NAREIT REITWeek 2013

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June 5-6, 2013

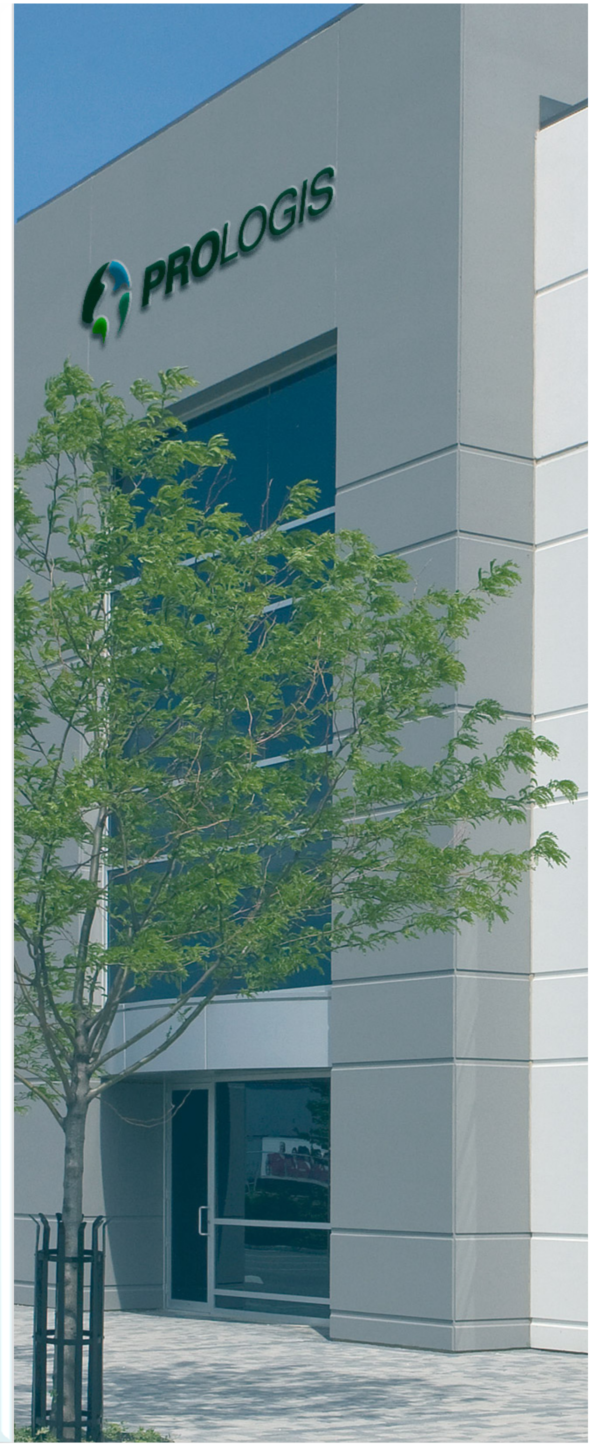
Chicago, IL

Forward-Looking Statements

The statements in this presentation that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which Prologis operates, management's beliefs and assumptions made by management. Such statements involve uncertainties that could significantly impact 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, development activity and changes in sales or contribution volume of properties, disposition activity, general conditions in the geographic areas where we operate, our debt and financial position, our ability to form new co-investment ventures and the availability of capital in existing or new co-investment ventures — 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 ("REIT") 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 in our co-investment ventures and funds, including our ability to establish new co-investment ventures and funds, (viii) risks of doing business internationally, including currency risks, (ix) environmental uncertainties, including risks of natural disasters, and (x) those additional factors discussed in reports filed with the Securities and Exchange Commission by Prologis under the heading "Risk Factors." Prologis undertakes no duty to update any forward-looking statements appearing in this presentation.

Contents

TABLE OF CONTENTS



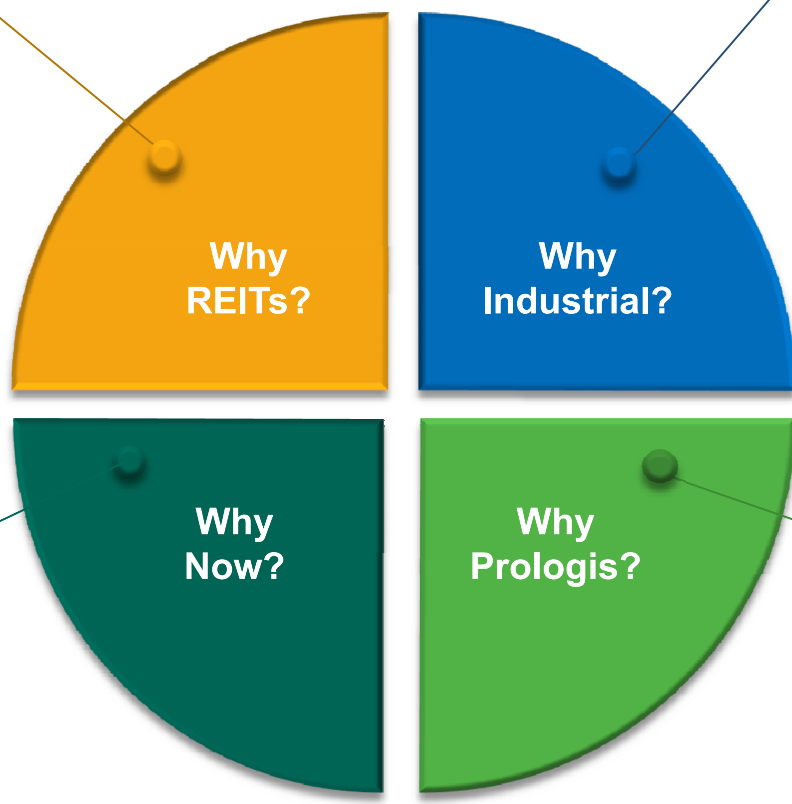
A Compelling Opportunity

Why REITs?

- Consistent income stream
- Consistent out performance vs. major indices *(DJIA/S&P500)*
- Hedge against inflation

Why Industrial?

- Stable occupancy
- Lower volatility of returns
- Low levels of capital expenditures in relation to NOI
- Challenging to assemble in quantity



Why Now?

- Global recovery underway
- Inventories at unprecedented lows
- Very limited new construction over the last 5 years
- Operating fundamentals improving
- Ongoing supply chain reconfiguration

Why Prologis?

- Unmatched global platform
- Best customer brand in the real estate industry
- Best and most diverse real estate organization
- World's leading industrial property developer
- Market leading Strategic Capital business

Total Return Performance & Volatility

Source: National Council of Real Estate Investment Fiduciaries (NCREIF)

1. Risk free rate is the 3 month Treasury Bill

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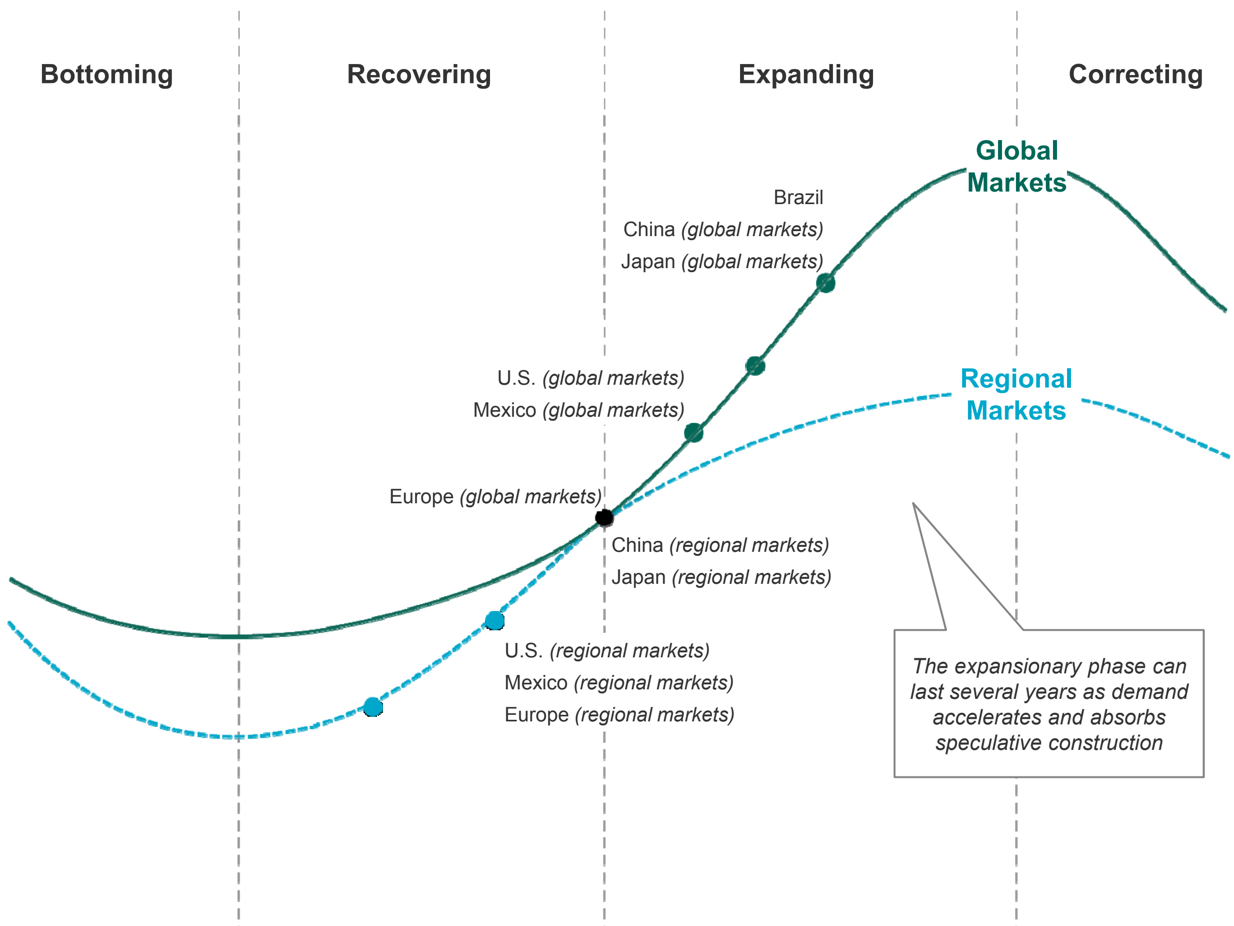
Prologis Industrial Cycle Chart, Global

