

January 25, 2018



# FIBRA Prologis Announces Fourth Quarter and Full Year 2017 Earnings Results

MEXICO CITY, Jan. 25, 2018 /PRNewswire/ -- FIBRA Prologis (BMV:FIBRAPL 14), a leading owner and operator of Class-A industrial real estate in Mexico, today reported results for the fourth quarter and full year 2017.

## HIGHLIGHTS FROM THE YEAR:

- Operating portfolio occupancy increased to 97.3 percent
- Net effective rents on rollover increased 11.9 percent
- Same store cash NOI grew 2.8 percent
- Lowered weighted average debt cost to 4.0%
- Completed US\$29.6 million of asset acquisitions

Net earnings per CBFi in the fourth quarter was Ps. 1.2176 (US\$0.0669) compared with Ps. 1.0580 (US\$0.0538) for the same period in 2016. For the full year 2017, net earnings per CBFi was Ps. 2.4624 (US\$0.1340).

Funds from operations (FFO) per CBFi was Ps. 0.7209 (US\$0.0407) for the fourth quarter compared with Ps. 0.8306 (US\$0.0423) for the same period in 2016. For the full year 2017, FFO per CBFi was Ps. 2.9077 (US\$0.1541).

## PORTFOLIO QUALITY AND LOCATION DRIVE SOLID OPERATING PERFORMANCE

"2017 was an excellent year for FIBRA Prologis as we delivered on both internal and external growth which resulted in a higher, sustainable distribution," said Luis Gutierrez, CEO, Prologis Property Mexico. "We successfully increased both occupancy and rents in our portfolio. Additionally, we expanded our footprint, acquiring two new Class-A buildings from our sponsor, Prologis."

Gutierrez added, "As we enter another year of political uncertainty, our strategy of owning high-quality, logistics facilities in high-barrier-to-entry markets has never been more important. Our team remains focused on delivering quality results and I am confident that we can maintain our momentum into 2018."

Operating Portfolio	4Q17	4Q16	Notes
Period End Occupancy	97.3%	96.8%	Three of our six markets ended 2017 with occupancy of 98.0% or greater
Leases Signed	1.8 MSF	1.7 MSF	
Customer Retention	89.0%	80.3%	
Net Effective Rent Change	13.5%	8.3%	11.9% for full year 2017
Cash Same Store NOI	4.8%	1.9%	2.7% for full year 2017
Same Store NOI	3.7%	0.0%	

## SOLID FINANCIAL POSITION

At December 31, 2017 FIBRA Prologis' leverage was 33.2% and liquidity was Ps. 3.3 billion (US\$169.0 million), which included Ps. 3.0 billion (US\$150.0 million) of available capacity on its unsecured credit facility and Ps. 371.4 million (US\$18.8 million) of unrestricted cash.

## GUIDANCE ESTABLISHED FOR 2018 – FULL-YEAR DISTRIBUTIONS TO INCREASE 5 PERCENT

"We are introducing 2018 guidance that builds on the momentum of our exceptional 2017 performance," said Jorge Girault, senior vice president, Finance, Prologis Property Mexico. "The outlook for Mexico remains positive and our business should capitalize on a healthy real estate market."

(Based in millions of U.S. dollars, except per CBFI amounts)	Low	High	Notes
FFO per CBFI	\$0.1550	\$0.1650	<i>Excludes the impact of foreign exchange movements and any potential incentive fee</i>
Full Year 2018 Distributions per CBFI	\$0.1240	\$0.1240	
Year End Occupancy	96.0%	97.0%	
Same Store NOI (Cash)	4.0%	5.0%	<i>Based in U.S. dollars</i>
Annual Capital Expenditures as % of NOI	13.0%	14.0%	
Asset Management and Professional Fees	US\$19.5	\$21.5	
Building Acquisitions	\$100.0	\$300.0	
Building Dispositions	\$0.0	\$200.0	
Foreign Exchange Rate	Ps20.0/USD	Ps20.0/USD	

## WEBCAST & CONFERENCE CALL INFORMATION

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

- Friday, January 26, 2018, at 9 a.m. CT/10 a.m. ET
- Live webcast at [www.fibraprologis.com](http://www.fibraprologis.com), in the Investor Relations section, by clicking Events
- Dial in: +1 877 256 7020 or +1 973 409 9692 and enter Passcode 93296070.

A telephonic replay will be available January 26 – February 2 at +1 855 859 2056 from the U.S. and Canada or at +1 404 926 9157 from all other countries using conference code 93296070 and security code 31833. The replay will be posted in the Investor Relations section of the FIBRA Prologis website.

## ABOUT FIBRA PROLOGIS

FIBRA Prologis is a leading owner and operator of Class-A industrial real estate in Mexico. As of December 31, 2017, FIBRA Prologis was comprised of 196 logistics and manufacturing facilities in six industrial markets in Mexico totaling 34.6 million square feet (3.2 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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