

January 28, 2016



# FIBRA Prologis Announces Fourth Quarter and Full Year 2015 Earnings Results

MEXICO CITY, Jan. 28, 2016 /PRNewswire/ -- FIBRA Prologis (BMV:FIBRAPL 14), the leading owner and operator of Class-A industrial real estate in Mexico, today reported results for the fourth quarter and full year 2015.

FIBRA Prologis began trading on the Mexican Stock Exchange June 4, 2014. As such, results in the fourth quarter of 2015 reflect the second year-over-year comparable period for FIBRA Prologis. However, the company does not have comparable financial results from the prior full year. For prior full year comparisons, the company includes operating performance of the properties in its portfolio prior to ownership by FIBRA Prologis, when the properties were managed by its sponsor.

## HIGHLIGHTS FROM THE YEAR

- Operating portfolio occupancy increased to 96.5 percent, exceeding guidance
- Net effective rents on rollover increased 10.5 percent
- Same store cash NOI grew 4.5 percent
- Completed US\$120.6 million of asset acquisitions

Funds from operations (FFO) per CBF1 was Ps. 0.6850 (US\$0.0412) for the fourth quarter compared with Ps. 0.5295 (US\$0.0359) for the same period in 2014. For the full year 2015, FFO per CBF1 was Ps. 2.6226 (US\$0.1295), including realized exchange loss per CBF1 of Ps. 0.5848 (US\$0.0374) from the reimbursement of the value-added tax paid in connection with the acquisition of the initial portfolio.

Net earnings per CBF1 in the fourth quarter was Ps. 1.8128 (US\$0.1085) compared with Ps. 0.8847 (US\$0.0681) for the same period in 2014. For the full year 2015, net earnings per CBF1 was PS. 3.8804 (US\$0.2399).

## OPERATIONS OUTPERFORM EXPECTATIONS

"We had an exceptional year, achieving record occupancy levels and solid rent growth that exceeded most of our objectives," said Luis Gutierrez, CEO, Prologis Mexico. "This outperformance is the result of favorable market conditions in which the demand for modern, well-located logistics facilities is greater than the supply."

Operating Portfolio	4Q15	4Q14	Notes
Period End Occupancy	96.5%	96.3%	Outperformed guidance by 25 basis points
Leases Signed	1.8 MSF	1.8 MSF	
Customer Retention	97.5%	90.6%	
Net Effective Rent Change	10.3%	13.4%	10.5% for full year 2015
Same Store NOI (Cash)	0.8%	5.5%	4.5% for full year 2015

Same Store NOI (IFRS)	-2.4%	N/A	
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## CAPITAL ACTIVITY EXPANDS BEST-IN-CLASS PORTFOLIO

US\$ in millions	4Q15	2015	Notes
<b>Acquisitions</b>			
Class-A Buildings	US\$96.9	US\$101.8	1.4 MSF in global markets
Intermodal Facility	US\$14.0	US\$14.0	1.1 MSF facility in Mexico City
Total Logistic Facilities	US\$110.9	US\$115.8	
Weighted avg stabilized cap rate	6.8%	6.9%	
Land Parcel	US\$4.8	US\$4.8	Acquired with a building in Monterrey
Total Acquisitions	US\$115.7	US\$120.6	
<b>Dispositions</b>			
Specialized Manufacturing Facility	US\$22.3	US\$22.3	Acquired by existing customer
Weighted avg stabilized cap rate	8.6%	8.6%	

"Our proprietary access to the Prologis development pipeline is a unique competitive advantage that allows us to acquire Class-A logistics facilities that are fully occupied and complement our portfolio," Gutierrez added.

## STRENGTHENS FINANCIAL POSITION

As of December 31, 2015, FIBRA Prologis' liquidity was approximately Ps. 7.6 billion (US\$441.6 million), which included approximately Ps. 6.9 billion (US\$400.0 million) of available capacity on its unsecured credit facility and Ps. 721.2 million (US\$ 41.6 million) of unrestricted cash.

Net debt as a percentage of investment properties was 29.1 percent, fixed charge coverage was 3.86 and net debt to adjusted EBITDA was 4.58.

