

06.07.2016

Prologis

NAREIT REITWeek
New York, NY

Forward-Looking Statements / Non Solicitation

This presentation includes certain terms and non-GAAP financial measures that are not specifically defined herein. These terms and financial measures are defined and, in the case of the non-GAAP financial measures, reconciled to the most directly comparable GAAP measure, in our first quarter Earnings Release and Supplemental Information that is available on our investor relations website at www.ir.prologis.com and on the SEC's website at www.sec.gov.

The statements in this document 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 we operate as well as management's beliefs and assumptions. Such statements involve uncertainties that could significantly impact our financial results. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates" and 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, capital structure 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 status, tax structuring and income tax rates (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, 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 us under the heading "Risk Factors." We undertake no duty to update any forward-looking statements appearing in this document.

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Prologis Park Osaka #2, Osaka, Japan

Section 01

Why Prologis

Prologis Park Port Reading, Jersey City, New Jersey

World's Leading Owner, Operator and Developer of Logistics Real Estate



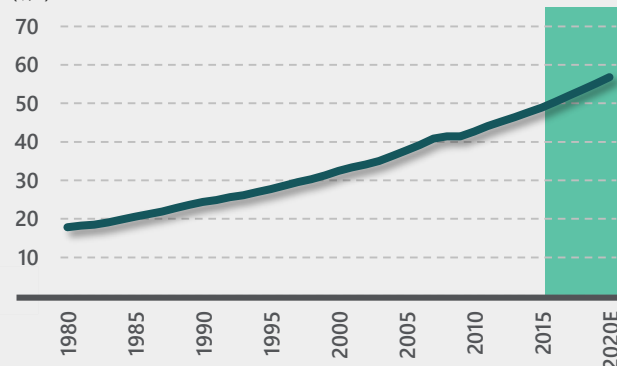
Prologis Park Bolton, Toronto, Canada

- Customer demand for our properties is driven by consumption, trade, supply chain modernization and e-commerce
- Irreplaceable portfolio focused on the world's most vibrant markets
- Longstanding relationships with broad group of customers and premier institutional partners
- Strong financial framework optimized for the future
- Business model uniquely designed to deliver superior results

Demand Drivers for Logistics Real Estate are Secular

Steady Expansion of Consumption

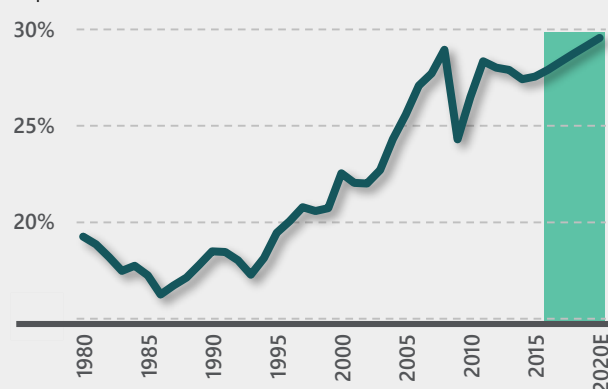
Global Consumption, Inflation Adjusted (\$,T)



Sources: Oxford Economics, IMF, Prologis Research

Growth of Global Trade

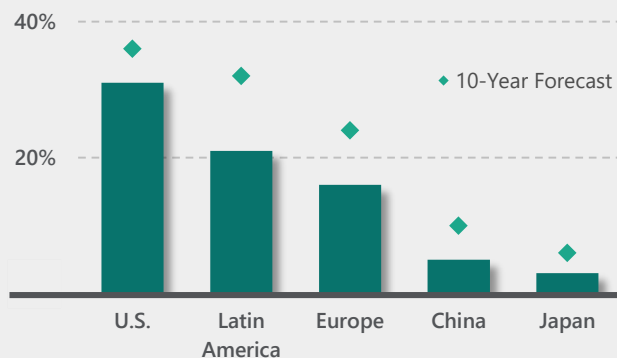
Imports as a % of GDP



Sources: World Bank, IMF, Prologis Research

Global Undersupply of Class-A Stock

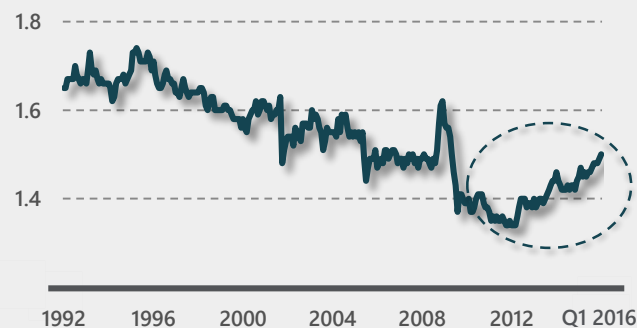
Class-A as a % of Total Stock



Source: Prologis Research

New Trend in Inventory Levels

Inventories to Retail Sales Ratio



Sources: Federal Reserve Bank of St. Louis, Prologis Research

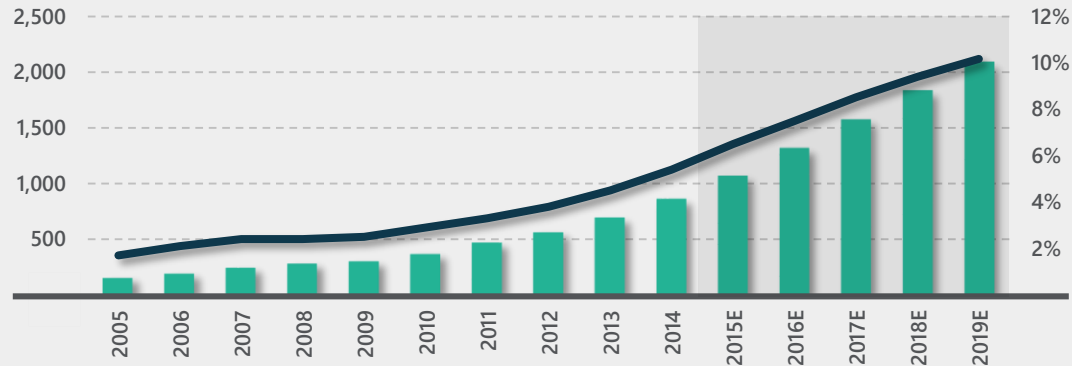
Portfolio benefits:

- Logistics real estate is positioned to outperform across cycles
- Customers invest in their supply chains to improve operating efficiencies in high and low-growth environments
- Undersupply of Class-A space presents even greater opportunities globally
- Reversal in inventory-to-sales ratio decline represents a long-term headwind becoming a tailwind

E-Commerce – A New Driver of Demand

E-Commerce Sales Expected to Double Over the Next Five Years

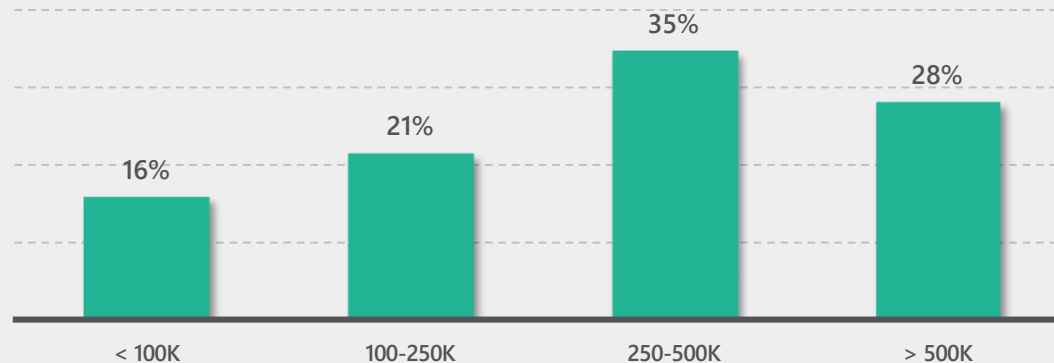
Global E-Commerce Sales Volume and Share of Total Retail Sales (\$B)



Source: Goldman Sachs, Prologis Research

Demand Across Size Segments

Distribution of E-Commerce Customers Across Prologis Portfolio, by Unit Size



Data as of March 31, 2016

E-fulfillment requires 3x the logistics space used by brick-and-mortar retailers due to:

- Shipping parcels versus pallets
- High inventory turn levels
- Broader product variety
- Reverse logistics = returns

Proximity of our portfolio to population centers is positioned favorably to capture demand

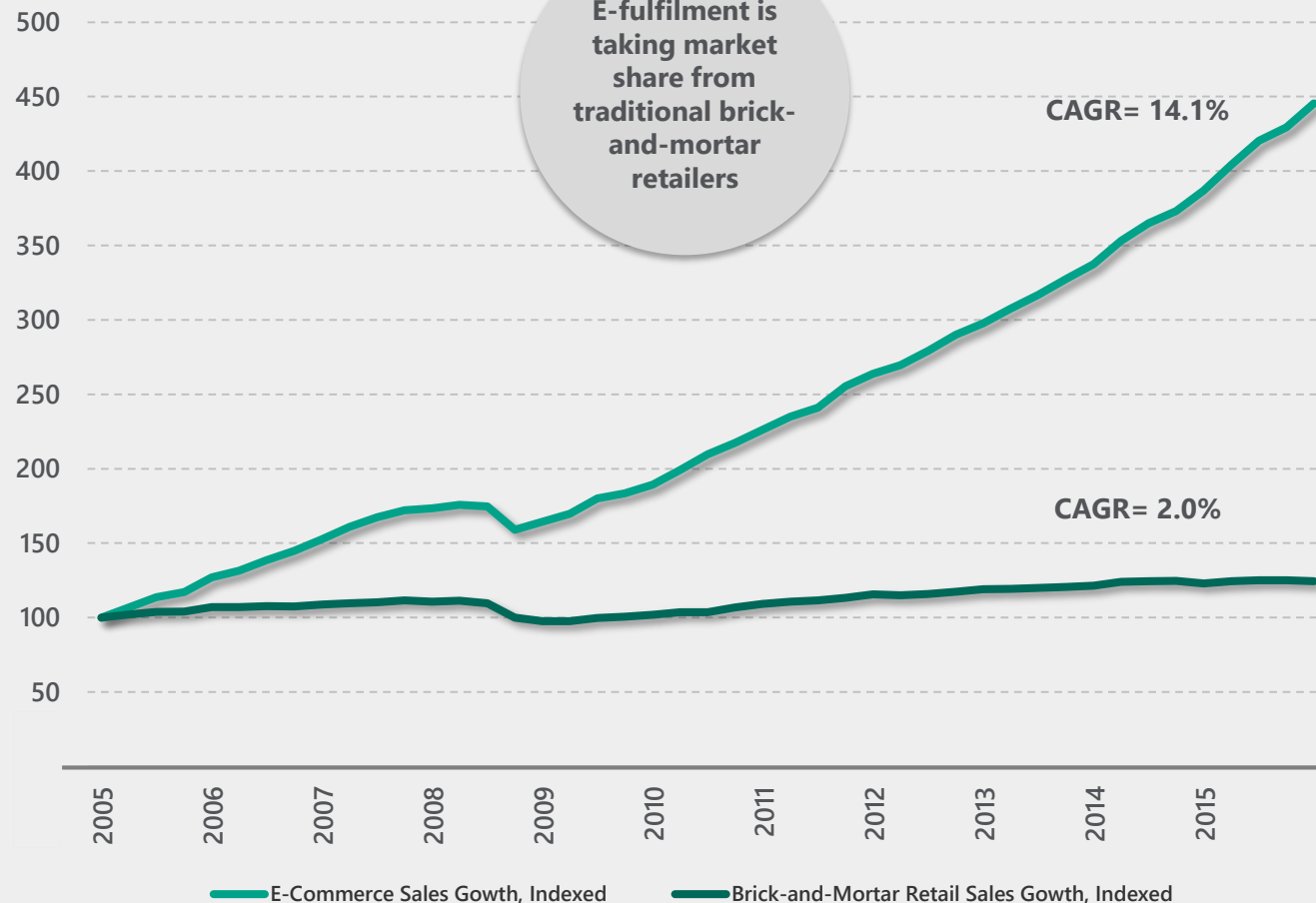
In the last twelve months, e-commerce comprised:

