Second Quarter 2018

FIBRA Prologis

Financial Information

FIBRA PROLOGIS


Pharr Bridge 8, Reynosa

FIBRA PROLOGIS

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

(formerly Fideicomiso Irrevocable F/1721 Deutsche Bank México, S. A., Institución de Banca Múltiple, División Fiduciaria)

Interim Condensed Financial Statements as of June 30, 2018 and for the three and six months periods then ended

Contents

Second Quarter 2018 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.

Second Quarter 2018 Management Overview

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

Achieving higher rents while maintaining occupancy and providing excellent customer service remains our key focus. FIBRA Prologis delivered on all three fronts in the second quarter, recording solid operating and financial results. Net effective rents on rollover increased a record 15.1 percent while occupancy remained elevated at 95.9 percent. This translated to cash same store net operating income growth of 2.5 percent. Our performance this quarter is evidence that owning modern logistics real estate in the best locations matters.

The operating environment for logistics real estate is healthy. After completions came in higher than net absorption in the first quarter, we saw the trend reverse in the second quarter, with 5.6 million square feet of absorption and 3.7 million square feet of completions. Consequently, national market vacancy rate was 3.9 percent at the end of June—unchanged from the same period last year. Mexico City market vacancy remains among the lowest in the world while the border markets of Tijuana, Ciudad Juarez and Reynosa were collectively under 4 percent. As a result, an increasing number of customers are locking in space by signing long-term leases even as rents for high-quality facilities rise. Development cycles in Guadalajara and, to a lesser extent, Monterrey, are causing headwinds with undisciplined developers creating softness in certain submarkets.

In Guadalajara, several new institutional entrants have begun projects at the same time near the airport. In the case of Monterrey, excess supply continues to be lower quality product that does not meet the standards of multinational customers. We will continue to monitor these markets closely and be vigilant in calling out undisciplined supply.

Logistics real estate has outperformed the broader economy in Mexico, and we anticipate that to continue through the year. Favorable consumer demographics, an undersupply of modern stock and a rapidly growing e-commerce sector are propelling demand in the consumption sector. In manufacturing, strong supply chain linkages to a robust U.S. economy are proving durable. Our forecast calls for logistics demand to be twice the forecast growth for GDP.

FIBRA Prologis has several competitive advantages, namely our longstanding strategy of investing in real estate that serves both the consumption and manufacturing sectors; proprietary access to the Prologis development pipeline; an in-depth understanding of e-commerce industry requirements; and a best-in-class real estate team that knows the nuances of each market. While some of the political uncertainty surrounding Mexico was made clearer following the July election, certain geopolitical and macroeconomic factors will always remain beyond our control. We will, however, continue to focus on creating value for our certificate holders by increasing rents, leasing vacant space and prudently deploying capital.

Our results are proof that the FIBRA Prologis' strategy is working. The team will continue its tireless efforts to deliver on the plan we set forth at the time of our IPO. We are disciplined, experienced and, most importantly, fully aligned with our certificate holders. This, along with best-in-class corporate governance, positions FIBRA Prologis as Mexico's premier real estate investment vehicle.

Thank you for your continued support.

Sincerely,

Luis Gutierrez

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 June 30, 2018, FIBRA Prologis owned 196 logistics and manufacturing facilities in six strategic markets in Mexico totaling 34.6 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 65.7 percent of our net effective rents are in global logistics markets ("Global Markets") and the remaining 34.3 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 Cd. 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 second quarter financial information includes results from April 1, 2018, through June 30, 2018. During the quarter ended June 30, 2018, and through the date of this report, the following activity supported our priorities and strategy:

Operating results:

Operating Portfolio	2Q 2018	2Q 2017	Notes
Period End Occupancy	95.9%	97.3%	*Driven by declines in Guadalajara and Tijuana, partly offset by increases in Monterrey and Reynosa*
Leases Commenced	2.3MSF	1.3MSF	*82% of leasing activity is related to renewals mainly in Mexico City and Reynosa markets*
Customer Retention	87.1%	89.0%	
Net Effective Rent Change	15.1%	13.2%	*Led by Mexico City at 18.0%*
Same Store Cash NOI	2.5%	3.6%	*Lower occupancy and expense recoveries partly offset by higher rents*
Same Store NOI	3.9%	1.7%	
Avg. Turnover Cost per SF leased	US$1.77	US$0.88	*Increase driven due to higher term of leases*

We use a same store analysis to evaluate the operating 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 220 basis points year-over-year is driven mainly by re-leasing spreads, contractual rent bumps and a decrease in bad debt.

Operational Outlook

FIBRA Prologis had a strong quarter, with rent change of 15.1 percent on lease turnover and in-place rents at around 5.5 percent below market. In Mexico City, in-place rents were 7.4% below market but showed a positive change of 18.0 percent for the quarter; this increase is supported by changing demographics, a vast undersupply of modern stock and the rapid growth of e-commerce, which has propelled demand for logistics real estate to notably outstrip modest economic growth throughout the current cycle.

The national market vacancy rate currently stands at 3.9%. In Mexico City, an increasing number of customers are locking into long-term leases as rental rates rise for modern-grade assets. Pre-leasing of speculative development further lowers risk for the asset class in the market. On the other hand, undisciplined supply pipelines in Guadalajara and Monterrey continue to create softness in certain submarkets. Guadalajara, for example, has seen several projects begin at once among new entrants to that market.

Despite the uncertainty surrounding the NAFTA renegotiations, development activity in the border markets remains disciplined while demand activity there continues to be led by established local operations. The positive supply/demand imbalance realized since 2015 along the border is expected to continue in 2018, driving market vacancy below 4%.

Acquisitions

Under an exclusivity agreement with Prologis, we have access to a proprietary acquisition pipeline. As of June 30, 2018, Prologis had 5.1 million square feet under development or pre-stabilization, of which 83 percent was leased or pre-leased as of the end of the quarter. This exclusive access to the Prologis pipeline is a competitive advantage for FIBRA Prologis because we can acquire high-quality buildings in our existing markets.

Third-party acquisitions are also possible for FIBRA Prologis but are dependent on available 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 69.2 percent of annualized net effective rents, resulting in peso exposure for the second quarter of approximately 24.4 percent of NOI. Further, only one lease was changed to pesos during the quarter. In the near term, we expect peso-denominated revenues to range between 25 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 acquisition, operating, debt service and distribution 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.
- Acquisition of industrial buildings as discussed in the Acquisition section.

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. 271.9 million (approximately US$13.7 million) as of June 30, 2018, the result of cash flow from operating properties.
- Borrowing capacity of Ps. 6.1 billion (US$305.0 million) under our unsecured credit facility.

Debt

As of June 30, 2018, we had approximately Ps. 15.0 billion (US$757.0 million) of debt at par value with a weighted average effective interest rate of 4.2 percent (a weighted average coupon rate of 4.1 percent) and a weighted average maturity of 4.2 years.

According to the CNBV regulation for the calculation of debt ratios, our loan-to-value and debt service coverage ratios as of June 30, 2018, were 32.9 percent and 8.1 times, respectively.

Incentive Fees

On June 4, 2018, FIBRA stock performance achieved total cumulative returns since the IPO of 13.0%, triggering an incentive fee of Ps. 205.4 million as per the Management Agreement. 5.8 million CBFIs will be paid to our sponsor, Prologis, in lieu of cash. This amount has been validated by our external auditor and the issuance was approved by the holders.

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Independent Auditors' Report on Review of Interim Financial Information

To the Technical Committee and Trustors
FIBRA Prologis Fideicomiso Irrevocable 1721

Introduction

We have reviewed the accompanying June 30, 2018 and 2017 condensed interim financial information of FIBRA Prologis Fideicomiso Irrevocable 1721 Banco Actinver, S. A., Institución de Banca Múltiple, Grupo Financiero Actinver, División Fiduciaria (formerly Fideicomiso Irrevocable 1721 Deutsche Bank México, S. A., Institución de Banca Múltiple, División Fiduciaria) ("the Trust"), which comprises:

- The interim condensed statement of financial position as of June 30, 2018;
- The interim condensed statements of comprehensive income for the three-month and six-month periods ended June 30, 2018 and 2017;
- The interim condensed statements of changes in equity for the six-month periods ended June 30, 2018 and 2017;
- The interim condensed statements of cash flows for the six-month periods ended June 30, 2018 and 2017; 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 June 30, 2018 and 2017 condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting*.

KPMG CARDENAS DOSAL, S. C.

Jose Angel Chairez Garza

Mexico City, July 17, 2018.

Interim condensed statements of financial position

As of June 30, 2018 and December 31, 2017

in thousands Mexican Pesos	Note	June 30, 2018	December 31, 2017
Assets			
Current assets:			
Cash		$ 271,947	$ 371,364
Trade receivables	7	65,556	44,220
Value added tax and other receivables	8	55,004	73,553
Prepaid expenses	9	51,126	1,600
		443,633	490,737
Non-current assets:			
Investment properties	10	45,076,186	43,932,382
Interest rate swaps	14	152,108	84,319
Exchange rate options	14	5,565	-
Other assets		47,808	45,240
		45,281,667	44,061,941
Total assets		**$ 45,725,300**	**$ 44,552,678**
Liabilities and equity			
Current liabilities:			
Trade payables		$ 130,656	$ 112,875
Due to affiliates	13	8,653	98,895
Current portion of long term debt	11	80,394	21,847
		219,703	233,617
Non-current liabilities:			
Long term debt	11	14,859,981	14,893,139
Security deposits		292,647	291,840
		15,152,628	15,184,979
Total liabilities		15,372,331	15,418,596
Equity:			
CBFI holders' capital	12	13,952,327	13,746,963
Other equity accounts		16,400,642	15,387,119
Total equity		30,352,969	29,134,082
Total liabilities and equity		**$ 45,725,300**	**$ 44,552,678**

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

Interim condensed statements of comprehensive income

For the three and six months ended June 30, 2018 and 2017

in thousands Mexican Pesos, except per CBFI amounts	Note	For the three months ended June 30, 2018	For the three months ended June 30, 2017	For the six months ended June 30, 2018	For the six months ended June 30, 2017
Revenues:					
Lease rental income		$ 812,772	$ 784,090	$ 1,613,957	$ 1,598,352
Rental recoveries		79,554	79,334	153,433	154,546
Other property income		23,946	16,587	39,558	35,320
		916,272	880,011	1,806,948	1,788,218
Costs and expenses:					
Property operating expenses:					
Operating and maintenance		48,973	46,965	93,589	92,206
Utilities		9,582	14,759	18,125	26,962
Property management fees	13	27,860	25,344	53,298	51,540
Real estate taxes		17,343	17,237	34,602	34,474
Non-recoverable operating		7,880	16,683	4,145	29,074
		111,638	120,988	203,759	234,256
Gross profit		**804,634**	**759,023**	**1,603,189**	**1,553,962**
Other expenses (income):					
(Gain) loss on valuation of investment properties	10	(552,043)	(13,157)	(585,689)	599,854
Asset management fees	13	83,172	74,857	159,813	154,839
Incentive fee	13	205,364	139,162	205,364	139,162
Professional fees		9,343	12,212	22,480	28,913
Interest expense		169,973	151,605	303,780	332,993
Amortization of debt premium		-	(20,473)	(4,639)	(58,400)
Amortization of deferred financing cost		14,800	7,152	26,677	15,154
Net loss (gain) on early extinguishment of debt		754	(32,673)	(4,043)	(32,120)
Unused credit facility fee		8,744	6,130	13,772	15,457
Unrealized (gain) loss on exchange hedge instruments	14	(2,628)	(290)	990	15,064
Realized loss on exchange rate hedge instruments	14	8,995	5,706	8,995	5,706
Exchange loss (gain), net		3,992	(2,357)	(16,550)	(10,077)
Other general and administrative expenses		5,437	4,025	7,832	7,660
		(44,097)	331,899	138,782	1,214,205
Net income		**848,731**	**427,124**	**1,464,407**	**339,757**
Other comprehensive income:					
Items that are not reclassified subsequently to profit or loss:					
Translation (gain) loss from functional currency to reporting currency		(2,275,217)	1,008,220	(192,059)	3,791,001
Items that are or may be reclassified subsequently to profit or loss:					
Unrealized (gain) loss on interest rate swaps	14	(35,921)	5,936	(67,789)	(5,941)
		(2,311,138)	1,014,156	(259,848)	3,785,060
Total comprehensive gain (loss) for the period		**3,159,869**	**$ (587,032)**	**$ 1,724,255**	**$ (3,445,303)**
Earnings per CBFI	**6**	**$ 1.33**	**$ 0.67**	**$ 2.29**	**$ 0.54**

