

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): April 16, 2019

**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 April 16, 2019, Prologis, Inc., the general partner of Prologis, L.P., issued a press release announcing first quarter 2019 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 April 16, 2019.

99.2 Press release, dated April 16, 2019.

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
	<u>99.1 Supplemental information, dated April 16, 2019.</u>
	<u>99.2 Press release, dated April 16, 2019.</u>

SIGNATURES

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

PROLOGIS, INC.

April 16, 2019

By: /s/ Thomas S. Olinger

Name: Thomas S. Olinger

Title: Chief Financial Officer

PROLOGIS, L.P.,

April 16, 2019

By: Prologis, Inc., its general partner

By: /s/ Thomas S. Olinger

Name: Thomas S. Olinger

Title: Chief Financial Officer



FIRST QUARTER 2019

Prologis Supplemental Information

Unaudited



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Notes and Definitions

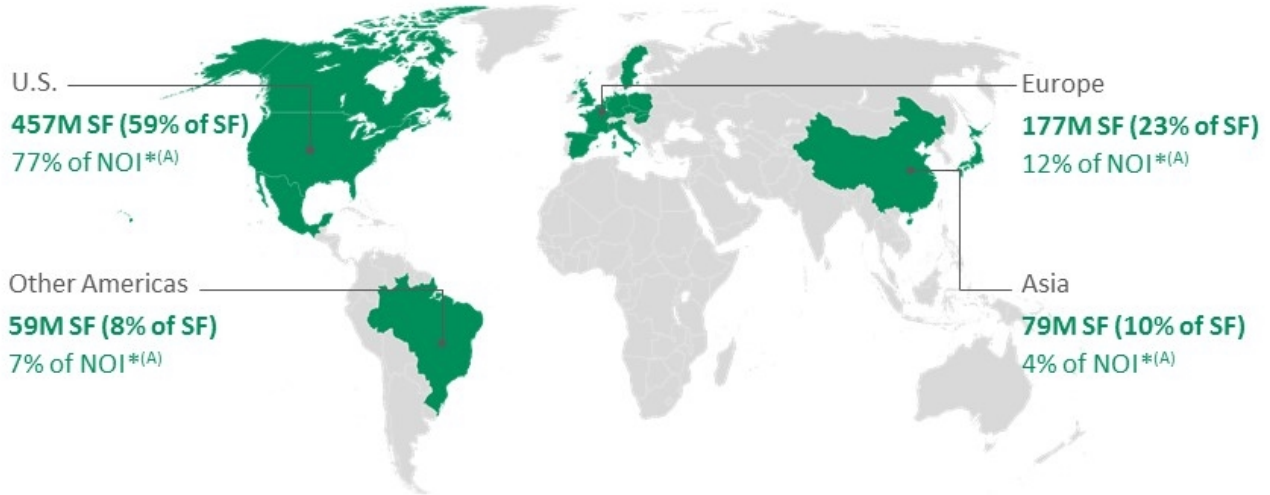
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A. Terms used throughout document are defined in the Notes and Definitions

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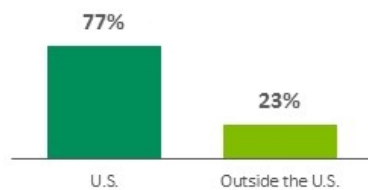
Prologis, Inc., is the global leader in logistics real estate with a focus on high-barrier, high-growth markets. As of March 31, 2019, the company owned or had investments in, on a wholly owned basis or through co-investment ventures, properties and development projects expected to total approximately 772 million square feet (72 million square meters) in 19 countries. Prologis leases modern logistics facilities to a diverse base of approximately 5,100 customers across two major categories: business-to-business and retail/online fulfillment.



* 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.

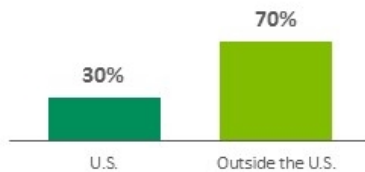
OPERATIONS

\$2.3B in annual NOI^(A)



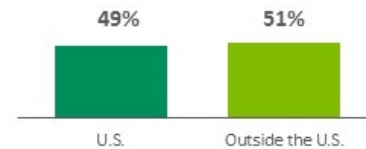
STRATEGIC CAPITAL

\$239M of fees and promotes^(B)



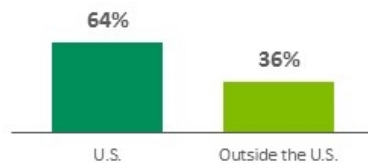
DEVELOPMENT

\$740M in value creation from stabilizations^(C)



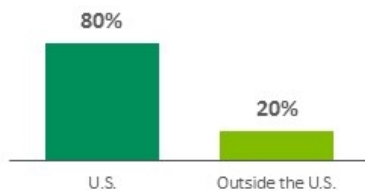
GROSS AUM

\$97B^(D)



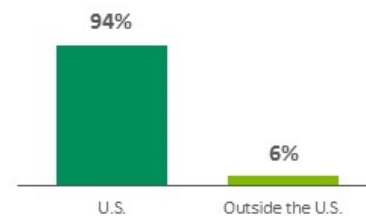
PROLOGIS SHARE AUM

\$60B^(D)



MARKET EQUITY

\$47B^(D)



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

- A. 1Q 2019 Prologis Share of NOI of the Operating Portfolio annualized.
- B. 1Q 2019 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.



Company Performance

dollars in millions, except per share/unit data

	Three Months ended March 31,	
	2019	2018 ^(A)
Rental and other revenues	\$ 698	\$ 561
Strategic capital revenues ^(B)	74	133
Total revenues	772	694
Net earnings attributable to common stockholders	347	366
Core FFO attributable to common stockholders/unitholders*	634	443
AFFO attributable to common stockholders/unitholders*	627	564
Adjusted EBITDA attributable to common stockholders/unitholders*	654	715
Estimated value creation from development stabilizations - Prologis Share	209	130
Common stock dividends and common limited partnership unit distributions	348	267
Per common share - diluted:		
Net earnings attributable to common stockholders	\$ 0.55	\$ 0.68
Core FFO attributable to common stockholders/unitholders*	0.73	0.80
Business line reporting:		
Real estate operations*	0.68	0.64
Strategic capital*	0.05	0.16
Core FFO attributable to common stockholders/unitholders*	0.73	0.80
Realized development gains, net of taxes*	0.06	0.28
Dividends and distributions per common share/unit	0.53	0.48

CORE FFO*



AFFO*



ESTIMATED VALUE CREATION - STABILIZATIONS



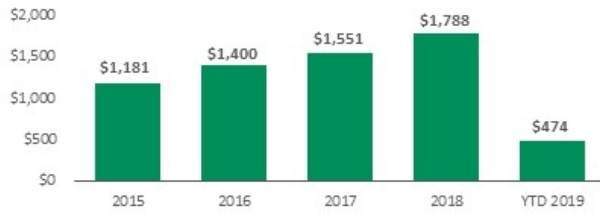
* This is a non-GAAP financial measure. Please see our Notes and Definitions for further explanation.

A. In the third quarter 2018, Prologis completed the acquisition of DCT Industrial Trust (DCT). The first quarter of 2018 excludes all amounts related to DCT.

B. Strategic capital revenue for first quarter of 2018 includes \$62.5 million of promote revenue.

CORE FFO*

in millions



AFFO*

in millions



ESTIMATED VALUE CREATION

in millions



ASSET MANAGEMENT FEES AND NET PROMOTES

in millions



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

Guidance

dollars in millions, except per share

2019 Guidance		Low		High	
Net earnings ^{(A)(B)}		\$	2.08	\$	2.18
Core FFO* ^{(A)(B)}		\$	3.20	\$	3.26
Operations					
Year-end occupancy			96.5%		97.5%
Same store NOI - Cash - Prologis share*			4.25%		5.00%
Same store NOI - Net effective - Prologis share*			3.50%		4.25%
Other Assumptions					
Strategic capital revenue, excluding promote revenue		\$	300	\$	310
Net promote income		\$	90	\$	90
General & administrative expenses		\$	245	\$	255
Realized development gains		\$	300	\$	400
Capital Deployment					
		PROLOGIS SHARE		OWNED AND MANAGED	
		Low	High		
Development stabilizations	\$	2,000	\$ 2,300	\$	2,500
Development starts	\$	1,800	\$ 2,200	\$	2,300
Building acquisitions	\$	500	\$ 700	\$	1,200
Building and land dispositions ^(C)	\$	500	\$ 800	\$	600
Building contributions ^(D)	\$	1,100	\$ 1,400	\$	1,400

Exchange Rates

We have hedged the rates for the majority of our estimated 2019 Euro, Sterling and Yen Core FFO, effectively insulating 2019 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 1.12 (\$/€), 1.31 (\$/£) and 110.77 (¥/\$), respectively.

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

- 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.
- Our guidance reflects the adoption of the new lease accounting standard. For a year-over-year comparison, our 2018 earnings results would have been reduced by approximately \$0.04 per share.
- Excludes \$313 million of proceeds from the redemption of a portion of our ownership in Prologis European Logistics Fund.
- Includes the first quarter contribution of properties to Prologis Brazil Logistics Venture.



Financial Information

Consolidated Balance Sheets

1Q 2019 Supplemental

in thousands	March 31, 2019	December 31, 2018
Assets:		
Investments in real estate properties:		
Operating properties	\$ 30,667,227	\$ 30,632,155
Development portfolio	1,939,637	2,142,801
Land	1,143,294	1,192,220
Other real estate investments	645,540	619,811
	<u>34,395,698</u>	<u>34,586,987</u>
Less accumulated depreciation	4,868,611	4,656,680
Net investments in real estate properties	29,527,087	29,930,307
Investments in and advances to unconsolidated entities	5,613,060	5,745,294
Assets held for sale or contribution	899,976	622,288
Net investments in real estate	36,040,123	36,297,889
Cash and cash equivalents	251,030	343,856
Other assets ^(A)	2,100,959	1,775,919
Total assets	\$ 38,392,112	\$ 38,417,664
Liabilities and Equity:		
Liabilities:		
Debt	\$ 10,706,139	\$ 11,089,815
Accounts payable, accrued expenses and other liabilities ^(A)	1,861,912	1,526,961
Total liabilities	<u>12,568,051</u>	<u>12,616,776</u>
Equity:		
Stockholders' equity	22,334,483	22,298,093
Noncontrolling interests	2,799,521	2,836,469
Noncontrolling interests - limited partnership unitholders	690,057	666,326
Total equity	<u>25,824,061</u>	<u>25,800,888</u>
Total liabilities and equity	\$ 38,392,112	\$ 38,417,664



A. In connection with the adoption of the new lease accounting standard, we recognized right of use assets of \$391 million and lease liabilities of \$398 million as of January 1, 2019.

