FIBRA Prologis Financial Information

FIBRA PROLOGIS

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El Puente Industrial Ctr #2, Reynosa, Mexico

FIBRA PROLOGIS®

FIBRA Prologis Announces Third Quarter 2019 Earnings Results

MEXICO CITY (October 16, 2019) – FIBRA Prologis (BMV:FIBRAPL 14), a leading owner and operator of Class-A industrial real estate in Mexico, today reported results for the third quarter of 2019.

HIGHLIGHTS FROM THE QUARTER:

- Period-end occupancy was 96.8 percent.
- Leasing volume was 779,888 square feet.
- Weighted average customer retention was 95.4 percent.
- Net effective rents on rollover decreased 1.4 percent.
- Same store cash NOI increased 2.4 percent.

Net earnings per CBFI was Ps. 0.7087 (US$0.0367) for the third quarter compared with Ps. 0.9621 (US$0.0497) for the same period in 2018.

Funds from operations (FFO) per CBFI was Ps. 0.7741 (US$0.0401) for the third quarter compared with Ps. 0.7817 (US$0.0402) for the same period in 2018.

OPERATING PERFORMANCE

"Despite solid performance, historically low leasing volume in the third quarter had a disproportionate impact on our operating results," said Luis Gutiérrez, CEO, Prologis Property Mexico. "However, in October to-date, we have already commenced more leases than we had throughout the entire third quarter."

"Our ability to generate internal growth remains a key component of FIBRA Prologis' value," added Gutiérrez. "Importantly, cash same store NOI increased 2.4 percent."

Operating Portfolio	3Q19	3Q18	Notes
Period End Occupancy	96.8%	96.5%	*Led by improvement in occupancy in Guadalajara, partly offset by decreases in Mexico City*
Leases Commenced	0.8 MSF	3.0 MSF	*Lowest leasing volume since IPO; 84% of leasing activity related to renewals.*
Customer Retention	95.4%	83.2%	
Net Effective Rent Change	(1.4%)	10.6%	*Driven by 0.3MSF of roll-downs in Guadalajara and Tijuana*
Cash Same Store NOI	2.4%	1.7%	*Driven by higher contractual rent escalators and lower bad debt, partly offset by a weaker peso*

STRONG FINANCIAL POSITION

FIBRA Prologis ended the third quarter with a leverage of 32.0 percent and liquidity of Ps. 6.8 billion (US$345.8 million), which included Ps. 6.4 billion (US$325.0 million) of available capacity on its unsecured credit facility and Ps. 409.9 million (US$20.8 million) of unrestricted cash.

"In the third quarter, we executed a floating-for-fixed interest rate swap on $240 million at an all-in rate of 1.75%, replacing a swap that expired in July," said Jorge Girault, senior vice president, Finance, Prologis Property Mexico. "Our balance sheet continues to be in excellent shape with significant liquidity, low leverage and an attractive debt cost."

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:

- Thursday, October 17, 2019, at 9 a.m. CT/10 a.m. ET
- Live webcast at 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 7250339.

A telephonic replay will be available October 17 - October 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 7250339. 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 September 30, 2019, FIBRA Prologis was comprised of 190 logistics and manufacturing facilities in six industrial markets in Mexico totaling 34.8 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.

MEDIA CONTACTS

Kosta Karmaniolas, Tel: +1 415 733 9592, kkarmani@prologis.com, San Francisco
Montserrat Chavez, Tel: +52 55 1105 2941, mchavez@prologis.com, Mexico City

Fideicomiso Irrevocable 1721 Banco Actinver, S. A., Institución de Banca Múltiple, Grupo Financiero Actinver, División Fiduciaria

Interim Condensed Financial Statements as of September 30, 2019 and for the three and nine months periods then ended

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Third Quarter 2019 Earnings Report

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.

Third Quarter 2019 Management Overview

Letter from Luis Gutiérrez, Chief Executive Officer, Prologis Property Mexico

The combination of FIBRA Prologis' well-located, high-quality properties and our ongoing commitment to excellence in customer service resulted in occupancy growth and above-average retention in the third quarter. However, due to a summer slowdown and lease expirations, leasing volume came in at 779,000 square feet, a low for us. The average term of commenced leases was 37 months, while renewals comprised more than 95 percent of third quarter activity. While occupancy reached 96.8 percent, net effective rents on rollover decreased 1.4 percent, the result of above-market rents on about 300,000 square feet in Tijuana and Guadalajara, which rolled down to market. Cash same store NOI grew 2.4 percent on higher contractual rent increases and lower bad debt expense, offset partly by the weaker peso. On the whole, FIBRA Prologis' results in the quarter were solid, and I am proud of what our teams accomplished.

Although logistics real estate demand has been stable throughout the year, the near-term economic outlook has further weakened. While 2019 GDP growth was revised down to less than 50 basis points, consumption was forecast at 1.2 percent and manufacturing at 60 basis points. While most of our markets continue to see positive growth, the macroeconomic overhang could pressure market rent growth.

For us, demand was steady in the third quarter, with almost 4 million square feet of net absorption across our six markets, bringing the year-to-date level to more than 11 million square feet. Importantly, net absorption is on pace for approximately 15 million square feet for the year. Demand was especially strong this quarter in our consumption-oriented markets of Mexico City, Guadalajara and Monterrey, which recorded 75 percent of total net absorption. The border markets remain healthy, particularly in Ciudad Juarez and Tijuana, where demand has picked up significantly this year in light of new deliveries. We continue to see interest from existing companies that are exploring expansion in our border markets, which could further lift demand.

A notable slowdown in modern-grade development across Mexico has helped offset economic headwinds. Land constraints in Mexico City and Tijuana have put limitations on new supply. In Ciudad Juarez and Reynosa, supply has been muted by the overhang from an unratified USMCA agreement. In Guadalajara, the development pipeline has come down as completions have been slow to be absorbed. Third quarter completions edged up to 5 million square feet and are on pace for about 15.5 million square feet for the year. As a result, market vacancy remains low at 4.4 percent for modern-grade product and, down 20 basis points year-over-year.

In closing, FIBRA Prologis' portfolio has proven adept at delivering solid operating and financial performance despite an evolving macroeconomic and operating environment. We continue to be disciplined with our capital and believe this approach has been warranted, particularly as the geopolitical rhetoric has impacted both the operating environment and capital markets. We remain focused on best-in-class customer service, which we believe, along with our irreplaceable portfolio, will continue to deliver meaningful value for our certificate holders.

Thank you for your continued support.

Sincerely,

Luis Gutiérrez

Chief Executive Officer

The interim condensed financial statements included in this report were prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

Please read this in conjunction with the interim condensed financial statements.

Management Overview

FIBRA Prologis (BMV: FIBRAPL 14) is a leading owner and operator of Class-A logistics real estate in Mexico. As of September 30, 2019, FIBRA Prologis owned 190 logistics and manufacturing facilities in six strategic markets in Mexico totaling 34.8 million square feet (3.2 million square meters) of gross leasable area (GLA). These properties were leased to 230 customers, including third-party logistics providers, transportation companies, retailers and manufacturers.

Approximately 65.5 percent of our net effective rents are in global logistics markets (Global Markets) and the remaining 34.5 percent are in regional manufacturing markets (Regional Markets). Global Markets include Mexico City, Guadalajara and Monterrey. These markets are highly industrialized and consumption-driven. They benefit from proximity to principal highways, airports and rail hubs, and their presence in highly populated areas offers tangible benefits from the sustained growth of the middle class. Regional Markets include Ciudad Juarez, Tijuana and Reynosa—industrial centers for the automotive, electronics, medical and aerospace industries, among others. These markets benefit from a ready and qualified workforce as well as proximity to the U.S. border.

The operating results that follow are consistent with how management evaluates the performance of the portfolio.

Our third quarter financial information includes results from July 1, 2019, through September 30, 2019. During the quarter ended September 30, 2019, and through the date of this report, the following activity supported our business priorities and strategy:

- Operating results:

Operating Portfolio	3Q 2019	3Q 2018	Notes
Period End Occupancy	96.8%	96.5%	*Led by improvement in occupancy in Guadalajara, partly offset by decreases in Mexico City*
Leases Commenced	0.8MSF	3.0MSF	*Lowest leasing volume since IPO; 84% of leasing activity related to renewals.*
Customer Retention	95.4%	83.2%	
Net Effective Rent Change	(1.4%)	10.6%	*Driven by 0.3MSF of roll-downs in Guadalajara and Tijuana*
Same Store Cash NOI	2.4%	1.7%	*Driven by higher contractual rent escalators and lower bad debt, partly offset by a weaker peso*
Turnover Cost on Leases Commenced (per square feet)	US$1.95	US$1.43	*Increase driven primarily by higher customer improvements in two Mexico City properties*

We use a same store analysis to evaluate the performance of our owned operating properties. The population of the properties in this analysis is consistent from period to period, which eliminates the effects of changes in portfolio composition on performance metrics. In our view, the factors that affect rental revenues, rental expenses and NOI in the same store portfolio are generally the same as they are across the total portfolio. Our same store is measured in U.S. dollars and includes the effect of year-over-year movements in the Mexican peso. The increase in SSNOI of 70 basis points year-over-year is mainly due to higher contractual rent escalators and lower bad debt expense, partly offset by the weaker peso.

<u>Operational Outlook</u>

Market vacancy in Mexico's six main logistics markets fell 10 basis points quarter-over-quarter to 4.4 percent for modern-grade product. In the three main Global Markets, demand in the first nine months of 2019 was 6.3 million square feet while demand in the Regional markets over the same time was 5.0 million square feet. The composition of demand has evolved throughout the year, as the export-centric markets of Monterrey, Ciudad Juarez, Reynosa and Tijuana comprised nearly two-thirds of total net absorption. By comparison, these four markets made up approximately half of total net absorption in the six main markets between 2016 and 2018.

This everchanging economic climate could create a headwind for market rental growth. Although logistics real estate demand has remained durable throughout the year, the near-term economic outlook has weakened to less than 50 basis points of expected GDP growth in 2019. Manufacturing production is anticipated to grow by just 60 basis points this year due to the slowing auto sector, while consumption is forecast to grow 1.2 percent. Customers remain compelled to expand operations but are more mindful of market rental rates which have slowed below inflation.

Acquisitions

Our exclusivity agreement with Prologis gives us access to an important proprietary acquisition pipeline. As of September 30, 2019, Prologis had 5.6 million square feet under development or pre-stabilization, of which 85 percent was leased or pre-leased as of the end of the third quarter. This exclusive access to the Prologis pipeline is a competitive advantage for FIBRA Prologis as it gives us the option to acquire high-quality buildings in our existing markets.

While third-party acquisitions are also possible for FIBRA Prologis, they depend on the availability of product that meets our stringent criteria for quality and location. All potential acquisitions, regardless of source, are evaluated by management, factoring in real estate and capital market conditions, and are subject to approval by FIBRA Prologis' Technical Committee.

Currency Exposure

At quarter end, our U.S.-dollar-denominated revenues represented 67.2 percent of annualized net effective rents. Peso exposure decreased 10 basis points quarter-over-quarter. In the near term, we expect peso-denominated revenues to range between 30 to 35 percent of annualized net effective rents.

Liquidity and Capital Resources

Overview

We believe our ability to generate cash from operating activities and available financing sources (including our line of credit), as well as our disciplined balance sheet management, will allow us to meet anticipated operating, debt service, distribution and acquisition requirements.

Near-Term Principal Cash Sources and Uses

As a FIBRA, we are required to distribute at least 95 percent of our taxable income. In addition to distributions to CBFI holders, we expect our primary cash uses will include:

- asset management fee payment
- capital expenditures and leasing costs on properties in our operating portfolio

We expect to fund our cash needs principally from the following sources, all of which are subject to market conditions:

- available unrestricted cash balances of Ps. 409.9 million (approximately US$20.8 million) as of September 30, 2019, the result of cash flow from operating properties

- borrowing capacity of Ps. 6.4 billion (US$325.0 million) under our unsecured credit facility

Debt

As of September 30, 2019, we had approximately Ps. 15.2 billion (US$772.0 million) of debt at par value with a weighted average effective interest rate of 4.6 percent (a weighted average coupon rate of 4.5 percent) and a weighted average maturity of 4.1 years.

According to the CNBV regulation for the calculation of debt ratios, our loan-to-value and debt service coverage ratios as of September 30, 2019, were 32.5 percent and 8.7 times, respectively.

KPMG Cárdenas Dosal, S.C.
Manuel Ávila Camacho 176 P1,
Reforma Social, Miguel Hidalgo,
C.P. 11650, Ciudad de México.
Teléfono: +01 (55) 5246 8300
kpmg.com.mx

Independent Auditors' Report on Review of Interim Financial Information

To the Technical Committee and Trustors
Fideicomiso Irrevocable 1721 Banco Actinver, S. A., Institución de Banca Múltiple, Grupo Financiero Actinver, División Fiduciaria

Introduction

We have reviewed the accompanying September 30, 2019 condensed interim financial information of Fideicomiso Irrevocable 1721 Banco Actinver, S. A., Institución de Banca Múltiple, Grupo Financiero Actinver, División Fiduciaria, which comprises:

- The condensed statement of financial position as of September 30, 2019;
- The condensed statement of comprehensive income for the three-month and nine-month periods ended September 30, 2019;
- The condensed statement of changes in equity for the nine-month period ended September 30, 2019;
- The condensed statement of cash flows for the nine-month period ended September 30, 2019; and
- Notes to the interim condensed financial information.

Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standards (IAS) 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

(Continued)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying September 30, 2019 condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting*.

KPMG CARDENAS DOSAL, S. C.

Alberto Vazquez Ortiz

Mexico City, October 15, 2019.

Interim condensed statements of financial position

As of September 30, 2019 and December 31, 2018

in thousands Mexican Pesos		September 30, 2019	December 31, 2018
Assets			
Current assets:			
Cash		$ 409,936	$ 339,276
Trade receivables	7	52,663	66,167
Other receivables and value added tax	8	64,554	171,082
Prepaid expenses	9	30,520	2,160
Assets held for sale	10	-	1,230,502
		557,673	1,809,187
Non-current assets:			
Investment properties	11	46,165,053	45,727,051
Hedge instruments	15	-	77,201
Exchange rate options	15	845	-
Other assets		44,800	47,713
		46,210,698	45,851,965
Total assets		**$ 46,768,371**	**$ 47,661,152**
Liabilities and equity			
Current liabilities:			
Trade payables		$ 96,915	$ 121,559
Due to affiliates	14	9,770	52,476
Current portion of long term debt	12	33,391	23,726
Liabilities related to assets held for sale		-	6,815
		140,076	204,576
Non-current liabilities:			
Long term debt	12	15,131,905	16,464,638
Security deposits		292,829	292,761
Hedge instruments	15	81,605	-
		15,506,339	16,757,399
Total liabilities		15,646,415	16,961,975
Equity:			
CBFI holders' capital	13	14,124,954	13,952,327
Other equity accounts and retained earnings		16,997,002	16,746,850
Total equity		31,121,956	30,699,177
Total liabilities and equity		**$ 46,768,371**	**$ 47,661,152**

The accompanying notes are an integral part of these interim condensed financial statements.

