

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): January 22, 2020



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

94111

(Address of Principal Executive Offices)

(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))

Securities registered pursuant to Section 12(b) of the Act:

	Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Prologis, Inc.	Common Stock, \$0.01 par value	PLD	New York Stock Exchange
Prologis, L.P.	1.375% Notes due 2021	PLD/21	New York Stock Exchange
Prologis, L.P.	3.000% Notes due 2022	PLD/22	New York Stock Exchange
Prologis, L.P.	3.375% Notes due 2024	PLD/24	New York Stock Exchange
Prologis, L.P.	3.000% Notes due 2026	PLD/26	New York Stock Exchange
Prologis, L.P.	2.250% Notes due 2029	PLD/29	New York Stock Exchange

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 January 22, 2020, Prologis, Inc., the general partner of Prologis, L.P., issued a press release announcing fourth 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 January 22, 2020.](#)

99.2 [Press release, dated January 22, 2020.](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

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.

January 22, 2020

By: /s/ Thomas S. Olinger

Name: Thomas S. Olinger

Title: Chief Financial Officer

PROLOGIS, L.P.,

January 22, 2020

By: Prologis, Inc., its general partner

By: /s/ Thomas S. Olinger

Name: Thomas S. Olinger

Title: Chief Financial Officer



FOURTH QUARTER 2019

Prologis Supplemental Information

Unaudited



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Notes and Definitions

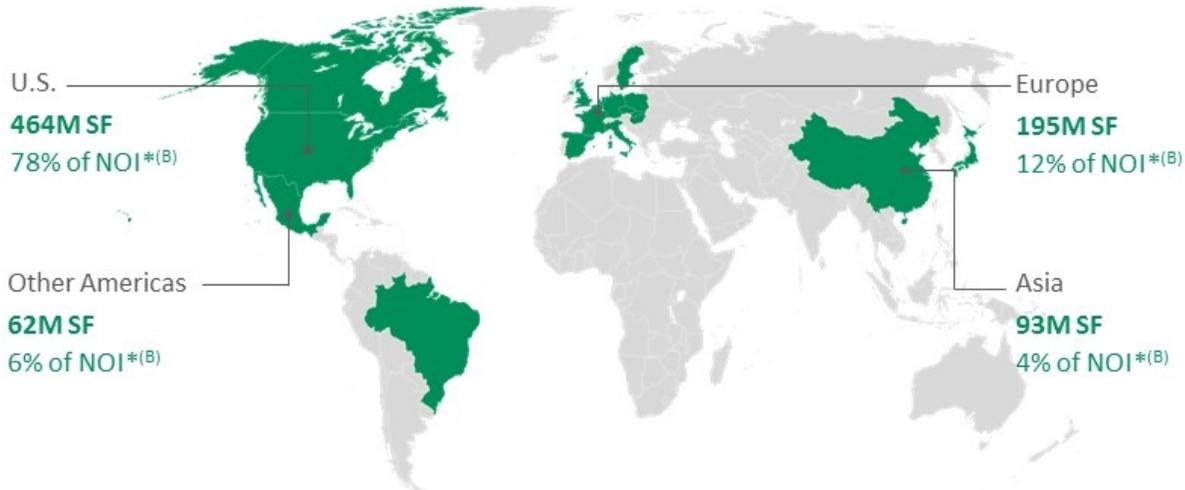
- 33 Notes and Definitions ^(A)



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 December 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 814 million square feet (76 million square meters) in 19 countries. Prologis leases modern logistics facilities to a diverse base of approximately 5,000 customers principally across two major categories: business-to-business and retail/online fulfillment.



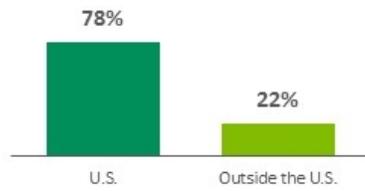
* This is a non-GAAP financial measure. Please see our Notes and Definitions for further explanation.

A. This excludes the IPT portfolio acquisition of 236 buildings totaling approximately 38 million square feet on January 8, 2020.

B. NOI calculation based on Prologis share of the Operating Portfolio.

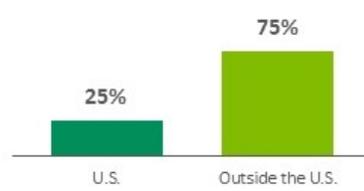
OPERATIONS

\$2.5B in annual NOI^(A)



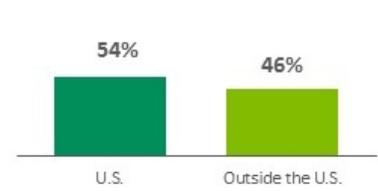
STRATEGIC CAPITAL

\$366M of fees and promotes^(B)



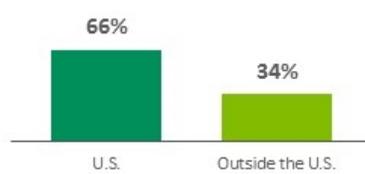
DEVELOPMENT

\$911M in value creation from stabilizations^(C)



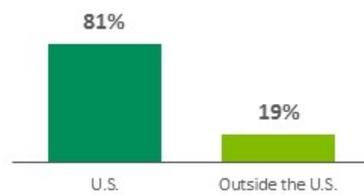
GROSS AUM

\$118B^(D)



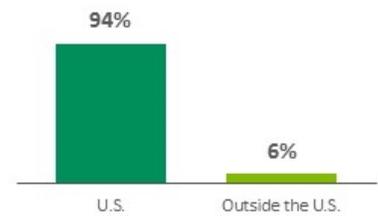
PROLOGIS SHARE AUM

\$72B^(D)



MARKET EQUITY

\$58B^(D)



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

- A. 4Q 2019 Prologis Share of NOI of the Operating Portfolio annualized.
- B. 4Q 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 December 31,		Twelve Months ended December 31,	
	2019	2018	2019	2018 ^(A)
Rental and other revenues	\$ 728	\$ 681	\$ 2,839	\$ 2,398
Strategic capital revenues ^(B)	98	126	492	406
Total revenues	826	807	3,331	2,804
Net earnings attributable to common stockholders	385	597	1,567	1,643
Core FFO attributable to common stockholders/unitholders*	551	526	2,164	1,788
AFFO attributable to common stockholders/unitholders*	599	568	2,276	1,992
Adjusted EBITDA attributable to common stockholders/unitholders*	854	793	3,153	2,798
Estimated value creation from development stabilizations - Prologis Share	236	185	911	661
Common stock dividends and common limited partnership unit distributions	348	314	1,390	1,163
Per common share - diluted:				
Net earnings attributable to common stockholders	\$ 0.61	\$ 0.94	\$ 2.46	\$ 2.87
Core FFO attributable to common stockholders/unitholders*	0.84	0.80	3.31	3.03
Business line reporting:				
Real estate operations*	0.75	0.68	2.87	2.65
Strategic capital*	0.09	0.12	0.44	0.38
Core FFO attributable to common stockholders/unitholders*	0.84	0.80	3.31	3.03
Realized development gains, net of taxes*	0.25	0.21	0.69	0.77
Dividends and distributions per common share/unit	0.53	0.48	2.12	1.92

CORE FFO*



AFFO*



ESTIMATED VALUE CREATION - STABILIZATIONS

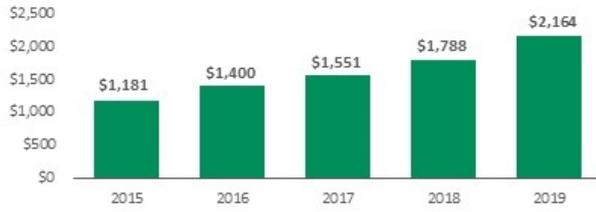


* This is a non-GAAP financial measure. Please see our Notes and Definitions for further explanation.

- A. In the third quarter 2018, Prologis completed the acquisition of DCT Industrial Trust (DCT). Therefore, 2018 includes results related to DCT from August 22, 2018.
 B. We recognized promote revenue of \$26 million and \$181 million for the three and twelve months ended December 31, 2019, respectively, and \$51 million and \$119 million for the three and twelve months ended December 31, 2018, respectively.

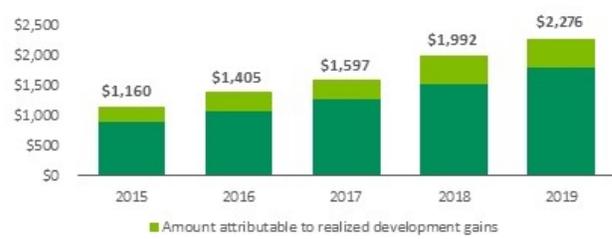
CORE FFO*

in millions



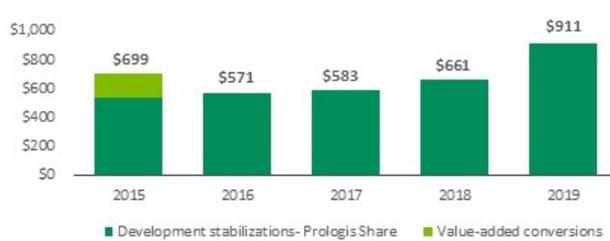
AFFO*

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

2020 Guidance	Low		High			
Net earnings ^(A)	\$	1.98	\$	2.13		
Core FFO ^(A)	\$	3.67	\$	3.75		
Operations						
Year-end occupancy		96.0%		97.0%		
Same store NOI - cash - Prologis share*		4.25%		5.25%		
Same store NOI - net effective - Prologis share*		3.25%		4.25%		
Other Assumptions						
Strategic capital revenue, excluding promote revenue	\$	350	\$	360		
Net promote income ^(B)	\$	115	\$	115		
General & administrative expenses	\$	275	\$	285		
Realized development gains	\$	300	\$	400		
Capital Deployment						
	PROLOGIS SHARE			OWNED AND MANAGED		
	Low	High				
Development stabilizations	\$	2,200	\$	2,500	\$	2,900
Development starts	\$	2,000	\$	2,400	\$	2,900
Building acquisitions	\$	500	\$	700	\$	1,200
Building and land dispositions	\$	1,300	\$	1,500	\$	2,400
Building contributions	\$	600	\$	900	\$	1,200
Portfolio Acquisitions ^(C)	\$	14,200	\$	14,200	\$	16,600

Exchange Rates

We have hedged the rates for the majority of our estimated 2020 Euro, Sterling and Yen Core FFO, effectively insulating 2020 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 (\$/€), 1.32 (\$/£) and 108.55 (¥/\$), 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.
- Net promote guidance is \$0.15 per share.
- Includes the \$4.0 billion acquisition of IPT which closed on January 8, 2020, and \$12.6 billion acquisition of LPT, which is projected to close February 4, 2020.



Financial Information

Consolidated Balance Sheets

4Q 2019 Supplemental

In thousands	December 31, 2019		September 30, 2019		December 31, 2018	
Assets:						
Investments in real estate properties:						
Operating properties	\$	31,287,833	\$	31,023,668	\$	30,632,155
Development portfolio		1,869,267		1,794,981		2,142,801
Land		1,101,646		1,204,110		1,192,220
Other real estate investments		965,668		888,891		619,811
		35,224,414		34,911,650		34,586,987
Less accumulated depreciation		5,437,662		5,287,640		4,656,680
Net investments in real estate properties		29,786,752		29,624,010		29,930,307
Investments in and advances to unconsolidated entities		6,237,371		5,886,820		5,745,294
Assets held for sale or contribution		720,685		799,017		622,288
Net investments in real estate		36,744,808		36,309,847		36,297,889
Cash and cash equivalents		1,088,855		1,024,994		343,856
Other assets ^(A)		2,198,187		2,113,344		1,775,919
Total assets	\$	40,031,850	\$	39,448,185	\$	38,417,664
Liabilities and Equity:						
Liabilities:						
Debt	\$	11,905,877	\$	11,459,223	\$	11,089,815
Accounts payable, accrued expenses and other liabilities ^(A)		2,054,189		2,053,385		1,526,961
Total liabilities		13,960,066		13,512,608		12,616,776
Equity:						
Stockholders' equity		22,653,127		22,517,210		22,298,093
Noncontrolling interests		2,775,394		2,777,024		2,836,469
Noncontrolling interests - limited partnership unitholders		643,263		641,343		666,326
Total equity		26,071,784		25,935,577		25,800,888
Total liabilities and equity	\$	40,031,850	\$	39,448,185	\$	38,417,664



A. In connection with the adoption of the new lease accounting standard, we recognized right of use assets of \$393 million and lease liabilities of \$400 million as of January 1, 2019.