Financial Information

1Q 2019 Supplemental

Consolidated Statements of Income

in thousands, except per share amounts	Three Months Ended	
	2019	March 31, 2018
Revenues:		
Rental	\$ 696,807	\$ 555,943
Strategic capital	73,805	132,961
Development management and other	1,440	4,752
Total revenues	772,052	693,656
Expenses:		
Rental	188,068	142,941
Strategic capital	38,058	43,860
General and administrative	69,701	62,428
Depreciation and amortization	284,009	204,081
Other	3,834	3,239
Total expenses	583,670	456,549
Operating income before gains	188,382	237,107
Gains on dispositions of development properties and land, net	42,441	157,568
Gains on real estate transactions, net (excluding development properties and land)	145,767	37,543
Operating income	376,590	432,218
Other income (expense):		
Earnings from unconsolidated co-investment ventures, net	53,087	55,295
Earnings from other unconsolidated ventures, net	3,579	7,361
Interest expense	(60,507)	(47,245)
Foreign currency and derivative gains (losses) and interest and other income, net	16,644	(39,118)
Losses on early extinguishment of debt, net	(2,116)	-
Total other income (expense)	10,687	(23,707)
Earnings before income taxes	387,277	408,511
Current income tax expense	(12,719)	(18,616)
Deferred income tax benefit (expense)	(793)	2,064
Consolidated net earnings	373,765	391,959
Net earnings attributable to noncontrolling interests	(14,645)	(14,058)
Net earnings attributable to noncontrolling interests - limited partnership units	(10,574)	(10,523)
Net earnings attributable to controlling interests	348,546	367,378
Preferred stock dividends	(1,499)	(1,476)
Net earnings attributable to common stockholders^(A)	\$ 347,047	\$ 365,902
Weighted average common shares outstanding - Diluted	654,359	554,123
Net earnings per share attributable to common stockholders - Diluted	\$ 0.55	\$ 0.68



A. In connection with the adoption of the new lease accounting standard, beginning in 2019, we expense internal leasing costs that were previously capitalized. Had we adopted in 2018, we would have expensed an additional \$5.4 million of such costs in the first quarter of 2018.

Reconciliations of Net Earnings to FFO*

In thousands	Three Months Ended	
	March 31,	
	2019	2018
Net earnings attributable to common stockholders	\$ 347,047	\$ 365,902
Add (deduct) NAREIT defined adjustments:		
Real estate related depreciation and amortization	274,887	195,903
Gains on real estate transactions, net (excluding development properties and land)	(145,767)	(37,543)
Reconciling items related to noncontrolling interests	(13,470)	(10,471)
Our share of reconciling items related to unconsolidated co-investment ventures	53,700	51,485
Our share of reconciling items related to other unconsolidated ventures	3,012	1,760
Subtotal-NAREIT defined FFO attributable to common stockholders/unit holders*	\$ 519,409	\$ 567,036
Add (deduct) our defined adjustments:		
Unrealized foreign currency and derivative losses (gains), net	(7,488)	33,964
Deferred income tax expense (benefit)	793	(2,064)
Current income tax expense on dispositions related to acquired tax assets	-	878
Reconciling items related to noncontrolling interests	20	100
Our share of reconciling items related to unconsolidated co-investment ventures	(1,144)	(1,908)
FFO, as modified by Prologis attributable to common stockholders/unit holders*	\$ 511,590	\$ 598,006
Adjustments to arrive at Core FFO attributable to common stockholders/unit holders*:		
Gains on dispositions of development properties and land, net	(42,441)	(157,568)
Current income tax expense on dispositions	2,399	6,611
Losses on early extinguishment of debt, net	2,116	984
Reconciling items related to noncontrolling interests	-	(600)
Our share of reconciling items related to unconsolidated co-investment ventures	584	2,101
Our share of reconciling items related to other unconsolidated ventures	3	(6,414)
Core FFO attributable to common stockholders/unit holders*	\$ 474,251	\$ 443,120
Adjustments to arrive at Adjusted FFO ("AFFO") attributable to common stockholders/unit holders*, including our share of unconsolidated ventures less noncontrolling interest:		
Gains on dispositions of development properties and land, net	42,441	157,568
Current income tax expense on dispositions	(2,399)	(6,611)
Straight-lined rents and amortization of lease intangibles	(29,549)	(15,060)
Property improvements	(8,697)	(8,998)
Turnover costs	(40,338)	(28,027)
Amortization of debt discount (premium), financing costs and management contracts, net	4,480	3,530
Stock compensation expense	31,758	19,996
Reconciling items related to noncontrolling interests	5,364	7,443
Our share of reconciling items related to unconsolidated ventures	(10,476)	(9,025)
AFFO attributable to common stockholders/unit holders*	\$ 466,834	\$ 563,936



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

Reconciliations of Net Earnings to Adjusted EBITDA*

in thousands	Three Months Ended	
	March 31,	
	2019	2018
Net earnings attributable to common stockholders	\$ 347,047	\$ 365,902
Gains on real estate transactions, net (excluding development properties and land)	(145,767)	(37,543)
Depreciation and amortization expenses	284,009	204,081
Interest expense	60,507	47,245
Losses on early extinguishment of debt, net	2,116	-
Current and deferred income tax expense, net	13,512	16,552
Net earnings attributable to noncontrolling interests - limited partnership unitholders	10,574	10,523
Pro forma adjustments	2,547	(967)
Preferred stock dividends and repurchase	1,499	1,476
Unrealized foreign currency and derivative losses (gains), net	(7,488)	33,964
Stock compensation expense	31,758	19,996
Adjusted EBITDA, consolidated*	\$ 600,314	\$ 661,229
Reconciling items related to noncontrolling interests	(24,171)	(21,792)
Our share of reconciling items related to unconsolidated ventures	78,267	75,382
Adjusted EBITDA attributable to common stockholders/unitholders*	\$ 654,410	\$ 714,819



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

Co-Investment Ventures	Region	Type	Established	Accounting Method	Ownership	Structure	Next Promote Opportunity
Prologis U.S. Logistics Venture	U.S.	Core	2014	Consolidated	55.0%	Open end	Q4 2019
Prologis Targeted U.S. Logistics Fund	U.S.	Core	2004	Unconsolidated	27.2%	Open end	Q2 2020
FIBRA Prologis	Mexico	Core	2014	Unconsolidated	46.7%	Public, Mexican Exchange	Q2 2019
Prologis Brazil Logistics Venture	Brazil	Core/Development	2019	Unconsolidated	20.0%	Closed end	Q4 2019
Prologis European Logistics Fund	Europe	Core	2007	Unconsolidated	24.3%	Open end	Q3 2019
Prologis European Logistics Partners	Europe	Core	2013	Unconsolidated	50.0%	Open end	Q4 2019
Prologis UK Logistics Venture	Europe	Core/Development	2017	Unconsolidated	15.0%	Closed end	Q4 2019
Nippon Prologis REIT	Japan	Core	2013	Unconsolidated	15.1%	Public, Tokyo Exchange	n/a
Prologis China Logistics Venture	China	Core/Development	2011	Unconsolidated	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	90,909	\$ 7,938,637	\$ 2,089,832
FIBRA Prologis ^(B)	34,960	2,088,175	774,656
Prologis Brazil Logistics Venture and other joint ventures ^(C)	9,741	647,436	-
Prologis European Logistics Fund	107,905	9,418,033	2,617,751
Prologis European Logistics Partners	50,570	3,749,983	-
Prologis UK Logistics Venture	2,951	485,136	375,009
Nippon Prologis REIT ^(B)	29,137	5,275,698	1,941,983
Prologis China Logistics Venture	24,317	1,299,528	893,291
Unconsolidated Co-Investment Ventures Total	350,490	30,902,626	8,692,522
Consolidated Co-Investment Ventures			
Prologis U.S. Logistics Venture	67,088	6,203,979	5,796
Consolidated Co-Investment Ventures Total	67,088	6,203,979	5,796
Total	417,578	\$ 37,106,605	\$ 8,698,318

- 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.
- C. On January 18, 2019, Prologis contributed an initial portfolio of assets of approximately 6.9 million square feet of operating properties and 37.1 acres of land to a newly formed unconsolidated co-investment venture Prologis Brazil Logistics Venture.



Operating and Balance Sheet Information of the Unconsolidated Co-Investment Ventures (at 100%) ^(A)

dollars in thousands	U.S.	Other Americas	Europe	Asia	Total
Operating Information					
For the Three Months Ended March 31, 2019					
Rental revenues	\$ 178,712	\$ 67,197	\$ 271,260	\$ 120,126	\$ 637,295
Rental expenses	(49,847)	(11,037)	(58,909)	(27,125)	(146,918)
General and administrative expenses	(8,829)	(5,747)	(13,799)	(12,170)	(40,545)
Depreciation and amortization expenses	(68,230)	(18,997)	(97,203)	(33,019)	(218,449)
Other operating revenues (expenses)	(14)	99	(74)	33	44
Operating income before gains	50,792	31,515	101,275	47,845	231,427
Gains (losses) on real estate transactions, net	(91)	13,066	(419)	-	12,556
Operating income	50,701	44,581	100,856	47,845	243,983
Interest expense	(22,876)	(11,483)	(17,111)	(14,707)	(66,177)
Current and deferred income tax expense	(245)	(52)	(11,428)	(3,170)	(14,895)
Other income (expense)	1,132	540	(749)	6,850	7,773
Net earnings	28,712	33,586	71,568	36,818	170,684
Real estate related depreciation and amortization expenses	68,608	18,475	94,810	31,300	213,193
Losses (gains) on dispositions of real estate transactions, net (excluding land)	91	(13,066)	419	-	(12,556)
Unrealized foreign currency and derivative losses (gains), net	-	(130)	250	(6,380)	(6,260)
FFO, as modified by Prologis*	97,411	38,865	167,047	61,738	365,061
Reconciling Items to Core FFO	-	817	873	-	1,690
Core FFO*	\$ 97,411	\$ 39,682	\$ 167,920	\$ 61,738	\$ 366,751
Balance Sheet Information					
As of March 31, 2019					
Operating properties, before depreciation	\$ 7,938,637	\$ 2,735,611	\$ 13,653,152	\$ 6,575,226	\$ 30,902,626
Accumulated depreciation	(1,091,476)	(243,424)	(1,676,626)	(465,064)	(3,476,590)
Properties under development and land	-	63,376	385,745	562,165	1,011,286
Other assets	529,339	235,256	1,252,367	446,399	2,463,361
Total assets	\$ 7,376,500	\$ 2,790,819	\$ 13,614,638	\$ 7,118,726	\$ 30,900,683
Third party debt	\$ 2,089,832	\$ 774,656	\$ 2,992,760	\$ 2,835,274	\$ 8,692,522
Other liabilities	320,856	41,050	1,233,315	338,956	1,934,177
Total liabilities	\$ 2,410,688	\$ 815,706	\$ 4,226,075	\$ 3,174,230	\$ 10,626,699
Weighted average ownership	27.2%	38.5%	30.6%	15.1%	27.0%

* 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.