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

Interim condensed statements of changes in equity

For the six months ended June 30, 2018 and 2017

in thousands Mexican Pesos	CBFI holders' capital	Other equity accounts	Retained earnings	Total
Balance as of January 1, 2017	$ 14,313,287	$ 10,605,719	$ 5,146,619	$ 30,065,625
Return of equity	(705,486)	-	-	(705,486)
CBFIs to be issued	139,162	-	-	139,162
Comprehensive loss:				
Translation loss from functional currency to reporting currency	-	(3,791,001)	-	(3,791,001)
Unrealized gain on interest rate swaps	-	5,941	-	5,941
Net income	-	-	339,757	339,757
Total comprehensive loss	-	(3,785,060)	339,757	(3,445,303)
Balance as of June 30, 2017	**$ 13,746,963**	**$ 6,820,659**	**$ 5,486,376**	**$ 26,053,998**
Balance as of January 1, 2018	$ 13,746,963	$ 9,373,971	$ 6,013,148	$ 29,134,082
Dividends	-	-	(710,732)	(710,732)
CBFIs to be issued	205,364	-	-	205,364
Comprehensive income:				
Translation gain from functional currency to reporting currency	-	192,059	-	192,059
Unrealized gain on interest rate swaps	-	67,789	-	67,789
Net income	-	-	1,464,407	1,464,407
Total comprehensive income	-	259,848	1,464,407	1,724,255
Balance as of June 30, 2018	**$ 13,952,327**	**$ 9,633,819**	**$ 6,766,823**	**$ 30,352,969**

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

Interim condensed statements of cash flows

For the six months ended June 30, 2018 and 2017

in thousands Mexican Pesos	For the six months ended June 30, 2018	2017
Operating activities:		
Net income	$ 1,464,407	$ 339,757
Adjustments for:		
(Gain) loss on valuation of investment properties	(585,689)	599,854
Incentive fee	205,364	139,162
Allowance for uncollectible trade receivables	(4,461)	19,675
Interest expense	303,780	332,993
Net gain on early extinguishment of debt	(4,043)	(32,120)
Amortization of deferred financing cost	26,677	15,154
Unrealized loss on exchange rate forwards	-	15,064
Realized loss on exchange rate forwards	8,995	5,706
Unrealized loss on exchange rate options	990	-
Unrealized exchange gain, net	(16,458)	(11,265)
Amortization of debt premium	(4,639)	(58,400)
Rent leveling	(50,168)	30,490
Change in:		
Trade receivables	(16,875)	6,314
Value added tax and other receivables	18,549	(37,421)
Prepaid expenses	(49,526)	103,914
Other assets	(2,568)	-
Trade payables	17,781	(48,144)
Due to affiliates	(90,242)	(110,024)
Security deposits	807	(30,641)
Exchange rate options	(15,550)	-
Net cash flow provided by operating activities	1,207,131	1,280,068
Investing activities:		
Capital expenditures on investment properties	(200,601)	(181,972)
Net cash flow used in investing activities	(200,601)	(181,972)
Financing activities:		
Equity Distribution	-	(705,486)
Dividends paid	(710,732)	-
Long term debt borrowings	1,922,918	3,634,416
Long term debt payments	(2,014,380)	(3,733,833)
Interest paid	(306,931)	(321,961)
Cash used for early extinguishment of debt	(12,212)	-
Net cash flow used in financing activities	(1,121,337)	(1,126,864)
Net decrease in cash	(114,807)	(28,768)
Effect of foreign currency exchange rate changes on cash	15,390	(153,340)
Cash at beginning of the period	371,364	370,909
Cash at the end of the period	**$ 271,947**	**$ 188,801**
Non-cash transactions:		
CBFIs to be issued	**$ 205,364**	**$ 139,162**

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

Notes to interim condensed financial statements

As of June 30, 2018 and for the three and six months then ended and December 31, 2017
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) with its address on Avenida Prolongación Paseo de la Reforma No. 1236, Piso 9, Desarrollo Santa Fe, Cuajimalpa de Morelos, C. P. 05348. 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)	April 27, 2018	U. S. dollars	LIBOR +250bps	$ 377.30	$ 20.0
Citibank (Unsecured)	March 15, 2018	U. S. dollars	LIBOR +245bps	4,181.7	225.0
Total borrowings				**$ 4,559.0**	**$ 245.0**

** LIBOR (London Interbank Offered Rate)*

in millions	Date	Denomination	Interest rate (*)	Mexican pesos	U. S. dollars
Payments:					
Citibank, NA Credit facility (Unsecured)	June 29, 2018	U. S. dollars	LIBOR +250bps	$ 178.80	$ 9.0
Citibank, NA Credit facility (Unsecured)	May 30, 2018	U. S. dollars	LIBOR +250bps	79.0	4.0
Prudential Insurance Company and Metropolitan Life Insurance Co. (The Pru-Met Loan) 3rd. Section (Secured)	March 15, 2018	U. S. dollars	5.04%	1,180.2	63.5
Prudential Insurance Company and Metropolitan Life Insurance Co. (The Pru-Met Loan) 4th. Section (Secured)	March 15, 2018	U. S. dollars	4.78%	159.8	8.6
Citibank, NA Credit facility (Unsecured)	March 28, 2018	U. S. dollars	LIBOR +250bps	917.2	50.0
Citibank, NA Credit facility (Unsecured)	March 23, 2018	U. S. dollars	LIBOR +250bps	1,665.7	90.0
Citibank, NA Credit facility (Unsecured)	March 15, 2018	U. S. dollars	LIBOR +250bps	185.9	10.0
Citibank, NA Credit facility (Unsecured)	February 20, 2018	U. S. dollars	LIBOR +250bps	92.7	5.0
Citibank, NA Credit facility (Unsecured)	February 7, 2018	U. S. dollars	LIBOR +250bps	130.9	7.0
Total payments				**$ 4,590.2**	**$ 247.1**

** LIBOR (London Interbank Offered Rate)*

ii. Distributions:

in millions, except per CBFI	Date	Mexican pesos	U. S. dollars	Mexican pesos per CBFI	U. S. dollars per CBFI
Distributions:					
Dividends	May 2, 2018	$ 357.0	$ 19.0	0.5589	0.0310
Dividends	March 16, 2018	353.7	18.9	0.5536	0.0298
Total distributions		**$ 710.7**	**$ 37.9**		

iii. CBFIs:

*FIBRAPL is obligated to pay an incentive fee equal to 10% of cumulative total CBFI holder returns in excess of an annual compoun*ded expected return of 9%, which is measured annually. For the period from June 2, 2017 to June 4, 2018, FIBRAPL generated an Incentive Fee of $205.4 million Mexican pesos ($10.3 million U.S. dollars), based on the performance of the CBFIs. As part of the Ordinary Holders Meeting on July 5, 2018, the Manager was approved to receive the Incentive Fee through issuance of 5,811,051 CBFIs. The CBFIs issued to the Manager are subject to a six-month lock-up period as established under the Management Agreement.

2. Basis of presentation

a. ***Interim financial reporting -*** The accompanying interim condensed financial statements as of June 30, 2018 and 2017 and for the three and six 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, 2017, 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 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 financial statements as of June 30, 2018 and 2017 and for the three and six 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 11. 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, 2017.

FIBRAPL has completed our assessment of the impact of the adoption of the following new standards:

i. *IFRS 15 Revenue from Contracts with Customers.* The standard addresses revenue recognition and establishes principles for reporting useful information to users of financial statements on the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The application of IFRS 15 on January 1, 2018 has no material impact on the FIBRAPL financial statements.

ii. *IFRS 9 Financial Instruments.* The standard brings together all three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting. FIBRAPL has elected under IFRS 9 to continue to apply hedge accounting on certain concepts defined in IAS 39, and as a result, all existing hedge relationships that are currently designated in effective hedging relationships will continue to qualify for hedge accounting under IFRS 9. The application of IFRS 9 on January 1, 2018 had no material impact on the FIBRAPL financial statements.

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

i. *IFRS 16 Leases.* The adoption of IFRS 16, Leases, is not expected to have a material impact to FIBRAPL financial statements.

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 a minimum rental payment 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 June 30, 2018 exchange rate in Mexican pesos, are as follows:

in thousands Mexican Pesos		Amount
Rental revenues:		
2018 (six months)	$	1,672,878
2019		2,700,369
2020		1,917,174
2021		1,126,999
2022		685,429
Thereafter		904,566
	$	**9,007,415**

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 six months ended June 30, 2018 and 2017, while assets and liabilities are included as of June 30, 2018 and December 31, 2017. 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 June 30, 2018						
in thousands Mexican Pesos	Mexico City	Guadalajara	Monterrey	Tijuana	Reynosa	Juarez	Total
Revenues:							
Lease rental income	$ 299,986	$ 127,554	$ 90,602	$ 102,762	$ 111,317	$ 80,551	$ 812,772
Rental recoveries	42,292	7,930	9,608	10,905	122	8,697	79,554
Other property income	12,879	8,323	613	380	1,684	67	23,946
	355,157	143,807	100,823	114,047	113,123	89,315	916,272
Cost and expenses:							
Property operating expenses	43,279	17,406	13,013	10,193	12,525	15,222	111,638
Gross Profit	**$ 311,878**	**$ 126,401**	**$ 87,810**	**$ 103,854**	**$ 100,598**	**$ 74,093**	**$ 804,634**

	For the three months ended June 30, 2017						
in thousands Mexican Pesos	Mexico City	Guadalajara	Monterrey	Tijuana	Reynosa	Juarez	Total
Revenues:							
Lease rental income	$ 291,767	$ 131,823	$ 92,109	$ 92,271	$ 99,426	$ 76,694	$ 784,090
Rental recoveries	24,260	9,245	9,697	11,765	8,716	15,651	79,334
Other property income	1,633	11,977	1,594	121	1,070	192	16,587
	317,660	153,045	103,400	104,157	109,212	92,537	880,011
Cost and expenses:							
Property operating expenses	42,658	24,831	12,706	10,839	11,840	18,114	120,988
Gross Profit	**$ 275,002**	**$ 128,214**	**$ 90,694**	**$ 93,318**	**$ 97,372**	**$ 74,423**	**$ 759,023**

