

April 21, 2016



# FIBRA Prologis Announces First Quarter 2016 Earnings Results

MEXICO CITY, April 21, 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 first quarter of 2016.

## HIGHLIGHTS FROM THE QUARTER:

- Funds from operations per CBF1 was US\$0.0412, up 5 percent year-over-year
- Net effective rents on rollover increased 9.7 percent
- Operating portfolio occupancy ended at 96.4 percent
- Lease volume totaled 2.8 million square feet, which resolved 31.9 percent of 2016 expirations

Funds from operations (FFO) per CBF1 was Ps. 0.7389 (US\$0.0412) for the first quarter compared with Ps. 0.5800 (US\$0.0392) for the same period in 2015.

Net earnings per CBF1 in the first quarter was Ps. 0.5379 (US\$0.0301) compared with Ps. 0.4436 (US\$0.0304) for the same period in 2015. Net earnings in the quarter includes Ps. 0.0707 (US\$0.0039) of costs associated with the early extinguishment of 2016 debt expirations.

## STRONG OPERATING PERFORMANCE

"We had an excellent start to the year, thanks to robust leasing activity from the increasing number of multinational retailers that seek out our modern, well-located logistics facilities," said Luis Gutierrez, CEO, Prologis Property Mexico. "Market fundamentals were in our favor, as well, which allowed us to maintain strong occupancies across all of our markets. Demand is especially strong in Mexico City, where net absorption for the first quarter reached one of the highest levels on record."

Operating Portfolio	1Q16	1Q15	Notes
Period End Occupancy	96.4%	96.6%	Six consecutive quarters with period end occupancy above 96%
Leases Signed	2.8 MSF	3.6 MSF	Resolved 31.9% of 2016 expirations
Customer Retention	93.2%	90.8%	
Net Effective Rent Change	9.7%	8.9%	Led by Regional Markets at 15.0%
Same Store NOI (Cash)	4.0%	2.9%	Led by Regional Markets at 7.7%
Same Store NOI (IFRS)	2.2%	N/A	

## FINANCING ACTIVITY STRENGTHENS BALANCE SHEET

As announced in January, FIBRA Prologis resolved its 2016 maturities with the refinancing of US\$107.0 million, including prepayment costs, of secured loans scheduled to mature in 2016. The refinanced loans were consolidated into a new secured facility that will mature in

January 2026, and were priced at a 4.67 percent fixed interest rate. In addition, the company entered in a three-year forward interest rate swap agreement to fix the U.S. LIBOR rate to 1.065 percent over US\$250.0 million of the unsecured term loan that closed in December 2015. This forward interest rate swap agreement will become effective on June 23, 2016.

As of March 31, 2016, FIBRA Prologis' liquidity was Ps. 7.7 billion (US\$443.5 million), which included Ps. 6.9 billion (US\$400.0 million) of available capacity on its unsecured credit facility and Ps. 750.6 million (US\$ 43.5 million) of unrestricted cash.

Net debt as a percentage of investment properties was 29.5 percent, fixed charge coverage was 4.18 and net debt to adjusted EBITDA was 4.58.

## GUIDANCE CONFIRMED

(US\$ in million, except per CBF1 amounts)	Low	High	Notes
FFO per CBF1	US\$0.1650	US\$0.1800	Excludes the impact of foreign exchange movements
Full Year 2016 Distributions per CBF1	US\$0.1100	US\$0.1100	
Year End Occupancy	95.5%	96.5%	
Same Store NOI (Cash)	2.0%	3.0%	Based on 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. Here are the event details:

- Friday, April 22, 2016, at 11 a.m. CT/12 p.m. ET
- Live webcast at [www.fibraprologis.com](http://www.fibraprologis.com) by clicking Events
- Dial in: +1 877 256 7020 or +1 973 409 9692 and enter Passcode 77861557.

A telephonic replay will be available April 22–April 29 at +1 855 859 2056 from the U.S. and Canada or at +1 404 537 3406 from all other countries using conference code 77861557. The replay will be posted in the Investor Relations section of the FIBRA Prologis website.

## ABOUT FIBRA PROLOGIS

FIBRA Prologis is the leading owner and operator of Class-A industrial real estate in Mexico. As of March 31, 2016, 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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