Interim condensed statements of comprehensive income

For the three and nine months ended September 30, 2019 and 2018

in thousands Mexican Pesos, except per CBFI amounts	Note	Three months ended September 30 2019	Three months ended September 30 2018	Nine months ended September 30 2019	Nine months ended September 30 2018
Revenues:					
Lease rental income		$ 838,379	$ 811,338	$ 2,541,147	$ 2,425,295
Rental recoveries		92,580	87,892	280,770	241,325
Other property income		12,522	8,252	52,295	47,810
		943,481	907,482	2,874,212	2,714,430
Costs and expenses:					
Operating expenses:					
Operating and maintenance		72,798	49,608	179,991	143,197
Utilities		15,222	15,684	39,313	33,809
Property management fees	14	30,363	27,083	86,871	80,381
Real estate taxes		18,112	17,091	53,489	51,693
Non-recoverable operating		15,878	17,333	44,422	21,478
		152,373	126,799	404,086	330,558
Gross profit		**791,108**	**780,683**	**2,470,126**	**2,383,872**
Loss (gain) on valuation of investment properties	11	34,935	(111,534)	(224,228)	(697,223)
Asset management fees	14	85,839	81,276	252,620	241,089
Incentive fee	14	-	-	172,627	205,364
Professional fees		12,751	10,176	27,955	32,656
Financial cost		185,459	173,895	559,700	499,713
Net (gain) loss on early extinguishment of debt		-	-	18,638	(4,043)
Unused credit facility fee		9,838	8,083	26,373	21,855
Unrealized loss on exchange rate hedge instruments	15	1,135	5,169	12,138	6,159
Realized loss on exchange rate hedge instruments	15	221	-	640	8,995
Net exchange gain		(1,695)	(7,613)	(4,588)	(24,163)
Other general and administrative expenses		2,518	1,002	9,953	8,834
		331,001	160,454	851,828	299,236
Net income		**460,107**	**620,229**	**1,618,298**	**2,084,636**
Other comprehensive income (loss):					
Items that are not reclassified subsequently to profit or loss:					
Translation (gain) loss from functional currency to reporting currency		(761,200)	1,621,132	73,440	1,429,073
Items that are or may be reclassified subsequently to profit or loss:					
Unrealized loss (gain) on interest rate swaps	15	24,408	(5,753)	152,773	(73,542)
		(736,792)	1,615,379	226,213	1,355,531
Total comprehensive income (loss) for the period		**$ 1,196,899**	**$ (995,150)**	**$ 1,392,085**	**$ 729,105**
Earnings per CBFI	6	**$ 0.71**	**$ 0.96**	**$ 2.50**	**$ 3.25**

The accompanying notes are an integral part of these interim condensed financial statements.

Interim condensed statements of changes in equity

For the nine months ended September 30, 2019 and 2018

in thousands Mexican Pesos	CBFI holders' capital	Other equity accounts	Retained earnings	Total
Balance as of January 1, 2018	$ 13,746,963	$ 9,373,971	$ 6,013,148	$ 29,134,082
Dividends	-	-	(1,084,753)	(1,084,753)
CBFIs to be issued	205,364	-	-	205,364
Comprehensive income:				
Translation loss from functional currency to reporting currency	-	(1,429,073)	-	(1,429,073)
Unrealized gain on interest rate swaps	-	73,542	-	73,542
Net income	-	-	2,084,636	2,084,636
Total comprehensive (loss) income	-	(1,355,531)	2,084,636	729,105
Balance as of September 30, 2018	**$ 13,952,327**	**$ 8,018,440**	**$ 7,013,031**	**$ 28,983,798**
Balance as of January 1, 2019	$ 13,952,327	$ 9,222,542	$ 7,524,308	$ 30,699,177
Dividends	-	-	(1,141,933)	(1,141,933)
CBFIs to be issued	172,627	-	-	172,627
Comprehensive income:				
Translation loss from functional currency to reporting currency	-	(73,440)	-	(73,440)
Unrealized loss on interest rate swaps	-	(152,773)	-	(152,773)
Net income	-	-	1,618,298	1,618,298
Total comprehensive (loss) income	-	(226,213)	1,618,298	1,392,085
Balance as of September 30, 2019	**$ 14,124,954**	**$ 8,996,329**	**$ 8,000,673**	**$ 31,121,956**

The accompanying notes are an integral part of these interim condensed financial statements.

Interim condensed statements of cash flows

For the nine months ended September 30, 2019 and 2018

	For the nine months ended September 30	
in thousands Mexican Pesos	2019	2018
Operating activities:		
Net income	$ 1,618,298	$ 2,084,636
Adjustments for:		
Gain on valuation of investment properties	(224,228)	(697,223)
Incentive fee	172,627	205,364
Allowance for uncollectible trade receivables	20,608	(13,843)
Financial cost	559,700	499,713
Net loss (gain) on early extinguishment of debt	18,638	(4,043)
Realized loss on exchange rate hedge instruments	640	8,995
Unrealized loss on exchange rate hedge instruments	12,138	6,159
Hedging Instruments	(13,080)	-
Net unrealized exchange loss (gain)	3,714	(26,353)
Rent leveling	(13,712)	(46,139)
Change in:		
Trade receivables	(7,104)	(7,509)
Value added tax and other receivables	106,528	22,026
Prepaid expenses	(28,360)	(24,328)
Other assets	2,913	(636)
Trade payables	(40,036)	(25,853)
Value added tax payable	-	10,355
Due to affiliates	(42,706)	(89,018)
Security deposits	(6,747)	(14,366)
Exchange rate options	-	(15,255)
Net cash flow provided by operating activities	2,139,831	1,872,682
Investing activities:		
Funds for acquisition of investment properties	-	(265,798)
Funds from disposition of investment properties	1,363,020	-
Cost related with disposition of investment properties	(15,310)	-
Capital expenditures on investment properties	(289,010)	(294,961)
Net cash flow provided by (used) in investing activities	1,058,700	(560,759)
Financing activities:		
Dividends paid	(1,141,933)	(1,084,753)
Long term debt borrowings	1,545,463	2,380,584
Long term debt payments	(2,901,852)	(2,296,767)
Interest paid	(548,748)	(476,270)
Cash used for early extinguishment of debt	-	(12,212)
Net cash flow used in financing activities	(3,047,070)	(1,489,418)
Net increase (decrease) in cash	151,461	(177,495)
Effect of foreign currency exchange rate changes on cash	(80,801)	13,486
Cash at beginning of the period	339,276	371,364
Cash at the end of the period	**$ 409,936**	**$ 207,355**
Non-cash transactions:		
Credit facility borrowings in exchange for term loan paydown	$ 4,484,364	$ 2,584,233
CBFIs to be issued	172,627	205,364
Total non-cash transactions	$ 4,656,991	$ 2,789,597

The accompanying notes are an integral part of these interim condensed financial statements.

Notes to interim condensed financial statements

As of September 30, 2019 and for the three and nine months then ended and December 31, 2018
In thousands of Mexican Pesos, except per CBFI

1. Main activity, structure, and significant events

Main activity – FIBRA Prologis ("FIBRAPL") is a trust formed according to the Irrevocable Trust Agreement No. F/1721 dated August 13, 2013 ("Date of Inception"). Such agreement was signed between Prologis Property México, S. A. de C. V. as Trustor and Deutsche Bank México, S. A., Institución de Banca Múltiple, División Fiduciaria as Trustee. On December 14, 2017, FIBRAPL completed a trustee substitution from Deutsche Bank México, S. A., Institución de Banca Múltiple to Banco Actinver, S. A., Institución de Banca Múltiple as approved by its Technical Committee and certificate holders in September 2017.

FIBRAPL is a Mexican real estate investment trust authorized by Mexican law (Fideicomiso de Inversión en Bienes Raices, or FIBRA, as per its name in Spanish). As of August 13, 2018 FIBRAPL moved its address to Paseo de los Tamarindos No. 90, Torre 2, Piso 22, Bosques de las Lomas, Cuajimalpa de Morelos, C. P. 05120. The primary purpose of FIBRAPL is the acquisition or construction of industrial real estate in Mexico generally with the purpose of leasing such real estate to third parties under long-term operating leases.

Structure – FIBRAPL's parties are:

Trustor:	Prologis Property México, S. A. de C. V.
First beneficiaries:	Certificate holders
Trustee:	Banco Actinver, S.A., Institución de Banca Múltiple, Grupo Financiero Actinver, División Fiduciaria (Effective December 14, 2017) Deutsche Bank México, S. A., Institución de Banca Múltiple, División Fiduciaria (From August 13, 2013 to December 14, 2017)
Common representative:	Monex Casa de Bolsa, S. A. de C. V., Monex Grupo Financiero
Manager:	Prologis Property México, S. A. de C. V.

Significant events

i. Long term debt transactions:

in millions	Date	Denomination	Interest rate(*)		Mexican pesos		U. S. dollars
Borrowings:							
Citibank, NA Credit facility (Unsecured)	July 29, 2019	U. S. dollars	LIBOR +250bps	$	190.7	$	10.0
Citibank, NA Credit facility (Unsecured)	April 29, 2019	U. S. dollars	LIBOR +250bps		246.2		13.0
Citibank, NA Credit facility (Unsecured)	March 14, 2019	U. S. dollars	LIBOR +250bps		135.3		7.0
Citibank, NA Credit facility (Unsecured)	February 6, 2019	U. S. dollars	LIBOR +250bps		305.3		16.0
Citibank (Unsecured) #4	February 6, 2019	U. S. dollars	LIBOR +235bps		5,533.9		290.0
Total borrowings				$	**6,411.4**	$	**336.0**

in millions	Date	Denomination	Interest rate(*)		Mexican pesos		U. S. dollars
Payments:							
Citibank, NA Credit facility (Unsecured)	August 15, 2019	U. S. dollars	LIBOR +250bps	$	195.7	$	10.0
Citibank, NA Credit facility (Unsecured)	May 29, 2019	U. S. dollars	LIBOR +250bps		57.5		3.0
Citibank, NA Credit facility (Unsecured)	May 8, 2019	U. S. dollars	LIBOR +250bps		190.5		10.0
Citibank, NA Credit facility (Unsecured)	April 10, 2019	U. S. dollars	LIBOR +250bps		132.5		7.0
Citibank, NA Credit facility (Unsecured)	March 28, 2019	U. S. dollars	LIBOR +250bps		869.4		45.0
Citibank, NA Credit facility (Unsecured)	March 28, 2019	U. S. dollars	LIBOR +250bps		251.2		13.0
Citibank, NA Credit facility (Unsecured)	March 6, 2019	U. S. dollars	LIBOR +250bps		57.8		3.0
Citibank, NA Credit facility (Unsecured)	February 28, 2019	U. S. dollars	LIBOR +250bps		249.9		13.0
Citibank, NA Credit facility (Unsecured)	February 25, 2019	U. S. dollars	LIBOR +250bps		134.0		7.0
Citibank, NA Credit facility (Unsecured)	February 11, 2019	U. S. dollars	LIBOR +250bps		38.2		2.0
Citibank, NA Credit facility (Unsecured)	February 6, 2019	U. S. dollars	LIBOR +250bps		667.9		35.0
Citibank (Unsecured) #1	February 6, 2019	U. S. dollars	LIBOR +245bps		4,866.0		255.0
Citibank, NA Credit facility (Unsecured)	January 23, 2019	U. S. dollars	LIBOR +250bps		57.4		3.0
Total payments				$	**7,768.0**	$	**406.0**

** LIBOR (London Interbank Offered Rate)*

ii. Disposition of investment properties:

in millions except, lease area	Date	Market	Lease area square feet		Mexican pesos		U. S. dollars
Disposition:							
Ramon Rivera Lara Industrial Center #1	April 10, 2019	Juarez	125,216	$	117.6	$	6.2
Ramon Rivera Lara Industrial Center #2	April 10, 2019	Juarez	66,706		72.8		3.8
El Salto Distribution Center #1	March 22, 2019	Guadalajara	355,209		408.7		21.6
El Salto Distribution Center #2	March 22, 2019	Guadalajara	67,812		71.9		3.8
Corregidora Distribution Center	March 22, 2019	Guadalajara	95,949		87.0		4.6
Saltillo Industrial Center #1	March 22, 2019	Monterrey	71,868		73.7		3.9
Monterrey Center #4	March 22, 2019	Monterrey	120,000		142.3		7.5
Monterrey Center #5	March 22, 2019	Monterrey	127,500		129.5		6.9
Monterrey Airport Industrial Center #1	March 22, 2019	Monterrey	96,309		124.1		6.6
San Carlos Center #1	March 22, 2019	Juarez	139,673		155.1		8.2
					1,382.7		73.1
Tenant improvements reimbursed to the buyer					(20.8)		(1.1)
Total disposition after tenant improvement reimbursement				$	**1,361.9**	$	**72.0**

iii. Distributions:

in millions, except per CBFI	Date		Mexican pesos		U. S. dollars	Mexican pesos per CBFI	U. S. dollars per CBFI
Distributions:							
Dividends	July 19, 2019	$	380.0	$	20.0	0.5895	0.0310
Dividends	April 22, 2019		377.4		20.0	0.5854	0.0310
Dividends	March 22, 2019		359.5		18.7	0.5964	0.0310
Dividends	March 13, 2019		25.0		1.3	0.5964	0.0310
Total distributions		**$**	**1,141.9**	**$**	**60.0**		

iv. CBFIs:

FIBRAPL is obligated to pay an incentive fee equal to 10% of cumulative total CBFI holder returns in excess of an annual compounded expected return of 9%, which is measured annually. For the period from June 5, 2018 to June 4, 2019, FIBRAPL generated an Incentive Fee of $172.6 million Mexican pesos ($8.7 million U.S. dollars), based on the performance of the CBFIs. As part of the Ordinary Holders Meeting on July 2, 2019, the Manager was approved to receive the Incentive Fee through issuance of 4,511,692 CBFIs. The CBFIs issued to the Manager are subject to a six-month lock-up period as established under the Management Agreement. See note 13.

2. Basis of presentation

a. **Interim financial reporting -** The accompanying interim condensed financial statements as of September 30, 2019 and 2018 and for the three and nine months then ended have been prepared in accordance with the International Accounting Standard No. 34, interim financial reporting. Therefore, these financial statements do not include all the information required in a complete annual report prepared in accordance with International Financial Reporting Standards (hereinafter "IFRS or IAS"). The interim condensed financial statements should be read in conjunction with the annual financial statements as of December 31, 2018, and for the year then ended, prepared in accordance with IFRS.

FIBRAPL management believes that all adjustments and reclassifications that are required for a proper presentation of the financial information are included in these interim condensed financial statements.

b. **Functional currency and reporting currency –** The accompanying interim condensed financial statements are presented in thousands of Mexican pesos, the local currency in Mexico, unless otherwise indicated. FIBRAPL's functional currency is the U.S. dollar.

c. **Critical accounting judgments and estimates –** The preparation of the interim condensed financial statements requires the use of certain critical accounting estimates and requires management to exercise its judgment in the process of applying FIBRAPL's accounting policies. The notes to the interim condensed financial statements discuss areas involving a higher degree of judgment or complexity, or areas where assumptions are significant to the financial statements.
Estimates and judgments are continually evaluated and are based on management experience and other factors, including reasonable expectations of future events. Management believes the estimates used in preparing the interim condensed financial statements are reasonable. Actual results in the future may differ from those reported and therefore it is possible, on the basis of existing knowledge, that outcomes within the next financial year are different from our assumptions and estimates and could result in an adjustment to the carrying amounts of the assets and liabilities previously reported.

d. **Going concern basis of accounting –** FIBRAPL interim condensed financial statements as of September 30, 2019 and 2018 and for the three and nine months then ended have been prepared on a going concern basis, which assumes that FIBRAPL will be able to meet the mandatory repayment terms of the banking facilities disclosed in note 12. Management has a reasonable expectation that FIBRAPL has adequate resources to continue as a going concern and has the ability to realize its assets at their recognized values and to extinguish or refinance its liabilities in the normal course of business.

3. Summary of significant accounting policies

The significant accounting policies applied in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of, and disclosed in, FIBRAPL's audited financial statements as of December 31, 2018, in addition to the following:

Disposition of investment properties

FIBRAPL has opted to disclose the gain or loss on the disposition of property investment into the gain or loss on valuation of investment properties in the statement of comprehensive income, instead of disclosing separately.

FIBRAPL has completed an assessment of the potential impact of the adoption of the following new standard:

i. **IFRS 16 Leases.** FIBRAPL determined that there is no significant impact on its Financial statements derived from the adoption of this standard.

4. Rental revenues

Most of FIBRAPL´s lease agreements associated with the investment properties contain a lease term of three to ten years. Generally, these leases are based on minimal rental payments in U.S. dollars, plus maintenance fees and recoverable expenses.

Future minimum lease payments from base rent on leases with lease periods greater than one year, valued at the September 30, 2019 exchange rate in Mexican pesos, are as follows:

in thousands Mexican Pesos		Amount
Rental revenues:		
2019 (three months)	$	750,960
2020		2,402,654
2021		1,822,733
2022		1,337,908
2023		894,825
Thereafter		2,059,714
	$	**9,268,794**

5. Segment reporting

Operating segment information is presented based on how management analyzes the business, which includes information aggregated by market. The results for these operating segments are presented for the three and nine months ended September 30, 2019 and 2018, while assets and liabilities are included as of September 30, 2019 and December 31, 2018. FIBRAPL operates in six geographic markets that represent its reportable operating segments under IFRS 8 as follows: Mexico City, Guadalajara, Monterrey, Tijuana, Reynosa and Juarez.