- >25% of leasing in our development portfolio
- 10% of new leasing in our operating portfolio, up from <5% five years ago

E-Commerce is Reshaping the Retail Landscape

Growth in Sales

E-commerce Versus Brick-and-Mortar Retail
(Index, 100 = 2005 Sales Volume)



Notable Retail Bankruptcies Over Last Several Years

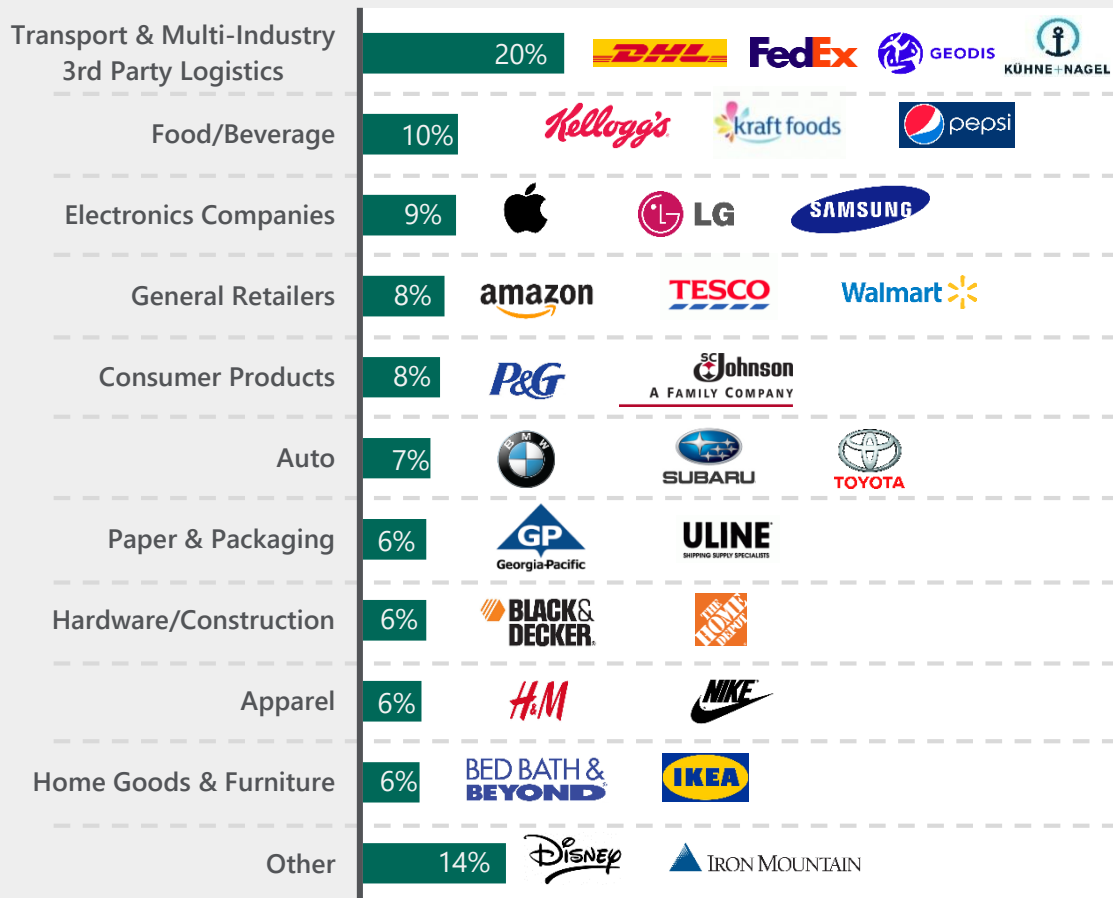


We are a Trusted Partner to the World's Best Brands

Our Customers and Revenue Reflect a Diverse Cross-Section of Industries

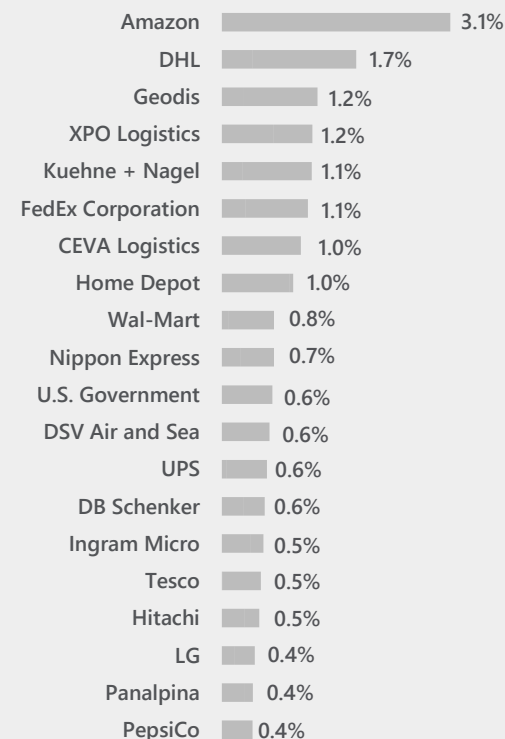
Portfolio Composition by Industry⁽¹⁾

- Property usage includes consumer and B2B distribution, e-fulfillment and light assembly
- E-fulfillment, which comprises 10% of the portfolio, is the fastest-growing segment



Top 20 Customers

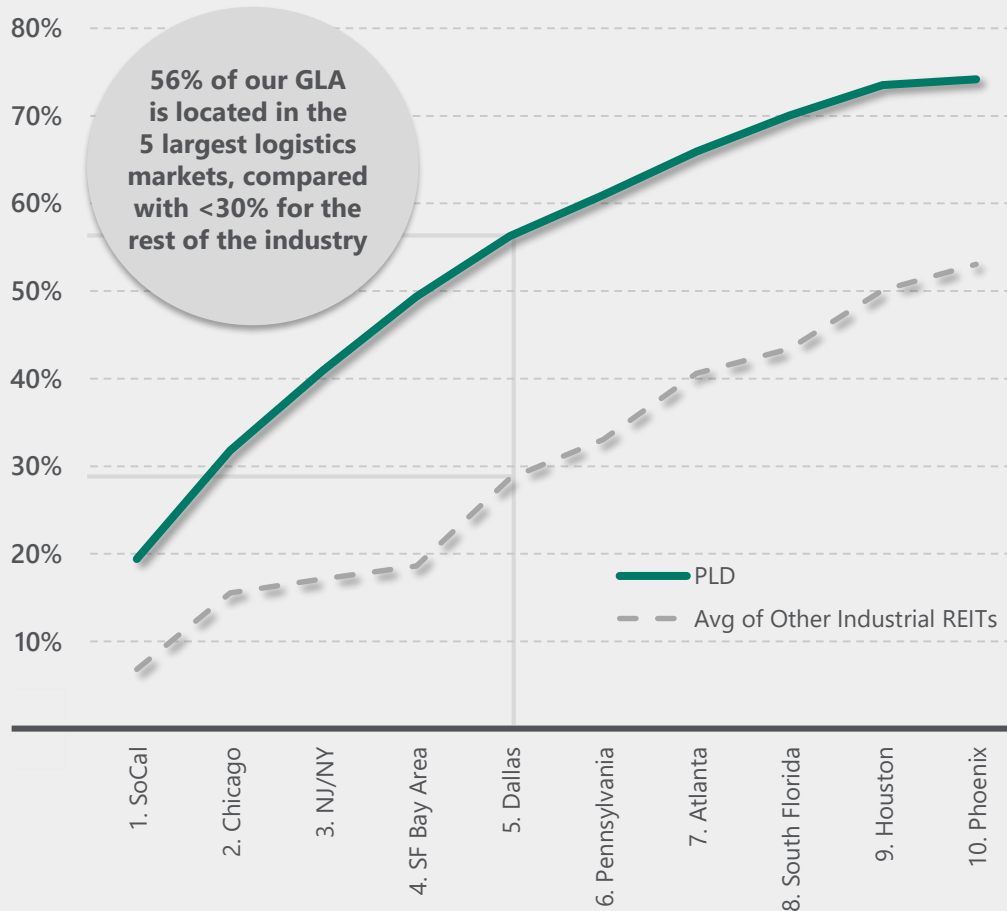
Comprise only 19.6% of Net Effective Rent of Total 5,200 Customers