	For the six months ended June 30, 2018						
in thousands Mexican Pesos	Mexico City	Guadalajara	Monterrey	Tijuana	Reynosa	Juarez	Total
Revenues:							
Lease rental income	$ 602,864	$ 254,082	$ 182,751	$ 198,527	$ 218,539	$ 157,194	$ 1,613,957
Rental recoveries	57,744	16,138	19,650	19,733	17,600	22,568	153,433
Other property income	19,142	15,134	1,699	707	2,675	201	39,558
	679,750	285,354	204,100	218,967	238,814	179,963	1,806,948
Cost and expenses:							
Property operating expenses	80,578	29,327	19,344	21,136	24,101	29,273	203,759
Gross Profit	**$ 599,172**	**$ 256,027**	**$ 184,756**	**$ 197,831**	**$ 214,713**	**$ 150,690**	**$ 1,603,189**

in thousands Mexican Pesos	For the six months ended June 30, 2017 Mexico City	Guadalajara	Monterrey	Tijuana	Reynosa	Juarez	Total
Revenues:							
Lease rental income	$ 586,891	$ 272,267	$ 190,108	$ 191,631	$ 203,118	$ 154,337	$ 1,598,352
Rental recoveries	54,140	18,838	18,673	20,159	15,877	26,859	154,546
Other property income	4,229	24,809	3,348	499	2,169	266	35,320
	645,260	315,914	212,129	212,289	221,164	181,462	1,788,218
Cost and expenses:							
Property operating expenses	81,565	46,497	24,409	22,621	23,476	35,688	234,256
Gross Profit	**$ 563,695**	**$ 269,417**	**$ 187,720**	**$ 189,668**	**$ 197,688**	**$ 145,774**	**$ 1,553,962**

in thousands Mexican Pesos	As of June 30, 2018 Mexico City	Guadalajara	Monterrey	Tijuana	Reynosa	Juarez	Unsecured debt	Total
Investment properties:								
Land	$ 3,717,051	$ 1,453,439	$ 1,011,201	$ 959,294	$ 1,045,766	$ 751,099	$ -	$ 8,937,850
Buildings	14,868,203	5,813,756	4,044,806	3,837,177	4,183,062	3,004,394	-	35,751,398
	18,585,254	7,267,195	5,056,007	4,796,471	5,228,828	3,755,493	-	44,689,248
Rent leveling	150,806	44,486	43,299	61,099	45,871	41,377	-	386,938
Investment properties	**$ 18,736,060**	**$ 7,311,681**	**$ 5,099,306**	**$ 4,857,570**	**$ 5,274,699**	**$ 3,796,870**	**$ -**	**$ 45,076,186**
Long term debt	**$ 1,735,314**	**$ 987,352**	**$ 1,460,398**	**$ -**	**$ -**	**$ 114,576**	**$ 10,642,735**	**$ 14,940,375**

in thousands Mexican Pesos	As of December 31, 2017 Mexico City	Guadalajara	Monterrey	Tijuana	Reynosa	Juarez	Unsecured debt	Total
Investment properties:								
Land	$ 3,584,544	$ 1,448,059	$ 1,006,784	$ 930,118	$ 1,022,807	$ 726,983	$ -	$ 8,719,295
Buildings	14,338,173	5,792,237	4,027,139	3,720,473	4,091,227	2,907,933	-	34,877,182
	17,922,717	7,240,296	5,033,923	4,650,591	5,114,034	3,634,916	-	43,596,477
Rent leveling	140,107	33,186	33,536	48,408	44,800	35,868	-	335,905
Investment properties	**$ 18,062,824**	**$ 7,273,482**	**$ 5,067,459**	**$ 4,698,999**	**$ 5,158,834**	**$ 3,670,784**	**$ -**	**$ 43,932,382**
Long term debt	**$ 1,754,827**	**$ 980,797**	**$ 1,450,659**	**$ -**	**$ -**	**$ 113,838**	**$ 10,614,865**	**$ 14,914,986**

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 June 30, 2018	2017	For the six months ended June 30, 2018	2017
Basic and diluted earnings per CBFI (pesos)	$ 1.33	$ 0.67	$ 2.29	$ 0.54
Net income	848,731	427,124	1,464,407	339,757
Weighted average number of CBFIs ('000)	**638,863**	**634,723**	**638,863**	**634,601**

As of June 30, 2018, FIBRAPL had 638,862,771 CBFIs outstanding. See note 12.

7. Trade receivables

As of June 30, 2018 and December 31, 2017, trade receivable of FIBRAPL were as follows:

in thousands Mexican Pesos	June 30, 2018	December 31, 2017
Trade receivable	$ 78,436	$ 66,371
Allowance for uncollectable trade receivables	(12,880)	(22,151)
	$ 65,556	**$ 44,220**

8. Value added tax and other receivables

As of June 30, 2018 and December 31, 2017, value added tax and other receivables were as follows:

in thousands Mexican Pesos	June 30, 2018	December 31, 2017
Value added tax	$ 1,866	$ 23,782
Other receivables	53,138	49,771
	$ 55,004	**$ 73,553**

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 June 30, 2018 and December 31, 2017, prepaid expenses of FIBRAPL were as follows:

in thousands Mexican Pesos	June 30 2018	December 31, 2017
Real estate tax	$ 29,254	$ -
Insurance	17,063	593
Other prepaid expenses	4,809	1,007
	$ 51,126	**$ 1,600**

10. Investment properties

FIBRAPL obtained a valuation as of June 30, 2018 from independent appraisers in order to determine the fair value of its investment properties which resulted in a gain of $585,689 and a loss of $599,854 for the six months period ended June 30, 2018 and 2017, respectively.

a) As of June 30, 2018, investment properties were as follows:

Market		Fair value as of June 30, 2018 in thousands of Mexican Pesos	# of properties	Lease area in thousands square feet
Mexico City	$	18,736,060	53	13,494
Guadalajara		7,311,681	26	5,838
Monterrey		5,099,306	24	3,868
Tijuana		4,857,570	33	4,214
Reynosa		5,274,699	30	4,712
Juarez		3,796,870	31	3,566
Total	**$**	**45,076,186**	**197**	**35,692**

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 $313,840.

As of June 30, 2018, the fair value of investment properties includes excess land in the Monterrey market of $142,221.

As of June 30, 2018 and December 31, 2017, the balance of investment properties included rent leveling assets of $386,938 and $335,905, respectively.

b) The reconciliation of investment properties for the six months ended June 30, 2018 and for the year ended December 31, 2017 are as follows:

in thousands Mexican Pesos		For the six months ended June 30, 2018		For the year ended December 31, 2017
Beginning balance	$	43,932,382	$	45,064,110
Translation effect from functional currency		306,481		(1,866,196)
Acquisition of investment properties		-		545,552
Acquisition costs		-		15,109
Capital expenditures, leasing commissions and tenant improvements		200,601		421,199
Rent leveling		51,033		36,960
Gain (loss) on valuation of investment properties		585,689		(284,352)
Ending balance of investment properties	**$**	**45,076,186**	**$**	**43,932,382**

c) During the six months ended June 30, 2018 and 2017, capital expenditures, leasing commissions and tenant improvements of FIBRAPL were as follows:

in thousands Mexican Pesos	For the six months ended June 30,			
		2018		2017
Capital expenditures	$	83,721	$	54,170
Leasing commissions		34,094		42,075
Tenant improvements		82,786		85,727
	$	200,601	$	181,972

11. Long term debt

As of June 30, 2018 and December 31, 2017, FIBRAPL had long term debt comprised of loans from financial institutions denominated in U.S. dollars, except if described otherwise, as follows:

	Denomination	Maturity date	Rate	June 30, 2018 thousands U. S. Dollars	June 30, 2018 thousands Mexican Pesos	December 31, 2017 thousands U. S. Dollars	December 31, 2017 thousands Mexican Pesos
Prudential Insurance Company and Metropolitan Life Insurance Co. (The Pru-Met Loan) 3rd. Section (Secured)	USD	December 15, 2018	5.04%	-	$ -	63,807	$ 1,259,257
Prudential Insurance Company and Metropolitan Life Insurance Co. (The Pru-Met Loan) 4th. Section (Secured)	USD	December 15, 2018	4.78%	-	-	8,671	171,126
Citibank (Unsecured) #1	USD	December 18, 2020	LIBOR+ 245bps	255,000	5,065,142	255,000	5,032,527
Citibank N.A. Credit facility (Unsecured)	USD	July 18, 2022	LIBOR + 250bps	20,000	397,266	175,000	3,453,695
Citibank (Unsecured) #2	USD	July 18, 2022	LIBOR + 245bps	150,000	2,979,495	150,000	2,960,310
Citibank (Unsecured) #3	USD	March 15, 2023	LIBOR+ 245bps	225,000	4,469,243	-	-
Prudential Insurance Company and Metropolitan Life Insurance Co. (The Pru-Met Loan) 1st. Section (Secured)	USD	February 1, 2027	4.67%	53,500	1,062,687	53,500	1,055,844
Prudential Insurance Company and Metropolitan Life Insurance Co. (The Pru-Met Loan) 2nd. Section (Secured)	USD	February 1, 2027	4.67%	53,500	1,062,687	53,500	1,055,844
Total				**757,000**	**15,036,520**	**759,478**	**14,988,603**
Long term debt interest accrued				1,080	21,453	677	13,368
Debt premium, net				-	-	1,175	23,188
Deferred financing cost				(5,921)	(117,598)	(5,583)	(110,173)
Total debt				**752,159**	**14,940,375**	**755,747**	**14,914,986**
Less: Current portion of long term debt				4,047	80,394	1,107	21,847
Total long term debt				**748,112**	**$ 14,859,981**	**754,640**	**$ 14,893,139**

During the six months ended June 30, 2018 and 2017, FIBRAPL paid interest on long term debt of $306,931 and $321,961, respectively, and principal of $2,014,380 and $3,733,833, respectively.

On March 15, 2018, FIBRA borrowed $225.0 million U.S. dollars ($4,469.2 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 lenders’ Risk Committee. The borrowings were used to pay down the existing credit facility.

On July 18, 2017, FIBRAPL renegotiated its credit facility with Citibank N.A. As of June 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 June 30, 2018, FIBRAPL had an outstanding balance of $20.0 million U. S. dollars ($397.2 million Mexican pesos) under the Credit Facility.

On July 18, 2017, FIBRA borrowed $150.0 million U.S. dollars ($2,979.5 million Mexican pesos) on a new unsecured term loan with Citibank (Citibank (Unsecured) #2), 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 lenders' 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, incur 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 June 30, 2018, FIBRAPL was in compliance with all of its covenants.

12. FIBRAPL certificates

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.

As of June 30, 2018, FIBRAPL recorded 5,811,051 CBFIs to be issued based on the annual incentive fee approved in the ordinary holders meeting on July 5, 2018. The Certificates will be issued in the following months.

As of June 30, 2018, total CBFIs outstanding were 638,862,771.

13. 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, 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. During the three and six months ended June 30, 2018 and 2017, FIBRAPL recorded an incentive fee expense in the amount of $205.4 million Mexican pesos ($10.3 million U.S. dollars) and $139.2 million Mexican pesos ($7.5 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 June 30, 2018 and December 31, 2017, the outstanding balances due to related parties were as follows:

in thousands Mexican Pesos	June 30, 2018		December 31, 2017	
Asset management fees	$	-	$	80,445
Property management fees		8,653		18,450
	$	**8,653**	**$**	**98,895**

As of June 30, 2018 and December 31, 2017, asset management fees and property management fees are due to the Manager while maintenance costs are due to affiliates of the Manager.

c. **Transactions with affiliates**

Transactions with affiliated companies for the three and six months ended June 30, 2018 and 2017, were as follows:

in thousands Mexican Pesos	For the three months ended June 30,				For the six month ended June 30,			
	2018		**2017**		**2018**		**2017**	
Return of equity	$	-	$	157,464	$	-	$	323,608
Dividends	$	165,128	$	-	$	328,690	$	-
Asset management fee	$	83,172	$	74,857	$	159,813	$	154,839
Property management fee	$	27,860	$	25,344	$	53,298	$	51,540
Leasing commissions	$	2,921	$	5,108	$	12,697	$	15,033
Development fee	$	4,420	$	-	$	4,503	$	3,650
Maintenance costs	$	2,305	$	2,302	$	3,721	$	4,765
Incentive Fee*	$	205,364	$	139,162	$	205,364	$	139,162

**The transaction was executed with the Manager and 5,811,051 ($205.4 million Mexican pesos) in CBFIs are to be issued in a following quarter to the Manager to settle the 2018 incentive fee.*

14. Hedging activities

Interest Rate Swaps

On March 28, 2018, FIBRAPL entered into two interest rate swap contracts with Bank of Nova Scotia and HSBC Bank in 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 11.

On October 13, 2017, FIBRAPL entered into two interest rate swap contracts with Bank of Nova Scotia and HSBC Bank in 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 11.

On January 21, 2016, FIBRAPL entered into 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 11.

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 June 30, 2018, of $152.1 million Mexican pesos has been recognized in other comprehensive income as unrealized gain 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*	June 30, 2018	December 31, 2017
Bank of Nova Scotia	June 23, 2016	July 23, 2019	100	$ 28,315	$ 25,209
HSBC Bank USA	June 23, 2016	July 23, 2019	150	42,386	37,632
Bank of Nova Scotia	October 18, 2017	October 18, 2020	75	29,539	10,723
HSBC Bank USA	October 18, 2017	October 18, 2020	75	29,535	10,755
Bank of Nova Scotia	April 16, 2018	March 15, 2021	112.5	11,165	-
HSBC Bank USA	April 16, 2018	March 15, 2021	112.5	11,168	-
				$ 152,108	**$ 84,319**

* *(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 February 27, 2018, FIBRAPL entered into foreign currency rate options with HSBC Bank USA, National Association to fix an option rate over its quarterly Mexican peso transactions.