	For the three months ended September 30, 2019						
in thousands Mexican Pesos	Mexico City	Guadalajara	Monterrey	Tijuana	Reynosa	Juarez	Total
Revenues:							
Lease rental income	$ 305,767	$ 133,607	$ 102,140	$ 102,432	$ 120,737	$ 73,696	$ 838,379
Rental recoveries	34,225	10,618	12,016	12,701	11,730	11,290	92,580
Other property income	3,511	7,011	1,359	-	641	-	12,522
	343,503	151,236	115,515	115,133	133,108	84,986	943,481
Cost and expenses:							
Property operating expenses	63,651	23,803	14,503	16,212	16,965	17,239	152,373
Gross Profit	**$ 279,852**	**$ 127,433**	**$ 101,012**	**$ 98,921**	**$ 116,143**	**$ 67,747**	**$ 791,108**

	For the three months ended September 30, 2018						
in thousands Mexican Pesos	Mexico City	Guadalajara	Monterrey	Tijuana	Reynosa	Juarez	Total
Revenues:							
Lease rental income	$ 315,513	$ 122,105	$ 95,831	$ 88,761	$ 113,312	$ 75,816	$ 811,338
Rental recoveries	32,950	8,446	11,315	12,070	10,102	13,009	87,892
Other property income	1,008	6,110	380	435	288	31	8,252
	349,471	136,661	107,526	101,266	123,702	88,856	907,482
Cost and expenses:							
Property operating expenses	54,387	14,095	11,781	13,297	17,058	16,181	126,799
Gross Profit	**$ 295,084**	**$ 122,566**	**$ 95,745**	**$ 87,969**	**$ 106,644**	**$ 72,675**	**$ 780,683**

	For the nine months ended September 30, 2019						
in thousands Mexican Pesos	Mexico City	Guadalajara	Monterrey	Tijuana	Reynosa	Juarez	Total
Revenues:							
Lease rental income	$ 940,801	$ 401,456	$ 310,764	$ 304,688	$ 357,660	$ 225,778	$ 2,541,147
Rental recoveries	106,446	31,222	35,045	34,778	34,613	38,666	280,770
Other property income	22,865	24,335	2,556	511	2,028	-	52,295
	1,070,112	457,013	348,365	339,977	394,301	264,444	2,874,212
Cost and expenses:							
Property operating expenses	171,747	60,128	39,260	42,838	44,690	45,423	404,086
Gross Profit	**$ 898,365**	**$ 396,885**	**$ 309,105**	**$ 297,139**	**$ 349,611**	**$ 219,021**	**$ 2,470,126**

	For the nine months ended September 30, 2018						
in thousands Mexican Pesos	Mexico City	Guadalajara	Monterrey	Tijuana	Reynosa	Juarez	Total
Revenues:							
Lease rental income	$ 918,377	$ 376,187	$ 278,582	$ 287,288	$ 331,851	$ 233,010	$ 2,425,295
Rental recoveries	90,694	24,584	30,965	31,803	27,702	35,577	241,325
Other property income	20,150	21,244	2,079	1,142	2,963	232	47,810
	1,029,221	422,015	311,626	320,233	362,516	268,819	2,714,430
Cost and expenses:							
Property operating expenses	134,965	43,422	31,125	34,433	41,159	45,454	330,558
Gross Profit	**$ 894,256**	**$ 378,593**	**$ 280,501**	**$ 285,800**	**$ 321,357**	**$ 223,365**	**$ 2,383,872**

	As of September 30, 2019							
in thousands Mexican Pesos	Mexico City	Guadalajara	Monterrey	Tijuana	Reynosa	Juarez	Unsecured debt	Total
Investment properties:								
Land	$ 3,738,688	$ 1,431,493	$ 1,149,044	$ 1,025,396	$ 1,083,361	$ 722,491	$ -	$ 9,150,473
Buildings	14,954,749	5,725,974	4,596,178	4,101,582	4,333,444	2,889,966	-	36,601,893
	18,693,437	7,157,467	5,745,222	5,126,978	5,416,805	3,612,457	-	45,752,366
Rent leveling	135,181	52,594	69,274	73,673	39,697	42,268	-	412,687
Investment properties	**$ 18,828,618**	**$ 7,210,061**	**$ 5,814,496**	**$ 5,200,651**	**$ 5,456,502**	**$ 3,654,725**	**$ -**	**$ 46,165,053**
Long term debt	**$ 1,422,226**	**$ 778,227**	**$ 1,320,999**	**$ -**	**$ -**	**$ -**	**$ 11,643,844**	**$ 15,165,296**

	As of December 31, 2018							
in thousands Mexican Pesos	Mexico City	Guadalajara	Monterrey	Tijuana	Reynosa	Juarez	Unsecured debt	Total
Investment properties:								
Land	$ 3,719,447	$ 1,566,683	$ 1,205,130	$ 992,039	$ 1,055,230	$ 772,083	$ -	$ 9,310,612
Buildings	14,877,782	6,266,733	4,820,522	3,968,156	4,220,922	3,088,332	-	37,242,447
	18,597,229	7,833,416	6,025,652	4,960,195	5,276,152	3,860,415	-	46,553,059
Rent leveling	153,202	45,932	55,510	62,066	41,450	46,334	-	404,494
Investment properties	**$ 18,750,431**	**$ 7,235,595**	**$ 5,636,923**	**$ 5,022,261**	**$ 5,317,602**	**$ 3,764,239**	**$ -**	**$ 45,727,051**
Assets held for sale	**$ -**	**$ 643,753**	**$ 444,239**	**$ -**	**$ -**	**$ 142,510**	**$ -**	**$ 1,230,502**
Long term debt	**$ 1,717,257**	**$ 977,274**	**$ 1,445,534**	**$ -**	**$ -**	**$ 113,384**	**$ 12,234,915**	**$ 16,488,364**

6. Earnings per CBFI

The calculated basic and diluted earnings per CBFI are the same, as follows:

in thousands Mexican Pesos, except per CBFI	For the three months ended September 30 2019	For the three months ended September 30 2018	For the nine months ended September 30 2019	For the nine months ended September 30 2018
Basic and diluted earnings per CBFI (pesos)	$ 0.71	$ 0.96	$ 2.50	$ 3.25
Net income	460,107	620,229	1,618,298	2,084,636
Weighted average number of CBFIs ('000)	**649,186**	**644,674**	**646,640**	**641,089**

As of September 30, 2019, FIBRAPL had 644,673,822 CBFIs outstanding and 4,511,692 to be issued to the Manager. See note 13.

7. Trade receivables

As of September 30, 2019 and December 31, 2018, trade receivables of FIBRAPL were as follows:

in thousands Mexican Pesos	September 30, 2019	December 31, 2018
Trade receivables	$ 86,812	$ 95,466
Allowance for uncollectable trade receivables	(34,149)	(29,299)
	$ 52,663	**$ 66,167**

8. Other receivables and value added tax

As of September 30, 2019 and December 31, 2018, value added tax and other receivables were as follows:

in thousands Mexican Pesos	September 30, 2019	December 31, 2018
Value added tax	$ 19,865	$ 124,632
Other receivables	44,689	46,450
	$ 64,554	**$ 171,082**

FIBRAPL submits withholding taxes to the Mexican tax authorities as a result of interest paid to foreign creditors. Withholding tax payments are recognized as an expense unless they are expected to be reimbursed to FIBRAPL by the foreign creditor. If FIBRAPL does expect to be reimbursed, the amount is recorded as other receivables.

9. Prepaid expenses

As of September 30, 2019 and December 31, 2018, prepaid expenses of FIBRAPL were as follows:

in thousands Mexican Pesos	September 30, 2019	December 31, 2018
Real estate tax	$ 17,674	$ 7
Insurance	9,197	1,274
Other prepaid expenses	3,649	879
	$ 30,520	**$ 2,160**

10. Assets held for sale

On December 27, 2018, FIBRAPL signed a purchase and sale agreement under suspensory conditions of an industrial portfolio of eight properties located in Guadalajara, Monterrey and Juarez markets with a leasable area of 1.07 million square feet and a fair value of $1,230.5 million, which were sold on March 22, 2019.

11. Investment properties

FIBRAPL obtained a valuation from independent appraisers in order to determine the fair value of its investment properties which resulted in a gain of $224,228 and $697,223 for the nine months ended September 30, 2019 and 2018, respectively.

a) As of September 30, 2019, investment properties were as follows:

Market	Fair value as of September 30, 2019	# of properties	Lease area in thousands of square feet
Mexico City	$ 18,828,618	53	13,494
Guadalajara	7,210,061	25	5,889
Monterrey	5,814,496	22	4,419
Tijuana	5,200,651	33	4,214
Reynosa	5,456,502	30	4,712
Juarez	3,654,725	28	3,234
Total	**$ 46,165,053**	**191**	**35,962**

The table above includes an Intermodal facility in the Mexico City market with a leasable area of 1,092 square feet and a fair value of $320,797.

As of September 30, 2019, the fair value of investment properties includes excess land in the Monterrey market of $116,707.

As of September 30, 2019, and December 31, 2018, the balance of investment properties included rent leveling assets of $412,687 and $404,494, respectively.

Disclosed below is the valuation technique used to measure the fair value of investment properties, along with the significant unobservable inputs used.

i) Valuation technique

The valuation model considers the present value of net cash flows to be generated by the property, taking into account the expected rental growth rate, vacancy periods, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality and lease terms.

ii) Significant unobservable inputs

	September 30, 2019
Occupancy rate	97.0%
Risk adjusted discount rates	from 8.0% to 11.25% Weighted average 8.87%
Risk adjusted capitalization rates	from 6.75% to 9.75% Weighted average 7.46%

iii) Interrelationship between key unobservable inputs and fair value measurement

The estimated fair value would increase (decrease) if:

a. - Expected market rental income per market were higher (lower);
b. – Vacancy periods were shorter (longer);
c. - The occupancy rate were higher (lower);
d. - Rent-free periods were shorter (longer); or
e. - The risk adjusted discount rate were lower (higher)

b) The reconciliation of investment properties for the nine months ended September 30, 2019 and for the year ended December 31, 2018 are as follows:

in thousands Mexican Pesos	For the nine months ended September 30, 2019	For the year ended December 31, 2018
Beginning balance	$ 45,727,051	$ 43,932,382
Assets held for sale realized	1,230,502	-
Translation effect from functional currency	49,089	(189,986)
Acquisition of investment properties	-	1,568,565
Acquisition costs	-	46,435
Disposition of investment properties	(1,363,020)	-
Capital expenditures, leasing commissions and tenant improvements	289,010	457,124
Rent leveling	8,193	68,589
Gain on valuation of investment properties	224,228	1,074,444
Assets held for sale	-	(1,230,502)
Ending balance of investment properties	**$ 46,165,053**	**$ 45,727,051**

c) During the nine months ended September 30, 2019 and 2018, capital expenditures, leasing commissions and tenant improvements of FIBRAPL were as follows:

	For the nine months ended September 30,	
in thousands Mexican Pesos	2019	2018
Capital expenditures	$ 130,466	$ 119,577
Leasing commissions	71,004	65,385
Tenant improvements	87,540	109,999
	$ 289,010	**$ 294,961**

12. Long term debt

As of September 30, 2019 and December 31, 2018, FIBRAPL had long term debt comprised of loans from financial institutions denominated in U.S. dollars, except if described otherwise, as follows:

				September 30, 2019		December 31, 2018	
	Denomination	Maturity date	Rate	thousands U. S. Dollars	thousands Mexican Pesos	thousands U. S. Dollars	thousands Mexican Pesos
Citibank (Unsecured) #1	USD	December 18, 2020	LIBOR+ 245bps	-	$ -	255,000	$ 5,012,433
Citibank NA Credit facility (Unsecured)	USD	July 18, 2022	LIBOR + 250bps	-	-	105,000	2,063,943
Citibank (Unsecured) #2	USD	July 18, 2022	LIBOR + 245bps	150,000	2,952,120	150,000	2,948,490
Citibank (Unsecured) #3	USD	March 15, 2023	LIBOR+ 245bps	225,000	4,428,180	225,000	4,422,735
Citibank (Unsecured) #4	USD	February 6, 2024	LIBOR+ 235bps	290,000	5,707,432	-	-
Prudential Insurance Company and Metropolitan Life Insurance Co. (The Pru-Met Loan) 1st. Section (Secured)	USD	February 1, 2026	4.67%	53,500	1,052,923	53,500	1,051,628
Prudential Insurance Company and Metropolitan Life Insurance Co. (The Pru-Met Loan) 2nd. Section (Secured)	USD	February 1, 2026	4.67%	53,500	1,052,923	53,500	1,051,628
			Total	**772,000**	**15,193,578**	**842,000**	**16,550,857**
Long term debt interest accrued				1,697	33,391	1,207	23,726
Deferred financing cost				(3,135)	(61,673)	(4,387)	(86,219)
			Total debt	**770,562**	**15,165,296**	**838,820**	**16,488,364**
Less: Current portion of long term debt				1,697	33,391	1,207	23,726
Total long term debt				**768,865**	**$ 15,131,905**	**837,613**	**$ 16,464,638**

During the nine months ended September 30, 2019 and 2018, FIBRAPL paid interest on long term debt of $548,748 and $476,270 respectively, and principal of $2,901,852 and $2,296,767, respectively.

On February 6, 2019, FIBRA borrowed $290.0 million U.S. dollars ($5,707.4 million Mexican pesos) on a new senior unsecured term loan with Citibank (“Citibank (Unsecured) #4”), which matures on February 6, 2023, and carries an interest rate of LIBOR plus 235 basis points. The terms of the note contain a one-year extension option which may be extended at the borrower’s option upon written notice to Administrative Agent. The borrowings were used to repay the unsecured term loan Citibank, N.A. ("Citibank (Unsecured) #1"), in the amount of $255.0 million U.S. dollars ($4,866.0 million Mexican pesos) with Citibank N.A. as the administrative agent. FIBRAPL recognized a loss due to the extinguishment of debt by $0.8 million U.S. dollars ($15.7 million Mexican pesos). The borrowings were used to pay down $35.0 million U.S. dollars ($667.9 million Mexican pesos) of the Credit Facility with Citibank N.A.

As of September 30, 2018, FIBRAPL has an unsecured $325.0 million U.S. dollar revolving credit facility (the “Credit Facility”) with Citibank N.A. as the administrative agent; and $25.0 million U.S. dollars of the facility can be borrowed in Mexican pesos. FIBRAPL has an option to increase the Credit Facility by $150.0 million U.S. dollars. The Credit Facility can be used by FIBRAPL for acquisitions, working capital needs and general corporate purposes. The Credit Facility bears interest on borrowings outstanding at (i) LIBOR plus 250 basis points denominated in U. S. dollars and (ii) TIIE (Interbank Balance Interest Rate from its name in Spanish) plus 220 basis points denominated in Mexican pesos, subject to loan to value grid, and an unused facility fee of 60 basis points. This Credit Facility matures on July 18, 2020, and contains two separate one-year extension options which may be extended at the borrower’s option and with approval of the lender’s Risk Committee. As of September 30, 2019, FIBRAPL does not have a balance under the Credit Facility.

On March 15, 2018, FIBRA borrowed $225.0 million U.S. dollars ($4,428.2 million Mexican pesos) on a new unsecured term loan with Citibank (“Citibank (Unsecured) #3”), which matures on March 15, 2022, and carries an interest rate of LIBOR plus 245 basis points. The terms of the note contain one year extension options which may be extended at the borrower’s option and with approval of the lender’s, Risk Committee. The borrowings were used to pay down the existing credit facility.

FIBRAPL has a term loan with Citibank (“Citibank (Unsecured) #2”) of $150.0 million U.S. dollars ($2,952.1 million Mexican pesos), which matures on July 18, 2020, and carries an interest rate of LIBOR plus 245 basis points. The terms of the note contain two separate one-year extension options which may be extended at the borrower’s option and with approval of the lender’s Risk Committee. The borrowings were used to pay down the existing credit facility.