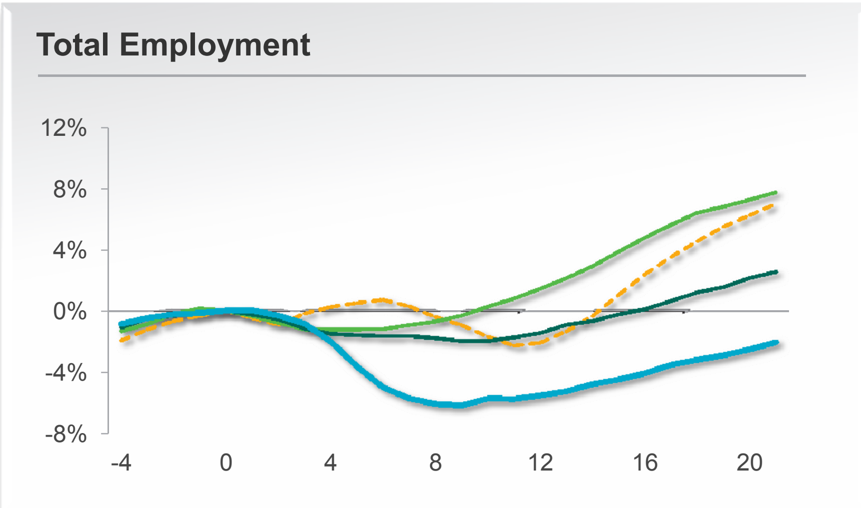
- Emerging markets are strongest
- In Brazil, the emergence of a modern supply chain has created significant demand for new developments
- China benefits from the same trend – market conditions are tighter in tier one cities while some excess supply in a handful of smaller markets
- In Japan, market conditions are similarly strong and tight, particularly in global markets
- In the U.S., many global markets have led the recovery, and the recovery is broadening to regional markets
- In Mexico, Mexico City leads with a solid expansion, however higher supply in other global markets reduces the country's overall position
- The fundamental recovery in Europe lags the U.S. – Western Europe leads but markets in the CEE with lower barriers to supply have lagged the recovery

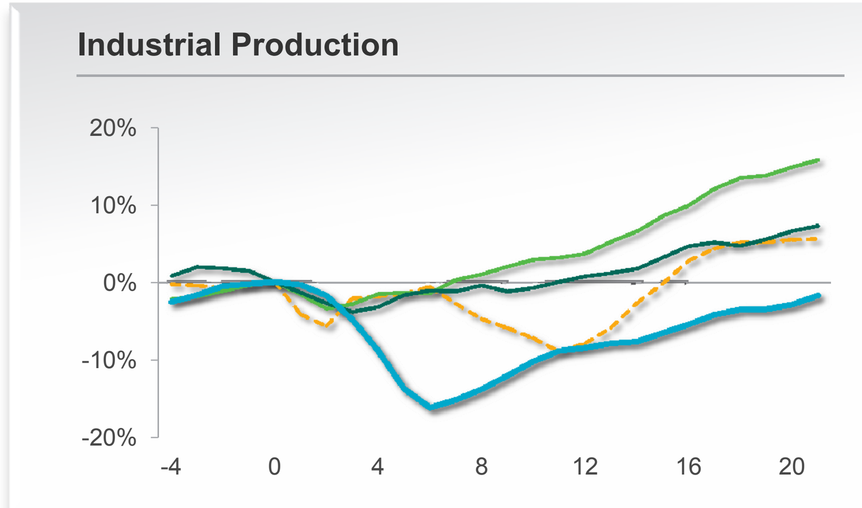
Market Fundamental Cycles (1Q 2013)

