Fixed Income Investor Presentation

PROLOGIS

February 20, 2014

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.

Prologis Overview

World's Largest Industrial Property Company

- Leading global owner, operator and developer of industrial real estate
- $48.2 billion in assets under management, across 21 countries and four continents
- $26.4 billion in investment management assets in 15 geographically diverse funds[1]
- Breadth and depth of the management team is unparalleled in the real estate industry
- Long history of industry-leading corporate governance and transparency
- Committed to building one of the top balance sheets in the REIT industry

Note: Data as of December 31, 2013
1. As of January 9, 2014

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Vision 2016: New Plan for a New Company

Capitalize on the global rent recovery

- Realize the forecasted 20% growth in market rent from 2014-2016
- Achieve 4.5% average annual SSNOI growth, primary driver of forecasted 9% annual Core FFO growth
- Momentum of SSNOI and EBITDA outperformance to continue into 2017 and 2018

Exploit existing scale to drive bottom-line growth

- Increase AUM by over $6 billion
- Reduce G&A / AUM by 15%
- Limit absolute annual G&A growth to ~2%

Utilize land bank and development expertise to drive value creation

- Improve land banking efficiency by reducing gross land bank to two years of development or $1.4 billion by 2016
- Reach annual run-rate development start volume of $2.5 billion by the end of 2015
- Target strong BTS component at 30% of annual starts

Drive capital structure to build top-three balance sheet amongst REITs

- Build a balance sheet consistent with that of a global leader in real estate
- Maintain overall leverage levels, while building coverage through EBITDA growth
- Minimize FX exposure by driving USD net equity to over 90%

Progress so far…

Operations

- Leased over 150 million SF in 2013 and a record 43.7 million in the fourth quarter
- Rental rate increases in every quarter of 2013, at an accelerating rate
- Same-store NOI and EBITDA positive in 9 out of 10 quarters since merger

Industrial market recovery is well underway

Investment Management

- Expanded Norges relationship with formation of Prologis U.S. Logistic Venture
- Added $1 billion of new investment capacity in China
- Raised $1.2 billion of new third-party equity across open-ended ventures

Robust fundraising environment fueling growth and reducing risk

Capital Deployment

- Recycled $2.5 billion of property in 2013, upgrading portfolio to 85% global markets
- Started $1.8 billion of new development, 42% build-to-suit
- Stabilized $1.4 billion in new class-A projects with an estimated margin of 30%

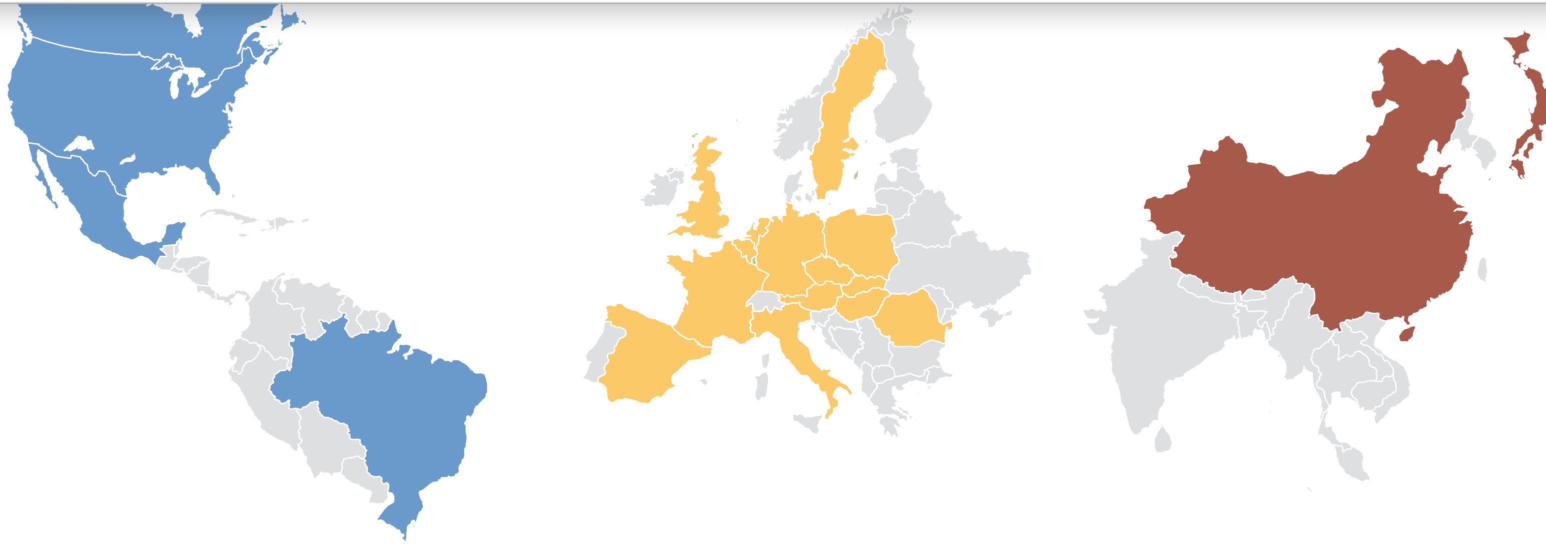
Furthering the leading industrial portfolio in location and quality

Financial Update

- Reduced nominal debt over 2013 by over $3 billion
- 2013 unsecured refinancings significantly reduced average rate and extended average life
- Increased USD net equity to 76% from 60% over 2013
- Added significant new depth to financing access via new Investment Management relationship as well as our reestablishment in the European fixed income market

Significant smoothing and lengthening of the maturity profile

Global Platform



	Americas		Europe		Asia		Total	
	2,246 buildings in 4 countries		615 buildings in 14 countries		72 buildings in 3 countries			
	Total	Prologis' Share	Total	Prologis' Share	Total	Prologis' Share	Total	Prologis' Share
Total Portfolio[1] – Square Feet /Square Meters (mm)	381 / 35	*77%*	149 / 14	*45%*	39 / 4	*43%*	569 / 53	*67%*
Development – TEI ($mm)	$1,228	*92%*	$433	*93%*	$709	*71%*	$2,370	*86%*
Land (acres)	6,997	*98%*	2,949	*96%*	138	*51%*	10,084	*97%*
NOI[2]	$1,417	*$1,059*	$789	*$345*	$250	*$84*	$2,455	*$1,487*