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 (gain) loss on exchange hedge instruments.

Start date	End date	Settlement date	Forward rate	Fair Value	Notional amount Thousands of Mexican pesos	Fair value amount as of June 30, 2018 Thousands of Mexican pesos	Thousands of U.S. dollars
July 2, 2018	September 30, 2018	October 2, 2018	20.0000 USD-MXN	Level 2	$ 100,000	$ 1,647	$ 83
October 1, 2018	December 31, 2018	January 3, 2019	20.0000 USD-MXN	Level 2	100,000	3,918	197
			Total		**$ 200,000**	**$ 5,565**	**$ 280**

Exchange Rate Forwards

FIBRAPL's exchange rate forwards do not qualify for hedge accounting. Therefore, the change in fair value related to the contract is recognized in the results of operations within unrealized (gain) loss on exchange rate forwards.

On April 27, 2017, FIBRAPL entered into foreign currency rate forwards with The Bank of Nova Scotia to fix a forward rate over its quarterly Mexican peso transactions as followed:

Trade Date	Value Date	Forward rate	Notional amount Thousands of U.S. dollars	Realized loss on exchange rate as of June 30, 2017 Thousands of Mexican pesos	Thousands of U.S. dollars
April 18, 2018	April 27, 2018	18.0475 USD-MXN	$ 15,000	$ 8,995	$ 453

15. Subsequent events

On July 5, 2018, as part of the Ordinary Holders Meeting, the Manager was approved to receive the Incentive Fee through issuance of 5,811,051 CBFIs.

16. Commitments and contingencies

FIBRAPL had no significant commitments or contingencies except as described in these notes as of June 30, 2018.

17. Financial statements approval

On July 17, 2018, the issuance of these interim condensed financial statements was authorized by Jorge Roberto Girault Facha, CFO of the Manager.

* * * * * * * * * *

Second Quarter 2018

FIBRA Prologis Supplemental Financial Information

Unaudited

FIBRA PROLOGIS®

Alamar 3, Tijuana

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.

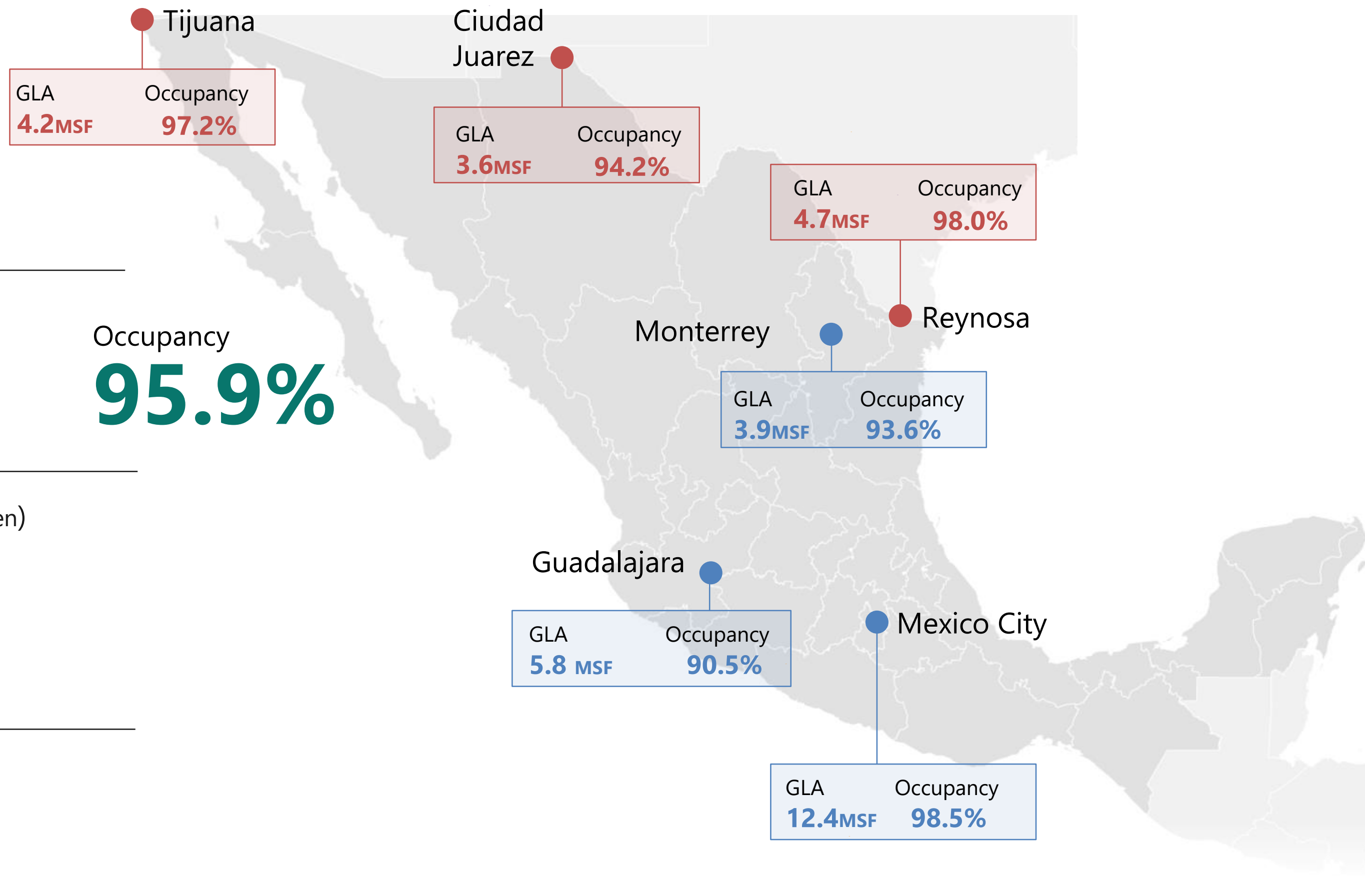
Table of Contents

Pharr Bridge 8, Reynosa

(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 June 30, 2018, FIBRA Prologis was comprised of 196 logistics and manufacturing facilities in six industrial markets in Mexico totaling 34.6 million square feet (3.2 million square meters) of GLA.

Market Presence



Total Markets

GLA	% Net Effective Rent
34.6 MSF	100%

Occupancy

95.9%

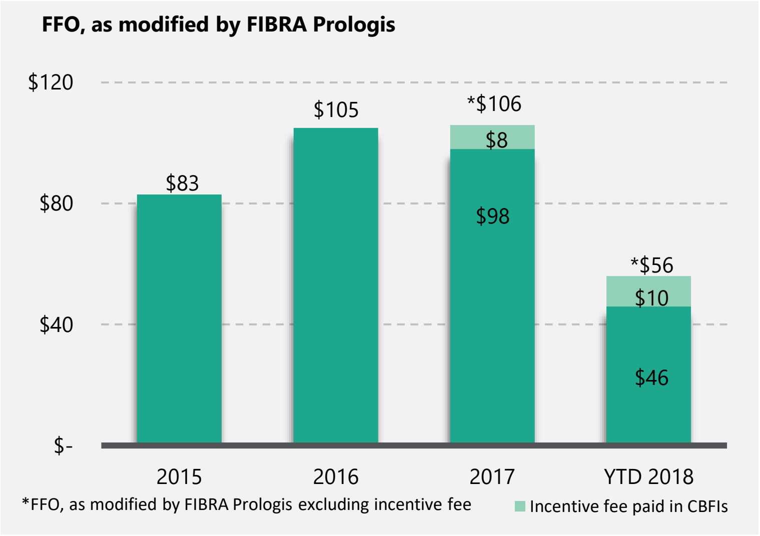
Regional Markets (manufacturing-driven)
Ciudad Juarez, Reynosa, Tijuana

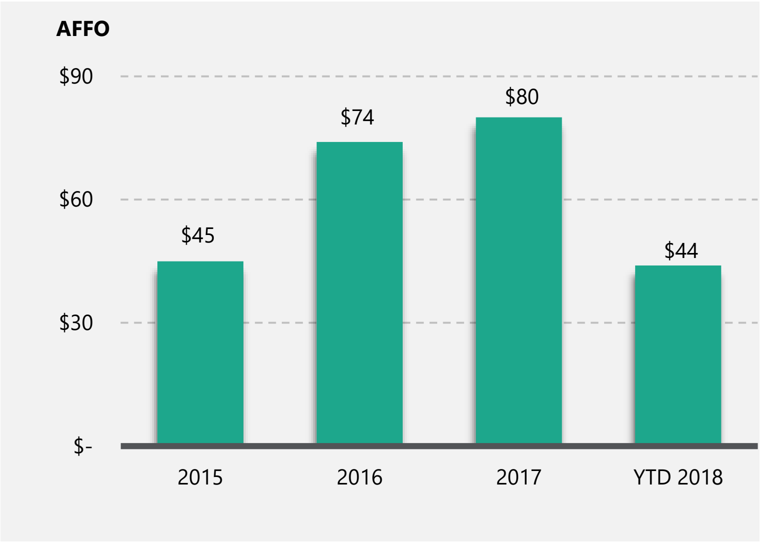
GLA	% Net Effective Rent	Occupancy
12.5 MSF	34.3%	96.6%

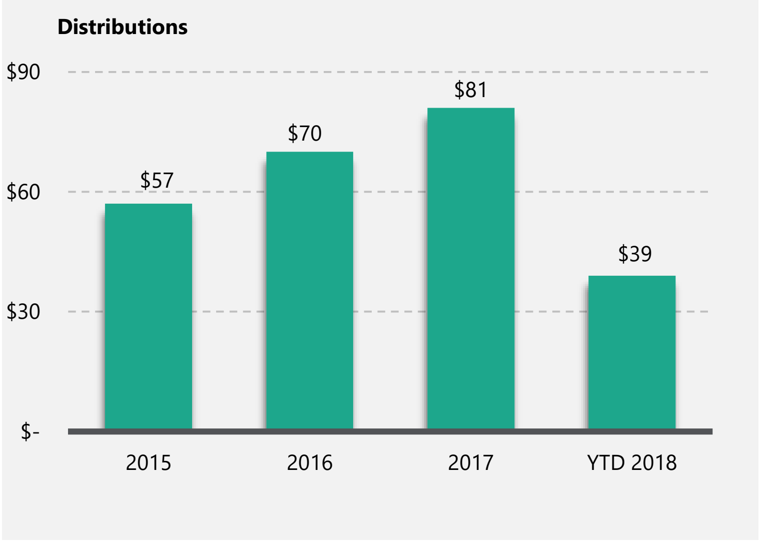
Global Markets (consumption-driven)
Guadalajara, Mexico City, Monterrey

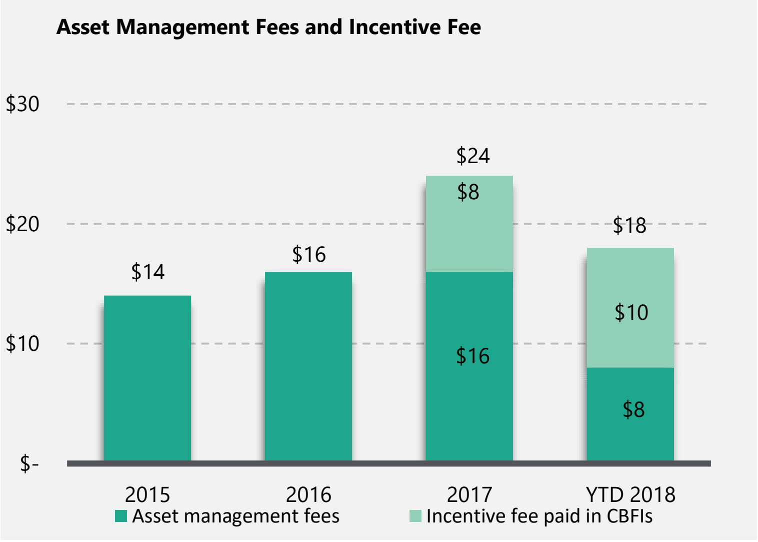
GLA	% Net Effective Rent	Occupancy
22.1 MSF	65.7%	95.5%

(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.

