the property's recurring operating performance.

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

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

(d) 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) is a non-GAAP financial measure and consists of Adjusted Cash NOI (Actual) for the properties in our Operating Portfolio adjusted to reflect NOI for a full quarter for operating properties that were acquired or stabilized during the quarter.

Adjusted EBITDA. We use Adjusted EBITDA attributable to common stockholders/unitholders ("Adjusted EBITDA"), a non-GAAP financial measure, as a measure of our operating performance. The most directly comparable GAAP measure to Adjusted EBITDA is net earnings.

We calculate Adjusted EBITDA beginning with consolidated net earnings attributable to common stockholders and removing the effect of: interest expense, income taxes, depreciation and amortization, impairment charges, gains or losses from the disposition of investments in real estate (excluding development properties and land), 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 items, such as, stock based compensation and unrealized gains or losses on foreign currency and derivatives. We also include a pro forma adjustment to reflect a full period of NOI on the operating properties we acquire or stabilize during the quarter and to remove NOI on properties we dispose of during the quarter, assuming all transactions occurred at the beginning of the quarter. The pro forma adjustment also includes economic ownership changes in our ventures to reflect the full quarter at the new ownership percentage.

We believe Adjusted EBITDA provides investors relevant and useful information because it permits investors to view our operating performance, analyze our ability to meet interest payment obligations and make quarterly preferred stock dividends on an unleveraged basis before the effects of income tax, depreciation and amortization expense, gains and losses on the disposition of non-development properties and other items (outlined above), that affect comparability. While all items are not infrequent or unusual in nature, these items may 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 calculate our Adjusted EBITDA, based on our proportionate ownership share of both our unconsolidated and consolidated ventures. We reflect our share of our Adjusted EBITDA 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 Adjusted EBITDA measures to remove the noncontrolling interests share of the applicable reconciling items based on our average ownership percentage for the applicable periods.

While we believe Adjusted EBITDA is an important measure, it should not be used alone because it excludes significant components of net earnings, such as 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 and is therefore limited as an analytical tool.

Our computation of Adjusted EBITDA may not be comparable to EBITDA reported by other companies in both the real estate industry and other industries. 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 to Adjusted EBITDA from consolidated net earnings attributable to common stockholders.

Annualized Estimated NOI for the properties in our Development Portfolio is based on current TEI multiplied by the Estimated Weighted Average Stabilized Yield.

Assets Under Management ("AUM") represents the estimated fair value of the real estate we own or manage through both our consolidated and unconsolidated entities. We calculate AUM by adding Investment Capacity and the third-party investors' share of the estimated fair value of the assets in the co-investment ventures to Enterprise Value.

Business Line Reporting is a non-GAAP financial measure. Core FFO and development gains are generated by our three lines of business: (i) real estate operations; (ii) strategic capital; and (iii) development. The real estate operations line of business 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 asset management, Net Promotes and transactional fees that we earn from our consolidated and unconsolidated co-investment ventures less costs directly associated to our strategic capital group. Realized 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 per share calculation. 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 Sep. 30,		Nine Months Ended Sep. 30,	
	2018	2017	2018	2017
Net earnings				
Net earnings attributable to common stockholders	\$ 346,345	\$ 376,218	\$ 1,046,858	\$ 1,346,416
Noncontrolling interest attributable to exchangeable limited partnership units	10,593	24,362	31,502	38,127
Adjusted net earnings attributable to common stockholders - Diluted	\$ 356,938	\$ 900,580	\$1,078,360	\$ 1,384,543
Weighted average common shares outstanding - Basic	574,520	531,288	546,612	530,036
Incremental weighted average effect on exchange of limited partnership units	18,153	15,641	17,097	16,150
Incremental weighted average effect of equity awards	4,974	7,234	4,890	5,432
Weighted average common shares outstanding - Diluted	597,647	554,163	568,599	551,618
Net earnings per share - Basic	\$ 0.60	\$ 1.65	\$ 1.92	\$ 2.54
Net earnings per share - Diluted	\$ 0.60	\$ 1.63	\$ 1.90	\$ 2.51
Core FFO				
Core FFO attributable to common stockholders/unitholders	\$ 427,484	\$ 369,730	\$ 1,261,828	\$ 1,177,886
Noncontrolling interest attributable to exchangeable limited partnership units	395	572	1,177	2,488
Core FFO attributable to common stockholders/unitholders - Diluted	\$ 427,879	\$ 370,302	\$1,263,005	\$ 1,180,374
Weighted average common shares outstanding - Basic	574,520	531,288	546,612	530,036
Incremental weighted average effect on exchange of limited partnership units	18,153	15,641	17,097	16,150
Incremental weighted average effect of equity awards	4,974	7,234	4,890	5,432
Weighted average common shares outstanding - Diluted	597,647	554,163	568,599	551,618
Core FFO per share - Diluted	\$ 0.72	\$ 0.67	\$ 2.22	\$ 2.14

