

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): April 21, 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.	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 April 21, 2020, Prologis, Inc., the general partner of Prologis, L.P., issued a press release announcing first quarter 2020 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

<u>Exhibit No.</u>	<u>Description</u>
99.1	Supplemental information, dated April 21, 2020.
99.2	Press release, dated April 21, 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.

April 21, 2020

By: /s/ Thomas S. Olinger

Name: Thomas S. Olinger

Title: Chief Financial Officer

PROLOGIS, L.P.,

April 21, 2020

By: Prologis, Inc., its general partner

By: /s/ Thomas S. Olinger

Name: Thomas S. Olinger

Title: Chief Financial Officer



FIRST QUARTER 2020

Prologis Supplemental Information

Unaudited



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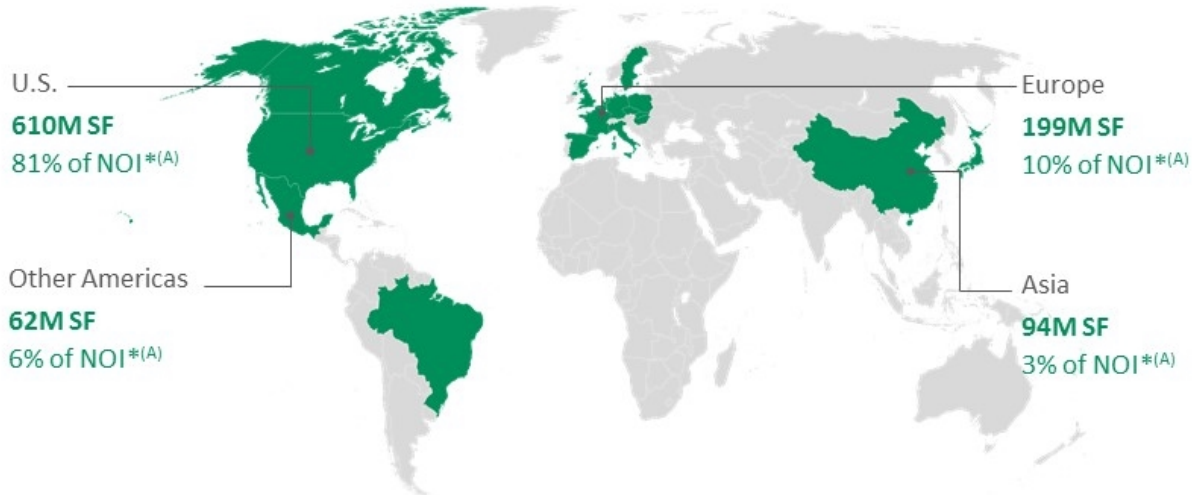
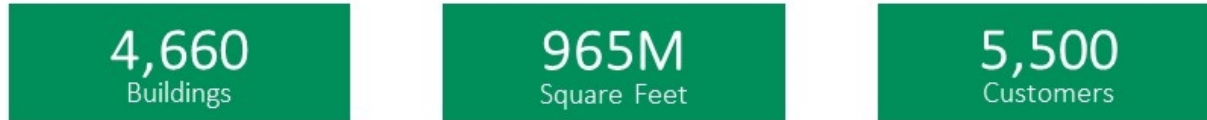
A. Terms used throughout document are defined in the Notes and Definitions.

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Company Profile

Prologis, Inc., is the global leader in logistics real estate with a focus on high-barrier, high-growth markets. As of March 31, 2020, 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 965 million square feet (90 million square meters) in 19 countries. Prologis leases modern logistics facilities to a diverse base of approximately 5,500 customers principally across two major categories: business-to-business and retail/online fulfillment.

On January 8, 2020, Prologis U.S. Logistics Venture (consolidated co-investment venture) and Prologis Targeted U.S. Logistics Fund (unconsolidated co-investment venture) completed the acquisition of Industrial Property Trust (IPT) for \$2.0 billion each. On February 4, 2020, Prologis completed the acquisition of Liberty Property Trust (LPT) for approximately \$13.0 billion, through the issuance of equity and the assumption of debt. Therefore, these results include the operations of both acquisitions from these dates forward.

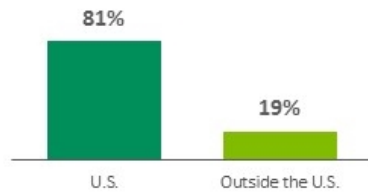


^{*} This is a non-GAAP financial measure. Please see our Notes and Definitions for further explanation.

^{A.} NOI calculation based on Prologis share of the Operating Portfolio, after adjusting for a full quarter of NOI from LPT and IPT.

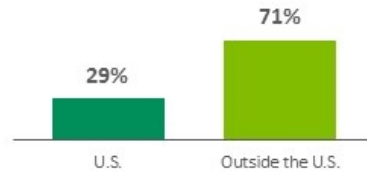
OPERATIONS

\$2.9B in annual NOI^(A)



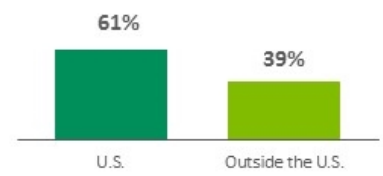
STRATEGIC CAPITAL

\$388M of fees and promotes^(B)



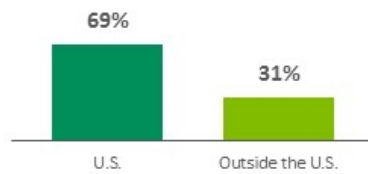
DEVELOPMENT

\$972M in value creation from stabilizations^(C)



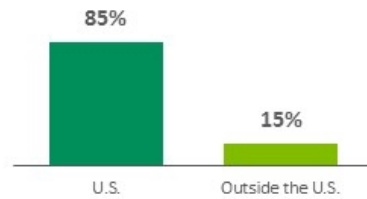
GROSS AUM

\$125B^(D)



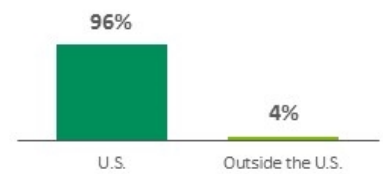
PROLOGIS SHARE AUM

\$79B^(D)



MARKET EQUITY

\$61B^(D)



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

A. 1Q 2020 Prologis Share of NOI of the Operating Portfolio annualized, after adjusting for a full quarter of NOI from LPT and IPT.

B. 1Q 2020 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.



Highlights

1Q 2020 Supplemental

Company Performance

dollars in millions, except per share/unit data

	Three Months ended March 31,	
	2020	2019
Rental and other revenues	\$ 882	\$ 698
Strategic capital revenues	96	74
Total revenues	978	772
Net earnings attributable to common stockholders	489	347
Core FFO attributable to common stockholders/unitholders*	599	474
AFFO attributable to common stockholders/unitholders*	733	467
Adjusted EBITDA attributable to common stockholders/unitholders*	1,013	654
Estimated value creation from development stabilizations - Prologis Share	271	209
Common stock dividends and common limited partnership unit distributions	444	348
Per common share - diluted:		
Net earnings attributable to common stockholders	\$ 0.70	\$ 0.55
Core FFO attributable to common stockholders/unitholders*	0.83	0.73
Business line reporting:		
Real estate operations*	0.76	0.68
Strategic capital*	0.07	0.05
Core FFO attributable to common stockholders/unitholders*	0.83	0.73
Realized development gains, net of taxes*	0.22	0.06
Dividends and distributions per common share/unit	0.58	0.53

CORE FFO*



AFFO*



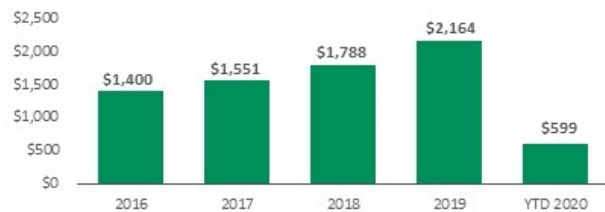
ESTIMATED VALUE CREATION - STABILIZATIONS



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

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.

Highlights

1Q 2020 Supplemental

Guidance ^(A)

dollars in millions, except per share

2020 Guidance	Low		High					
Net earnings ^(B)	\$	1.81	\$	1.88				
Core FFO* ^(B)	\$	3.55	\$	3.65				
Operations								
Year-end occupancy		94.5%		96.0%				
Same store NOI - cash - Prologis share*		1.75%		3.25%				
Same store NOI - net effective - Prologis share*		1.00%		2.50%				
Other Assumptions								
Strategic capital revenue, excluding promote revenue	\$	345	\$	355				
Net promote income ^(C)	\$	115	\$	115				
General & administrative expenses	\$	270	\$	280				
Realized development gains	\$	280	\$	280				
Capital Deployment								
	PROLOGIS SHARE			OWNED AND MANAGED				
	Low	High						
Development stabilizations	\$	1,900	\$	2,200	\$	2,300	\$	2,600
Development starts	\$	500	\$	800	\$	600	\$	900
Building acquisitions	\$	450	\$	450	\$	700	\$	700
Building and land dispositions	\$	250	\$	250	\$	300	\$	300
Building contributions	\$	650	\$	650	\$	900	\$	900

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 1.10 (\$/€), 1.24 (\$/£) and 108.53 (¥/\$), respectively.

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

- Our guidance for 2020 is based on management's current beliefs and assumptions about our business, the industry and the markets in which we operate. COVID-19 has disrupted financial markets and global, national and local economies. Given the dynamic nature of the pandemic, it is difficult to predict the impact on our future results. Please refer to "Forward-Looking Statements" and "Risk Factors" referred to in our reports filed with the Securities and Exchange Commission for more information.
- 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.



Financial Information

Consolidated Balance Sheets

1Q 2020 Supplemental

In thousands	March 31, 2020	December 31, 2019
Assets:		
Investments in real estate properties:		
Operating properties	\$ 42,429,391	\$ 31,287,833
Development portfolio	1,836,794	1,869,267
Land	1,463,982	1,101,646
Other real estate investments	2,382,132	965,668
	48,112,299	35,224,414
Less accumulated depreciation	5,662,351	5,437,662
Net investments in real estate properties	42,449,948	29,786,752
Investments in and advances to unconsolidated entities	6,834,758	6,237,371
Assets held for sale or contribution	1,975,524	720,685
Net investments in real estate	51,260,230	36,744,808
Cash and cash equivalents	807,871	1,088,855
Other assets	2,939,146	2,198,187
Total assets	\$ 55,007,247	\$ 40,031,850
Liabilities and Equity:		
Liabilities:		
Debt	\$ 15,676,592	\$ 11,905,877
Accounts payable, accrued expenses and other liabilities	2,554,785	2,054,189
Total liabilities	18,231,377	13,960,066
Equity:		
Stockholders' equity	32,259,442	22,653,127
Noncontrolling interests	3,591,986	2,775,394
Noncontrolling interests - limited partnership unitholders	924,442	643,263
Total equity	36,775,870	26,071,784
Total liabilities and equity	\$ 55,007,247	\$ 40,031,850