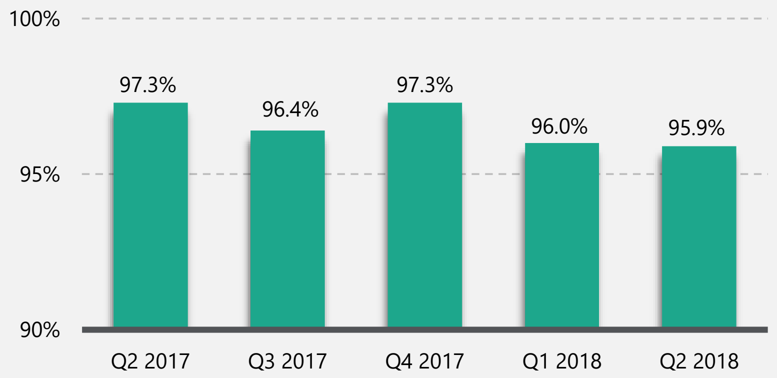
in thousands, except per CBFI amounts	For the three months ended									
	June 30, 2018		March 31, 2018		December 31, 2017		September 30, 2017		June 30, 2017	
	Ps.	US$ (A)	Ps.	US$ (A)	Ps.	US$ (A)	Ps.	US$ (A)	Ps.	US$ (A)
Revenues	916,272	48,344	890,676	46,824	882,782	47,354	832,378	46,648	880,011	46,653
Gross Profit	804,634	42,629	798,555	41,843	775,513	41,815	713,061	40,084	759,023	40,155
Net Income	848,731	45,302	615,676	32,025	777,849	42,734	450,355	25,419	427,124	22,337
FFO, as modified by FIBRA Prologis	295,160	16,784	564,047	29,261	460,557	26,006	479,632	27,031	368,132	19,204
FFO, as modified by FIBRA Prologis excluding incentive fee	500,524	27,121	564,047	29,261	460,557	26,006	479,632	27,031	507,294	26,678
AFFO	399,606	21,993	436,233	22,419	307,463	18,453	388,182	21,874	375,588	19,586
Adjusted EBITDA	694,041	37,013	710,120	37,101	641,940	35,586	622,249	35,012	651,708	34,419
Earnings per CBFI	1.3285	0.0709	0.9637	0.0501	1.2176	0.0669	0.7049	0.0398	0.6729	0.0352
FFO per CBFI	0.4620	0.0263	0.8829	0.0458	0.7209	0.0407	0.7508	0.0423	0.5800	0.0303
FFO per CBFI excluding incentive fee	0.7835	0.0425	0.7209	0.0407	0.7508	0.0423	0.7992	0.0420	0.7992	0.0420

FIBRA PROLOGIS

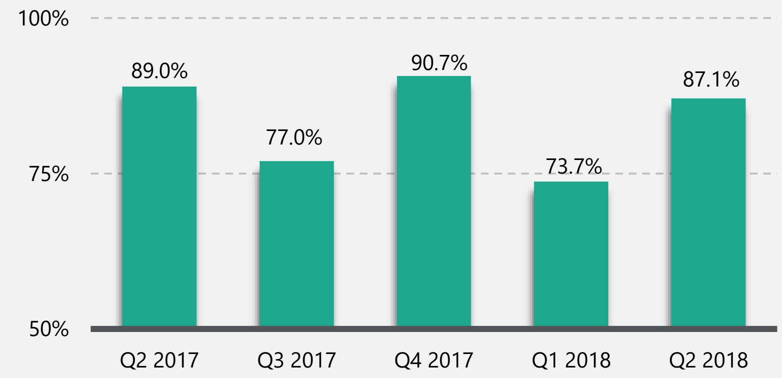
(A) Amounts presented in U.S. Dollars, which is FIBRA Prologis´ functional currency, represent the actual amounts from our U.S. Dollar financial statements.

Highlights
Operating Performance

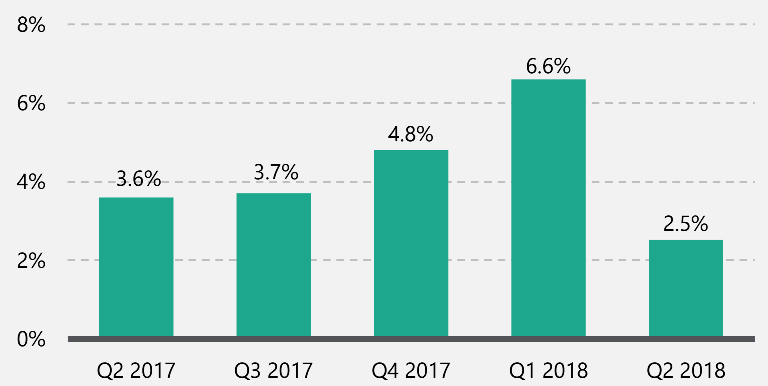
Period End Occupancy – Operating Portfolio



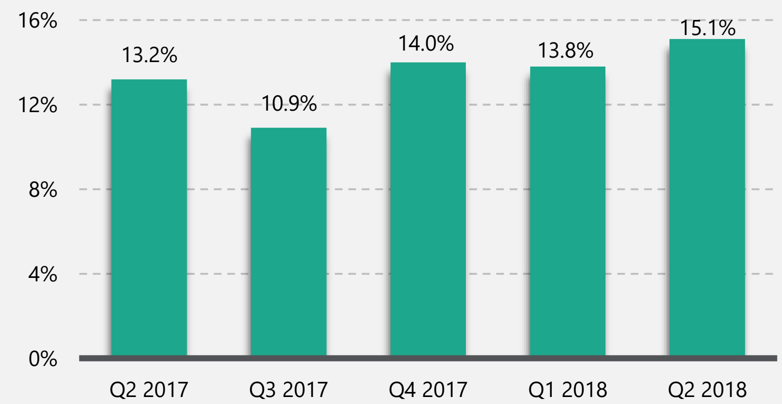
Weighted Average Customer Retention



Same Store Cash NOI Change Over Prior Year (A)



Net Effective Rent Change



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

US Dollars in thousands except per CBFI amounts

2018 Guidance	Low		High	
Full year FFO per CBFI [A]	**$**	**0.1550**	**$**	**0.1650**
Operations				
Year-end occupancy		96.0%		97.0%
Same store cash NOI change		4.00%		5.00%
Annual capex as a percentage of NOI		13.0%		14.0%
Capital Deployment				
Building acquisitions	$	100,000	$	300,000
Building dispositions	$	-	$	-
Other Assumptions				
G&A[B] (Asset management and professional fees)	$	19,500	$	21,500
Full year 2018 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.

in thousands	June 30, 2018		December 31, 2017	
Assets:	**Ps.**	**US$**	**Ps.**	**US$**
Current assets:				
Cash	271,947	13,691	371,364	18,817
Trade receivables	65,556	3,300	44,220	2,241
Value added tax and other receivables	55,004	2,769	73,553	3,727
Prepaid expenses	51,126	2,574	1,600	81
	443,633	**22,334**	**490,737**	**24,866**
Non-current assets:				
Investment properties	45,076,186	2,269,320	43,932,382	2,226,070
Interest rate swaps	152,108	7,658	84,319	4,272
Exchange rate options	5,565	280	-	-
Other assets	47,808	2,407	45,240	2,293
	45,281,667	**2,279,665**	**44,061,941**	**2,232,635**
Total assets	**45,725,300**	**2,301,999**	**44,552,678**	**2,257,501**
Liabilities and Equity:				
Current liabilities:				
Trade payables	130,656	5,898	112,875	5,721
Due to affiliates	8,653	436	98,895	5,011
Current portion of long term debt	80,394	4,047	21,847	1,107
	219,703	**10,381**	**233,617**	**11,839**
Non-current liabilities:				
Long term debt	14,859,981	748,112	14,893,139	754,640
Security deposits	292,647	14,733	291,840	14,788
	15,152,628	**762,845**	**15,184,979**	**769,428**
Total liabilities	**15,372,331**	**773,226**	**15,418,596**	**781,267**
Equity:				
CBFI holders capital	13,952,327	1,226,177	13,746,963	1,114,530
Other equity accounts	16,400,642	302,596	15,387,119	361,704
Total equity	**30,352,969**	**1,528,773**	**29,134,082**	**1,476,234**
Total liabilities and equity	**45,725,300**	**2,301,999**	**44,552,678**	**2,257,501**

Financial information

Interim Condensed Statements of Comprehensive Income

in thousands, except per CBFI amounts	For the three months ended June 30,				For the six months ended June 30,			
	2018		2017		2018		2017	
	Ps.	US$	Ps.	US$	Ps.	US$	Ps.	US$
Revenues:								
Lease rental income	812,772	42,898	784,090	41,541	1,613,957	85,025	1,598,352	81,396
Rental recoveries	79,554	4,208	79,334	4,218	153,433	8,080	154,546	7,861
Other property income	23,946	1,238	16,587	894	39,558	2,063	35,320	1,815
	916,272	**48,344**	**880,011**	**46,653**	**1,806,948**	**95,168**	**1,788,218**	**91,072**
Cost and expenses:								
Property operating expenses:								
Operating and maintenance	48,973	2,553	46,965	2,513	93,589	4,921	92,206	4,728
Utilities	9,582	501	14,759	790	18,125	950	26,962	1,385
Property management fees	27,860	1,382	25,344	1,371	53,298	2,779	51,540	2,696
Real estate taxes	17,343	914	17,237	824	34,602	1,806	34,474	1,649
Non-recoverable operating	7,880	365	16,683	1,000	4,145	240	29,074	1,853
	111,638	**5,715**	**120,988**	**6,498**	**203,759**	**10,696**	**234,256**	**12,311**
Gross profit	**804,634**	**42,629**	**759,023**	**40,155**	**1,603,189**	**84,472**	**1,553,962**	**78,761**
Other expenses (income):								
(Gain) loss on valuation of investment properties	(552,043)	(28,471)	(13,157)	(707)	(585,689)	(30,266)	599,854	29,421
Asset management fees	83,172	4,180	74,857	4,038	159,813	8,297	154,839	8,080
Incentive fee	205,364	10,337	139,162	7,474	205,364	10,337	139,162	7,474
Professional fees	9,343	510	12,212	650	22,480	1,208	28,913	1,490
Interest expense	169,973	8,680	151,605	8,159	303,780	15,858	332,993	17,260
Amortization of debt premium	-	-	(20,473)	(1,130)	(4,639)	(248)	(58,400)	(3,015)
Amortization of deferred financing cost	14,800	761	7,152	385	26,677	1,400	15,154	785
Net loss (gain) on early extinguishment of debt	754	38	(32,673)	(1,752)	(4,043)	(232)	(32,120)	(1,724)
Unused credit facility fee	8,744	451	6,130	327	13,772	722	15,457	792
Unrealized (gain) loss on exchange rate options	(2,628)	(132)	-	-	990	65	-	-
Unrealized (gain) loss on exchange rate forwards	-	-	(290)	(16)	-	-	15,064	805
Realized loss on exchange rate forwards	8,995	453	5,706	317	8,995	453	5,706	317
Unrealized exchange loss (gain), net	346	47	(12,872)	(658)	(16,458)	(849)	(11,265)	(579)
Realized exchange loss (gain), net	3,646	194	10,515	519	(92)	(5)	1,188	61
Other general and administrative expenses	5,437	279	4,025	212	7,832	405	7,660	407
	(44,097)	**(2,673)**	**331,899**	**17,818**	**138,782**	**7,145**	**1,214,205**	**61,574**
Net income	**848,731**	**45,302**	**427,124**	**22,337**	**1,464,407**	**77,327**	**339,757**	**17,187**
Other comprehensive income:								
Items that are not reclassified subsequently to profit or loss:								
Translation (gain) loss from functional currency to reporting currency	(2,275,217)	(630)	1,008,220	(1,419)	(192,059)	(539)	3,791,001	(7,022)
Items that are or may be reclassified subsequently to profit or loss:								
Unrealized (gain) loss on interest rate swaps	(35,921)	(1,683)	5,936	329	(67,789)	(3,420)	(5,941)	(306)
	(2,311,138)	**(2,313)**	**1,014,156**	**(1,090)**	**(259,848)**	**(3,959)**	**3,785,060**	**(7,328)**
Total comprehensive income (loss) for the period	**3,159,869**	**47,615**	**(587,032)**	**23,427**	**1,724,255**	**81,286**	**(3,445,303)**	**24,515**
Earnings per CBFI (A)	**1.3285**	**0.0709**	**0.6729**	**0.0352**	**2.2922**	**0.1210**	**0.5355**	**0.0271**