Platform covers countries representing ~70% of global GDP[3]

Note: Data as of December 31, 2013
1. Comprises Prologis' operating, development and other portfolio
2. On a GAAP basis, Q4 2013 Annualized
3. Source: International Monetary Fund

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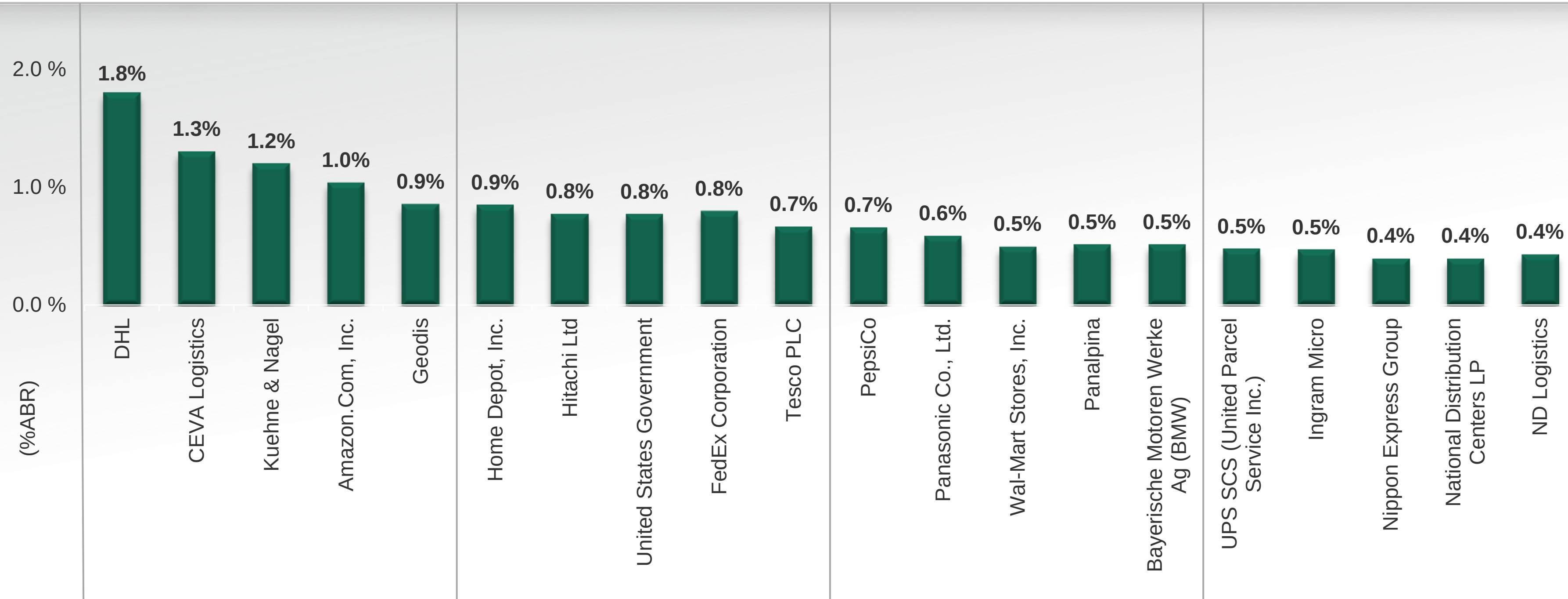
Prologis' Business Lines

OPERATIONS	INVESTMENT MANAGEMENT	DEVELOPMENT
Collect Rent	**Generate Fees**	**Create Value**
▪ Stable income stream ▪ Global presence/local market expertise ▪ Diversified global customer base	▪ Recurring annuity stream, 88% from infinite life vehicles[1] ▪ Diversified by geography and capital source ▪ Expands global operating platform ▪ Less Prologis capital and lower foreign currency exposure	▪ Global platform provides substantial diversification ▪ Expect lower volatility and stable volumes ▪ Customer relationships drive build-to-suit (BTS) opportunities
▪ $2.5B of annualized NOI / $1.5B PLD share ▪ ~$400M of incremental NOI with stabilized fundamentals	▪ $190M annualized investment management revenue[2] ▪ $26.4B of AUM / $7.3B PLD share [3]	▪ $2.4B pipeline / $2.0B PLD share ▪ Expected value creation $424M / $377M PLD share with an estimated development margin of 17.9% ▪ $1.6B land portfolio in key markets
▪ Substantial rental growth through 2017 ▪ Occupancy gains	▪ Increased revenues from incremental AUM ▪ Substantial promote opportunities	▪ Supply of Class-A product constrained ▪ Opportunities in key global markets for new development ▪ Undervalued land bank represents an asset as markets recover

Note: Data as of December 31, 2013
1. Represents asset management and property management fees over FMV
2. Represents revenue from unconsolidated entities only; excludes promotes and development fees
3. As of January 9, 2014

Leading Customer Brand



Number of Countries	13	11	12	3	10	1	6	3	1	2	1	2	6	3	3	2	3	6	4	1
Number of Markets	38	22	26	8	15	6	5	15	13	3	9	3	14	7	10	4	8	16	13	4
Number of Leases	81	40	43	13	33	8	20	27	30	8	11	3	16	13	16	4	12	21	18	8