Financial Information

Consolidated Statements of Income

4Q 2019 Supplemental

In thousands, except per share amounts	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2019	2018	2019	2018
Revenues:				
Rental	\$ 723,857	\$ 679,195	\$ 2,831,818	\$ 2,388,791
Strategic capital	98,470	126,500	491,886	406,300
Development management and other	3,689	1,390	6,917	9,358
Total revenues	826,016	807,085	3,330,621	2,804,449
Expenses:				
Rental	184,196	177,194	734,266	600,648
Strategic capital	45,993	42,940	184,661	157,040
General and administrative	65,542	56,698	266,718	238,985
Depreciation and amortization	289,240	286,758	1,139,879	947,214
Other	3,506	2,415	13,149	13,560
Total expenses	588,477	566,005	2,338,673	1,957,447
Operating Income before gains on real estate transactions, net	237,539	241,080	991,948	847,002
Gains on dispositions of development properties and land, net	164,260	140,531	467,577	469,817
Gains on other dispositions of investments in real estate, net (excluding development properties and land)	157,841	217,035	390,241	371,179
Operating Income	559,640	598,646	1,849,766	1,687,998
Other Income (expense):				
Earnings from unconsolidated co-investment ventures, net	39,626	114,187	181,911	279,170
Earnings from other unconsolidated ventures, net	9,028	2,234	18,267	19,090
Interest expense	(60,080)	(62,380)	(239,953)	(229,141)
Foreign currency and derivative gains (losses) and interest and other income, net	(100,645)	56,450	(17,502)	131,759
Gains (losses) on early extinguishment of debt, net	(40)	71	(16,126)	(2,586)
Total other income (expense)	(112,111)	110,562	(73,403)	198,292
Earnings before income taxes	447,529	709,208	1,776,363	1,886,290
Current income tax expense	(18,835)	(16,191)	(62,296)	(61,882)
Deferred income tax expense	(2,452)	(2,527)	(12,221)	(1,448)
Consolidated net earnings	426,242	690,490	1,701,846	1,822,960
Net earnings attributable to noncontrolling interests	(28,204)	(74,508)	(82,222)	(124,712)
Net earnings attributable to noncontrolling interests - limited partnership units	(11,047)	(17,922)	(46,665)	(48,887)
Net earnings attributable to controlling interests	386,991	598,060	1,572,959	1,649,361
Preferred stock dividends	(1,511)	(1,492)	(6,009)	(5,935)
Net earnings attributable to common stockholders ^(A)	\$ 385,480	\$ 596,568	\$ 1,566,950	\$ 1,643,426
Weighted average common shares outstanding - Diluted	655,408	654,579	654,903	590,239
Net earnings per share attributable to common stockholders - Diluted	\$ 0.61	\$ 0.94	\$ 2.46	\$ 2.87

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 million and \$21 million of such costs in the three and twelve months ended December 31, 2018.



Reconciliations of Net Earnings to FFO*

in thousands	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2019	2018	2019	2018
Net earnings attributable to common stockholders	\$ 385,480	\$ 596,568	1,566,950	1,643,426
Add (deduct) NAREIT defined adjustments:				
Real estate related depreciation and amortization	279,449	277,977	1,102,065	912,781
Gains on other dispositions of investments in real estate, net (excluding development properties and land)	(157,841)	(217,035)	(390,241)	(371,179)
Reconciling items related to noncontrolling interests	16,908	56,213	(8,190)	23,081
Our share of reconciling items related to unconsolidated co-investment ventures	61,749	(19,088)	235,043	133,128
Our share of reconciling items related to other unconsolidated ventures	2,714	3,293	11,035	8,623
NAREIT defined FFO attributable to common stockholders/unitholders*	\$ 588,459	\$ 697,928	\$ 2,516,662	\$ 2,349,860
Add (deduct) our defined adjustments:				
Unrealized foreign currency and derivative losses (gains), net	121,749	(47,121)	68,971	(120,397)
Deferred income tax expense	2,452	2,527	12,221	1,448
Current income tax expense on dispositions related to acquired tax liabilities	-	297	-	1,175
Reconciling items related to noncontrolling interests	443	(309)	413	(191)
Our share of reconciling items related to unconsolidated co-investment ventures	(5,355)	(3,242)	(7,529)	(263)
FFO, as modified by Prologis attributable to common stockholders/unitholders*	\$ 707,748	\$ 650,080	\$ 2,590,738	\$ 2,231,632
Adjustments to arrive at Core FFO attributable to common stockholders/unitholders*:				
Gains on dispositions of development properties and land, net	(164,260)	(140,531)	(467,577)	(469,817)
Current income tax expense on dispositions	2,159	3,504	15,069	17,085
Losses (gains) on early extinguishment of debt, net	40	(71)	16,126	2,586
Reconciling items related to noncontrolling interests	36	916	186	6,183
Our share of reconciling items related to unconsolidated co-investment ventures	10,614	12,723	14,613	13,946
Our share of reconciling items related to other unconsolidated ventures	(5,145)	(301)	(5,138)	(13,467)
Core FFO attributable to common stockholders/unitholders*	\$ 551,192	\$ 526,321	\$ 2,164,017	\$ 1,788,149
Adjustments to arrive at Adjusted FFO ("AFFO") attributable to common stockholders/unitholders*, including our share of unconsolidated ventures less noncontrolling interest:				
Gains on dispositions of development properties and land, net	164,260	140,531	467,577	469,817
Current income tax expense on dispositions	(2,159)	(3,504)	(15,069)	(17,085)
Straight-lined rents and amortization of lease intangibles	(23,036)	(21,566)	(105,097)	(66,938)
Property improvements	(53,897)	(30,483)	(135,346)	(90,345)
Turnover costs	(50,861)	(43,674)	(179,274)	(134,868)
Amortization of debt discount, financing costs and management contracts, net	4,682	4,428	18,279	14,112
Stock compensation expense	25,090	18,064	97,557	76,093
Reconciling items related to noncontrolling interests	11,096	6,747	32,467	21,225
Our share of reconciling items related to unconsolidated ventures	(27,285)	(28,670)	(69,269)	(67,906)
AFFO attributable to common stockholders/unitholders*	\$ 599,082	\$ 568,192	\$ 2,275,842	\$ 1,992,252



* 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 December 31,		Twelve Months Ended December 31,	
	2019	2018	2019	2018
Net earnings attributable to common stockholders	\$ 385,480	\$ 596,568	\$ 1,566,950	\$ 1,643,426
Gains on other dispositions of investments in real estate, net (excluding development properties and land)	(157,841)	(217,035)	(390,241)	(371,179)
Depreciation and amortization expenses	289,240	286,758	1,139,879	947,214
Interest expense	60,080	62,380	239,953	229,141
Losses (gains) on early extinguishment of debt, net	40	(71)	16,126	2,586
Current and deferred income tax expense, net	21,287	18,718	74,517	63,330
Net earnings attributable to noncontrolling interests - limited partnership unitholders	11,047	17,922	46,665	48,887
Pro forma adjustments	(2,461)	464	(272)	59,124
Preferred stock dividends	1,511	1,492	6,009	5,935
Unrealized foreign currency and derivative losses (gains), net	121,749	(47,121)	68,971	(120,397)
Stock compensation expense	25,090	18,064	97,557	76,093
Adjusted EBITDA, consolidated*	\$ 755,222	\$ 738,139	\$ 2,866,114	\$ 2,584,160
Reconciling items related to noncontrolling interests	6,049	38,993	(55,113)	(27,216)
Our share of reconciling items related to unconsolidated ventures	92,864	15,498	341,896	240,730
Adjusted EBITDA attributable to common stockholders/unitholders*	\$ 854,135	\$ 792,630	\$ 3,152,897	\$ 2,797,674



* 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 ^(A)	U.S.	Core	2014	Consolidated	55.0%	Open end	Q4 2020
Prologis Targeted U.S. Logistics Fund ^(A)	U.S.	Core	2004	Unconsolidated	27.3%	Open end	Q2 2020
FIBRA Prologis	Mexico	Core	2014	Unconsolidated	47.1%	Public, Mexican Exchange	Q2 2020
Prologis Brazil Logistics Venture	Brazil	Core/Development	2019	Unconsolidated	20.0%	Closed end	Q4 2020
Prologis European Logistics Fund	Europe	Core	2007	Unconsolidated	24.1%	Open end	Q3 2022
Prologis European Logistics Partners	Europe	Core	2013	Unconsolidated	50.0%	Open end	Q4 2020
Prologis UK Logistics Venture	Europe	Core/Development	2017	Unconsolidated	15.0%	Closed end	Q4 2020
Nippon Prologis REIT	Japan	Core	2013	Unconsolidated	15.1%	Public, Tokyo Exchange	n/a
Prologis China Core Logistics Fund	China	Core	2019	Unconsolidated	15.6%	Open end	Q3 2022
Prologis China Logistics Venture	China	Development	2011	Unconsolidated	15.0%	Closed end	Q4 2020

in thousands	Venture (at 100%) ^(B)			
	Square Feet	GBV of Operating Bldgs	GBV of Real Estate	Debt
Unconsolidated Co-Investment Ventures				
Prologis Targeted U.S. Logistics Fund	98,695	\$ 8,920,059	\$ 8,920,059	\$ 2,129,610
FIBRA Prologis ^(C)	34,898	2,102,355	2,111,639	769,473
Prologis Brazil Logistics Venture and other joint ventures	9,749	626,767	780,960	-
Prologis European Logistics Fund	119,802	10,838,111	10,854,399	2,748,840
Prologis European Logistics Partners	51,790	3,972,470	4,011,852	-
Prologis UK Logistics Venture	4,022	676,222	861,528	463,791
Nippon Prologis REIT ^(C)	31,885	5,980,084	5,980,085	2,198,690
Prologis China Core Logistics Fund	21,816	1,740,545	1,749,066	597,341
Prologis China Logistics Venture	5,293	242,332	94,674	500,344
Unconsolidated Co-Investment Ventures Total	377,950	35,098,945	36,217,262	9,408,089
Consolidated Co-Investment Ventures				
Prologis U.S. Logistics Venture	65,163	6,141,997	6,208,183	-
Consolidated Co-Investment Ventures Total	65,163	6,141,997	6,208,183	-
Total	443,113	\$ 41,240,942	\$ 42,425,445	\$ 9,408,089

- A. In January 2020, Prologis U.S. Logistics Venture and Prologis Targeted U.S. Logistics Fund acquired the wholly-owned real estate assets of IPT. The portfolio was generally split evenly between the two co-investment ventures. Amounts presented here exclude the acquisition.
- B. 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.
- C. Throughout this document we use the most recent public information for these co-investment ventures.



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 December 31, 2019					
Rental revenues	\$ 193,045	\$ 66,428	\$ 283,325	\$ 135,922	\$ 678,720
Rental expenses	(51,454)	(11,127)	(56,397)	(31,575)	(150,553)
General and administrative expenses	(12,373)	(8,475)	(16,065)	(18,340)	(55,253)
Depreciation and amortization expenses	(72,100)	(19,288)	(110,738)	(38,127)	(240,253)
Other operating revenues (expenses)	(301)	296	(45)	(229)	(279)
Operating income before gains	56,817	27,834	100,080	47,651	232,382
Gains (losses) on dispositions of investments in real estate, net	150	-	7,036	(3,622)	3,564
Operating income	56,967	27,834	107,116	44,029	235,946
Interest expense	(21,053)	(11,339)	(18,313)	(15,984)	(66,689)
Current and deferred income tax expense	(319)	(34)	(4,983)	(72,539)	(77,875)
Other income	2,342	938	2,557	4,690	10,527
Net earnings (loss)	37,937	17,399	86,377	(39,804)	101,909
Real estate related depreciation and amortization expenses	71,387	18,767	108,573	36,226	234,953
Losses (gains) on other dispositions of investments in real estate, net (excluding development properties and land)	(150)	-	(7,036)	3,622	(3,564)
Unrealized foreign currency and derivative gains, net	-	(240)	(772)	(3,912)	(4,924)
Deferred income tax expense (benefit)	-	-	(12,069)	525	(11,544)
FFO, as modified by Prologis*	109,174	35,926	175,073	(3,343)	316,830
Reconciling items to Core FFO	(5)	-	1,312	68,582	69,889
Core FFO*	\$ 109,169	\$ 35,926	\$ 176,385	\$ 65,239	\$ 386,719
Balance Sheet Information					
As of December 31, 2019					
Operating properties, before depreciation	\$ 8,920,059	\$ 2,729,122	\$ 15,486,803	\$ 7,962,961	\$ 35,098,945
Accumulated depreciation	(1,261,217)	(294,126)	(1,989,315)	(488,002)	(4,032,660)
Properties under development and land	-	163,477	240,976	713,864	1,118,317
Other assets	749,792	108,538	938,587	568,842	2,365,759
Total assets	\$ 8,408,634	\$ 2,707,011	\$ 14,677,051	\$ 8,757,665	\$ 34,550,361
Third party debt	\$ 2,129,610	\$ 769,473	\$ 3,212,631	\$ 3,296,375	\$ 9,408,089
Other liabilities	384,240	31,892	1,961,777	454,820	2,232,729
Total liabilities	\$ 2,513,850	\$ 801,365	\$ 4,574,408	\$ 3,751,195	\$ 11,640,818
Weighted average ownership	27.3%	39.1%	30.2%	15.1%	27.1%