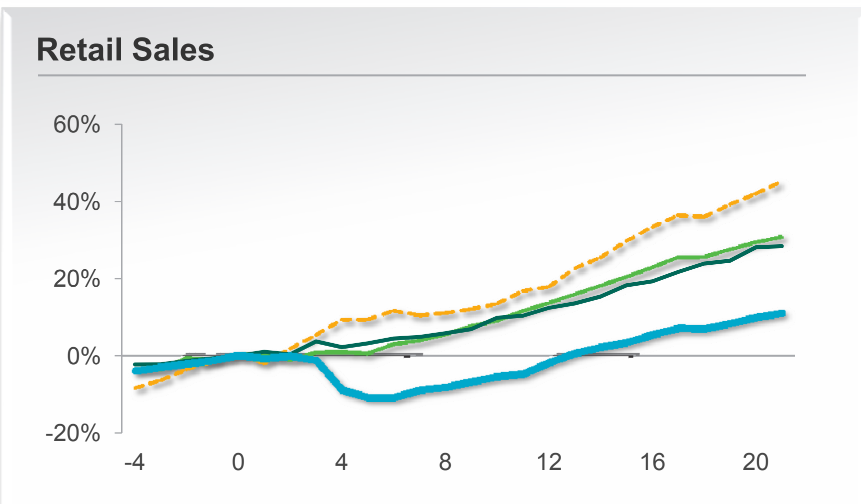


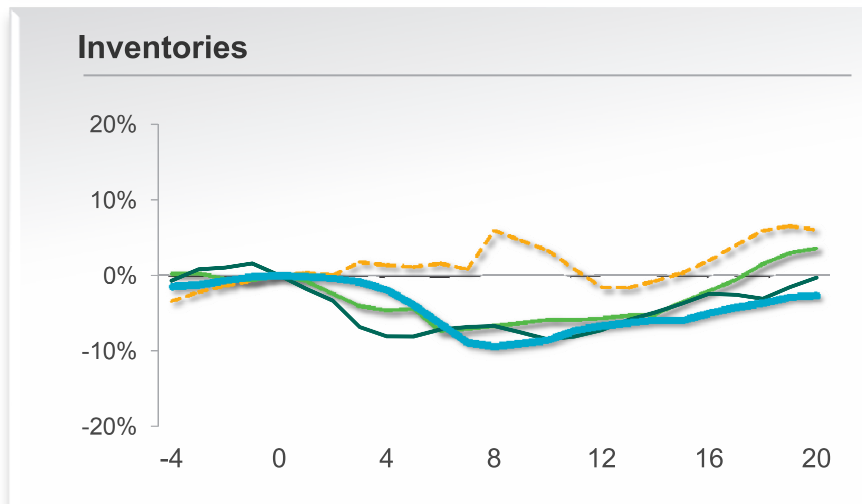
Source: Prologis Research

Improving U.S. Demand Drivers *(% Change by Quarter)*





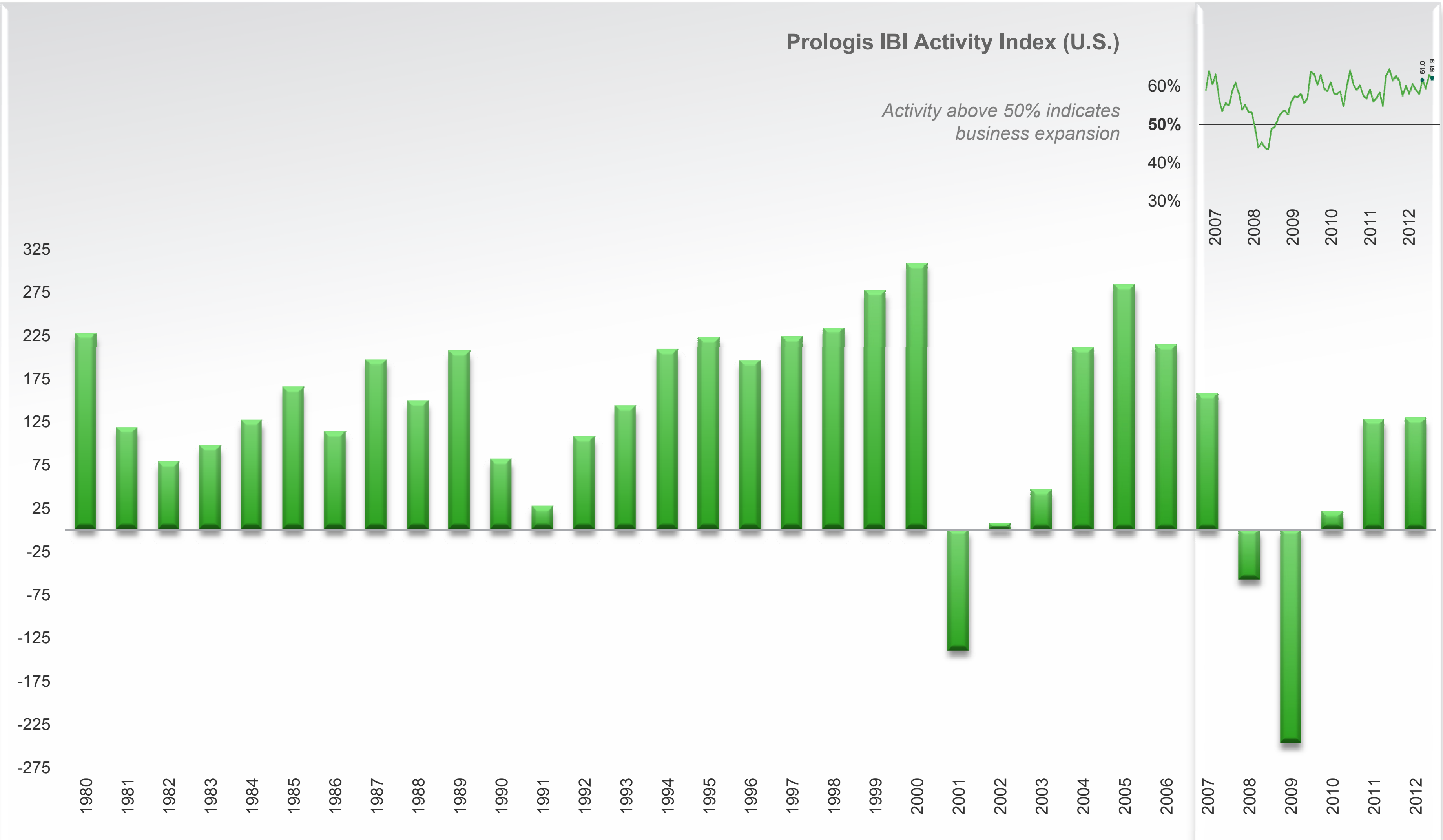




Prior Cycles: 1979–81 1990 2000 2007

Data represents change since the start of recession in quarters.
Sources: CBRE, Prologis Research

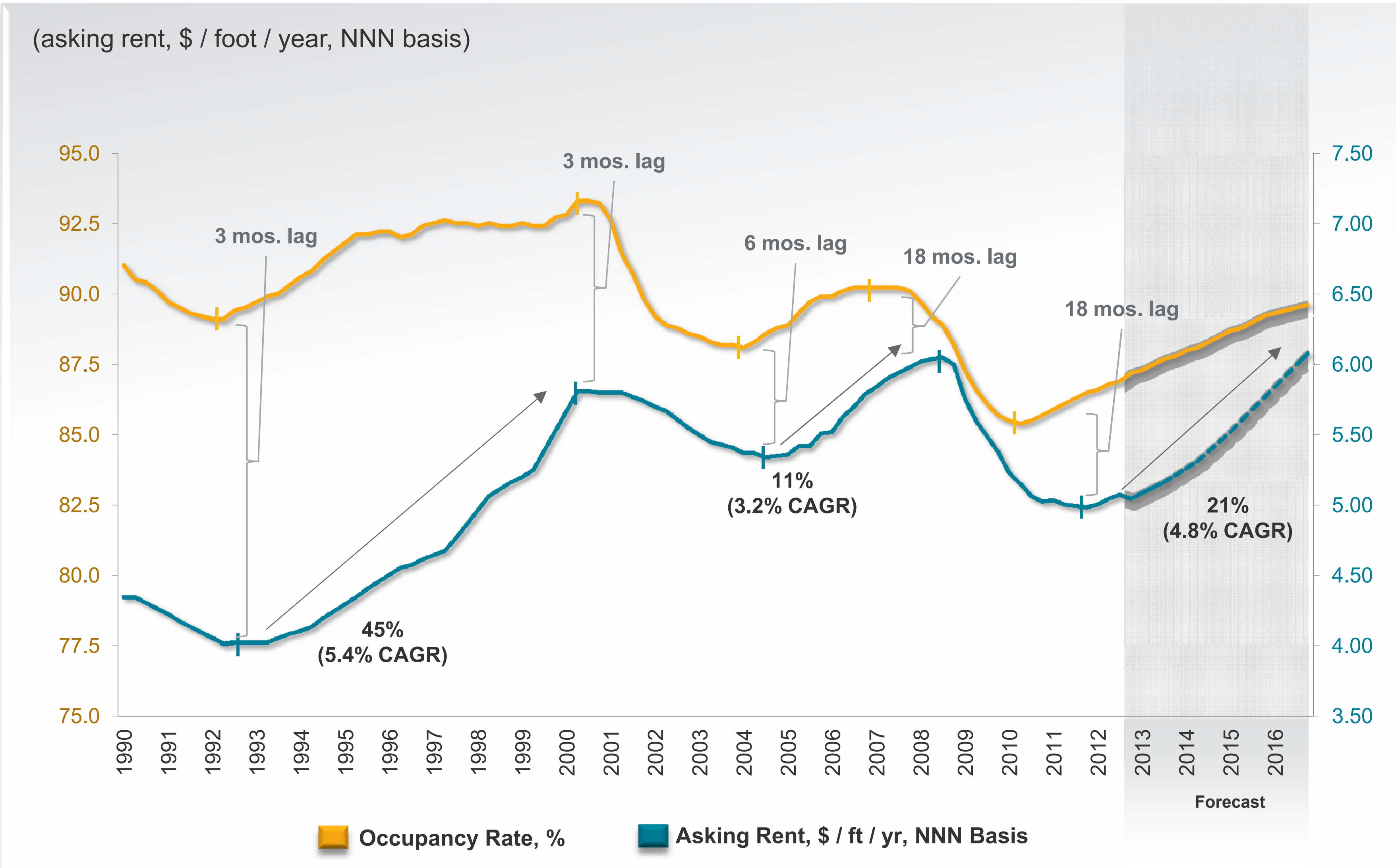
U.S. Industrial Recovery is Strengthening



Projected 2013 net absorption of 150M square feet is the highest since the downturn

Sources: CBRE, Prologis Research

U.S. Occupancy and Rent Trends



Sources: CBRE, Prologis Research

World's Largest Industrial Property Company

- Leading global owner, operator and developer of industrial real estate
- $48.6 billion in assets under management[1], across 21 countries and four continents
- $22.8 billion in strategic capital assets under management in 17 geographically diverse funds
- Breadth and depth of team is unparalleled in the real estate industry
- Long history of industry-leading corporate governance and transparency