Non-GAAP Pro-Rata Financial Information ^(A)

dollars in thousands	Non Controlling Interests included in Consolidated Amounts*	Prologis Share of Unconsolidated Co-Investment Ventures*
Operating Information for the Three Months Ended March 31, 2019		
Rental revenues	\$ 60,823	\$ 183,381
Rental expenses	(16,868)	(41,512)
General and administrative expenses	(6,385)	(12,468)
Depreciation and amortization expenses	(24,409)	(61,064)
Other operating income (expense)	297	(86)
Operating income before gains	13,458	68,251
Gains on real estate transactions, net	78	5,973
Operating income	13,536	74,224
Interest expense	(184)	(17,974)
Current and deferred income tax benefit (expense)	37	(4,722)
Other income	1,216	1,559
Earnings from unconsolidated co-investment ventures, net	40	-
Net earnings	14,645	53,087
Real estate related depreciation and amortization expenses	24,122	59,673
Gains on real estate transactions, net (excluding land)	(78)	(5,973)
Unrealized foreign currency and derivative losses (gains), net	(20)	(1,144)
FFO, as modified by Prologis*	38,669	105,643
Losses (gains) on early extinguishment of debt, net	-	584
Core FFO*	\$ 38,669	\$ 106,227
Balance Sheet Information as of March 31, 2019		
Operating properties, before depreciation	\$ 2,892,937	\$ 8,467,704
Accumulated depreciation	(294,650)	(1,038,789)
Properties under development, land and other real estate	96,860	174,021
Other assets	161,774	741,303
Total assets	\$ 2,856,921	\$ 8,344,239
Third party debt	\$ 13,062	\$ 2,047,888
Other liabilities	44,338	485,752
Total liabilities	\$ 57,400	\$ 2,533,640
Weighted average ownership	40.3%	27.0%
Noncontrolling interests investment	2,799,521	-
Investment in and advances to unconsolidated co-investment ventures (B)	-	\$ 5,272,073
Investment in and advances to other unconsolidated ventures	-	340,987
Investment in and advances to unconsolidated entities	-	\$ 5,613,060

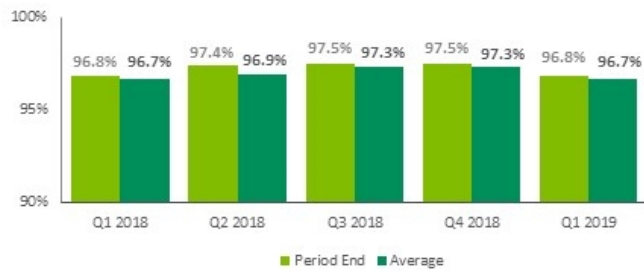
* This is a non-GAAP financial measure, please see our Notes and Definitions for further explanation.

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 prior to 2018, net of any additional costs, included in our investment in the venture.



OCCUPANCY



CUSTOMER RETENTION



SAME STORE CHANGE OVER PRIOR YEAR – PROLOGIS SHARE*



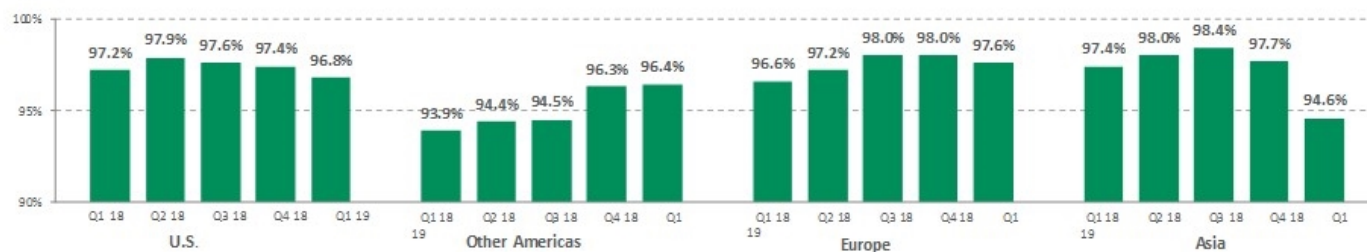
RENT CHANGE – PROLOGIS SHARE



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

Operating Metrics – Owned and Managed

PERIOD ENDING OCCUPANCY



square feet in thousands

Leasing Activity					
	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Square feet of leases commenced:					
Operating portfolio:					
Renewals	21,555	17,887	21,128	18,899	25,589
New leases	6,757	11,361	10,534	10,566	10,656
Total Operating Portfolio	28,312	29,248	31,662	29,465	36,245
Properties under development	4,300	9,633	5,305	5,408	6,477
Total Square Feet of Leases Commenced	32,612	38,881	36,967	34,873	42,722
Weighted average term of leases started (in months)	57	61	62	83	64
Operating Portfolio:					
Trailing four quarters - square feet of leases commenced	115,233	116,810	117,282	118,687	126,620
Trailing four quarters - average % of portfolio	18.3%	18.6%	18.5%	18.3%	19.1%
Rent change (net effective)	16.0%	15.3%	18.8%	20.4%	19.8%
Rent change (net effective) - Prologis share	21.9%	20.6%	22.6%	25.6%	25.1%
Rent change (cash)	6.1%	5.9%	9.5%	7.7%	7.5%
Rent change (cash) - Prologis share	9.2%	9.7%	11.6%	10.8%	10.8%
Total square feet of Operating Portfolio leases commenced ^(A)	29,845	31,398	33,649	30,467	37,994



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

CAPITAL EXPENDITURES

Thousands, except for percentages and per square foot

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Property improvements	\$ 26,890	\$ 50,230	\$ 55,381	\$ 65,676	\$ 16,785
Tenant improvements	31,579	29,990	26,151	31,131	32,289
Leasing commissions	22,997	27,794	32,448	37,651	26,909
Total turnover costs	54,576	57,784	58,599	68,782	59,198
Total Capital Expenditures	\$ 81,466	\$108,014	\$113,980	\$134,458	\$ 75,983
Trailing four quarters - % of NOI *	13.3%	13.3%	13.0%	12.3%	11.8%
Weighted average ownership percentage	56.4%	59.8%	62.7%	64.3%	70.8%
Prologis share	\$ 45,957	\$ 64,598	\$ 71,420	\$ 86,390	\$ 53,823

SAME STORE INFORMATION

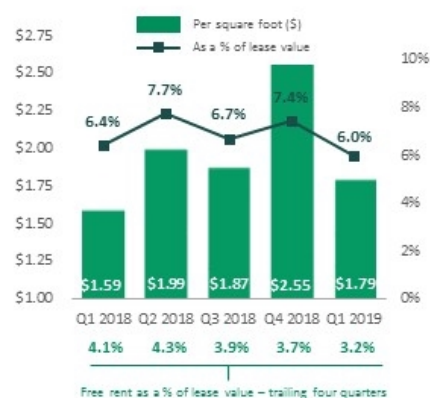
Thousands, except for percentages

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Square feet	582,492	565,141	562,123	560,294	591,675
Average occupancy	96.8%	97.0%	97.4%	97.4%	96.7%
Period end occupancy	96.8%	97.4%	97.6%	97.5%	96.8%
Percentage change:					
Rental revenues - cash*	6.1%	5.3%	5.5%	4.2%	4.8%
Rental revenues - net effective	4.6%	4.1%	4.5%	3.7%	3.5%
Rental expenses	5.1%	2.4%	5.9%	3.2%	4.7%
NOI - cash*	6.5%	6.3%	5.4%	4.5%	4.8%
NOI - cash - Prologis share*	7.9%	7.0%	5.9%	4.5%	5.5%
NOI - net effective*	4.4%	4.7%	4.1%	3.9%	3.2%
NOI - net effective - Prologis share	5.3%	5.4%	4.5%	4.5%	4.3%
Average occupancy	0.2%	0.2%	0.8%	0.2%	0.0%

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.

Operating Portfolio – Square Feet, Occupied and Leased

square feet in thousands and ordered by Prologis share of NOI (%)	# of Buildings Owned and Managed	Square Feet		Occupied %		Leased %	
		Owned and Managed	Prologis Share	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
				% of Total			
Southern California	400	82,458	63,956	15.3	98.5	98.4	98.5
New Jersey/New York City	137	34,082	25,514	6.1	98.6	98.2	98.2
San Francisco Bay Area	244	23,246	19,189	4.6	96.9	97.0	97.3
Chicago	232	42,795	32,537	7.8	96.7	96.8	97.3
Dallas/Ft. Worth	175	30,649	24,842	5.9	98.3	98.8	98.3
Seattle	128	18,145	12,343	2.9	96.2	95.6	96.6
South Florida	134	16,081	11,312	2.7	92.7	94.1	93.1
Atlanta	133	25,505	21,630	5.2	93.8	93.9	94.3
Houston	141	18,474	13,329	3.2	93.1	93.7	94.4
Central & Eastern PA	46	20,358	14,172	3.4	94.7	95.0	94.7
Central Valley	29	14,288	13,064	3.1	98.7	99.6	98.7
Baltimore/Washington	78	9,420	6,809	1.6	98.5	98.4	98.5
Las Vegas	62	9,361	6,034	1.4	97.2	97.4	98.3
Denver	38	6,543	5,877	1.4	98.7	98.7	99.8
Orlando	56	6,887	5,614	1.3	95.2	97.9	95.2
Nashville	32	9,066	6,912	1.7	99.7	99.9	99.7
Cincinnati	31	7,950	6,114	1.5	96.2	95.0	97.4
Remaining U.S. markets (12 markets)	236	41,529	31,536	7.5	95.9	95.2	96.4
Total U.S.	2,332	416,837	320,784	76.6	96.8	96.9	97.2
Mexico	201	38,166	19,546	4.7	97.3	97.0	97.6
Canada	31	9,166	9,166	2.2	100.0	100.0	100.0
Brazil	23	9,741	1,668	0.4	89.8	88.9	89.8
Total Other Americas	255	57,073	30,380	7.3	96.4	97.5	96.7
United Kingdom	107	23,673	7,839	1.9	97.7	96.6	97.7
France	111	29,490	10,453	2.5	96.9	97.4	96.9
Germany	92	23,010	7,242	1.7	99.5	99.6	99.5
Netherlands	70	19,747	6,122	1.5	99.9	99.8	99.9
Poland	86	19,412	6,095	1.5	96.5	97.2	96.7
Spain	38	8,164	3,875	0.9	93.1	89.1	93.1
Remaining European countries (6 countries)	188	40,016	13,266	3.1	97.4	97.9	97.9
Total Europe	692	163,512	54,892	13.1	97.6	97.4	97.8
Japan	46	32,775	8,033	1.9	97.4	93.1	99.0
China	91	24,518	3,848	0.9	90.7	91.2	94.1
Singapore	5	951	951	0.2	97.4	97.4	97.4
Total Asia	142	58,244	12,832	3.0	94.6	92.8	96.9
Total Outside the U.S.	1,089	278,829	98,104	23.4	96.7	96.8	97.4
Total Operating Portfolio	3,421	695,666	418,888	100.0	96.8	96.9	97.2
Total Global markets	2,801	586,819	346,145	82.6	96.8	96.9	97.2
Total Regional markets	620	108,847	72,743	17.4	97.0	96.8	97.4