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

	Indenture		Global Note	
	Covenant	Actual	Covenant	Actual
Leverage ratio	< 60%	26.0%	< 60%	23.5%
Fixed charge coverage ratio	> 1.5x	9.42x	> 1.5x	11.94x
Secured debt leverage ratio	< 40%	2.1%	< 40%	1.8%
Unencumbered asset to unsecured debt ratio	> 150%	324.5%	N/A	N/A
Unencumbered debt service coverage ratio	N/A	N/A	> 1.50%	1.690.3%

Debt Metrics. We evaluate the following debt metrics to monitor the strength and flexibility of our capital structure and evaluate the performance of our management. Investors can utilize these metrics to make a determination about our ability to service or refinance our debt. See below for the calculations.

dollars in thousands	Three Months Ended	
	Sep. 30,	Jun. 30,
	2018	2018
Debt as a % of gross real estate assets:		
Consolidated debt (at par)	\$ 11,305,503	\$ 9,489,603
Noncontrolling interests share of consolidated debt (at par)	(71,620)	(70,269)
Prologis share of unconsolidated debt (at par)	2,005,180	1,983,965
Total Prologis share of debt (at par)	13,239,063	11,403,299
Prologis share of outstanding foreign currency derivatives	(5,929)	(6,525)
Consolidated cash and cash equivalents	(275,562)	(527,830)
Noncontrolling interests share of consolidated cash and cash equivalents	19,036	18,656
Prologis share of unconsolidated cash and cash equivalents	(200,456)	(196,123)
Total Prologis share of debt, net of adjustments	\$ 12,776,152	\$ 10,691,477
Consolidated gross real estate assets	35,816,629	26,902,150
Noncontrolling interests share of consolidated gross real estate assets	(3,038,604)	(2,900,641)
Prologis share of unconsolidated gross real estate assets	8,715,827	8,588,084
Total Prologis share of gross real estate assets	\$ 41,493,852	\$ 32,589,593
Debt as a % of gross real estate assets	30.8%	32.8%
Debt as a % of gross Market Capitalization:		
Total Prologis share of debt, net of adjustments	\$ 12,776,152	\$ 10,691,477
Total outstanding common stock and limited partnership units	648,545	549,188
Share price at quarter end	\$ 67.79	\$ 65.69
Total equity capitalization	\$ 43,964,866	\$ 36,076,160
Total Prologis share of debt, net of adjustments	12,776,152	10,691,477
Gross Market Capitalization	\$ 56,741,018	\$ 46,767,637
Debt as a % of gross Market Capitalization	22.5%	22.9%
Secured debt as a % of gross real estate assets:		
Consolidated secured debt (at par)	\$ 866,917	\$ 898,495
Noncontrolling interests share of consolidated secured debt (at par)	(71,620)	(70,269)
Prologis share of unconsolidated secured debt (at par)	749,294	743,992
Total Prologis share of secured debt (at par)	\$ 1,544,591	\$ 1,572,218
Total Prologis share of gross real estate assets	\$ 41,493,852	\$ 32,589,593
Secured debt as a % of gross real estate assets	3.7%	4.8%
Unencumbered gross real estate assets to unsecured debt:		
Consolidated unencumbered gross real estate assets	\$ 33,190,689	\$ 24,547,213
Noncontrolling interests share of consolidated unencumbered gross real estate assets	(2,844,677)	(2,761,687)
Prologis share of unconsolidated unencumbered gross real estate assets	6,929,482	6,942,027
Total Prologis share of unencumbered gross real estate assets	\$ 37,275,494	\$ 28,727,553
Consolidated unsecured debt (at par)	10,438,586	8,591,108
Noncontrolling interests share of consolidated unsecured debt (at par)	-	-
Prologis share of unconsolidated unsecured debt (at par)	1,255,886	1,299,973
Total Prologis share of unsecured debt (at par)	\$ 11,694,472	\$ 9,891,081
Unencumbered gross real estate assets to unsecured debt	318.7%	292.2%