Note: Data as of March 31, 2013 except where noted
1. As of May 1, 2013

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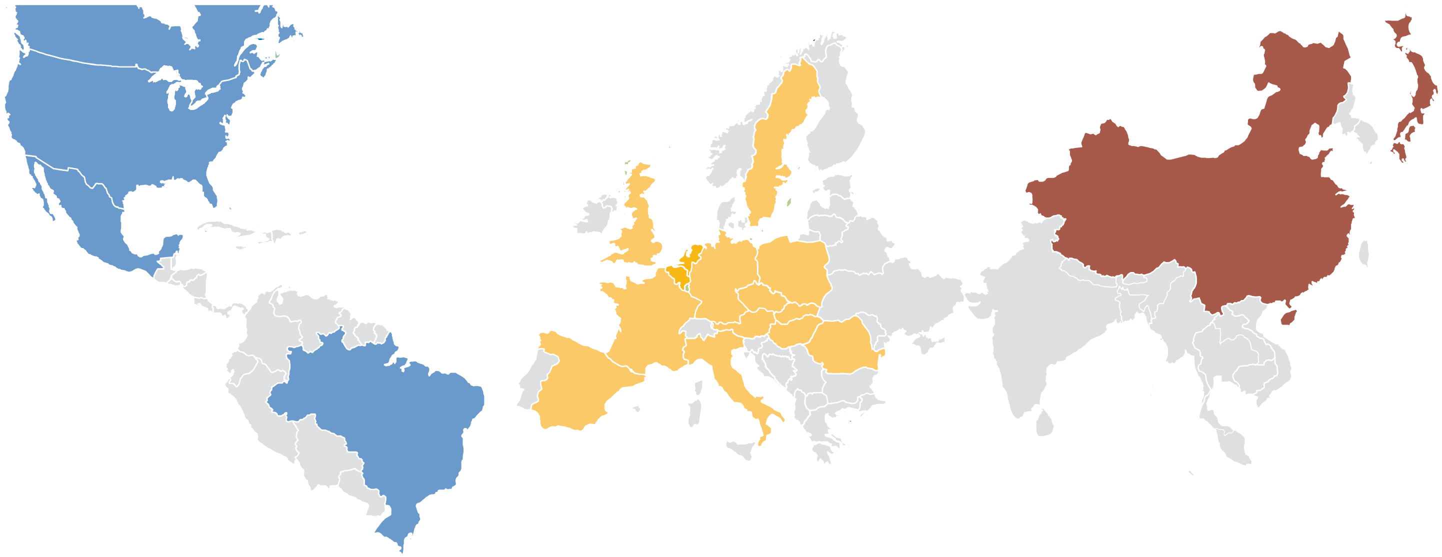
Unmatched Global Platform



	Americas		Europe		Asia		Total	
	Total	Prologis' Share	Total	Prologis' Share	Total	Prologis' Share	Total	Prologis' Share
Total Portfolio[1] – Square Feet / Square Meters (mm)	384 / 36	*73%*	139 / 13	*47%*	36 / 3	*51%*	559 / 52	*65%*
Development – TEI ($mm)	$1,100	*84%*	$152	*82%*	$785	*90%*	$2,037	*86%*
Land (acres)	7,314	*98%*	3,449	*100%*	206	*52%*	10,969	*98%*

Platform covers countries representing ~70% of global GDP[2]

Note: Data as of March 31, 2013
1. Comprises Prologis' operating, development and other portfolio
2. Source: International Monetary Fund

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Prologis' Business Lines

OPERATIONS Collect Rent	STRATEGIC CAPITAL Generate Fees	DEVELOPMENT Create Value
▪ Stable income stream ▪ Global presence/local market expertise ▪ Diversified global customer base	▪ Recurring annuity stream diversified by geography and capital source ▪ Expands global operating platform ▪ Less Prologis capital and lower currency exposure	▪ Various demand drivers exist across all business cycles ▪ Established customer relationships drive BTS opportunities ▪ Existing land bank represents an asset as markets recover
▪ $2.3B of annualized NOI *($1.5B Prologis' share)* ▪ 559 msf *(365 msf Prologis' share)* / 21 countries / 4 continents ▪ 4,500 customers	▪ $135M annualized strategic capital revenue(1) ▪ $22.8B of AUM ($5.8B Prologis' share) ▪ 145 private investors	▪ $2.0B under development ($1.8B Prologis' share) ▪ Expected value creation $439M ($371M Prologis' share)(1) ▪ $1.9B land portfolio in key global and regional markets
▪ Expect significant rent recovery through 2016 ▪ Occupancy gains ▪ Long-term growth from annual contractual rent increases	▪ Increased revenues from incremental AUM ▪ Significant promote opportunities from recovery	▪ Supply of Class-A facilities remains constrained ▪ Opportunities in key global markets for new development ▪ Land undervalued on a book basis

Note: Data as of March 31, 2013
1. Excludes promotes and development fees

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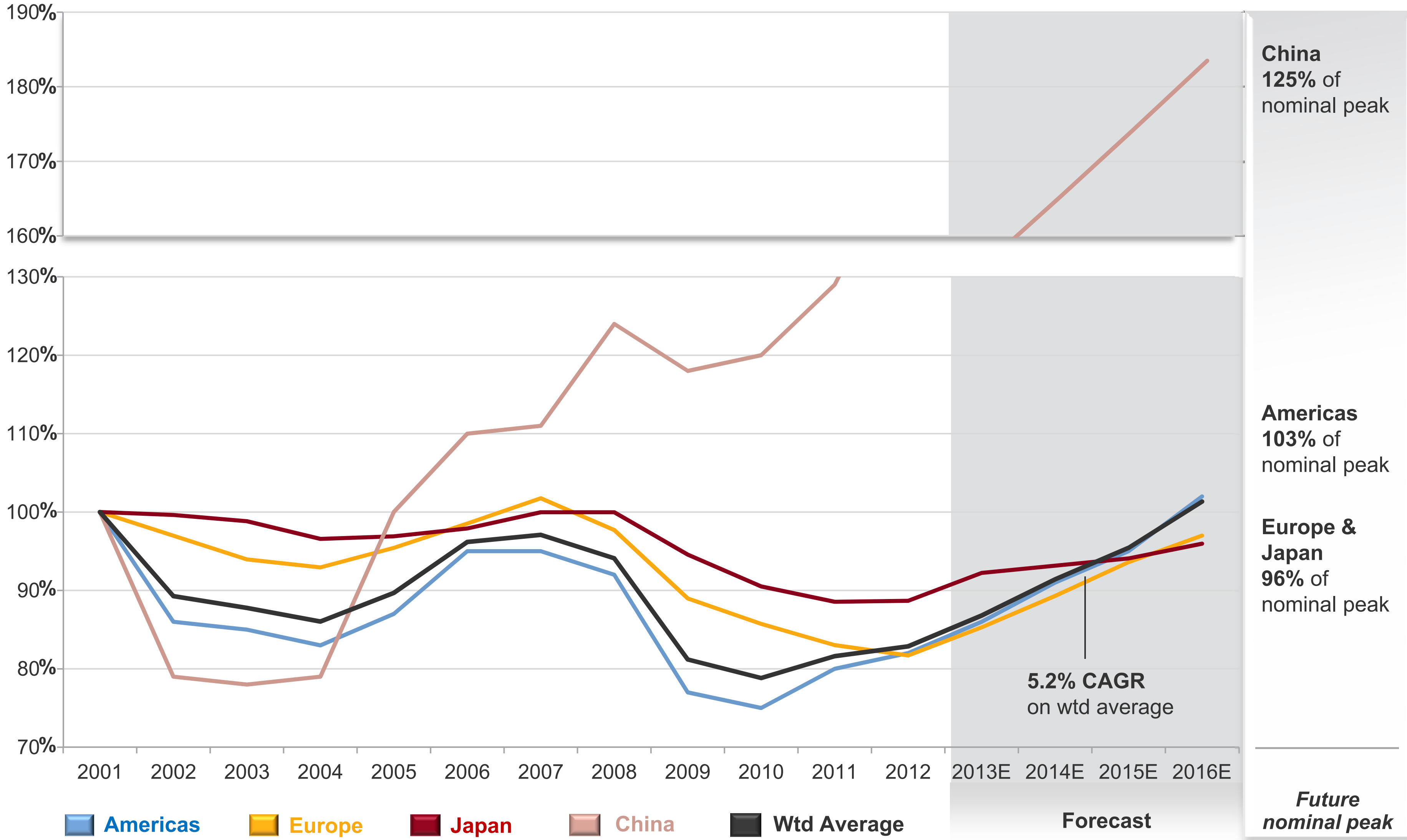
Global Rent Recovery – Significant NOI Growth Potential