Financial Information

Consolidated Statements of Income

1Q 2020 Supplemental

In thousands, except per share amounts	Three Months Ended	
	2020	March 31, 2019
Revenues:		
Rental	\$ 878,807	\$ 696,807
Strategic capital	96,591	73,805
Development management and other	2,843	1,440
Total revenues	978,241	772,052
Expenses:		
Rental	227,618	188,068
Strategic capital	46,574	38,058
General and administrative	69,689	69,701
Depreciation and amortization	345,970	284,009
Other	14,574	3,834
Total expenses	704,425	583,670
Operating income before gains on real estate transactions, net	273,816	188,382
Gains on dispositions of development properties and land, net	162,750	42,441
Gains on other dispositions of investments in real estate, net (excluding development properties and land)	31,491	145,767
Operating income	468,057	376,590
Other income (expense):		
Earnings from unconsolidated co-investment ventures, net	47,115	53,087
Earnings from other unconsolidated ventures, net	41,615	3,579
Interest expense	(75,642)	(60,507)
Foreign currency and derivative gains and interest and other income, net	113,699	16,644
Losses on early extinguishment of debt, net	(42,767)	(2,116)
Total other income (expense)	84,020	10,687
Earnings before income taxes	552,077	387,277
Current income tax expense	(27,920)	(12,719)
Deferred income tax expense	(2,993)	(793)
Consolidated net earnings	521,164	373,765
Net earnings attributable to noncontrolling interests	(16,141)	(14,645)
Net earnings attributable to noncontrolling interests - limited partnership units	(13,970)	(10,574)
Net earnings attributable to controlling interests	491,053	348,546
Preferred stock dividends	(1,635)	(1,499)
Net earnings attributable to common stockholders	\$ 489,418	\$ 347,047
Weighted average common shares outstanding - Diluted	723,983	654,359
Net earnings per share attributable to common stockholders - Diluted	\$ 0.70	\$ 0.55

Reconciliations of Net Earnings to FFO*

In thousands	Three Months Ended	
	2020	2019
Net earnings attributable to common stockholders	\$ 489,418	\$ 347,047
Add (deduct) NAREIT defined adjustments:		
Real estate related depreciation and amortization	335,932	274,887
Gains on other dispositions of investments in real estate, net (excluding development properties and land)	(31,491)	(145,767)
Reconciling items related to noncontrolling interests	(15,393)	(13,470)
Our share of reconciling items related to unconsolidated co-investment ventures	65,364	53,700
Our share of reconciling items related to other unconsolidated ventures	2,785	3,012
NAREIT defined FFO attributable to common stockholders/unitholders*	\$ 846,615	\$ 519,409
Add (deduct) our defined adjustments:		
Unrealized foreign currency and derivative gains, net	(109,547)	(7,488)
Deferred income tax expense	2,993	793
Reconciling items related to noncontrolling interests	(185)	20
Our share of reconciling items related to unconsolidated co-investment ventures	1,278	(1,144)
FFO, as modified by Prologis attributable to common stockholders/unitholders*	\$ 741,154	\$ 511,590
Adjustments to arrive at Core FFO attributable to common stockholders/unitholders*:		
Gains on dispositions of development properties and land, net	(162,750)	(42,441)
Current income tax expense on dispositions	6,725	2,399
Losses on early extinguishment of debt and other, net	47,767	2,116
Reconciling items related to noncontrolling interests	(2,545)	-
Our share of reconciling items related to unconsolidated co-investment ventures	2,701	584
Our share of reconciling items related to other unconsolidated ventures	(33,833)	3
Core FFO attributable to common stockholders/unitholders*	\$ 589,219	\$ 474,251
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	162,750	42,441
Current income tax expense on dispositions	(6,725)	(2,399)
Straight-lined rents and amortization of lease intangibles	(25,503)	(29,549)
Property improvements	(13,639)	(8,697)
Turnover costs	(39,396)	(40,338)
Amortization of debt premium, financing costs and management contracts, net	1,493	4,480
Stock compensation expense	31,808	31,758
Reconciling items related to noncontrolling interests	5,047	5,364
Our share of reconciling items related to unconsolidated ventures	18,082	(10,476)
AFFO attributable to common stockholders/unitholders*	\$ 733,136	\$ 466,834



* 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	
	2020	2019
Net earnings attributable to common stockholders	\$ 489,418	\$ 347,047
Gains on other dispositions of investments in real estate, net (excluding development properties and land)	(31,491)	(145,767)
Depreciation and amortization expenses	345,970	284,009
Interest expense	75,642	60,507
Current and deferred income tax expense, net	30,913	13,512
Net earnings attributable to noncontrolling interests - limited partnership unitholders	13,970	10,574
Pro forma adjustments	51,208	2,547
Preferred stock dividends	1,635	1,499
Unrealized foreign currency and derivative gains, net	(109,547)	(7,488)
Stock compensation expense	31,808	31,758
Losses on early extinguishment of debt and other, net	47,757	2,116
Adjusted EBITDA, consolidated*	\$ 947,293	\$ 600,314
Reconciling items related to noncontrolling interests	(32,368)	(24,171)
Our share of reconciling items related to unconsolidated ventures	97,818	78,267
Adjusted EBITDA attributable to common stockholders/unitholders*	\$ 1,012,743	\$ 654,410



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

Strategic Capital

Summary and Financial Highlights

1Q 2020 Supplemental

Co-Investment Ventures	Region	Type	Established	Accounting Method	Ownership	Structure	Next Promote Opportunity
Prologis U.S. Logistics Venture	U.S.	Core	2014	Consolidated	55.0%	Open end	Q4 2020
Prologis Targeted U.S. Logistics Fund	U.S.	Core	2004	Unconsolidated	24.8%	Open end	Q2 2020
FIBRA Prologis	Mexico	Core	2014	Unconsolidated	46.8%	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	24.0%	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	16.0%	Open end	Q3 2022
Prologis China Logistics Venture	China	Development	2011	Unconsolidated	15.0%	Closed end	Q4 2020

in thousands	Venture (at 100%) ^(A)			
	Square Feet	GBV of Operating Bldgs	GBV of Real Estate	Debt
Unconsolidated Co-Investment Ventures				
Prologis Targeted U.S. Logistics Fund	112,413	\$ 10,363,475	\$ 10,800,311	\$ 2,925,213
FIBRA Prologis ^(B)	34,898	2,096,269	2,106,811	770,064
Prologis Brazil Logistics Venture and other joint ventures	9,749	486,272	614,165	-
Prologis European Logistics Fund	121,961	10,694,469	10,716,272	2,656,114
Prologis European Logistics Partners	51,965	3,834,434	3,875,927	-
Prologis UK Logistics Venture	4,022	632,562	813,587	491,833
Nippon Prologis REIT ^(B)	35,161	6,526,314	6,526,314	2,410,329
Prologis China Core Logistics Fund	21,816	1,711,843	1,720,223	590,947
Prologis China Logistics Venture	6,379	294,393	960,226	548,420
Unconsolidated Co-Investment Ventures Total	398,364	\$ 36,640,031	\$ 38,133,836	\$ 10,392,920
Consolidated Co-Investment Ventures				
Prologis U.S. Logistics Venture	79,177	7,775,460	8,203,945	-
Consolidated Co-Investment Ventures Total	79,177	7,775,460	8,203,945	-
Total	477,541	\$ 44,415,491	\$ 46,337,781	\$ 10,392,920



- A. Values represent the entire venture at 100%, not Prologis' proportionate share. Values are presented at Prologis' adjusted basis derived from the ventures' U.S. GAAP information and may not be comparable to values reflected in the ventures' stand alone financial statements calculated on a different basis.
- B. Throughout this document we use the most recent public information for these co-investment ventures.

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

dollars in thousands	U.S.	Other Americas	Europe	Asia	Total
Operating Information					
For the Three Months Ended March 31, 2020					
Rental revenues	\$ 232,635	\$ 67,860	\$ 290,491	\$ 137,653	\$ 728,639
Rental expenses	(63,697)	(10,641)	(57,869)	(30,081)	(162,288)
General and administrative expenses	(11,965)	(6,726)	(14,028)	(14,965)	(47,684)
Depreciation and amortization expenses	(89,777)	(19,373)	(106,970)	(43,880)	(260,000)
Other operating revenues (expenses)	268	155	88	(67)	444
Operating income before gains	67,464	31,275	111,712	48,660	259,111
Gains (losses) on dispositions of investments in real estate, net	4,093	-	(74)	(66)	3,953
Operating income	71,557	31,275	111,638	48,594	263,064
Interest expense	(26,225)	(9,649)	(17,899)	(15,607)	(69,380)
Losses on early extinguishment of debt, net	(10,829)	-	(73)	-	(10,902)
Current and deferred income tax expense	(676)	(58)	(16,798)	(14)	(17,546)
Other income (expense)	257	1,683	933	(7,253)	(4,380)
Net earnings	34,084	23,251	77,801	25,720	160,856
Real estate related depreciation and amortization expenses	88,957	18,854	104,782	42,097	254,690
Losses (gains) on other dispositions of investments in real estate, net (excluding development properties and land)	(4,093)	-	74	66	(3,953)
Unrealized foreign currency and derivative losses (gains), net	-	1,758	(805)	7,917	8,870
Deferred income tax expense (benefit)	411	-	-	(3,129)	(2,718)
FFO, as modified by Prologis*	119,359	43,863	181,852	72,671	417,745
Reconciling Items to Core FFO	10,829	-	73	-	10,902
Core FFO*	\$ 130,188	\$ 43,863	\$ 181,925	\$ 72,671	\$ 428,647
Balance Sheet Information					
As of March 31, 2020					
Operating properties, before depreciation	\$ 10,363,475	\$ 2,582,541	\$ 15,161,465	\$ 8,532,550	\$ 36,640,031
Accumulated depreciation	(1,327,114)	(306,733)	(2,022,507)	(529,341)	(4,185,695)
Properties under development and land	27,361	138,435	244,321	674,213	1,084,330
Net assets held for sale	409,475	-	-	-	409,475
Other assets	827,701	457,078	1,060,844	558,568	2,904,191
Total assets	\$ 10,300,898	\$ 2,871,321	\$ 14,444,123	\$ 9,235,990	\$ 36,852,332
Third party debt	\$ 2,925,213	\$ 770,064	\$ 3,147,947	\$ 3,549,696	\$ 10,392,920
Other liabilities	445,720	37,268	1,342,957	442,512	2,268,457
Total liabilities	\$ 3,370,933	\$ 807,332	\$ 4,490,904	\$ 3,992,208	\$ 12,661,377
Weighted average ownership	24.8%	40.8%	30.0%	15.2%	25.8%

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

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



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

dollars in thousands	Non Controlling Interests Included In Consolidated Amounts*		Prologis Share of Unconsolidated Co-Investment Ventures*	
Operating Information for the Three Months Ended March 31, 2020				
Rental revenues	\$	77,178	\$	195,706
Rental expenses		(20,935)		(42,487)
General and administrative expenses		(8,485)		(13,732)
Depreciation and amortization expenses		(29,508)		(67,705)
Other operating income		567		132
Operating Income before gains		18,817		71,914
Gains (losses) on dispositions of investments in real estate, net		(54)		974
Operating Income		18,763		72,888
Interest expense		(177)		(17,359)
Losses on early extinguishment of debt, net		(4,099)		(2,701)
Current and deferred income tax benefit (expense)		1,335		(5,658)
Other income		284		(55)
Earnings from unconsolidated co-investment ventures, net		35		-
Net earnings		16,141		47,115
Real estate related depreciation and amortization expenses		29,309		66,338
Losses (gains) on other dispositions of investments in real estate, net (excluding development properties and land)		54		(974)
Unrealized foreign currency and derivative losses, net		-		1,652
Deferred income tax expense (benefit)		185		(374)
FFO, as modified by Prologis*		45,689		113,757
Gains on dispositions of development properties and land, net		-		-
Current income tax benefit on dispositions		(1,554)		-
Losses on early extinguishment of debt, net		4,099		2,701
Core FFO*	\$	48,234	\$	116,458
Balance Sheet Information as of March 31, 2020				
Operating properties, before depreciation	\$	3,582,729	\$	9,509,968
Accumulated depreciation		(362,991)		(1,213,264)
Properties under development, land and other real estate		254,628		189,288
Net assets held for sale		158,100		101,509
Other assets		24,344		716,747
Total assets	\$	3,656,810	\$	9,304,248
Third party debt	\$	6,653	\$	2,335,059
Other liabilities		58,171		545,801
Total liabilities	\$	64,824	\$	2,880,860
Weighted average ownership		41.1%		25.8%
Noncontrolling interests investment		3,591,986		
Investment in and advances to unconsolidated co-investment ventures ^(B)			\$	5,910,369
Investment in and advances to other unconsolidated ventures				924,389
Investment in and advances to unconsolidated entities			\$	6,834,758

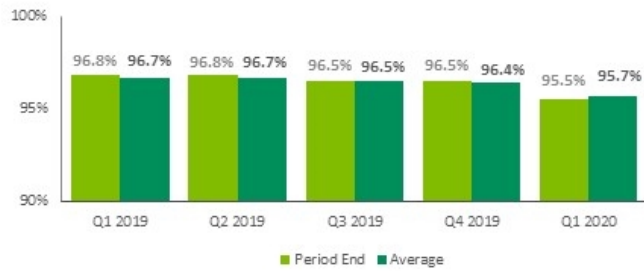
* This is a non-GAAP financial measure, please see our Notes and Definitions for further explanation.