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

Financial information

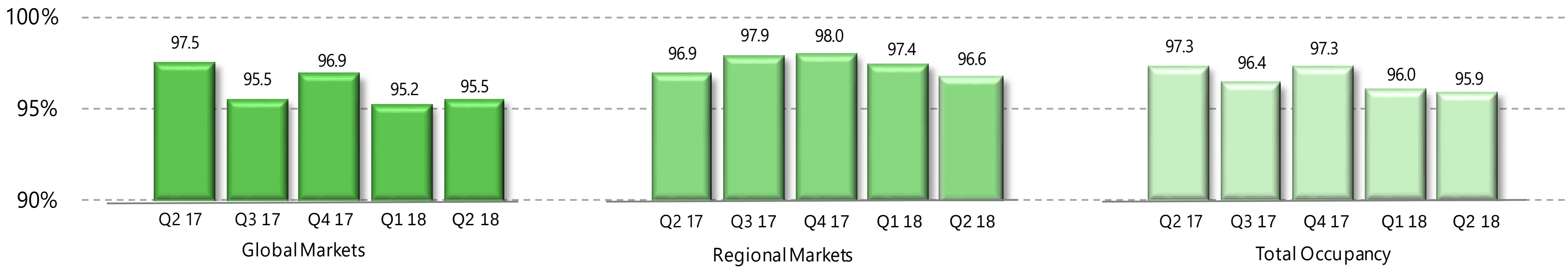
Reconciliations of Net Income to FFO, AFFO and EBITDA

in thousands	For the three months ended June 30,				For the six months ended June 30,			
	2018		2017		2018		2017	
	Ps.	US$	Ps.	US$	Ps.	US$	Ps.	US$
Reconciliation of Net Income to FFO								
Net income	848,731	45,302	427,124	22,337	1,464,407	77,327	339,757	17,187
NAREIT defined FFO	**848,731**	**45,302**	**427,124**	**22,337**	**1,464,407**	**77,327**	**339,757**	**17,187**
Adjustments to arrive at FFO, as defined by FIBRA Prologis:								
(Gain) loss on revaluation of investment properties	(552,043)	(28,471)	(13,157)	(707)	(585,689)	(30,266)	599,854	29,421
Unrealized (gain) loss on exchange rate options	(2,628)	(132)	-	-	990	65	-	-
Unrealized (gain) loss on exchange rate forwards	-	-	(290)	(16)	-	-	15,064	805
Unrealized exchange loss (gain), net	346	47	(12,872)	(658)	(16,458)	(849)	(11,265)	(579)
Net loss (gain) on early extinguishment of debt	754	38	(32,673)	(1,752)	(4,043)	(232)	(32,120)	(1,724)
FFO, as modified by FIBRA Prologis	**295,160**	**16,784**	**368,132**	**19,204**	**859,207**	**46,045**	**911,290**	**45,110**
Incentive fee paid in CBFIs	205,364	10,337	139,162	7,474	205,364	10,337	139,162	7,474
FFO, as modified by FIBRA Prologis excluding incentive fee	**500,524**	**27,121**	**507,294**	**26,678**	**1,064,571**	**56,382**	**1,050,452**	**52,584**
FFO, as modified by FIBRA Prologis	295,160	16,784	368,132	19,204	859,207	46,045	911,290	45,110
Adjustments to arrive at Adjusted FFO ("AFFO")								
Straight-lined rents	(25,389)	(1,274)	(9,272)	(420)	(50,168)	(2,599)	(30,490)	(1,453)
Property improvements	(41,513)	(2,116)	(39,882)	(2,179)	(83,722)	(4,380)	(54,170)	(2,900)
Tenant improvements	(39,410)	(2,009)	(48,048)	(2,596)	(82,786)	(4,334)	(85,727)	(4,433)
Leasing commissions	(9,406)	(490)	(21,183)	(1,152)	(34,094)	(1,809)	(42,075)	(2,201)
Amortization of deferred financing costs	14,800	761	7,152	385	26,677	1,400	15,154	785
Amortization of debt premium	-	-	(20,473)	(1,130)	(4,639)	(248)	(58,400)	(3,015)
Incentive fee paid in CBFIs	205,364	10,337	139,162	7,474	205,364	10,337	139,162	7,474
AFFO	**399,606**	**21,993**	**375,588**	**19,586**	**835,839**	**44,412**	**794,744**	**39,367**

in thousands	For the three months ended June 30,				For the six months ended June 30,			
	2018		2017		2018		2017	
	Ps.	US$	Ps.	US$	Ps.	US$	Ps.	US$
Reconciliation of Net Income to Adjusted EBITDA								
Net income	848,731	45,302	427,124	22,337	1,464,407	77,327	339,757	17,187
(Gain) loss on revaluation of investment properties	(552,043)	(28,471)	(13,157)	(707)	(585,689)	(30,266)	599,854	29,421
Interest expense	169,973	8,680	151,605	8,159	303,780	15,858	332,993	17,260
Amortization of deferred financing costs	14,800	761	7,152	385	26,677	1,400	15,154	785
Amortization of debt premium	-	-	(20,473)	(1,130)	(4,639)	(248)	(58,400)	(3,015)
Net loss (gain) on early extinguishment of debt	754	38	(32,673)	(1,752)	(4,043)	(232)	(32,120)	(1,724)
Unused credit facility fee	8,744	451	6,130	327	13,772	722	15,457	792
Unrealized (gain) loss on exchange rate options	(2,628)	(132)	-	-	990	65	-	-
Unrealized (gain) loss on exchange rate forward	-	-	(290)	(16)	-	-	15,064	805
Unrealized exchange loss (gain), net	346	47	(12,872)	(658)	(16,458)	(849)	(11,265)	(579)
Incentive fee paid in CBFIs	205,364	10,337	139,162	7,474	205,364	10,337	139,162	7,474
Adjusted EBITDA	**694,041**	**37,013**	**651,708**	**34,419**	**1,404,161**	**74,114**	**1,355,656**	**68,406**

FIBRA PROLOGIS

Period Ending Occupancy - Operating Portfolio



square feet in thousands

Leasing Activity	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Square feet of leases commenced:					
Renewals	1,122	1,761	1,599	1,423	1,880
New leases	137	446	431	182	407
Total square feet of leases commenced	**1,259**	**2,207**	**2,030**	**1,605**	**2,287**
Average term of leases commenced (months)	26	34	54	53	44
Operating Portfolio:					
Trailing four quarters - leases commenced	7,668	7,551	7,862	7,101	8,129
Trailing four quarters - % of average portfolio	22.7%	22.2%	23.0%	20.7%	23.6%
Rent change - cash (A)	**1.0%**	**2.7%**	**1.2%**	**2.8%**	**3.0%**
Rent change - net effective (A)	**13.2%**	**10.9%**	**14.0%**	**13.8%**	**15.1%**

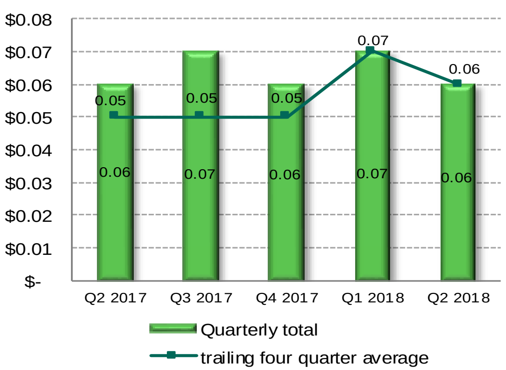
(A) As of January 2018, we established our definitions of these operating metrics to align on consistent methodologies with members of the real estate industry. The changes of the operating metrics were retroactively applied for all prior periods presented. See updated definitions in the Notes and Definition.

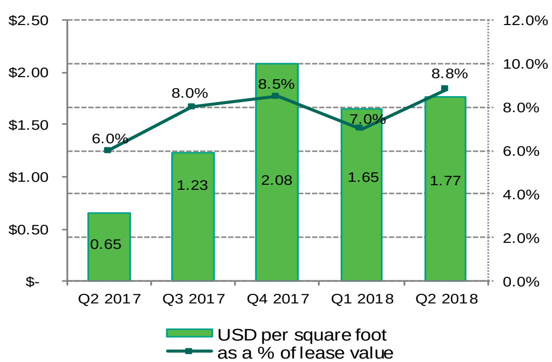
FIBRA PROLOGIS

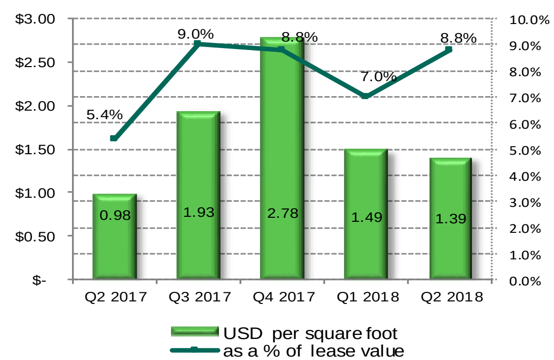
Operations Overview
Operating Metrics

Capital Expenditures Incurred (A) in thousands	Q2 2017		Q3 2017		Q4 2017		Q1 2018		Q2 2018	
	Ps.	US$	Ps.	US$	Ps.	US$	Ps.	US$	Ps.	US$
Property improvements	39,882	2,179	41,408	2,327	42,480	2,265	42,209	2,264	41,513	2,116
Tenant improvements	48,048	2,596	36,048	2,033	78,547	3,625	43,376	2,325	39,410	2,009
Leasing commissions	21,183	1,152	15,026	854	25,718	1,332	24,688	1,319	9,406	490
Total turnover costs	69,231	3,748	51,074	2,887	104,265	4,957	68,064	3,644	48,816	2,499
Total capital expenditures	**109,113**	**5,927**	**92,482**	**5,214**	**146,745**	**7,222**	**110,273**	**5,908**	**90,329**	**4,615**
Trailing four quarters - % of gross NOI	13.6%		13.6%		13.7%		14.8%		13.8%	

Same Store Information	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Square feet of population	32,411	32,411	32,411	34,167	34,167
Average occupancy	97.3%	96.4%	97.0%	96.0%	96.0%
Percentage change:					
Rental income- cash	4.0%	4.0%	5.2%	3.2%	0.3%
Rental expenses- cash	6.2%	5.5%	7.0%	(13.5%)	(10.5%)
NOI - Cash	**3.6%**	**3.7%**	**4.8%**	**6.6%**	**2.5%**
NOI - net effective	1.7%	3.6%	3.7%	7.1%	3.9%
Average occupancy	1.5%	0.8%	0.6%	(0.1%)	(1.7%)







(A) The U.S. Dollar amount has been translated at the date of the transaction based on the exchange rate then in effect.