The loans described above are subject to certain affirmative covenants, including, among others, (i) reporting of financial information; and (ii) maintenance of corporate existence, the security interest in the properties subject to the loan and appropriate insurance for such properties. In addition, the loans are subject to certain negative covenants that restrict FIBRAPL’s ability to, among other matters and subject to certain exceptions, incurred additional indebtedness under or create additional liens on the properties subject to the loans, change its corporate structure, make certain restricted payments, enter into certain transactions with affiliates, amend certain material contracts, enter into derivative transactions for speculative purposes or form any new subsidiary.

The loans contain, among others, the following events of default: (i) non-payment; (ii) false representations; (iii) failure to comply with covenants; (iv) inability to generally pay debts as they become due; (v) any bankruptcy or insolvency event; (vi) disposition of the subject properties; or (vii) change of control of the subject properties.

As of September 30, 2019, FIBRAPL was in compliance with all of its covenants.

13. Equity

FIBRAPL was formed on August 13, 2013, through an initial contribution from the sponsor to the fiduciary of $1.00 Mexican peso.

Effective June 4, 2014, FIBRAPL was listed on the Mexican Stock Exchange under the ticker symbol FIBRAPL 14 in connection with its "IPO" (Initial Public Offering).

On December 1, 2014, FIBRAPL registered the issuance of 3,785,280 new CBFI's as part of the new investment in 6 properties.

On October 10, 2017, FIBRAPL issued 4,383,025 CBFIs based on the annual incentive fee that was approved in the ordinary holders meeting on June 26, 2017.

On November 16, 2018, FIBRAPL recorded 5,811,051 CBFIs issued based on the annual incentive fee approved in the ordinary holders meeting on July 5, 2018.

As of September 30, 2019, FIBRAPL recorded 4,511,692 CBFIs to be issued based on the annual incentive fee approved in the ordinary holders meeting on July 2, 2019. The Certificates will be issued in the following months.

As of September 30, 2019, total CBFIs outstanding were 644,673,822.

14. Related party information

The detail of transactions of FIBRAPL with its related parties is as follows:

a. **Manager**

Prologis Property Mexico, S. A. de C. V. (the "Manager"), in its capacity as the FIBRAPL Manager, is entitled to receive, according to a management agreement between FIBRAPL and the Manager (the "Management Agreement"), the following fees and commissions:

1. **Asset Management Fee**: annual fee equivalent to 0.75% of the current appraised value, calculated in accordance with the valuation policies approved by the Technical Committee under Section 14.1 of the Trust Agreement, based on annual appraisals, plus investment cost for assets that have not been appraised, plus the applicable VAT, paid quarterly. The asset management fee will be prorated with respect to any asset that has been owned less than a full calendar quarter.

2. **Incentive Fee**: annual fee equal to 10% of cumulative total CBFI holder returns in excess of an annual compound expected return of 9%, paid annually in CBFIs, must be approved at the ordinary holders meeting with each payment subject to a six-month lock-up, as established under the Management Agreement. The return measurement related to the incentive fee is based on a cumulative period. For the nine months ended September 30, 2019 and 2018, FIBRAPL recorded an incentive fee expense in the amount of $172.6 million Mexican pesos ($8.7 million U.S. dollars) and $205.4 million Mexican pesos ($10.3 million U.S. dollars), respectively.

3. **Development Fee**: contingent fee equal to 4.0% of total project cost of capital improvements (including replacements and repairs to the properties managed by the Manager, including improvements by the lessor), excluding land or new property development payable upon completion of the project.

4. **Property Management Fee**: fee equal to 3.0% of the revenues generated by the properties, paid monthly.

5. **Leasing Fee**: fee equal to certain percentages of total rent under signed lease agreements as follows: (i) 5.0% in connection with years one through five of the respective lease agreements; (ii) 2.5% in connection with years six through ten of the respective lease agreements; and (iii) 1.25% in connection with years eleven and beyond of the respective lease agreements. For renewals of existing leases, percentages will be 2.5%, 1.25% and 0.62% for the periods mentioned in bullet points (i), (ii) and (iii), respectively. One half of each leasing fee is payable at signing or renewal and one half is payable at commencement of the applicable lease. The leasing fee will be paid in full to the Manager, unless a third-party listing broker provides the procuring or leasing, expansion or renewal service, in which case the Manager shall not be entitled to a leasing fee.

b. Due to Affiliates

As of September 30, 2019 and December 31, 2018, the outstanding balances due to related parties were as follows:

in thousands Mexican Pesos	September 30, 2019	December 31, 2018
Asset management fees	$ -	$ 34,062
Property management fees	9,770	9,551
Leasing Fee	-	8,863
	$ 9,770	$ 52,476

c. Transactions with affiliates

Transactions with affiliated companies for the three and nine months ended September 30, 2019 and 2018, were as follows:

in thousands Mexican Pesos	For the three months ended September 30, 2019	For the three months ended September 30, 2018	For the nine months ended September 30, 2019	For the nine months ended September 30, 2018
Acquisition of properties	$ -	$ 258,481	$ -	$ 258,481
Dividends	$ 177,601	$ 172,972	$ 533,639	$ 501,662
Asset management fee	$ 85,839	$ 81,276	$ 252,620	$ 241,089
Property management fee	$ 30,363	$ 27,083	$ 86,871	$ 80,381
Leasing commissions	$ 7,916	$ 15,516	$ 23,459	$ 28,213
Development fee	$ 1,140	$ 832	$ 16,552	$ 5,335
Maintenance costs	$ 2,318	$ 738	$ 6,378	$ 4,459
Incentive Fee*	$ -	$ -	$ 172,627	$ 205,364

**The transaction was executed with the Manager and 4,511,692 ($172.6 million Mexican pesos) in CBFIs which will be issued in the following months.*

15. Hedging activities

As of September 30, 2019, FIBRAPL has liability of $81.6 million Mexican pesos related to interest rate swap contracts and an asset of $0.8 million Mexican pesos related to currency option contracts.

Interest Rate Swaps

As of September 30, 2019, FIBRAPL has two interest rate swap contracts with Bank of Nova Scotia and HSBC Bank USA, whereby, FIBRAPL pays a fixed rate of interest of 1.7462% and receives a variable rate based on one month LIBOR. The swaps mature on August 6, 2021 and they hedge the exposure to the variable interest rate payments on the $240.0 million U.S. dollar (each swap maintains a $120.0 million U.S. dollar notional amount) variable rate unsecured term loan with Citibank (Citibank (Unsecured) #4). See note 12.

As of September 30, 2019, FIBRAPL has two interest rate swap contracts with Bank of Nova Scotia and HSBC Bank USA, whereby, FIBRAPL pays a fixed rate of interest of 2.486% and receives a variable rate based on one month LIBOR. The swaps mature on March 15, 2021 and they hedge the exposure to the variable interest rate payments on the $225.0 million U.S. dollar (each swap maintains a $112.5 million U.S. dollar notional amount) variable rate unsecured term loan with Citibank (Citibank (Unsecured) #3). See note 12.

As of September 30, 2019, FIBRAPL has two interest rate swap contracts with Bank of Nova Scotia and HSBC Bank USA, whereby, FIBRAPL pays a fixed rate of interest of 1.752% and receives a variable rate based on one month LIBOR. The swaps mature on October 18, 2020 and they hedge the exposure to the variable interest rate payments on the $150.0 million U.S. dollar (each swap maintains a $75.0 million U.S. dollar notional amount) variable rate unsecured term loan with Citibank (Citibank (Unsecured) #2). See note 12.

As of September 30, 2019, FIBRAPL has interest rate swap contracts with the Bank of Nova Scotia and HSBC Bank USA, whereby, FIBRAPL pays a fixed rate of interest of 1.064% and 1.066%, respectively, and receives a variable rate based on one month LIBOR. The swaps hedge the exposure to the variable interest rate payments on the Credit Facility. See note 12.

The interest rate swaps meet the criteria for hedge accounting and therefore have been designated as cash flow hedging instruments. Accordingly, the fair value of the swaps as of September 30, 2019, of ($81.6) million Mexican pesos has been recognized in other comprehensive income as unrealized loss on interest rate swaps.

Below is a summary of the terms and fair value of the interest rate swap agreements. The loans and interest rate swaps have the same critical terms.

Counterparty	Effective date	Maturity date	Notional amount*	September 30, 2019	December 31, 2018
Bank of Nova Scotia	October 18, 2017	October 18, 2020	75.0	$ (1,839)	$ 19,320
HSBC Bank USA	October 18, 2017	October 18, 2020	75.0	(1,839)	19,315
Bank of Nova Scotia	April 16, 2018	March 15, 2021	112.5	(29,262)	(856)
HSBC Bank USA	April 16, 2018	March 15, 2021	112.5	(29,262)	(850)
Bank of Nova Scotia	June 23, 2016	August 6, 2021	120.0	(9,703)	16,126
HSBC Bank USA	June 23, 2016	August 6, 2021	120.0	(9,700)	24,146
				$ (81,605)	**$ 77,201**

** (amount in million U.S. dollars)*

In order to determine fair value, FIBRAPL calculates both current and potential future exposure, reflecting the bilateral credit risk present in many derivatives. The approach incorporates all of the relevant factors that can impact fair value calculations, including interest rate and foreign exchange forward curves and the market expectations of volatility around these curves, credit enhancements between counterparties (including collateral posting, mandatory cash settlements, and mutual puts), the term structure of credit spreads and the conditional cumulative probability of default for both counterparties.

Currency Option Contracts

On January 7, 2019, FIBRAPL entered into a foreign currency rate option with HSBC Bank USA, National Association of $5.0 million U.S. dollars ($100.0 million Mexican pesos) to fix an option rate over its quarterly Mexican peso transactions.

Start date	End date	Settlement date	Forward rate	Fair Value	Notional amount in thousands of Mexican pesos	Fair value as of September 30, 2019: Thousands of Mexican pesos	Fair value as of September 30, 2019: Thousands of U.S. dollars	Unrealized loss on exchange rate hedge in thousands of Mexican pesos
	Assets							
October 1, 2019	December 31, 2019	January 3, 2020	20.0000 USD-MXN	Level 2	$ 100,000	$ 845	$ 43	$ 5,169
			Total			**$ 845**	**$ 43**	**$ 5,169**

FIBRAPL's exchange rate options do not qualify for hedge accounting. Therefore, the change in fair value related to the contracts is recognized in the results of operations for the year within unrealized loss on exchange hedge instruments.

As of September 30, 2019, the fair value of the currency rate options were $0.8 million Mexican pesos.

16. Commitments and contingencies

FIBRAPL had no significant commitments or contingencies except as described in these notes as of September 30, 2019.

17. Subsequent Events

On October 15, 2019, FIBRAPL entered into a foreign currency rate forward with HSBC Bank USA, Nacional Association of $7.9 million U.S. dollar ($152.4 million Mexican pesos) to fix a forward rate over its quarterly Mexican peso transactions.

18. Financial statements approval

On October 15, 2019, the issuance of these interim condensed financial statements was authorized by Jorge Roberto Girault Facha, CFO of the Manager.

* * * * * * * * * *

Prologis Arrayanes #3, Guadalajara, Mexico

THIRD QUARTER 2019

FIBRA Prologis Supplemental Financial Information

Unaudited

U.S. Dollar Presentation

FIBRA Prologis' functional currency is the U.S. Dollar; therefore, FIBRA Prologis' management has elected to present actual comparative U.S. Dollars that represent the actual amounts included in our U.S. Dollar financial statements within this supplemental package, based on the following policies:

A. Transactions in currencies other than U.S. Dollars (Mexican Pesos) are recognized at the rates of exchange prevailing at the date of the transaction.

B. Equity items are valued at historical exchange rates.

C. At the end of each reporting period, monetary items denominated in Mexican Pesos are retranslated into U.S. Dollars at the rates prevailing at that date.

D. Non-monetary items carried at fair value that are denominated in Mexican Pesos are retranslated at the rates prevailing at the date when the fair value was determined.

E. Exchange differences on monetary items are recognized in profit or loss in the period in which they occur.


Agua Fria #8 Monterrey, Mexico

Table of Contents

El Puente Industrial Ctr #2, Reynosa, Mexico

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

FIBRA Prologis is a leading owner and operator of Class-A industrial real estate in Mexico. As of September 30, 2019, FIBRA Prologis was comprised of 190 logistics and manufacturing facilities in six industrial markets in Mexico totaling 34.8 million square feet (3.2 million square meters) of GLA.

MARKET PRESENCE

96.8% Occupancy

TOTAL MARKETS

GLA	% Net Effective Rent
34.8 MSF	100%

REGIONAL MARKETS
(manufacturing-driven)
Ciudad Juarez, Reynosa, Tijuana

GLA	% Net Effective Rent	Occupancy
12.2 MSF	34.5%	98.4%

GLOBAL MARKETS
(consumption-driven)
Guadalajara, Mexico City, Monterrey

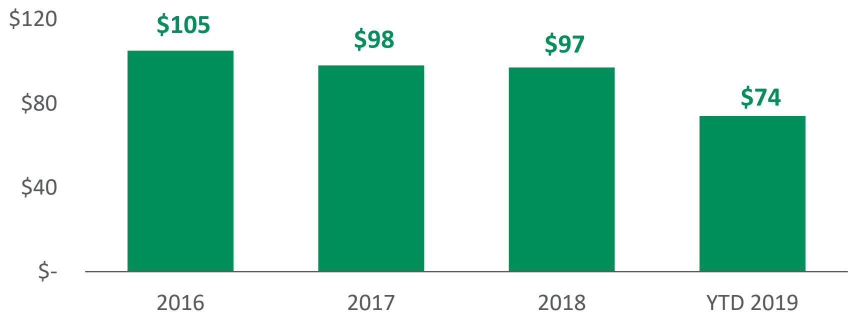
GLA	% Net Effective Rent	Occupancy
22.6 MSF	65.5%	96.0%

Highlights

Company Profile

FFO, AS MODIFIED BY FIBRA PROLOGIS

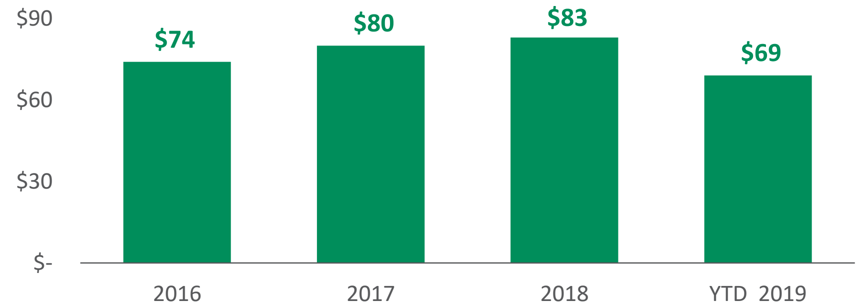
(in millions of US$)



*FFO, as modified by FIBRA Prologis including incentive fee

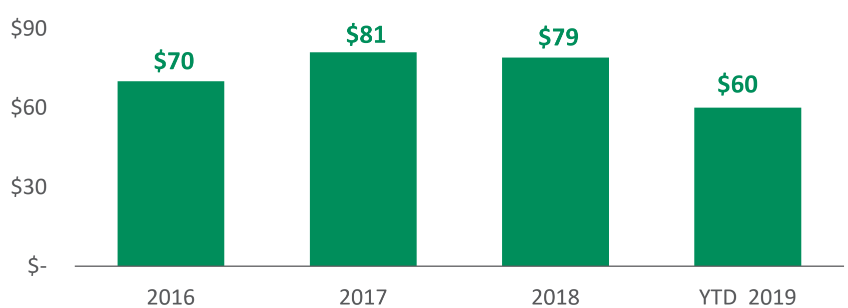
AFFO

(in millions of US$)