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

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



OCCUPANCY



CUSTOMER RETENTION



SAME STORE CHANGE OVER PRIOR YEAR – PROLOGIS SHARE*



RENT CHANGE – PROLOGIS SHARE



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

Operating Metrics – Owned and Managed

PERIOD ENDING OCCUPANCY



square feet in thousands

Leasing Activity

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020
Square feet of leases commenced:					
Operating portfolio:					
Renewals	25,589	21,669	21,866	21,456	22,121
New leases	10,656	10,617	10,313	9,068	10,149
Total Operating Portfolio	36,245	32,286	32,179	30,524	32,270
Properties under development	6,477	4,892	5,574	7,224	2,805
Total Square Feet of Leases Commenced	42,722	37,178	37,753	37,748	35,075
Weighted average term of leases started (in months)	64	65	64	73	58
Operating Portfolio:					
Trailing four quarters - square feet of leases commenced	126,620	129,658	130,175	131,234	127,259
Trailing four quarters - average % of portfolio	19.1%	19.0%	18.6%	18.5%	17.2%
Rent change (net effective)	19.8%	20.0%	29.8%	25.6%	20.4%
Rent change (net effective) - Prologis share	25.1%	25.6%	37.0%	29.5%	25.1%
Rent change (cash)	7.5%	8.2%	16.1%	10.6%	9.7%
Rent change (cash) - Prologis share	10.8%	12.3%	21.4%	15.0%	13.4%
Total square feet of Operating Portfolio leases commenced ^(A)	38,706	35,621	35,028	35,214	35,764



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

Operating Metrics – Owned and Managed

CAPITAL EXPENDITURES

Thousands, except for percentages and per square foot

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020
Property improvements	\$ 16,785	\$ 48,128	\$ 76,063	\$ 89,307	\$ 26,774
Tenant improvements	32,289	31,561	42,644	37,024	38,477
Leasing commissions	26,909	33,553	33,338	45,321	26,506
Total turnover costs	59,198	65,214	75,982	82,345	64,983
Total Capital Expenditures	\$ 75,983	\$ 113,342	\$ 152,045	\$ 171,652	\$ 91,757
Trailing four quarters - % of NOI*	11.8%	11.5%	12.1%	12.7%	12.6%
Weighted average ownership percent	70.8%	66.0%	67.4%	67.1%	66.2%
Prologis share	\$ 53,823	\$ 74,831	\$ 102,537	\$ 115,126	\$ 60,734

SAME STORE INFORMATION

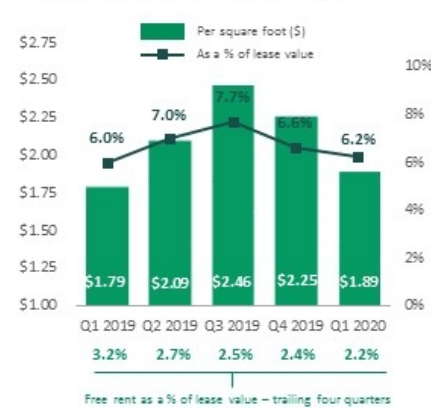
Thousands, except for percentages

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020
Square feet	591,675	591,212	588,914	583,218	674,266
Average occupancy	96.7%	96.8%	96.9%	96.8%	96.1%
Average occupancy - percentage change	0.0%	(0.1%)	(0.3%)	(0.5%)	(0.8%)
Period end occupancy	96.8%	96.9%	96.9%	97.0%	95.9%
Percentage change - Prologis share*:					
NOI - cash	5.5%	4.6%	4.3%	4.6%	4.6%
NOI - net effective	4.3%	4.2%	4.0%	4.0%	2.8%

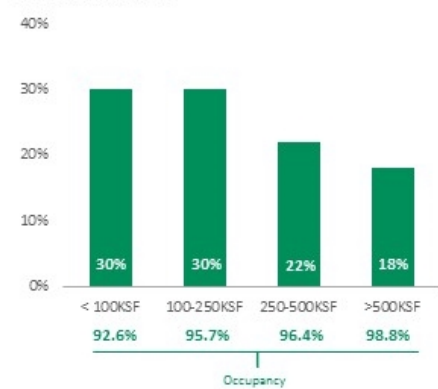
PROPERTY IMPROVEMENTS PER SQUARE FOOT



TURNOVER COSTS ON LEASES COMMENCED



COMPOSITION OF PORTFOLIO (by Unit Size) as of March 31, 2020



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

Operating Portfolio^(A) – 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 ^(B)	% of Total	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
Southern California	451	94,399	73,580	14.4	96.8	97.0	97.4	97.4
New Jersey/New York City	162	40,655	30,113	5.9	97.4	96.8	97.5	96.9
San Francisco Bay Area	260	24,949	20,067	3.9	96.1	96.0	96.3	96.1
Chicago	274	53,618	39,154	7.6	92.2	92.5	92.2	92.5
Dallas/Ft. Worth	215	37,800	29,905	5.8	94.4	94.7	94.4	94.7
Seattle	142	20,605	14,257	2.8	93.6	94.1	95.2	95.0
Houston	214	30,097	23,805	4.6	92.7	93.3	92.8	93.5
Lehigh Valley	64	26,858	23,863	4.7	98.9	98.8	98.9	98.8
Atlanta	168	30,088	24,490	4.8	97.2	97.5	97.8	97.7
South Florida	144	17,637	12,613	2.5	94.2	94.1	95.3	94.8
Central Valley	34	16,516	15,252	3.0	92.8	92.2	92.8	92.2
Baltimore/Washington	104	14,199	10,755	2.1	97.2	96.8	97.5	97.2
Central PA	36	16,838	12,393	2.4	92.3	92.3	95.9	94.9
Las Vegas	65	10,151	6,551	1.3	98.7	98.8	98.7	98.8
Orlando	84	9,299	7,961	1.6	93.8	93.6	94.0	93.9
Denver	46	8,061	6,883	1.3	91.8	90.7	92.4	91.3
Cincinnati	43	10,800	8,298	1.6	96.0	97.0	96.0	97.0
Phoenix	61	9,658	7,796	1.5	90.3	90.2	91.2	90.9
Nashville	34	9,608	6,780	1.3	100.0	100.0	100.0	100.0
Remaining U.S. markets (10 markets)	251	46,273	34,094	6.6	96.3	95.6	96.7	96.1
Total U.S.	2,852	528,109	408,570	79.7	95.4	95.4	95.8	95.7
Mexico	201	39,215	20,672	4.0	96.8	96.9	97.0	97.1
Canada	32	10,014	10,014	2.0	97.9	97.9	98.4	98.4
Brazil	23	9,749	1,669	0.3	93.5	93.9	93.5	93.9
Total Other Americas	256	58,978	32,355	6.3	96.5	97.1	96.7	97.3
United Kingdom	120	25,258	8,221	1.6	95.5	92.2	95.5	92.2
France	115	30,747	10,724	2.1	96.0	96.8	96.0	96.8
Germany	95	24,399	7,310	1.4	97.1	96.6	98.9	98.0
Netherlands	76	22,702	7,301	1.4	97.0	96.1	97.1	96.2
Remaining European countries (8 countries)	350	78,572	26,491	5.2	95.5	94.3	96.5	95.4
Total Europe	756	181,678	60,047	11.7	96.0	94.9	96.7	95.6
Japan	50	36,312	6,449	1.3	99.4	99.4	99.7	99.8
China	102	28,195	4,369	0.8	87.6	87.7	88.5	88.6
Singapore	5	951	951	0.2	97.4	97.4	97.4	97.4
Total Asia	157	65,458	11,769	2.3	94.3	94.9	94.9	95.4
Total Outside the U.S.	1,169	306,114	104,171	20.3	95.7	95.6	96.3	96.1
Total Operating Portfolio	4,021	834,223	512,741	100.0	95.5	95.4	96.0	95.8



- A. Data in the Operating Portfolio excludes non-strategic industrial properties acquired from IPT and LPT due to our intent not to hold long-term. These properties are classified as Assets Held for Sale and Other Real Estate Investments.
- B. This data excludes 37 million square feet related to non-strategic industrial properties.