* 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 December 31, 2019				
Rental revenues	\$	60,998	\$	184,726
Rental expenses		(15,679)		(39,961)
General and administrative expenses		(8,258)		(16,046)
Depreciation and amortization expenses		(23,217)		(64,298)
Other operating income (expense)		(15,465)		20
Operating income (loss) before gains		(987)		64,441
Gains on dispositions of investments in real estate, net		29,376		1,207
Operating income		28,389		65,648
Interest expense		(222)		(17,212)
Current and deferred income tax expense		(120)		(12,205)
Other income		125		3,395
Earnings from unconsolidated co-investment ventures, net		32		-
Net earnings		28,204		39,626
Real estate related depreciation and amortization expenses		23,472		62,956
Gains on other dispositions of investments in real estate, net (excluding development properties and land)		(29,333)		(1,207)
Unrealized foreign currency and derivative gains, net		(443)		(1,007)
Deferred income tax benefit		-		(4,348)
FFO, as modified by Prologis*		21,900		96,020
Gains on dispositions of development properties and land, net		(43)		-
Current income tax expense on dispositions		-		10,612
Losses on early extinguishment of debt, net		7		2
Core FFO*	\$	21,864	\$	106,634
Balance Sheet Information as of December 31, 2019				
Operating properties, before depreciation	\$	2,848,219	\$	9,443,459
Accumulated depreciation		(340,808)		(1,208,840)
Properties under development, land and other real estate		91,473		190,733
Other assets		230,908		676,657
Total assets	\$	2,829,792	\$	9,102,009
Third party debt	\$	6,859	\$	2,175,727
Other liabilities		47,539		528,336
Total liabilities	\$	54,398	\$	2,704,063
Weighted average ownership		41.1%		27.1%
Noncontrolling interests investment		2,775,394		-
Investment in and advances to unconsolidated co-investment ventures (B)		-	\$	5,871,436
Investment in and advances to other unconsolidated ventures		-		365,935
Investment in and advances to unconsolidated entities		-	\$	6,237,371

* 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.

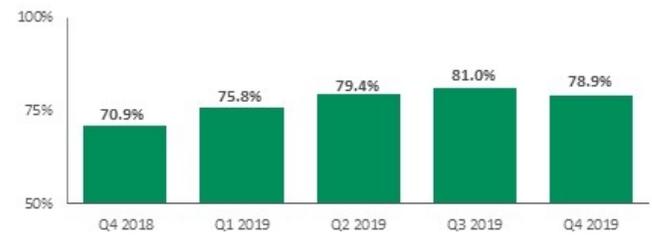
B. This balance includes the deferred portion of gains on the contribution of our properties to the ventures prior to 2018, net of any additional costs, included in our investment in the venture.



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

	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Square feet of leases commenced:					
Operating portfolio:					
Renewals	18,899	25,589	21,669	21,866	21,456
New leases	10,566	10,656	10,617	10,313	9,068
Total Operating Portfolio	29,465	36,245	32,286	32,179	30,524
Properties under development	5,408	6,477	4,892	5,574	7,224
Total Square Feet of Leases Commenced	34,873	42,722	37,178	37,753	37,748
Weighted average term of leases started (in months)	83	64	65	64	73
Operating Portfolio:					
Trailing four quarters - square feet of leases commenced	118,687	126,620	129,658	130,175	131,234
Trailing four quarters - average % of portfolio	18.3%	19.1%	19.0%	18.6%	18.5%
Rent change (net effective)	20.4%	19.8%	20.0%	29.8%	25.6%
Rent change (net effective) - Prologis share	25.6%	25.1%	25.6%	37.0%	29.5%
Rent change (cash)	7.7%	7.5%	8.2%	16.1%	10.6%
Rent change (cash) - Prologis share	10.8%	10.8%	12.3%	21.4%	15.0%
Total square feet of Operating Portfolio leases commenced ^(A)	32,162	38,706	35,621	35,028	35,214



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

	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Property improvements	\$ 65,676	\$ 16,785	\$ 48,128	\$ 76,063	\$ 89,307
Tenant improvements	31,131	32,289	31,561	42,644	37,024
Leasing commissions	37,651	26,909	33,653	33,338	45,321
Total turnover costs	68,782	59,198	65,214	75,982	82,345
Total Capital Expenditures	\$134,458	\$ 75,983	\$113,342	\$152,045	\$171,652
Trailing four quarters - % of NOI*	12.3%	11.8%	11.5%	12.1%	12.7%
Weighted average ownership percent	64.3%	70.8%	66.0%	67.4%	67.1%
Prologis share	\$ 86,390	\$ 53,823	\$ 74,831	\$102,537	\$115,126

SAME STORE INFORMATION

Thousands, except for percentages

	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Square feet	560,294	591,675	591,212	588,914	583,218
Average occupancy	97.4%	96.7%	96.8%	96.9%	96.8%
Period end occupancy	97.5%	96.8%	96.9%	96.9%	97.0%
Average occupancy- percentage change	0.2%	0.0%	(0.1%)	(0.3%)	(0.5%)
Percentage change- Prologis share*:					
NOI - cash	4.5%	5.5%	4.6%	4.3%	4.6%
NOI - net effective	4.5%	4.3%	4.2%	4.0%	4.0%

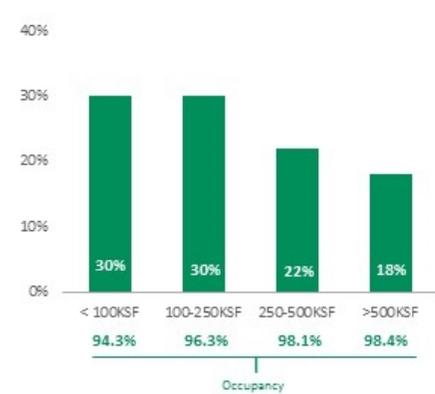
PROPERTY IMPROVEMENTS PER SQUARE FOOT



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	% of Total	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
Southern California	409	86,115	67,130	15.3	97.6	97.4	98.3	98.2
New Jersey/New York City	136	34,607	25,240	5.7	99.9	99.8	99.9	99.9
San Francisco Bay Area	246	23,321	19,240	4.4	95.4	95.5	96.5	96.4
Chicago	250	47,136	35,425	8.1	93.4	93.0	93.4	93.0
Dallas/Ft. Worth	187	31,848	25,461	5.8	95.7	95.6	95.9	95.7
Seattle	131	19,697	13,902	3.2	96.5	96.1	96.5	96.1
South Florida	135	16,295	11,423	2.6	96.1	96.2	96.6	96.6
Atlanta	131	24,673	21,467	4.9	97.5	97.9	98.0	98.3
Central Valley	34	16,516	15,294	3.5	93.0	92.5	93.0	92.5
Central & Eastern PA	47	20,581	14,400	3.3	95.5	95.5	98.7	98.2
Houston	143	18,692	13,555	3.1	93.6	94.3	94.3	94.8
Baltimore/Washington	80	9,639	6,963	1.6	97.9	97.5	98.2	97.9
Las Vegas	64	9,769	6,516	1.5	97.2	97.5	97.4	97.7
Denver	42	7,024	6,359	1.4	94.3	94.7	95.1	95.0
Nashville	34	9,389	7,044	1.6	98.3	99.4	98.3	99.4
Orlando	59	7,149	5,843	1.3	94.9	95.1	95.4	95.8
Cincinnati	35	9,178	7,345	1.7	98.7	98.3	98.7	98.3
Remaining U.S. markets (11 markets)	237	42,443	31,540	7.2	96.5	96.1	97.0	96.7
Total U.S.	2,400	434,072	334,147	76.2	96.3	96.2	96.9	96.7
Mexico	201	39,215	20,780	4.7	97.4	97.3	97.4	97.3
Canada	32	10,013	10,013	2.3	100.0	100.0	100.0	100.0
Brazil	23	9,749	1,669	0.4	93.8	93.7	93.8	93.7
Total Other Americas	256	58,977	32,462	7.4	97.3	97.9	97.3	97.9
United Kingdom	118	25,153	8,209	1.9	96.9	94.4	96.9	94.4
France	115	30,538	10,746	2.4	97.3	97.7	97.3	97.7
Germany	94	24,154	7,306	1.7	98.5	97.7	98.5	97.7
Netherlands	75	22,338	6,956	1.6	98.3	97.5	98.5	97.6
Spain	53	12,247	5,048	1.1	93.0	91.9	93.0	91.9
Remaining European countries (7 countries)	294	65,522	21,795	5.0	96.3	94.8	96.8	96.1
Total Europe	749	179,952	60,060	13.7	96.9	95.7	97.1	96.2
Japan	48	33,741	6,662	1.5	98.9	99.1	99.6	99.7
China	100	27,309	4,406	1.0	91.8	92.1	92.2	92.5
Singapore	5	951	951	0.2	97.4	97.4	97.4	97.4
Total Asia	153	62,001	12,019	2.7	95.7	96.4	96.3	96.9
Total Outside the U.S.	1,158	300,930	104,541	23.8	96.7	96.5	97.0	96.8
Total Operating Portfolio	3,558	735,002	438,688	100.0	96.5	96.3	96.9	96.7
Total Global markets	2,909	618,656	362,228	82.6	96.4	96.2	96.8	96.7
Total Regional markets	649	116,346	76,460	17.4	97.0	96.7	97.3	97.1

Operating Portfolio – NOI* and Gross Book Value

dollars in thousands and ordered by Prologis share of NOI (%)	Fourth Quarter NOI*			Gross Book Value		
	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	% of Total
Southern California	\$ 141,373	\$ 109,505	17.8	\$ 9,338,252	\$ 7,151,343	18.8
New Jersey/New York City	67,347	49,750	8.1	3,853,016	2,635,137	6.9
San Francisco Bay Area	57,488	47,790	7.8	3,070,153	2,550,152	6.7
Chicago	52,307	37,682	6.1	3,648,243	2,721,064	7.2
Dallas/Ft. Worth	35,241	27,712	4.5	2,091,243	1,612,301	4.2
Seattle	37,152	26,538	4.3	2,456,660	1,838,406	4.8
South Florida	28,860	20,354	3.3	1,856,319	1,349,659	3.6
Atlanta	23,756	20,254	3.3	1,487,498	1,300,616	3.4
Central Valley	19,085	17,542	2.9	1,158,749	1,076,447	2.8
Central & Eastern PA	24,055	16,989	2.8	1,500,460	1,068,501	2.8
Houston	22,795	16,328	2.7	1,528,089	1,118,108	2.9
Baltimore/Washington	17,374	12,869	2.1	1,044,188	775,257	2.0
Las Vegas	15,171	10,114	1.7	760,907	490,210	1.3
Denver	9,296	8,513	1.4	558,572	509,120	1.3
Nashville	9,501	7,487	1.2	509,373	386,166	1.0
Orlando	9,218	7,382	1.2	573,234	470,253	1.2
Cincinnati	8,860	7,013	1.1	472,960	384,359	1.0
Remaining U.S. markets (11 markets)	45,054	33,471	5.5	2,485,238	1,773,503	4.7
Total U.S.	623,923	477,293	77.8	38,393,154	29,210,602	76.6
Mexico	46,379	24,196	3.9	2,356,180	1,246,699	3.2
Canada	12,576	12,576	2.1	866,355	866,355	2.3
Brazil	11,747	2,020	0.3	626,767	108,739	0.3
Total Other Americas	70,702	38,792	6.3	3,849,302	2,221,793	5.8
United Kingdom	53,088	17,134	2.8	3,732,849	1,199,423	3.1
France	36,183	12,298	2.0	2,485,497	819,787	2.2
Germany	31,650	9,360	1.5	2,021,256	582,434	1.5
Netherlands	29,353	9,160	1.5	1,989,990	596,827	1.6
Spain	14,409	6,115	1.0	1,006,833	410,985	1.1
Remaining European countries (7 countries)	66,853	21,399	3.5	4,559,090	1,433,920	3.8
Total Europe	231,536	75,466	12.3	15,795,515	5,043,376	13.3
Japan	84,412	16,495	2.7	6,254,842	1,175,956	3.1
China	24,155	3,734	0.6	1,992,677	318,372	0.8
Singapore	2,058	2,058	0.3	141,039	141,039	0.4
Total Asia	110,625	22,287	3.6	8,388,558	1,635,367	4.3
Total Outside the U.S.	412,863	136,545	22.2	28,033,375	8,900,536	23.4
Total Operating Portfolio	\$ 1,036,786	\$ 613,838	100.0	\$ 66,426,529	\$ 38,111,138	100.0
Total Global markets	903,414	526,527	85.8	58,878,105	33,350,423	87.5
Total Regional markets	133,372	87,311	14.2	7,548,424	4,760,715	12.5



