

October 25, 2018



FIBRA Prologis Announces Third Quarter 2018 Earnings Results

MEXICO CITY, Oct. 25, 2018 /PRNewswire/ -- FIBRA Prologis (BMV:FIBRAPL 14), a leading owner and operator of Class-A industrial real estate in Mexico, today reported results for the third quarter of 2018.

HIGHLIGHTS FROM THE QUARTER:

- Period-end occupancy was 96.5 percent.
- Net effective rents on rollover increased 10.6 percent.
- Weighted average customer retention was 83.2 percent.

Net earnings per CBF1 in the third quarter was Ps. 0.9621 (US\$0.0497) compared with Ps. 0.7049 (US\$0.0398) for the same period in 2017.

Funds from operations (FFO) per CBF1 was Ps. 0.7817 (US\$0.0402) for the third quarter compared with Ps. 0.7508 (US\$0.0423) for the same period in 2017.

STRONG OPERATING RESULTS

"Despite unevenness in the financial and capital markets, the strong U.S. economy has been a key driver of demand in Mexico," said Luis Gutierrez, CEO, Prologis Property Mexico. "The uncertainty surrounding the Mexican presidential election and NAFTA renegotiations prevented a resilient, healthy operating environment from reaching its potential—now that there is greater clarity on these two fronts, we expect a scenario of accelerated growth."

Gutierrez added: "FIBRA Prologis delivered terrific operating and financial results in the third quarter, and we expect this to remain the case as logistics real estate demand continues its trajectory of outpacing the broader Mexican economy."

| Operating Portfolio | 3Q18 | 3Q17 | Notes |
|---------------------------|---------|---------|---|
| Period End Occupancy | 96.5% | 96.4% | |
| Leases Commenced | 3.0 MSF | 2.2 MSF | 82% of leasing activity related to renewals mainly in Mexico City and Guadalajara |
| Customer Retention | 83.2% | 77.0% | |
| Net Effective Rent Change | 10.6% | 10.9% | Led by Juarez and Mexico City |
| Cash Same Store NOI | 1.7% | 3.7% | Weaker peso and higher concessions related to longer term partly offset by higher rents |
| Same Store NOI | 1.0% | 3.6% | |

SOLID FINANCIAL POSITION

At September 30, 2018, FIBRA Prologis' leverage was 32.9 percent and liquidity was Ps. 5.8 billion (US\$307.0 million), which included Ps. 5.6 billion (US\$296.0 million) of available

capacity on its unsecured credit facility and Ps. 207.4 million (US\$11.0 million) of unrestricted cash.

"Our balance sheet strength remains a key competitive advantage with low leverage, healthy liquidity and no maturities until 2020," said Jorge Girault, senior vice president, Finance, Prologis Mexico. "Ensuring a flexible balance sheet, we are proactively working on addressing our medium- and long-term maturities."

GUIDANCE UPDATE

"While rent change upon renewal and average occupancy have been very good, our cash same store NOI was impacted by a weaker peso and higher concessions due to longer lease terms," added Girault. "As a result, we are adjusting our cash same store guidance accordingly. We are also providing FFO per CBF1 to include the impact of the incentive fee recorded in the second quarter as well as associated incremental certificates to be issued in the fourth quarter."

| (US\$ in million, except per CBF1 amounts) | Previous | Revised | Notes |
|--|-----------------|-----------------|---|
| Same Store NOI (Cash) | 4.00%-5.00% | 3.00%-4.00% | |
| FFO per CBF1 | \$0.1550-0.1650 | n/a | <i>Excludes the impact of the incentive fee</i> |
| FFO per CBF1 | n/a | \$0.1500-0.1600 | <i>Includes the impact of the incentive fee</i> |

WEBCAST & CONFERENCE CALL INFORMATION

FIBRA Prologis will host a live webcast/conference call to discuss quarterly results, current market conditions and future outlook. Here are the event details:

- Friday, October 26, 2018, at 8 a.m. CT/9 a.m. ET
- Live webcast at www.fibraprologis.com, in the Investor Relations section, by clicking Events
- Dial in: +1 877 256 7020 or +1 973 409 9692 and enter Passcode 93296073.

A telephonic replay will be available October 26– November 2 at +1 855 859 2056 from the U.S. and Canada or at +1 404 537 3406 from all other countries using conference code 93296073 and security code 31833. The replay will be posted in the Investor Relations section of the FIBRA Prologis website.

ABOUT FIBRA PROLOGIS

FIBRA Prologis is a leading owner and operator of Class-A industrial real estate in Mexico. As of September 30, 2018, FIBRA Prologis was comprised of 197 logistics and manufacturing facilities in six industrial markets in Mexico totaling 34.9 million square feet (3.2 million square meters) of gross leasable area.

FORWARD-LOOKING STATEMENTS

The statements in this release that are not historical facts are forward-looking statements. These forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which FIBRA Prologis operates, management's beliefs and assumptions made by management. Such statements involve uncertainties that could significantly impact FIBRA Prologis financial results. Words such as "expects,"

"anticipates," "intends," "plans," "believes," "seeks," "estimates," variations of such words and similar expressions are intended to identify such forward-looking statements, which generally are not historical in nature. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future — including statements relating to rent and occupancy growth, acquisition activity, development activity, disposition activity, general conditions in the geographic areas where we operate, our debt and financial position, are forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Although we believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that our expectations will be attained and therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Some of the factors that may affect outcomes and results include, but are not limited to: (i) national, international, regional and local economic climates, (ii) changes in financial markets, interest rates and foreign currency exchange rates, (iii) increased or unanticipated competition for our properties, (iv) risks associated with acquisitions, dispositions and development of properties, (v) maintenance of real estate investment trust ("FIBRA") status and tax structuring, (vi) availability of financing and capital, the levels of debt that we maintain and our credit ratings, (vii) risks related to our investments (viii) environmental uncertainties, including risks of natural disasters, and (ix) those additional factors discussed in reports filed with the "Comisión Nacional Bancaria y de Valores" and the Mexican Stock Exchange by FIBRA Prologis under the heading "Risk Factors." FIBRA Prologis undertakes no duty to update any forward-looking statements appearing in this release.

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



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