Note: Data as of December 31, 2013

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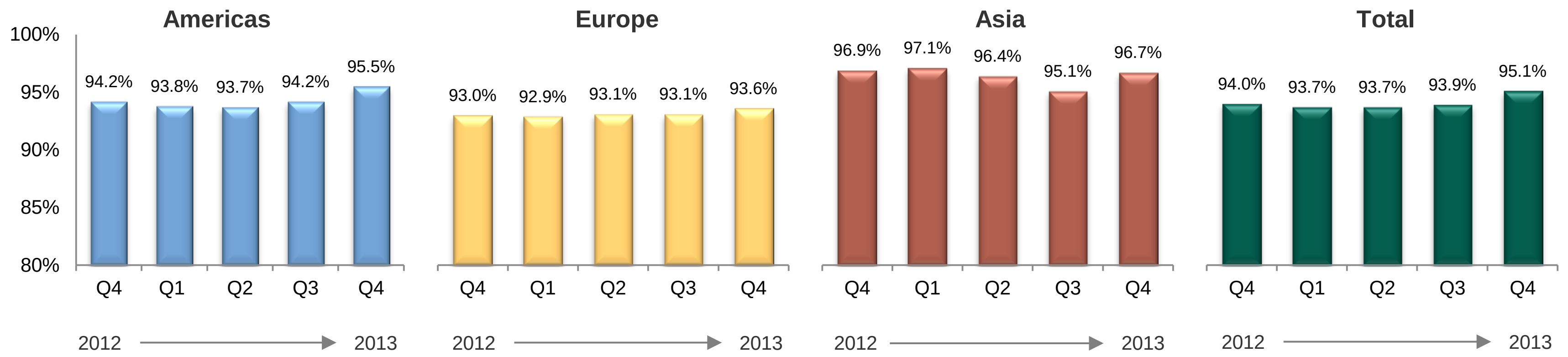
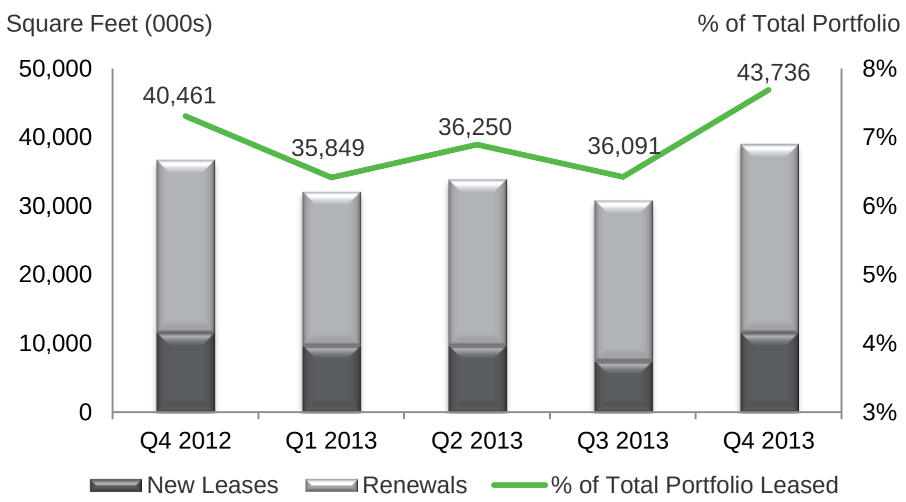
Strong Occupancy Levels and Leasing Activity

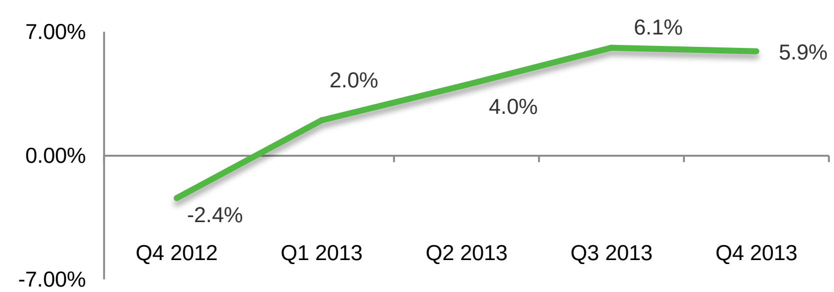
Operating Portfolio – Period Ending Occupancy