* 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.	1,806	337,172	307,722	70.2	96.3	96.2	96.9	96.7
Total Outside the U.S.	76	22,175	22,175	5.0	94.6	94.6	95.6	95.6
Total Operating Portfolio - Consolidated	1,882	359,347	329,897	75.2	96.1	96.1	96.8	96.6
Unconsolidated								
Total U.S.	594	96,900	26,425	6.0	96.7	96.7	96.9	96.9
Total Outside the U.S.	1,082	278,755	82,366	18.8	96.9	97.0	97.1	97.1
Total Operating Portfolio - Unconsolidated	1,676	375,655	108,791	24.8	96.8	96.9	97.0	97.1
Total								
Total U.S.	2,400	434,072	334,147	76.2	96.3	96.2	96.9	96.7
Total Outside the U.S.	1,158	300,930	104,541	23.8	96.7	96.5	97.0	96.8
Total Operating Portfolio	3,558	735,002	438,688	100.0	96.5	96.3	96.9	96.7
Value added properties - consolidated	17	3,023	2,504		12.7	15.4	36.8	32.2
Value added properties - unconsolidated	18	2,295	642		82.3	81.7	89.1	88.3
Total Operating Properties	3,593	740,320	441,834		96.1	95.8	96.6	96.4

	Fourth Quarter NOI*			Gross Book Value		
	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	% of Total
Consolidated						
Total U.S.	\$ 483,595	\$ 438,474	71.5	\$ 29,591,146	\$ 26,810,295	70.3
Total Outside the U.S.	28,258	28,258	4.6	1,904,759	1,904,759	5.0
Total Operating Portfolio - Consolidated	\$ 511,853	\$ 466,732	76.1	\$ 31,495,905	\$ 28,715,054	75.3
Unconsolidated						
Total U.S.	\$ 140,328	\$ 38,819	6.3	\$ 8,802,008	\$ 2,400,307	6.3
Total Outside the U.S.	384,605	108,287	17.6	26,128,616	6,995,777	18.4
Total Operating Portfolio - Unconsolidated	\$ 524,933	\$ 147,106	23.9	\$ 34,930,624	\$ 9,396,084	24.7
Value added properties - consolidated	\$ (1,690)	\$ (1,313)		\$ 397,577	\$ 330,210	
Value added properties - unconsolidated	\$ 1,674	\$ 450		\$ 168,321	\$ 47,375	



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

Customer Information

Top Customers - Owned and Managed
square feet in thousands

	% of Net Effective	
	Rent	Total Square Feet
1 Amazon	3.8	22,353
2 DHL	1.4	11,158
3 Geodis	1.2	10,690
4 XPO Logistics	1.2	8,537
5 Home Depot	1.1	7,763
6 FedEx	1.0	4,828
7 Kuehne + Nagel	1.0	7,425
8 DSV Panalpina A/S	0.9	7,835
9 UPS	0.8	5,878
10 BMW	0.6	4,591
Top 10 Customers	13.0	91,058
11 CEVA Logistics	0.6	4,681
12 Nippon Express	0.6	2,743
13 Hitachi	0.6	2,748
14 U.S. Government	0.5	1,723
15 DB Schenker	0.5	4,467
16 Wal-Mart	0.5	4,005
17 J Sainsbury's	0.5	2,724
18 Ingram Micro	0.5	3,863
19 National Distribution Centers	0.4	2,421
20 Cainiao (Alibaba)	0.4	2,816
21 Yusen Logistics	0.3	2,111
22 Jaguar Land Rover	0.3	1,912
23 Performance Team	0.3	2,421
24 Pepsi Co	0.3	2,775
25 La Poste	0.3	2,360
Top 25 Customers	19.6	134,828

Lease Expirations - Operating Portfolio - Owned and Managed
square feet and dollars in thousands

Year	Occupied Sq Ft	Net Effective Rent		
		\$	% of Total	\$ Per Sq Ft
2020 ^(A)	93,534	521,013	12.2	5.57
2021	115,191	641,344	15.1	5.57
2022	116,492	673,981	15.8	5.79
2023	94,022	555,005	13.0	5.90
2024	81,013	510,066	12.0	6.30
Thereafter	209,032	1,359,264	31.9	6.50
	709,284	4,260,673	100.0	6.01

Weighted average term of leases remaining (based on net effective rent) 4.32 years

Lease Expirations - Operating Portfolio - Prologis Share
square feet and dollars in thousands

Year	Occupied Sq Ft	Net Effective Rent		
		\$	% of Total	\$ Per Sq Ft
2020 ^(A)	52,726	294,642	11.7	5.59
2021	68,161	373,991	14.8	5.49
2022	67,602	383,391	15.2	5.67
2023	57,215	335,017	13.2	5.86
2024	52,382	329,498	13.0	6.29
Thereafter	124,331	813,126	32.1	6.54
	422,417	2,529,665	100.0	5.99

Weighted average term of leases remaining (based on net effective rent) 4.36 years



A. We have executed leases totaling 46 million square feet in our owned and managed portfolio (5.8% of total net effective rent) and 23 million square feet on a Prologis share basis (4.6% of total net effective rent). These are excluded from 2020 expirations and are reflected at their respective expiration year.

DEVELOPMENT STARTS (TEI)

in millions



Est Value Creation

DEVELOPMENT STABILIZATIONS (TEI)

in millions

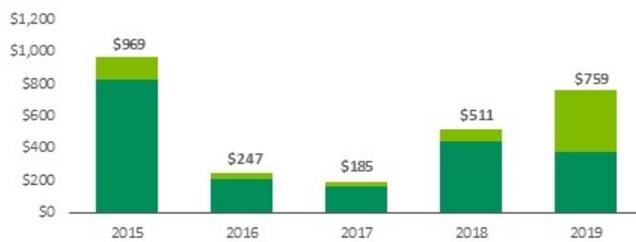


Est Value Creation

Est wtd avg stabilized yield

BUILDING ACQUISITIONS

in millions



M&A Activity

Acquisition Price

LAND PORTFOLIO

in millions



Est Build Out (A):
Sq. Ft.

TEI



■ U.S. ■ Outside the U.S.

A. The estimated build out includes the land portfolio and the other land that we could develop through options, ground leases, unconsolidated joint ventures and other contractual arrangements.

Capital Deployment

Development Stabilizations

4Q 2019 Supplemental

square feet and dollars in thousands	Q4 2019			FY 2019		
	Square Feet	T E I		Square Feet	T E I	
		Owned and Managed	Prologis Share		Owned and Managed	Prologis Share
Central	566	\$ 42,470	\$ 42,470	3,665	\$ 240,383	\$ 240,383
East	102	9,669	9,669	2,368	224,981	199,584
West	2,215	189,114	189,114	6,674	727,379	727,379
Total U.S.	2,883	241,253	241,253	12,707	1,192,743	1,167,346
Canada	847	109,917	109,917	847	109,917	109,917
Mexico	692	38,351	35,305	1,869	117,430	114,384
Brazil	-	-	-	-	-	-
Total Other Americas	1,539	148,268	145,222	2,716	227,347	224,301
Northern Europe	487	44,496	44,496	3,848	309,081	303,425
Southern Europe	310	30,281	30,281	1,870	132,992	132,992
Central Europe	552	36,115	36,115	1,913	115,555	106,354
United Kingdom	438	78,452	30,584	1,331	199,542	48,747
Total Europe	1,787	189,344	141,476	8,962	757,170	591,518
Japan	706	96,219	96,219	3,061	449,812	449,812
China	346	16,689	2,503	4,823	240,947	36,143
Singapore	-	-	-	-	-	-
Total Asia	1,052	112,908	98,722	7,884	690,759	485,955
Total Outside the U.S.	4,378	450,520	385,420	19,562	1,675,276	1,301,774
Total Development Stabilizations	7,261	\$ 691,773	\$ 626,673	32,269	\$ 2,868,019	\$ 2,469,120
Percent build to suit			56.7%			36.8%
Estimated weighted average stabilized yield			6.2%			6.3%
Annualized estimated NOI			\$ 39,064			\$ 155,771
Estimated weighted average stabilized cap rate			4.5%			4.5%
Estimated weighted average margin			37.7%			36.9%
Estimated value creation			\$ 236,225			\$ 910,569

Capital Deployment
Development Starts

4Q 2019 Supplemental

square feet and dollars in thousands	Q4 2019				FY 2019			
	Square Feet	Leased % at Start	T E I		Square Feet	Leased % at Start	T E I	
			Owned and Managed	Prologis Share			Owned and Managed	Prologis Share
Central	2,054	0.0	\$ 132,813	\$ 132,813	2,629	6.4	\$ 181,059	\$ 181,059
East	1,618	66.6	163,736	163,736	2,121	50.8	218,992	218,992
West	2,802	35.8	310,650	301,190	5,360	32.3	605,996	596,536
Total U.S.	6,474	32.1	607,199	597,739	10,110	29.4	1,006,047	996,587
Canada	-	-	-	-	451	100.0	48,105	48,105
Mexico	222	100.0	13,416	13,416	1,550	53.0	99,488	87,240
Brazil	267	0.0	17,735	3,547	1,179	0.0	64,573	12,915
Total Other Americas	489	45.4	31,151	16,963	3,180	40.0	212,166	148,260
Northern Europe	1,416	0.0	140,035	132,529	2,408	28.0	237,537	230,031
Southern Europe	1,452	43.4	128,035	107,317	3,006	49.8	238,659	217,941
Central Europe	921	58.7	60,625	54,812	2,375	84.0	145,474	129,556
United Kingdom	2,005	82.0	348,046	320,142	2,526	85.7	409,589	361,343
Total Europe	5,794	48.6	676,741	614,800	10,315	61.4	1,031,259	938,871
Japan	2,436	72.8	461,111	461,111	3,886	77.5	690,263	690,263
China	2,448	0.0	157,963	23,694	9,554	0.0	534,101	80,115
Singapore	-	-	-	-	-	-	-	-
Total Asia	4,884	36.3	619,074	484,805	13,440	22.4	1,224,364	770,378
Total Outside the U.S.	11,167	43.1	1,326,966	1,116,568	26,935	39.4	2,467,789	1,857,509
Total Development Starts	17,641	39.1	\$ 1,934,165	\$ 1,714,307	37,045	36.7	\$ 3,473,836	\$ 2,854,096
Percent build to suit				39.2%				42.9%
Estimated weighted average stabilized yield				5.6%				5.8%
Annualized estimated NOI			\$	96,623			\$	166,737
Estimated weighted average stabilized cap rate				4.7%				4.8%
Estimated weighted average margin				19.6%				20.1%
Estimated value creation			\$	335,791			\$	575,078