Operating Portfolio – NOI* and Gross Book Value

dollars in thousands and ordered by Prologis share of NOI (%)	First Quarter NOI* (A)			Gross Book Value		
	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	% of Total
Southern California	\$ 133,958	\$ 103,535	17.8	\$ 8,856,815	\$ 6,811,395	19.0
New Jersey/New York City	63,069	46,810	8.1	3,672,748	2,616,704	7.3
San Francisco Bay Area	55,538	46,235	8.0	2,993,965	2,504,608	7.0
Chicago	47,273	35,181	6.0	3,230,949	2,447,809	6.8
Dallas/Ft. Worth	34,614	28,224	4.8	1,963,753	1,547,829	4.3
Seattle	32,019	21,814	3.8	2,180,951	1,567,973	4.4
South Florida	26,536	19,098	3.3	1,835,753	1,348,490	3.8
Atlanta	22,695	18,923	3.3	1,510,588	1,292,427	3.6
Houston	21,853	16,227	2.8	1,493,757	1,086,690	3.0
Central & Eastern PA	22,665	15,813	2.7	1,464,000	1,037,278	2.9
Central Valley	16,231	15,168	2.6	965,904	883,519	2.5
Baltimore/Washington	16,460	12,211	2.1	1,003,121	743,890	2.1
Las Vegas	13,915	8,888	1.5	720,254	445,683	1.2
Denver	8,767	7,857	1.4	497,926	449,256	1.2
Orlando	8,371	6,969	1.2	542,168	443,628	1.2
Nashville	8,578	6,696	1.1	474,412	370,492	1.0
Cincinnati	7,292	5,545	1.0	416,587	328,172	0.9
Remaining U.S. markets (12 markets)	43,676	32,837	5.6	2,406,031	1,751,631	4.9
Total U.S.	583,510	448,131	77.1	36,229,682	27,677,474	77.1
Mexico	46,350	23,738	4.1	2,280,634	1,168,473	3.3
Canada	11,149	11,149	1.9	738,939	738,939	2.0
Brazil	13,305	3,242	0.6	647,437	112,328	0.3
Total Other Americas	70,804	38,129	6.6	3,667,010	2,019,740	5.6
United Kingdom	48,951	16,162	2.8	3,383,565	1,114,205	3.1
France	34,443	11,990	2.1	2,339,918	776,798	2.2
Germany	30,150	8,788	1.5	1,874,499	573,337	1.6
Netherlands	27,606	8,738	1.5	1,709,482	507,818	1.4
Poland	17,419	5,745	1.0	1,174,933	360,314	1.0
Spain	11,135	5,551	1.0	678,433	320,306	0.9
Remaining European countries (6 countries)	44,199	14,994	2.5	2,702,915	856,131	2.4
Total Europe	213,903	71,968	12.4	13,863,745	4,508,909	12.6
Japan	78,851	17,697	3.0	5,824,554	1,344,431	3.7
China	20,435	3,165	0.5	1,309,699	205,100	0.6
Singapore	2,076	2,076	0.4	139,685	139,685	0.4
Total Asia	101,362	22,938	3.9	7,273,938	1,689,216	4.7
Total Outside the U.S.	386,069	133,035	22.9	24,804,693	8,217,865	22.9
Total Operating Portfolio	\$ 969,579	\$ 581,166	100.0	\$ 61,034,375	\$ 35,895,339	100.0
Total Global markets	846,692	499,480	85.9	54,319,018	31,500,423	87.8
Total Regional markets	122,887	81,686	14.1	6,715,357	4,394,916	12.2



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

Operating Portfolio – Summary by Division

square feet and dollars in thousands	# of Buildings Owned and Managed	Square Feet			Occupied %		Leased %	
		Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
Consolidated								
Total U.S.	1,769	326,317	296,207	70.7	97.0	97.0	97.3	97.3
Total Outside the U.S.	71	20,456	20,456	4.9	94.9	94.9	97.4	97.4
Total Operating Portfolio - Consolidated	1,840	346,773	316,663	75.6	96.8	96.9	97.3	97.3
Unconsolidated								
Total U.S.	563	90,520	24,577	5.9	96.3	96.3	96.8	96.8
Total Outside the U.S.	1,018	258,373	77,648	18.5	96.9	97.3	97.4	97.6
Total Operating Portfolio - Unconsolidated	1,581	348,893	102,225	24.4	96.7	97.1	97.2	97.4
Total								
Total U.S.	2,332	416,837	320,784	76.6	96.8	96.9	97.2	97.2
Total Outside the U.S.	1,089	278,829	98,104	23.4	96.7	96.8	97.4	97.6
Total Operating Portfolio	3,421	695,666	418,888	100.0	96.8	96.9	97.2	97.3
Value added properties - consolidated	35	8,590	7,746		18.5	20.6	33.1	32.8
Value added properties - unconsolidated	10	1,597	422		40.8	43.6	40.8	43.6
Total Operating Properties	3,466	705,853	427,056		95.7	95.5	96.3	96.1

	First Quarter NOI*			Gross Book Value		
	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	% of Total
Consolidated						
Total U.S.	\$ 457,527	\$ 413,927	71.2	\$ 28,319,051	\$ 25,529,737	71.1
Total Outside the U.S.	26,321	26,321	4.5	1,929,027	1,929,027	5.4
Total Operating Portfolio - Consolidated	\$ 483,848	\$ 440,248	75.7	\$ 30,248,078	\$ 27,458,764	76.5
Unconsolidated						
Total U.S.	\$ 125,983	\$ 34,204	5.9	\$ 7,910,631	\$ 2,147,737	6.0
Total Outside the U.S.	359,748	106,714	18.4	22,875,666	6,288,838	17.5
Total Operating Portfolio - Unconsolidated	\$ 485,731	\$ 140,918	24.3	\$ 30,786,297	\$ 8,436,575	23.5
Total						
Total U.S.	\$ 583,510	\$ 448,131	77.1	\$ 36,229,682	\$ 27,677,474	77.1
Total Outside the U.S.	386,069	133,035	22.9	24,804,693	8,217,865	22.9
Total Operating Portfolio	\$ 969,579	\$ 581,166	100.0	\$ 61,034,375	\$ 35,895,339	100.0
Value added properties - consolidated	(1,095)	(764)		918,760	815,137	
Value added properties - unconsolidated	548	173		116,329	31,129	
Total Operating Properties	\$ 969,032	\$ 580,575		\$ 62,069,464	\$ 36,741,605	



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

Customer Information

square feet and dollars in thousands

Top Customers - Owned and Managed

	% of Net Effective Rent	Total Square Feet
1 Amazon	3.6	20,752
2 DHL	1.4	10,425
3 Geodis	1.3	10,329
4 XPO Logistics	1.2	8,887
5 FedEx	1.1	4,392
6 Home Depot	1.0	7,051
7 UPS	0.9	5,879
8 Kuehne + Nagel	0.9	5,883
9 DSV Air and Sea	0.9	5,080
10 BMW	0.6	4,592
Top 10 Customers	12.9	83,270
11 Wal-Mart	0.6	4,429
12 Nippon Express	0.6	2,687
13 CEVA Logistics	0.6	4,562
14 Cainiao Network	0.6	3,955
15 Ingram Micro	0.5	3,885
16 Hitachi	0.5	2,115
17 DB Schenker	0.4	3,494
18 Panalpina	0.4	2,652
19 U.S. Government	0.4	1,057
20 Yusen Logistics	0.4	2,105
21 PepsiCo	0.3	2,755
22 Office Depot	0.3	2,266
23 APL Logistics	0.3	2,627
24 LG	0.3	2,304
25 Kimberly-Clark Corporation	0.3	2,841
Top 25 Customers	19.4	127,004

Lease Expirations - Operating Portfolio - Owned and Managed

Year	Occupied Sq Ft	\$	Net Effective Rent	
			% of Total	\$ Per Sq Ft
2019	62,715	337,221	8.5	5.38
2020	106,387	594,811	15.0	5.59
2021	107,808	602,623	15.2	5.59
2022	105,180	607,477	15.4	5.78
2023	84,854	506,629	12.8	5.97
There after	206,237	1,307,377	33.1	6.34
	673,181	3,956,138	100.0	5.88
Weighted average term of leases remaining (based on net effectiv				4.25 years

Lease Expirations - Operating Portfolio - Prologis Share

Year	Occupied Sq Ft	\$	Net Effective Rent	
			% of Total	\$ Per Sq Ft
2019	37,892	200,661	8.5	5.30
2020	56,968	313,542	13.3	5.50
2021	67,053	369,400	15.6	5.51
2022	62,949	355,126	15.0	5.64
2023	53,336	312,418	13.2	5.86
There after	127,616	812,237	34.4	6.36
	405,814	2,363,384	100.0	5.82
Weighted average term of leases remaining (based on net effectiv				4.33 years

DEVELOPMENT STARTS (TEI)

in millions



DEVELOPMENT STABILIZATIONS (TEI)

in millions



BUILDING ACQUISITIONS

in millions



LAND PORTFOLIO

in millions



■ U.S. ■ Outside the U.S.



A. Excludes the acquisition of DCT.

Capital Deployment

Development Stabilizations

1Q 2019 Supplemental

square feet and dollars in thousands	Q1 2019		
	Square Feet	Owned and Managed	Prologis Share
Central	398	\$ 34,634	\$ 34,634
East	503	68,151	68,151
West	608	66,738	66,738
Total U.S.	1,509	169,523	169,523
Canada	-	-	-
Mexico	618	40,119	40,119
Brazil	-	-	-
Total Other Americas	618	40,119	40,119
Northern Europe	1,161	103,541	97,885
Southern Europe	343	21,961	21,961
Central Europe	381	21,162	21,162
United Kingdom	169	30,689	4,603
Total Europe	2,054	177,353	145,611
Japan	2,095	319,777	319,777
China	2,012	104,396	15,660
Singapore	-	-	-
Total Asia	4,107	424,173	335,437
Total Outside the U.S.	6,779	641,645	521,167
Total Development Stabilizations	8,288	\$ 811,168	\$ 690,690
Percent build to suit			24.7%
Estimated weighted average stabilized yield			6.2%
Annualized estimated NOI			\$ 43,110
Estimated weighted average stabilized cap rate			4.7%
Estimated weighted average margin			30.3%
Estimated value creation			\$ 209,235