	Three Months Ended	
	Sep. 30,	Jun. 30,
	2018	2018
Fixed Charge Coverage ratio:		
Adjusted EBITDA	\$ 709,585	\$ 580,640
Adjusted EBITDA-annualized including development gains and evolutions net revenues (a)	\$ 2,862,983	\$ 2,541,798
Net promotes for the trailing 12 months	41,570	41,246
Adjusted EBITDA-annualized	\$ 2,904,553	\$ 2,583,044
Pro forma adjustment annualized	(218,070)	(20,440)
Adjusted EBITDA, including NOI from disposed properties, annualized	\$ 2,686,483	\$ 2,562,604
Interest expense	\$ 64,186	\$ 56,214
Amortization and write-off of deferred loan costs	(3,310)	(3,115)
Amortization of debt premiums, net	748	158
Capitalized interest	13,256	12,345
Preferred stock dividends	1,491	1,476
Noncontrolling interests share of consolidated fixed charges	(632)	(597)
Prologis share of unconsolidated fixed charges	16,885	17,379
Total Prologis share of fixed charges	\$ 92,724	\$ 82,960
Total Prologis share of fixed charges, annualized	\$ 370,896	\$ 335,840
Fixed charge coverage ratio	7.24	7.63
Debt to Adjusted EBITDA:		
Total Prologis share of debt net of adjustments	\$ 12,776,152	\$ 10,691,477
Adjusted EBITDA-annualized	\$ 2,904,553	\$ 2,583,044
Debt to Adjusted EBITDA ratio	4.40	4.14

(a) Prologis share of gains on dispositions of development properties for the trailing 12 months was \$422.6 million and \$484.3 million for the current quarter and the previous quarter, respectively.

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

Enterprise Value equals our Market Equity plus our share of total debt.

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.

Estimated Value Creation represents the value that we expect to create through our development and leasing activities. We calculate Estimated Value Creation by estimating the Stabilized NOI that the property will generate and applying a stabilized capitalization rate applicable to that property. Estimated Value Creation is calculated as the amount by which the value exceeds our TEI and does not include any fees or promotes we may earn. Estimated Value Creation for our Value-Added Properties that are sold includes the realized economic gain.

Estimated Weighted Average Margin is calculated on development properties as Estimated Value Creation, less estimated closing costs and taxes, if any, on properties expected to be sold or contributed, divided by TEI.

Estimated Weighted Average Stabilized Yield is calculated on development properties as Stabilized NOI divided by TEI.

FFO, as modified by Prologis attributable to common stockholders/unitholders ("FFO, as modified by Prologis"); Core FFO attributable to common stockholders/unitholders ("Core FFO"); AFFO attributable to common stockholders/unitholders ("AFFO"); (collectively referred to as "FFO"). FFO is a non-GAAP financial measure that is commonly used in the real estate industry. The most directly comparable GAAP measure to FFO is net earnings.

The National Association of Real Estate Investment Trusts ("NAREIT") defines FFO as 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 also exclude the gains on revaluation of equity investments upon acquisition of a controlling interest and the gain recognized from a partial sale of our investment, as these are similar to gains from the sales of previously depreciated properties. We exclude similar adjustments from our unconsolidated entities and the third parties' share of our consolidated co-investment ventures.