Our Portfolio is Located in the Major Logistics Markets

Cumulative U.S. Gross Leasable Area (GLA)⁽¹⁾

Top 10 Logistics Markets, Ranked by GLA

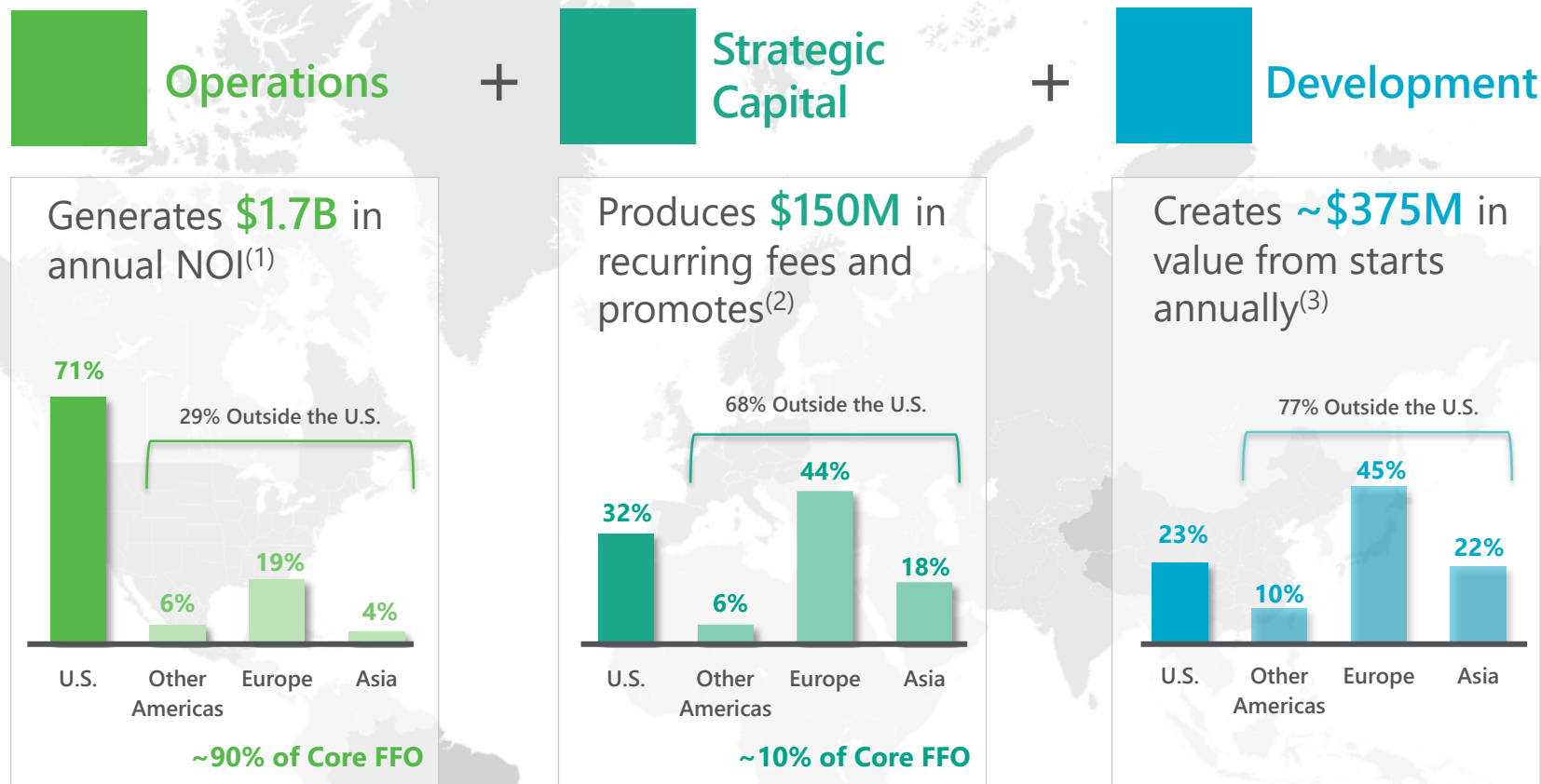


Superior portfolio generates long-term rental rate growth and value creation

Barriers for new development include:

- Politics / Bureaucracy – complex entitlement process, land use and zoning laws
- Topographical – mountains, land preserves and large bodies of water
- Economic – rising land and construction pricing preclude development in many markets

Unique Business Model Fuels Earnings and Value Creation



1. Q1 2016 pro rata share NOI annualized

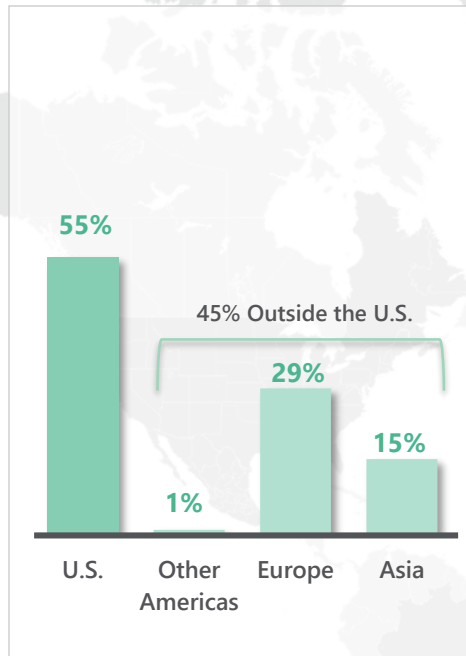
2. Q1 2016 third-party asset management fees annualized plus trailing twelve month third-party transaction fees and normalized net promotes