Operating Portfolio – NOI* and Gross Book Value

dollars in thousands and ordered by Prologis share of NOI (%)	First Quarter NOI*			Gross Book Value		
	Owned and Managed	Prologis Share ^(A)	% of Total	Owned and Managed	Prologis Share	% of Total
Southern California	\$ 153,314	\$ 118,910	17.1	\$ 10,794,428	\$ 8,408,896	17.6
New Jersey/New York City	77,167	55,701	8.0	4,964,063	3,531,687	7.4
San Francisco Bay Area	65,160	52,336	7.5	3,416,524	2,735,891	5.7
Chicago	56,875	40,370	5.8	4,440,597	3,245,665	6.8
Dallas/Ft. Worth	41,319	32,151	4.6	2,704,523	2,094,227	4.4
Seattle	37,871	26,418	3.8	2,641,339	1,931,143	4.0
Houston	32,360	25,597	3.7	2,926,037	2,399,238	5.0
Lehigh Valley	28,638	24,733	3.5	3,223,165	2,977,523	6.2
Atlanta	29,767	23,522	3.4	1,978,591	1,581,910	3.3
South Florida	30,393	21,821	3.1	2,133,025	1,612,291	3.4
Central Valley	19,000	17,524	2.5	1,165,240	1,080,120	2.3
Baltimore/Washington	23,083	17,399	2.5	1,590,760	1,238,333	2.6
Central PA	16,969	12,464	1.8	1,398,836	1,093,068	2.3
Las Vegas	15,835	10,258	1.5	806,763	496,467	1.0
Orlando	11,353	9,471	1.4	843,594	737,852	1.5
Denver	10,200	8,467	1.2	658,687	556,713	1.2
Cincinnati	10,367	8,029	1.2	585,027	452,513	0.9
Phoenix	9,640	7,295	1.0	877,350	693,562	1.4
Nashville	9,717	6,952	1.0	529,588	374,224	0.8
Remaining U.S. markets (10 markets)	49,853	35,866	5.1	2,913,368	2,081,428	4.3
Total U.S.	728,881	555,284	79.7	50,591,505	39,322,751	82.1
Mexico	51,160	27,400	4.0	2,350,839	1,238,361	2.6
Canada	12,760	12,760	1.8	787,506	787,506	1.6
Brazil	11,358	1,940	0.3	486,272	84,349	0.2
Total Other Americas	75,278	42,100	6.1	3,624,617	2,110,216	4.4
United Kingdom	53,395	16,697	2.4	3,523,968	1,127,969	2.3
France	36,103	12,540	1.8	2,446,440	793,749	1.7
Germany	32,429	9,596	1.4	2,000,947	566,589	1.2
Netherlands	30,026	9,289	1.3	1,976,777	613,982	1.3
Remaining European countries (8 countries)	84,633	28,522	4.1	5,473,285	1,779,506	3.7
Total Europe	236,586	76,644	11.0	15,421,417	4,881,795	10.2
Japan	87,331	16,466	2.4	6,701,222	1,158,423	2.4
China	24,246	3,763	0.5	2,006,236	311,891	0.6
Singapore	2,027	2,027	0.3	132,981	132,981	0.3
Total Asia	113,604	22,256	3.2	8,840,439	1,603,295	3.3
Total Outside the U.S.	425,468	141,000	20.3	27,886,473	8,595,306	17.9
Total Operating Portfolio	\$ 1,154,349	\$ 696,284	100.0	\$ 78,477,978	\$ 47,918,057	100.0



* This is a non-GAAP financial measure. Please see our Notes and Definitions for further explanation.
A. This data excludes \$31 million of NOI related to non-strategic industrial properties.

Operating Portfolio – Summary by Division

	# 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		
square feet and dollars in thousands										
Consolidated										
Total U.S.	2,174	416,973	381,019	74.3	95.5	95.4	95.8	95.7		
Total Outside the U.S.	69	20,820	20,820	4.1	95.0	95.0	95.3	95.3		
Total Operating Portfolio - Consolidated	2,243	437,793	401,839	78.4	95.5	95.4	95.8	95.7		
Unconsolidated										
Total U.S.	678	111,136	27,551	5.4	95.1	95.1	95.9	95.9		
Total Outside the U.S.	1,100	285,294	83,351	16.2	95.8	95.7	96.4	96.3		
Total Operating Portfolio - Unconsolidated	1,778	396,430	110,902	21.6	95.6	95.6	96.2	96.2		
Total										
Total U.S.	2,852	528,109	408,570	79.7	95.4	95.4	95.8	95.7		
Total Outside the U.S.	1,169	306,114	104,171	20.3	95.7	95.6	96.3	96.1		
Total Operating Portfolio	4,021	834,223	512,741	100.0	95.5	95.4	96.0	95.8		
Value added properties - consolidated	29	5,593	5,277		12.9	13.7	28.2	24.1		
Value added properties - unconsolidated	21	1,934	507		70.5	66.3	75.2	75.3		
Total Operating Properties	4,071	841,750	518,525		94.9	94.6	95.5	95.0		
First Quarter NOI*										
		Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	% of Total			
Consolidated										
Total U.S.	\$	570,075	\$	515,920	74.1	\$	40,332,792	\$	36,779,616	76.8
Total Outside the U.S.		28,147		28,147	4.0		1,672,629		1,672,629	3.4
Total Operating Portfolio - Consolidated	\$	598,222	\$	544,067	78.1	\$	42,005,421	\$	38,452,245	80.2
Unconsolidated										
Total U.S.	\$	158,806	\$	39,364	5.7	\$	10,258,713	\$	2,543,135	5.3
Total Outside the U.S.		397,321		112,853	16.2		26,213,844		6,922,677	14.5
Total Operating Portfolio - Unconsolidated	\$	556,127	\$	152,217	21.9	\$	36,472,557	\$	9,465,812	19.8
Value added properties - consolidated	\$	(1,375)	\$	(1,148)		\$	634,312	\$	604,759	
Value added properties - unconsolidated	\$	1,155	\$	282		\$	167,474	\$	44,156	



* 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		3.7	25,265
2 Geodis		1.3	13,389
3 DHL		1.3	10,713
4 FedEx		1.2	6,509
5 Home Depot		1.2	9,659
6 XPO Logistics		1.1	10,080
7 UPS		0.9	6,766
8 DSV Panalpina A/S		0.9	8,373
9 Kuehne + Nagel		0.8	7,083
10 Wal-Mart		0.7	5,684
Top 10 Customers		13.1	103,521
11 CEVA Logistics		0.6	5,833
12 ZOSO, Inc.		0.6	2,979
13 Hitachi		0.6	3,537
14 J Sainsburys		0.6	3,427
15 Cainiao (Alibaba)		0.5	5,218
16 BMW		0.5	4,285
17 DB Schenker		0.5	4,566
18 U.S. Government		0.5	1,637
19 Ingram Micro		0.4	4,074
20 Panasonic		0.4	2,001
21 Ryder System		0.4	2,829
22 Sumitomo Corporation		0.3	2,948
23 PepsiCo		0.3	2,926
24 Performance Team		0.3	2,711
25 Staples		0.3	3,498
Top 25 Customers		19.9	155,990

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)	74,418	400,930	8.5	5.39
2021	127,428	705,074	14.8	5.53
2022	133,005	756,936	15.9	5.69
2023	109,408	643,260	13.5	5.88
2024	90,548	567,313	11.9	6.27
Thereafter	261,906	1,684,386	35.4	6.43
	796,713	4,757,899	100.0	5.97
Weighted average term of leases remaining (based on net effective rent)				4.31 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)	43,550	240,588	8.2	5.52
2021	76,803	419,613	14.4	5.46
2022	78,954	441,796	15.2	5.60
2023	67,327	393,364	13.5	5.84
2024	59,110	369,235	12.7	6.25
Thereafter	163,635	1,047,783	36.0	6.40
	489,379	2,912,379	100.0	5.95
Weighted average term of leases remaining (based on net effective rent)				4.34 years



A. We have signed leases totaling 40 million square feet in our owned and managed portfolio (4.4% of total net effective rent) and 19 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.

Capital Deployment

Overview – Prologis Share

1Q 2020 Supplemental

■ U.S. ■ Outside the U.S.

DEVELOPMENT STARTS (TEI)

in millions



DEVELOPMENT STABILIZATIONS (TEI)

dollars in millions



BUILDING ACQUISITIONS

in millions



LAND PORTFOLIO

in millions



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

1Q 2020 Supplemental

square feet and dollars in thousands	Q1 2020		
	Square Feet	TEI	
		Owned and Managed	Prologis Share
Central	554	\$ 37,292	\$ 37,292
East	1,151	118,092	118,092
West	1,385	192,729	192,729
Total U.S.	3,090	348,113	348,113
Canada	-	-	-
Mexico	-	-	-
Brazil	-	-	-
Total Other Americas	-	-	-
Northern Europe	604	54,676	54,676
Southern Europe	210	12,819	12,819
Central Europe	974	54,592	49,463
United Kingdom	-	-	-
Total Europe	1,788	122,087	116,958
Japan	1,350	212,959	212,959
China	1,086	58,861	8,829
Total Asia	2,436	271,820	221,788
Total Outside the U.S.	4,224	393,907	338,746
Total Development Stabilizations	7,314	\$ 742,020	\$ 686,859
Percent build to suit			24.2%
Estimated weighted average stabilized yield			6.3%
Annualized estimated NOI		\$	43,281
Estimated weighted average stabilized cap rate			4.5%
Estimated weighted average margin			39.4%
Estimated value creation		\$	270,608

Capital Deployment

Development Starts

1Q 2020 Supplemental

square feet and dollars in thousands	Square Feet	Leased % at Start	Q1 2020	
			Owned and Managed	Prologis Share
Central	-	-	\$ -	\$ -
East	-	-	-	-
West	-	-	-	-
Total U.S.	-	-	-	-
Canada	-	-	-	-
Mexico	-	-	-	-
Brazil	-	-	-	-
Total Other Americas	-	-	-	-
Northern Europe	290	37.2	28,949	21,354
Southern Europe	66	100.0	5,642	5,642
Central Europe	790	100.0	43,941	43,941
United Kingdom	-	-	-	-
Total Europe	1,146	84.1	78,532	70,937
Japan	1,420	86.4	230,362	230,362
China	-	-	-	-
Total Asia	1,420	86.4	230,362	230,362
Total Outside the U.S.	2,566	85.4	308,894	301,299
Total Development Starts	2,566	85.4	\$ 308,894	\$ 301,299
Percent build to suit				17.3%
Estimated weighted average stabilized yield				5.7%
Annualized estimated NOI			\$	17,052
Estimated weighted average stabilized cap rate				4.6%
Estimated weighted average margin				21.2%
Estimated value creation			\$	63,906

square feet and dollars in thousands	Pre-Stabilized Developments				Under Development						Total Development Portfolio			
			T E I		2020 Expected Completion			2021 and Thereafter Expected Completion					T E I	
	Sq Ft	Leased %	Owned and Managed	Prologis Share	Sq Ft	Owned and Managed	Prologis Share	Sq Ft	Owned and Managed	Prologis Share	Sq Ft	Leased %	Owned and Managed	Prologis Share
Central	950	22.5	\$ 74,222	\$ 74,222	1,709	\$ 117,051	\$ 117,051	-	\$ -	\$ -	2,659	15.6	\$ 191,273	\$ 191,273
East	217	0.0	30,739	30,739	3,004	295,219	295,219	-	-	-	3,221	60.4	325,958	325,958
West	2,655	49.6	279,504	279,504	4,743	585,118	532,431	-	-	-	7,398	66.1	864,622	811,935
Total U.S.	3,822	40.0	384,465	384,465	9,456	997,388	944,701	-	-	-	13,278	54.6	1,381,853	1,329,166
Canada	-	-	-	-	451	44,226	44,226	-	-	-	451	100.0	44,226	44,226
Mexico	837	65.3	56,731	53,580	609	37,429	31,252	-	-	-	1,446	79.9	94,160	84,832
Brazil	538	100.0	23,440	4,888	641	25,971	5,194	-	-	-	1,179	45.6	49,411	9,882
Total Other Americas	1,375	78.9	80,171	58,268	1,701	107,626	80,672	-	-	-	3,076	69.7	187,797	138,940
Northern Europe	761	51.7	68,407	68,407	1,597	155,812	148,216	-	-	-	2,358	21.3	224,219	216,623
Southern Europe	884	64.3	82,737	82,737	1,465	112,768	112,768	-	-	-	2,349	60.1	195,505	195,505
Central Europe	593	54.4	37,033	32,224	1,785	108,212	97,545	790	43,941	43,941	3,168	72.3	189,186	173,710
United Kingdom	535	0.0	59,111	8,867	2,380	366,959	320,309	-	-	-	2,915	74.3	426,070	329,176
Total Europe	2,773	46.4	247,288	192,235	7,227	743,751	678,838	790	43,941	43,941	10,790	59.1	1,034,980	915,014
Japan	-	-	-	-	1,713	287,461	287,461	4,217	743,608	743,608	5,930	76.8	1,031,069	1,031,069
China	3,673	11.8	190,693	28,656	9,063	474,810	71,221	8,429	483,768	72,565	21,165	2.5	1,149,271	172,442
Total Asia	3,673	11.8	190,693	28,656	10,776	762,271	358,682	12,646	1,227,376	816,173	27,095	18.8	2,180,340	1,203,511
Total Outside the U.S.	7,821	35.8	518,152	279,159	19,704	1,613,648	1,118,192	13,436	1,271,317	860,114	40,961	33.2	3,403,117	2,257,465
Total Active Development Portfolio	11,643	37.2	\$ 902,617	\$ 663,624	29,160	\$ 2,611,036	\$ 2,062,893	13,436	\$ 1,271,317	\$ 860,114	54,239	38.4	\$ 4,784,970	\$ 3,586,631
Cost to complete			\$ 105,638	\$ 92,632		\$ 996,259	\$ 829,876		\$ 984,552	\$ 726,116		\$ 2,086,449	\$ 1,648,624	
Percent build to suit			11.9%	11.9%		47.0%	47.0%		16.2%	16.2%		4.8%	30.2%	
Estimated weighted average stabilized yield			6.6%	6.6%		5.9%	5.9%		5.5%	5.5%		5.9%	5.9%	
													Annualized estimated NOI	\$211,540
													Estimated weighted average stabilized cap rate	4.8%
													Estimated weighted average margin	24.2%
													Estimated value creation	\$868,912
Total Active Development Portfolio	11,643	37.2	\$ 902,617	\$ 663,624	29,160	\$ 2,611,036	\$ 2,062,893	13,436	\$ 1,271,317	\$ 860,114	54,239	38.4	\$ 4,784,970	\$ 3,586,631
Suspended Development Portfolio					3,532	310,564	274,200	889	76,128	76,128	4,421	0.0	386,692	350,328
Total Development Portfolio	11,643	37.2	\$ 902,617	\$ 663,624	32,692	\$ 2,921,600	\$ 2,337,093	14,325	\$ 1,347,445	\$ 936,242	58,660	35.6	\$ 5,171,662	\$ 3,936,959