square feet and dollars in thousands	Pre-Stabilized Developments				Under Development						Total Development Portfolio				
	Sq Ft	Leased %	Owned and Managed	Prologis Share	2020 Expected Completion			2021 and Thereafter Expected Completion			Sq Ft	Leased %	Owned and Managed	Prologis Share	
					Sq Ft	Owned and Managed	Prologis Share	Sq Ft	Owned and Managed	Prologis Share					
Central	1,264	52.0	\$ 89,155	\$ 89,155	2,462	\$ 169,919	\$ 169,919	-	\$ -	\$ -	-	3,726	17.6	\$ 259,074	\$ 259,074
East	1,262	7.6	142,659	142,659	2,178	199,089	199,089	-	-	-	-	3,440	37.2	341,748	341,748
West	2,521	9.4	249,165	249,165	7,804	899,042	864,860	-	-	-	-	10,325	44.8	1,148,207	1,114,025
Total U.S.	5,047	19.6	480,979	480,979	12,444	1,268,050	1,233,868	-	-	-	-	17,491	37.5	1,749,029	1,714,847
Canada	-	-	-	-	451	48,378	48,378	-	-	-	-	451	100.0	48,378	48,378
Mexico	243	0.0	14,907	14,907	1,203	78,474	69,466	-	-	-	-	1,446	49.6	93,381	84,373
Brazil	-	-	-	-	1,067	63,397	12,679	-	-	-	-	1,067	0.0	63,397	12,679
Total Other Americas	243	0.0	14,907	14,907	2,721	190,249	130,523	-	-	-	-	2,964	39.4	205,156	145,430
Northern Europe	620	31.2	57,548	57,548	2,408	237,694	230,187	-	-	-	-	3,028	30.9	295,242	287,735
Southern Europe	649	51.4	57,940	57,940	2,667	222,481	201,764	-	-	-	-	3,316	46.9	280,421	259,704
Central Europe	1,396	37.9	84,836	79,247	1,961	128,250	112,044	-	-	-	-	3,357	62.8	213,086	191,291
United Kingdom	535	0.0	63,149	9,472	2,378	380,049	358,200	149	32,828	4,924	-	3,062	70.8	476,026	372,596
Total Europe	3,200	33.0	263,473	204,207	9,414	968,474	902,195	149	32,828	4,924	-	12,763	53.0	1,264,775	1,111,326
Japan	1,350	96.6	218,858	218,858	1,657	269,863	269,863	2,853	530,412	530,412	-	5,860	73.6	1,019,133	1,019,133
China	3,760	23.2	207,849	31,178	10,600	557,034	83,555	7,892	466,334	69,950	-	22,252	4.4	1,231,217	184,683
Singapore	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Asia	5,110	42.6	426,707	250,036	12,257	826,897	353,418	10,745	996,746	600,362	-	28,112	18.8	2,250,350	1,203,816
Total Outside the U.S.	8,553	37.8	705,087	469,150	24,392	1,985,620	1,386,136	10,894	1,029,574	605,286	-	43,839	30.2	3,720,281	2,460,572
Total Development Portfolio	13,600	31.0	\$ 1,186,066	\$ 950,129	36,836	\$ 3,253,670	\$ 2,620,004	10,894	\$ 1,029,574	\$ 605,286	-	61,330	32.3	\$ 5,469,310	\$ 4,175,419
Cost to complete			\$ 112,957	\$ 102,202		\$ 1,728,440	\$ 1,487,800		\$ 781,864	\$ 517,398			\$ 2,623,261	\$ 2,107,400	
Percent build to suit				2.6%			46.2%			16.6%				32.0%	
Estimated weighted average stabilized yield															
U.S.				6.2%			6.2%							6.2%	
Other Americas				8.0%			7.8%							7.8%	
Europe				6.5%			5.6%			5.3%				5.8%	
Asia				5.7%			5.7%			5.4%				5.5%	
Total				6.2%			6.0%			5.4%				6.0%	
Annualized estimated NOI														\$248,795	
Estimated weighted average stabilized cap rate														4.8%	
Estimated weighted average margin														23.6%	
Estimated value creation														\$984,836	

square feet and dollars in thousands	Q4 2019				YTD 2019			
	Square Feet		Acquisition Price		Square Feet		Acquisition Price	
	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
Prologis Wholly Owned	322	322	\$ 107,140	\$ 107,140	588	588	\$ 165,932	\$ 165,932
Prologis U.S. Logistics Venture	-	-	-	-	663	365	128,382	70,662
Prologis Targeted U.S. Logistics Fund	1,982	540	149,312	40,715	5,463	1,462	505,729	135,249
Total U.S.	2,304	862	256,452	147,855	6,714	2,415	800,043	371,843
FIBRA - Prologis	36	17	4,576	2,156	36	17	4,576	2,156
Prologis Europe Wholly Owned	-	-	-	-	154	154	54,444	54,444
Prologis European Logistics Fund	1,034	250	104,224	25,137	9,251	2,196	969,726	230,081
Prologis European Logistics Partners	-	-	-	-	1,186	594	200,493	100,246
Total Outside the U.S.	1,070	267	108,800	27,293	10,627	2,961	1,229,239	386,927
Total Third Party Building Acquisitions	3,374	1,129	\$ 365,252	\$ 175,148	17,341	5,376	\$ 2,029,282	\$ 758,770
Weighted average stabilized cap rate				4.9%				4.5%
Land acquisitions			187,754	172,273			669,764	478,919
Acquisitions of other investments in real estate			108,079	107,715			404,829	332,177
Grand Total Third Party Acquisitions			\$ 661,085	\$ 455,136			\$ 3,103,875	\$ 1,569,866

Capital Deployment

Dispositions and Contributions

4Q 2019 Supplemental

square feet and dollars in thousands	Q4 2019				FY 2019			
	Square Feet		Sales Price		Square Feet		Sales Price	
	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
Third-Party Building Dispositions								
Prologis Wholly Owned	1,971	1,971	142,828	142,828	5,065	5,065	424,473	424,473
Prologis U.S. Logistics Venture	1,503	827	159,780	87,943	2,539	1,397	229,780	126,471
Total U.S.	3,474	2,798	\$ 302,608	\$ 230,771	7,604	6,462	\$ 654,253	\$ 550,944
FIBRA Prologis	-	-	-	-	1,266	592	73,060	34,148
Total Other Americas	-	-	-	-	1,266	592	73,060	34,148
Prologis Wholly Owned	388	388	26,187	26,187	1,351	1,351	100,241	100,241
Prologis European Logistics Fund	220	53	20,918	5,045	220	53	20,918	5,045
Total Europe	608	441	47,105	31,232	1,571	1,404	121,159	105,286
Total Asia	-	-	-	-	-	-	-	-
Total Outside the U.S.	608	441	47,105	31,232	2,837	1,996	194,219	139,434
Total Third Party Building Dispositions	4,082	3,239	\$ 349,713	\$ 262,003	10,441	8,458	\$ 848,472	\$ 690,378
Building Contributions to Co-Investment Ventures								
Prologis Targeted U.S. Logistics Fund	1,993	1,993	342,200	248,882	2,443	2,443	399,500	290,849
Total U.S.	1,993	1,993	\$ 342,200	\$ 248,882	2,443	2,443	\$ 399,500	\$ 290,849
Total Other Americas (A)	-	-	-	-	-	-	-	-
Prologis European Logistics Fund	749	749	75,991	57,662	3,834	3,834	439,569	334,979
Prologis UK Logistics Venture	118	118	46,624	39,631	118	118	46,624	39,631
Prologis European Logistics Partners	-	-	-	-	810	810	73,159	36,580
Total Europe	867	867	122,615	97,293	4,762	4,762	559,352	411,190
Nippon Prologis REIT	260	260	46,363	39,408	2,748	2,748	579,514	491,947
Total Asia	260	260	46,363	39,408	2,748	2,748	579,514	491,947
Total Outside the U.S.	1,127	1,127	168,978	136,701	7,510	7,510	1,138,866	903,137
Total Building Contributions to Co-Investment Ventures	3,120	3,120	511,178	385,583	9,953	9,953	1,538,366	1,193,986
Total Building Dispositions and Contributions	7,202	6,359	\$ 860,891	\$ 647,586	20,394	18,411	\$ 2,386,838	\$ 1,884,364
Weighted average stabilized cap rate				4.4%				4.6%
Land dispositions			86,294	86,294			107,170	105,843
Dispositions of other investments in real estate			272	272			6,266	6,266
Grand Total Dispositions and Contributions			\$ 947,457	\$ 734,152			\$ 2,500,274	\$ 1,996,473



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

Capital Deployment

4Q 2019 Supplemental

Land Portfolio – Owned and Managed

square feet and dollars in thousands, ordered by Prologis share of NOI (% of the operating portfolio)	Acres			Current Book Value		
	Owned and Managed	Prologis Share	Estimated Build Out (sq ft)	Owned and Managed	Prologis Share	% of Total
Southern California	79	79	1,213	\$ 74,103	\$ 74,103	6.5
New Jersey/New York City	20	20	206	10,564	10,564	1.0
San Francisco Bay Area	13	13	56	249	249	0.0
Chicago	100	100	1,605	12,891	12,891	1.1
Dallas/Ft. Worth	8	8	607	2,299	2,299	0.2
Seattle	9	9	382	13,878	13,878	1.2
South Florida	70	67	1,236	60,674	58,412	5.1
Atlanta	203	203	2,269	23,394	23,394	2.1
Central Valley	948	948	18,874	145,152	145,152	12.7
Central & Eastern PA	29	16	399	7,958	4,386	0.4
Houston	177	165	3,023	32,425	30,781	2.7
Baltimore/Washington	-	-	-	-	-	-
Las Vegas	55	55	1,073	15,449	15,449	1.4
Denver	9	9	183	9,127	9,127	0.8
Nashville	-	-	-	-	-	-
Orlando	27	27	387	7,940	7,940	0.7
Cincinnati	-	-	-	-	-	-
Remaining U.S. markets (11 markets)	294	294	4,828	67,550	67,550	5.9
Total U.S.	2,041	2,013	36,341	483,663	476,175	41.8
Mexico	470	450	8,078	88,640	83,522	7.3
Canada	167	167	2,914	88,040	88,040	7.7
Brazil	485	238	10,817	135,721	38,737	3.4
Total Other Americas	1,122	855	21,809	312,401	210,299	18.4
United Kingdom	254	156	4,707	187,850	101,341	8.9
France	233	185	4,511	29,901	22,026	1.9
Germany	41	37	960	20,495	19,694	1.7
Netherlands	10	10	287	9,410	9,410	0.8
Spain	84	66	2,175	27,646	22,653	2.0
Remaining European countries (7 countries)	1,089	1,049	21,401	178,976	169,779	15.0
Total Europe	1,711	1,503	34,041	454,278	344,903	30.3
Japan	78	78	4,007	103,435	103,435	9.1
China	112	17	4,460	30,438	4,566	0.4
Singapore	-	-	-	-	-	-
Total Asia	190	95	8,467	133,873	108,001	9.5
Total Outside the U.S.	3,023	2,453	64,317	900,552	663,203	58.2
Total Land Portfolio	5,064	4,466	100,658	\$ 1,384,215	\$ 1,139,378	100.0

Capital Deployment

4Q 2019 Supplemental

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	422	410	9.2	\$ 57,855	\$ 56,211	4.9
East	349	333	7.5	110,540	104,696	9.2
West	1,270	1,270	28.4	315,268	315,268	27.7
Total U.S.	2,041	2,013	45.1	483,663	476,175	41.8
Mexico	470	450	10.1	88,640	83,522	7.3
Canada	167	167	3.7	88,040	88,040	7.7
Brazil	485	238	5.3	135,721	38,737	3.4
Total Other Americas	1,122	855	19.1	312,401	210,299	18.4
Central Europe	810	770	17.2	105,479	96,282	8.4
Northern Europe	96	92	2.1	43,823	43,022	3.8
Southern Europe	551	485	10.9	117,126	104,258	9.2
United Kingdom	254	156	3.5	187,850	101,341	8.9
Total Europe	1,711	1,503	33.7	454,278	344,903	30.3
Japan	78	78	1.7	103,435	103,435	9.1
China	112	17	0.4	30,438	4,566	0.4
Total Asia	190	95	2.1	133,873	108,001	9.5
Total Outside the U.S.	3,023	2,453	54.9	900,552	663,203	58.2
Total Land Portfolio	5,064	4,466	100.0	\$ 1,384,215	\$ 1,139,378	100.0
Estimated build out of land portfolio (In TEI)				8,400,000	7,300,000	
Estimated build out of other land (In TEI) ^(A)				2,700,000	2,500,000	
Total				\$ 11,100,000	\$ 9,800,000	
Land Roll Forward - Prologis Share		U.S.	Other Americas	Europe	Asia	Total
As of September 30, 2019	\$	500,612	\$ 206,119	\$ 377,357	\$ 159,835	\$ 1,243,923
Acquisitions		48,107	9,233	105,974	8,959	172,273
Dispositions		(39,663)	-	(7,576)	-	(47,239)
Development starts		(95,828)	(4,485)	(162,465)	(69,130)	(331,908)
Infrastructure costs		17,165	1,224	11,707	9,004	39,100
Effect of changes in foreign exchange rates and other		45,782	(1,792)	19,906	(667)	63,229
As of December 31, 2019	\$	476,175	\$ 210,299	\$ 344,903	\$ 108,001	\$ 1,139,378

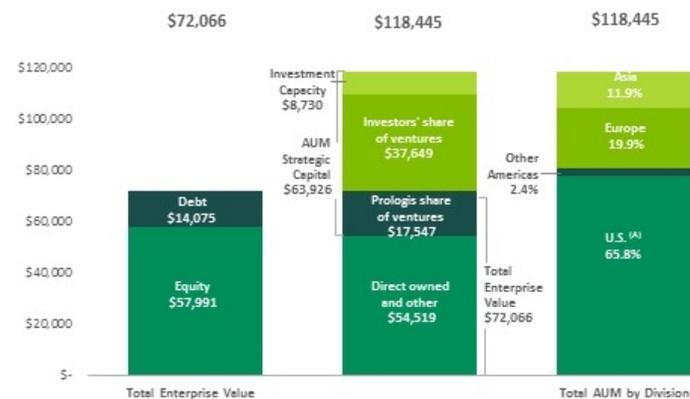


A. Amounts include approximately 2,400 acres that we could develop through options, ground leases, unconsolidated joint ventures and other contractual arrangements.