square feet and currency in thousands	# of Buildings	Square Feet Total	Square Feet % of Total	Occupied %	Leased %	Second Quarter NOI Ps.	Second Quarter NOI US$	Net Effective Rent Annualized Ps.	Net Effective Rent Annualized US$	Net Effective Rent % of Total	Net Effective Rent Per Sq Ft Ps.	Net Effective Rent Per Sq Ft US$	Investment Properties Value Total Ps.	Investment Properties Value Total US$	Investment Properties Value % of Total
Global Markets															
Mexico City	52	12,402	35.8	98.5	98.5	306,404	16,233	1,336,860	67,303	39.3	109	5.51	18,422,220	927,450	40.9
Guadalajara	26	5,838	16.9	90.5	90.5	126,401	6,697	522,046	26,282	15.3	99	4.97	7,311,681	368,100	16.2
Monterrey	24	3,868	11.2	93.6	96.2	87,810	4,652	379,243	19,093	11.1	105	5.27	4,957,085	249,560	11.0
Total global markets	**102**	**22,108**	**63.9**	**95.5**	**96.0**	**520,615**	**27,582**	**2,238,149**	**112,678**	**65.7**	**106**	**5.34**	**30,690,986**	**1,545,110**	**68.1**
Regional markets															
Reynosa	30	4,712	13.6	98.0	98.0	100,598	5,330	465,173	23,419	13.7	101	5.07	5,274,699	265,550	11.7
Tijuana	33	4,214	12.2	97.2	97.2	103,854	5,502	382,976	19,280	11.2	93	4.71	4,857,570	244,550	10.8
Ciudad Juarez	31	3,566	10.3	94.2	94.2	74,093	3,925	320,278	16,124	9.4	95	4.80	3,796,870	191,150	8.4
Total regional markets	**94**	**12,492**	**36.1**	**96.6**	**96.6**	**278,545**	**14,757**	**1,168,427**	**58,823**	**34.3**	**97**	**4.87**	**13,929,139**	**701,250**	**30.9**
Total operating portfolio	**196**	**34,600**	**100.0**	**95.9**	**96.2**	**799,160**	**42,339**	**3,406,576**	**171,501**	**100.0**	**103**	**5.17**	**44,620,125**	**2,246,360**	**99.0**
Intermodal facility (A)						5,474	290						313,840	15,800	0.7
Excess land (B)													142,221	7,160	0.3
Total investment properties		**34,600**	**100.0**			**804,634**	**42,629**						**45,076,186**	**2,269,320**	**100.0**

(A) 100% occupied as of June 30, 2018.
(B) We have 31.78 acres of land in Monterrey that has an estimated build out of 963,268 square feet.

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%	1,249
2 DHL	2.7%	926
3 Geodis	2.3%	640
4 LG, Inc.	2.1%	694
5 Johnson Controls Inc.	1.8%	519
6 APL (Neptune Orient Lines)	1.7%	551
7 Uline	1.5%	501
8 Ryder System Inc.	1.4%	407
9 Panalpina	1.4%	368
10 General Electric Company, Inc.	1.3%	417
Top 10 Customers	**19.3%**	**6,272**

square feet and currency in thousands

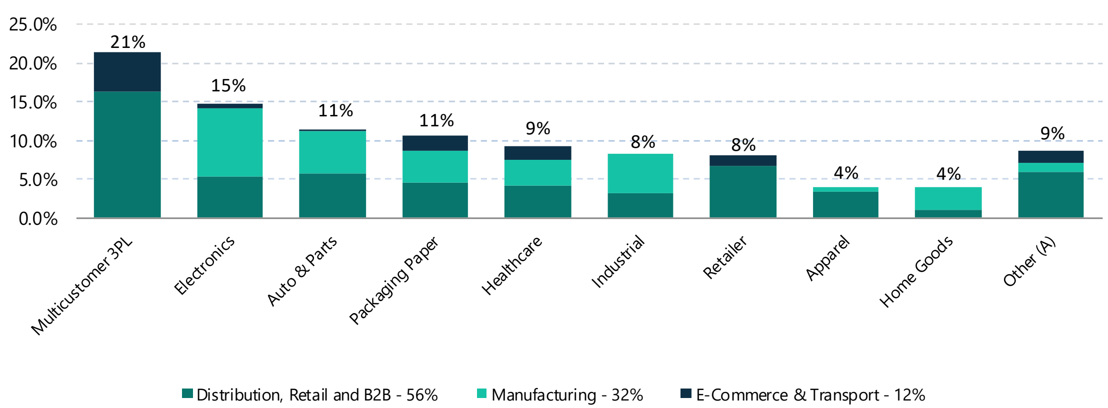
Lease Expirations - Operating Portfolio

Year	Occupied Sq Ft	Net Effective Rent							
		Total		% of Total	Per Sq Ft		% Currency	
		Ps.	US$		Ps.	US$	%Ps.	%US$
2018	3,506	419,195	21,104	12%	96.59	4.86	35%	65%
2019	7,524	783,627	39,451	23%	104.15	5.24	35%	65%
2020	7,524	740,325	37,271	22%	98.40	4.95	18%	82%
2021	4,736	515,294	25,942	15%	108.80	5.48	42%	58%
2022	2,991	306,709	15,441	9%	102.56	5.16	40%	60%
Thereafter	5,950	641,426	32,292	19%	107.81	5.43	25%	75%
	32,231	**3,406,576**	**171,501**	**100%**	**102.7**	**5.17**	**31%**	**69%**
Month to month	962							
Total	**33,193**							

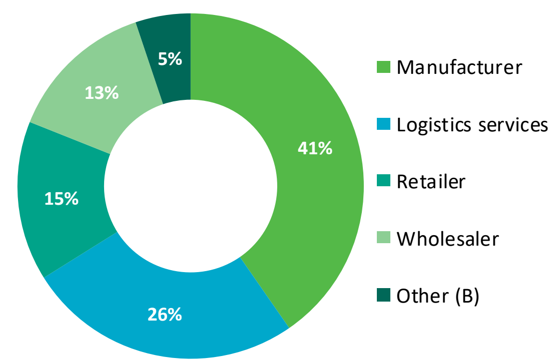
Lease Currency - Operating portfolio

	Annualized Net Effective Rent USD	% of Total	Occupied Sq Ft	% of Total
Leases denominated in Ps.	52,797	30.8	9,956	30.0
Leases denominated in US$	118,704	69.2	23,237	70.0
Total	**171,501**	**100.0**	**33,193**	**100.00**

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

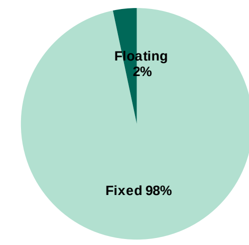
FIBRA PROLOGIS

Capitalization
Debt Summary and Metrics

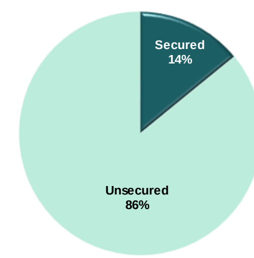
currency in millions

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)
2018	-	-	-	-	-	-	-	-	0.0%	0.0%
2019	-	-	-	-	-	-	-	-	0.0%	0.0%
2020	-	-	5,065	255	-	-	5,065	255	3.5%	3.7%
2021	-	-	-	-	-	-	-	-	0.0%	0.0%
2022	397	20	2,980	150	-	-	3,377	170	4.2%	4.5%
Thereafter	-	-	4,470	225	2,125	107	6,595	332	4.7%	4.7%
Subtotal- debt par value	**397**	**20**	**12,515**	**630**	**2,125**	**107**	**15,037**	**757**		
Interest payable and deferred financing cost	-	-	-	-	(97)	(5)	(97)	(5)		
Total debt	**397**	**20**	**12,515**	**630**	**2,028**	**102**	**14,940**	**752**	**4.1%**	**4.2%**
Weighted average cash interest rate (A)		4.4%		3.9%		4.7%		4.1%		
Weighted average effective interest rate (B)		4.4%		4.1%		4.7%		4.2%		
Weighted average remaining maturity in years		4.0		3.6		7.6		4.2		

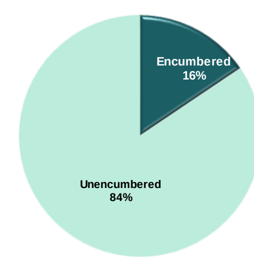
Fixed vs. Floating Debt (D)



Secured vs. Unsecured Debt



Encumbered vs. Unencumbered Assets Pool (E)



currency in millions

Liquidity	Ps.	US$
Aggregate lender commitments	6,456	325
Less:		
Borrowings outstanding	397	20
Outstanding letters of credit	-	-
Current availability	6,059	305
Unrestricted cash	272	14
Total liquidity	**6,331**	**319**

Debt Metrics (C)	2018 Second Quarter	2018 First Quarter
Debt, less cash and VAT, as % of investment properties	**32.8%**	**33.2%**
Fixed charge coverage ratio	**4.26x**	**5.17x**
Debt to Adjusted EBITDA	**5.02x**	**4.99x**

(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 and 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 June 30, 2018.

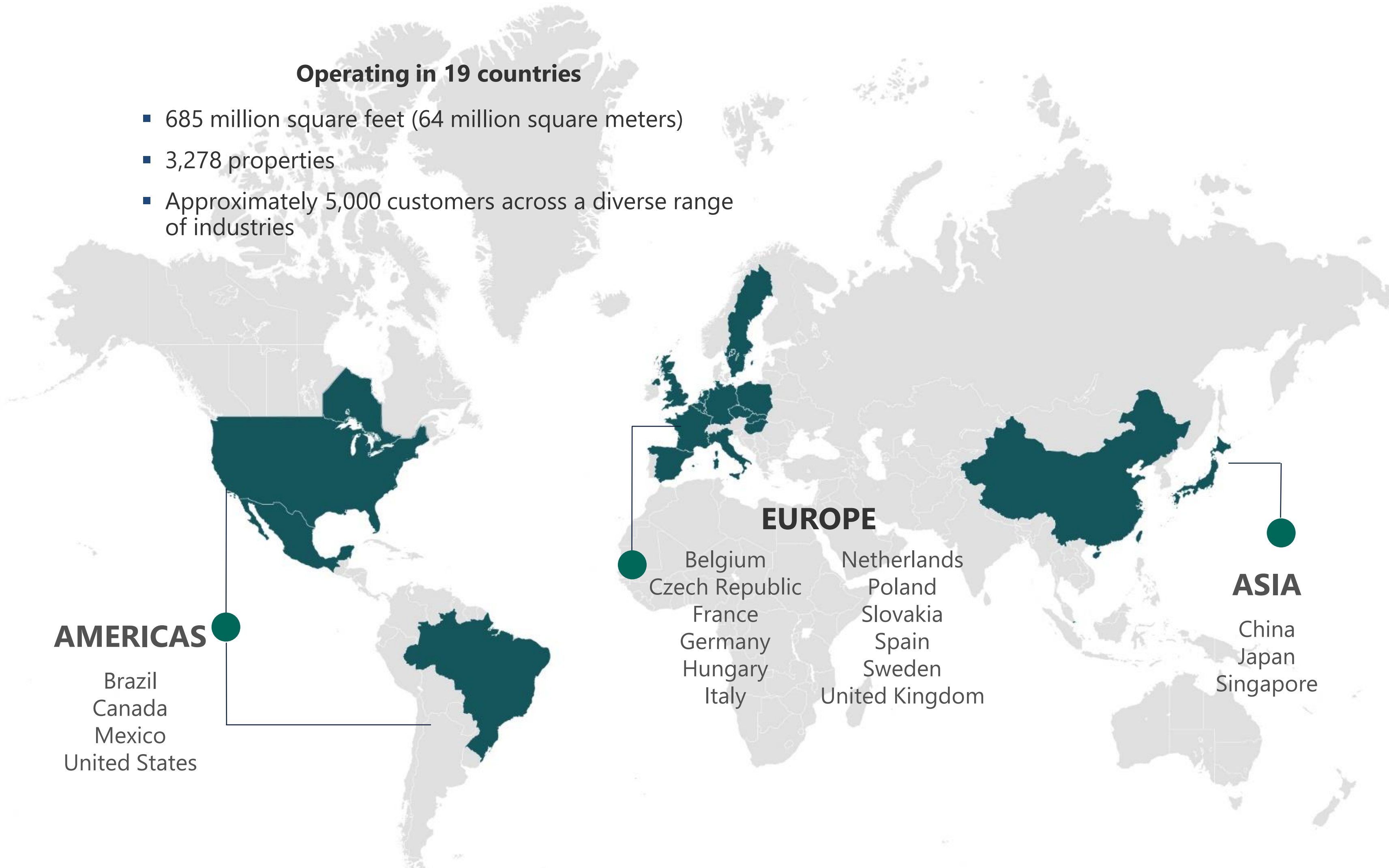
FIBRA PROLOGIS

Sponsor

Prologis Unmatched Global Platform (A)