Capital Deployment

Third Party Acquisitions

1Q 2020 Supplemental

square feet and dollars in thousands	Q1 2020			
	Square Feet		Acquisition Price	
	Owned and Managed	Prologis Share	Owned and Managed	Prologis Share
Prologis Wholly Owned	1,207	1,207	\$ 272,112	\$ 272,112
Prologis Targeted U.S. Logistics Fund	162	40	83,669	20,741
Total U.S.	1,369	1,247	355,775	292,853
Prologis European Logistics Fund	496	119	80,059	19,223
Total Outside the U.S.	496	119	80,059	19,223
Total Third Party Building Acquisitions	1,865	1,366	\$ 435,834	\$ 312,076
Weighted average stabilized cap rate				4.2%
Land acquisitions			84,700	84,658
Acquisitions of other investments in real estate			86,836	86,836
Grand Total Third Party Acquisitions			\$ 607,370	\$ 483,570

Capital Deployment

Dispositions and Contributions

1Q 2020 Supplemental

	Square Feet		Q1 2020	
	Owned and Managed	Prologis Share	Owned and Managed	Sales Price Prologis Share
square feet and dollars in thousands				
Third-Party Building Dispositions				
Prologis Wholly Owned	1,982	1,982	149,704	149,704
Prologis Targeted U.S. Logistics Fund	1,038	257	51,685	12,813
Total U.S.	3,020	2,239	\$ 201,389	\$ 162,517
Total Other Americas				
Prologis Wholly Owned	883	883	56,142	56,142
Total Europe	883	883	56,142	56,142
Prologis Wholly Owned	200	200	6,090	6,090
Total Asia	200	200	6,090	6,090
Total Outside the U.S.	1,083	1,083	62,232	62,232
Total Third Party Building Dispositions	4,103	3,322	\$ 263,621	\$ 224,749
Building Contributions to Co-Investment Ventures				
Total U.S.	-	-	\$ -	\$ -
Total Other Americas				
Prologis European Logistics Fund	1,658	1,658	156,936	119,255
Total Europe	1,658	1,658	156,936	119,255
Nippon Prologis REIT	2,055	2,055	405,592	344,470
Total Asia	2,055	2,055	405,592	344,470
Total Outside the U.S.	3,713	3,713	562,528	463,725
Total Building Contributions to Co-Investment Ventures	3,713	3,713	562,528	463,725
Total Building Dispositions and Contributions	7,816	7,035	\$ 826,149	\$ 688,474
Weighted average stabilized cap rate				4.8%
Land dispositions			1,815	1,815
Dispositions of other investments in real estate			17,906	17,824
Grand Total Dispositions and Contributions			\$ 845,870	\$ 708,113

Capital Deployment

1Q 2020 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	126	126	2,231	\$ 123,119	\$ 123,119	8.2
New Jersey/New York City	36	36	352	27,327	27,327	1.8
San Francisco Bay Area	13	13	96	473	473	0.1
Chicago	164	164	2,437	35,574	35,574	2.4
Dallas/Ft. Worth	96	96	1,884	11,373	11,373	0.8
Seattle	9	9	382	13,878	13,878	0.9
Houston	197	184	3,251	41,270	39,627	2.6
Lehigh Valley	300	300	3,136	104,302	104,302	7.0
Atlanta	358	358	3,194	31,417	31,417	2.1
South Florida	163	159	2,352	129,280	126,922	8.5
Central Valley	1,023	1,023	20,678	187,322	187,322	12.5
Baltimore/Washington	128	128	1,063	23,624	23,624	1.6
Central PA	29	16	399	7,958	4,386	0.3
Las Vegas	55	55	1,073	15,393	15,393	1.0
Orlando	27	27	387	8,019	8,019	0.5
Denver	9	9	183	9,306	9,306	0.6
Cincinnati	-	-	-	-	-	-
Phoenix	172	172	2,799	30,256	30,256	2.0
Nashville	78	78	1,108	5,562	5,562	0.4
Remaining U.S. markets (10 markets)	458	458	5,676	68,689	68,689	4.6
Total U.S.	3,441	3,411	52,641	874,152	866,569	57.9
Mexico	470	450	8,091	90,040	84,835	5.7
Canada	171	171	3,156	85,133	85,133	5.7
Brazil	485	239	10,789	107,487	30,432	2.0
Total Other Americas	1,126	860	22,036	282,660	200,400	13.4
United Kingdom	287	188	5,337	192,239	111,174	7.4
France	303	256	5,857	31,487	23,796	1.6
Germany	28	28	669	16,749	16,749	1.1
Netherlands	24	24	666	9,416	9,416	0.6
Remaining European countries (8 countries)	1,137	1,081	22,279	193,820	179,964	12.1
Total Europe	1,779	1,577	34,808	443,711	341,099	22.8
Japan	57	57	2,592	83,615	83,615	5.6
China	112	17	4,460	30,741	4,611	0.3
Total Asia	169	74	7,052	114,356	88,226	5.9
Total Outside the U.S.	3,074	2,511	63,896	840,727	629,725	42.1
Total Land Portfolio	6,515	5,922	116,537	\$ 1,714,879	\$ 1,496,294	100.0

Land Portfolio – Summary and Roll Forward

dollars in thousands	Acres			Current Book Value		
	Owned and Managed	Prologis Share	% of Total	Owned and Managed	Prologis Share	% of Total
Central	807	794	13.4	\$ 113,218	\$ 111,575	7.5
East	1,101	1,064	18.3	337,588	331,648	22.2
West	1,533	1,533	25.9	423,346	423,346	28.2
Total U.S.	3,441	3,411	57.6	874,152	866,569	57.9
Mexico	470	450	7.6	90,040	84,835	5.7
Canada	171	171	2.9	85,133	85,133	5.7
Brazil	485	239	4.0	107,467	30,432	2.0
Total Other Americas	1,126	860	14.5	282,660	200,400	13.4
Central Europe	774	736	12.4	95,340	86,354	5.8
Northern Europe	97	97	1.6	39,761	39,761	2.7
Southern Europe	621	556	9.4	116,371	103,810	6.9
United Kingdom	287	188	3.2	192,239	111,174	7.4
Total Europe	1,779	1,577	26.6	443,711	341,099	22.8
Japan	57	57	1.0	83,615	83,615	5.6
China	112	17	0.3	30,741	4,611	0.3
Total Asla	169	74	1.3	114,356	88,226	5.9
Total Outside the U.S.	3,074	2,511	42.4	840,727	629,725	42.1
Total Land Portfolio	6,515	5,922	100.0	\$ 1,714,879	\$ 1,496,294	100.0
Estimated build out of land portfolio (In TEI)				\$ 9,500,000	\$ 8,600,000	
Estimated build out of other land (In TEI) ^(A)				2,900,000	2,500,000	
Total				\$ 12,400,000	\$ 11,100,000	
Land Roll Forward - Prologis Share		U.S.	Other Americas	Europe	Asla	Total
As of December 31, 2019	\$	476,175	\$ 210,299	\$ 344,903	\$ 108,001	\$ 1,139,378
Acquisitions		369,064	5,127	18,241	-	392,432
Dispositions		(1,614)	-	-	-	(1,614)
Development starts		-	-	(11,178)	(21,710)	(32,888)
Infrastructure costs		22,944	1,835	2,810	1,987	29,576
Effect of changes in foreign exchange rates and other		-	(16,861)	(13,677)	(52)	(30,590)
As of March 31, 2020	\$	866,569	\$ 200,400	\$ 341,099	\$ 88,226	\$ 1,496,294

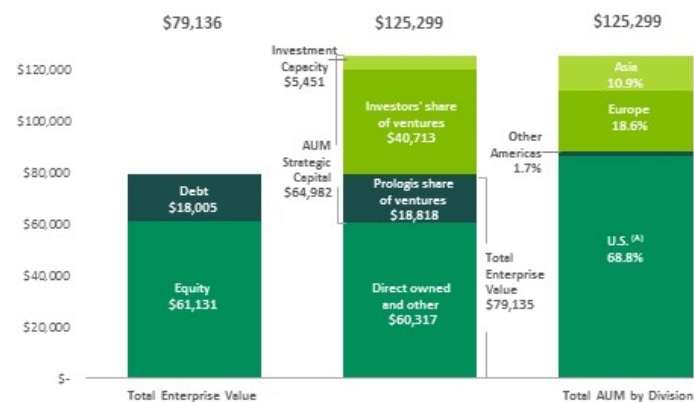


A. Amounts include approximately 3,000 acres that we could develop through options, ground leases, unconsolidated joint ventures and other contractual arrangements.