Overview

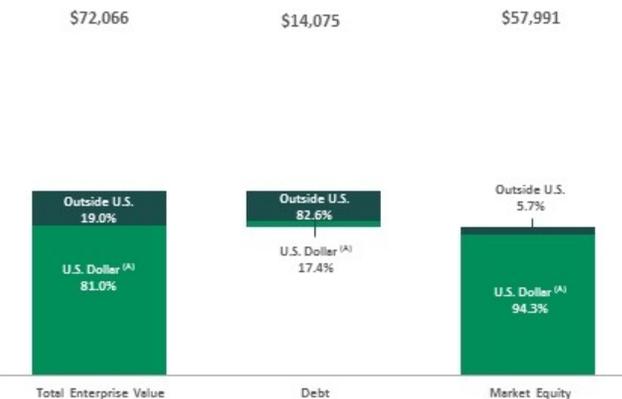
ASSETS UNDER MANAGEMENT

(dollars in millions)



U.S. DOLLAR EXPOSURE

(dollars in millions)



	December 31, 2019	September 30, 2019
Debt as % of gross market capitalization*	18.3%	18.4%
Debt as % of gross real estate assets*	30.0%	29.4%
Secured debt as % of gross real estate assets*	2.6%	2.5%
Unencumbered gross real estate assets to unsecured debt*	310.2%	316.4%
Fixed charge coverage ratio*	9.77x	9.23x
Fixed charge coverage ratio, excluding development gains*	8.36x	7.94x
Debt/Adjusted EBITDA*	3.96x	3.94x
Debt/Adjusted EBITDA, excluding development gains*	4.63x	4.58x
Weighted average interest rate	2.3%	2.4%
Weighted average remaining maturity in years	7.4	7.7
Floating Debt	16%	11%

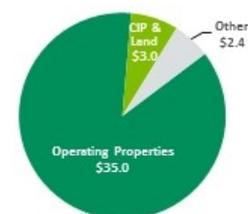
Moody's	A3 (Outlook Stable)
Standard & Poor's	A- (Outlook Stable)

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

4Q 2019 Supplemental

Debt Components- Consolidated

dollars in thousands

Maturity	Unsecured			Secured Mortgage	Total	Wtd. Avg. Interest Rate	% Fixed
	Senior	Credit Facilities (A)	Other				
2020	\$ 449,360	\$ -	\$ 10,945	\$ 75,448	\$ 535,753	0.3%	4%
2021	786,380	-	-	95,646	882,026	1.6%	93%
2022	786,380	184,255	-	12,007	982,642	2.7%	81%
2023	850,000	-	131,214	33,981	1,015,195	4.2%	87%
2024	786,380	-	-	262,375	1,048,755	3.7%	88%
2025	796,064	-	-	139,521	935,585	3.7%	100%
2026	561,700	-	783,082	1,213	1,345,995	1.6%	42%
2027	674,040	-	66,331	1,255	741,626	0.4%	100%
2028	768,509	-	136,348	-	904,857	2.3%	90%
2029	1,446,582	-	-	-	1,446,582	2.1%	100%
2030	46,985	-	46,064	-	93,049	0.9%	50%
Thereafter	1,786,270	-	276,382	-	2,062,652	1.6%	96%
Subtotal	9,738,650	184,255	1,450,366	621,446	11,994,717	2.2%	83%
Unamortized net premiums (discounts)	(46,568)	-	-	498	(46,070)		
Unamortized finance costs	(31,512)	-	(8,484)	(2,774)	(42,770)		
Total consolidated debt, net of unamortized premiums (discounts) and finance costs	\$ 9,660,570	\$ 184,255	\$ 1,441,882	\$ 619,170	\$ 11,905,877		
Weighted average interest rate	2.4%	0.4%	0.9%	3.4%	2.2%		
Weighted average remaining maturity in years	8.2	2.1	7.5	4.0	7.8		

Prologis debt by local currency

	Unsecured			Secured Mortgage	Total	Investment Hedges (B)			% of Total	Liquidity	
	Senior	Credit Facilities	Other			Total	Total				
Dollars	\$ 2,278,935	\$ -	\$ 10,697	\$ 221,599	\$ 2,511,231	\$ (1,059,108)	\$ 1,452,123	12%	Aggregate lender commitments- GLOC and revolver	\$ 3,945,845	
Euro	6,128,986	-	-	-	6,128,986	49,712	6,178,698	52%	Less:		
GBP	656,549	-	-	-	656,549	565,056	1,221,605	10%	Borrowings outstanding	184,255	
Yen	596,100	184,255	1,300,748	248,278	2,329,381	182,272	2,511,653	21%	Outstanding letters of credit	35,482	
CAD	-	-	130,437	149,293	279,730	216,585	496,315	4%	Current availability-credit facilities	3,726,108	
Other	-	-	-	-	-	45,483	45,483	0%	Cash and cash equivalents	1,088,855	
Total Debt	\$ 9,660,570	\$ 184,255	\$ 1,441,882	\$ 619,170	\$ 11,905,877	\$ -	\$ 11,905,877	100%	Total liquidity	\$ 4,814,963	

- A. The maturity for the revolver (\$184 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)

dollars in thousands

Maturity	Noncontrolling Interests					Prologis Share of Unconsolidated Co-Investment Ventures				
	Unsecured	Secured	Total	Wtd. Avg. Interest Rate	% Fixed	Unsecured ^(B)	Secured	Total	Wtd. Avg. Interest Rate	% Fixed
2020	\$ -	\$ 2,250	\$ 2,250	4.8%	48%	\$ 14	\$ 21,755	\$ 21,769	2.4%	98%
2021	-	1,141	1,141	4.0%	100%	93,497	149,990	243,487	3.6%	99%
2022	-	1,098	1,098	4.0%	100%	338,286	106,614	444,900	3.6%	81%
2023	-	526	526	4.0%	100%	187,679	100,274	287,953	3.6%	91%
2024	-	412	412	3.6%	100%	259,218	87,081	346,299	3.3%	83%
2025	-	427	427	3.6%	100%	113,642	3,525	117,167	1.7%	98%
2026	-	441	441	3.6%	100%	48,178	60,016	108,194	2.8%	93%
2027	-	457	457	3.6%	100%	63,090	33	63,123	2.0%	100%
2028	-	-	-	-	-	196,975	-	196,975	2.6%	100%
2029	-	-	-	-	-	219,959	-	219,959	1.7%	94%
2030	-	-	-	-	-	81,289	-	81,289	2.5%	100%
Thereafter	-	-	-	-	-	55,928	-	55,928	3.8%	100%
Subtotal	\$ -	\$ 6,752	\$ 6,752	4.1%	83%	\$ 1,657,795	\$ 529,288	\$ 2,187,043	3.0%	91%
Unamortized net premiums (discounts)	-	150	150			(2,032)	1,089	(943)		
Unamortized finance costs	-	(43)	(43)			(8,074)	(2,299)	(10,373)		
Noncontrolling Interests share and Prologis Share of unconsolidated debt	\$ -	\$ 6,859	\$ 6,859			\$ 1,647,649	\$ 528,078	\$ 2,175,727		
Weighted average interest rate	-	4.1%	4.1%			2.7%	3.9%	3.0%		
Weighted average remaining maturity in years	-	4.9	4.9			5.7	3.0	5.0		

Noncontrolling Interests share of Consolidated debt by local currency

	Unsecured	Secured	Total	% of Total
Dollars	\$ -	\$ 6,859	\$ 6,859	100%
Euro	-	-	-	-
GBP	-	-	-	-
Yen	-	-	-	-
CAD	-	-	-	-
Other	-	-	-	-
Total Debt	\$ -	\$ 6,859	\$ 6,859	100%

Prologis Share of unconsolidated debt by local currency

	Unsecured	Secured	Total	Investment Hedges ^(C)		Total	% of Total
				Hedges	Total		
Dollars	\$ 749,894	\$ 283,544	\$ 1,033,438	\$ (27,960)	\$ 1,005,478	46%	
Euro	503,870	71,127	574,997	(142,026)	432,971	20%	
GBP	-	157,592	157,592	94,837	252,429	12%	
Yen	331,343	-	331,343	-	331,343	15%	
CAD	-	-	-	-	-	0%	
Other	62,542	15,815	78,357	75,149	153,506	7%	
Total Debt	\$ 1,647,649	\$ 528,078	\$ 2,175,727	\$ -	\$ 2,175,727	100%	

- A. Refer to Notes and Definitions under Non-GAAP Pro-Rate Financial Information for further explanation on how these amounts are calculated.
- B. The maturity of certain unsecured debt (Prologis Share \$593 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

4Q 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.	307,722	\$26,810,295	\$ 87	\$ 434,021	\$ 434,021	\$ 1,736,084	96.2%
Other Americas	14,366	1,124,425	78	17,355	17,355	69,420	98.8%
Europe	4,801	354,737	74	4,790	4,790	19,160	79.2%
Asia	3,008	425,597	141	6,784	6,784	27,136	99.1%
Pro forma adjustments for mid-quarter acquisitions/development completions						3,855	15,420
Total consolidated operating portfolio	329,897	28,715,054	87	462,950	466,805	1,867,220	96.1%
Unconsolidated Operating Portfolio							
U.S.	26,425	2,400,307	91	37,091	37,091	148,364	96.7%
Other Americas	18,096	1,097,368	61	22,158	22,158	88,632	97.3%
Europe	55,259	4,688,639	85	71,780	71,780	287,120	97.1%
Asia	9,011	1,209,770	134	15,999	15,999	63,996	95.5%
Pro forma adjustments for mid-quarter acquisitions/development completions						1,356	5,424
Total unconsolidated operating portfolio	108,791	9,396,084	86	147,028	148,384	593,536	96.9%
Total Operating Portfolio	438,688	\$ 38,111,138	\$ 87	\$ 609,978	\$ 615,189	\$ 2,460,756	96.3%
Development							
	Square Feet	Investment Balance	TEI	TEI per Sq Ft		Annualized Estimated NOI	Percent Occupied
Consolidated							
Prestabilized							
U.S.	5,047	\$ 399,516	\$ 480,979	\$ 95		\$ 30,021	13.4%
Other Americas	243	9,963	14,907	61		1,197	0.0%
Europe	2,494	164,627	189,145	76		12,274	20.0%
Asia	1,350	210,479	218,858	162		12,281	80.6%
Properties under development							
U.S.	12,126	547,535	1,233,868	102		76,378	
Other Americas	1,458	47,430	114,924	79		8,599	
Europe	8,384	313,360	876,652	105		49,138	
Asia	4,510	148,890	800,275	177		42,344	
Total consolidated development portfolio	35,612	1,841,900	3,929,608	110		232,232	
Unconsolidated							
U.S.	-	-	-	-		-	
Other Americas	260	9,343	15,599	60		1,597	
Europe	498	23,131	45,529	91		2,804	
Asia	3,338	102,569	184,683	55		12,162	
Total unconsolidated development portfolio	4,096	135,043	245,811	60		16,563	
Total Development Portfolio	39,708	\$ 1,976,943	\$ 4,175,419	\$ 105		\$ 248,795	
Prologis share of est. value creation (see Capital Deployment - Development Portfolio)						984,836	
Total development portfolio, including est. value creation						\$ 2,961,779	



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

Net Asset Value

4Q 2019 Supplemental

Components - continued

in thousands				
Balance Sheet and Other Items				
Other assets				
Cash and cash equivalents	\$	1,088,855		
Restricted cash		7,605		
Accounts receivable, prepaid assets and other tangible assets		986,412		
Other real estate investments and gross book value of assets held for sale		1,042,748		
Value added operating properties		397,577		
Prologis receivable from unconsolidated co-investment ventures		288,345		
Investments in and advances to other unconsolidated joint ventures		363,587		
Total other assets	\$	4,175,129		
Other liabilities				
Accounts payable and other current liabilities	\$	707,654		
Deferred income taxes		62,652		
Value added tax and other tax liabilities		13,036		
Tenant security deposits		269,841		
Other liabilities		425,920		
Total liabilities	\$	1,479,103		
Noncontrolling Interests and Unconsolidated				
Less: noncontrolling interests share of net tangible other assets	\$	(105,019)		
Prologis share of unconsolidated net tangible other assets	\$	153,242		
Less: noncontrolling interests share of value added operating properties	\$	(67,367)		
Prologis share of unconsolidated value added operating properties	\$	47,375		
Land				
Current book value of land	\$	1,101,646		
Less: noncontrolling interests share of the current book value of land	\$	(17,958)		
Prologis share of book value of land in unconsolidated co-investment ventures	\$	55,690		
Strategic Capital / Development Management				
Strategic Capital				
Third party share of asset management fees from consolidated and unconsolidated co-investment ventures (annualized)	\$	51,932	\$	207,728
Third party share of other transactional fees from consolidated and unconsolidated co-investment ventures (trailing 12 months)		10,171		37,278
Strategic capital expenses for asset management and other transactional fees		(17,114)		(61,261)
Total strategic capital	\$	44,989	\$	183,745
Promotes, net of expenses (trailing 12 months) ^(A)	\$	12,240	\$	120,602
Development management income (trailing 12 months)	\$	3,689	\$	6,917
Debt (at par) and Preferred Stock				
Debt				
Consolidated debt			\$	11,994,717
Noncontrolling interests share of consolidated debt			\$	(6,752)
Prologis share of unconsolidated co-investment ventures debt			\$	2,187,043
Preferred stock			\$	68,948
Common Stock and Limited Operating Partnership Units				
Outstanding shares of common stock and limited operating partnership units				649,792



A. For the quarter, promote revenue was \$26 million, less promote cash expense of \$4 million, promote amortization expense of \$8 million and income tax expense related to the promote of \$2 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	\$ 723,857
Rental expenses	(184,196)
NOI	539,661
Net termination fees and adjustments (a)	(2,223)
Less: actual NOI for development portfolio and other	(19,129)
Property management fees	2,270
Less: properties contributed or sold (b)	(7,894)
Less: noncontrolling interests share of NOI	(45,953)
Prologis share of adjusted NOI for consolidated Operating Portfolio at December 31, 2019	466,732
Straight-line rents (c)	(17,593)
Free rent (c)	15,746
Amortization of lease intangibles (c)	(2,674)
Effect of foreign currency exchange (d)	347
Less: noncontrolling interests and other	392
Fourth quarter Adjusted Cash NOI (Actual)	\$ 462,950

(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 fees, 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.