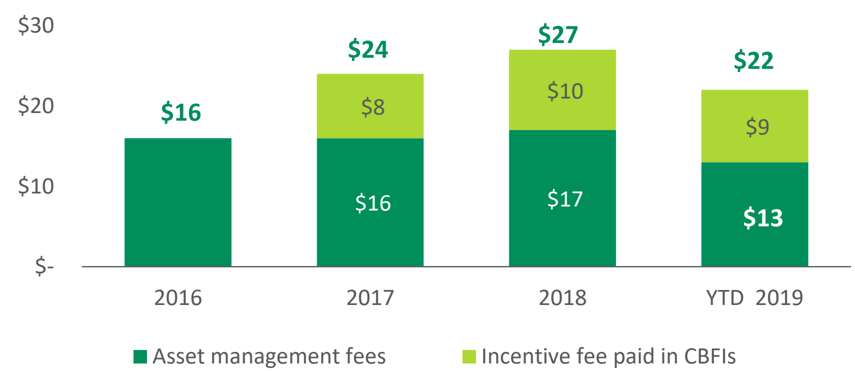
DISTRIBUTIONS

(in millions of US$)



ASSET MANAGEMENT FEES AND INCENTIVE FEE

(in millions of US$)



Highlights
Company Performance

Included below are quarterly comparative highlights in Mexican pesos and U.S. Dollars as a summary of our company performance.

in thousands, except per CBFI amounts

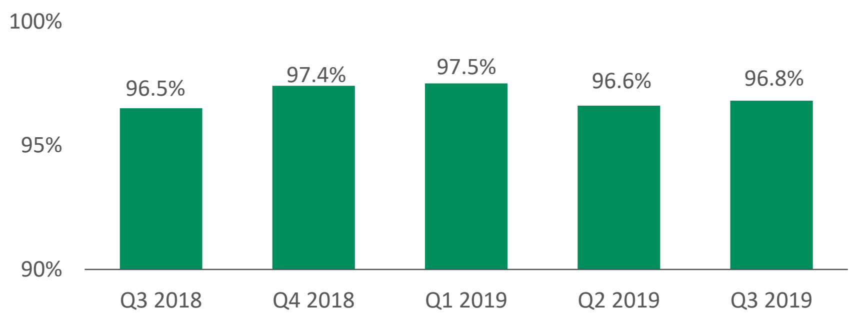
	For the three months ended									
	September 30, 2019		June 30, 2019		March 31, 2019		December 31, 2018		September 30, 2018	
	Ps.	US$ (A)	Ps.	US$ (A)	Ps.	US$ (A)	Ps.	US$ (A)	Ps.	US$ (A)
Revenues	943,481	48,551	938,813	49,128	991,918	51,236	959,053	48,553	907,482	47,338
Gross Profit	791,108	40,818	817,517	42,741	861,501	44,437	815,737	41,361	780,683	40,629
Net Income	460,107	23,836	482,694	25,434	675,497	34,671	887,567	44,248	620,229	32,049
FFO, as modified by FIBRA Prologis	502,518	26,021	364,053	19,226	561,989	28,791	501,703	24,803	503,969	25,901
FFO, as modified by FIBRA Prologis excluding incentive fee	502,518	26,021	536,680	27,962	561,989	28,791	501,703	24,803	503,969	25,901
AFFO	428,785	22,232	455,026	23,580	456,058	23,304	338,575	16,644	428,062	21,867
Adjusted EBITDA	697,815	36,063	722,630	37,655	738,500	38,042	731,378	36,431	685,947	35,584
Earnings per CBFI	0.7087	0.0367	0.7487	0.0395	1.0478	0.0538	1.3768	0.0686	0.9621	0.0497
FFO per CBFI	0.7741	0.0401	0.5647	0.0298	0.8717	0.0447	0.7782	0.0385	0.7817	0.0402
FFO per CBFI excluding incentive fee	0.7741	0.0401	0.8325	0.0434	0.8717	0.0447	0.7782	0.0385	0.7817	0.0402

A. Amounts presented in U.S. Dollars, which is FIBRA Prologis´ functional currency, represent the actual amounts from our U.S. Dollar financial statements.

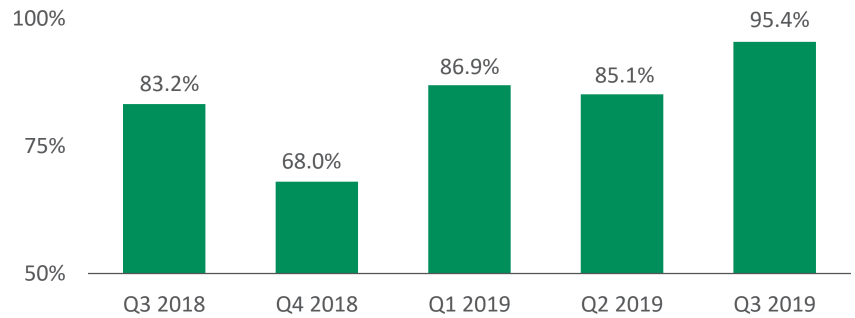
Highlights

Operating Performance

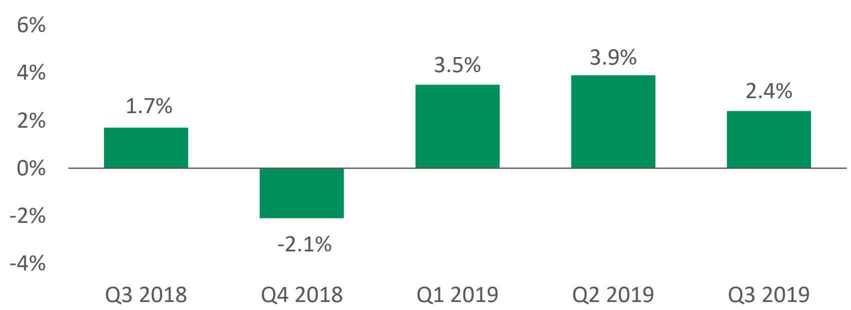
PERIOD END OCCUPANCY – OPERATING PORTFOLIO



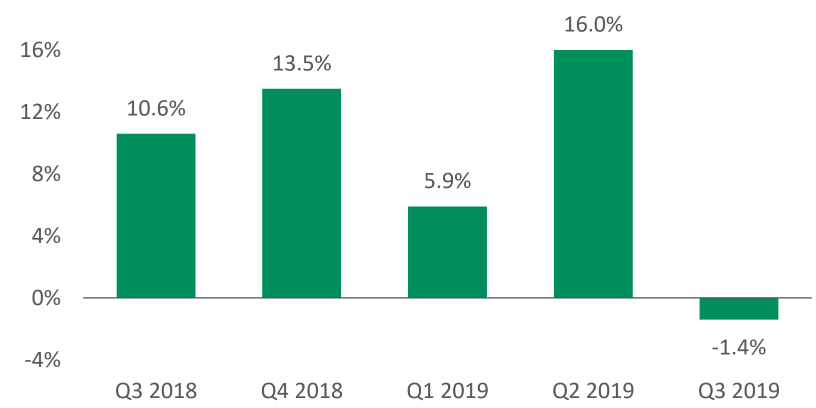
WEIGHTED AVERAGE CUSTOMER RETENTION



SAME STORE CASH NOI CHANGE OVER PRIOR YEAR (A)



NET EFFECTIVE RENT CHANGE



FIBRA PROLOGIS

(A) Same store cash NOI change has been calculated based on actual U.S. Dollars

Highlights
Guidance and Actuals

US Dollars in thousands except per CBFI amounts

2019 Guidance		**Low**		**High**
Full year FFO per CBFI excluding incentive fee [(A)]	**$**	**0.1600**	**$**	**0.1650**
Full year FFO per CBFI including incentive fee	**$**	**0.1425**	**$**	**0.1500**
Operations				
Year-end occupancy		96.0%		97.0%
Same store cash NOI change		3.00%		4.00%
Annual capex as a percentage of NOI		14.0%		15.0%
Capital Deployment				
Building dispositions	$	50,000	$	70,000
Other Assumptions				
G&A (Asset management and professional fees) [(B)]	$	20,000	$	22,000
Full year 2019 distribution per CBFI (US Dollars)	$	0.1240	$	0.1240

(A) FFO guidance excludes the impact of peso movements as U.S. Dollar is the functional currency of FIBRA Prologis.
(B) G&A excludes incentive fee
Note: Guidance based on $20.00 pesos per $1.00 U.S Dollar.

FIBRA PROLOGIS®

Financial Information

Interim Condensed Statements of Financial Position

in thousands	September 30, 2019		December 31, 2018	
Assets:	Ps.	US$	Ps.	US$
Current assets:				
Cash	409,936	20,830	339,276	17,261
Trade receivables	52,663	2,676	66,167	3,367
Other receivables and value added tax	64,554	3,280	171,082	8,703
Prepaid expenses	30,520	1,551	2,160	110
Assets held for sale	-	-	1,230,502	62,600
	557,673	**28,337**	**1,809,187**	**92,041**
Non-current assets:				
Investment properties	46,165,053	2,345,690	45,727,051	2,326,293
Hedge instruments	-	-	77,201	3,927
Exchange rate options	845	43	-	-
Other assets	44,800	2,274	47,713	2,429
	46,210,698	**2,348,007**	**45,851,965**	**2,332,649**
Total assets	**46,768,371**	**2,376,344**	**47,661,152**	**2,424,690**
Liabilities and Equity:				
Current liabilities:				
Trade payables	96,915	4,926	121,559	6,185
Due to affiliates	9,770	496	52,476	2,669
Current portion of long term debt	33,391	1,697	23,726	1,207
Liabilities related to assets held for sale	-	-	6,815	347
	140,076	**7,119**	**204,576**	**10,408**
Non-current liabilities:				
Long term debt	15,131,905	768,865	16,464,638	837,613
Security deposits	292,829	14,879	292,761	14,893
Exchange rate forwards	81,605	4,146	-	-
	15,506,339	**787,890**	**16,757,399**	**852,506**
Total liabilities	**15,646,415**	**795,009**	**16,961,975**	**862,914**
Equity:				
CBFI holders capital	14,124,954	985,410	13,952,327	1,016,741
Other equity accounts and retained earnings	16,997,002	595,925	16,746,850	545,035
Total equity	**31,121,956**	**1,581,335**	**30,699,177**	**1,561,776**
Total liabilities and equity	**46,768,371**	**2,376,344**	**47,661,152**	**2,424,690**

FIBRA PROLOGIS®

Financial Information

Interim Condensed Statements of Comprehensive Income

in thousands, except per CBFI amounts	For the three months ended September 30,				For the nine months ended September 30,			
	2019		2018		2019		2018	
	Ps.	US$	Ps.	US$	Ps.	US$	Ps.	US$
Revenues:								
Lease rental income	838,379	43,150	811,338	42,370	2,541,147	131,658	2,425,295	127,395
Rental recoveries	92,580	4,754	87,892	4,543	280,770	14,537	241,325	12,623
Other property income	12,522	647	8,252	425	52,295	2,720	47,810	2,488
	943,481	48,551	907,482	47,338	2,874,212	148,915	2,714,430	142,506
Cost and expenses:								
Property operating expenses:								
Operating and maintenance	72,798	3,743	49,608	2,602	179,991	9,323	143,197	7,523
Utilities	15,222	786	15,684	828	39,313	2,041	33,809	1,778
Property management fees	30,363	1,543	27,083	1,474	86,871	4,532	80,381	4,253
Real estate taxes	18,112	923	17,091	853	53,489	2,724	51,693	2,659
Non-recoverable operating	15,878	738	17,333	952	44,422	2,299	21,478	1,192
	152,373	7,733	126,799	6,709	404,086	20,919	330,558	17,405
Gross profit	**791,108**	**40,818**	**780,683**	**40,629**	**2,470,126**	**127,996**	**2,383,872**	**125,101**
Other expenses (income):								
Loss (gain) on valuation of investment properties	34,935	1,799	(111,534)	(5,881)	(224,228)	(11,870)	(697,223)	(36,147)
Asset management fees	85,839	4,376	81,276	4,308	252,620	13,196	241,089	12,605
Incentive fee	-	-	-	-	172,627	8,736	205,364	10,337
Professional fees	12,751	650	10,176	563	27,955	1,451	32,656	1,771
Interest expense	173,701	8,932	159,472	8,479	518,295	26,916	463,252	24,337
Amortization of debt premium	-	-	-	-	-	-	(4,639)	(248)
Amortization of deferred financing cost	11,758	607	14,423	767	41,405	2,162	41,100	2,167
Net (gain) loss on early extinguishment of debt	-	-	-	-	18,638	969	(4,043)	(232)
Unused credit facility fee	9,838	503	8,083	437	26,373	1,372	21,855	1,159
Unrealized loss on exchange rate hedge instruments	1,135	58	5,169	275	12,138	628	6,159	340
Realized loss on exchange rate hedge instruments	221	11	-	-	640	33	8,995	453
Net Unrealized exchange loss (gain)	6,341	328	(9,895)	(542)	3,714	191	(26,353)	(1,391)
Net Realized exchange (gain) loss	(8,036)	(413)	2,282	120	(8,302)	(427)	2,190	115
Other general and administrative expenses	2,518	131	1,002	54	9,953	519	8,834	459
	331,001	16,982	160,454	8,580	851,828	43,876	299,236	15,725
Net income	**460,107**	**23,836**	**620,229**	**32,049**	**1,618,298**	**84,120**	**2,084,636**	**109,376**
Other comprehensive income:								
Items that are not reclassified subsequently to profit or loss:								
Translation (gain) loss from functional currency to reporting currency	(761,200)	2,291	1,621,132	76	73,440	(546)	1,429,073	(463)
Items that are or may be reclassified subsequently to profit or loss:								
Unrealized loss (gain) on interest rate swaps	24,408	1,240	(5,753)	(448)	152,773	7,869	(73,542)	(3,868)
	(736,792)	3,531	1,615,379	(372)	226,213	7,323	1,355,531	(4,331)
Total comprehensive income (loss) for the period	**1,196,899**	**20,305**	**(995,150)**	**32,421**	**1,392,085**	**76,797**	**729,105**	**113,707**
Earnings per CBFI (A)	**0.7087**	**0.0367**	**0.9621**	**0.0497**	**2.5026**	**0.1301**	**3.2517**	**0.1706**

FIBRA PROLOGIS®

(A) See calculation of Earnings per CBFI in Notes and Definitions.

