

October 20, 2016



# FIBRA Prologis Announces Third Quarter 2016 Earnings Results

MEXICO CITY, Oct. 20, 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 third quarter of 2016.

Net earnings per CBFi in the third quarter was Ps. 0.7020 (US\$0.0382) compared with Ps. 0.6997 (US\$0.0433) for the same period in 2015. Funds from operations (FFO) per CBFi was Ps. 0.7730 (US\$0.0419) for the third quarter compared with Ps. 0.6631 (US\$0.0410) for the same period in 2015.

## SOLID OPERATING RESULTS

"We are pleased to report that our excellent operating performance continued in the third quarter," said Luis Gutierrez, CEO, Prologis Property Mexico. "Customer demand for logistics facilities in Mexico remains positive even in light of macroeconomic crosscurrents. We continue to see requirements from multinational retailers for large box and modern-grade facilities, especially in Mexico City's CTT corridor. Customers are consolidating their operations from smaller, lower-quality facilities into larger distribution centers—in doing so, they improve the efficiency of their supply chains and gain access to improving infrastructure."

| Operating Portfolio       | 3Q16    | 3Q15    | Notes                                                                                   |
|---------------------------|---------|---------|-----------------------------------------------------------------------------------------|
| Period End Occupancy      | 96.7%   | 96.3%   | Record occupancy led by global markets at 96.9%                                         |
| Leases Signed             | 2.3 MSF | 1.8 MSF | Led by Mexico City with 1.2 MSF                                                         |
| Customer Retention        | 88.8%   | 92.6%   |                                                                                         |
| Net Effective Rent Change | 8.0%    | 14.7%   | Led by regional markets at 12.2%                                                        |
| Cash Same Store NOI       | 1.1%    | 9.8%    | Year-over-year increase of 3.8% in constant dollars and excluding a one-time adjustment |
| Same Store NOI            | -1.6%   | 0.8%    | Year-over-year increase of 1.1% in constant dollars and excluding a one-time adjustment |

## STRONG FINANCIAL POSITION

As of September 30, 2016, FIBRA Prologis' liquidity was Ps. 7.8 billion (US\$400.4 million), which included Ps. 7.5 billion (US\$387.0 million) of available capacity on its unsecured credit facility and Ps. 259.5 million (US\$13.4 million) of unrestricted cash.

## GUIDANCE UPDATE FOR 2016

"We anticipate ending the year with meaningful outperformance in operations and a significant decrease in capital expenditures, which in turn will offset peso devaluation in

AFFO," said Jorge Girault, senior vice president, Finance, Prologis Property Mexico. "Additionally, we are revising our FFO to reflect the negative impact of debt mark-to-market that resulted from the refinancing a portion of the debt assumed at IPO. This non-cash adjustment has no impact on our AFFO or distributions."

| (US\$ in million, except per CBF <sup>1</sup> amounts) | Previous             | Revised              | Notes                                                    |
|--------------------------------------------------------|----------------------|----------------------|----------------------------------------------------------|
| FFO per CBF <sup>1</sup>                               | \$0.1650 to \$0.1800 | \$0.1650 to \$0.1700 | <i>Excludes the impact of foreign exchange movements</i> |
| Year End Occupancy                                     | 95.5% to 96.5%       | 96.5% to 97.5%       |                                                          |
| Annual Capital Expenditures as % of NOI                | 14% to 16%           | 13.75% to 14.75%     |                                                          |

## 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, October 21, 2016, at 9 a.m. CT/10 a.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 85588410.

A telephonic replay will be available October 21– October 28 at +1 855 859 2056 from the U.S. and Canada or at +1 404 537 3406 from all other countries using conference code 85588410. 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 September 30, 2016, FIBRA Prologis was comprised of 190 logistics and manufacturing facilities in six industrial markets in Mexico totaling 33.3 million square feet (3.1 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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