Our FFO Measures

Our FFO measures begin with NAREIT's definition and we make certain adjustments to reflect our business and the way that management plans and executes our business strategy. While not infrequent or unusual, the additional items we adjust for in calculating FFO, as modified by Prologis, Core FFO and AFFO, as defined below, are subject to significant fluctuations from period to period. Although these items may have 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. These items have 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 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 noncontrolling interests share of the applicable reconciling items based on our average ownership percentage for the applicable periods.

These FFO measures are used by management as supplemental financial measures of operating performance and we believe that it is important that stockholders, potential investors and financial analysts understand the measures management uses. 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.

We analyze our operating performance principally by the rental revenues of our real estate and the revenues from 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.

FFO, as modified by Prologis

To arrive at FFO, as modified by Prologis, we adjust the NAREIT defined FFO measure to exclude the impact of foreign currency related items and deferred tax, specifically:

- (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 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 and unconsolidated entities; and
- (v) mark-to-market adjustments associated with derivative financial instruments.

We use FFO, as modified by Prologis, so that management, analysts and investors are able to evaluate our performance against other REITs that do not have similar operations or operations in jurisdictions outside the U.S.

Core FFO

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

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

We use Core FFO, including by segment and region, to: (i) assess our operating performance as compared to other real estate companies; (ii) evaluate our performance and the performance of our properties in comparison with expected results and results of previous periods; (iii) evaluate the performance of our management; (iv) budget and forecast future results to assist in the allocation of resources; (v) provide guidance to the financial markets to understand our expected operating performance; and (vi) evaluate how a specific potential investment will impact our future results.

AFFO

To arrive at AFFO, we adjust Core FFO to include realized gains from the disposition of land and development properties and recurring capital expenditures and exclude the following items that we recognize directly in Core FFO:

- (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 use AFFO to (i) assess our operating performance as compared to other real estate companies, (ii) evaluate our performance and the performance of our properties in comparison with expected results and results of previous periods, (iii) evaluate the performance of our management, (iv) budget and forecast future results to assist in the allocation of resources, and (v) evaluate how a specific potential investment will impact our future results.

Limitations on the use of our FFO measures

While we believe our modified 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 the limitations are:

- The current income tax expenses that are excluded from our modified 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 logistics facilities are not reflected in FFO.

- Gains or losses from non-development property dispositions and 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 disposed properties arising from changes in market conditions.
- The deferred income tax benefits and expenses that are excluded from our modified 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 modified 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 modified 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 or preferred stock that we exclude from our Core FFO, may provide a benefit or cost to us as we may be settling our obligation 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 modified FFO measures to our net earnings computed under GAAP.

General and Administrative Expenses ("G&A"). Generally our property management personnel 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 function 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. 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 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 Sep. 30,		Nine Months Ended Sep. 30,	
	2018	2017	2018	2017
Building and land development activities	\$ 15,621	\$ 15,572	\$ 46,729	\$ 46,775
Leasing activities	5,259	5,396	15,747	17,896
Operating building improvements and other	4,252	3,683	12,576	11,315
Total capitalized G&A	\$ 25,132	\$ 24,651	\$ 75,052	\$ 75,986

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

Net G&A - midpoint of 2018 guidance (a)	\$ 237,500
Add: estimated 2018 strategic capital expenses (excluding promote expense)	126,000
Less: estimated 2018 strategic capital property management expenses	(68,000)
Adjusted G&A, using 2018 guidance amounts	\$ 295,500
Gross book value at period end (b):	
Operating properties	\$ 60,013,718
Development portfolio - TEI	4,272,782
Land portfolio	1,497,668
Other real estate investments and gross assets held for sale	1,533,514
Total value of assets under management	\$ 67,317,682
G&A as % of assets under management	0.44%

(a) This amount represents the midpoint of the 2018 guidance provided in this Supplemental Package.
(b) This amount does not represent enterprise value.