Financial Information

Reconciliations of Net Income to FFO, AFFO and EBITDA

in thousands	For the three months ended September 30,				For the nine months ended September 30,			
	2019		2018		2019		2018	
	Ps.	US$	Ps.	US$	Ps.	US$	Ps.	US$
Reconciliation of Net Income to FFO								
Net Income	**460,107**	**23,836**	**620,229**	**32,049**	**1,618,298**	**84,120**	**2,084,636**	**109,376**
Adjustments to arrive at FFO, as defined by FIBRA Prologis:								
Loss (gain) on valuation of investment properties	34,935	1,799	(111,534)	(5,881)	(224,228)	(11,870)	(697,223)	(36,147)
Unrealized loss on exchange rate hedge instruments	1,135	58	5,169	275	12,138	628	6,159	340
Net unrealized exchange loss (gain)	6,341	328	(9,895)	(542)	3,714	191	(26,353)	(1,391)
Net (gain) loss on early extinguishment of debt	-	-	-	-	18,638	969	(4,043)	(232)
FFO, as modified by FIBRA Prologis	**502,518**	**26,021**	**503,969**	**25,901**	**1,428,560**	**74,038**	**1,363,176**	**71,946**
Incentive fee paid in CBFIs	-	-	-	-	172,627	8,736	205,364	10,337
FFO, as modified by FIBRA Prologis excluding incentive fee	**502,518**	**26,021**	**503,969**	**25,901**	**1,601,187**	**82,774**	**1,568,540**	**82,283**
FFO, as modified by FIBRA Prologis	502,518	26,021	503,969	25,901	1,428,560	74,038	1,363,176	71,946
Adjustments to arrive at Adjusted FFO ("AFFO")								
Straight-lined rents	8,888	461	4,029	168	(13,712)	(784)	(46,139)	(2,431)
Property improvements	(40,019)	(2,068)	(35,855)	(1,887)	(130,466)	(6,801)	(119,577)	(6,267)
Tenant improvements	(34,456)	(1,775)	(27,213)	(1,434)	(87,540)	(4,550)	(109,999)	(5,768)
Leasing commissions	(19,904)	(1,014)	(31,291)	(1,648)	(71,004)	(3,683)	(65,385)	(3,458)
Amortization of deferred financing costs	11,758	607	14,423	767	41,405	2,162	41,100	2,167
Amortization of debt premium	-	-	-	-	-	-	(4,639)	(248)
Incentive fee paid in CBFIs	-	-	-	-	172,627	8,736	205,364	10,337
AFFO	**428,785**	**22,232**	**428,062**	**21,867**	**1,339,870**	**69,117**	**1,263,901**	**66,278**

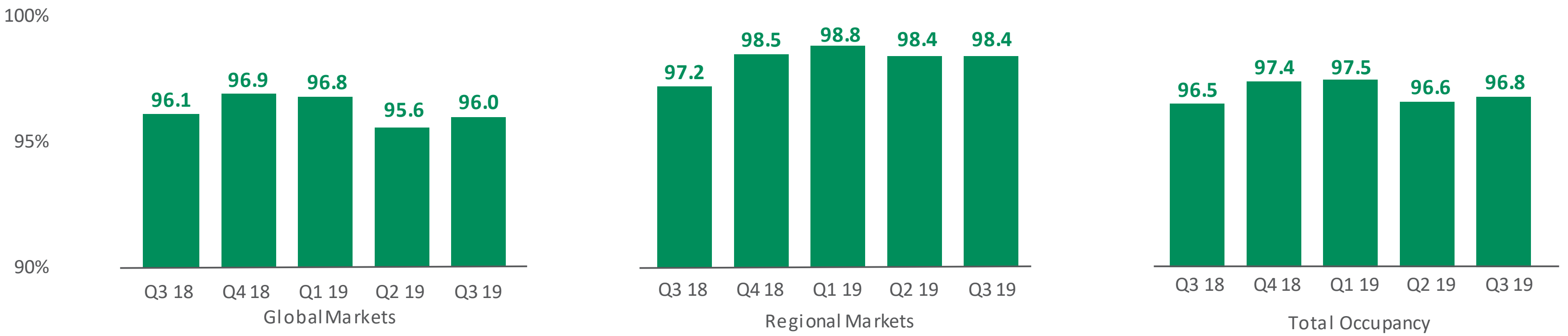
in thousands	For the three months ended September 30,				For the nine months ended September 30,			
	2019		2018		2019		2018	
	Ps.	US$	Ps.	US$	Ps.	US$	Ps.	US$
Reconciliation of Net Income to Adjusted EBITDA								
Net income	460,107	23,836	620,229	32,049	1,618,298	84,120	2,084,636	109,376
Loss (gain) on valuation of investment properties	34,935	1,799	(111,534)	(5,881)	(224,228)	(11,870)	(697,223)	(36,147)
Interest expense	173,701	8,932	159,472	8,479	518,295	26,916	463,252	24,337
Amortization of deferred financing costs	11,758	607	14,423	767	41,405	2,162	41,100	2,167
Amortization of debt premium	-	-	-	-	-	-	(4,639)	(248)
Net (gain) loss on early extinguishment of debt	-	-	-	-	18,638	969	(4,043)	(232)
Unused credit facility fee	9,838	503	8,083	437	26,373	1,372	21,855	1,159
Unrealized loss on exchange rate hedge instruments	1,135	58	5,169	275	12,138	628	6,159	340
Net unrealized exchange loss (gain)	6,341	328	(9,895)	(542)	3,714	191	(26,353)	(1,391)
Pro forma adjustments for dispositions	-	-	-	-	(28,315)	(1,464)	-	-
Incentive fee paid in CBFIs	-	-	-	-	172,627	8,736	205,364	10,337
Adjusted EBITDA	**697,815**	**36,063**	**685,947**	**35,584**	**2,158,945**	**111,760**	**2,090,108**	**109,698**

FIBRA PROLOGIS®

Operations Overview

Operating Metrics

PERIOD ENDING OCCUPANCY - OPERATING PORTFOLIO



square feet in thousands

LEASING ACTIVITY

	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019
Square feet of leases commenced:					
Renewals	2,432	1,068	1,340	1,650	653
New leases	539	735	253	357	126
Total square feet of leases commenced	**2,971**	**1,803**	**1,593**	**2,007**	**779**
Average term of leases commenced (months)	46	86	54	69	37
Operating Portfolio:					
Trailing four quarters - leases commenced	8,893	8,666	8,654	8,374	6,182
Trailing four quarters - % of average portfolio	25.7%	24.9%	24.7%	23.8%	17.6%
Rent change - cash	**3.7%**	**-2.0%**	**-5.2%**	**-3.6%**	**-0.7%**
Rent change - net effective	**10.6%**	**13.5%**	**5.9%**	**16.0%**	**-1.4%**

FIBRA PROLOGIS®

Operating Metrics – Owned and Managed

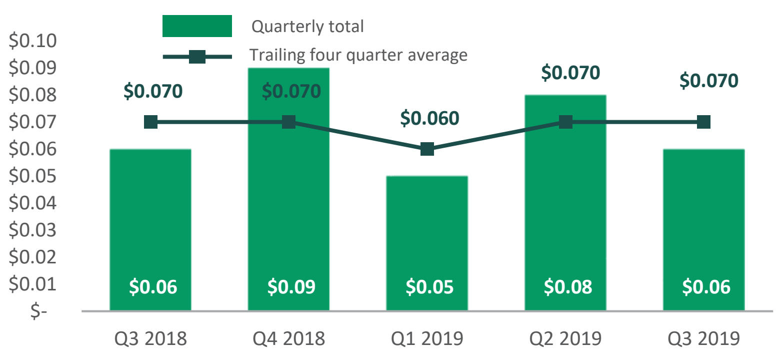
CAPITAL EXPENDITURES INCURRED (A) IN THOUSANDS

	Q3 2018		Q4 2018		Q1 2019		Q2 2019		Q3 2019	
	Ps.	US$	Ps.	US$	Ps.	US$	Ps.	US$	Ps.	US$
Property improvements	35,855	1,887	63,492	3,141	37,713	1,970	52,734	2,764	40,019	2,068
Tenant improvements	27,213	1,434	51,138	2,564	32,773	1,710	20,311	1,066	34,456	1,775
Leasing commissions	31,291	1,648	48,678	2,481	31,016	1,618	20,085	1,051	19,904	1,014
Total turnover costs	58,504	3,082	99,816	5,045	63,789	3,328	40,396	2,117	54,360	2,789
Total capital expenditures	**94,359**	**4,969**	**163,308**	**8,186**	**101,502**	**5,298**	**93,130**	**4,881**	**94,379**	**4,857**
Trailing four quarters - % of gross NOI		13.6%		14.2%		13.6%		13.8%		13.7%

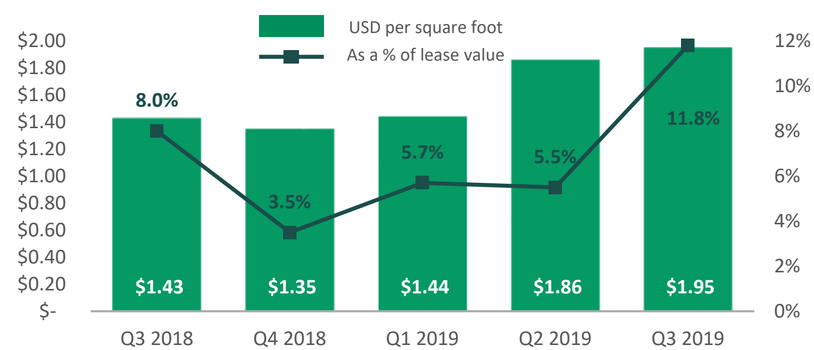
SAME STORE INFORMATION

	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019
Square feet of population	34,167	34,167	33,362	33,030	33,030
Average occupancy	96.2%	96.5%	97.1%	100.0%	96.3%
Percentage change:					
Rental income- cash	2.3%	(0.2%)	7.3%	6.3%	4.2%
Rental expenses- cash	5.3%	9.4%	30.3%	19.7%	11.8%
NOI - Cash	**1.7%**	**(2.1%)**	**3.5%**	**3.9%**	**2.4%**
NOI - net effective	1.0%	(1.9%)	2.1%	0.9%	1.5%
Average occupancy	(0.3%)	(2.0%)	1.2%	(1.4%)	0.4%

PROPERTY IMPROVEMENTS PER SQUARE FOOT (USD)



ESTIMATED TURNOVER COSTS ON LEASES COMMENCED (A)



FIBRA PROLOGIS

A. The U.S. Dollar amount has been translated at the date of the transaction based on the exchange rate then in effect, Incurred turnover costs do not necessarily coincide with leases that commenced during the quarter.

Operations Overview

Investment Properties

square feet and currency in thousands		Square Feet						Net Effective Rent					Investment Properties Value		
	# of Buildings	Total	% of Total	Occupied %	Leased %	Third Quarter NOI		Annualized		% of Total	Per Sq Ft		Total		% of Total
						Ps.	US$	Ps.	US$		Ps.	US$	Ps.	US$	
Global Markets															
Mexico City	52	12,403	35.7	95.9	95.9	274,619	14,170	1,309,364	66,530	37.7	110	5.59	18,507,821	940,400	40.1
Guadalajara	25	5,889	16.9	95.5	95.5	127,433	6,575	539,962	27,436	15.5	96	4.88	7,210,061	366,350	15.6
Monterrey	22	4,315	12.4	96.9	96.9	101,012	5,212	427,172	21,705	12.3	102	5.19	5,697,788	289,510	12.3
Total global markets	**99**	**22,607**	**65.0**	**96.0**	**96.0**	**503,064**	**25,957**	**2,276,498**	**115,671**	**65.5**	**105**	**5.33**	**31,415,671**	**1,596,260**	**68.0**
Regional markets															
Reynosa	30	4,712	13.6	99.6	100.0	116,143	5,992	494,972	25,150	14.2	105	5.34	5,456,502	277,250	11.8
Tijuana	33	4,214	12.1	100.0	100.0	98,921	5,104	406,113	20,635	11.7	96	4.90	5,200,651	264,250	11.3
Ciudad Juarez	28	3,235	9.3	94.6	94.6	67,747	3,495	298,322	15,158	8.6	97	4.95	3,654,725	185,700	7.9
Total regional markets	**91**	**12,161**	**35.0**	**98.4**	**98.6**	**282,811**	**14,591**	**1,199,407**	**60,943**	**34.5**	**100**	**5.08**	**14,311,878**	**727,200**	**31.0**
Total operating portfolio	**190**	**34,768**	**100.0**	**96.8**	**96.9**	**785,875**	**40,548**	**3,475,905**	**176,614**	**100.0**	**103**	**5.24**	**45,727,549**	**2,323,460**	**99.0**
Intermodal facility (A)						5,233	270						320,797	16,300	0.7
Excess land (B)													116,707	5,930	0.3
Total investment properties		**34,768**	**100.0**			**791,108**	**40,818**						**46,165,053**	**2,345,690**	**100.0**

A. 100% occupied as of September 30, 2019.
B. We have 20.75 acres of land in Monterrey that has an estimated build out of 362,784 square feet and two expansions projects of 203,864 square feet under development as of September 30, 2019

FIBRA PROLOGIS®

Operations Overview

Customer Information

square feet in thousands

Top 10 Customers as % of Net Effective Rent

	% of Net Effective Rent	Total Square Feet
1 IBM de México, S. de R.L	3.1%	1,301
2 DHL	2.9%	994
3 Geodis	2.8%	796
4 LG, Inc.	2.1%	694
5 Ryder System Inc.	1.5%	500
6 Kuehne & Nagel	1.5%	559
7 Johnson Controls Inc.	1.5%	451
8 Uline	1.4%	501
9 Amazon.Com, Inc.	1.4%	374
10 Celestica, Inc.	1.4%	396
Top 10 Customers	**19.6%**	**6,566**

square feet and currency in thousands

Lease Expirations - Operating Portfolio

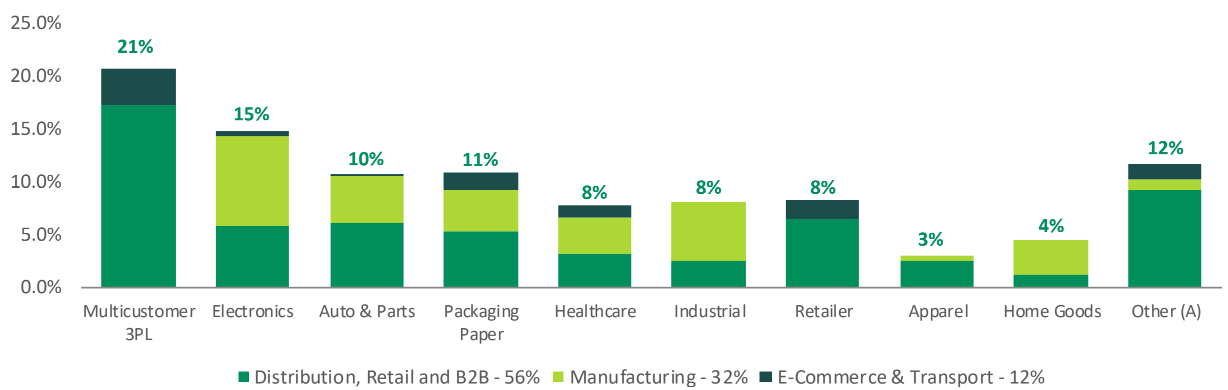
Year	Occupied Sq Ft	Net Effective Rent						
		Total		% of Total	Per Sq Ft		% Currency	
		Ps.	US$		Ps.	US$	%Ps.	%US$
2019	1,457	136,349	6,928	4%	93.56	4.75	52%	48%
2020	8,647	843,499	42,859	24%	97.55	4.96	19%	81%
2021	5,399	565,607	28,739	16%	104.76	5.32	45%	55%
2022	4,862	506,308	25,726	15%	104.13	5.29	50%	50%
2023	3,820	398,595	20,253	11%	104.36	5.30	29%	71%
Month to month	291	27,652	1,405	1%	94.90	4.82	58%	42%
Thereafter	9,210	997,895	50,704	29%	108.35	5.51	27%	73%
	33,686	**3,475,905**	**176,614**	**100%**	**103.2**	**5.24**	**33%**	**67%**

Lease Currency - Operating Portfolio

	Annualized Net Effective Rent USD	% of Total	Occupied Sq Ft	% of Total
Leases denominated in Ps.	57,984	32.8	10,836	32.2
Leases denominated in US$	118,630	67.2	22,850	67.8
Total	**176,614**	**100**	**33,686**	**100**

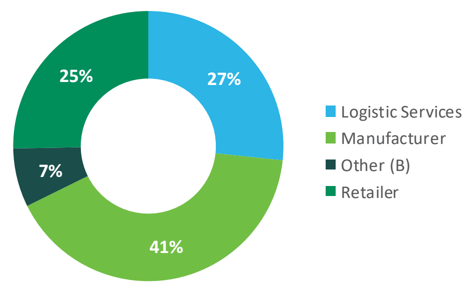
USE OF SPACE BY CUSTOMER INDUSTRY

% of Portfolio NER



CUSTOMER TYPE

% of Portfolio NER



A. Other includes: transportation, food/ beverages, consumer products, construction, data center/ office
B. Other includes: transport and freight, services

FIBRA PROLOGIS

Capital Deployment

Dispositions

square feet and currency in thousands	Q3 2019			FY 2019		
	Sq Ft	Sales Price [A]		Sq Ft	Sales Price [A]	
		Ps.	US$		Ps.	US$
BUILDING DISPOSITIONS						
Global Markets						
Mexico City	-	-	-	-	-	-
Guadalajara				518	557,903	29,498
Monterrey				416	461,290	24,400
Total Global Markets	**-**	**-**	**-**	**934**	**1,019,193**	**53,898**
Regional Markets						
Reynosa	-	-	-	-	-	-
Tijuana	-	-	-	-	-	-
Ciudad Juarez	-	-	-	332	340,779	18,062
Total Regional Markets	**-**	**-**	**-**	**332**	**340,779**	**18,062**
Total Building Dispositions	**-**	**-**	**-**	**1,266**	**1,359,972**	**71,960**
Weighted average stabilized cap rate						**8.2%**

A. The U.S. Dollar amount has been translated at the date of the transaction based on the exchange rate in the sales agreement.