3. Estimated pro rata share of trailing twelve month value creation from development starts

Geographic Diversity with U.S. Dollar Concentration

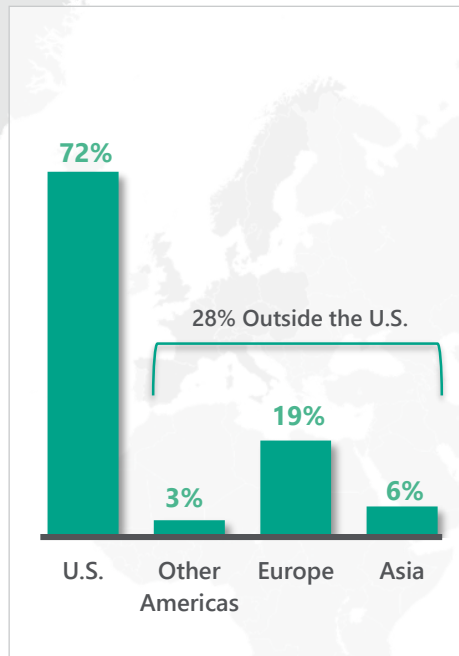
Gross Assets

\$63B



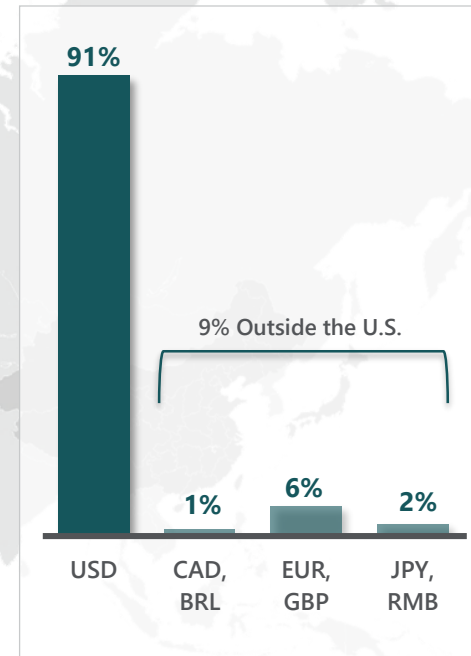
Pro Rata Assets

\$37B



Net Equity

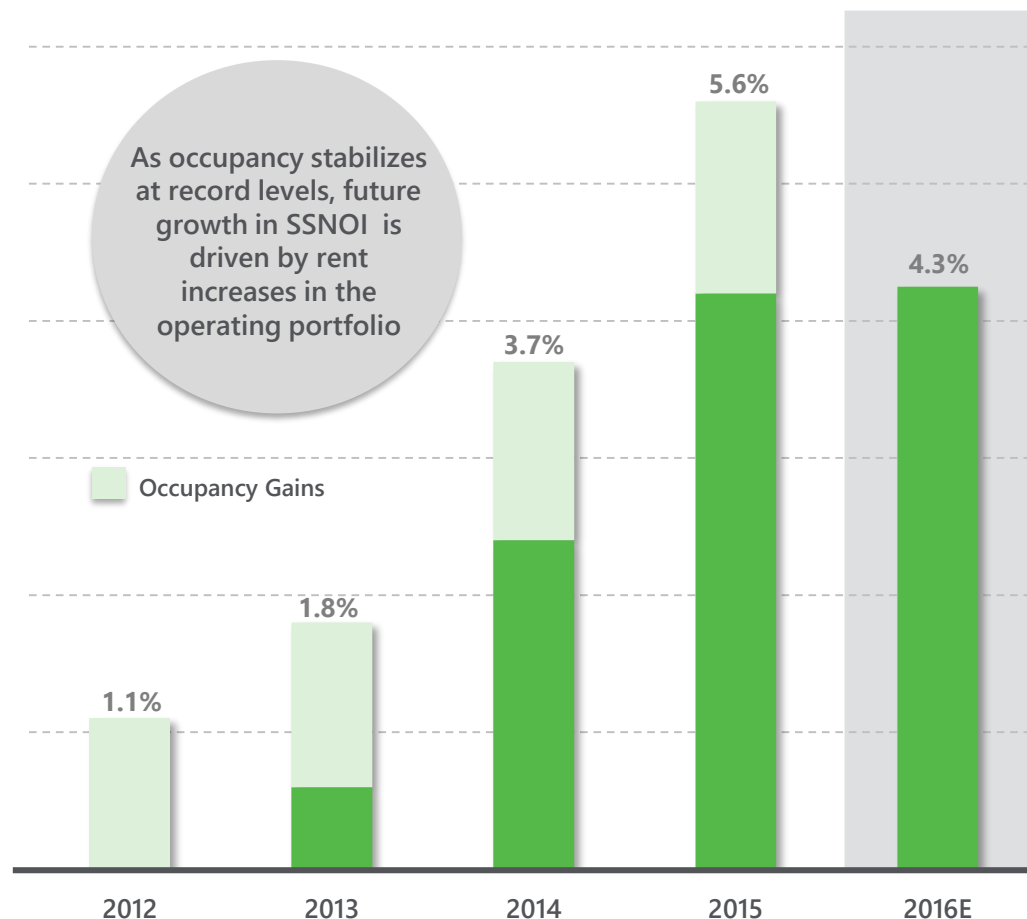
\$24B



Operations is Producing Record Results

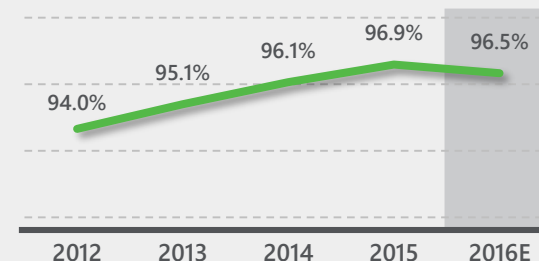
GAAP Same Store NOI

Pro Rata Share



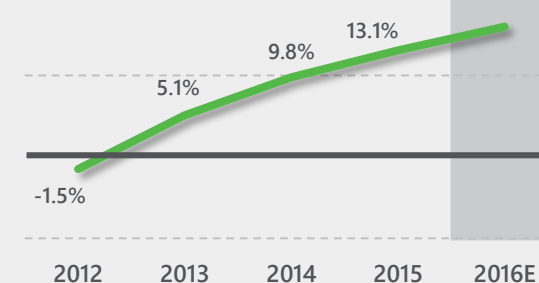
Period End Occupancy

Owned and Managed



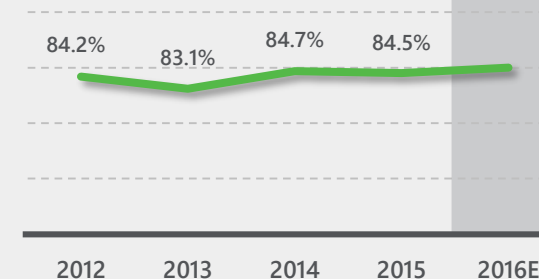
Rent Change on Rollover

Pro Rata Share



Customer Retention

Owned and Managed



Strategic Capital Produces Stable, Long-Term Cash Flow

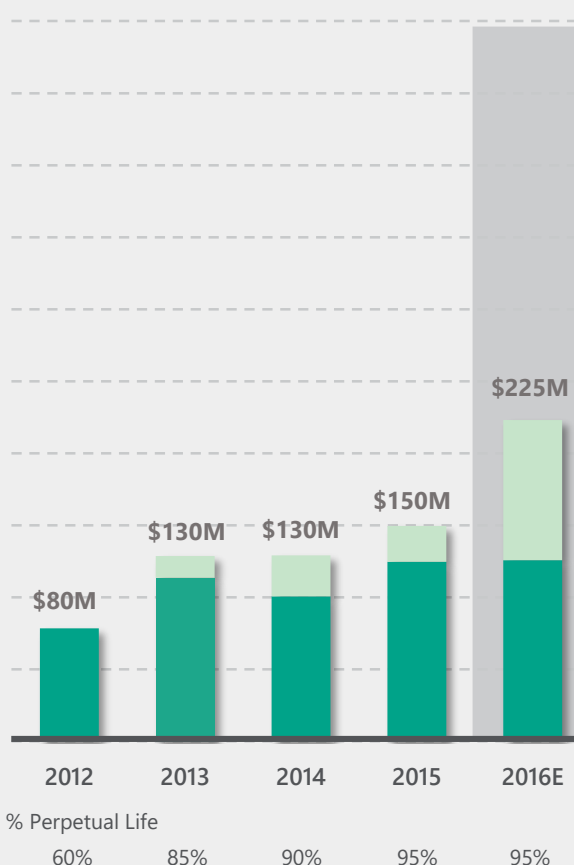
Growth in Third-Party AUM

CAGR = 16.4%



Growth in Third-Party Fees and Promotes

CAGR = 30.1%

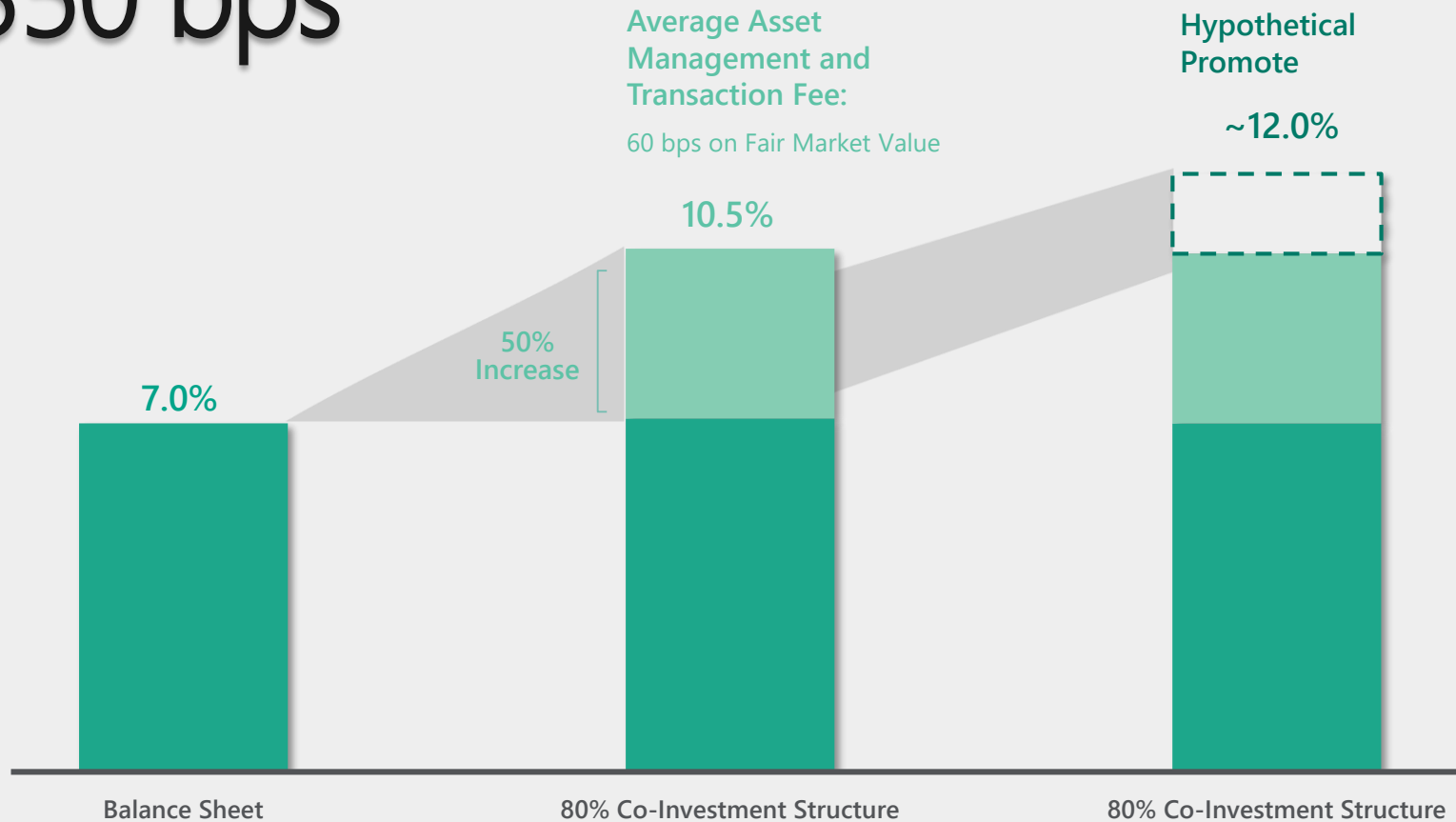


- Very durable fee stream with 95% from perpetual or long-life ventures
- Third-party capital:
 - Boosts return on equity by at least 350 bps
 - Minimizes Prologis' equity exposure to non-USD investments
 - Mitigates development risk in emerging markets
 - Provides "four-quadrant" access to capital

Strategic Capital Generates Superior Return on Equity⁽¹⁾

POTENTIAL TO IMPROVE ROE BY AT LEAST

350 bps



15-Year Track Record of Profitable Development

Total Investment

\$24.9B

Gross Value Created

\$4.8B

~80% Value Created
Outside the U.S.

Gross Margin

19.3%

Gross Unlevered IRR⁽¹⁾

19.5%

Net Unlevered IRR⁽¹⁾

14.3%

Since Merger

\$5.3B Total Investment

\$1.4B Gross Value Created

27.1% Gross Margin

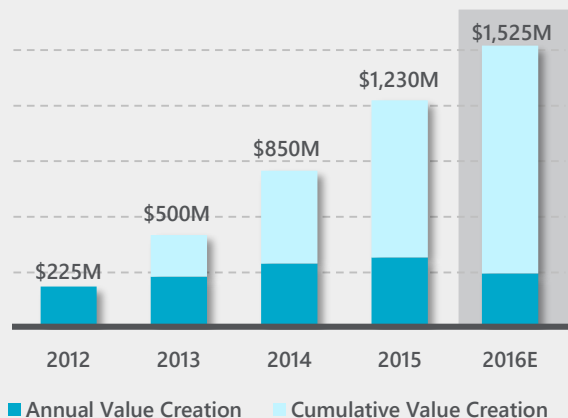
36.8% Gross Unlevered IRR⁽¹⁾

20.4% Net Unlevered IRR⁽¹⁾

Development Creates Near-Term Value Creation and Future NOI

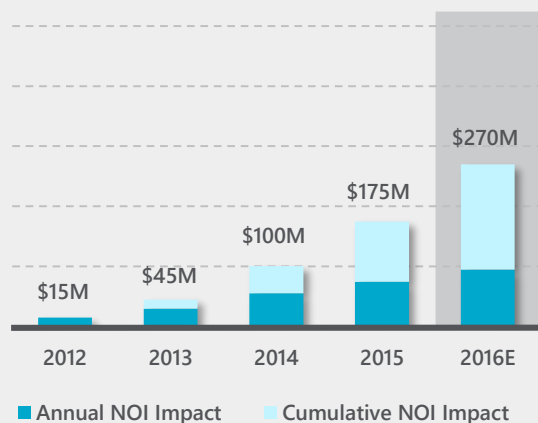
Value Creation from Development Starts

Pro Rata Share



NOI from Development Stabilizations

Pro Rata Share (Retained)



Looking forward:

- \$2.8B existing development pipeline expected to deliver \$550M in value creation as projects stabilize
 - Value creation margins calculated after capitalized G&A
 - Build-to-suits are a growing proportion of our development activity
- Approximately \$50M in annual value creation from value-added conversions⁽¹⁾
- \$1.4B land bank (\$1.7B at market value) is a strategic asset with the potential
 - \$7.7B of future development and
 - \$1.2B in value over next 5 years⁽²⁾
- Development contributes to significant earnings growth as assets stabilize and generate NOI
- Potential development slow-down, resulting in less capitalized costs, would not negatively impact FFO
 - Higher NOI levels, due to fewer asset sales required to fund development, would more than offset the reduction in capitalized G&A

Today's Value Creation Drives Future Earnings Growth

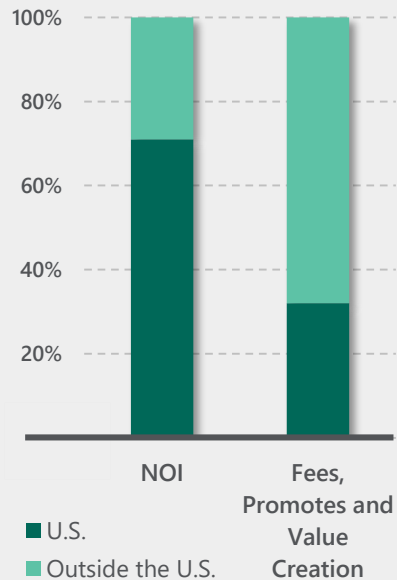
Pro Rata Share (Illustrative)

~18 months

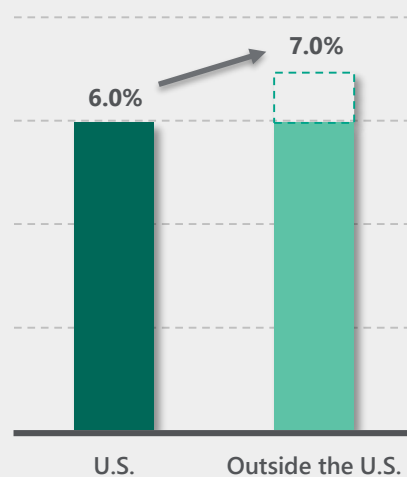
$$\begin{array}{l}
 \$1.8\text{B} \text{ annual development starts} \\
 \times \quad \approx \$375\text{M in value creation (assumes 20.8\% margin)} \\
 \times \quad 6\% \text{ Core FFO yield} \\
 = \quad \sim \$22\text{M in incremental Core FFO of } \$0.04 \text{ p/share (2\%)}
 \end{array}$$