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

	Low	High
Net Earnings	\$ 2.68	\$ 2.72
Our share of:		
Depreciation and amortization	1.80	1.82
Net gains on real estate transactions, net of taxes	(1.36)	(1.40)
Unrealized foreign currency gains and other, net	(0.11)	(0.11)
Core FFO	\$ 3.01	\$ 3.03

Income Taxes.

in thousands	Three Months Ended Sep. 30,		Nine Months Ended Sep. 30,	
	2018	2017	2018	2017
Current income tax expense	\$ 10,679	\$ 7,993	\$ 31,231	\$ 29,862
Current income tax expense (benefit) on dispositions	3,162	11,662	13,582	12,573
Current income tax expense (benefit) on dispositions related to acquired tax assets	-	757	878	90
Total current income tax expense	13,841	20,412	45,691	42,525
Deferred income tax (benefit) expense	115	(1,708)	(201)	(107)
Deferred income tax (benefit) expense on dispositions related to acquired tax assets	-	(757)	(878)	(90)
Total income tax expense	\$ 13,956	\$ 17,947	\$ 44,612	\$ 42,328

Interest Expense.

in thousands	Three Months Ended Sep. 30,		Nine Months Ended Sep. 30,	
	2018	2017	2018	2017
Gross interest expense	\$ 74,980	\$ 74,881	\$ 195,048	\$ 255,532
Amortization of debt premiums, net	(748)	(1,066)	(1,250)	(12,805)
Amortization of finance costs	3,310	3,926	9,783	11,220
Interest expense before capitalization	77,542	77,741	203,581	253,947
Capitalized amounts	(13,356)	(13,551)	(36,820)	(41,491)
Interest expense	\$ 64,186	\$ 64,190	\$ 166,761	\$ 212,456

Investment Capacity is our estimate of the gross real estate that could be acquired by our co-investment ventures through the use of existing equity commitments from us and our partners assuming the maximum leverage limits of the ventures are used.

Market Capitalization equals Market Equity, less liquidation preference of the preferred shares/units, plus our share of total debt.

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.

Market Equity equals outstanding shares of common stock and units multiplied by the closing stock price plus the liquidation preference of the preferred shares/units.

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 line 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 components that we believe are important in calculating our NAV but we 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 estimated total cash rent to be received over the term 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 Net Effective Rent by the occupied square feet of the lease.

Net Operating Income ("NOI") is a non-GAAP financial measure used to evaluate our operating performance and represents Rental Revenue less rental expenses.

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

Non-GAAP Pro-Rata Financial Information. This information includes non-GAAP financial measures. The Prologis share of unconsolidated co-investment ventures are derived on an entity-by-entity basis by applying our ownership percentage to each line item in the GAAP financial statements of these ventures 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 during the period consistent with how we calculate our share of net earnings (loss) during the period for our consolidated financial statements. We use a similar calculation to derive the noncontrolling interests' share of each line item in our consolidated financial statements.

We believe this form of presentation offers insights into the financial performance and condition of our company as a whole, given the significance of our co-investment ventures that are accounted for either under the equity method or consolidated with the third parties' share included in noncontrolling interests. Although the presentation of such information may not accurately depict the legal and economic implications of holding a non-controlling interest in the co-investment venture. Other companies may calculate their proportionate interest differently than we do, limiting the usefulness as a comparative measure.

We do not control the unconsolidated co-investment ventures for purposes of GAAP and the presentation of the assets and liabilities and revenues and expenses do not represent a legal claim to such items. The operating agreements of the unconsolidated co-investment ventures generally provide that investors, including Prologis, may receive cash distributions (1) to the extent there is available cash from operations, (2) upon a capital event, such as a refinancing or sale, or (3) upon liquidation of the venture. The amount of cash each investor receives is based upon specific provisions of each operating agreement and varies depending on factors including the amount of capital contributed by each investor and whether any contributions are entitled to priority distributions. Upon liquidation of the co-investment venture and after all liabilities, priority distributions and initial equity contributions have been repaid, the investors generally would be entitled to any residual cash remaining based on their respective legal ownership percentages.

Because of these limitations, the Non-GAAP Pro-Rata Financial Information should not be considered in isolation or as a substitute for our consolidated financial statements as reported under GAAP.

Operating Portfolio represents industrial properties in our owned and managed portfolio that have reached Stabilization. Prologis share of NOI excludes termination fees and adjustments and 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. Assets held for sale are excluded from the portfolio.

