

PROLOGIS OPERATING METRICS

Percentage Change: Same Store NOI*		Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	FY 2016
Same store NOI (cash) -	As Reported	7.1%	7.2%	6.1%	5.5%	6.4%	5.6%
Prologis share*, global	New Definition	6.3%	6.4%	5.4%	5.1%	5.8%	4.5%
Same store NOI (cash) -	As Reported	8.0%	8.0%	8.0%	6.8%	7.7%	6.7%
Prologis share*, U.S.	New Definition	7.2%	7.1%	7.1%	6.4%	6.9%	5.7%
Same store NOI (net effective) -	As Reported	5.8%	4.6%	4.1%	4.1%	4.7%	5.6%
Prologis share*, global	New Definition	5.0%	4.0%	3.8%	3.9%	4.2%	4.9%
Same store NOI (net effective) -	As Reported	7.1%	5.2%	6.0%	5.4%	5.9%	6.9%
Prologis share*, U.S.	New Definition	6.2%	4.5%	5.6%	5.2%	5.4%	6.4%
Rent Change on Rollover		Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	FY 2016
Rent change (net effective) -	As Reported (sign date)	19.6%	24.0%	22.7%	19.0%	21.5%	17.3%
Prologis share, global	New Definition (commencement date) ¹	18.5%	20.7%	20.5%	23.5%	20.5%	17.1%
Rent change (net effective) -	As Reported (sign date)	29.2%	29.0%	31.9%	29.8%	29.8%	25.1%
Prologis share, U.S.	New Definition (commencement date) ¹	25.1%	26.9%	27.1%	35.0%	27.8%	23.7%
Rent change (cash) -	As Reported (sign date)	8.2%	11.2%	10.6%	8.8%	9.8%	7.3%
Prologis share, global	New Definition (commencement date) ¹	7.7%	9.1%	8.1%	12.7%	9.1%	6.9%
Rent change (cash) -	As Reported (sign date)	13.8%	14.2%	16.3%	14.8%	14.7%	12.4%
Prologis share, U.S.	New Definition (commencement date) ¹	11.1%	13.4%	11.7%	20.2%	13.4%	10.7%
Total Leasing Volume (square feet in thousands)		Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	FY 2016
Operating and Development	As Reported (sign date)	39,426	46,771	40,673	42,411	169,281	180,198
portfolio	New Definition (commencement date) ¹	46,118	32,961	35,533	35,241	149,853	155,892
Customer Retention		Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	FY 2016
	As Reported (sign date)	74%	78%	76%	80%	77%	81%
	New Definition (commencement date) ¹	83%	72%	79%	74%	78%	79%

*This is a non-GAAP financial measure. Please see our Notes and Definitions at the end of this document

1. New definitions exclude short-term leases, defined as a term of less than one year

Same Store. Our same store metrics are non-GAAP 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 define our same store population as our owned and managed properties that were in the operating portfolio at the beginning of the prior year and owned throughout the end of the reported period. The same store population excludes development properties that were not stabilized at the beginning of the period and properties acquired or disposed of to third parties during the period. To derive an appropriate measure of period-to-period operating performance, we remove the effects of foreign currency exchange rate movements by using the reported period end exchange rate to translate from local currency into the U.S. dollar, for both periods. We believe the factors that affect rental revenues, rental recoveries, rental expenses and NOI in the same store portfolio are generally the same as for our consolidated portfolio.

As our same store measures are non-GAAP financial measures, they have certain limitations as analytical tools and may vary among real estate companies. As a result, we provide a reconciliation of rental revenues, rental recoveries and rental expenses from our consolidated financial statements prepared in accordance with GAAP to same store property NOI with explanations of how these metrics are calculated. In addition, we further remove certain non-cash items (straight-line rent adjustments and amortization of lease intangibles) included in the financial statements prepared in accordance with GAAP 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.

Please refer to previously furnished Supplemental Information for the “As Reported” quarterly reconciliation of our consolidated rental revenues, rental recoveries, rental expenses and property NOI, as included in the Consolidated Statements of Operations, to the respective amounts in our same store pool analysis.

Rent Change (Cash) represents the change in starting rental rates per the lease agreement, on new and renewed leases, commenced during the periods as compared with the previous ending rental rates in that same space. This measure excludes any short-term leases of less than one-year, free rent periods as well as teaser rates defined as 50% or less of the stabilized rate.

Rent Change (Net Effective) represents the change in net effective rental rates (average rate over the lease term), on new and renewed leases, commenced during the period as compared with the previous effective rental rates in that same space. This measure excludes any short-term leases, defined as a term of less than one year.

Retention is the square footage of all leases commenced 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, short-term tenants and the square footage of short-term leases, defined as a term of less than one year, are not included in the calculation.