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%	26.7%	<60%	22.6%
Fixed charge coverage ratio	>1.5x	12.18x	>1.5x	12.68x
Secured debt leverage ratio	<40%	1.4%	<40%	1.3%
Unencumbered asset to unsecured debt ratio	>150%	324.9%	N/A	N/A
Unencumbered debt service coverage ratio	N/A	N/A	>150%	1295.8%

Calculation of Per Share Amounts

in thousands, except per share amount	Three Months Ended Dec. 31,		Twelve Months Ended Dec. 31,	
	2019	2018	2019	2018
Net earnings				
Net earnings attributable to common stockholders	\$ 385,480	\$ 596,568	\$ 1,566,950	\$ 1,643,426
Noncontrolling interest attributable to exchangeable limited partnership units	11,148	18,241	46,986	49,743
Adjusted net earnings attributable to common stockholders - Diluted	\$ 396,628	\$ 614,809	\$ 1,613,936	\$ 1,693,169
Weighted average common shares outstanding - Basic	631,246	628,956	630,580	567,367
Incremental weighted average effect on exchange of limited partnership units	18,412	19,759	19,154	17,768
Incremental weighted average effect of equity awards	5,790	5,864	5,169	5,104
Weighted average common shares outstanding - Diluted	655,408	654,579	654,903	590,239
Net earnings per share - Basic	\$ 0.61	\$ 0.95	\$ 2.48	\$ 2.90
Net earnings per share - Diluted	\$ 0.61	\$ 0.94	\$ 2.46	\$ 2.87
Core FFO				
Core FFO attributable to common stockholders/unitholders	\$ 551,192	\$ 526,321	\$ 2,164,017	\$ 1,788,149
Noncontrolling interest attributable to exchangeable limited partnership units	163	353	646	1,531
Core FFO attributable to common stockholders/unitholders - Diluted	\$ 551,355	\$ 526,674	\$ 2,164,663	\$ 1,789,680
Weighted average common shares outstanding - Basic	631,246	628,956	630,580	567,367
Incremental weighted average effect on exchange of limited partnership units	18,412	19,759	19,154	17,768
Incremental weighted average effect of equity awards	5,790	5,864	5,169	5,104
Weighted average common shares outstanding - Diluted	655,408	654,579	654,903	590,239
Core FFO per share - Diluted	\$ 0.84	\$ 0.80	\$ 3.31	\$ 3.03

Notes and Definitions (continued)

4Q 2019 Supplemental

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	
	Dec. 31, 2019	Sep. 30, 2019
Debt as a % of gross real estate assets:		
Consolidated debt (at par)	\$ 11,994,717	\$ 11,547,179
Noncontrolling interests share of consolidated debt (at par)	(6,752)	(11,991)
Prologis share of unconsolidated debt (at par)	2,187,043	2,077,376
Total Prologis share of debt (at par)	14,175,008	13,612,564
Prologis share of outstanding foreign currency derivatives	17,506	(10,743)
Consolidated cash and cash equivalents	(1,088,855)	(1,024,994)
Noncontrolling interests share of consolidated cash and cash equivalents	103,982	45,186
Prologis share of unconsolidated cash and cash equivalents	(202,342)	(160,105)
Total Prologis share of debt, net of adjustments	\$ 13,005,299	\$ 12,461,908
Consolidated gross real estate assets	36,686,779	36,442,508
Noncontrolling interests share of consolidated gross real estate assets	(3,004,257)	(3,048,805)
Prologis share of unconsolidated gross real estate assets	9,634,192	8,956,759
Total Prologis share of gross real estate assets	\$ 43,316,714	\$ 42,349,462
Debt as a % of gross real estate assets	30.0%	29.4%
Debt as a % of gross Market Capitalization:		
Total Prologis share of debt, net of adjustments	\$ 13,005,299	\$ 12,461,910
Total outstanding common stock and limited partnership units	649,792	649,792
Share price at quarter end	\$ 89.14	\$ 85.22
Total equity capitalization	\$ 57,922,459	\$ 55,375,274
Total Prologis share of debt, net of adjustments	13,005,299	12,461,910
Gross Market Capitalization	\$ 70,927,758	\$ 67,837,184
Debt as a % of gross Market Capitalization	18.3%	18.4%
Secured debt as a % of gross real estate assets:		
Consolidated secured debt (at par)	\$ 621,446	\$ 585,868
Noncontrolling interests share of consolidated secured debt (at par)	(6,752)	(11,991)
Prologis share of unconsolidated secured debt (at par)	529,288	505,181
Total Prologis share of secured debt (at par)	\$ 1,143,982	\$ 1,079,058
Total Prologis share of gross real estate assets	\$ 43,316,714	\$ 42,349,462
Secured debt as a % of gross real estate assets	2.6%	2.5%
Unencumbered gross real estate assets to unsecured debt:		
Consolidated unencumbered gross real estate assets	\$ 34,999,756	\$ 34,997,140
Noncontrolling interests share of consolidated unencumbered gross real estate assets	(2,941,627)	(2,966,713)
Prologis share of unconsolidated unencumbered gross real estate assets	8,358,618	7,628,564
Total Prologis share of unencumbered gross real estate assets	\$ 40,416,747	\$ 39,658,992
Consolidated unsecured debt (at par)	11,373,271	10,961,311
Noncontrolling interests share of consolidated unsecured debt (at par)	-	-
Prologis share of unconsolidated unsecured debt (at par)	1,657,755	1,572,195
Total Prologis share of unsecured debt (at par)	\$ 13,031,026	\$ 12,533,506
Unencumbered gross real estate assets to unsecured debt	310.2%	316.4%

dollars in thousands	Three Months Ended	
	Dec. 31, 2019	Sep. 30, 2019
Fixed Charge Coverage ratio:		
Adjusted EBITDA	\$ 854,135	\$ 820,923
Adjusted EBITDA-annualized including development gains and excluding net promotes (a)	\$ 3,162,825	\$ 3,019,826
Net promotes for the trailing 12 months	120,602	144,628
Adjusted EBITDA-annualized	\$ 3,283,427	\$ 3,164,454
Pro forma adjustment annualized	9,844	472
Adjusted EBITDA, including NOI from disposed properties, annualized	\$ 3,293,271	\$ 3,164,926
Interest expense	\$ 60,080	\$ 60,244
Amortization and write-off of deferred loan costs	(3,225)	(3,323)
Amortization of debt premiums, net	(1,139)	(900)
Capitalized interest	10,279	11,948
Preferred stock dividends	1,511	1,507
Noncontrolling interests share of consolidated fixed charges	(136)	(161)
Prologis share of unconsolidated fixed charges	16,937	16,412
Total Prologis share of fixed charges	\$ 84,307	\$ 85,727
Total Prologis share of fixed charges, annualized	\$ 337,228	\$ 342,908
Fixed charge coverage ratio	9.77	9.23
Debt to Adjusted EBITDA:		
Total Prologis share of debt, net of adjustments	\$ 13,005,298	\$ 12,461,910
Adjusted EBITDA-annualized	\$ 3,283,427	\$ 3,164,454
Debt to Adjusted EBITDA ratio	3.96	3.94
(a) Prologis share of gains on dispositions of development properties for the trailing 12 months was \$472.7 million and \$436.6 million for the current quarter and the previous quarter, respectively.		

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

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

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

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

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

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

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

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

Our FFO Measures

Our FFO measures begin with NAREIT's definition and we make certain adjustments to reflect our business and the way that management plans and executes our business strategy. While not infrequent or unusual, the additional items we adjust for in calculating FFO, as modified by Prologis, Core FFO and AFFO, as defined below, are subject to significant fluctuations from period to period. Although these items may have a material impact on our operations and are reflected in our financial statements, the removal of the effects of these items allows us to better understand the core operating performance of our properties over the long term. These items have both positive and negative short-term effects on our results of operations in inconsistent and unpredictable directions that are not relevant to our long-term outlook.

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

These FFO measures are used by management as supplemental financial measures of operating performance and we believe that it is important that stockholders, potential investors and financial analysts understand the measures management uses. We do not use our FFO measures as, nor should they be considered to be, alternatives to net earnings computed under GAAP, as indicators of our operating performance, as alternatives to cash from operating activities computed under GAAP or as indicators of our ability to fund our cash needs.

We analyze our operating performance principally by the rental revenues of our real estate and the revenues from our strategic capital business, net of operating, administrative and financing expenses. This income stream is not directly impacted by fluctuations in the market value of our investments in real estate or debt securities.

FFO, as modified by Prologis

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

- (i) deferred income tax benefits and deferred income tax expenses recognized by our subsidiaries;
- (ii) current income tax expense related to acquired tax liabilities that were recorded as deferred tax liabilities in an acquisition, to the extent the expense is offset with a deferred income tax benefit in earnings that is excluded from our defined FFO measure;
- (iii) foreign currency exchange gains and losses resulting from (i) debt transactions between us and our foreign entities, (ii) third-party debt that is used to hedge our investment in foreign entities, (iii) derivative financial instruments related to any such debt transactions, and (iv) mark-to-market adjustments associated with other 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



Notes and Definitions (continued)

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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 and promote expenses. 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		Twelve Months Ended	
	2019	Dec. 31, 2018	2019	Dec. 31, 2018
Building and land development activities	\$ 16,879	\$ 16,179	\$ 68,513	\$ 62,908
Leasing activities	-	5,469	-	21,216
Operating building improvements and other	5,046	3,822	19,898	16,398
Total capitalized G&A	\$ 21,925	\$ 25,470	\$ 88,411	\$ 100,522

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

Net G&A	\$ 266,718
Add: 2019 strategic capital expenses (excluding promote expense)	129,101
Less: 2019 strategic capital property management expenses	(67,840)
Adjusted G&A	\$ 327,979
Gross book value at period end (a):	
Operating properties	\$ 66,992,427
Development portfolio - TEI	5,469,310
Land portfolio	1,384,215
Other real estate investments and gross book value of assets held for sale	1,065,574
Total value of assets under management	\$ 74,911,526
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)	\$ 1.98	\$ 2.13
Our share of:		
Depreciation and amortization	2.14	2.17
Net gains on real estate transactions, net of taxes	(0.45)	(0.55)
Unrealized foreign currency gains and other, net	0.00	0.00
Core FFO	\$ 3.67	\$ 3.75

(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 Dec. 31,		Twelve Months Ended Dec. 31,	
	2019	2018	2019	2018
Current income tax expense	\$ 16,676	\$ 12,390	\$ 47,227	\$ 48,622
Current income tax expense on dispositions	2,159	3,504	15,069	17,085
Current income tax expense on dispositions related to acquired tax liabilities	-	297	-	1,175
Total current income tax expense	18,835	16,191	62,296	61,882
Deferred income tax expense	2,452	2,824	12,221	2,623
Deferred income tax benefit on dispositions related to acquired tax liabilities	-	(297)	-	(1,175)
Total income tax expense	\$ 21,287	\$ 18,718	\$ 74,517	\$ 63,330

Interest Expense.

in thousands	Three Months Ended Dec. 31,		Twelve Months Ended Dec. 31,	
	2019	2018	2019	2018
Gross interest expense	\$ 65,995	\$ 73,894	\$ 271,451	\$ 268,942
Amortization of debt discounts (premiums), net	1,139	660	3,713	(590)
Amortization of finance costs	3,225	3,460	13,293	13,243
Interest expense before capitalization	70,359	78,014	288,457	281,595
Capitalized amounts	(10,279)	(15,634)	(48,504)	(52,454)
Interest expense	\$ 60,080	\$ 62,380	\$ 239,953	\$ 229,141

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, 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.

