

April 29, 2019



# FIBRA Prologis Announces First Quarter 2019 Earnings Results

MEXICO CITY, April 29, 2019 /PRNewswire/ -- FIBRA Prologis (BMV:FIBRAPL 14), a leading owner and operator of Class-A industrial real estate in Mexico, today reported results for the first quarter of 2019.

## HIGHLIGHTS FROM THE QUARTER:

- Period-end occupancy was 97.5 percent.
- Net effective rents on rollover increased 5.9 percent.
- Weighted average customer retention was 86.9 percent.
- Same store cash NOI grew 3.5 percent.
- Completed net asset dispositions of US\$62 million.
- Refinanced US\$290.0 million of unsecured senior term loan facilities

Net earnings per CBF1 was Ps. 1.0478 (US\$0.0538) for the first quarter compared with Ps. 0.9637 (US\$0.00501) for the same period in 2018.

Funds from operations (FFO) per CBF1 was Ps. 0.8717 (US\$0.0447) for the first quarter compared with Ps. 0.8829 (US\$0.0458) for the same period in 2018.

## STRONG START TO THE YEAR

"FIBRA Prologis had an excellent start to 2019 with better-than-expected operating and financial results," said Luis Gutiérrez, CEO, Prologis Property Mexico. "Market conditions remain favorable with demand for logistics real estate holding steady across our six markets."

| Operating Portfolio       | 1Q19    | 1Q18    | Notes                                                                                                             |
|---------------------------|---------|---------|-------------------------------------------------------------------------------------------------------------------|
| Period End Occupancy      | 97.5%   | 96.0%   | All six markets recorded higher occupancy                                                                         |
| Leases Commenced          | 1.6 MSF | 1.6 MSF | 63% of leasing activity related to Monterrey and Guadalajara                                                      |
| Customer Retention        | 86.9%   | 73.7%   |                                                                                                                   |
| Net Effective Rent Change | 5.9%    | 13.8%   | Led by Monterrey and Reynosa                                                                                      |
| Cash Same Store NOI       | 3.5%    | 6.6%    | Higher expense recoveries and rents partly offset by higher bad debt and concessions related to longer lease term |

## SOLID FINANCIAL POSITION

As of March 31, 2019, FIBRA Prologis' leverage was 32.3 percent and liquidity was Ps. 6.6 billion (US\$340.0 million), which included Ps. 6.2 billion (US\$318.0 million) of available capacity on its unsecured credit facility and Ps. 428.0 million (US\$22.0 million) of unrestricted cash.

"Following the successful refinancing of our 2020 debt maturity, we now have no maturities until 2022," said Jorge Girault, senior vice president, Finance, Prologis Property Mexico. "Our balance sheet is in excellent shape with significant liquidity and a level of flexibility that allows us to act opportunistically when the timing is right."

## **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:

- Tuesday, April 30, 2019, at 9 a.m. CT/10 a.m. ET
- Live webcast at [www.fibraprologis.com](http://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 9345298.

A telephonic replay will be available April 30 – May 7 at +1 855 859 2056 from the U.S. and Canada or at +1 404 537 3406 from all other countries using conference code 9345298. 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 March 31, 2019, FIBRA Prologis was comprised of 192 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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