Benefits of Global Investing

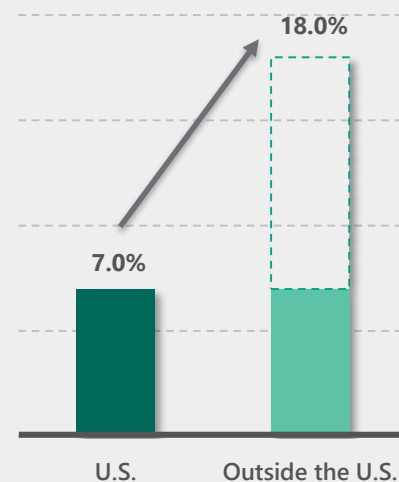
U.S. Owner and Global Opportunistic Fund Manager / Developer



Return on Assets⁽⁴⁾ 100 bps Higher



Return on Equity 1,100 bps Higher



- U.S. provides large, stable base and operating platform
- Exposure outside the U.S. provides unique ability to:
 - Serve our customers
 - Create enhanced value for our shareholders
- Superior asset and equity returns and reduction of currency risk outside the U.S. are achieved through the use of higher financial leverage, strategic capital and local currency debt

	NOI	Fees and Promotes ⁽¹⁾	Value Creation ⁽²⁾	Adjusted EBITDA	AUM	Return on Assets ⁽³⁾	Return on Equity ⁽⁴⁾
U.S.	71%	32%	35%	65%	67%	6.0%	7.0%
Outside the U.S.	29%	68%	65%	35%	31%	7.0%	18.0%

1. Q1 2016 third-party asset management fees annualized plus trailing twelve month third-party transaction fees and net promotes of \$25M per year

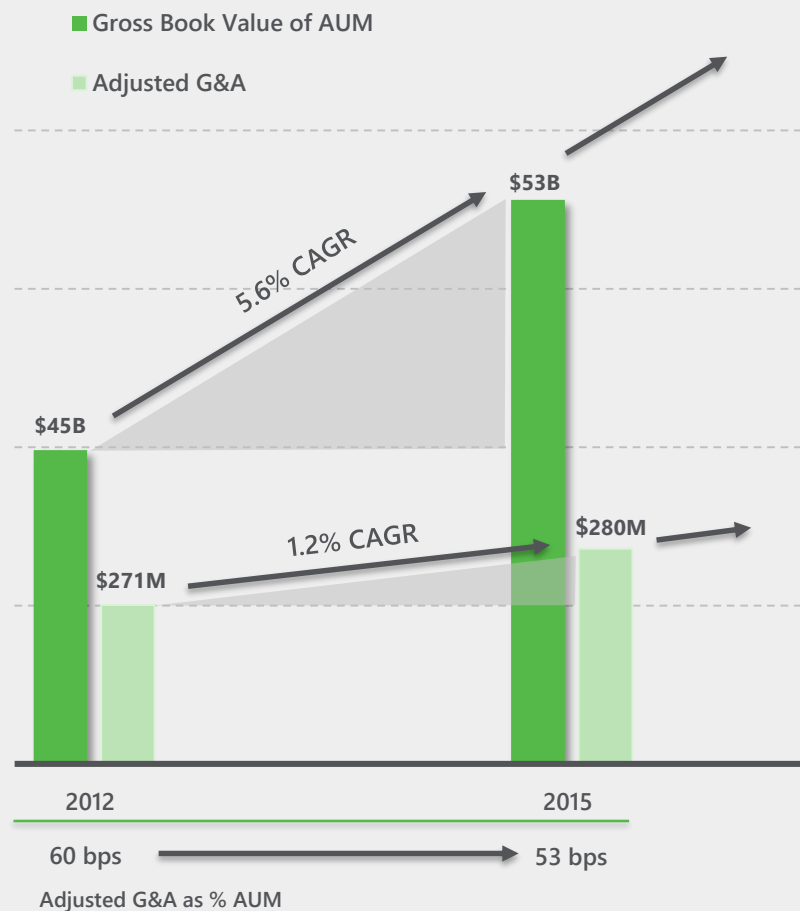
2. Estimated pro rata share of value creation from annual run rate of \$1.8B of development starts assuming a 19.4% margin

3. Includes NOI, asset management fees, net promotes and value creation, less estimated costs to run the platform, divided by gross book value as of 3/31/2016

4. Includes NOI, asset management fees, net promotes and value creation, less estimated costs to run the platform and estimated interest expense, divided by book equity value as of 3/1/2016

Positioned to Capture Scale Economies

AUM Grew in Excess of 4.5x Faster than G&A



Total Value Creation More than Offsets G&A (\$ in millions)

	2012	2013	2014	2015
Adjusted G&A	\$271	\$276	\$292	\$280
Strategic Capital EBITDA <i>(w/o promotes)</i>	(\$36)	(\$65)	(\$52)	(\$80)
Net Adjusted G&A	\$235	\$211	\$240	\$200
Value Creation: <i>Outside the U.S.</i>	\$164	\$160	\$217	\$275
Value Creation: <i>U.S.</i>	\$60	\$117	\$130	\$105
Value-Added Conversions	\$11	\$-	\$37	\$166
Total Value Creation	\$235	\$277	\$384	\$546

Section 02

Why
Now

Prologis Torrance Distribution Center, Torrance, California



Prologis Park Chanteloup, Moissy-Cramayel, France

The Power of the Platform

Powerful core growth:

- Rolling in place rents to market
- Growing fee income and promotes
- Realizing the benefits of scale

Additional growth from value creation activities:

- Rationalizing non-income producing assets by monetizing the land bank and leasing our development portfolio
- Growing NAV through redevelopment and value-added conversions

Strong financial framework and strategic capital ventures provide capacity for opportunistic investment:

- Access to global capital is unmatched in REIT industry
- \$3.5B of internal capital to fund future growth

Prologis is Well-Positioned for Sustainable Growth

(\$ in millions)	At Merger June 30, 2011	Through Dec 31, 2015	Forecast Dec 31, 2016 ⁽²⁾
Realigned Portfolio			
Acquisitions	-	\$5,600 ⁽¹⁾	\$220
Development Stabilizations	-	\$4,700 ⁽¹⁾	\$1,700
Dispositions and Contributions	-	\$12,900 ⁽¹⁾	\$2,250
% of Portfolio in Global Markets	79%	87%	87%
Improved Asset Utilization			
Occupancy	90.7%	96.9%	96.5%
Land as a % of Real Estate ⁽³⁾	6.3%	4.2%	~3.0%
Streamlined the Business			
Reduced Number of Ventures	21	11	11
G&A as % of AUM	85 bps	53 bps	53 bps
Strengthened Financial Position			
Look-through-Leverage	48%	38%	~35%
Debt /Adjusted EBITDA (w/o gains)	9.6x	6.9x	~6.0x
Debt /Adjusted-EBITDA (with gains)	9.0x	6.0x	~5.0x
USD Net Equity Exposure	48%	90%	~92%
Credit Ratings - Moody's /S&P ⁽⁴⁾	Baa2 / BBB-	Baa1 / BBB+	-

Simplification Efforts:

- Enhanced the portfolio while providing capital for de-leveraging
- Decreased proportion of non-income producing assets
- Streamlined Strategic Capital and increased the percentage of fees from perpetual or long-life ventures
- Insulated earnings and NAV growth by increasing USD net equity

The Benefit:

- Clear sight lines to superior growth in cash flow, earnings and NAV

1. Capital deployment activity represents pro rata share activity from June 30, 2011 through December 31, 2015

2. Represents the midpoint of guidance on a pro rata share basis

3. Pro rata share of book value

4. A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time

\$3.5B of Internal Capacity to Fund Growth⁽¹⁾

Annual Capital Sources (in millions)

Contribution Proceeds	\$1,050
Retained Cash Flow (from Core Operations)	\$100
Leverage Capacity (on Value Creation)	\$150

Total Annual Capital Sources **\$1,300**

One-Time Capital Sources

Co-Investment Rebalancing	\$1,700 ⁽²⁾
Non-Strategic Building Sales (U.S. and Europe)	\$1,000
Land Bank Rationalization (U.S. and Europe)	\$800

Total Additional Capital Sources **\$3,500**

Annual Capital Uses (in millions)

Development Spend	\$1,800
Acquisitions (via co-investment ventures)	\$100

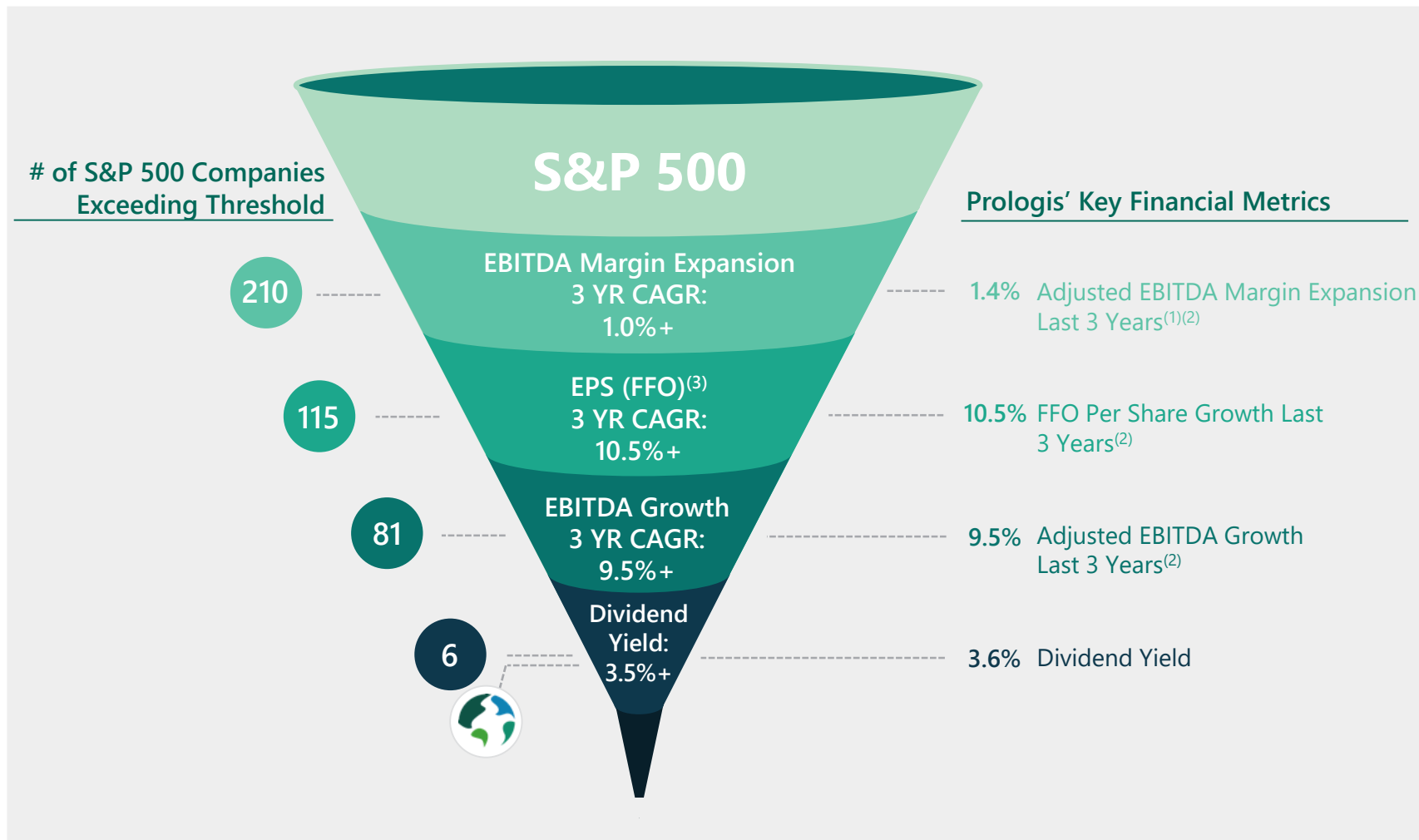
Total Annual Capital Uses **\$1,900**

Total Annual Funding Requirement **\$600M**

+5 years

OF ANTICIPATED FUNDING
REQUIREMENTS FROM ONE-TIME
CAPITAL SOURCES

A Compelling Investment Opportunity Among a Select Group of Premier Investor Stories