Source: Prologis Research, CBRE

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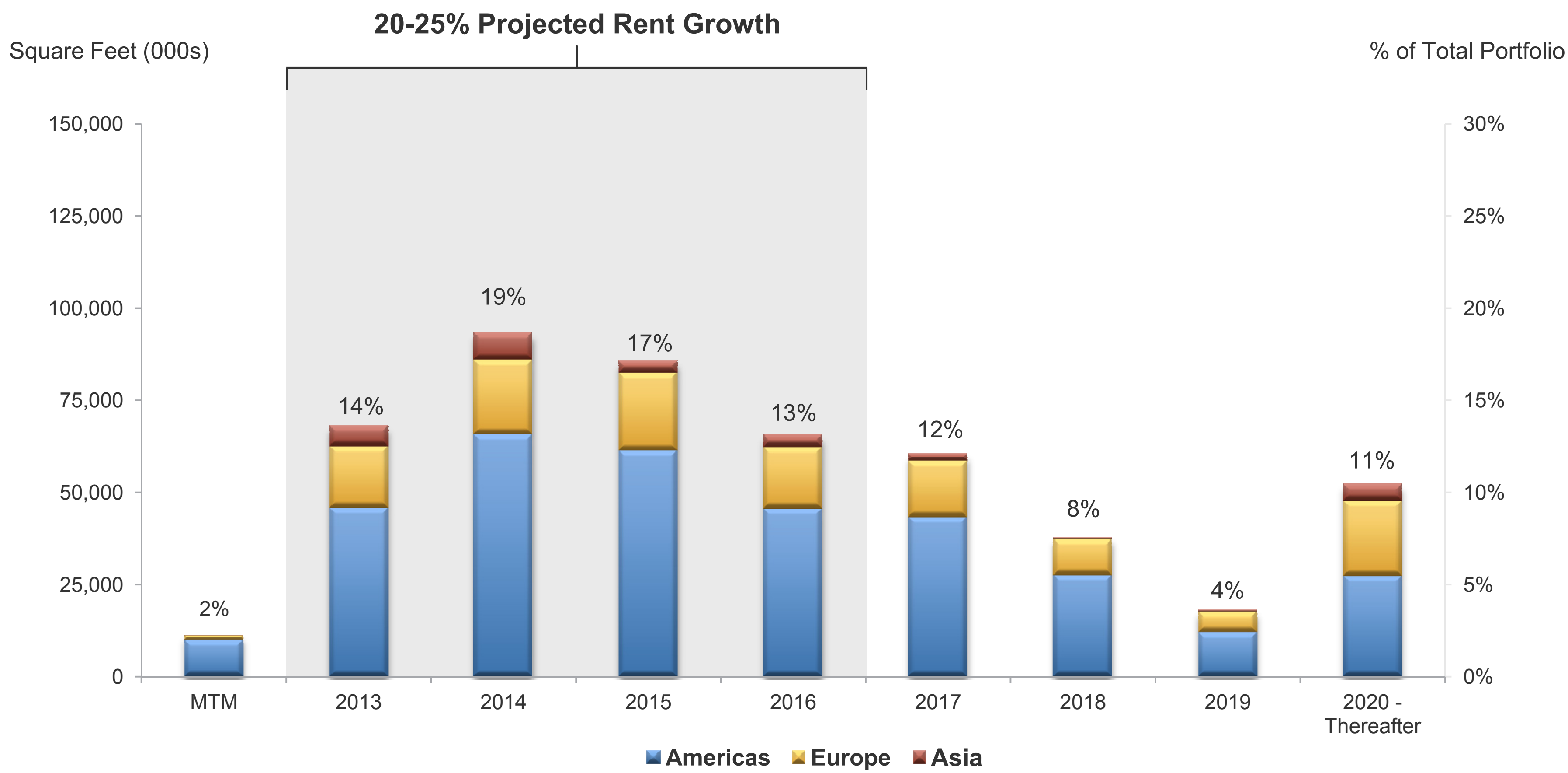
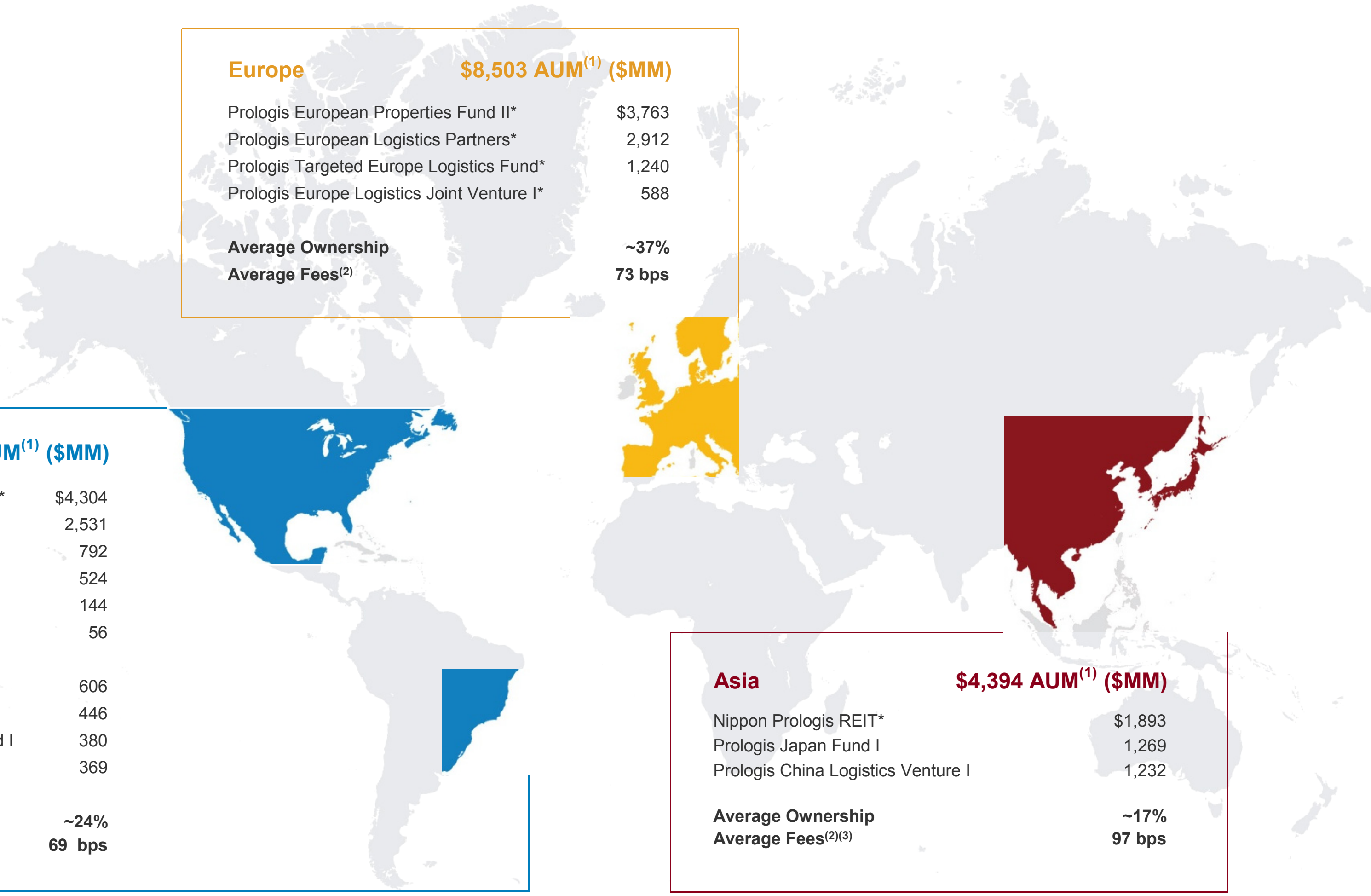
Lease Expirations



Re-leasing space at higher rents as leases expire

Note: Data as of March 31, 2013

Strategic Capital – $22.8 Billion AUM



Europe	$8,503 AUM[1] ($MM)
Prologis European Properties Fund II*	$3,763
Prologis European Logistics Partners*	2,912
Prologis Targeted Europe Logistics Fund*	1,240
Prologis Europe Logistics Joint Venture I*	588
Average Ownership	**~37%**
Average Fees[2]	**73 bps**

Americas	$9,882 AUM[1] ($MM)
Prologis Targeted U.S. Logistics Fund*	$4,304
Prologis NA Industrial*	2,531
Prologis NA Industrial III	792
Prologis Institutional Alliance Fund II	524
Prologis AMS	144
Prologis DFS Fund I	56
Prologis Fondo Logistico	606
Prologis Mexico Industrial	446
Prologis Brazil Logistics Partners Fund I	380
Prologis SGP Mexico	369
Average Ownership	**~24%**
Average Fees[2]	**69 bps**

Asia	$4,394 AUM[1] ($MM)
Nippon Prologis REIT*	$1,893
Prologis Japan Fund I	1,269
Prologis China Logistics Venture I	1,232
Average Ownership	**~17%**
Average Fees[2][3]	**97 bps**

Infinite life ventures represent 77% of fair market value and generate $120 million in ongoing, annual revenues [4]

* Indicates open end fund
1. AUM is based on fair market value of strategic capital co-investment ventures and estimated investment capacity as of March 31, 2013
2. Represents asset management and property management fees generated as a percentage of AUM
3. China fees are based on committed capital, rather than AUM
4. Fair market value represents all co-investment ventures regardless of consolidation and does not include investment capacity. On-going fee revenue relates only to unconsolidated ventures