Capitalization

Debt Summary and Metrics

currency in millions

Maturity	Unsecured Credit Facility Ps.	Unsecured Credit Facility US$	Unsecured Senior Ps.	Unsecured Senior US$	Secured Mortgage Debt Ps.	Secured Mortgage Debt US$	Total Ps.	Total US$	Wtd Avg. Cash Interest Rate (A)	Wtd Avg. Effective Interest Rate (B)
2019	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-
2022	-	-	2,952	150	-	-	2,952	150	4.2%	4.4%
Thereafter	-	-	10,136	515	2,106	107	12,242	622	4.7%	4.7%
Subtotal- debt par value	**-**	**-**	**13,088**	**665**	**2,106**	**107**	**15,194**	**772**		
Interest payable and deferred financing cost	-	-	-	-	(19)	(1)	(19)	(1)		
Total debt	**-**	**-**	**13,088**	**665**	**2,087**	**106**	**15,175**	**771**	**4.5%**	**4.6%**

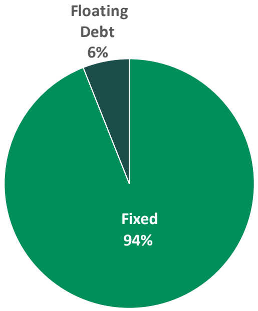
	Credit Facility	Senior	Mortgage Debt	Total
Weighted average cash interest rate (A)	-	4.5%	4.70	4.5%
Weighted average effective interest rate (B)	-	4.6%	4.7%	4.6%
Weighted average remaining maturity in years	-	3.7	6.3	4.1

currency in millions

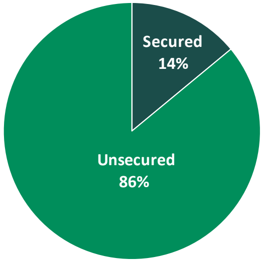
Liquidity	Ps.	US$
Aggregate lender commitments	6,396	325
Less:	-	-
Borrowings outstanding	-	-
Outstanding letters of credit	-	-
Current availability	6,396	325
Unrestricted cash	410	21
Total liquidity	**6,806**	**346**

Debt Metrics (C)	2019 Third Quarter	2019 Second Quarter
Debt, less cash and VAT, as % of investment properties	**32.0%**	**32.1%**
Fixed charge coverage ratio	**4.04x**	**4.35x**
Fixed charge coverage ratio, excluding realized exchange loss from		
Debt to Adjusted EBITDA	**5.20x**	**4.99x**

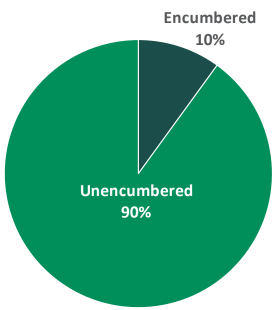
FIXED VS. FLOATING DEBT (D)



SECURED VS. UNSECURED DEBT



ENCUMBERED VS. UNENCUMBERED ASSETS POOL (E)



A. Interest rates are based on the cash rates associated with the respective weighted average debt amounts outstanding.
B. Interest rate is based on the effective rate, which includes the amortization of related premiums (discounts) and finance costs. The net premiums (discounts) and finance costs associated with the respective debt were included in the maturities by year.
C. These calculations are based on actual U.S. Dollars as described in the Notes and Definitions section and are not calculated in accordance with the applicable regulatory rules.
D. Includes the interest rate swap contract.
E. Based on fair market value as of September 30, 2019.

FIBRA PROLOGIS®

Sponsor

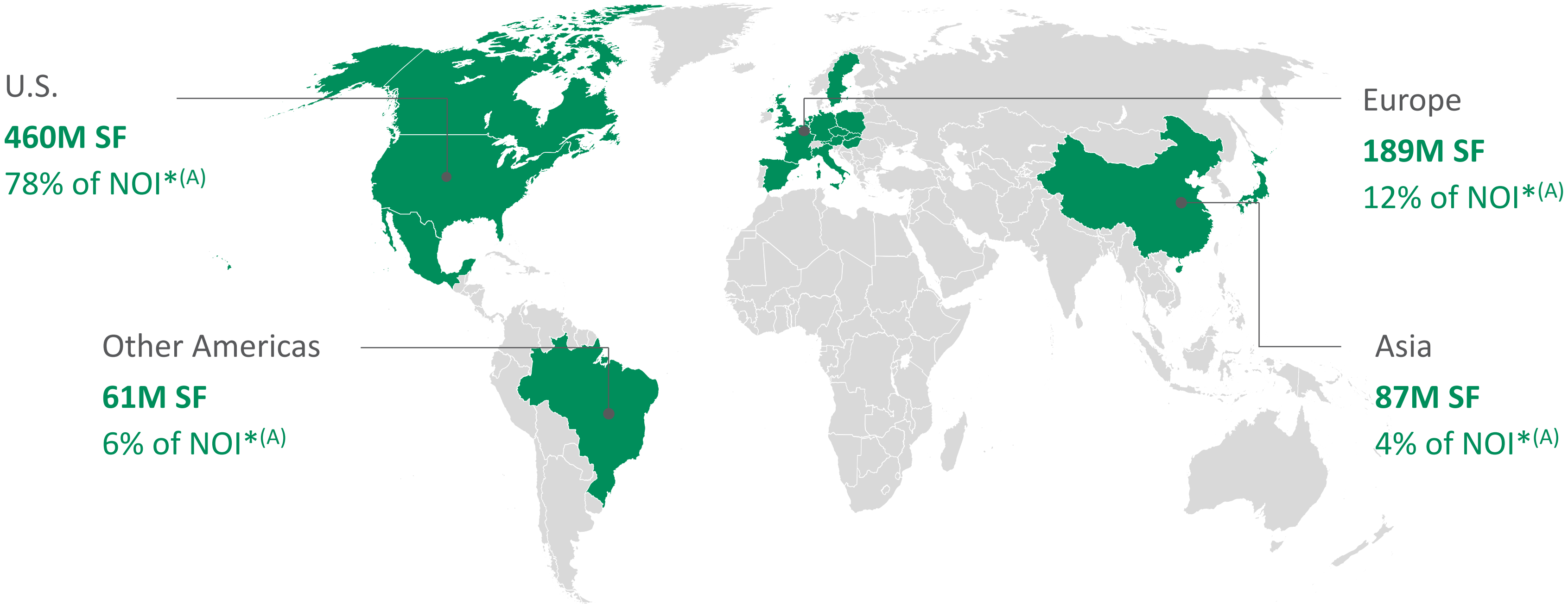
Prologis Unmatched Global Platform (A)

Prologis, Inc., is the global leader in logistics real estate with a focus on high-barrier, high-growth markets. As of September 30, 2019, the company owned or had investments in, on a wholly owned basis or through co-investment ventures, properties and development projects expected to total approximately 797 million square feet (74 million square meters) in 19 countries. Prologis leases modern logistics facilities to a diverse base of approximately 5,100 customers across two major categories: business-to-business and retail/online fulfillment.

3,793 Buildings

797M Square Feet

5,100 Customers

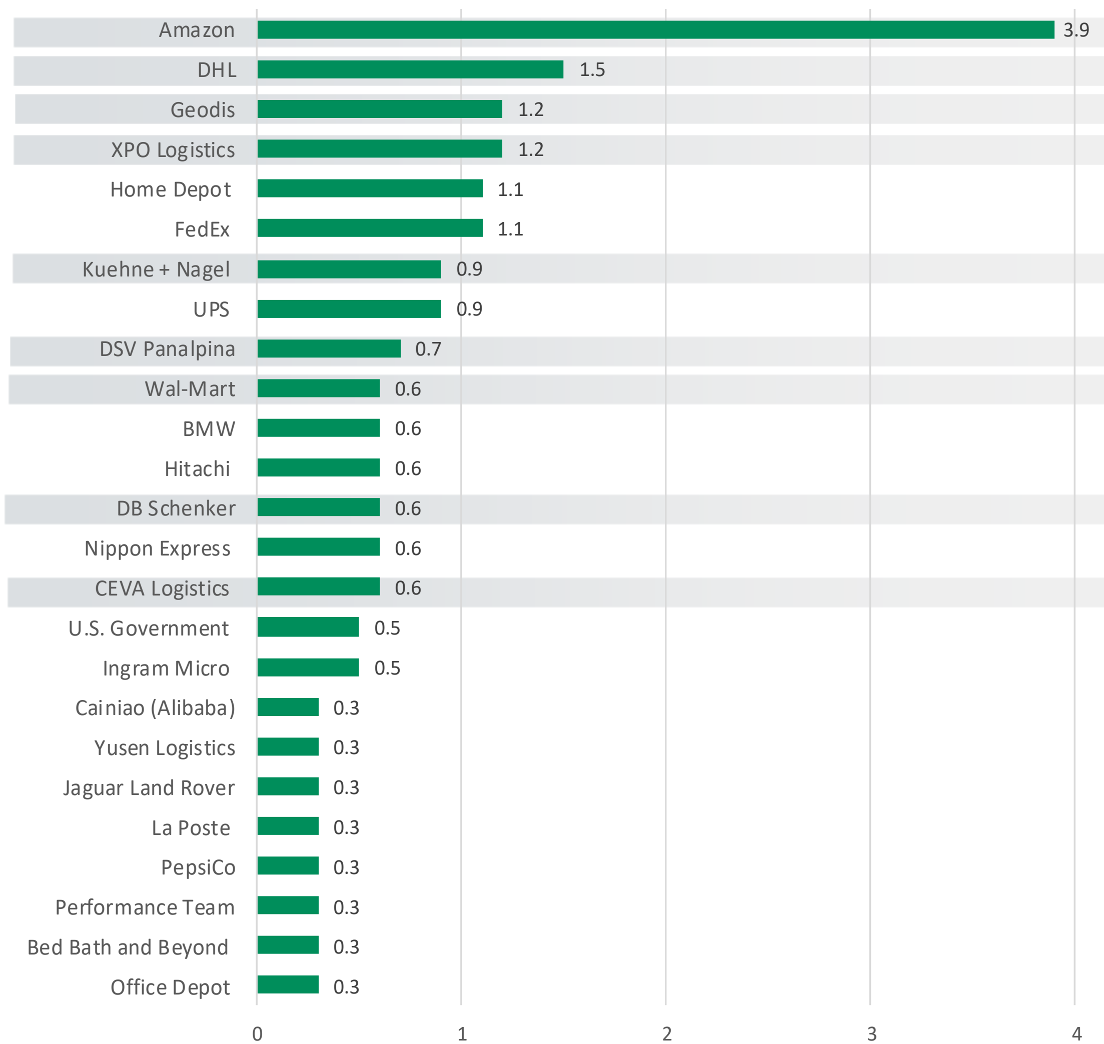


* This is a non-GAAP financial measure. Please see our Notes and Definitions for further explanation.
A. NOI calculation based on Prologis share of the Operating Portfolio.

Sponsor

Prologis Global Customer Relationships (A)

(% Net Effective Rent)



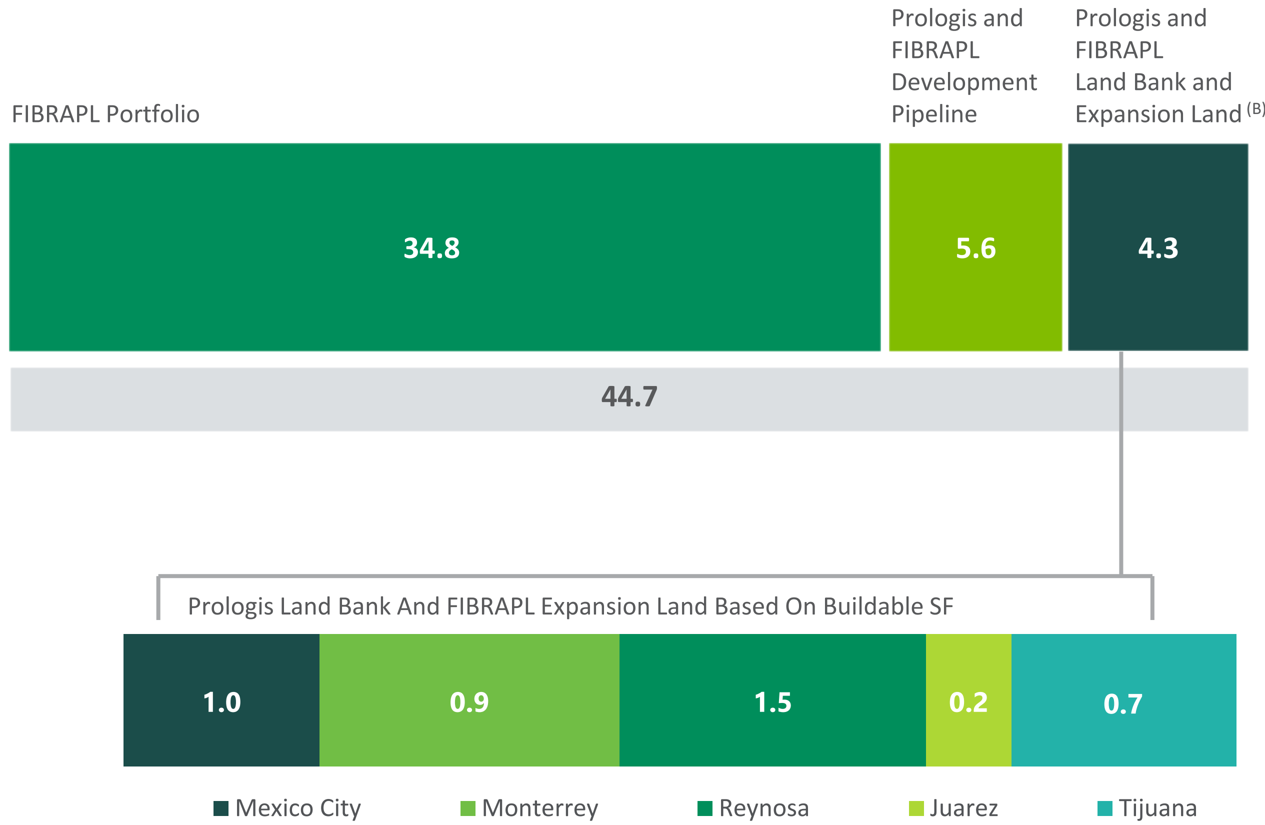
(A) Data as of September 30, 2019. The shading represents customers who are also customers of FIBRA Prologis.

Sponsor

Identified External Growth Pipeline

EXTERNAL GROWTH VIA PROLOGIS DEVELOPMENT PIPELINE

(MSF) [A]



- 29% growth potential in the next 3 to 4 years, subject to market conditions and availability of financing
- Proprietary access to Prologis development pipeline at market values
- Exclusive right to third-party acquisitions sourced by Prologis

	GLA (MSF)	% Leased
Mexico City	4.0	97.1%
Monterrey	0.8	87.4%
Ciudad Juárez	0.4	46.4%
Tijuana	0.4	0.0%
Total	**5.6**	**85.0%**

A. Million square feet as of September 30, 2019.
B. Based on buildable square feet


Prologis Tres Rios #7, Mexico City, Mexico

Notes and Definitions

FIBRA PROLOGIS

Notes and Definitions

Please refer to our financial statements as prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and filed with the Mexican National Banking and Securities Commission (Comision Nacional Bancaria y de Valores ("CNBV")) and other public reports for further information about us and our business.

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 and discounted rent, if applicable.

Adjusted EBITDA. We use Adjusted EBITDA, a non-IFRS financial measure, as a measure of our operating performance. The most directly comparable IFRS measure to Adjusted EBITDA is net income (loss).

We calculate Adjusted EBITDA beginning with net income (loss) and removing the effect of financing cost, income taxes and similar adjustments we make to our FFO measures (see definition below). We also include a pro forma adjustment to reflect a full period of NOI on the operating properties we acquire 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.

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 CBFI distributions on an unleveraged basis before the effects of income tax, non-cash amortization expense, gains and losses on the disposition of investments in real estate unrealized gains or losses from mark-to-market adjustments to investment properties and revaluation from Pesos into our functional currency to the U.S. dollar, 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.

While we believe Adjusted EBITDA is an important measure, it should not be used alone because it excludes significant components of our net income (loss), 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 IFRS, along with this detailed discussion of Adjusted EBITDA and a reconciliation to Adjusted EBITDA from net-income (loss).