Capital Deployment

Development Starts

1Q 2019 Supplemental

	Q1 2019			
	Square Feet	Leased % at Start	TEI	
			Owned and Managed	Prologis Share
square feet and dollars in thousands				
Central	407	41.0	\$ 34,932	\$ 34,932
East	334	0.0	40,642	40,642
West	164	0.0	27,836	27,836
Total U.S.	905	18.5	103,410	103,410
Canada	-	-	-	-
Mexico	347	30.0	20,561	17,361
Brazil	-	-	-	-
Total Other Americas	347	30.0	20,561	17,361
Northern Europe	362	100.0	37,608	37,608
Southern Europe	785	91.9	56,518	56,518
Central Europe	422	100.0	24,206	24,206
United Kingdom	-	-	-	-
Total Europe	1,569	95.9	118,332	118,332
Japan	-	-	-	-
China	-	-	-	-
Singapore	-	-	-	-
Total Asia	-	-	-	-
Total Outside the U.S.	1,916	84.0	138,893	135,693
Total Development Starts	2,821	63.0	\$ 242,303	\$ 239,103
Percent build to suit				41.2%
Estimated weighted average stabilized yield				6.1%
Annualized estimated NOI				14,666
Estimated weighted average stabilized cap rate				5.2%
Estimated weighted average margin				17.1%
Estimated value creation				40,967



Capital Deployment
Development Portfolio

1Q 2019 Supplemental

square feet and dollars in thousands	Under Development													
	Pre-Stabilized Developments				2019 Expected Completion			2020 and Thereafter Expected Completion			Total Development Portfolio			
	T E I				T E I			T E I			T E I			
	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	1,315	6.4	\$ 102,051	\$ 102,051	3,456	\$ 220,257	\$ 220,257	-	\$ -	\$ -	4,771	54.3	\$ 322,308	\$ 322,308
East	922	17.4	98,286	71,431	2,322	215,363	215,363	-	-	-	3,244	9.5	313,649	286,794
West	2,944	16.4	389,785	389,785	6,608	684,364	684,364	1,690	143,091	119,284	11,242	38.7	1,217,240	1,193,433
Total U.S.	5,181	14.0	590,122	563,267	12,386	1,119,984	1,119,984	1,690	143,091	119,284	19,257	37.7	1,853,197	1,802,535
Canada	-	-	-	-	847	113,081	113,081	-	-	-	847	100.0	113,081	113,081
Mexico	-	-	-	-	1,493	95,272	92,072	-	-	-	1,493	83.7	95,272	92,072
Brazil	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Americas	-	-	-	-	2,340	208,353	205,153	-	-	-	2,340	89.6	208,353	205,153
Northern Europe	562	81.4	39,133	39,133	2,744	233,055	233,055	362	37,608	37,608	3,668	61.7	309,796	309,796
Southern Europe	308	73.2	22,605	22,605	2,313	190,220	190,220	-	-	-	2,621	67.3	212,825	212,825
Central Europe	1,588	40.2	103,411	93,897	1,359	82,070	76,082	-	-	-	2,947	39.6	185,481	169,979
United Kingdom	642	4.0	91,945	33,507	1,055	149,078	22,361	-	-	-	1,697	25.9	241,023	55,868
Total Europe	3,100	43.5	257,094	189,142	7,471	654,423	521,718	362	37,608	37,608	10,933	51.5	949,125	748,468
Japan	-	-	-	-	2,290	351,683	351,683	625	102,535	102,535	2,915	60.8	454,218	454,218
China	3,355	29.2	189,906	28,486	4,967	267,584	40,138	7,184	414,310	62,146	15,506	6.3	871,800	130,770
Singapore	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Asia	3,355	29.2	189,906	28,486	7,257	619,267	391,821	7,809	516,845	164,681	18,421	14.9	1,326,018	584,988
Total Outside the U.S.	6,455	36.1	447,000	217,628	17,068	1,482,043	1,118,692	8,171	554,453	202,289	31,694	33.1	2,483,496	1,538,609
Total Development Portfolio	11,636	26.3	\$ 1,037,122	\$ 780,895	29,454	\$ 2,602,027	\$ 2,238,676	9,861	\$ 697,544	\$ 321,573	50,951	34.8	\$ 4,336,693	\$ 3,341,144
Cost to complete			\$ 131,594	\$ 115,145		\$ 1,016,222	\$ 897,989		\$ 475,067	\$ 234,385			\$ 1,622,883	\$ 1,247,519
Percent build to suit				2.5%			38.7%			20.8%				28.5%
Estimated weighted average stabilized yield														
U.S.				6.0%			5.9%			6.4%				6.0%
Other Americas				-			6.6%			-				6.6%
Europe				6.8%			6.2%			6.1%				6.4%
Asia				7.4%			5.8%			6.1%				6.0%
Total				6.3%			6.0%			6.2%				6.1%

Annualized estimated NOI	\$204,080
Estimated weighted average stabilized cap rate	4.9%
Estimated weighted average margin	23.5%
Estimated value creation	\$786,464



Capital Deployment

Third Party Building Acquisitions

1Q 2019 Supplemental

	Square Feet		Q1 2019 Acquisition Price	
	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
<i>square feet and dollars in thousands</i>				
Prologis Wholly Owned	150	150	\$ 24,566	\$ 24,566
Prologis U.S. Logistics Venture	663	365	128,382	70,662
Prologis Targeted U.S. Logistics Fund	121	33	10,948	2,972
Total U.S.	934	548	163,896	98,200
Prologis Europe Wholly Owned	154	154	54,444	54,444
Prologis European Logistics Fund	665	161	66,265	16,080
Prologis European Logistics Partners	75	38	20,908	10,454
Total Outside the U.S.	894	353	141,617	80,978
Total Third Party Building Acquisitions	1,828	901	\$ 305,513	\$ 179,178
Weighted average stabilized cap rate				4.3%

Capital Deployment

Dispositions and Contributions

1Q 2019 Supplemental

	Square Feet		Q1 2019 Sales Price	
	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
square feet and dollars in thousands				
Third-Party Building Dispositions				
Total U.S.	-	-	\$ -	\$ -
FIBRA Prologis	1,074	502	63,100	29,493
Total Other Americas	1,074	502	63,100	29,493
Prologis Wholly Owned	670	670	51,817	51,817
Total Europe	670	670	51,817	51,817
Total Asia	-	-	-	-
Total Outside the U.S.	1,744	1,172	114,917	81,310
Total Third Party Building Dispositions	1,744	1,172	\$ 114,917	\$ 81,310
Building Contributions to Co-Investment Ventures				
Total U.S.	-	-	\$ -	\$ -
Total Other Americas ^(A)	-	-	-	-
Prologis European Logistics Fund	402	402	51,162	38,745
Prologis European Logistics Partners	810	810	73,159	36,580
Total Europe	1,212	1,212	124,321	75,325
Total Asia	-	-	-	-
Total Outside the U.S.	1,212	1,212	124,321	75,325
Total Building Contributions to Co-Investment Ventures	1,212	1,212	124,321	75,325
Total Building Dispositions and Contributions	2,956	2,384	\$ 239,238	\$ 156,635
<i>Weighted average stabilized cap rate</i>				5.9%
Land dispositions			460	460
Grand Total Dispositions and Contributions			\$ 239,698	\$ 157,095



A. During the first quarter, we contributed a portfolio of assets to PBLV for \$496 million in cash and in equity units. This transaction is not reflected in the table above.

Capital Deployment

Land Portfolio – Owned and Managed

1Q 2019 Supplemental

	Acres			Current Book Value		
	Owned and Managed	Prologis Share	Estimated Build Out (sq ft)	Owned and Managed	Prologis Share	% of Total
square feet and dollars in thousands, ordered by Prologis share of NOI (%) of the operating portfolio						
Southern California	89	85	1,623	\$ 77,214	\$ 75,326	6.3
New Jersey/New York City	20	20	206	10,434	10,434	0.9
San Francisco Bay Area	16	16	289	8,804	8,804	0.7
Chicago	133	133	2,053	20,112	20,112	1.7
Dallas/Ft. Worth	8	8	607	2,299	2,299	0.2
Seattle	26	26	743	32,223	32,223	2.7
South Florida	130	127	2,212	83,983	82,161	6.9
Atlanta	218	218	2,438	18,983	18,983	1.6
Houston	172	160	2,969	23,170	21,526	1.8
Central & Eastern PA	29	16	399	7,998	4,402	0.4
Central Valley	1,024	1,024	20,442	145,486	145,486	12.2
Baltimore/Washington	-	-	-	-	-	0.0
Las Vegas	67	67	1,314	14,780	14,780	1.2
Denver	18	18	278	5,859	5,859	0.5
Orlando	60	60	867	18,301	18,301	1.5
Nashville	-	-	-	-	-	0.0
Cincinnati	-	-	-	-	-	0.0
Remaining U.S. markets (12 markets)	171	164	3,026	23,692	22,265	1.9
Total U.S.	2,181	2,142	39,466	493,338	482,961	40.5
Mexico	532	506	9,338	113,938	106,464	8.9
Canada	71	71	1,410	18,359	18,359	1.6
Brazil	531	247	11,950	172,948	49,871	4.2
Total Other Americas	1,134	824	22,698	305,245	174,694	14.7
United Kingdom	296	200	5,424	239,414	159,072	13.4
France	259	202	5,055	37,534	25,639	2.1
Germany	46	42	1,149	17,557	16,757	1.4
Netherlands	25	25	721	9,399	9,399	0.8
Poland	425	394	7,855	60,726	52,332	4.4
Spain	107	88	2,837	30,108	25,114	2.1
Remaining European countries (6 countries)	635	613	12,708	98,088	94,967	8.0
Total Europe	1,793	1,564	35,749	492,826	383,280	32.2
Japan	101	101	5,812	139,310	139,310	11.7
China	250	37	9,160	70,868	10,630	0.9
Singapore	-	-	-	-	-	0.0
Total Asia	351	138	14,972	210,178	149,940	12.6
Total Outside the U.S.	3,278	2,526	73,419	1,008,249	707,914	59.5
Total Land Portfolio	5,459	4,668	112,885	\$ 1,501,587	\$ 1,190,875	100.0

Land Portfolio – Summary and Roll Forward

dollars in thousands	Acres			Current Book Value		
	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	% of Total
Central	379	367	7.9	\$ 49,205	\$ 47,561	4.0
East	462	446	9.5	140,085	134,667	11.3
West	1,340	1,329	28.5	304,048	300,733	25.2
Total U.S.	2,181	2,142	45.9	493,338	482,961	40.5
Mexico	532	506	10.8	113,938	106,464	8.9
Canada	71	71	1.5	18,359	18,359	1.6
Brazil	531	247	5.3	172,948	49,871	4.2
Total Other Americas	1,134	824	17.6	305,245	174,694	14.7
Central Europe	898	847	18.1	106,761	95,869	8.0
Northern Europe	119	113	2.4	41,600	40,177	3.4
Southern Europe	480	404	8.6	105,051	88,162	7.4
United Kingdom	296	200	4.4	239,414	159,072	13.4
Total Europe	1,793	1,564	33.5	492,826	383,280	32.2
Japan	101	101	2.2	139,310	139,310	11.7
China	250	37	0.8	70,868	10,630	0.9
Total Asia	351	138	3.0	210,178	149,940	12.6
Total Outside the U.S.	3,278	2,526	54.1	1,008,249	707,914	59.5
Total Land Portfolio	5,459	4,668	100.0	\$ 1,501,587	\$ 1,190,875	100.0
Estimated build out of land portfolio (in TB)				8,700,000	7,500,000	
Estimated build out of other land (in TEI) ^(A)				2,600,000	2,500,000	
Total				\$ 11,300,000	\$ 10,000,000	
Land Roll Forward - Prologis Share		U.S.	Other Americas	Europe	Asia	Total
As of December 31, 2018	\$	491,678	\$ 267,391	\$ 294,500	\$ 143,621	\$ 1,197,190
Acquisitions		1,208	26,361	111,843	1,577	140,989
Dispositions		-	(110,100)	(222)	-	(110,322)
Development starts		(27,316)	(3,540)	(25,781)	-	(56,637)
Infrastructure costs		20,875	636	4,133	5,612	31,256
Effect of changes in foreign exchange rates and other		(3,484)	(6,054)	(1,193)	(870)	(11,601)
As of March 31, 2019	\$	482,961	\$ 174,694	\$ 383,280	\$ 149,940	\$ 1,190,875