Notes and Definitions (continued)

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Operating Portfolio represents industrial properties in our owned and managed portfolio that have reached Stabilization. Prologis share of NOI excludes termination fees and adjustments and includes NOI for the properties contributed to or acquired from co-investment ventures at our actual share prior to and subsequent to change in ownership. The markets presented represent markets that are generally greater than 1% of Prologis share of NOI. Assets held for sale are excluded from the portfolio.

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

Rental Revenue.

in thousands	Three Months Ended Dec. 31,		Twelve Months Ended Dec. 31,	
	2019	2018	2019	2018
Rental revenues	\$ 541,872	\$ 506,008	\$2,081,900	\$1,791,951
Rental recoveries	158,948	151,621	644,821	529,902
Amortization of lease intangibles	2,787	2,745	15,356	3,029
Straight-lined rents	20,248	18,821	89,741	63,909
Rental Revenue	\$ 723,857	\$ 679,195	\$ 2,831,818	\$ 2,388,791

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 and investors to analyze our ongoing business operations. We determine our same store metrics on property NOI, which is calculated as rental revenue less rental expense for the applicable properties in the same store population for both consolidated and unconsolidated properties based on our ownership interest, as further defined below.

We define our same store population for the three months ended December 31, 2019 as the properties in our Owned and Managed operating portfolio, including the property NOI for both consolidated properties and properties owned by the unconsolidated co-investment ventures at January 1, 2018 and owned throughout the same three-month period in both 2018 and 2019. We believe the drivers of property NOI for the consolidated portfolio are generally the same for the properties owned by the ventures in which we invest and therefore we evaluate the same store metrics of the Owned and

Managed portfolio based on Prologis' ownership in the properties ("Prologis Share"). The same store population excludes 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. 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.

As non-GAAP financial measures, the same store metrics have certain limitations as an analytical tool and may vary among real estate companies. As a result, we provide a reconciliation of Rental Revenues less Rental Expenses ("Property NOI") (from our Consolidated Financial Statements prepared in accordance with U.S. GAAP) to our Same Store Property NOI measures, as follows:

dollars in thousands	Three Months Ended Dec. 31,		
	2019	2018	Change (%)
Reconciliation of Consolidated Property NOI to Same Store Property NOI measures:			
Rental revenues	\$ 723,857	\$ 679,195	
Rental expenses	(184,196)	(177,194)	
Consolidated Property NOI	\$ 539,661	\$ 502,001	
Adjustments to derive same store results:			
Property NOI from consolidated properties not included in same store portfolio and other adjustments (a)	(157,242)	(128,849)	
Property NOI from unconsolidated co-investment ventures included in same store portfolio (a)(b)	451,604	433,894	
Third parties' share of Property NOI from properties included in same store portfolio (a)(b)	(364,375)	(355,386)	
Prologis Share of Same Store Property NOI – Net Effective (b)	\$ 469,648	\$ 451,660	4.0%
Consolidated properties straight-line rent and fair value lease adjustments included in the same store portfolio (c)	(2,605)	(5,468)	
Unconsolidated co-investment ventures straight-line rent and fair value lease adjustments included in the same store portfolio (c)	(5,072)	(4,588)	
Third parties' share of straight-line rent and fair value lease adjustments included in the same store portfolio (b)(c)	4,204	4,201	
Prologis Share of Same Store Property NOI – Cash (b)(c)	\$ 466,175	\$ 445,805	4.6%

(a) We exclude properties held for sale to third parties, along with development properties that were not stabilized at the beginning of the period and 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. Same Store Property NOI is adjusted to include an allocation of 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 expense.

(b) We include the Property NOI for the same store portfolio for both consolidated properties and properties owned by the co-investment ventures based on our investment in the underlying properties. In order to calculate our share of Same Store Property NOI from the co-investment ventures in which we own less than 100%, we use the co-investment ventures' underlying Property NOI for the same store portfolio and apply our ownership percentage at December 31, 2019 to the Property NOI for both periods, including



the properties contributed during the period. We adjust the total Property NOI from the same store portfolio of the co-investment ventures by subtracting the third parties' share of both consolidated and unconsolidated co-investment ventures.

During the periods presented, certain wholly owned properties 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 venture subsequent to the contribution date based on our ownership interest at the end of the period). As a result, only line items labeled "Prologis Share of Same Store Property NOI" are comparable period over period.

- (c) *We further remove certain noncash items (straight-line rent and amortization of fair value lease adjustments) included in the financial statements prepared in accordance with U.S. GAAP to reflect a Same Store Property NOI – Cash measure. We manage our business and compensate our executives based on the same store results of our Owned and Managed portfolio at 100% as we manage our portfolio on an ownership blind basis. We calculate those results by including 100% of the properties included in our same store portfolio.*

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 Fourth Quarter and Full Year 2019 Earnings Results

SAN FRANCISCO January 22, 2020 – Prologis, Inc. (NYSE: PLD), the global leader in logistics real estate, reported results for the fourth quarter of 2019.

Net earnings per diluted share was \$0.61 for the quarter and \$2.46 for the year compared with \$0.94 and \$2.87 for the same periods in 2018.

Core funds from operations (Core FFO)* per diluted share was \$0.84 for the quarter, including \$0.02 of net promote income, compared with \$0.80 for the same period in 2018, which included \$0.05 of net promote income. For the full year 2019, Core FFO was \$3.31 compared with \$3.03 for the same period in 2018. Further, Core FFO for full-year periods 2019 and 2018 included net promote income of \$0.18 and \$0.14, respectively.

“Our fourth quarter results represent the culmination of Vision 2019, our three-year strategic plan, and our cumulative earnings growth surpassed our expectations materially. We set several new high-water marks for performance and this success is a testament to the strength of our team and global portfolio,” said Hamid R. Moghadam, chairman and CEO, Prologis. “We delivered double-digit rent change and record value creation from development, as well as record promotes from our co-investment ventures. Additionally in 2019, we raised \$6.5 billion in our Strategic Capital business, our largest third-party capital raise ever.”

Moghadam continued, “The integration of the IPT acquisition is effectively complete and we are making great progress towards closing Liberty. We have built an enterprise that enables us to execute on major transactions while delivering sector-leading results.”

OPERATING PERFORMANCE

Owned & Managed	4Q19	4Q18	Notes
Period End Occupancy	96.5%	97.5%	<i>Prioritizing rent over occupancy</i>
Leases Commenced	38MSF	35MSF	

Prologis Share	4Q19	4Q18	Notes
Net Effective Rent Change	29.5%	25.6%	<i>U.S. 34.1%, Europe 20.1%</i>
Cash Rent Change	15.0%	10.8%	<i>U.S. 20.0%</i>
Cash Same Store NOI* Change	4.6%	4.5%	<i>U.S. 5.0%</i>

DEPLOYMENT ACTIVITY

Prologis Share	4Q19	FY2019
Building Acquisitions	\$175M	\$759M
Weighted avg stabilized cap rate	4.9%	4.5%
Development Stabilizations	\$627M	\$2,469M
Estimated weighted avg yield	6.2%	6.3%
Estimated weighted avg margin	37.7%	36.9%
Estimated value creation	\$236M	\$911M
Development Starts	\$1,714M	\$2,854M
Estimated weighted avg margin	19.6%	20.1%
Estimated value creation	\$336M	\$575M

% Build-to-suit	39.2%	42.9%
Total Dispositions and Contributions	\$734M	\$1,996M
Weighted avg stabilized cap rate (excluding land and other real estate)	4.4%	4.6%

BALANCE SHEET STRENGTH

During the year, Prologis and its co-investment ventures issued \$10.5 billion of debt at a weighted average interest rate of 1.7% and a weighted average term of approximately 8 years. The company ended the fourth quarter with leverage of 18.3 percent on a market capitalization basis, debt-to-adjusted EBITDA* of 4.0x and \$4.8 billion of liquidity.

“We had another strong year with annual growth in Core FFO of approximately 10%, excluding promotes,” said Thomas S. Olinger, chief financial officer, Prologis. “I feel even better about our outlook given the acceleration in operating metrics from our substantial embedded rent upside. Furthermore, our well-located land bank, significant balance sheet capacity and the initiatives we have put into place to create value beyond our real estate—customer experience, innovation and data analytics—underpin our core portfolio and bring an even greater degree of durability to our long-term growth profile.”

2020 GUIDANCE¹

Earnings (per diluted share)

Net Earnings	\$1.98 to \$2.13
Core FFO*	\$3.67 to \$3.75

Operations

Year-end occupancy	96.0% to 97.0%
Cash Same Store NOI* Growth - Prologis share	4.25% to 5.25%

Other Assumptions (in millions)

Strategic capital revenue, excl. promote revenue	\$350 to \$360
Net promote income, incl in Core FFO* range	\$115
General & administrative expenses	\$275 to \$285
Realized development gains	\$300 to \$400

Capital Deployment (in millions)

	Prologis Share	Owned and Managed
Development stabilizations	\$2,200 to \$2,500	\$2,600 to \$2,900
Development starts	\$2,000 to \$2,400	\$2,500 to \$2,900
Building acquisitions	\$500 to \$700	\$900 to \$1,200
Building and land dispositions	\$1,300 to \$1,500	\$2,100 to \$2,400
Building contributions	\$600 to \$900	\$900 to \$1,200
Net Uses	\$600 to \$700	\$400 to \$500
Portfolio Acquisitions	\$14,200	\$16,600

* 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.

¹. Includes the \$4.0 billion acquisition of IPT which closed on January 8, 2020, and \$12.6 billion acquisition of LPT, which is projected to close February 4, 2020.

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 2020 relates predominantly to these items. Please refer to our fourth quarter Supplemental Information, which is available on our Investor Relations website at <http://ir.prologis.com> and on the SEC's website at www.sec.gov for a definition of Core FFO* and other non-GAAP measures used by Prologis, along with reconciliations of these items to the closest GAAP measure for our results and guidance.

WEBCAST & CONFERENCE CALL INFORMATION

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

- Wednesday, January 22, 2020, 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 3198613.

A telephonic replay will be available January 22-29 at +1 (800) 585-8367 (from the United States and Canada) or +1 (416) 621-4642 (from all other countries) using conference code 3198613. 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 December 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 814 million square feet (76 million square meters) in 19 countries. Prologis leases modern logistics facilities to a diverse base of approximately 5,000 customers principally across two major categories: business-to-business and retail/online fulfillment.

ADDITIONAL INFORMATION

In connection with the proposed transaction, Prologis has filed with the Securities and Exchange Commission ("SEC") an amended registration statement on Form S-4 (File No. 333-235260), declared effective by the SEC on December 20, 2019, which includes a document that serves as a prospectus of Prologis and a proxy statement of Liberty Property Trust ("LPT") (the "proxy statement/prospectus"), and each party will file other documents regarding the proposed transaction with the SEC. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS AND OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. A definitive proxy statement/prospectus was sent to LPT's shareholders. Investors and security holders are able to obtain the registration statement and the proxy statement/prospectus free of charge from the SEC's website or from Prologis or LPT. The documents filed by Prologis with the SEC may be obtained free of charge at Prologis' website at the Investor Relations section of www.ir.prologis.com or at the SEC's website at www.sec.gov. These documents may also be obtained free of charge from Prologis by requesting them from Investor Relations by mail at Pier 1, Bay 1, San Francisco, CA 94111 or by telephone at 415-394-9000. The documents filed by LPT with the SEC may be obtained free of charge at LPT's website at the Investor Relations section of <http://ir.libertyproperty.com/sec-filings> or at the SEC's website at www.sec.gov. These documents may also be obtained free of charge from LPT by requesting them from Investor Relations by mail at 650 East Swedesford Road, Suite 400, Wayne, PA 19087, or by telephone at 610-648-1704.

This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended.

PARTICIPANTS IN THE SOLICITATION

Prologis and LPT and their respective directors, trustees and executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information about Prologis' directors and executive officers is available in Prologis' Annual Report on Form 10-K for the fiscal year ended December 31, 2018, and in its proxy statement dated March 22, 2019, for its 2019 Annual Meeting of Shareholders. Information about LPT's trustees and executive officers is available in LPT's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, and in its proxy statement dated April 26, 2019, for its 2019 Annual Meeting of Shareholders. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, is contained in the proxy statement/prospectus and will be contained in other relevant materials to be filed with the SEC regarding the transaction when they become available. Investors should read the proxy statement/prospectus carefully before making any voting or investment decisions. You may obtain free copies of these documents from Prologis or LPT as indicated above.

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.

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