Leasing Activity



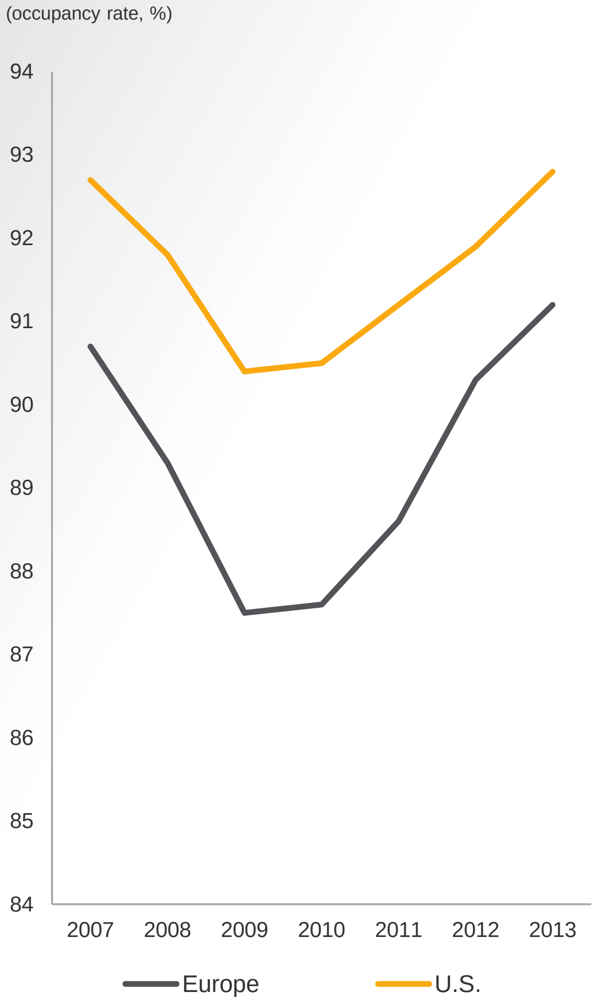
Global Rent Change



Note: Data as of December 31, 2013

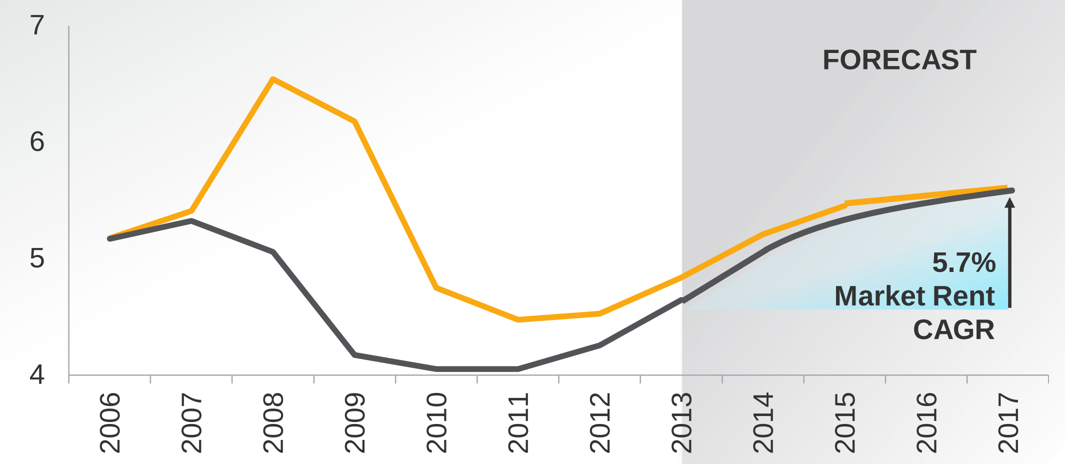
Rent and Replacement Cost Trend

Market Occupancy Surpassing 2007 Levels



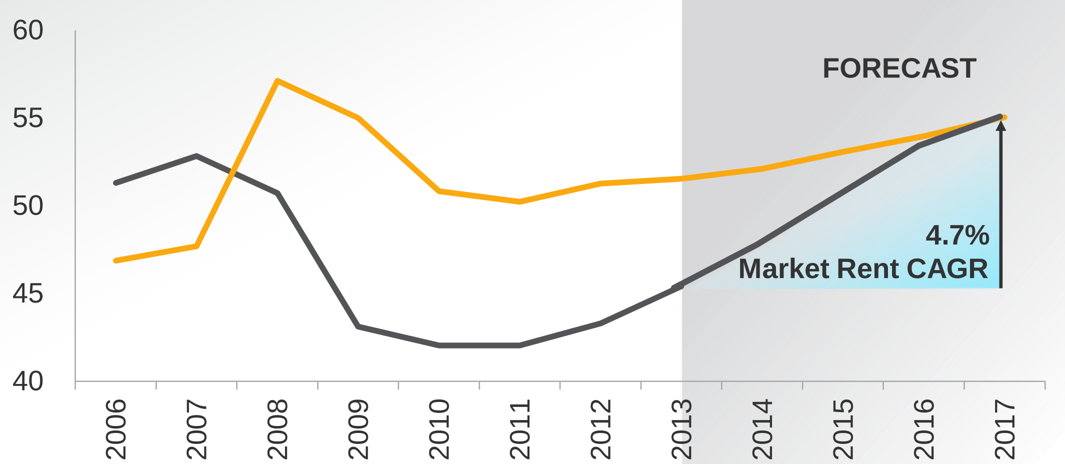
Source: CBRE, JLL, DTZ, Gerald Eve, Prologis Research
Note: European data as of 3Q'13 for 2013

U.S. Market Rents ($/ft/yr, NNN)



European Market Rents Global Markets (€/m/yr, NNN)

Replacement Cost Rent   Market Rent



Source: Prologis Research
Forecast based upon expanding US and European GDP, tightening logistics vacancy rates and rising replacement cost rents. Relevant assumptions in "Entering the Sweet Spot in the Cycle for Logistics Real Estate: An Extended Rental Rate Expansion" published September 2013 and available on the Prologis website
Note: The forecast is not a guarantee of future performance and we can give no assurance that actual outcomes will not differ materially from what is forecasted

Investment Management – $26.4 Billion AUM[(1)]

Europe **$11,394 AUM[(1)] ($MM)**

Prologis European Properties Fund II*	$5,106
Prologis European Logistics Partners*	3,716
Prologis Targeted Europe Logistics Fund*	1,949
Prologis Europe Logistics Joint Venture I*	623
Average Ownership	**~39%**
Average Fees[(2)]	**67 bps**

Reduced active funds from 5 to 4 since merger

Americas **$9,826 AUM[(1)] ($MM)**

Prologis Targeted U.S. Logistics Fund*	$4,739
Prologis NA Industrial*	2,655
Prologis U.S. Logistics Venture*	1,012
Prologis Fondo Logistico*	586
Prologis Mexico Industrial	461
Prologis Brazil Logistics Partners Fund I	256
Average Ownership	**~25%**
Average Fees[(2)]	**68 bps**

Reduced active funds from 16 to 6 since merger

Asia **$5,155 AUM[(1)] ($MM)**

Nippon Prologis REIT*	$3,426
Prologis China Logistics Venture I & II	1,729
Average Ownership	**~15%**
Average Fees[(2)]	**90 bps**

Reduced active funds from 5 to 3 since merger

Infinite life ventures represent 88% of AUM and generate $140 million in ongoing, annual revenues[(2)]

* Indicates open end venture

1. AUM is based on fair market value of investment management co-investment ventures and estimated investment capacity as of January 9, 2014. Prologis AMS and Prologis DFS Fund I are omitted due to the size of these ventures
2. Represents asset management and property management fees generated as a percentage of AUM