Note: Financial metrics as of Q1 2016

Source: Bloomberg data sourced on May 31, 2016 and company filings

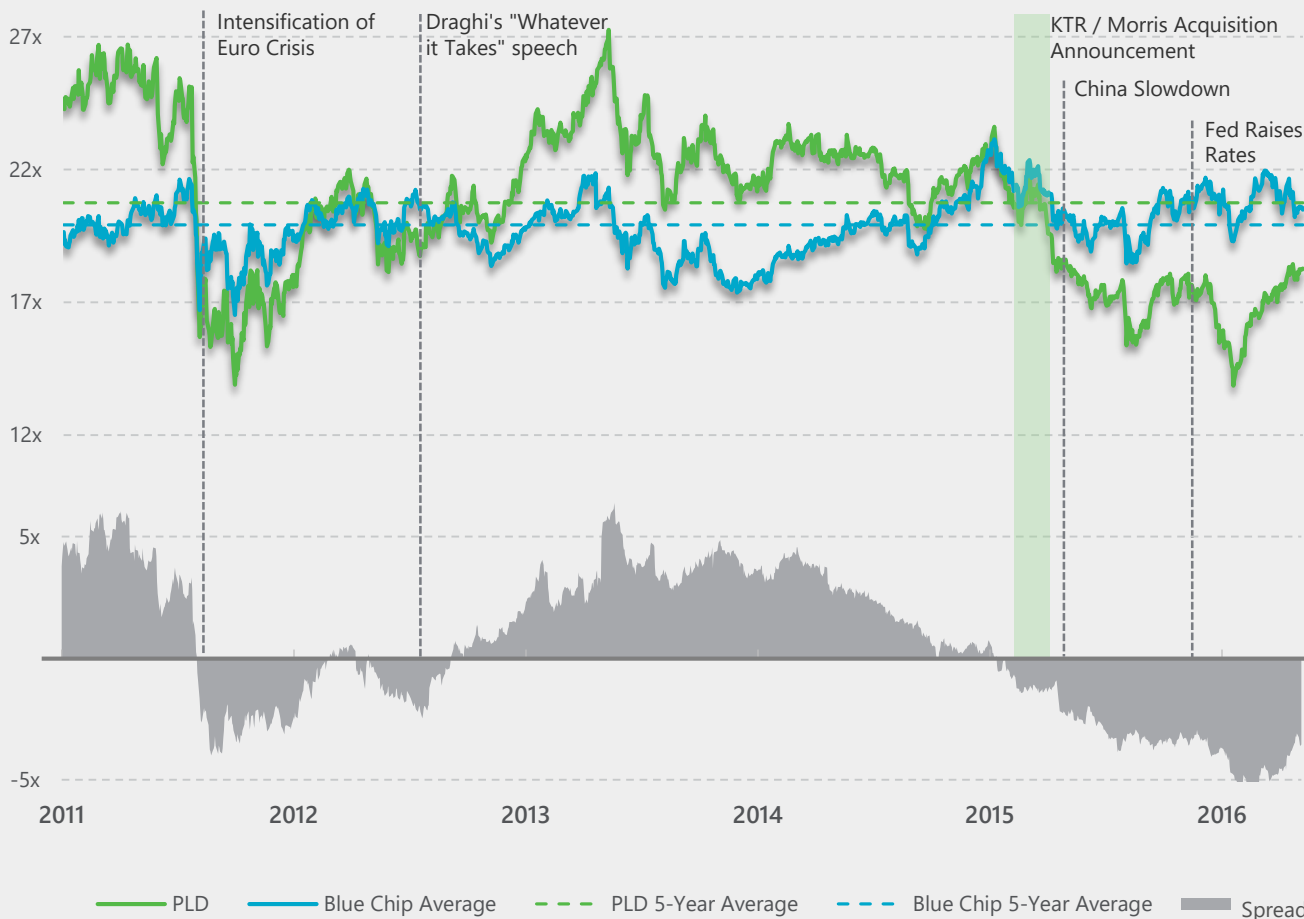
1. Approximately 10% of companies do not report EBITDA and, therefore, are filtered out

2. CAGR on LTM basis

3. For REITs, including Prologis, FFO per share is utilized in lieu of EPS

Attractive Valuation Among Blue Chip REITs⁽¹⁾⁽²⁾

Forward Core FFO Multiple Versus Blue Chip Peers⁽³⁾



- Trading at multiple 2.5x below our long-term average
- Trading 3.1x below our relative long-term average to blue chips
- Our Core FFO growth has outpaced blue chip Core FFO growth by 800 bps⁽⁴⁾ per year
 - PLD Core FFO CAGR: 18.3%
 - Blue chip Core FFO CAGR: 10.3%

	Current	Long-Term Average	Delta
Prologis	18.2x	20.7x	(2.5)x
Blue Chip Peers ⁽²⁾	20.5x	19.9x	0.6x
<i>Spread</i>	<i>(2.2)x</i>	<i>0.8x</i>	<i>(3.1)x</i>

1. As of 5/31/2016

2. Long-term average from 1/1/2011 through 5/31/2016

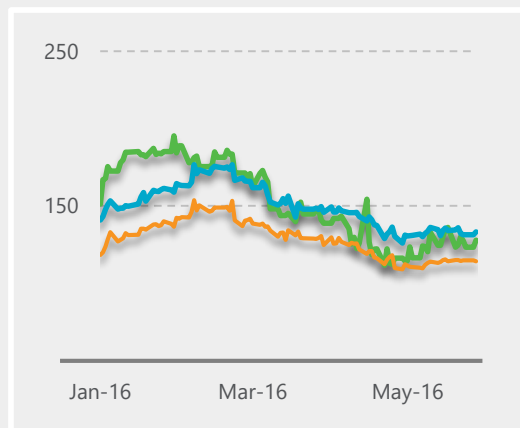
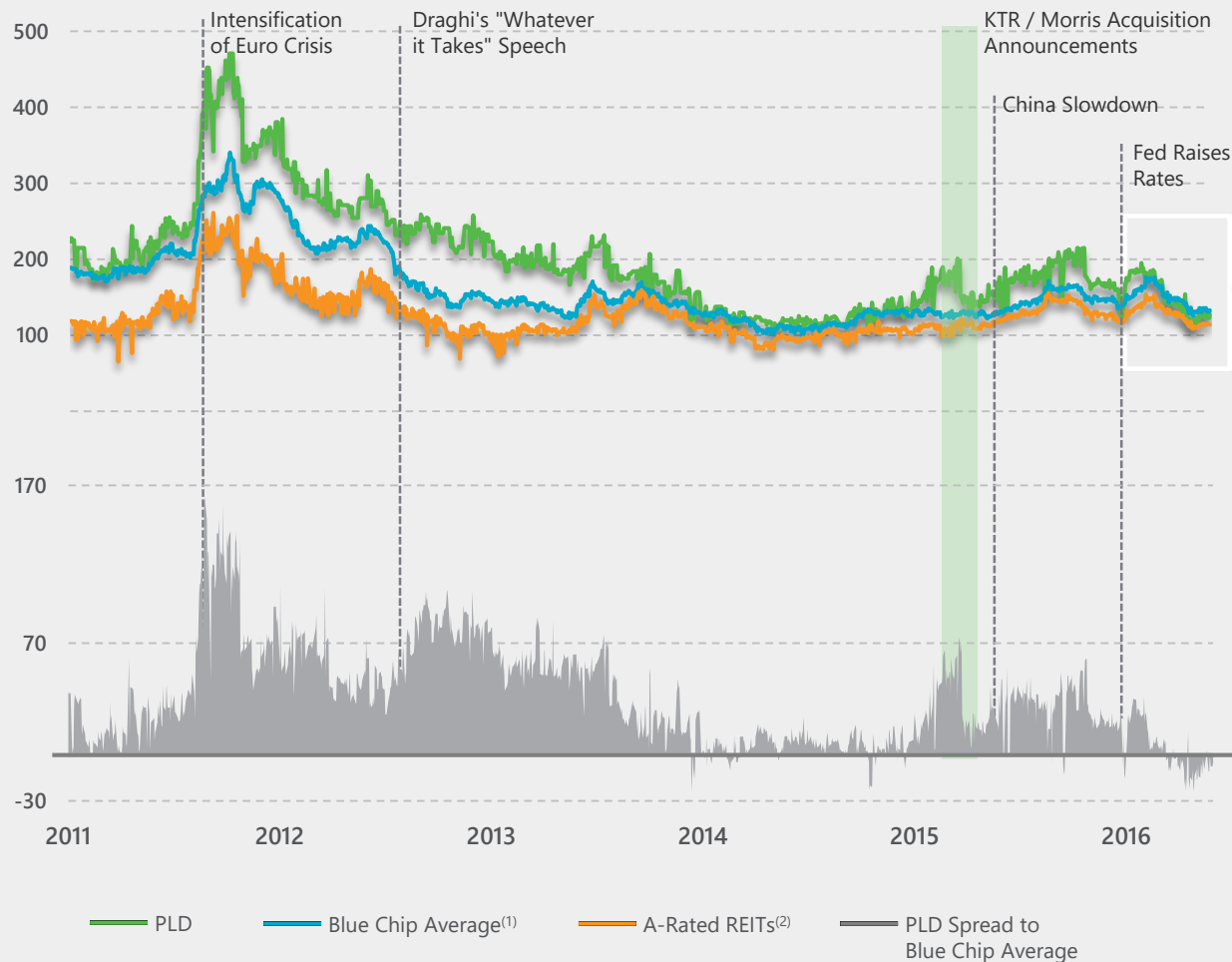
3. Blue chip REITs include AVB, BXP, EQR, FRT, HST, PSA and SPG. Average is weighted by market capitalization