Overview

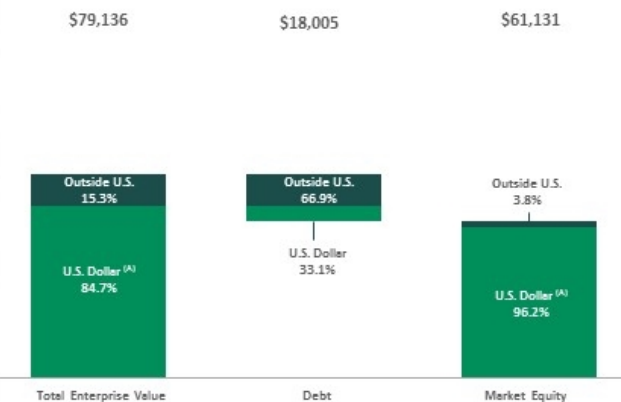
ASSETS UNDER MANAGEMENT

(dollars in millions)



U.S. DOLLAR EXPOSURE

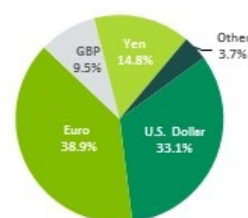
(dollars in millions)



Prologis Share - Debt Metrics (B)

	March 31, 2020	December 31, 2019
Debt as % of gross market capitalization*	21.7%	18.3%
Debt as % of gross real estate assets*	29.4%	30.0%
Secured debt as % of gross real estate assets*	2.0%	2.6%
Unencumbered gross real estate assets to unsecured debt*	322.0%	310.2%
Fixed charge coverage ratio*	9.03x	9.77x
Fixed charge coverage ratio, excluding development gains*	7.55x	8.36x
Debt/Adjusted EBITDA*	4.20x	3.96x
Debt/Adjusted EBITDA, excluding development gains*	4.97x	4.63x
Weighted average interest rate	2.3%	2.3%
Weighted average remaining maturity in years	9.1	7.4
Floating Debt	11%	16%
Credit Ratings at March 31, 2020 (C)		
Moody's	A3 (Outlook Stable)	
Standard & Poor's	A- (Outlook Stable)	

DEBT BY CURRENCY-PROLOGIS SHARE



UNENCUMBERED ASSETS - PROLOGIS SHARE (dollars in billions)



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

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

B. The detail calculations are included in the Notes and Definitions section and are not in accordance with the applicable SEC rules.

C. A securities rating is not a recommendation to buy, sell or hold securities and is subject to revision or withdrawal at any time by the rating organization.



Capitalization

1Q 2020 Supplemental

Debt Components- Consolidated

dollars in thousands

Maturity	Unsecured			Secured Mortgage	Total	Wtd. Avg. Interest Rate	% Fixed
	Senior	Credit Facilities ^(A)	Other ^(A)				
2020	\$ -	\$ -	\$ 10,785	\$ 19,109	\$ 29,894	5.0%	59%
2021	-	-	-	30,895	30,895	4.7%	100%
2022	931,260	52,522	500,000	11,745	1,495,527	2.3%	63%
2023	850,000	-	119,617	33,719	1,003,336	4.2%	88%
2024	766,920	-	-	262,138	1,029,058	3.7%	87%
2025	796,072	-	-	127,306	923,378	3.7%	100%
2026	947,679	-	783,230	1,213	1,732,122	1.7%	55%
2027	1,157,360	-	66,344	1,255	1,224,959	1.1%	100%
2028	1,371,159	-	136,374	160,058	1,667,591	1.7%	94%
2029	1,734,890	-	-	-	1,734,890	2.2%	100%
2030	1,046,994	-	46,072	-	1,093,066	2.2%	96%
Thereafter	3,474,088	-	276,434	-	3,750,502	1.8%	98%
Subtotal	13,076,402	52,522	1,938,856	647,438	15,715,218	2.2%	88%
Unamortized net premiums	26,219	-	-	2,864	29,083		
Unamortized finance costs	(57,540)	-	(7,901)	(2,268)	(67,709)		
Total consolidated debt, net of unamortized premiums (discounts) and finance costs	\$ 13,045,081	\$ 52,522	\$ 1,930,955	\$ 648,034	\$ 15,676,592		
Weighted average interest rate	2.3%	0.4%	1.1%	3.7%	2.2%		
Weighted average remaining maturity in years	10.4	1.9	6.0	5.4	9.6		

Prologis debt by local currency

	Unsecured			Secured Mortgage	Total	Investment Hedges ^(B)		% of Total	Liquidity	
	Senior	Credit Facilities	Other			Total	% of Total			
Dollars	\$ 5,288,602	\$ -	\$ 510,725	\$ 220,605	\$ 6,019,932	\$ (1,207,047)	\$ 4,812,885	31%	Aggregate lender commitments- GLOC and revolver	\$ 3,922,345
Euro	6,236,824	-	-	-	6,236,824	386,585	6,623,409	42%	Less:	
GBP	923,354	-	-	162,482	1,085,836	339,787	1,425,623	9%	Borrowings outstanding	52,522
Yen	596,301	52,522	1,301,285	128,819	2,078,927	226,976	2,305,903	15%	Outstanding letters of credit	39,583
CAD	-	-	118,945	136,128	255,073	205,854	460,927	3%	Current availability- credit facilities	3,830,240
Other	-	-	-	-	-	47,845	47,845	0%	Cash and cash equivalents	807,871
Total Debt	\$ 13,045,081	\$ 52,522	\$ 1,930,955	\$ 648,034	\$ 15,676,592	\$ -	\$ 15,676,592	100%	Total liquidity	\$ 4,638,111

- A. The maturity for the revolver (\$53 million) and a certain term loan (\$500 million) are 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	\$ -	\$ 2,053	\$ 2,053	3.6%	40%	\$ 7	\$ 20,417	\$ 20,424	2.2%	98%
2021	-	1,141	1,141	3.8%	100%	109,197	139,031	248,228	3.3%	91%
2022	-	1,098	1,098	3.9%	100%	330,044	98,966	429,010	3.5%	81%
2023	-	526	526	4.0%	100%	190,972	95,279	286,251	3.6%	89%
2024	-	412	412	3.6%	100%	249,125	87,528	336,653	3.1%	83%
2025	-	427	427	3.6%	100%	111,273	8,087	119,360	1.7%	98%
2026	-	441	441	3.6%	100%	48,187	59,429	107,616	2.8%	92%
2027	-	457	457	3.6%	100%	99,787	32	99,819	2.1%	100%
2028	-	-	-	-	-	187,168	-	187,168	2.5%	100%
2029	-	-	-	-	-	215,898	-	215,898	1.7%	94%
2030	-	-	-	-	-	135,933	-	135,933	2.6%	100%
Thereafter	-	-	-	-	-	160,045	-	160,045	3.5%	100%
Subtotal	\$ -	\$ 6,555	\$ 6,555	3.7%	81%	\$ 1,837,636	\$ 508,769	\$ 2,346,405	2.9%	91%
Unamortized net premiums (discounts)	-	136	136			(1,920)	897	(1,023)		
Unamortized finance costs	-	(38)	(38)			(8,084)	(2,239)	(10,323)		
Noncontrolling interests share and Prologis Share of unconsolidated debt	\$ -	\$ 6,555	\$ 6,555			\$ 1,827,632	\$ 507,427	\$ 2,335,059		
Weighted average interest rate	-	3.7%	3.7%			2.7%	3.9%	2.9%		
Weighted average remaining maturity in years	-	4.6	4.6			6.1	2.9	5.4		

Noncontrolling interests share of Consolidated debt by local currency

	Unsecured	Secured	Total	% of Total
Dollars	\$ -	\$ 6,653	\$ 6,653	100%
Euro	-	-	-	-
GBP	-	-	-	-
Yen	-	-	-	-
CAD	-	-	-	-
Other	-	-	-	-
Total Debt	\$ -	\$ 6,653	\$ 6,653	100%

Prologis Share of unconsolidated debt by local currency

Unsecured	Secured	Total	Investment Hedges ^(C)		Total	% of Total
			Hedges	Total		
\$ 916,108	\$ 264,182	\$ 1,180,290	\$ (27,960)	\$ 1,152,330	49%	
486,659	69,086	555,745	(168,754)	386,991	17%	
-	155,763	155,763	122,943	278,706	12%	
363,237	-	363,237	-	363,237	15%	
-	-	-	-	-	0%	
61,628	18,396	80,024	73,771	153,795	7%	
\$ 1,827,632	\$ 507,427	\$ 2,335,059	\$ -	\$ 2,335,059	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 \$960 million) is reflected at the extended maturity dates as the extensions are at the entity's option.
- C. We manage our exposure to changes in foreign currency exchange rates using foreign currency forward contracts, including those that are accounted for as net investment hedges, to economically reduce our exposure to fluctuations in foreign currency rates. The effect is reflected in the table under Investment Hedges. See also page 28 for our market equity exposure by currency.



Net Asset Value

1Q 2020 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.	381,019	\$ 36,779,616	\$ 97	\$ 507,415	\$ 507,415	\$ 2,029,660	95.4%
Other Americas	14,367	1,046,827	73	17,872	17,872	71,488	97.7%
Europe	4,351	317,913	73	4,390	4,390	17,560	84.2%
Asia	2,102	307,889	145	4,907	4,907	19,628	98.7%
Pro forma adjustments for mid-quarter acquisitions/development completions						33,698	134,792
Total consolidated operating portfolio	401,839	38,452,245	96	534,584	568,282	2,273,128	95.4%
Unconsolidated Operating Portfolio							
U.S.	27,551	2,543,135	92	38,852	38,852	155,408	95.1%
Other Americas	17,988	1,063,389	59	23,171	23,171	92,684	96.5%
Europe	55,696	4,563,882	82	70,484	70,484	281,936	95.8%
Asia	9,667	1,295,406	134	16,540	16,540	66,160	94.1%
Pro forma adjustments for mid-quarter acquisitions/development completions						1,288	5,152
Total unconsolidated operating portfolio	110,902	9,465,812	85	149,047	150,335	601,340	95.6%
Total Operating Portfolio	512,741	\$ 47,918,057	\$ 93	\$ 683,631	\$ 718,617	\$ 2,874,468	95.4%

Development

	Square Feet	Investment Balance	TEI	TEI per Sq Ft	Annualized Estimated NOI	Percent Occupied
Consolidated						
Prestabilized						
U.S.	3,822	\$ 316,161	\$ 384,464	\$ 101	\$ 25,049	13.4%
Other Americas	737	40,411	50,806	69	4,485	7.0%
Europe	2,062	153,765	178,559	87	10,605	32.6%
Asia	-	-	-	-	-	-
Properties under development						
U.S.	12,078	682,881	1,185,694	98	57,051	
Other Americas	963	34,723	75,478	78	5,188	
Europe	8,233	335,971	796,571	97	39,360	
Asia	5,930	239,784	1,031,069	174	55,156	
Total consolidated development portfolio	33,825	1,803,696	3,702,641	109	196,894	
Unconsolidated						
U.S.	155	6,783	9,082	59	456	
Other Americas	282	9,428	12,656	45	1,291	
Europe	437	26,385	40,138	92	2,008	
Asia	3,176	96,574	172,442	54	10,891	
Total unconsolidated development portfolio	4,050	139,170	234,318	58	14,646	
Total Development Portfolio	37,875	\$ 1,942,866	\$ 3,936,959	\$ 104	\$ 211,540	

Prologis share of est. value creation (see Capital Deployment - Development Portfolio)