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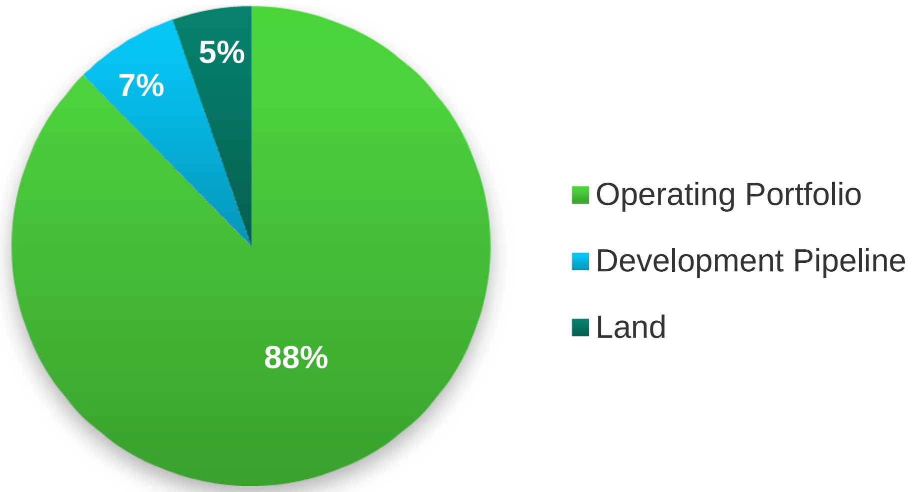
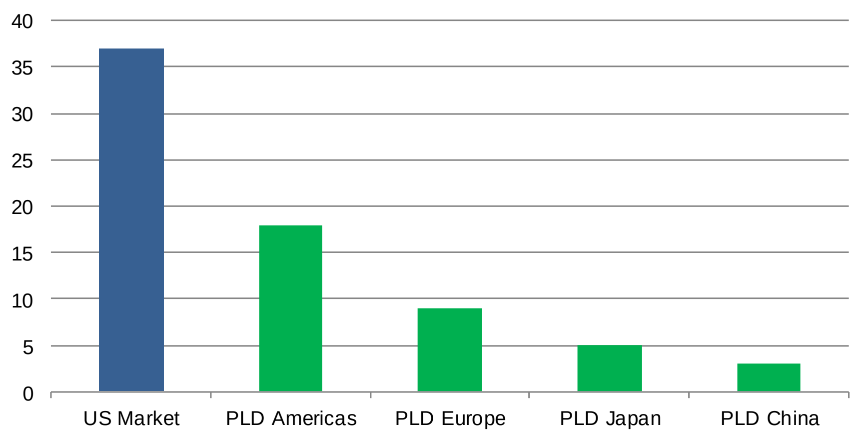
Global Development Impact on Portfolio Quality

Scope of Development Activity



Average age of Prologis Buildings (yrs)



While a relatively small component of our business and capitalization, development is a significant competitive advantage due to the impact on portfolio quality

Development provides the best means to uphold portfolio quality:

- Prologis average building age in U.S. is 18 years versus market average of 37 years
- Average age in Europe, Japan and China are 9, 5 and 3 years, respectively

Development allows for purposeful strategy investment as opposed to "collecting assets" from market offerings:

- Effectively 100% of assets in Japan, China and Brazil were developed by Prologis
- Approximately 2/3 of European assets were developed by Prologis
- Over 700 buildings in the Americas were developed by Prologis

Note: Data as of December 31, 2013

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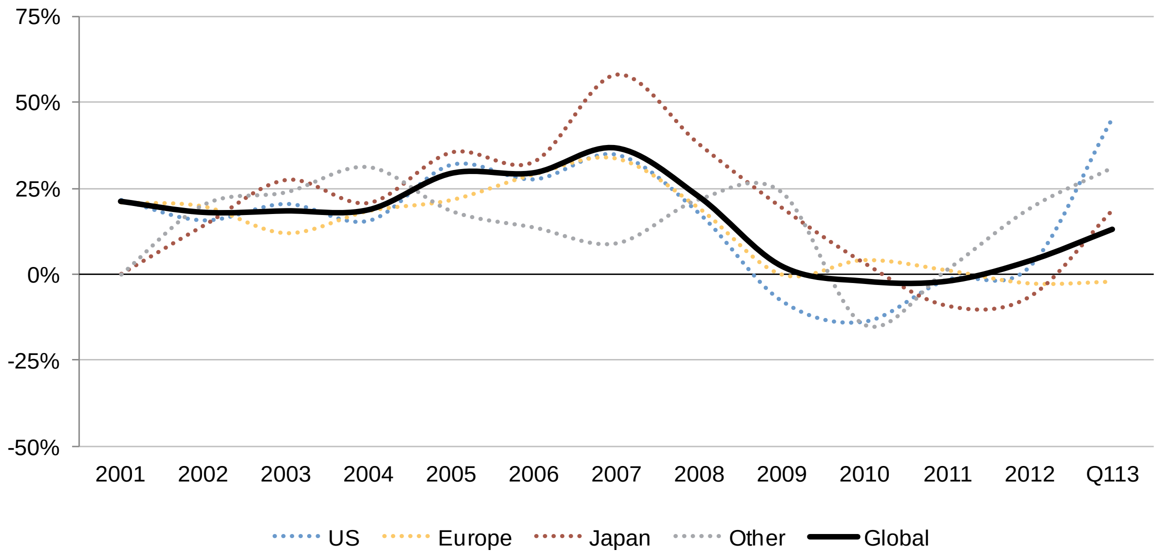
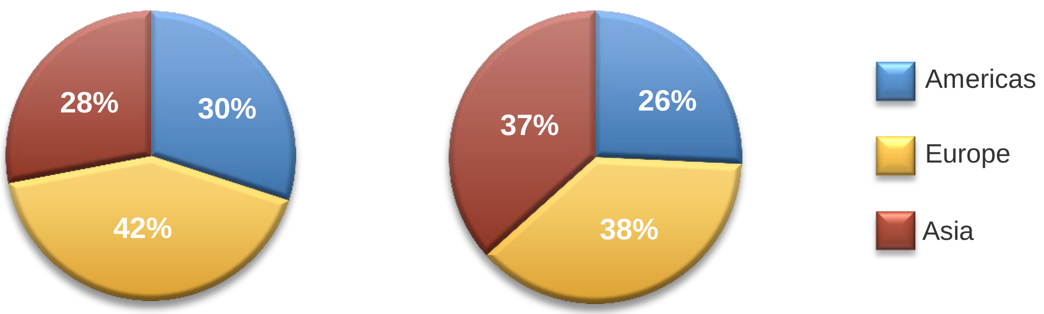
Geographic Effect on Global Development