"In 2015, we successfully executed our plan to strengthen our financial position by lowering our overall cost of debt, extending our maturities and increasing our liquidity," said Jorge Girault, senior vice president, Finance, Prologis Mexico. "As a result of this activity, we resolved all of our 2016 debt maturities and increased our weighted average term from 3 years to 4.5 years, maintaining the weighted average cost of debt at approximately 5 percent."

As previously announced, during 2015, FIBRA Prologis completed US\$650 million of new unsecured syndicated debt. This includes the recast and upsize of the previous line of credit to a US\$400 million unsecured credit line facility and a US\$250 million of an unsecured term loan that was used to pay off US\$134 million of secured debt maturing in December 2016.

Subsequent to year end, FIBRA Prologis refinanced US\$107.0 million, including prepayment cost, of the secured loans maturing in 2016. The secured facility matures in January 2026 and was priced at a 4.67 percent fixed interest rate. In addition, the company entered in a three-year forward interest rate SWAP agreement, starting on June 23, 2016, to fix the US LIBOR rate of the US\$250 million unsecured credit facility to 1.065 percent.

## GUIDANCE ESTABLISHED FOR 2016 – Full Year Distributions to Increase 10.0 percent

(US\$ in million, except per CBFi amounts)	Low	High	Notes
FFO per CBFi	US\$0.1650	US\$0.1800	Excludes the impact of foreign exchange movements
Full Year 2016 Distributions per CBFi	US\$0.1100	US\$0.1100	Represents approximately 95 percent of 2016 forecasted AFFO and undistributed AFFO from 2015
Year End Occupancy	95.5%	96.5%	
Same Store NOI (Cash)	2.0%	3.0%	Based in U.S. dollars
Annual Capital Expenditures as % of NOI	14.0%	16.0%	
Building Acquisitions	US\$100.0	US\$150.0	
Asset Management and Professional Fees	US\$18.0	US\$20.0	

### WEBCAST & CONFERENCE CALL INFORMATION

FIBRA Prologis will host a live webcast/conference call to discuss quarterly results, current market conditions and future outlook on January 29, 2016, at 10 a.m. CT/11 a.m. ET. Interested parties are encouraged to access the webcast by clicking the microphone icon located near the top of the FIBRA Prologis Investor Relations website ([www.fibraprologis.com](http://www.fibraprologis.com)). Interested parties also can participate via conference call by dialing +1 877 256 7020 (toll-free from the United States and Canada) or +1 973 409 9692 from all other countries and entering conference code 9746070.

A telephonic replay will be available Jan 29–Feb 12 at +1 855 859 2056 from the U.S. and Canada or at +1 404 537 3406 from all other countries using conference code 9746070. The replay will be posted in the Investor Relations section of the FIBRA Prologis website.

### ABOUT FIBRA PROLOGIS

FIBRA Prologis is the leading owner and operator of Class-A industrial real estate in Mexico. As of December 31, 2015, FIBRA Prologis was comprised of 188 logistics and manufacturing facilities in six industrial markets in Mexico totaling 32.6 million square feet (3 million square meters) of gross leasable area.

### FORWARD-LOOKING STATEMENTS

The statements in this release that are not historical facts are forward-looking statements. These forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which FIBRA Prologis operates, management's beliefs and assumptions made by management. Such statements involve uncertainties that could significantly impact FIBRA Prologis financial results. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," variations of such words and similar expressions are intended to identify such forward-looking statements, which generally are not historical in nature. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future — including statements relating to rent and occupancy growth, acquisition activity, development activity, disposition activity, general conditions in the geographic areas where we operate, our debt and financial position, are forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are

difficult to predict. Although we believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that our expectations will be attained and therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Some of the factors that may affect outcomes and results include, but are not limited to: (i) national, international, regional and local economic climates, (ii) changes in financial markets, interest rates and foreign currency exchange rates, (iii) increased or unanticipated competition for our properties, (iv) risks associated with acquisitions, dispositions and development of properties, (v) maintenance of real estate investment trust ("FIBRA") status and tax structuring, (vi) availability of financing and capital, the levels of debt that we maintain and our credit ratings, (vii) risks related to our investments (viii) environmental uncertainties, including risks of natural disasters, and (ix) those additional factors discussed in reports filed with the "Comisión Nacional Bancaria y de Valores" and the Mexican Stock Exchange by FIBRA Prologis under the heading "Risk Factors." FIBRA Prologis undertakes no duty to update any forward-looking statements appearing in this release.

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



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