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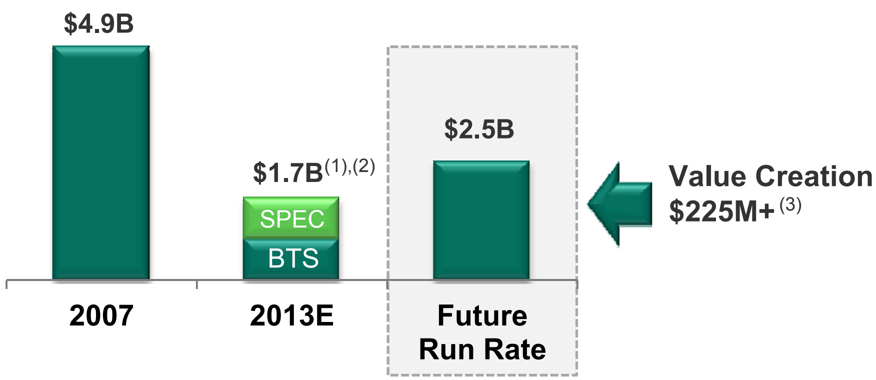
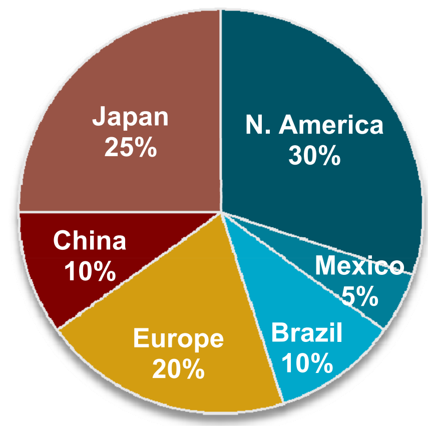
Global Development Overview

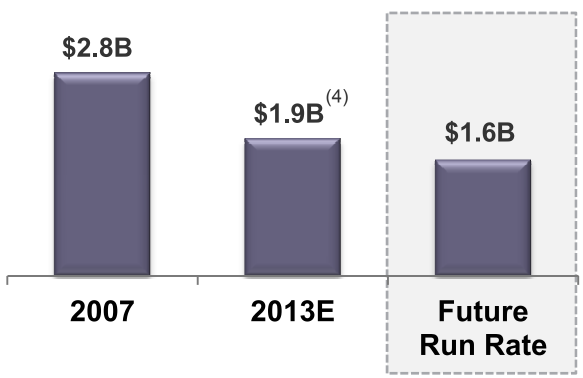
Development Starts



Projected Development Mix ~$2.5B



Land Portfolio



Key Points

- Over the long-term, expect BTS margins of 10-12% and speculative margins of 15-17%
- Underwrite our cost of capital into every development project
- Land generally represents 20-25% of construction cost
- Today, undervalued land bank resulting in outsized margins of 20%+

Pipeline and strategic land bank provide substantial value creation opportunities

1. Mid-point of 2013 Development Start guidance of $1.5 to $1.8B
2. 2013 development starts are projected to be 40% BTS
3. Assumes $2.5B of annual development starts at 15% margin, with Prologis share totaling 60% (varies based on geography); excludes $40M of expected annual value creation from Value-Added Acquisitions (VAAs) and Value-Added Conversions (VACs)
4. Land Portfolio at Q1 2013 had a book value of $1.9B with an original cost basis of $2.9B

Strategic Priorities – Scorecard

Strategic Priorities	Merger[1]	3/31/13	Target	Status
Portfolio realignment				
▪ Total Portfolio Size	600MSF	559MSF	–	Ahead
▪ % in Global Markets	79.0%	85.0%	90.0%	
▪ Average Age	16.6 yrs	16.1 yrs	–	
▪ Dispositions[2]	N/A	$2.4B	$2.9B	
Asset utilization				
▪ Occupancy	90.7%	93.7%	95.0%	On Track
▪ Land Bank	$2.0B	$1.9B	$1.6B	
Strengthen Financial Position				
▪ Look-Through Leverage *(% of gross real estate)*[3]	50.4%	39.6%[4]	30.0%	On Track
▪ Debt / Adjusted EBITDA	10.4x	7.5x	6.0x	
▪ Fixed Charge Coverage	2.0x	2.2x	2.7x	
▪ Unencumbered Debt Service Coverage Ratio	2.3x	3.2x	3.0x	
▪ U.S. Dollar Net Equity	45.0%	66.0%	80.0%	
Streamline Strategic Capital				
▪ Number of Funds	22	17	11	Ahead
▪ New Fund Formation[5]	–	2	3	
Systems and People				
▪ G&A % of AUM	110 bps	61 bps	< 60 bps	Completed / On Track
▪ Synergies	$80M	$115M	$115M	
▪ Systems Implementation (PeopleSoft, IGP, Hyperion, Yardi, DM, CRM)	N/A	85%	100%	

1. At June 3, 2011
2. From July 1, 2011 through March 31, 2013
3. Look through leverage including preferreds
4. Proforma look-through-leverage with assumed use of proceeds from follow-on offering on May 5, 2013 was 35.9%
5. Includes the formation of Prologis European Logistics Partners (Norges JV) and Nippon Prologis REIT (J-REIT)

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2013 Sources & Uses *(Prologis' Share in Millions)*

2013 Capital Sources Guidance	Total
NPR (J-REIT) / Norges JV Contributions	3,200
Dispositions & Remaining Contributions	2,300
Total 2013 Sources	**$5,500**

2013 Capital Uses Guidance	Total
Deployment[1]	1,400
Debt Transfer[2]	1,100
Corporate Debt, Convertibles, Other Debt	2,500
Preferred Securities	500
Total 2013 Uses	**$5,500**

Offering Capital Sources	Total
Follow-on Offering	1,500
Total Additional Capital Sources	**$1,500**

Offering Capital Uses	Total
Growth Capital:	600
Further Investment into Existing Funds	
Incremental Acquisitions / Development	
Debt Repayment / Future Growth Capacity	900
Total Additional Capital Uses	**$1,500**

Total Capital Sources	**$7,000**
Total Capital Uses	**$7,000**

Prologis is positioned for opportunistic growth

1. Deployment refers to both development starts and acquisitions
2. Debt related to NPR and Norges JV transactions to be transferred with the assets

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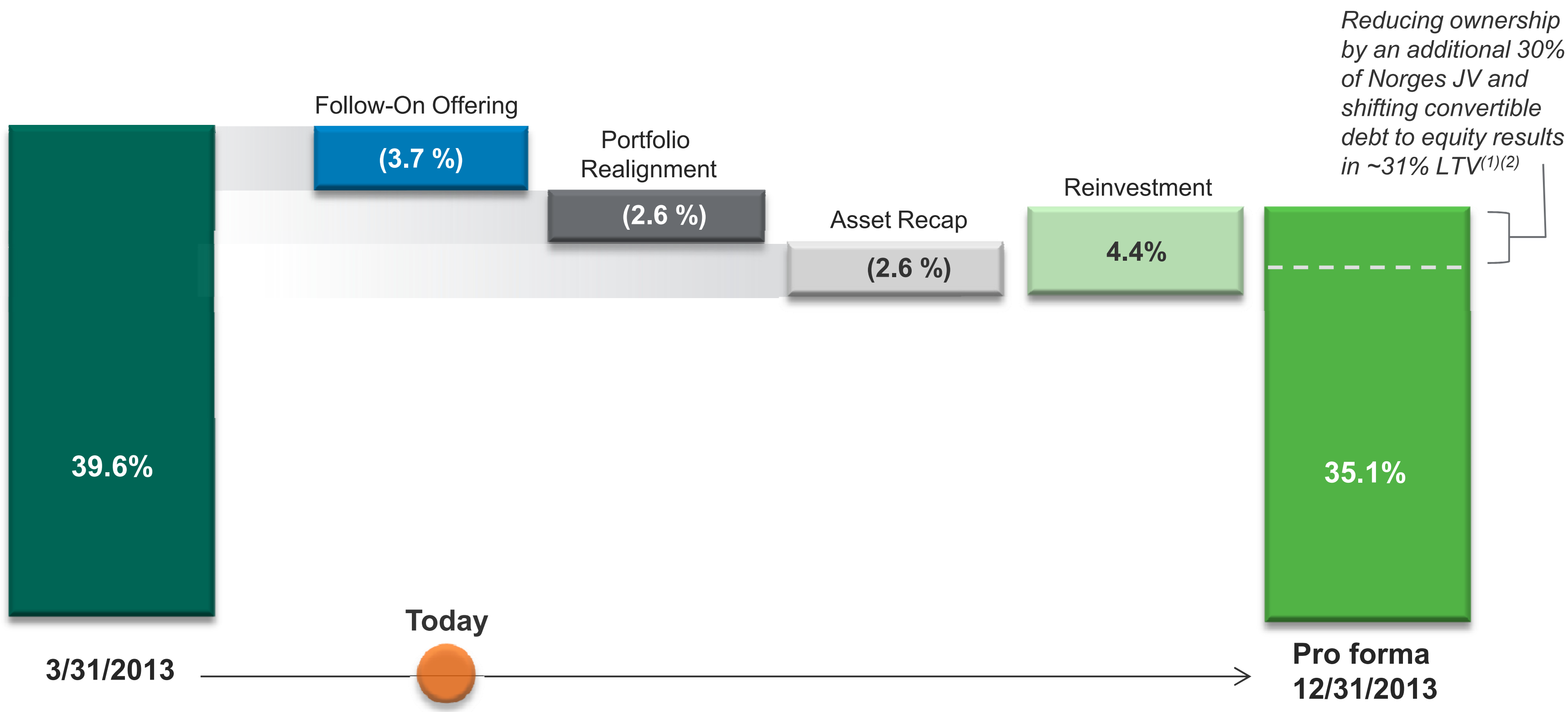
Impact on Look-Through Leverage