Margin Diversification Effect of the Global Platform



Even Distribution of both Investment and Returns



Investment - $20.9B

Value Creation - $3.6B

The beta of development returns is reduced significantly with a mix of geographic platforms

Drivers of demand are idiosyncratic across regions:

- Product does not exist (China/Brazil)
- Supply chain undergoing reconfiguration (Japan/Europe)
- Advances in customer needs require new product (Global)

The overall opportunity and profitability has been proportionate across our major geographies:

- 15% margin in Americas
- 15% margin in Europe
- 23% margin in Asia

Note: Data represents development activity from Q1 2001 through Q1 2013

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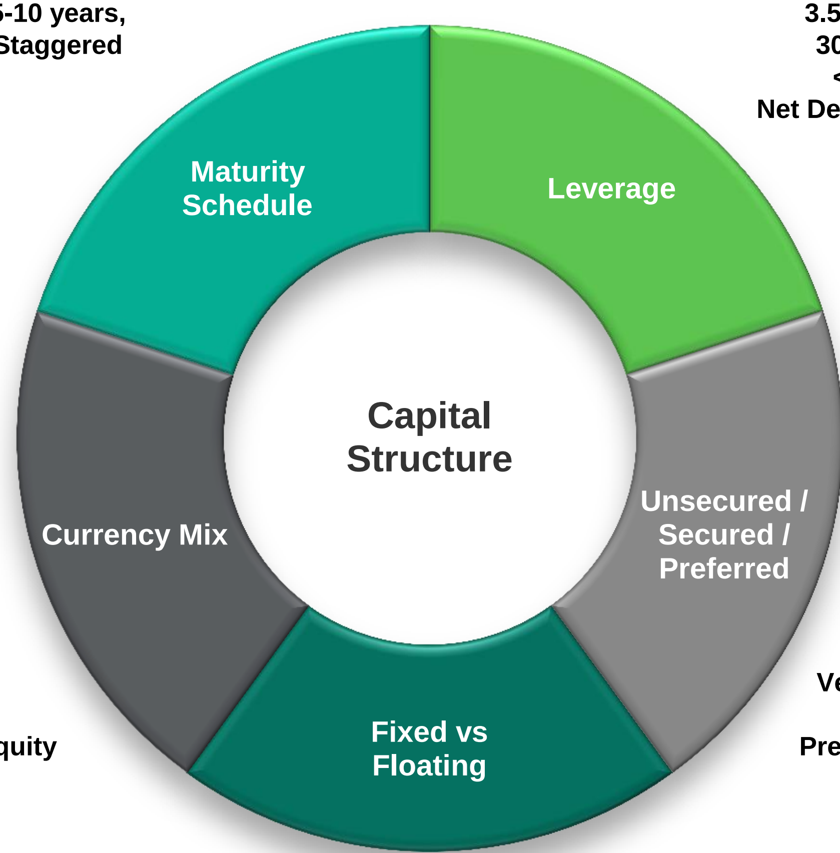
Financial Overview

Financial Overview: Capital Structure Principals

Balance Sheet Strategy

- Significant capacity and liquidity to be opportunistic at all times
- Top three REIT industry balance sheet
- Low leverage (30% look-through) and debt metrics to support strong investment grade credit rating
- US dollar net equity > 90%
- Staggered unsecured maturities which can be repaid with forecasted dividend levels
- Capital structure strategy should consider the following five areas:



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Strong Financial Position

	12/31/2013	12/31/13 Pro Forma[1]	Target
Leverage *(% of gross real estate)*[2]	36.8%	35.7%	30.0%
Debt / Adjusted EBITDA (without gains)	7.1x	6.8x	<6.0x
Fixed Charge Coverage (without gains)	2.8x	2.8x	3.0x
Unencumbered Debt Service Coverage Ratio	4.2x	4.4x	4.0x
U.S. Dollar Net Equity	77.0%	77.0%	>90.0%
Ratings (Moody's/S&P)[3]	Baa2/Positive, BBB/Stable	Baa2/Positive, BBB/Stable	A Eligible/Stable, A Eligible/Stable

1. Metrics are pro forma for the closing of Prologis U.S. Logistics Venture on January 9, 2014.
2. Look through leverage including preferreds
3. A securities rating is not a recommendation to buy, sell, or hold securities and is subject to revision or withdrawal at any time by the rating organization

Note: All metrics include both consolidated and Prologis share of unconsolidated entities. Internal metrics, not calculated in accordance with applicable SEC rules. See Reporting Definitions for calculations of amounts.

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Significant Covenant Headroom

Unsecured Senior Notes	12/31/13	Covenant
Leverage Ratio	32.9%	<60.0%
Fixed Charge Coverage	4.0x	>1.5x
Secured Debt Leverage Ratio	7.0%	<40.0%
Unencumbered Asset to Unsecured Debt Ratio	259.0%	>150.0%

Note: These calculations are made in accordance with the respective debt agreements, may be different than other covenants or metrics presented and are not calculated in accordance with the applicable SEC rules. Please refer to the respective agreements for full financial covenant descriptions and calculation methods. These covenants are calculated in accordance with the Indenture dated 8 June 2011 and its supplemental Indentures, including the Fifth Supplemental Indenture dated 15 August 2013.

