

April 23, 2015



# FIBRA Prologis Announces First Quarter 2015 Earnings Results

- Increased Operating Portfolio Occupancy to 96.6 Percent -
- Net Effective Rents on Rollover Increased 8.9 Percent -
- Resolved 54.3 Percent of 2015 lease expirations -

MEXICO CITY, April 23, 2015 /PRNewswire/ -- FIBRA Prologis (BMV:FIBRAPL 14), the leading owner and operator of Class-A industrial real estate in Mexico, today reported results for the first quarter of 2015.

FIBRA Prologis began trading on the Mexican Stock Exchange June 4, 2014. As such, the trust does not have comparable financial results from prior quarters. For the operational metrics discussed here, the trust includes the performance of the properties in its portfolio prior to ownership by FIBRA Prologis, when the properties were managed by its sponsor.

Funds from operations ("FFO") in the first quarter were Ps. 368.1 million (approximately US\$ 24.9 million), or Ps. 0.58 per diluted CBFi (approximately US\$ 0.04 per diluted CBFi).

Net earnings in the first quarter were Ps. 281.5 million (approximately US\$ 19.3 million) or Ps. 0.44 per diluted CBFi (approximately US\$ 0.03 per diluted CBFi).

"We started the year with excellent momentum, and as strong market fundamentals drove demand for our product, we leased 54.3 percent of our lease expirations for this year and delivered the eighth consecutive quarter of growth in rental rates," said Luis Gutierrez, CEO, Prologis Mexico. "Growth in imports and exports and consumption continues to fuel customer requirements for modern, well-located logistics facilities."

## OPERATING RESULTS OUTPERFORM MARKET

FIBRA Prologis leased 3.6 million square feet (approximately 338,200 square meters) in the first quarter, the highest leasing volume since the third quarter of 2012, resolving 54.3 percent of its scheduled lease expirations for 2015. FIBRA Prologis ended the quarter with 96.6 percent occupancy in its operating portfolio, up 30 basis points from December 31, 2014.

Tenant retention in the quarter was 90.8 percent, with tenant renewals totaling 3.5 million square feet (321,600 square meters). Net effective rents on leases signed in the quarter increased 8.9 percent from prior in-place rents. The trust's six markets had a positive rent change on rollover, led by Monterrey at 19.9 percent.

In the first quarter, cash same store net operating income ("NOI") increased 2.9 percent

compared to the same period in 2014. This increase was driven by higher occupancy and increasing rental rates.

## **STRONG FINANCIAL POSITION**

As of March 31, 2015, FIBRA Prologis' liquidity was approximately Ps. 4.7 billion (US\$ 304.8 million), which included Ps. 2.3 billion (US\$ 150.5 million) of available capacity on its credit facility, Ps. 261.1 million (US\$ 17.1 million) of unrestricted cash and a Ps. 2.1 billion (US\$ 137.2 million) value-added tax receivable.

The ratio of debt (less cash and value-added tax receivable) as a percentage of investment properties was 26.4 percent, the ratio of fixed charge coverage was 3.36 times and the ratio of debt to adjusted EBITDA was 3.97 times.

As previously announced and subsequent to quarter end, the trust received the value-added tax receivable of Ps. 2.0 billion (approximately US\$ 131.8 million), including interest income and inflation adjustments, related to the acquisition of the initial portfolio. The proceeds from the collections of the value-added tax receivable will be used to repay the outstanding balance of the trust's line of credit facility and for future acquisitions.

## **WEBCAST & CONFERENCE CALL INFORMATION**

FIBRA Prologis will host a live webcast/conference call to discuss quarterly results, current market conditions and future outlook April 24, 2015, at 8 a.m. CT/9 a.m. ET. Interested parties are encouraged to access the webcast by clicking the microphone icon located near the top of the FIBRA Prologis Investor Relations website ([www.fibraprologis.com](http://www.fibraprologis.com)). Interested parties also can participate via conference call by dialing +1 877 256 7020 (toll-free from the United States and Canada) or +1 973 409 9692 from all other countries and entering conference code 7239313.

A telephonic replay will be available April 24–May 24 at +1 855 859 2056 from the U.S. and Canada or at +1 404 537 3406 from all other countries using conference code 7239313. The replay will be posted in the Investor Relations section of the FIBRA Prologis website.

## **ABOUT FIBRA PROLOGIS**

FIBRA Prologis is the leading owner and operator of Class-A industrial real estate in Mexico. As of March 31, 2015, FIBRA Prologis was comprised of 184 logistics and manufacturing facilities in six industrial markets in Mexico totaling 31.5 million square feet (2.9 million square meters) of gross leasable area.

## **FORWARD-LOOKING STATEMENTS**

The statements in this release that are not historical facts are forward-looking statements. These forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which FIBRA Prologis operates, management's beliefs and assumptions made by management. Such statements involve uncertainties that could significantly impact FIBRA Prologis financial results. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," 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, acquisition activity, development activity, disposition activity, general conditions in the geographic areas where we operate, our debt and financial position, are forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Although we believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that our expectations will be attained and therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Some of the factors that may affect outcomes and results include, but are not limited to: (i) national, international, regional and local economic climates, (ii) changes in financial markets, interest rates and foreign currency exchange rates, (iii) increased or unanticipated competition for our properties, (iv) risks associated with acquisitions, dispositions and development of properties, (v) maintenance of real estate investment trust ("FIBRA") status and tax structuring, (vi) availability of financing and capital, the levels of debt that we maintain and our credit ratings, (vii) risks related to our investments (viii) environmental uncertainties, including risks of natural disasters, and (ix) those additional factors discussed in reports filed with the "Comisión Nacional Bancaria y de Valores" and the Mexican Stock Exchange by FIBRA Prologis under the heading "Risk Factors." FIBRA Prologis undertakes no duty to update any forward-looking statements appearing in this release.

Non-Solicitation - Any securities discussed herein or in the accompanying presentations, if any, have not been registered under the Securities Act of 1933 or the securities laws of any state and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements under the Securities Act and any applicable state securities laws. Any such announcement does not constitute an offer to sell or the solicitation of an offer to buy the securities discussed herein or in the presentations, if and as applicable.



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SOURCE FIBRA Prologis