4. Based on 2011 through 2015 reported FFO and the midpoint of 2016 guidance. FY 2016 consensus FFO used for PSA as they do not provide guidance

Driving Towards a Fortress Balance Sheet

Spreads Have Tightened Below Blue Chips and in Line with A-Rated REITs

Bond Secondary Spreads Versus Blue Chip Peers and A-Rated REITs



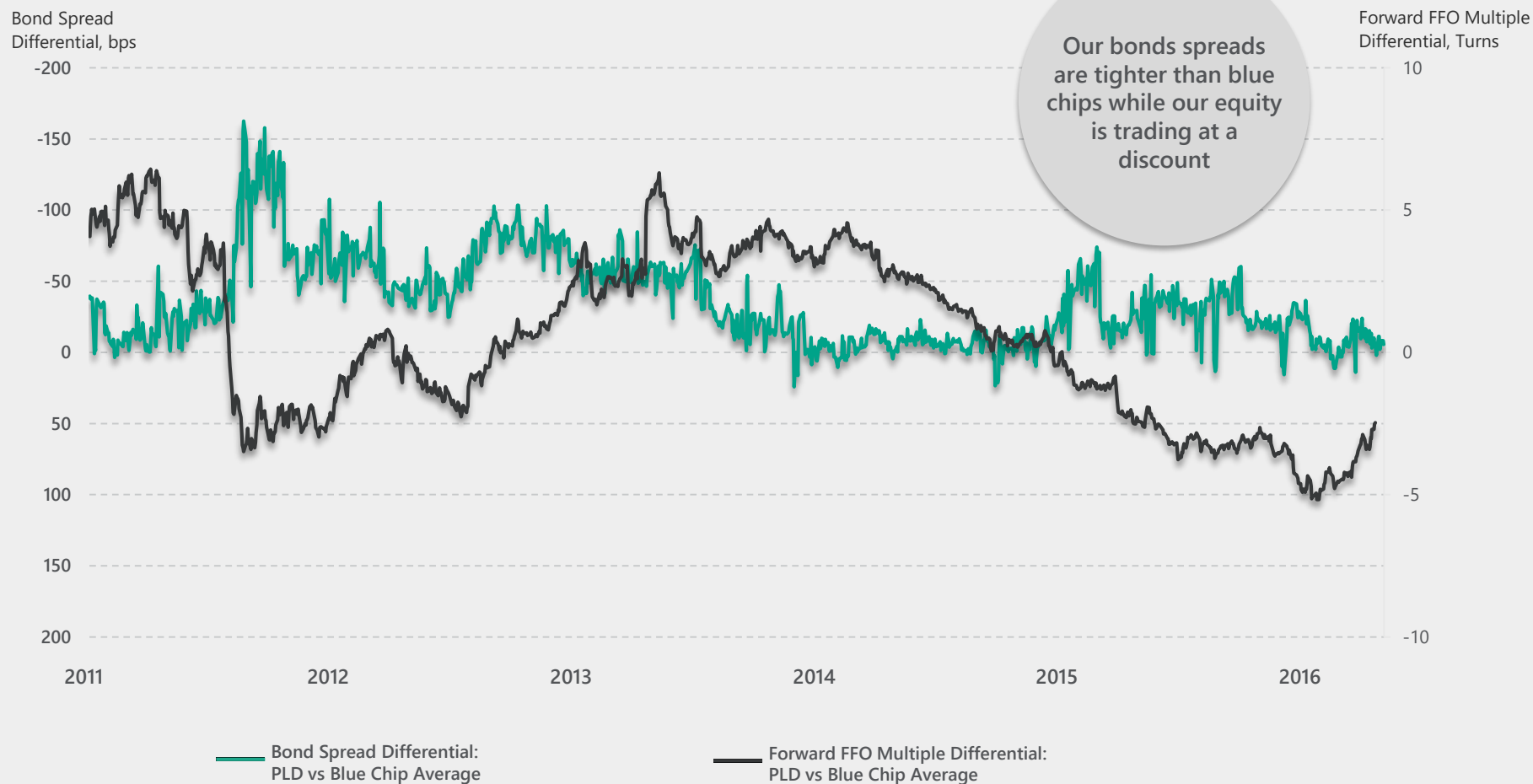
Balance sheet strategy:

- Low leverage and debt metrics support strong, investment grade credit rating
- \$25.7B in unencumbered assets
- \$1.4B surplus EBITDA coverage
- \$2.7B in liquidity
- Level debt maturity schedule designed for optionality

Strategy will drive "A" credit rating

Disconnect Between Debt and Equity Markets

Bond Spread and Forward FFO Multiple Differentials: PLD Versus Blue Chip Peers⁽¹⁾

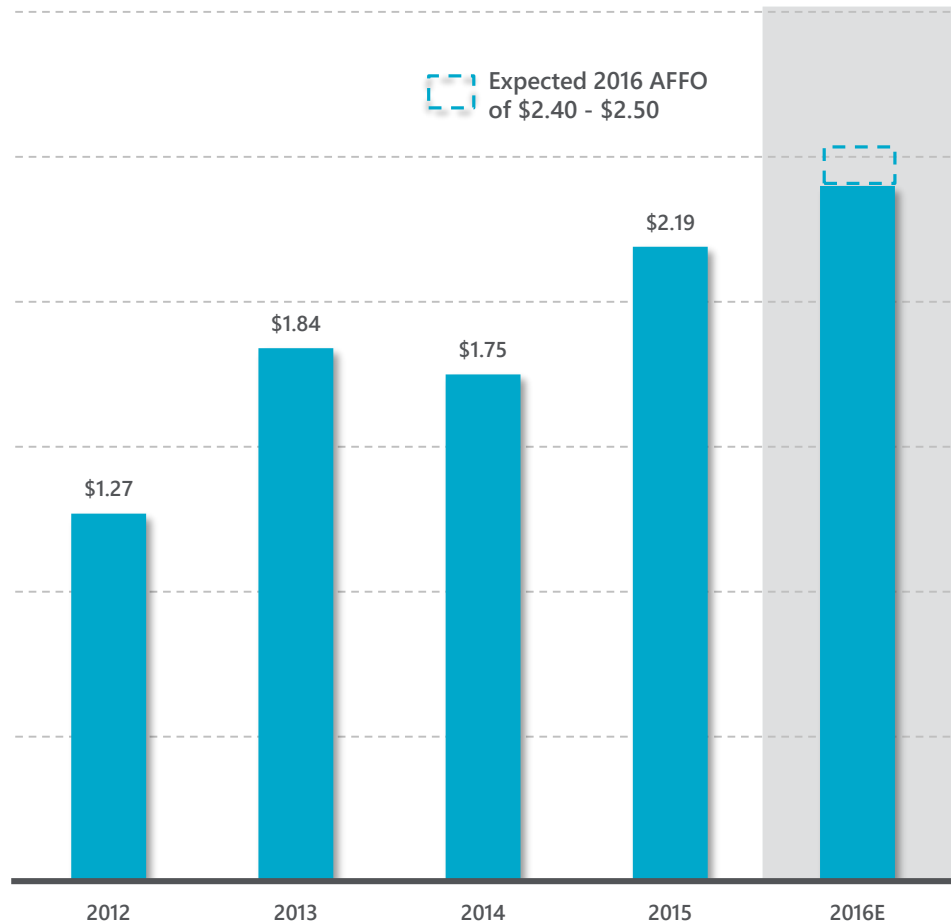


Sustainable Cash Flow Growth

Adjusted Funds from Operations (AFFO)⁽¹⁾

CAGR = 17.9%

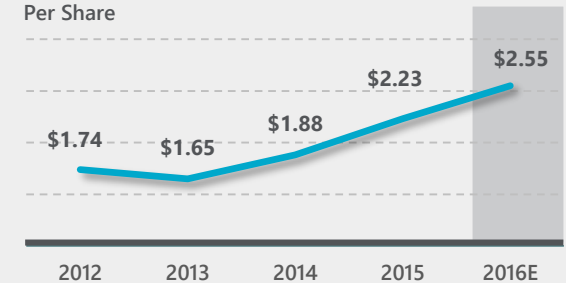
Per Share



Core FFO Growth

CAGR = 10.0%

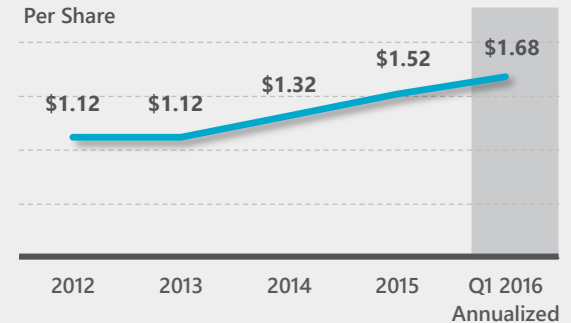
Per Share



Dividend Growth⁽²⁾

CAGR = 10.7%

Per Share



- Delivered strong earnings, cash flow and dividend growth while de-levering the balance sheet
- Portfolio and financial position are optimized for the future
- Estimated AFFO payout of approximately 85% without development gains and approximately 70% with development gains

Note: 2016 estimates for AFFO and Core FFO represent the midpoint of guidance

1. AFFO excludes cash received on net investment hedges
2. Future dividends are subject to authorization by the board of directors

Section 03

Prologis Case Studies

Prologis Ports Jersey City, New Jersey

Development Expertise at Work

BMW

Focus customer across six markets, on two continents

Recent projects:

- Locations: Dallas, Southern California, Bratislava, Munich
- Size: 2.4M square feet (6 buildings)
- Est Total Investment: \$158M
- Est Value Creation: \$25M
- Est Value Creation Margin: 16.0%



Prologis Bratislava DC 9
Bratislava, Slovakia



Prologis Gundlkofen DC 1
Munich, Germany



Prologis Park 2035
Dallas, USA



Prologis Redlands DC 11
Inland Empire, USA

Network Effect and Repeatable Customer Business

Walmart

Focus customer with 5M square feet across five countries on three continents

Markets:

- Guadalajara
- Las Vegas
- Mexico City
- Orlando
- São Paulo
- Shanghai
- South Florida
- Southern California
- Toronto