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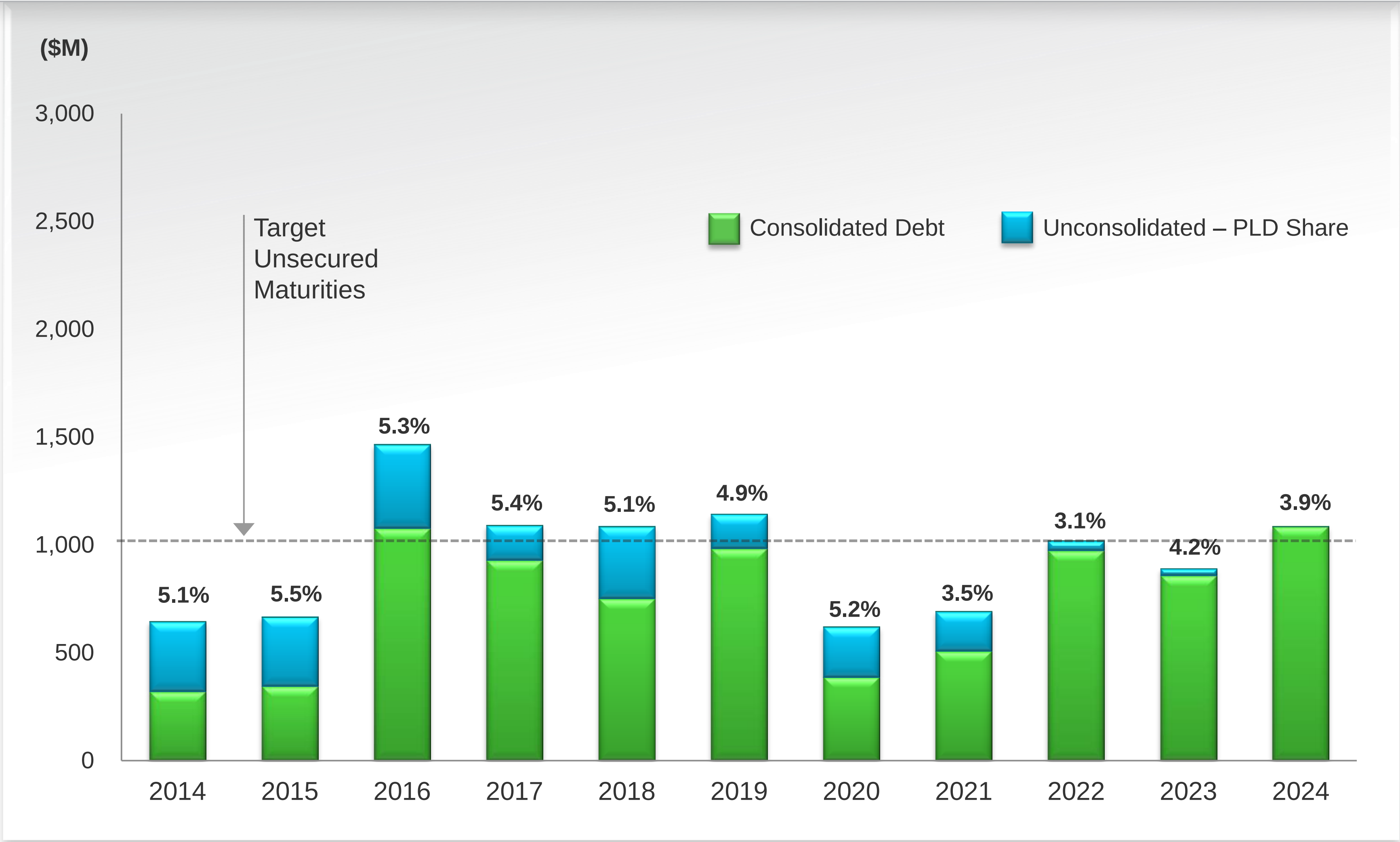
Debt Maturities[1]



Well staggered maturities with 1.3 years of extended term as a result of 2013 debt transactions

1. As at December 31, 2013, excludes credit facilities, term loan, and convertible debt

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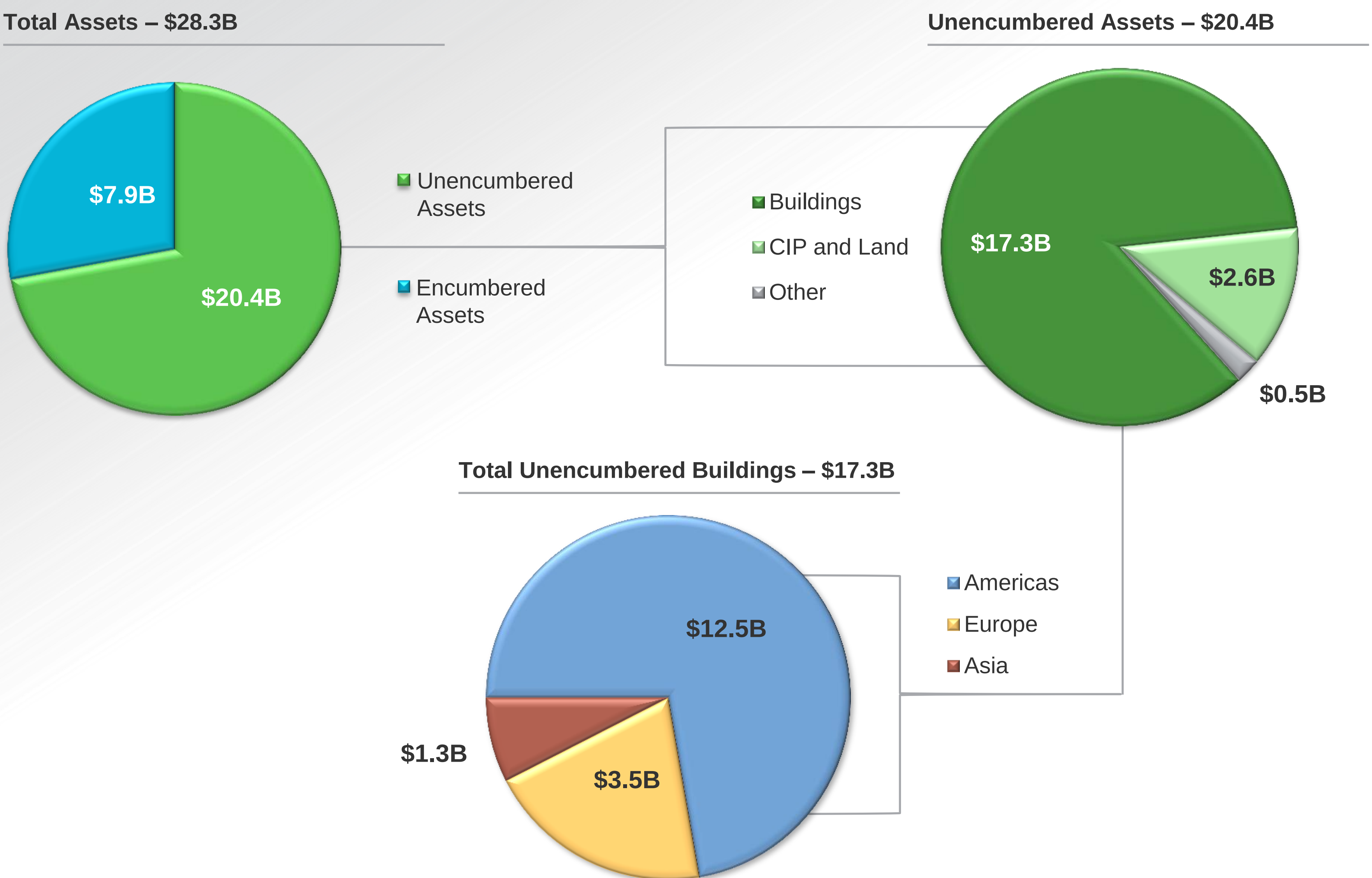
Significant Unencumbered Asset Base