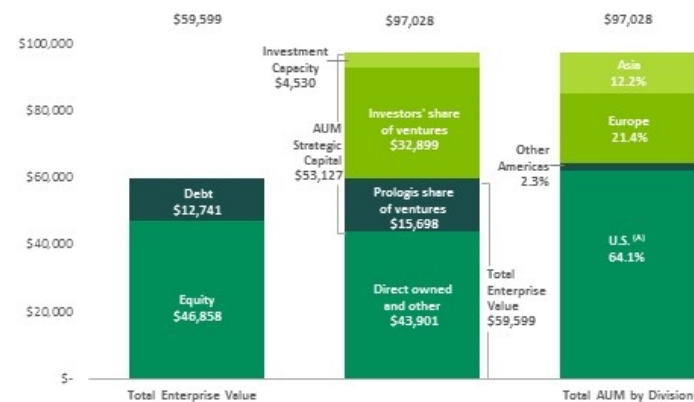


A. Amounts include approximately 2,400 acres that we currently control through options, ground leases, unconsolidated joint ventures and other contractual arrangements.

Overview

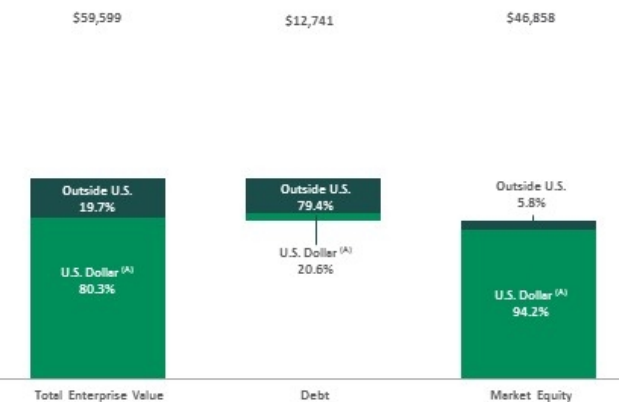
ASSETS UNDER MANAGEMENT

(dollars in millions)



U.S. DOLLAR EXPOSURE

(dollars in millions)



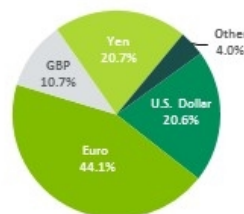
Prologis Share - Debt Metrics (B)

	March 31, 2019	December 31, 2018
Debt as % of gross real estate assets*	29.6%	30.6%
Debt as % of gross market capitalization*	20.8%	25.0%
Secured debt as % of gross real estate assets*	3.8%	3.5%
Unencumbered gross real estate assets to unsecured debt*	335.3%	321.4%
Fixed charge coverage ratio*	8.05x	8.16x
Fixed charge coverage ratio, excluding development gains*	7.05x	6.86x
Debt/ Adjusted EBITDA*	4.32x	4.20x
Debt/ Adjusted EBITDA, excluding development gains*	4.94x	5.00x
Weighted average interest rate	2.7%	2.8%
Weighted average remaining maturity in years	6.3	6.0
Floating Debt	14%	15%

Credit Ratings at December 31, 2018 (C)

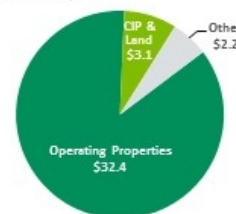
Moody's	A3 (Outlook Stable)
Standard & Poor's	A- (Outlook Stable)

DEBT BY CURRENCY - PROLOGIS SHARE



UNENCUMBERED ASSETS - PROLOGIS SHARE

(dollars in billions)



* 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. The detail calculations are included in the Notes and Definitions section and are not 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.



Capitalization

1Q 2019 Supplemental

Debt Components- Consolidated

Maturity	Unsecured			Secured Mortgage	Total	% Ownership	Wtd. Avg. Interest Rate	% Fixed
	Senior	Credit Facilities ^(A)	Other ^(A)					
2019	\$ -	\$ -	\$ 593	\$ 252,100	\$ 252,693	100%	7.6%	100%
2020	1,123,500	-	621	25,101	1,149,222	100%	0.9%	99%
2021	786,450	-	677	229,913	1,017,040	100%	1.5%	80%
2022	786,450	-	741	12,161	799,352	100%	3.2%	100%
2023	850,000	-	128,519	39,307	1,017,826	100%	4.2%	87%
2024	786,450	26,180	881	259,710	1,073,221	100%	3.6%	86%
2025	795,139	-	958	135,805	931,902	100%	3.7%	100%
2026	561,750	-	767,956	1,213	1,330,919	100%	1.6%	42%
2027	-	-	65,637	1,255	66,892	99%	1.1%	100%
2028	761,109	-	134,293	-	895,402	100%	2.3%	90%
2029	1,440,941	-	744	-	1,441,685	100%	2.1%	100%
Thereafter	481,457	-	319,669	-	801,126	100%	2.3%	83%
Subtotal	8,373,246	26,180	1,421,289	956,565	10,777,280	100%	2.6%	86%
Unamortized net premiums (discounts)	(24,944)	-	-	831	(24,113)			
Unamortized finance costs	(33,624)	-	(9,946)	(3,458)	(47,028)			
Total consolidated debt, net of premium (discount)	\$ 8,314,678	\$ 26,180	\$ 1,411,343	\$ 953,938	\$ 10,706,139			
Weighted average interest rate	2.7%	1.5%	0.9%	4.3%	2.6%			
Weighted average remaining maturity in years	6.7	4.8	8.3	3.4	6.6			

Prologis debt by local currency

	Unsecured			Secured Mortgage	Total	Investment Hedges ^(B)	Total	% of Total	Liquidity	
	Senior	Credit Facilities	Other						Aggregate lender commitments- GLOC and revolver	
Dollars	\$ 2,276,869	\$ -	\$ 10,832	\$ 484,305	\$ 2,772,006	\$ (1,116,541)	\$ 1,655,465	16%	\$	3,992,054
Euro	4,803,307	-	-	-	4,803,307	278,911	5,082,218	47%		
GBP	650,552	26,180	-	-	676,732	534,287	1,211,019	11%		26,180
Yen	589,950	-	1,273,743	324,426	2,188,119	157,180	2,345,299	22%		31,202
CAD	-	-	126,768	145,207	271,975	146,163	418,138	4%		3,874,672
Other	-	-	-	-	-	-	-	0%		251,030
Total Debt	\$ 8,314,678	\$ 26,180	\$ 1,411,343	\$ 953,938	\$ 10,706,139	\$ -	\$ 10,706,139	100%	Total liquidity	\$ 4,125,702

- A. The maturity for the global senior credit facility (\$26 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.



Debt Components- Noncontrolling Interests and Unconsolidated ^(A)

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
2019	\$ -	\$ 910	\$ 910	4.3%	100%	\$ 12,942	\$ 10,375	\$ 23,317	3.6%	56%
2020	-	4,694	4,694	3.6%	78%	14	94,374	94,388	4.1%	100%
2021	-	1,245	1,245	4.5%	100%	92,962	200,583	293,545	3.8%	99%
2022	-	1,207	1,207	4.5%	100%	339,991	106,366	446,357	3.8%	81%
2023	-	3,087	3,087	5.7%	100%	258,930	98,921	357,851	2.8%	67%
2024	-	412	412	3.5%	100%	230,120	75,920	306,040	3.2%	88%
2025	-	427	427	3.5%	100%	113,525	1,178	114,703	1.6%	100%
2026	-	441	441	3.5%	100%	40,435	49,309	89,744	2.9%	88%
2027	-	457	457	3.5%	100%	62,274	-	62,274	2.0%	100%
2028	-	-	-	-	-	187,485	-	187,485	2.7%	100%
2029	-	-	-	-	-	-	-	-	0.0%	0%
Thereafter	-	-	-	-	-	83,162	-	83,162	2.5%	100%
Subtotal	\$ -	\$ 12,880	\$ 12,880	4.3%	92%	\$ 1,421,840	\$ 637,026	\$ 2,058,866	3.2%	87%
Unamortized net premiums (discounts)	-	263	263			(1,512)	560	(952)		
Unamortized finance costs	-	(81)	(81)			(7,910)	(2,116)	(10,026)		
Noncontrolling interests share and Prologis Share of unconsolidated debt	\$ -	\$ 13,062	\$ 13,062			\$ 1,412,418	\$ 635,470	\$ 2,047,888		
Weighted average interest rate	-	4.3%	4.3%			2.8%	4.1%	3.2%		
Weighted average remaining maturity in years	-	4.4	4.4			5.4	3.2	4.7		

Noncontrolling interests share of Consolidated debt and Prologis Share of unconsolidated debt by local currency

	Noncontrolling Interests				Prologis Share of Unconsolidated Co-Investment Ventures			
	Unsecured	Secured	Total	% of Total	Unsecured	Secured	Total	% of Total
Dollars	\$ -	\$ 13,062	\$ 13,062	100%	\$ 612,402	\$ 392,207	\$ 1,004,609	48%
Euro	-	-	-	-	458,953	71,491	530,444	26%
GBP	-	-	-	-	-	151,456	151,456	7%
Yen	-	-	-	-	292,851	-	292,851	14%
Other	-	-	-	-	48,212	20,316	68,528	3%
Total Debt	\$ -	\$ 13,062	\$ 13,062	100%	\$ 1,412,418	\$ 635,470	\$ 2,047,888	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 \$473 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.