39.6%	**Net debt[3] + preferreds / Gross real estate[4]**	35.1%
37.5%	**Net debt[3] / Gross real estate[4]**	34.7%
7.5x	**Net debt[3] / Adjusted EBITDA[5]**	6.8x
6.2x	**Net debt[6] / Adjusted EBITDA[5][7] (adjusted for development)**	5.8x
66.0%	**U.S. Dollar Net Equity**	70.0%

1. Option to sell up to additional 30% of Norges JV available following the second anniversary of the closing date
2. Assumes $460 million of in-the-money convertible debt is exchanged into equity in Q1 2015
3. Net debt represents total consolidated debt plus pro rata share of unconsolidated debt less cash and cash equivalents
4. Gross real estate assets represents book value of consolidated properties plus pro rata share of unconsolidated properties
5. Adjusted EBITDA represents last quarter annualized and includes pro rata share of unconsolidated EBITDA
6. Net debt plus Prologis' share of costs to complete development less Prologis' share of current book value of land
7. Includes annualized pro forma NOI for properties under development

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Key Takeaways

- Unmatched global franchise
- Recovery in industrial real estate markets continues around the globe
- We have a clear and focused strategy with a disciplined approach to execution
- Additional earnings potential from growth in rent and occupancy and value creation activities
- Progress on strategic priorities is ahead of schedule

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Select Properties

Prologis Park Zama 1 / 2 — Tokyo, Japan

Prologis Park Osaka 2 — Osaka, Japan

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Prologis Shanghai Qingpu Distribution Center — Shanghai, China

Prologis CDG Cargo Center — Paris, France

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Prologis Park Blonie 2 — Warsaw, Poland

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Prologis Park Cajamar — Sao Paulo, Brazil

Prologis Park Apodaca — Monterrey, Mexico

Reporting Definitions

Please refer to our annual and quarterly financial statements filed with the Securities and Exchange Commission on Forms 10-K and 10-Q and other public reports for further information about us and our business.

FFO, as defined by Prologis; Core FFO; AFFO (collectively referred to as "FFO"). FFO is a non-GAAP measure that is commonly used in the real estate industry. The most directly comparable GAAP measure to FFO is net earnings. Although the National Association of Real Estate Investment Trusts ("NAREIT") has published a definition of FFO, modifications to the NAREIT calculation of FFO are common among REITs, as companies seek to provide financial measures that meaningfully reflect their business.

FFO is not meant to represent a comprehensive system of financial reporting and does not present, nor do we intend it to present, a complete picture of our financial condition and operating performance. We believe net earnings computed under GAAP remains the primary measure of performance and that FFO is only meaningful when it is used in conjunction with net earnings computed under GAAP. Further, we believe our consolidated financial statements, prepared in accordance with GAAP, provide the most meaningful picture of our financial condition and our operating performance.

NAREIT's FFO measure adjusts net earnings computed under GAAP to exclude historical cost depreciation and gains and losses from the sales, along with impairment charges, of previously depreciated properties. We agree that these NAREIT adjustments are useful to investors for the following reasons:

(i) historical cost accounting for real estate assets in accordance with GAAP assumes, through depreciation charges, that the value of real estate assets diminishes predictably over time. NAREIT stated in its White Paper on FFO "since real estate asset values have historically risen or fallen with market conditions, many industry investors have considered presentations of operating results for real estate companies that use historical cost accounting to be insufficient by themselves." Consequently, NAREIT's definition of FFO reflects the fact that real estate, as an asset class, generally appreciates over time and depreciation charges required by GAAP do not reflect the underlying economic realities.

(ii) REITs were created as a legal form of organization in order to encourage public ownership of real estate as an asset class through investment in firms that were in the business of long-term ownership and management of real estate. The exclusion, in NAREIT's definition of FFO, of gains and losses from the sales, along with impairment charges, of previously depreciated operating real estate assets allows investors and analysts to readily identify the operating results of the long-term assets that form the core of a REIT's activity and assists in comparing those operating results between periods. We include the gains and losses from dispositions and impairment charges of land and development properties, as well as our proportionate share of the gains and losses from dispositions and impairment charges recognized by our unconsolidated entities, in our definition of FFO.

Our FFO Measures

At the same time that NAREIT created and defined its FFO measure for the REIT industry, it also recognized that "management of each of its member companies has the responsibility and authority to publish financial information that it regards as useful to the financial community." We believe stockholders, potential investors and financial analysts who review our operating results are best served by a defined FFO measure that includes other adjustments to net earnings computed under GAAP in addition to those included in the NAREIT defined measure of FFO. Our FFO measures are used by management in analyzing our business and the performance of our properties and we believe that it is important that stockholders, potential investors and financial analysts understand the measures management uses.

We use these FFO measures, including by segment and region, 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) assess our performance as compared to similar real estate companies and the industry in general; and (v) 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 short-term items that we do not expect to affect the underlying long-term performance of the properties. The long-term performance of our properties is principally driven by rental income. While not infrequent or unusual, these additional items we exclude in calculating FFO, as defined by Prologis, are subject to significant fluctuations from period to period that cause 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.

We use our FFO measures as supplemental financial measures of operating performance. We do not use our FFO measures as, nor should they be considered to be, alternatives to net earnings computed under GAAP, as indicators of our operating performance, as alternatives to cash from operating activities computed under GAAP or as indicators of our ability to fund our cash needs.

FFO, as defined by Prologis

To arrive at FFO, as defined by Prologis, we adjust the NAREIT defined FFO measure to exclude:

(i) deferred income tax benefits and deferred income tax expenses recognized by our subsidiaries;
(ii) current income tax expense related to acquired tax liabilities that were recorded as deferred tax liabilities in an acquisition, to the extent the expense is offset with a deferred income tax benefit in GAAP earnings that is excluded from our defined FFO measure;
(iii) foreign currency exchange gains and losses resulting from debt transactions between us and our foreign consolidated subsidiaries and our foreign unconsolidated entities;
(iv) foreign currency exchange gains and losses from the remeasurement (based on current foreign currency exchange rates) of certain third party debt of our foreign consolidated subsidiaries and our foreign unconsolidated entities; and
(v) mark-to-market adjustments associated with derivative financial instruments.

We calculate FFO, as defined by Prologis for our unconsolidated entities on the same basis as we calculate our FFO, as defined by Prologis.

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.

Core FFO

In addition to FFO, as defined by Prologis, we also use Core FFO. To arrive at Core FFO, we adjust FFO, as defined by Prologis, to exclude the following recurring and non-recurring items that we recognized directly or our share recognized by our unconsolidated entities to the extent they are included in FFO, as defined by Prologis:

(i) gains or losses from acquisition, contribution or sale of land or development properties;

(ii) income tax expense related to the sale of investments in real estate;

(iii) impairment charges recognized related to our investments in real estate (either directly or through our investments in unconsolidated entities) generally as a result of our change in intent to contribute or sell these properties;

(iv) impairment charges of goodwill and other assets;

(v) gains or losses from the early extinguishment of debt;

(vi) merger, acquisition and other integration expenses; and

(vii) expenses related to natural disasters.