Total development portfolio, including est. value creation

\$ 2,811,778



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

Components - continued

In thousands			
Balance Sheet and Other Items			
Other assets			
Cash and cash equivalents	\$		807,871
Restricted cash			44,904
Accounts receivable, prepaid assets and other tangible assets			1,035,864
Other real estate investments and gross book value of assets held for sale			4,077,769
Value added operating properties			634,312
Prologis receivable from unconsolidated co-investment ventures			242,235
Investments in and advances to other unconsolidated joint ventures			924,389
Total other assets	\$		7,767,344
Other liabilities			
Accounts payable and other current liabilities	\$		888,341
Deferred income taxes			61,340
Value added tax and other tax liabilities			46,418
Tenant security deposits			299,840
Other liabilities			411,652
Total liabilities	\$		1,707,591
Noncontrolling Interests and Unconsolidated			
Less: noncontrolling interests share of net tangible other assets	\$		(8,387)
Prologis share of unconsolidated net tangible other assets	\$		346,898
Less: noncontrolling interests share of value added operating properties	\$		(29,553)
Prologis share of unconsolidated value added operating properties	\$		44,156
Land			
Current book value of land	\$		1,463,982
Less: noncontrolling interests share of the current book value of land	\$		(17,806)
Prologis share of book value of land in unconsolidated co-investment ventures	\$		50,118
Strategic Capital / Development Management			
Strategic Capital			
Third party share of asset management fees from consolidated and unconsolidated co-investment ventures (annualized)	\$	55,701	\$ 222,804
Third party share of other transactional fees from consolidated and unconsolidated co-investment ventures (trailing 12 months)		16,995	46,242
Strategic capital expenses for asset management and other transactional fees		(16,671)	(65,098)
Total strategic capital	\$	56,025	\$ 203,948
Promotes, net of expenses (trailing 12 months) ^(A)	\$	(6,425)	\$ 119,263
Development management income (trailing 12 months)	\$	2,843	\$ 8,321
Debt (at par) and Preferred Stock			
Debt			
Consolidated debt	\$		15,715,218
Noncontrolling interests share of consolidated debt	\$		(6,555)
Prologis share of unconsolidated co-investment ventures debt	\$		2,346,405
Preferred stock	\$		68,948
Common Stock and Limited Operating Partnership Units			
Outstanding shares of common stock and limited operating partnership units			759,773



A. For the quarter, promote revenue was \$1 million less promote amortization expense of \$7 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	\$ 878,807
Rental expenses	(227,618)
NOI	651,189
Net termination fees and adjustments (a)	(4,711)
Less: actual NOI for development portfolio and other	(44,979)
Property management fees	1,242
Less: properties contributed or sold (b)	(2,431)
Less: noncontrolling interests share of NOI	(56,243)
Prologis share of adjusted NOI for consolidated Operating Portfolio at March 31, 2020	544,067
Straight-line rents (c)	(17,752)
Free rent (c)	12,577
Amortization of lease intangibles (c)	(4,390)
Effect of foreign currency exchange (d)	(863)
Less: noncontrolling interests and other	945
First quarter Adjusted Cash NOI (Actual)	\$ 534,584

(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.



Notes and Definitions (continued)

1Q 2020 Supplemental

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%	26.5%	<60%	24.1%
Fixed charge coverage ratio	>1.5x	15.43x	>1.5x	12.91x
Secured debt leverage ratio	<40%	1.1%	<40%	1.0%
Unencumbered asset to unsecured debt ratio	>150%	338.1%	N/A	N/A
Unencumbered debt service coverage ratio	N/A	N/A	>150%	1301.9%

Calculation of Per Share Amounts

in thousands, except per share amount	Three Months Ended	
	2020	Mar. 31, 2019
Net earnings		
Net earnings attributable to common stockholders	\$ 489,418	\$ 347,047
Noncontrolling interest attributable to exchangeable limited partnership units	14,049	10,657
Adjusted net earnings attributable to common stockholders - Diluted	\$ 503,467	\$ 357,704
Weighted average common shares outstanding - Basic	698,272	629,676
Incremental weighted average effect on exchange of limited partnership units	20,230	19,718
Incremental weighted average effect of equity awards	5,481	4,965
Weighted average common shares outstanding - Diluted	723,983	654,359
Net earnings per share - Basic	\$ 0.70	\$ 0.55
Net earnings per share - Diluted	\$ 0.70	\$ 0.55
Core FFO		
Core FFO attributable to common stockholders/unit holders	\$ 599,219	\$ 474,251
Noncontrolling interest attributable to exchangeable limited partnership units	143	194
Core FFO attributable to common stockholders/unit holders - Diluted	\$ 599,362	\$ 474,445
Weighted average common shares outstanding - Basic	698,272	629,676
Incremental weighted average effect on exchange of limited partnership units	20,230	19,718
Incremental weighted average effect of equity awards	5,481	4,965
Weighted average common shares outstanding - Diluted	723,983	654,359
Core FFO per share - Diluted	\$ 0.83	\$ 0.73



Notes and Definitions (continued)

1Q 2020 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	
	Mar. 31, 2020	Dec. 31, 2019
Debt as a % of gross real estate assets:		
Consolidated debt (at par)	\$ 15,715,218	\$ 11,994,717
Noncontrolling interests share of consolidated debt (at par)	(6,555)	(6,752)
Prologis share of unconsolidated debt (at par)	2,346,405	2,187,043
Total Prologis share of debt (at par)	18,055,068	14,175,008
Prologis share of outstanding foreign currency derivatives	(17,842)	17,506
Consolidated cash and cash equivalents	(807,871)	(1,088,855)
Noncontrolling interests share of consolidated cash and cash equivalents	13,817	103,982
Prologis share of unconsolidated cash and cash equivalents	(308,055)	(202,342)
Total Prologis share of debt, net of adjustments	\$ 16,935,117	\$ 13,005,299
Consolidated gross real estate assets	51,663,291	36,686,779
Noncontrolling interests share of consolidated gross real estate assets	(3,901,731)	(3,004,257)
Prologis share of unconsolidated gross real estate assets	9,800,146	9,634,192
Total Prologis share of gross real estate assets	\$ 57,561,706	\$ 43,316,714
Debt as a % of gross real estate assets	29.4%	30.0%
Debt as a % of gross Market Capitalization:		
Total Prologis share of debt, net of adjustments	\$ 16,935,117	\$ 13,005,299
Total outstanding common stock and limited partnership units	759,773	649,792
Share price at quarter end	\$ 80.37	\$ 89.14
Total equity capitalization	\$ 61,062,956	\$ 57,922,459
Total Prologis share of debt, net of adjustments	16,935,117	13,005,299
Gross Market Capitalization	\$ 77,998,073	\$ 70,927,758
Debt as a % of gross Market Capitalization	21.7%	18.3%
Secured debt as a % of gross real estate assets:		
Consolidated secured debt (at par)	\$ 647,437	\$ 621,446
Noncontrolling interests share of consolidated secured debt (at par)	(6,555)	(6,752)
Prologis share of unconsolidated secured debt (at par)	508,769	529,288
Total Prologis share of secured debt (at par)	\$ 1,149,651	\$ 1,143,982
Total Prologis share of gross real estate assets	\$ 57,561,706	\$ 43,316,714
Secured debt as a % of gross real estate assets	2.0%	2.6%
Unencumbered gross real estate assets to unsecured debt:		
Consolidated unencumbered gross real estate assets	\$ 50,042,613	\$ 34,999,756
Noncontrolling interests share of consolidated unencumbered gross real estate assets	(3,838,935)	(2,941,627)
Prologis share of unconsolidated unencumbered gross real estate assets	8,229,081	8,358,618
Total Prologis share of unencumbered gross real estate assets	\$ 54,432,759	\$ 40,416,747
Consolidated unsecured debt (at par)	15,067,780	11,373,271
Noncontrolling interests share of consolidated unsecured debt (at par)	-	-
Prologis share of unconsolidated unsecured debt (at par)	1,837,636	1,657,755
Total Prologis share of unsecured debt (at par)	\$ 16,905,416	\$ 13,031,026
Unencumbered gross real estate assets to unsecured debt	322.0%	310.2%

dollars in thousands

Fixed Charge Coverage ratio:

	Three Months Ended	
	Mar. 31, 2020	Dec. 31, 2019
Adjusted EBITDA	\$ 1,012,743	\$ 854,135
Adjusted EBITDA-annualized including trailing 12 months of development gains and excluding net promotes (a)	\$ 3,916,972	\$ 3,162,825
Net promotes for the trailing 12 months	119,306	120,602
Adjusted EBITDA-annualized	\$ 4,036,277	\$ 3,283,427
Pro forma adjustment annualized	(204,832)	9,844
Adjusted EBITDA, including NOI from disposed properties, annualized	\$ 3,831,445	\$ 3,293,271
Interest expense	\$ 75,642	\$ 60,080
Amortization and write-off of deferred loan costs	(3,768)	(3,225)
Amortization of debt premiums, net	2,593	(1,139)
Capitalized interest	10,642	10,279
Preferred stock dividends	1,635	1,511
Noncontrolling interests share of consolidated fixed charges	(76)	(136)
Prologis share of unconsolidated fixed charges	19,429	16,937
Total Prologis share of fixed charges	\$ 106,097	\$ 84,307
Total Prologis share of fixed charges, annualized	\$ 424,388	\$ 337,228
Fixed charge coverage ratio	9.03	9.77

Debt to Adjusted EBITDA:

Total Prologis share of debt, net of adjustments	\$ 16,935,117	\$ 13,005,299
Adjusted EBITDA-annualized	\$ 4,036,277	\$ 3,283,427
Debt to Adjusted EBITDA ratio	4.20	3.96

(a) Prologis share of gains on dispositions of development properties for the trailing 12 months was \$626.8 million and \$472.7 million for the current quarter and the previous quarter, respectively.

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

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

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

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

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

Notes and Definitions (continued)

1Q 2020 Supplemental

Estimated Weighted Average Stabilized Yield is calculated on the active properties in the Development Portfolio as Stabilized NOI divided by TEI. The yields were as follows:

	Pre-Stabilized Developments	2020 Expected Completion	2021 and Thereafter Expected Completion	Total Development Portfolio
U.S.	6.5%	6.1%	-	6.2%
Other Americas	8.9%	7.1%	-	7.9%
Europe	6.0%	5.5%	6.5%	5.7%
Asia	6.2%	5.6%	5.4%	5.5%
Total	6.6%	5.9%	5.5%	5.9%

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 (a) debt transactions between us and our foreign entities, (b) third-party debt that is used to hedge our investment in foreign entities, (c) derivative financial instruments related to any such debt transactions, and (d) 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 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. 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	
	2020	Mar. 31, 2019
Building and land development activities	\$ 21,689	\$ 19,270
Operating building improvements and other	6,177	5,105
Total capitalized G&A	\$ 27,866	\$ 24,375

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

Net G&A - midpoint of 2020 guidance	\$ 275,000
Add: estimated 2020 strategic capital expenses (excluding promote expense)	141,000
Less: estimated 2020 strategic capital property management expenses	(76,000)
Adjusted G&A	\$ 340,000
Gross book value at period end (a):	
Operating properties	\$ 79,279,764
Development portfolio (b)	4,880,955
Land portfolio	1,714,879
Other real estate investments and gross book value of assets held for sale	4,902,310
Total value of assets under management	\$ 90,777,908
G&A as % of assets under management	0.37%

(a) This does not represent enterprise value.

(b) Amount includes TEI of the active Development Portfolio and investment balance of the suspended Development Portfolio.