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		Nine Months Ended	
	2018	2017	2018	2017
Rental revenues	\$ 457,862	\$ 399,113	\$ 1,285,943	\$ 1,238,038
Rental recoveries	132,109	114,755	378,281	370,221
Amortization of lease intangibles	1,645	(909)	283	626
Straight-lined rents	17,358	18,223	45,089	65,607
Rental Revenue	\$ 608,974	\$ 531,182	\$ 1,709,596	\$ 1,674,492

Rent Change (Cash) represents the percentage change in starting rental rates per the lease agreement, on new and renewed leases, commenced during the periods compared with the previous ending rental rates in that same space. This measure excludes any short-term leases of less than one-year, holdover payments, free rent periods and introductory (teaser rates) defined as 50% or less of the stabilized rate.

Rent Change (Net Effective) represents the percentage change in net effective rental rates (average rate over the lease term), on new and renewed leases, commenced during the period compared with the previous net effective rental rates in that same space. This measure excludes any short-term leases of less than one year and holdover payments.

Retention is the square footage of all leases commenced during the period that are rented by existing tenants divided by the square footage of all expiring and in-place leases during the reporting period. The square footage of tenants that default or buy-out prior to expiration of their lease and short-term leases of less than one year, are not included in the calculation.

Same Store. Our same store metrics are non-GAAP financial measures, which are commonly used in the real estate industry and expected from the financial community, on both a net-effective and cash basis. We evaluate the 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, which allows us to analyze our ongoing business operations.

We define our same store population for the three months ended September 30, 2018 as our owned and managed properties that were in the Operating Portfolio at January 1, 2017 and owned throughout the end of the same three month period in both 2018 and 2017. The same store population excludes development properties that were not stabilized at the beginning of the period (January 1, 2017) and properties acquired or disposed of to third parties during the period. Beginning January 1, 2018, we modified our definition of same store to align on consistent methodologies with members of the industrial REIT group. This did not materially change our historical amounts reported. To derive an appropriate measure of period-to-period operating performance, we remove the effects of foreign currency exchange rate movements by using the reported period and exchange rate to translate from local currency into the U.S. dollar, for both periods. We believe the factors that affect rental revenues, rental recoveries, rental expenses and NOI in the same store portfolio are generally the same as for our consolidated portfolio.

As our same store measures are non-GAAP financial measures, they have certain limitations as analytical tools and may vary among real estate companies. As a result, we provide a reconciliation of rental revenues, rental recoveries and rental expenses from our Consolidated Financial Statements prepared in accordance with GAAP to same store property NOI with explanations of how these metrics are calculated. In addition, we further remove certain noncash items (straight-line rent adjustments and amortization of lease intangibles) included in the financial statements prepared in accordance with GAAP to reflect a cash same store number. To clearly label these metrics, they are categorized as same store portfolio NOI – net effective and same store portfolio NOI – cash.

The following is a reconciliation of our consolidated rental revenues, rental recoveries, rental expenses and property NOI, as included in the Consolidated Statements of Income, to the respective amounts in our same store portfolio analysis:

dollars in thousands	Three Months Ended		
	Sep. 30,		Change (%)
	2018	2017	
Rental revenues:			
Rental revenues	\$ 476,865	\$ 416,427	
Rental recoveries	132,109	114,755	
Per the Consolidated Statements of Income (a)	608,974	531,182	
Adjustments to derive same store results:			
Properties not included in same store portfolio and other adjustments (a)(b)	(122,458)	(66,000)	
Unconsolidated co-investment ventures (a)	525,634	512,793	
Same Store - rental revenues - net effective	\$ 1,022,150	\$ 977,975	4.5%
Straight-line rent adjustments	(8,717)	(17,178)	
Fair value lease adjustments	241	(289)	
Same Store - rental revenues - cash	\$ 1,013,674	\$ 960,508	5.5%
Rental expenses:			
Per the Consolidated Statements of Income (a)	\$ 147,184	\$ 128,735	
Adjustments to derive same store results:			
Properties not included in same store portfolio and other adjustments (a)(c)	(18,329)	(6,836)	
Unconsolidated co-investment ventures (a)	118,541	111,786	
Same Store - rental expenses - net effective and cash	\$ 247,396	\$ 233,685	5.9%
Same Store - NOI - Net Effective	\$ 774,754	\$ 744,290	4.1%
Same Store - NOI - Net Effective - Prologis Share (d)	\$ 444,241	\$ 425,101	4.5%
Same Store - NOI - Cash	\$ 766,278	\$ 726,823	5.4%
Same Store - NOI - Cash - Prologis Share (d)	\$ 440,197	\$ 415,867	5.9%