Operating in 19 countries

- 685 million square feet (64 million square meters)
- 3,278 properties
- Approximately 5,000 customers across a diverse range of industries

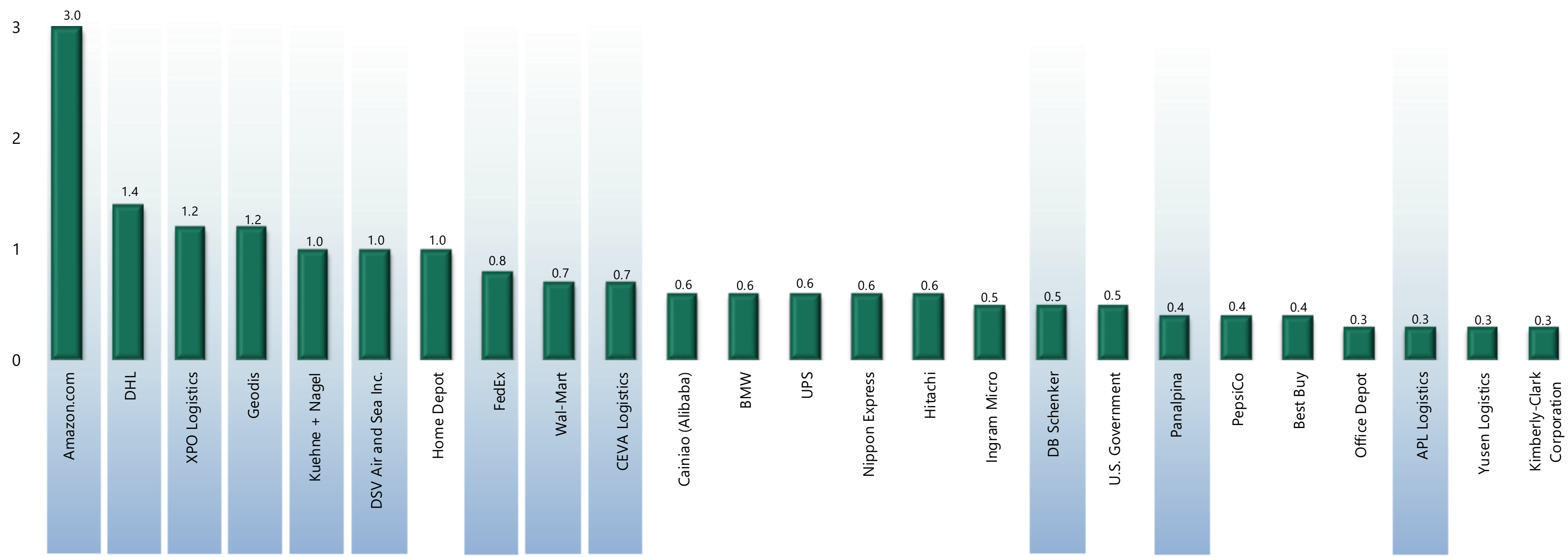


Platform covers more than 70% of global GDP

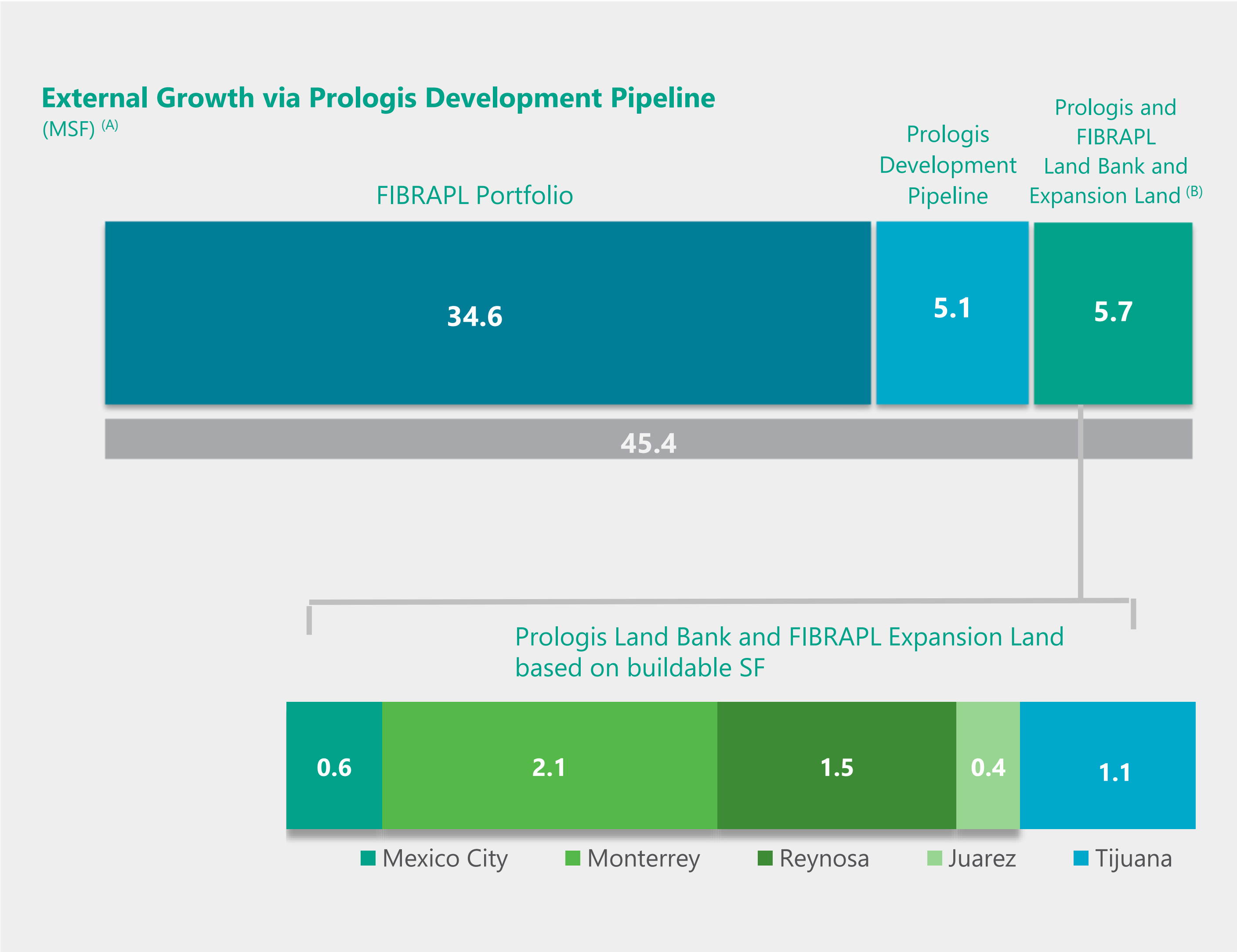
(A) Data as of June 30, 2018.

Prologis Global Customer Relationships [A]

(% Net Effective Rent)



(A) Data as of June 30, 2018. The shading represents customers who are also customers of FIBRA Prologis.



- 31% growth potential in the next 3 to 4 years
- Proprietary access to Prologis development pipeline at market values
- Exclusive right to third-party acquisitions sourced by Prologis
- Prologis Development Pipeline:

	GLA (MSF)	% Leased
Mexico City	3.5	85%
Guadalajara	0.5	89%
Monterrey	0.9	89%
Ciudad Juarez	0.2	0%
Total	**5.1**	**83%**

(A) Million square feet as of June 30, 2018.
(B) Based on buildable square feet

Notes and Definitions

Pharr Bridge 7, Reynosa México

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 costs, 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 June 30,				For the six months ended June 30,			
	2018		2017		2018		2017	
	Ps.	US$	Ps.	US$	Ps.	US$	Ps.	US$
Earnings								
Net income	848,731	45,302	427,124	22,337	1,464,407	77,327	339,757	17,187
Weighted average CBFIs outstanding - Basic and Diluted	638,863	638,863	634,723	634,723	638,863	638,863	634,601	634,601
Earnings (loss) per CBFI- Basic and Diluted	1.3285	0.0709	0.6729	0.0352	2.2922	0.1210	0.5354	0.0271
FFO								
FFO, as modified by FIBRA Prologis	295,160	16,784	368,132	19,204	859,207	46,045	911,290	45,110
Weighted average CBFIs outstanding - Basic and Diluted	638,863	638,863	634,723	634,723	638,863	638,863	634,601	634,601
FFO per CBFI – Basic and Diluted	0.4620	0.0263	0.5800	0.0303	1.3449	0.0721	1.4360	0.0711
FFO, as modified by FIBRA Prologis excluding incentive fee	500,524	27,121	507,294	26,678	1,064,571	56,382	1,050,452	52,584
Weighted average CBFIs outstanding - Basic and Diluted	638,863	638,863	634,723	634,723	638,863	638,863	634,601	634,601
FFO per CBFI excluding incentive Fee	0.7835	0.0425	0.7992	0.0420	1.6664	0.0883	1.6553	0.0829

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			
	June 30, 2018		March 31, 2018	
	Ps.	US$	Ps.	US$
Debt, less cash and VAT, as a % of investment properties				
Total debt - at par	15,036,520	757,000	13,758,375	750,000
Less: cash	(271,947)	(13,691)	(159,167)	(8,676)
Less: VAT receivable	(1,866)	(94)	(1,251)	(68)
Total debt, net of adjustments	14,762,707	743,215	13,597,957	741,256
Investment properties	45,076,186	2,269,320	41,006,745	2,235,369
Debt, less of cash and VAT, as a % of investment prope	32.8%	32.8%	33.2%	33.2%
Fixed Charge Coverage ratio:				
Adjusted EBITDA	694,041	37,013	710,120	37,101
Fixed charges - interest expense	169,973	8,680	133,807	7,178
Fixed charge coverage ratio	4.08x	4.26x	5.31x	5.17x
Debt to Adjusted EBITDA:				
Total debt, net of adjustments	14,762,707	743,215	13,597,957	741,256
Adjusted EBITDA annualized	2,776,164	148,052	2,840,480	148,404
Debt to Adjusted EBITDA ratio	5.32x	5.02x	4.79x	4.99x

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.

- 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 NER on new and renewed leases commenced during the period as compared with the previous NER 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 June 30, 2018, as those properties that were owned by FIBRA Prologis as of January 1, 2017 and have been in operations throughout the same three-month periods in both 2017 and 2018. 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.

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:

	For the three months ended June 30,		
in thousands of U.S. Dollars	2018	2017	Change (%)
Rental income			
Per the statements of comprehensive income	48,344	46,653	
Properties not included in same store and other adjustments (a)	(923)	(251)	
Direct Billables Revenues from Properties incl same store pool	1,538	1,820	
Straight-lined rent	(1054)	(476)	
Other Adjustments for Properties in Same Store Pool			
Same Store - Rental income- adjusted cash	**47,905**	**47,746**	**0.3%**
Rental expense			
Per the statements of comprehensive income	5,715	6,498	
Properties not included in same store and other adjustments	(75)	(280)	
Direct Billables Expenses from Properties incl same store pool	1,556	1,820	
Same Store - Rental expense adjusted cash	**7,196**	**8,038**	**(10.5%)**
NOI			
Per the statements of comprehensive income	42,629	40,155	
Properties not included in same store	(848)	29	
Straight-lined rent	(1,054)	(476)	
Net Direct Billable Expenses for Properties in Same Store Pool	(18)	-	
Other Adjustments for Properties in Same Store Pool	-	-	
Same Store - NOI - adjusted cash	**40,709**	**39,708**	**2.5%**
Straight-lined rent from properties included in same store	1,054	476	
Same Store NOI	**41,763**	**40,184**	**3.9%**

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. 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).

Weighted Average Stabilized Capitalized ("Cap") Rate is calculated as Stabilized NOI divided by the Acquisition Cost.

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