Net Asset Value

1Q 2019 Supplemental

Components – Prologis Share

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.	296,207	\$ 25,529,737	86	\$ 408,043	\$ 408,043	\$ 1,632,172	97.0%
Other Americas	12,372	931,399	75	14,907	14,907	59,628	98.6%
Europe	3,293	298,916	91	2,262	2,262	9,048	89.9%
Asia	4,791	698,712	146	9,320	9,320	37,280	89.0%
Pro forma adjustments for mid-quarter acquisitions/development completions					4,545	18,180	
Total consolidated operating portfolio	316,663	27,458,764	87	434,532	439,077	1,756,308	96.9%
Unconsolidated Operating Portfolio							
U.S.	24,577	2,147,737	87	33,925	33,925	135,700	96.3%
Other Americas	18,008	1,088,341	60	22,332	22,332	89,328	96.7%
Europe	51,599	4,209,993	82	67,836	67,836	271,344	97.8%
Asia	8,041	990,504	123	13,953	13,953	55,812	95.1%
Pro forma adjustments for mid-quarter acquisitions/development completions					756	3,024	
Total unconsolidated operating portfolio	102,225	8,436,575	83	138,046	138,802	555,208	97.1%
Total Operating Portfolio	418,888	\$ 35,895,339	\$ 86	\$ 572,578	\$ 577,879	\$ 2,311,516	96.9%
Development							
	Square Feet	Investment Balance	TEI	TEI per Sq Ft		Annualized Estimated NOI	Percent Occupied
Consolidated Prestabilized							
U.S.	4,913	\$ 455,466	\$ 563,266	\$ 115		\$ 33,977	4.2%
Other Americas	-	-	-	-		-	0.0%
Europe	2,381	146,633	169,314	71		11,631	44.5%
Asia	-	-	-	-		-	0.0%
Properties under development							17.4%
U.S.	13,854	714,618	1,239,269	89		73,881	
Other Americas	2,236	105,721	202,345	90		13,363	
Europe	6,672	251,095	535,047	80		33,274	
Asia	2,915	239,125	454,218	156		25,554	
Total consolidated development portfolio	32,971	1,912,658	3,163,459	96		191,680	
Unconsolidated							
U.S.	-	-	-	-		-	
Other Americas	49	550	2,808	-		226	
Europe	392	29,568	44,107	113		2,762	
Asia	2,326	73,695	130,770	56		9,412	
Total unconsolidated development portfolio	2,767	103,813	177,685	64		12,400	
Total Development Portfolio	35,738	\$ 2,016,471	\$ 3,341,144	\$ 93		\$ 204,080	
Prologis share of est. value creation (see Capital Deployment - Development Portfolio)			786,464				
Total development portfolio, including est. value creation		\$ 2,802,935					



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

Net Asset Value

1Q 2019 Supplemental

Components - continued

in thousands			
Balance Sheet and Other Items		As of March 31, 2019	
Consolidated			
Other assets			
Cash and cash equivalents	\$		25,103
Restricted cash			9,834
Accounts receivable, prepaid assets and other tangible assets			904,274
Other real estate investments and gross book value of assets held for sale			1,089,571
Prologis share of value added operating properties			846,266
Prologis receivable from unconsolidated co-investment ventures			22,848
Investments in and advances to other unconsolidated joint ventures			340,987
Less: noncontrolling interests share of other assets			(62,584)
Total other assets	\$		3,552,286
Other liabilities			
Accounts payable and other current liabilities	\$		483,579
Deferred income taxes			56,608
Value added tax and other tax liabilities			12,965
Tenant security deposits			252,258
Other liabilities			747,166
Less: noncontrolling interests share of other liabilities			(39,544)
Total liabilities	\$		1,463,027
Unconsolidated			
Prologis share of net tangible other assets and gross book value of assets held for sale	\$		241,990
Land			
Current book value of land	\$		1,143,294
Less: noncontrolling interests share of the current book value of land			(22,627)
Prologis share of book value of land in unconsolidated co-investment ventures			70,208
Total land portfolio	\$		1,190,875
Strategic Capital / Development Management			
		First Quarter	Annualized
Strategic Capital			
Third party share of asset management fees from consolidated and unconsolidated co-investment ventures (annualized)	\$	44,166	\$ 176,664
Third party share of other transactional fees from consolidated and unconsolidated co-investment ventures (trailing 12 months)		7,540	35,419
Strategic capital expenses for asset management and other transactional fees (annualized based on actuals plus remaining forecast for the year)		(14,720)	(56,286)
Total strategic capital	\$	36,986	155,797
Promotes, net of expenses (trailing 12 months) ^(A)	\$	(5,087)	\$ 26,926
Development management income (trailing 12 months)	\$	1,440	\$ 6,046
Debt (net par) and Preferred Stock			
		As of March 31, 2019	
Debt			
Consolidated debt	\$		10,777,280
Noncontrolling interests share of consolidated debt			(12,880)
Prologis share of unconsolidated co-investment ventures debt			2,058,866
Total debt			12,823,266
Preferred stock			68,948
Total debt and preferred stock	\$		12,892,214
Outstanding shares of common stock and limited operating partnership units			650,291



A. First quarter amount relates to promote amortization expense of \$5 million.



Prologis Fokker Park, Oude Meer, the Netherlands

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	\$ 696,807
Rental expenses	(188,068)
NOI	508,739
Net termination fees and adjustments (a)	(1,945)
Less: actual NOI for development portfolio and other	(21,184)
Property management fees	1,264
Less: properties contributed or sold (b)	(2,671)
Less: noncontrolling interests share of NOI	(43,955)
Prologis share of adjusted NOI for consolidated Operating Portfolio at March 31, 2019	440,248
Straight-line rents (c)	(18,715)
Free rent (c)	16,716
Amortization of lease intangibles (c)	(3,815)
Effect of foreign currency exchange (d)	(71)
Less: noncontrolling interests and other	169
First quarter Adjusted Cash NOI (Actual)	\$ 434,532

(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	
	2019	Mar. 31, 2018
Net earnings		
Net earnings attributable to common stockholders	\$ 347,047	\$ 365,902
Noncontrolling interest attributable to exchangeable limited partnership units	10,657	10,693
Adjusted net earnings attributable to common stockholders - Diluted	\$ 357,704	\$ 376,595
Weighted average common shares outstanding - Basic	629,676	532,185
Incremental weighted average effect on exchange of limited partnership units	19,718	16,270
Incremental weighted average effect of equity awards	4,965	5,668
Weighted average common shares outstanding - Diluted	654,359	554,123
Net earnings per share - Basic	\$ 0.55	\$ 0.69
Net earnings per share - Diluted	\$ 0.55	\$ 0.68
Core FFO		
Core FFO attributable to common stockholders/unit holders	\$ 474,251	\$ 443,120
Noncontrolling interest attributable to exchangeable limited partnership units	194	370
Core FFO attributable to common stockholders/unit holders - Diluted	\$ 474,445	\$ 443,490
Weighted average common shares outstanding - Basic	629,676	532,185
Incremental weighted average effect on exchange of limited partnership units	19,718	16,270
Incremental weighted average effect of equity awards	4,965	5,668
Weighted average common shares outstanding - Diluted	654,359	554,123
Core FFO per share - Diluted	\$ 0.73	\$ 0.80

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 Line	
	Covenant	Actual	Covenant	Actual
Leverage ratio	<60%	24.4%	<60%	22.8%
Fixed charge coverage ratio	>1.5x	10.31x	>1.5x	11.12x
Secured debt leverage ratio	<40%	1.4%	<40%	2.1%
Unencumbered asset to unsecured debt ratio	>150%	353.9%	N/A	N/A
Unencumbered debt service coverage ratio	N/A	N/A	>150%	1043.0%

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	
	Mar. 31, 2019	Dec. 31, 2018
Debt as a % of gross real estate assets:		
Consolidated debt (at par)	\$ 10,777,280	\$ 11,161,326
Noncontrolling interests share of consolidated debt (at par)	(12,880)	(13,119)
Prologis share of unconsolidated debt (at par)	2,058,866	2,048,777
Total Prologis share of debt (at par)	12,823,266	13,196,984
Prologis share of outstanding foreign currency derivatives	(826)	(1,519)
Consolidated cash and cash equivalents	(251,030)	(343,856)
Noncontrolling interests share of consolidated cash and cash equivalents	16,316	71,078
Prologis share of unconsolidated cash and cash equivalents	(268,625)	(203,997)
Total Prologis share of debt, net of adjustments	\$ 12,319,101	\$ 12,718,690
Consolidated gross real estate assets	36,022,090	35,995,596
Noncontrolling interests share of consolidated gross real estate assets	(3,056,890)	(3,230,062)
Prologis share of unconsolidated gross real estate assets	8,641,725	8,838,699
Total Prologis share of gross real estate assets	\$ 41,606,925	\$ 41,544,233
Debt as a % of gross real estate assets	29.6%	30.6%
Debt as a % of gross Market Capitalization:		
Total Prologis share of debt, net of adjustments	\$ 12,319,101	\$ 12,718,690
Total outstanding common stock and limited partnership units	650,291	648,488
Share price at quarter end	\$ 71.95	\$ 58.72
Total equity capitalization	\$ 46,788,437	\$ 38,079,215
Total Prologis share of debt, net of adjustments	12,319,101	12,718,690
Gross Market Capitalization	\$ 59,107,539	\$ 50,797,905
Debt as a % of gross Market Capitalization	20.8%	25.0%
Secured debt as a % of gross real estate assets:		
Consolidated secured debt (at par)	\$ 956,565	\$ 816,360
Noncontrolling interests share of consolidated secured debt (at par)	(12,880)	(13,119)
Prologis share of unconsolidated secured debt (at par)	637,026	653,600
Total Prologis share of secured debt (at par)	\$ 1,580,711	\$ 1,456,841
Total Prologis share of gross real estate assets	\$ 41,606,925	\$ 41,544,233
Secured debt as a % of gross real estate assets	3.8%	3.5%
Unencumbered gross real estate assets to unsecured debt:		
Consolidated unencumbered gross real estate assets	\$ 33,613,448	\$ 33,612,091
Noncontrolling interests share of consolidated unencumbered gross real estate assets	(2,972,766)	(3,160,219)
Prologis share of unconsolidated unencumbered gross real estate assets	7,050,610	7,278,081
Total Prologis share of unencumbered gross real estate assets	\$ 37,691,292	\$ 37,729,953
Consolidated unsecured debt (at par)	9,820,715	10,344,965
Noncontrolling interests share of consolidated unsecured debt (at par)	-	-
Prologis share of unconsolidated unsecured debt (at par)	1,421,840	1,395,177
Total Prologis share of unsecured debt (at par)	\$ 11,242,555	\$ 11,740,142
Unencumbered gross real estate assets to unsecured debt	335.3%	321.4%

dollars in thousands

Fixed Charge Coverage ratio:

	Three Months Ended	
	Mar. 31, 2019	Dec. 31, 2018
Adjusted EBITDA	\$ 654,410	\$ 792,630
Adjusted EBITDA-annualized including development gains and excluding net promotes (a)	\$ 2,826,308	\$ 2,942,662
Net promotes for the trailing 12 months	26,926	82,108
Adjusted EBITDA-annualized	\$ 2,853,234	\$ 3,024,770
Pro forma adjustment annualized	(10,188)	(1,857)
Adjusted EBITDA, including NOI from disposed properties, annualized	\$ 2,843,046	\$ 3,022,913
Interest expense	\$ 60,507	\$ 62,380
Amortization and write-off of deferred loan costs	(3,323)	(3,460)
Amortization of debt premiums, net	(839)	(660)
Capitalized interest	13,722	15,634
Preferred stock dividends	1,499	1,492
Noncontrolling interests share of consolidated fixed charges	(35)	(28)
Prologis share of unconsolidated fixed charges	16,789	17,294
Total Prologis share of fixed charges	\$ 88,320	\$ 92,652
Total Prologis share of fixed charges, annualized	\$ 353,280	\$ 370,608
Fixed charge coverage ratio	8.05	8.16
Debt to Adjusted EBITDA:		
Total Prologis share of debt, net of adjustments	\$ 12,319,101	\$ 12,718,690
Adjusted EBITDA-annualized	\$ 2,853,234	\$ 3,024,770
Debt to Adjusted EBITDA ratio	4.32	4.20