We believe it is appropriate to further adjust our FFO, as defined by Prologis for certain recurring items as they were driven by transactional activity and factors relating to the financial and real estate markets, rather than factors specific to the on-going operating performance of our properties or investments. The impairment charges we recognized were primarily based on valuations of real estate, which had declined due to market conditions, that we no longer expected to hold for long-term investment. We currently have and have had over the past several years a stated priority to strengthen our financial position. We expect to accomplish this by reducing our debt, our investment in certain low yielding assets, such as land that we decide not to develop and our exposure to foreign currency exchange fluctuations. As a result, we have sold to third parties or contributed to unconsolidated entities real estate properties that, depending on market conditions, might result in a gain or loss. The impairment charges related to goodwill and other assets that we have recognized were similarly caused by the decline in the real estate markets. Also in connection with our stated priority to reduce debt and extend debt maturities, we have purchased portions of our debt securities. As a result, we recognized net gains or losses on the early extinguishment of certain debt due to the financial market conditions at that time.

We have also adjusted for some non-recurring items. The merger, acquisition and other integration expenses include costs we incurred in 2012 associated with the Merger and PEPR Acquisition and the integration of our systems and processes. We have not adjusted for the acquisition costs that we have incurred as a result of routine acquisitions but only the costs associated with significant business combinations that we would expect to be infrequent in nature.

We analyze our operating performance primarily by the rental income of our real estate and the revenue driven by our strategic capital business, 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. As a result, although these items 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 Core FFO, including by segment and region, 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 income. 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.

Reporting Definitions

Limitations on Use of our FFO Measures

While we believe our defined 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 GAAP and are, therefore, limited as an analytical tool. Accordingly, they are two of many measures we use when analyzing our business. Some of these limitations are:

The current income tax expenses that are excluded from our defined FFO measures represent the taxes that are payable.

Depreciation and 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. Further, the amortization of capital expenditures and leasing costs necessary to maintain the operating performance of industrial properties are not reflected in FFO.

Gains or losses from property acquisitions and dispositions or impairment charges related to expected dispositions represent changes in the 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 deferred income tax benefits and expenses that are excluded from our defined FFO measures result from the creation of a deferred income tax asset or liability that may have to be settled at some future point. Our defined FFO measures do not currently reflect any income or expense that may result from such settlement.

The foreign currency exchange gains and losses that are excluded from our defined 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 impairment charges of goodwill and other assets that we exclude from Core FFO, have been or may be realized as a loss in the future upon the ultimate disposition of the related investments or other assets through the form of lower cash proceeds.

The gains and losses on extinguishment of debt that we exclude from our Core FFO, may provide a benefit or cost to us as we may be settling our debt at less or more than our future obligation.

The Merger, acquisition and other integration expenses and the natural disaster expenses that we exclude from Core FFO are costs that we have incurred.

We compensate for these limitations by using our FFO measures only in conjunction with net earnings computed under GAAP when making our decisions. To assist investors in compensating for these limitations, we reconcile our defined FFO measures to our net earnings computed under GAAP. This information should be read with our complete financial statements prepared under GAAP.

Assets Under Management ("AUM") represents the estimated value of the real estate we own or manage through our consolidated entities and unconsolidated entities. We calculate AUM by adding the noncontrolling interests' share of the estimated fair value of the real estate investment to our share of total market capitalization.

Adjusted EBITDA. We use Adjusted EBITDA to measure both our operating performance and liquidity. We calculate Adjusted EBITDA beginning with consolidated net earnings (loss) and removing the effect of interest, income taxes, depreciation and amortization, impairment charges, gains or losses from the acquisition or disposition of investments in real estate, gains or losses on early extinguishment of debt and derivative contracts (including cash charges), similar adjustments we make to our Adjusted FFO (see definition below), and other non-cash charges or gains (such as stock based compensation amortization and unrealized gains or losses on foreign currency and derivative activity), including our share of these items from unconsolidated entities.

We consider Adjusted EBITDA to provide investors relevant and useful information because it permits investors to view income from operations on an unleveraged basis before the effects of income tax, non-cash depreciation and amortization expense and other items (including stock-based compensation amortization and certain unrealized gains and losses), gains or losses from the acquisition or disposition of investments in real estate, items that affect comparability, and other significant non-cash items. We also included a pro forma adjustment in Adjusted EBITDA to reflect a full period of NOI on the operating properties we acquired or disposed of in a significant transaction assuming the transaction occurred at the beginning of the quarter, such as the dispositions to the new co-investment ventures PELP and NPR, the acquisition of our share of the assets from Prologis California and the acquisition of Prologis North American Industrial Fund II. By excluding interest expense EBITDA allows investors to measure our operating performance independent of our capital structure and indebtedness and, therefore, allows for a more meaningful comparison of our operating performance to that of other companies, both in the real estate industry and in other industries. Gains and losses on the early extinguishment of debt generally included the costs of repurchasing debt securities. Although difficult to predict, these items may be recurring given the uncertainty of the current economic climate and its adverse effects on the real estate and financial markets. While not infrequent or unusual in nature, these items 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.

We believe that Adjusted EBITDA helps investors to analyze our ability to meet interest payment obligations and to make quarterly preferred share dividends. We believe that investors should consider Adjusted EBITDA in conjunction with net earnings (the primary measure of our performance) and the other required Generally Accepted Accounting Principles ("GAAP") measures of our performance and liquidity, to improve their understanding of our operating results and liquidity, and to make more meaningful comparisons of our performance against other companies. By using Adjusted EBITDA an investor is assessing the earnings generated by our operations, but not taking into account the eliminated expenses or gains incurred in connection with such operations. As a result, Adjusted EBITDA has limitations as an analytical tool and should be used in conjunction with our required GAAP presentations. Adjusted EBITDA does not reflect our historical cash expenditures or future cash requirements for working capital, capital expenditures distribution requirements or contractual commitments. Adjusted EBITDA, also does not reflect the cash required to make interest and principal payments on our outstanding debt.

While EBITDA is a relevant and widely used measure of operating performance, it does not represent net income or cash flow from operations as defined by GAAP and it should not be considered as an alternative to those indicators in evaluating operating performance or liquidity. Further, our computation of Adjusted EBITDA may not be comparable to EBITDA reported by other companies. We compensate for the limitations of Adjusted EBITDA by providing investors with financial statements prepared according to GAAP, along with this detailed discussion of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to consolidated net earnings (loss), a GAAP measurement.

(in thousands)	Three Months Ended March 31,	
	2013	**2012**
Reconciliation of consolidated earnings (loss) to Adjusted EBITDA		
Net earnings attributable to common stockholders	$ 265,416	$ 202,412
Net gain on acquisitions and dispositions of investments in real estate	(344,679)	(279,020)
Depreciation and amortization from continuing operations	177,266	180,280
Interest expense from continuing operations	115,028	133,056
Loss (gain) on early extinguishment of debt	17,351	(5,419)
Current and deferred income tax expense (benefit)	51,866	12,124
Pro forma adjustment (A)	(29,533)	12,352
Income attributable to disposal properties and assets held for sale	(247)	(12,521)
NOI attributable to assets held for sale	(19)	2,463
Net earnings (loss) attributable to noncontrolling interest	12,103	118
Preferred stock dividends and loss on preferred stock redemption	19,413	10,567
Unrealized foreign currency and derivative losses (gains) and stock compensation expense, net	8,749	32,548
Impairment charges	-	19,320
Merger, acquisition and other integration expesnes	-	10,728
Adjusted EBITDA, prior to our share of unconsolidated entities	**292,714**	**319,008**
Our share of reconciling items from unconsolidated entities:		
Net loss (gain) on disposition of real estate, net	(6,890)	1,813
Depreciation and amortization	28,278	31,531
Interest expense	21,565	23,723
Loss on early extinguishment of debt	189	982
Current income tax expense	2,026	1,543
Unrealized gains on deferred income tax benefit	(214)	(1,537)
Adjusted EBITDA	**$ 337,668**	**$ 377,063**

(A) Adjustments during 2013, include the effects of Nippon Prologis REIT, Inc. (—NPR‖) and Prologis European Logistics Partners Sarl (—PELP‖) as if we made the first quarter contribution at the beginning of the quarter (i.e. removing actual NOI recognized and replacing with an estimate of our share of NOI and fees). Adjustments during 2012 include the effects of Prologis North American Industrial Fund II and Prologis California to reflect NOI for the full period..

Reporting Definitions

Net Asset Value ("NAV"). We consider NAV to be a useful supplemental measure of our operating performance because it enables both management and investors to estimate the fair value of our business. The assessment of the fair value of a particular segment of our business is subjective in that it involves estimates and can be calculated using various methods. Therefore, in this supplemental report, we have presented the financial results and investments related to our business segments that we believe are important in calculating our NAV but have not presented any specific methodology nor provided any guidance on the assumptions or estimates that should be used in the calculation.

The components of NAV do not consider the potential changes in rental and fee income streams or the franchise value associated with our global operating platform, strategic capital platform, or development platform.