Calculation Per CBFI Amounts is as follows:

in thousands, except per share amounts	For the three months ended				For the nine months ended			
	September 30, 2019		September 30, 2018		September 30, 2019		September 30, 2018	
	Ps.	US$	Ps.	US$	Ps.	US$	Ps.	US$
Earnings								
Net income	460,107	23,836	620,229	32,049	1,618,298	84,120	2,084,636	109,376
Weighted average CBFIs outstanding - Basic and Diluted	649,186	649,186	644,674	644,674	646,640	646,640	641,089	641,089
Earnings per CBFI- Basic and Diluted	**0.7087**	**0.0367**	**0.9621**	**0.0497**	**2.5026**	**0.1301**	**3.2517**	**0.1706**
FFO								
FFO, as modified by FIBRA Prologis	502,518	26,021	503,969	25,901	1,428,560	74,038	1,363,176	71,946
Weighted average CBFIs outstanding - Basic and Diluted	649,186	649,186	644,674	644,674	646,640	646,640	641,089	641,089
FFO per CBFI – Basic and Diluted	**0.7741**	**0.0401**	**0.7817**	**0.0402**	**2.2092**	**0.1145**	**2.1263**	**0.1122**
FFO, as modified by FIBRA Prologis excluding incentive fee	502,518	26,021	503,969	25,901	1,601,187	82,774	1,568,540	82,283
Weighted average CBFIs outstanding - Basic and Diluted	649,186	649,186	644,674	644,674	646,640	646,640	641,089	641,089
FFO per CBFI excluding incentive Fee	**0.7741**	**0.0401**	**0.7817**	**0.0402**	**2.4762**	**0.1280**	**2.4467**	**0.1283**

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 detailed calculations for the respective period:

in thousands	For the three months ended			
	September 30, 2019		June 30, 2019	
	Ps.	US$	Ps.	US$
Debt, less cash and VAT, as a % of investment properties				
Total debt - at par	15,193,578	772,000	14,798,083	772,000
Less: cash	(409,936)	(20,830)	(372,425)	(19,431)
Less: VAT receivable	(19,865)	(1,036)	(8,701)	(454)
Total debt, net of adjustments	**14,763,777**	**750,134**	**14,416,957**	**752,115**
Investment properties	46,165,053	2,345,690	44,916,971	2,343,270
Debt, less of cash and VAT, as a % of investment properties	**32.0%**	**32.0%**	**32.1%**	**32.1%**
Fixed Charge Coverage ratio:				
Adjusted EBITDA	697,815	36,063	722,630	37,655
Interest expense	173,701	8,932	166,202	8,657
Fixed charge coverage ratio	**4.02x**	**4.04x**	**4.35x**	**4.35x**
Debt to Adjusted EBITDA:				
Total debt, net of adjustments	14,763,777	750,134	14,416,957	752,115
Adjusted EBITDA annualized	2,791,260	144,252	2,890,520	150,620
Debt to Adjusted EBITDA ratio	**5.29x**	**5.20x**	**4.99x**	**4.99x**

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Notes and Definitions (continued)

FFO; FFO, as modified by FIBRA Prologis; AFFO (collectively referred to as "FFO"). FFO is a non-IFRS financial measure that is commonly used in the real estate industry. The most directly comparable IFRS measure to FFO is net income.

The National Association of Real Estate Investment Trusts ("NAREIT") defines FFO as earnings computed under U.S. generally accepted accounting principles ("U.S. GAAP") to exclude historical cost depreciation and gains and losses from the sales of previously depreciated properties. As we are required to present our financial information per IFRS, our "NAREIT defined FFO" uses net income computed under IFRS rather than U.S. GAAP. The significant differences between IFRS and U.S. GAAP include depreciation, which is not included in IFRS and therefore we exclude gains and losses from the sale of real estate even though it was not depreciated and the mark-to-market adjustment for the valuation of investment properties, which is included in the adjustments to derive FFO, as modified by FIBRA Prologis (see below).

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 FIBRA Prologis* 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 team. 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.

These FFO measures are used by management as supplemental financial measures of operating performance and we believe that it is important that holders of CBFIs, 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 income computed under IFRS, as indicators of our operating performance, as alternatives to cash from operating activities computed under IFRS or as indicators of our ability to fund our cash needs.

FFO, as modified by FIBRA Prologis

To arrive at *FFO, as modified by FIBRA Prologis*, we adjust the NAREIT defined FFO measure to exclude:

i. mark-to-market adjustments for the valuation of investment properties;
ii. foreign currency exchange gains and losses from the remeasurement (based on current foreign currency exchange rates) of assets and liabilities denominated in Pesos;
iii. income tax expense related to the sale of real estate;
iv. gains or losses from the early extinguishment of debt; and
v. Unrealized loss on exchange rate forwards
vi. expenses related to natural disasters.

We use *FFO, as modified by FIBRA Prologis* to: (i) assess our operating performance as compared to similar real estate companies and the industry in general, (ii) evaluate our performance and the performance of our properties in comparison with expected results and results of previous periods, relative to resource allocation decisions; (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 (v) evaluate how a specific potential investment will impact our future results.

AFFO

To arrive at AFFO, we adjust *FFO, as modified by FIBRA Prologis* to further exclude (i) straight-line rents; (ii) recurring capital expenditures; (iii) amortization of debt premiums (including write-off of premiums) and discounts and financing cost, net of amounts capitalized; and (iv) incentive fees paid in CBFIs.

We use AFFO to (i) assess our operating performance as compared to similar real estate companies and the industry in general, (ii) evaluate our performance and the performance of our properties in comparison with expected results and results of previous periods, relative to resource allocation decisions, (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.

We analyze our operating performance primarily by the rental revenue of our real estate, 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. Although these items discussed above have had 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.

We use FFO, as modified by FIBRA Prologis and AFFO to: (i) evaluate our performance and the performance of our properties in comparison to expected results and results of previous periods, relative to resource allocation decisions; (ii) evaluate the performance of our management; (iii) budget and forecast future results to assist in the allocation of resources; (iv) provide guidance to the financial markets to understand our expected operating performance; (v) assess our operating performance as compared to similar real estate companies and the industry in general; and (vi) evaluate how a specific potential investment will impact our future results. Because we make decisions with regard to our performance with a long-term outlook, we believe it is appropriate to remove the effects of items that we do not expect to affect the underlying long-term performance of the properties we own. As noted above, we believe the long-term performance of our properties is principally driven by rental revenue. We believe investors are best served if the information that is made available to them allows them to align their analysis and evaluation of our operating results along the same lines that our management uses in planning and executing our business strategy.

Limitations on the use of our FFO measures

While we believe our 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 IFRS 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 these limitations are:

- 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 industrial properties are not reflected in FFO.

Notes and Definitions (continued)

- Mark-to-market adjustments to the valuation of investment properties and gains or losses from property acquisitions and dispositions represent changes in value of the properties. By excluding these gains and losses, FFO does not capture realized changes in the value of acquired or disposed properties arising from changes in market conditions.
- 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 current income tax expenses that are excluded from our modified FFO measures represent the taxes that are payable.
- The gains and losses on extinguishment of debt that we exclude from our defined FFO measures may provide a benefit or cost to us as we may be settling our debt at less or more than our future obligation.
- The natural disaster expenses that we exclude from our defined FFO measures are costs that we have incurred.

We compensate for these limitations by using our FFO measures only in conjunction with net income computed under IFRS when making our decisions. This information should be read with our complete consolidated financial statements prepared under IFRS. To assist investors in compensating for these limitations, we reconcile our FFO measures to our net income computed under IFRS.

Fixed Charge Coverage is a non-IFRS financial measure we define as Adjusted EBITDA divided by total fixed charges. Fixed charges consist of net interest expense adjusted for amortization of finance costs and debt discount (premium) and capitalized interest. We use fixed charge coverage to measure our liquidity. We believe that fixed charge coverage is relevant and useful to investors because it allows fixed income investors to measure our ability to make interest payments on outstanding debt and make dividends to holders of our CBFIs. Our computation of fixed charge coverage may not be comparable to fixed charge coverage reported by other companies and is not calculated in accordance with applicable regulatory rules.

Incentive Fee an annual fee payable under the management agreement to Manager when cumulative total CBFI holder returns exceed an agreed upon annual expected return, payable in CBFIs.

Market Classification

- **Global Markets** include the logistics markets of Mexico City, Guadalajara and Monterrey. These markets feature large population centers with high per-capita consumption and are located near major seaports, airports, and ground transportation systems.
- **Regional Markets** include the manufacturing markets of Tijuana, Reynosa and Ciudad Juarez. These markets benefit from large population centers but typically are not as tied to the global supply chain, but rather serve local consumption and are often less supply constrained.

Net Effective Rent ("NER") is calculated at the beginning of the lease using estimated total cash (including base rent and expense reimbursements) to be received over the term and annualized. The per square foot number is calculated by dividing the annualized net effective rent by the occupied square feet of the lease.

Net Operating Income ("NOI") is a non-IFRS financial measure used to evaluate our operating performance and represents rental income less rental expenses.
Operating Portfolio includes stabilized industrial properties.

Property Improvements are the addition of permanent structural improvements or the restoration of a building's or property's components that will either enhance the property's overall value or increase its useful life. Property improvements are generally independent of any particular lease as part of general upkeep over time (but may be incurred concurrent with a lease commitment).

Rent Change- Cash represents the percentage change in starting rental rates per the lease agreement, on new and renewed leases, commenced during the periods 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-IFRS financial measures, which are commonly used in the real estate industry and expected from the financial community, on both a net-effective and cash basis. We evaluate the performance of the operating properties we own and manage using a "same store" analysis because the population of properties in this analysis is consistent from period to period, which allows us to analyze our ongoing business operations.

We have defined the same store portfolio, for the three months ended September 30, 2019, as those properties that were owned by FIBRA Prologis as of January 1, 2018 and have been in operations throughout the same three-month periods in both 2018 and 2019. The same store population excludes properties acquired or disposed of to third parties during the period. We believe the factors that affect lease rental income, rental recoveries and property operating expenses and NOI in the same store portfolio are generally the same as for our total operating portfolio.

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Notes and Definitions (continued)

As our same store measures are non-IFRS financial measures, they have certain limitations as analytical tools and may vary among real estate companies. As a result, we provide a reconciliation of lease rental income, rental recoveries and property operating expenses from our financial statements prepared in accordance with IFRS to same store property NOI with explanations of how these metrics are calculated. In addition, we further remove certain non-cash items, such as straight-line rent adjustments, included in the financial statements prepared in accordance with IFRS to reflect a cash same store number. To clearly label these metrics, they are categorized as Same Store NOI – Net Effective and Same Store NOI – Cash.

The following is a reconciliation of our lease rental income, rental recoveries and property operating expenses, as included in the Statements of Comprehensive Income, to the respective amounts in our same store portfolio analysis:

in thousands of U.S. Dollars	2019	2018	Change (%)
Rental income			
Per the statements of comprehensive income	48,551	47,338	
Properties not included in same store and other adjustments (a)	(2,315)	(2,543)	
Direct Billables Revenues from Properties incl same store pool	2,284	2,171	
Straight-lined rent	499	138	
Other Adjustments for Properties in Same Store Pool	42		
Same Store - Rental income - cash	**49,061**	**47,105**	**4.2%**
Rental expense			
Per the statements of comprehensive income	7,733	6,709	
Properties not included in same store and other adjustments	(319)	(208)	
Direct Billables Expenses from Properties incl same store pool	2,284	2,171	
Same Store - Rental expense - cash	**9,698**	**8,672**	**11.8%**
NOI			
Per the statements of comprehensive income	40,818	40,629	
Properties not included in same store	(1,996)	(2,335)	
Straight-lined rent	499	138	
Net Direct Billable Expenses for Properties in Same Store Pool	-	-	
Other Adjustments for Properties in Same Store Pool	42	-	
Same Store - NOI - cash	**39,363**	**38,433**	**2.4%**
Straight-lined rent from properties included in same store	(499)	(138)	
Same Store NOI - Net Effective	**38,864**	**38,294**	**1.5%**

a) To calculate Same Store rental income, we exclude the net termination and renegotiation fees to allow us to evaluate the growth or decline in each property's rental income without regard to one-time items that are not indicative of the property's recurring operating performance.

Same Store Average Occupancy represents the average occupied percentage of the Same Store portfolio for the period.

Tenant Improvements are the costs to prepare a property for lease to a new tenant or release to an existing tenant. Tenant improvements are reasonably expected to provide benefit beyond the lease term of the pending lease for future tenants, and are generally deemed to be consistent with comparable buildings in the market place.

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 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 and for a lease renewal with the current tenant. It excludes costs to prepare a space that is being leased for the first time (i.e. in a new development property and short – term leases of less than one year).

Valuation Methodology the methodologies applied for the valuation of the assets and the factors which are part of the approaches, at the end we will present the ranges of the rates such as the market rents used for the entire portfolio. There are three basic approaches to value:

- The Income Approach
- The Direct Comparison Approach
- The Cost Approach

In practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality and quantity of information available.

Income Approach

The Income Approach reflects the subject's income-producing capabilities. This approach assumes that value is created by expected income. Since the investment is expected to be acquired by an investor who would be willing to pay to receive an income stream plus reversion value from a property over a period, the Income Approach is used as the primary approach to value. The two common valuation techniques are the Discounted Cash Flow (DCF) Method and the Direct Capitalization Method.

Discounted Cash Flow Method

Using this valuation method, future cash flows forecasted over an investment horizon, together with the proceeds of a deemed disposition at the end of the holding period. This method allows for modeling any uneven revenues or costs associated with lease up, rental growth, vacancies, leasing commissions, tenant inducements and vacant space costs. These future financial benefits are discounted to a present value at an appropriate discount rate based on market transactions.

- A discount rate applicable to future cash flows and determined primarily by the risk associated with income, and
- A capitalization rate used to obtain the future value of the property based on estimated future market conditions.

These rates are determined based on:

- The constant interviews we have with the developers, brokers, clients and active players in the market to know their expectation of IRR (before debt or without leverage).

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Notes and Definitions (continued)

- Mainly the real transactions in the market are analyzed. Since we are a leading company in the real estate sector we have extensive experience in most purchase transactions and we have the details of these before and during the purchase, which allows us to have a solid base when selecting our rates.

Direct Capitalization Method

This method involves capitalizing a fully leased net operating income estimate by an appropriate yield. This approach is best utilized with stabilized assets, where there is little volatility in the net income and the growth prospects are also stable. It is most commonly used with single tenant investments or stabilized investments.

Direct Comparison Approach

The Direct Comparison Approach utilizes sales of comparable properties, adjusting for differences to estimate a value for the subject property. This approach is developed in a simplified method to establish a range of unit prices for market comparable sales. This method is typically developed to support the Income Approach rather than to conclude on a value.

Cost Approach

The Cost Approach is based upon the proposition the informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements, which represent the Highest and Best Use of the land, or when relatively unique or specialized improvements are located on the site and for which there exist few sales or leases of comparable properties. This approach is not considered reliable because investors do not use this methodology to identify securities for purchase purposes; for this reason, this approach is not used for the valuation of the assets which comprise FIBRA Prologis.

Methodology Selection

The target market for any real estate, is composed of those entities capable of benefiting from the Highest and Best Use of a property, of goodwill and paying a fair price. In the case of the properties under study which are part of FIBRA Prologis, the type of buyer will typically be a developer / investor, therefore, our studies replicate the analysis that both the developer and investor make to take their decisions.

Statistics of the Portfolio

The following chart presents the ranges of Capitalization Rates, Discount Rates, Reversion Rates and Market Rents used in the portfolio that are part of FIBRA Prologis:

FIBRA Prologis Statistics (190 Assets)	For the Three months ended September 30, 2019
Capitalization Rates (%)	From 6.75% to 9.75% Weight Avg. 7.46%
Discount Rates (%)	From 8.00% to 11.25% Weight Avg. 8.87%
Term Cap Rates (%)	From 7.00% to 10.00% Weight Avg. 7.72%
Market Rents (US $/ Sq ft/ Yr)	From $4.00 to $10.00 Weight Avg. $5.16

Weighted Average Stabilized Capitalized (“Cap”) Rate is calculated as Stabilized NOI divided by the Acquisition Price.

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