Expansion to Mexico, China, Brazil and Canada: 2009-2014

Global Platform

Build-to-suit in Las Vegas for omni-channel return center: 2016

Strategic Land Holdings



Excellent customer service

Broadens position in Southern California: 2000-2004

Best-in-class portfolio

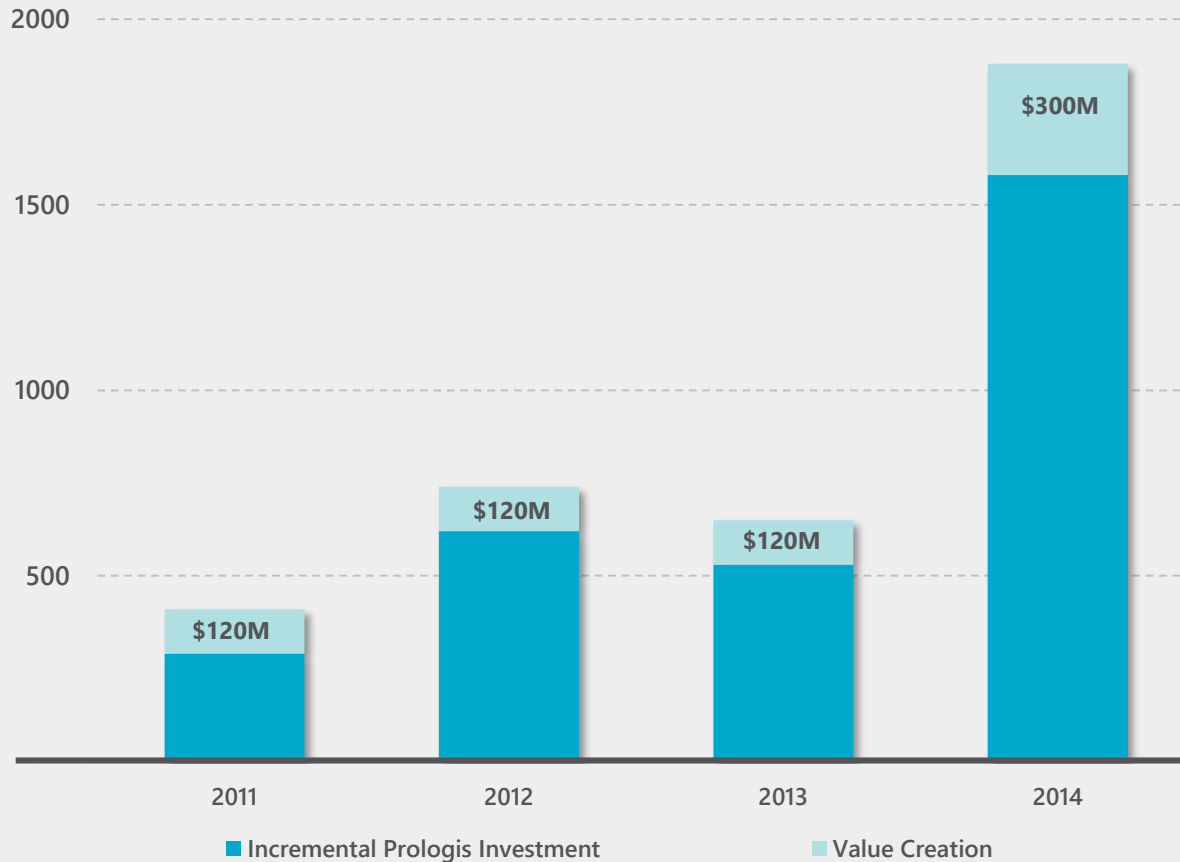
Relationship begins in U.S. in Southern California with 750K SF lease: 1999

- Strategic partnership
- Enduring relationship
- Future leasing and BTS projects

Proprietary Investment Opportunities

Value Creation from Incremental Investment in Ventures

Fund Investing – U.S. & Europe



- Opportunistically arbitraging capital between public and private markets
- Timing of capital deployment ahead of cap rate compression, higher asset values
- Total value creation since merger = \$660M
- Total value creation since the global financial crisis = \$1.0B

Section 03

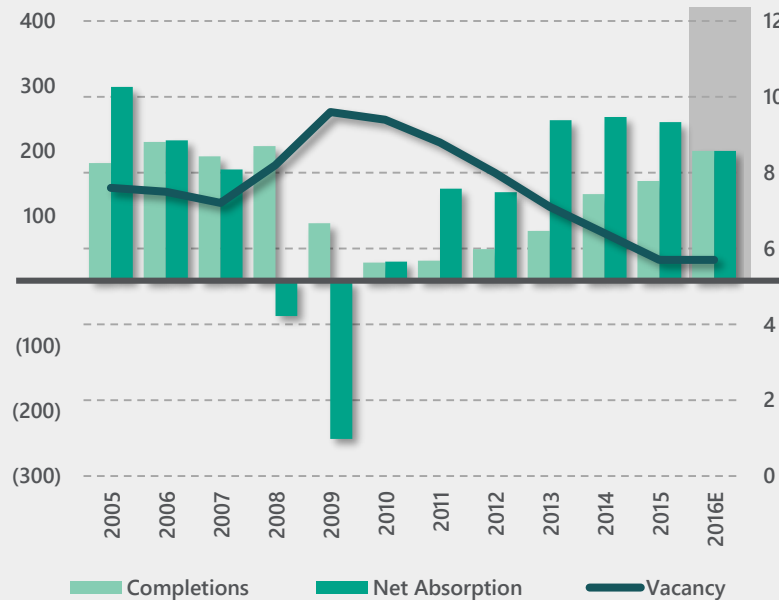
Appendix

Prologis Park Pineham, North Hampton, UK

U.S. Vacancy at All-Time Low

Logistics Market Fundamentals, U.S.

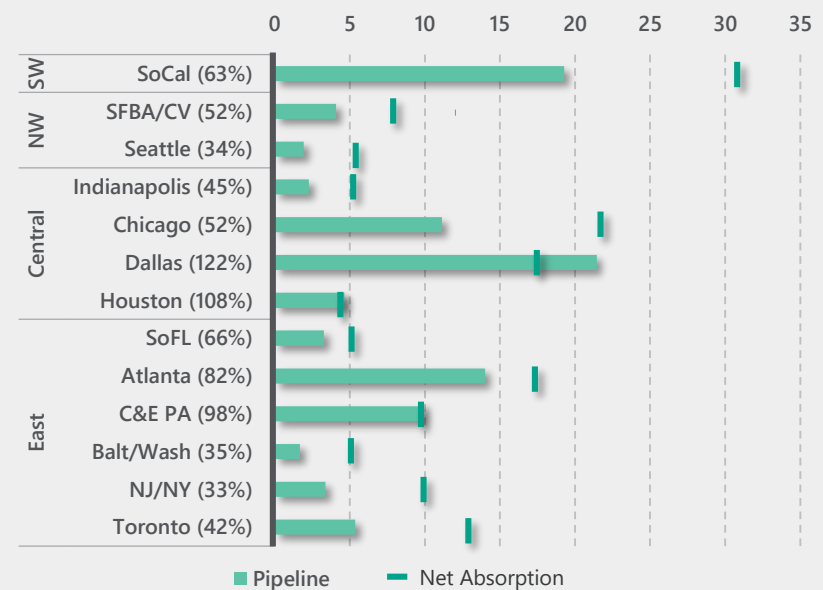
(sf in millions and vacancy rate, %)



Source: CBRE (historical), Prologis Research (forecast)

Supply Pipeline vs. Demand by Market

(sf in millions and %)⁽¹⁾



Source: CBRE, JLL, Cushman & Wakefield, Colliers, Prologis Research

1. The percentages within the axis labels are market-level development pipeline as a proportion of trailing net absorption

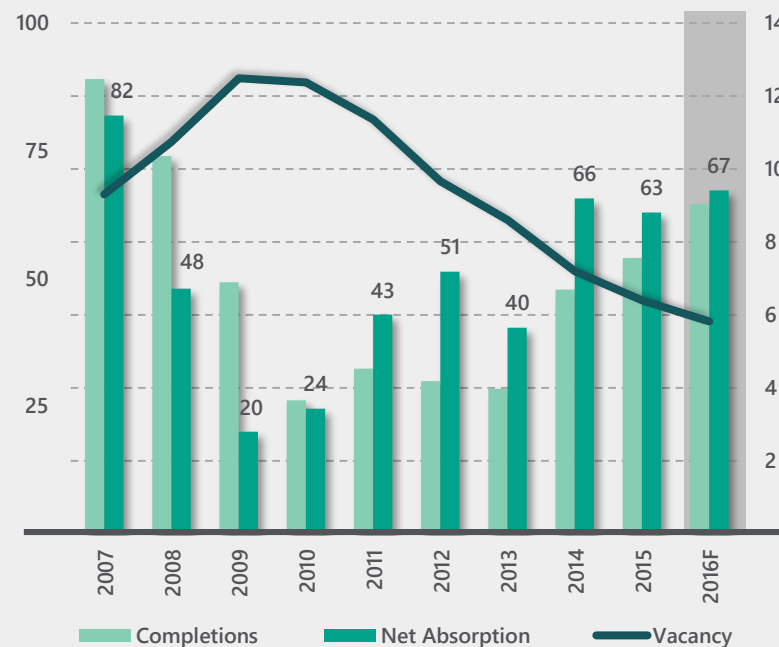
2016 SUPPLY/DEMAND FORECAST:

- Net Absorption: 200 MSF
 - Supply: 200 MSF
- 2016 YE Vacancy: 5.7%

Europe Remains Early in the Recovery

Logistics Market Fundamentals, Europe

(sf in millions and vacancy rate, %)

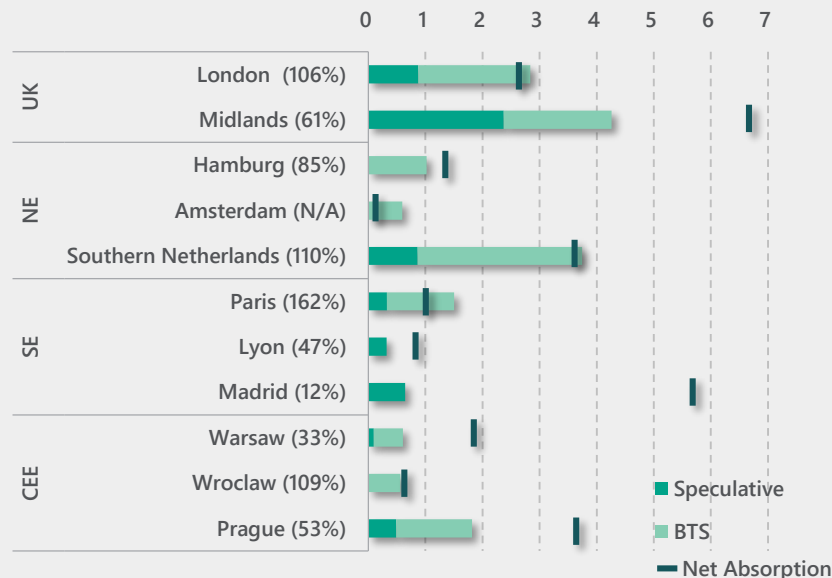


Source: CBRE, JLL, DTZ, Gerald Eve, Prologis Research

Note: Based on 48 largest European logistics markets

Supply Pipeline vs. Demand by Market

(sf in millions and %)⁽¹⁾



Source: CBRE, JLL, DTZ, Gerald Eve, Prologis Research

1. The percentages within the axis labels are market-level development pipeline as a proportion of trailing net absorption (data as of Q1 2016)

2016 SUPPLY/DEMAND FORECAST:

- Net Absorption: 67 MSF
- Supply: 65 MSF
- 2016 YE Vacancy: 5.8%



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