- (a) We include 100% of the same store NOI from the properties in our same store portfolio. During the periods presented, certain properties owned by us were contributed to a co-investment venture and are included in the same store portfolio. Neither our consolidated results nor those of the co-investment ventures, when viewed individually, would be comparable on a same store basis because of the changes in composition of the respective portfolios from period to period (e.g. the results of a contributed property are included in our consolidated results through the contribution date and in the results of the unconsolidated entities subsequent to the contribution date). As a result, only line items labeled "same store portfolio" are comparable period over period.
- (b) We exclude non-industrial real estate properties and properties held for sale, along with development properties that were not stabilized at the beginning of the reporting period or properties acquired or disposed of to third parties during the period. We also exclude net termination and renegotiation fees to allow us to evaluate the growth or decline in each property's rental revenues without regard to one-time items that are not indicative of the property's recurring operating performance. Net termination and renegotiation fees represent the gross fee negotiated to allow a customer to terminate or renegotiate their lease, offset by the write-off of the asset recorded due to the adjustment to straight-line rents over the lease term.
- (c) Rental expenses include the direct operating expenses of the property such as property taxes, insurance and utilities. In addition, we include an allocation of the property management expenses for our consolidated properties based on the property management services provided to each property (generally, based on a percentage of revenues). On consolidation, these amounts are eliminated and the actual costs of providing property management services are recognized as part of our consolidated rental expenses.
- (d) Same Store - NOI - Prologis Share is calculated using the underlying building information from the Same Store NOI - Net Effective and NOI - Cash calculations and applying our ownership percentage as of September 30, 2018 to the NOI of each building for both periods.

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

Stabilization is defined as the earlier of 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 NOI is equal to 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.

Turnover Costs represent the estimated obligations incurred in connection with the signing of a lease; including leasing commissions and tenant improvements and are presented for leases that commenced during the period. Tenant improvements include costs to prepare a space for a new tenant or a lease renewal with the current tenant. It excludes costs for a first generation lease (i.e. a new development property) and short-term leases of less than one year.

Value-Added Properties are properties we have either acquired at a discount and believe we could provide greater returns post-stabilization or properties we expect to repurpose to a higher and better use.

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

Weighted Average Stabilized Capitalization ("Cap") Rate is calculated as Stabilized NOI divided by the Acquisition Cost.

FOR IMMEDIATE RELEASE

Prologis Reports Third Quarter 2018 Earnings Results

SAN FRANCISCO (October 16, 2018) – Prologis, Inc. (NYSE: PLD), the global leader in logistics real estate, today reported results for the third quarter of 2018.

Net earnings per diluted share was \$0.60 compared with \$1.63 for the third quarter of 2017. The prior period included \$585 million or \$1.08 per diluted share of higher gains on dispositions. Core funds from operations* per diluted share was \$0.72 compared with \$0.67 for the same period in 2017.

“Demand for well-located logistics real estate is strong, with customers prioritizing proximity to consumers to offset supply chain costs such as labor and transportation,” said Hamid R. Moghadam, chairman and CEO, Prologis. “Market rent growth in Europe continued to accelerate, and we believe it may surpass that of the U.S. in 2019.”

Moghadam added, “The integration of the DCT Industrial acquisition on August 22 is complete. We’ve hit the expected run rate of \$80 million per year of immediate savings and the team is now focused on realizing the revenue and platform synergies associated with this transaction.”