Notes and Definitions (continued)

1Q 2020 Supplemental

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)	\$ 1.81	\$ 1.88
Our share of:		
Depreciation and amortization	2.20	2.23
Net gains on real estate transactions, net of taxes	(0.38)	(0.38)
Unrealized foreign currency gains and other, net	(0.08)	(0.08)
Core FFO	\$ 3.55	\$ 3.65

(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	
	2020	Mar. 31, 2019
Current income tax expense	\$ 21,195	\$ 10,320
Current income tax expense on dispositions	6,725	2,399
Total current income tax expense	27,920	12,719
Deferred income tax expense	2,993	793
Total income tax expense	\$ 30,913	\$ 13,512

Interest Expense.

in thousands	Three Months Ended	
	2020	Mar. 31, 2019
Gross interest expense	\$ 85,109	\$ 70,067
Amortization of debt discounts (premiums), net	(2,593)	839
Amortization of finance costs	3,768	3,323
Interest expense before capitalization	86,284	74,229
Capitalized amounts	(10,642)	(13,722)
Interest expense	\$ 75,642	\$ 60,507

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

Net Asset Value ("NAV"). We consider NAV to be a useful supplemental measure of our operating performance because it enables both management and investors to estimate the fair value of our business. The assessment of the fair value of a particular line of our business is subjective in that it involves estimates and can be calculated using various methods. Therefore, we have presented the financial results and investments related to our business components that we believe are important in calculating our NAV but we have not presented any specific methodology nor provided any guidance on the assumptions or estimates that should be used in the calculation.

The components of NAV do not consider the potential changes in rental and fee income streams or the franchise value associated with our global operating platform, strategic capital platform or development platform.

Net Effective Rent is calculated at the beginning of the lease using estimated total cash rent to be received over the term and annualized. Amounts derived in a currency other than the U.S. dollar have been translated using the average rate from the previous twelve months. The per square foot number is calculated by dividing the Net Effective Rent by the occupied square feet of the lease.

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

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

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

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

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

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

Operating Portfolio represents industrial properties in our owned and managed portfolio that have reached stabilization. Prologis share of NOI excludes termination fees and adjustments and includes NOI for the properties contributed to or acquired from co-investment ventures at our actual share



Notes and Definitions (continued)

1Q 2020 Supplemental

prior to and subsequent to change in ownership. The markets presented represent markets that are generally greater than 1% of Prologis share of NOI. Assets held for sale are excluded from the portfolio.

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

Rental Revenue.

in thousands	Three Months Ended	
	2020	Mar. 31, 2019
Rental revenues	\$ 653,665	\$ 501,905
Rental recoveries	199,639	165,353
Amortization of lease intangibles	3,982	4,234
Straight-lined rents	21,521	25,315
Rental Revenue	\$ 878,807	\$ 696,807

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 March 31, 2020 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, 2019 and owned throughout the same three-month period in both 2019 and 2020. 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, 2019) 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		
	2020	2019	Change (%)
Reconciliation of Consolidated Property NOI to Same Store Property NOI measures:			
Rental revenues	\$ 878,807	\$ 696,807	
Rental expenses	(227,618)	(188,068)	
Consolidated Property NOI	\$ 651,189	\$ 508,739	
Adjustments to derive same store results:			
Property NOI from consolidated properties not included in same store portfolio and other adjustments (a)	(176,978)	(35,312)	
Property NOI from unconsolidated co-investment ventures included in same store portfolio (a)(b)	486,909	470,932	
Third parties' share of Property NOI from properties included in same store portfolio (a)(b)	(389,405)	(388,460)	
Prologis Share of Same Store Property NOI – Net Effective (b)	\$ 571,715	\$ 555,899	2.8%
Consolidated properties straight-line rent and fair value lease adjustments included in the same store portfolio (c)	(7,516)	(17,321)	
Unconsolidated co-investment ventures straight-line rent and fair value lease adjustments included in the same store portfolio (c)	(8,564)	(10,389)	
Third parties' share of straight-line rent and fair value lease adjustments included in the same store portfolio (b)(c)	6,429	9,267	
Prologis Share of Same Store Property NOI – Cash (b)(c)	\$ 562,064	\$ 537,456	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 March 31, 2020 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 First Quarter 2020 Earnings Results

SAN FRANCISCO (April 21, 2020) – Prologis, Inc. (NYSE: PLD), the global leader in logistics real estate, reported results for the first quarter of 2020.

Net earnings per diluted share was \$0.70 for the quarter compared with \$0.55 for the first quarter of 2019. Core funds from operations* per diluted share was \$0.83 for the quarter compared with \$0.73 for the same period in 2019. There was no promote income earned in either period.

“Our strong first quarter operating performance is a result of our long-term focus on the world’s top consumption markets,” said Hamid R. Moghadam, chairman and CEO, Prologis. “While the current environment is challenging, we are well-prepared. We have confidence in our team, our strategy and in the strength of our portfolio.”

OPERATING PERFORMANCE

Owned & Managed	1Q20	Notes
Period End Occupancy	95.5%	
Leases Commenced	35MSF	32MSF operating portfolio and 2.8MSF development portfolio
Retention	75.5%	

Prologis Share	1Q20	Notes
Net Effective Rent Change	25.1%	Led by U.S. at 31.0%
Cash Rent Change	13.4%	
Cash Same Store NOI*	4.6%	

DEPLOYMENT ACTIVITY

Prologis Share	1Q20
Building Acquisitions	\$312M
Weighted avg stabilized cap rate	4.2%
Development Stabilizations	\$687M
Estimated weighted avg yield	6.3%
Estimated weighted avg margin	39.4%
Estimated value creation	\$271M
Development Starts	\$301M
Estimated weighted avg margin	21.2%
Estimated value creation	\$64M
% Build-to-suit	17.3%
Total Dispositions and Contributions	\$708M
Weighted avg stabilized cap rate <i>(excluding land and other real estate)</i>	4.8%
Portfolio Acquisitions (inclusive of the acquisitions of IPT on Jan. 8, 2020, and LPT on Feb. 4, 2020)	\$14,600M

BALANCE SHEET & LIQUIDITY

“We entered the COVID-19 crisis in a position of financial strength,” said Thomas S. Olinger, chief financial officer, Prologis. “We have significant liquidity as well as investment capacity and our dividend is well-covered. Additionally, we have effectively addressed our consolidated maturities until 2022, we have insulated our earnings from FX movements through the next three years and more than 95 percent of our equity is in USD.”

The company ended the first quarter with \$4.6 billion in liquidity, which comprises \$3.8 billion in total line availability and \$0.8 billion in cash. Debt as a percentage of total market capitalization was 22 percent at quarter end. At March 31, Prologis’ unconsolidated co-investment ventures had combined liquidity of approximately \$3.1 billion and a loan-to-value ratio of approximately 22 percent. The combined investment capacity of Prologis and its open-ended vehicles, at levels in line with their current credit ratings, is well over \$10 billion.

During the quarter, Prologis and its co-investment ventures completed \$5.1 billion of debt activity at a weighted average rate of 1.9 percent and a weighted average term of more than 13 years. This activity includes the previously announced €1.35 billion green bond and the \$2.2 billion of notes issued by Prologis, as well as an \$800 million private placement by its co-investment venture, Prologis U.S. Logistics Fund (USLF). At quarter end, the company’s weighted average rate on its total debt was 2.3 percent with a weighted average remaining term of 9.1 years.

2020 GUIDANCE

“While the full economic impact of the pandemic is difficult to quantify, we have analyzed numerous scenarios and have adjusted our guidance to account for a broad range of outcomes,” said Olinger. “Accordingly, we have assumed reduced demand into the third quarter and anticipate that the operating environment will begin to recover toward the end of the year.”

New deployment will be assessed on a per-transaction basis. The company’s revised guidance assumes no further activity other than the transactions currently under contract, as the company’s bias is to be patient on new capital deployment opportunities. Prologis expects to move forward with fully committed speculative development and previously negotiated build-to-suit (BTS) agreements. The company has 30 BTS projects under construction and all of the underlying customers have indicated their intention to move forward as planned.

2020 GUIDANCE

Earnings (per diluted share)	Previous	Revised
Net Earnings	\$1.98 to \$2.13	\$1.81 to \$1.88
Core FFO*	\$3.67 to \$3.75	\$3.55 to \$3.65

Operations	Previous	Revised
Year-end occupancy	96.0% to 97.0%	94.5% to 96.0%
Cash Same Store NOI* - Prologis share	4.25% to 5.25%	1.75% to 3.25% ¹

Capital Deployment – Prologis Share (in millions)	Previous	Revised
Development stabilizations	\$2,200 to \$2,500	\$1,900 to \$2,200
Development starts	\$2,000 to \$2,400	\$500 to \$800
Building acquisitions	\$500 to \$700	\$450

Building contributions	\$600 to \$900	\$650
Building and land dispositions	\$1,300 to \$1,500	\$250
Realized Development gains	\$300 to \$400	\$280
Net Proceeds (Uses)	(\$600) to (\$700)	(\$50) to (\$350)

Strategic Capital (in millions)	Previous	Revised
Strategic capital revenue, excl promote revenue	\$350 to \$360	\$345 to \$355
Net promote income, incl in Core FFO* range	\$115	\$115

G&A (in millions)	Previous	Revised
General & administrative expenses	\$275 to \$285	\$270 to \$280

*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. At the midpoint, this includes an estimated 100 basis point decline in average occupancy and 125 basis points of bad debt expense.

The earnings guidance described above includes potential gains recognized from real estate transactions but excludes any foreign currency or derivative gains or losses as our guidance assumes constant foreign currency rates. In reconciling from net earnings to Core FFO*, Prologis makes certain adjustments, including but not limited to real estate depreciation and amortization expense, gains (losses) recognized from real estate transactions and early extinguishment of debt, impairment charges, deferred taxes and unrealized gains or losses on foreign currency or derivative activity. The difference between the company's Core FFO* and net earnings guidance for 2019 relates predominantly to these items. Please refer to our first quarter Supplemental Information, which is available on our Investor Relations website at <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.

APRIL 21, 2020, CALL DETAILS

The call will take place on Tuesday, April 21, 2020, at 9:00 a.m. PT/12:00 p.m. ET. To access a live broadcast of the call, please dial +1 (877) 209-4258 (toll-free from the United States and Canada) or +1 (647) 689-5198 (from all other countries) and enter conference code 6246789. A live webcast can be accessed from the Investor Relations section of www.prologis.com.

ABOUT PROLOGIS

Prologis, Inc. is the global leader in logistics real estate with a focus on high-barrier, high growth markets. As of March 31, 2020, 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 965 million square feet (90 million square meters) in 19 countries. Prologis leases modern logistics facilities to a diverse base of approximately 5,500 customers principally across two major categories: business-to-business and retail/online fulfillment.

FORWARD-LOOKING STATEMENTS

The statements in this document that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which we operate as well as

management's beliefs and assumptions. Such statements involve uncertainties that could significantly impact our financial results. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," and "estimates," including variations of such words and similar expressions, are intended to identify such forward-looking statements, which generally are not historical in nature. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future — including statements relating to rent and occupancy growth, development activity, contribution and disposition activity, general conditions in the geographic areas where we operate, our debt, capital structure and financial position, our ability to form new co-investment ventures and the availability of capital in existing or new co-investment ventures — are forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Although we believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that our expectations will be attained and, therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Some of the factors that may affect outcomes and results include, but are not limited to: (i) national, international, regional and local economic and political climates; (ii) changes in global financial markets, interest rates and foreign currency exchange rates; (iii) increased or unanticipated competition for our properties; (iv) risks associated with acquisitions, dispositions and development of properties; (v) maintenance of real estate investment trust status, tax structuring and changes in income tax laws and rates; (vi) availability of financing and capital, the levels of debt that we maintain and our credit ratings; (vii) risks related to our investments in our co-investment ventures, including our ability to establish new co-investment ventures; (viii) risks of doing business internationally, including currency risks; (ix) environmental uncertainties, including risks of natural disasters; (x) risk related to the current coronavirus pandemic, and (xi) 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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