(a) Prologis share of gains on dispositions of development properties for the trailing 12 months was \$358.1 million and \$479.7 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 aquired 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. We also capitalized certain costs directly related to our leasing activities through 2018. 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	
	2019	Mar. 31, 2018
Building and land development activities	\$ 19,270	\$ 16,091
Leasing activities	-	5,388
Operating building improvements and other	5,105	4,244
Total capitalized G&A	\$ 24,375	\$ 25,723

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

Net G&A - midpoint of 2019 guidance	\$ 250,000
Add: estimated 2019 strategic capital expenses (excluding promote expense)	126,000
Less: estimated 2019 strategic capital property management expenses	(70,000)
Adjusted G&A, using 2019 guidance amounts	\$ 306,000
Gross book value at period end (a):	
Operating properties	\$ 62,069,464
Development portfolio - TEI	4,336,693
Land portfolio	1,501,587
Other real estate investments and gross book value of assets held for sale	1,039,571
Total value of assets under management	\$ 68,947,315
G&A as % of assets under management	0.44%

(a) This 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 (a)	\$ 2.08	\$ 2.18
Our share of:		
Depreciation and amortization	1.93	1.97
Net gains on real estate transactions, net of taxes	(0.80)	(0.88)
Unrealized foreign currency gains and other, net	(0.01)	(0.01)
Core FFO	\$ 3.20	\$ 3.26

(a) 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.



Income Taxes.

in thousands	Three Months Ended	
	Mar. 31,	
	2019	2018
Current income tax expense	\$ 10,320	\$ 11,127
Current income tax expense (benefit) on dispositions	2,399	6,611
Current income tax expense (benefit) on dispositions related to acquired tax liabilities	-	878
Total current income tax expense	12,719	18,616
Deferred income tax (benefit) expense	793	(1,186)
Deferred income tax (benefit) expense on dispositions related to acquired tax liabilities	-	(878)
Total income tax expense	\$ 13,512	\$ 16,552

Interest Expense.

in thousands	Three Months Ended	
	Mar. 31,	
	2019	2018
Gross interest expense	\$ 70,067	\$ 55,350
Amortization of debt premiums, net	839	(344)
Amortization of finance costs	3,323	3,358
Interest expense before capitalization	74,229	58,364
Capitalized amounts	(13,722)	(11,119)
Interest expense	\$ 60,507	\$ 47,245

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

Notes and Definitions (continued)

1Q 2019 Supplemental

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	
	2019	Mar. 31, 2018
Rental revenues	\$ 501,905	\$ 412,841
Rental recoveries	165,353	128,042
Amortization of lease intangibles	4,234	(628)
Straight-lined rents	25,315	15,688
Rental Revenue	\$ 696,807	\$ 555,943

Rent Change (Cash) represents the percentage change in starting rental rates per the lease agreement, on new and renewed leases, commenced during the period 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 March 31, 2019 as our owned and managed properties that were in the Operating Portfolio at January 1, 2018 and owned throughout the same three month period in both 2018 and 2019. The same store population excludes non-industrial real estate properties and properties held for sale to third parties, along with development properties that were not stabilized at the beginning of the period (January 1, 2018) 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 end 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		
	2019	2018	Mar. 31, Change (%)
Rental revenues:			
Per the Consolidated Statements of Income (a)	\$ 696,807	\$ 555,943	
Adjustments to derive same store results:			
Properties not included in same store portfolio and other adjustments (a)(b)	(175,632)	(43,912)	
Unconsolidated co-investment ventures (a)	586,035	557,275	
Same Store - rental revenues - net effective	\$ 1,107,210	\$ 1,069,306	3.5%
Straight-line rent adjustments	(11,641)	(24,087)	
Fair value lease adjustments	(579)	(286)	
Same Store - rental revenues - cash	\$ 1,094,990	\$ 1,044,933	4.8%
Rental expenses:			
Per the Consolidated Statements of Income (a)	\$ 188,068	\$ 142,941	
Adjustments to derive same store results:			
Properties not included in same store portfolio and other adjustments (a)(c)	(46,544)	(3,847)	
Unconsolidated co-investment ventures (a)	135,264	125,284	
Same Store - rental expenses - net effective and cash	\$ 276,788	\$ 264,378	4.7%
Same Store - NOI - Net Effective	\$ 830,422	\$ 804,928	3.2%
Same Store - NOI - Net Effective - Prologis Share (d)	\$ 467,835	\$ 448,703	4.3%
Same Store - NOI - Cash	\$ 818,202	\$ 780,555	4.8%
Same Store - NOI - Cash - Prologis Share (d)	\$ 461,128	\$ 436,915	5.5%

(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. These expenses fluctuate based on the level of properties included in the same store portfolio and any adjustment is included as "effect of changes in foreign currency exchange rates and other" in this table.
- (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 March 31, 2019 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 Price.



FOR IMMEDIATE RELEASE

Prologis Reports First Quarter 2019 Earnings Results

SAN FRANCISCO (April 16, 2019) – Prologis, Inc. (NYSE: PLD), the global leader in logistics real estate, reported results for the first quarter of 2019.

Net earnings per diluted share was \$0.55 for the quarter compared with \$0.68 for the first quarter of 2018. Core funds from operations* per diluted share was \$0.73 for the quarter compared with \$0.80 for the same period in 2018. There were no promotes earned in the quarter, whereas net promote income was \$0.09 per diluted share in the same period in 2018.

“Our proprietary operating data points to continued market strength,” said Hamid R. Moghadam, chairman and CEO, Prologis. “Our customers are focused on locations close to the end consumer in large consumption markets. In the first quarter, demand was exceptionally strong for small and medium-sized spaces.”

OPERATING PERFORMANCE

Owned & Managed	1Q19	1Q18	Notes
Period End Occupancy	96.8%	96.8%	
Leases Commenced	43MSF	33MSF	

Prologis Share	1Q19	1Q18	Notes
Net Effective Rent Change	25.1%	21.9%	<i>Led by U.S. at 30.8%, with Europe at 13.4%</i>
Cash Rent Change	10.8%	9.2%	<i>Led by U.S. at 14.3%</i>
Cash Same Store NOI*	5.5%	7.9%	<i>~75bps benefit from positive recoveries and expense timing</i>

DEPLOYMENT ACTIVITY

Prologis Share	1Q19
Building Acquisitions	\$179M
Weighted avg stabilized cap rate	4.3%
Development Stabilizations	\$691M
Estimated weighted avg yield	6.2%
Estimated weighted avg margin	30.3%
Estimated value creation	\$209M
Development Starts	\$239M
Estimated weighted avg margin	17.1%
Estimated value creation	\$41M
% Build-to-suit	41.2%
Total Dispositions and Contributions ¹	\$157M
Weighted avg stabilized cap rate <i>(excluding land and other real estate)</i>	5.9%

1. Contribution volume excludes the formation of Prologis Brazil Logistics Venture

BALANCE SHEET ACTIVITY

Prologis and its co-investment ventures completed \$5.4 billion in capital markets activity, which included the previously announced upsizing of its global line of credit to \$3.5 billion. Notably, more than \$1.1 billion of the remaining activity was raised in Japanese yen at a weighted average rate of 45 basis points and term of more than 8 years.

The company ended the first quarter with leverage of 20.8 percent on a market capitalization basis, debt-to- adjusted EBITDA* of 4.3x and \$4.1 billion of liquidity.

To accommodate its co-investment partners and to bring Prologis' investment in line with its long-term targets, the company reduced its ownership in its Prologis European Logistics Fund (PELF), generating \$313 million in proceeds during the quarter.

GUIDANCE MIDPOINT RAISED AND RANGE NARROWED FOR 2019

"Our 2019 outlook is more optimistic today than it was 90 days ago," said Thomas S. Olinger, chief financial officer, Prologis. "As a result, we are increasing our full-year guidance by more than 2% to reflect this view and our strong performance in the quarter."

2019 GUIDANCE

Earnings (per diluted share)	Previous	Revised
Net Earnings	\$1.77 to \$1.92	\$2.08 to \$2.18
Core FFO*	\$3.12 to \$3.20	\$3.20 to \$3.26

Our guidance reflects the adoption of the new lease accounting standard. For a year-over-year comparison, our 2018 earnings results would have been reduced by approximately \$0.04 per share.

Operations	Previous	Revised
Year-end occupancy	96.0% to 97.5%	96.5% to 97.5%
Cash Same Store NOI* - Prologis share	3.75% to 4.75%	4.25% to 5.00%

Capital Deployment – Prologis Share (in millions)	Previous	Revised
Development stabilizations	\$1,900 to \$2,200	\$2,000 to \$2,300
Development starts	\$1,600 to \$2,000	\$1,800 to \$2,200
Building acquisitions	\$300 to \$500	\$500 to \$700
Building contributions	\$1,000 to \$1,300	\$1,100 to \$1,400
Building and land dispositions	\$500 to \$800	\$500 to \$800
Realized Development gains	\$200 to \$250	\$300 to \$400
Net Proceeds (Uses)	\$(400)	\$(400)

Strategic Capital (in millions)	Previous	Revised
Strategic capital revenue, excl promote revenue	\$300 to \$310	\$300 to \$310
Net promote income, incl in Core FFO* range	\$65	\$90

G&A (in millions)	Previous	Revised
General & administrative expenses	\$240 to \$250	\$245 to \$255

The earnings guidance described above includes potential gains recognized from real estate transactions but excludes any foreign currency or derivative gains or losses as our guidance assumes constant foreign currency rates. 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 2019 relates predominantly to these items. Please refer to our first 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.

*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.

WEBCAST & CONFERENCE CALL INFORMATION

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

- Tuesday, April 16, 2019, at 12 p.m. U.S. Eastern time.
- Live webcast at <http://ir.prologis.com> by clicking 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 3557639.

A telephonic replay will be available April 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 3557639. The webcast replay will be posted when available in the Investor Relations "Events & Presentations" section.

ABOUT PROLOGIS

Prologis, Inc. is the global leader in logistics real estate with a focus on high-barrier, high-growth markets. As of March 31, 2019, 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 772 million square feet (72 million square meters) in 19 countries. Prologis leases modern distribution facilities to a diverse base of approximately 5,100 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," and "estimates," including 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, contribution and 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 and political climates; (ii) changes in global 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 changes in income tax laws and 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; (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 except as may be required by law.

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