OPERATING RESULTS STRONG ACROSS THE BOARD

Owned & Managed	3Q18	3Q17	Notes
Period End Occupancy	97.5%	96.3%	<i>Europe at 98.0%</i>
Leases Commenced	37 MSF	36 MSF	<i>Development leasing vol. totaled ~5 MSF</i>

Prologis Share	3Q18	3Q17	Notes
Net Effective Rent Change	22.6%	20.5%	<i>Led by U.S. at 30.4%</i>
Cash Rent Change	11.6%	8.1%	<i>Led by U.S. at 16.7%</i>
Cash Same Store NOI*	5.9%	5.4%	<i>Led by U.S. at 7.1%</i>

PROFITABLE CAPITAL RECYCLING

Prologis Share	3Q18
Building Acquisitions	\$86M ¹
Weighted avg stabilized cap rate	5.0%
Development Stabilizations	\$290M
Estimated weighted avg yield	6.7%
Estimated weighted avg margin	35.9%
Estimated value creation	\$104M
Development Starts	\$388M
Estimated weighted avg margin	17.3%
Estimated value creation	\$67M
% Build-to-suit	34.8%
Total Dispositions and Contributions	\$462M
Weighted avg stabilized cap rate (excluding land and other real estate)	4.9%

1. Excludes the acquisition of DCT Industrial Trust

ACCESS TO GLOBAL CAPITAL MARKETS

As previously announced, Prologis issued approximately \$1.3 billion of yen- and euro-denominated bonds during the quarter. The company has reduced its weighted average interest rate to 2.7 percent and extended its weighted average remaining term to 6.3 years.

The company ended the third quarter with leverage of 22.5 percent on a market capitalization basis, debt-to-adjusted EBITDA* of 4.4x and \$3.5 billion of liquidity.

GUIDANCE RANGE NARROWED FOR 2018

"Our cash same store NOI results are in line with our sector-leading guidance," said Thomas S. Olinger, chief financial officer, Prologis. "At the midpoint of our 2018 guidance, our annual Core FFO* growth will have averaged more than 9 percent, excluding promotes, and more than 8 percent with promotes over the last two years. Looking ahead, we remain well-positioned to deliver superior growth given the rental upside embedded in our portfolio and our ability to create value from the build-out of our land bank."

2018 GUIDANCE (UPDATES TO PRIOR GUIDANCE ONLY)

Earnings (per diluted share)	Previous	Revised	
Net Earnings		\$2.67 to \$2.73	\$2.68 to \$2.72
Core FFO*		\$3.00 to \$3.04	\$3.01 to \$3.03

Other Assumptions (in millions)	Previous	Revised	
Strategic capital revenue, excl promote revenue		\$270 to \$280	\$280 to \$285
Net promote income		\$68 to \$78	\$74 to \$79
General & administrative expenses		\$227 to \$237	\$235 to \$240

Prologis Share Capital Deployment (in millions)	Previous	Revised	
Development stabilizations		\$1,800 to 2,000	\$1,900 to 2,100
Development starts		\$2,300 to \$2,600	\$2,400 to \$2,600
Building acquisitions		\$300 to \$500	\$300 to \$400
Building and land dispositions		\$1,400 to \$1,700	\$1,400 to \$1,600
Building contributions		\$1,500 to \$1,800	\$1,600 to \$1,800
Net Proceeds / (Uses)		\$300 to \$400	\$300 to \$400

The earnings guidance described above includes potential future gains 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, 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 2018 relates predominantly to these items. Please refer to our third quarter Supplemental Information, which 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, October 16, 2018, 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) 209-4258 (toll-free from the United States and Canada) or +1 (647) 689-5198 (from all other countries) and enter Passcode 1967798. A telephonic replay will be available October 16-23 at +1 (800) 585-8367 (from the United States and Canada) or +1 (416) 621-4642 (from all other countries) using conference code 1967798. 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 September 30, 2018, 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 771 million square feet (72 million square meters) in 19 countries. Prologis leases modern distribution facilities to a diverse base of approximately 5,500 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.

*This is a non-GAAP financial measure. See the Notes and Definitions in our supplemental information for further explanation and a reconciliation to the most directly comparable GAAP measure.

CONTACTS

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

Media: Melissa Sachs, Tel: +1 415 733 9597, msachs@prologis.com, San Francisco