Note: Metrics include both consolidated and Prologis share of unconsolidated entities.
Data as at 31 December 2013

Leading by Example

- #1 governance ranking for 11 consecutive years among U.S. REITs
- Named as one of the world's most sustainable companies
- Global leader in sustainability and corporate responsibility practices
- Recognized globally for design, stewardship and leadership

EY Entrepreneur Of The Year™
2013 National Overall Winner

NATURAL CAPITAL EFFICIENCY LEADER 2014

CARBON DISCLOSURE PROJECT

Green Street Investors

QCRD NASDAQ OMX INDEX

Leader In The Light GRESB

GLOBAL100

Dow Jones Sustainability Indexes

GRESB

FTSE4Good

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Prologis is…..

- Building on our leadership position in global platform, product offerings and balance sheet strength
- Focused on optimizing low LTV by extending duration, reducing interest charges and balancing currency mix
- Diversified business lines, investment management and development provide incremental EBITDA, reduce risk and improve portfolio quality
- Nominal EBITDA coverage on Prologis' scale is a differentiator by right of sheer scale at current leverage levels
- Committed to maintaining low business, financial and foreign currency risk as demonstrated by our commitment to our internal PIRI framework

Appendix

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. Certain amounts from previous periods presented in our 4th quarter 2013 earnings supplemental, furnished to the SEC on January 30, 2014, have been reclassified to conform to the current presentation.

Our Real Estate Operations segment represents the direct, long-term ownership of industrial properties. Our investment strategy in this segment focuses primarily on the ownership and leasing of industrial properties in global and regional markets. Our intent is to hold and use these properties; however, depending on market and other conditions, we may contribute or sell these properties to co-investment ventures or sell to third parties. When we contribute to an unconsolidated co-investment venture or sell properties we have developed, we recognize FFO to the extent the proceeds received exceed our original investment (i.e. prior to depreciation) and present the results as *Gain (Loss) on Acquisitions and Dispositions of Investments in Real Estate, Net*. We have industrial properties that are currently under development and land available for development that are part of this segment as well. We may develop the land or sell to third parties, depending on market conditions, customer demand and other factors. The Investment Management segment represents the long-term management of unconsolidated co-investment ventures and other joint ventures.

During the fourth quarter of 2013, we acquired our partner's interest in and concluded the unconsolidated co-investment venture Prologis SGP Mexico. We earned a promote fee of approximately $7.9 million based on the cumulative returns to the investors over the life of the venture. Of this amount, approximately $6.4 million represents our partner's portion and is reflected in Investment Management Revenue. We also recognized approximately $1.3 million of expense in Investment Management Expenses representing the estimated cash bonus to be paid out under our compensation plans related to the promote. As a result, the assets and liabilities associated with this venture are now wholly owned.

Also in the fourth quarter of 2013, we announced the formation of Prologis China Logistics Venture 2 with the same partner as Prologis China Logistics Venture. The venture is expected to build, acquire and manage properties in China. The venture has potential investment capacity of over $1 billion, including $588 million of committed equity.

On January 9, 2014, we closed on a new U.S. joint venture (Prologis U.S. Logistics Venture) with the same partner as Prologis European Logistics Partners and the venture acquired 12.8 million square feet of operating properties formerly owned by Prologis. The venture is consolidated for accounting purposes and we own 55% of the equity.

Acquisition cost represents economic cost and not necessarily what is capitalized. It includes the initial purchase price; the effects of marking assumed debt to market; if applicable, all due diligence and lease intangibles; and estimated acquisition capital expenditures including leasing costs to achieve stabilization.

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, third party acquisition costs related to the acquisition of real estate, 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 and related amortization), 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 in the first quarter of 2013 and the acquisition of our share of the assets from Prologis California and the acquisition of Prologis North American Industrial Fund II in the first quarter of 2012. By excluding interest expense, Adjusted 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 include 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.

Please see our fourth quarter 2013 earnings supplemental for a reconciliation of Adjusted EBITDA to consolidated net earnings (loss).

Reporting Definitions *(continued)*

Assets Held For Sale and Discontinued Operations. As of December 31, 2013, we had land that met the criteria to be presented as held for sale. The amounts included in Assets Held for Sale include real estate investment balances and the related assets and liabilities for each property.

During the twelve months ended December 31, 2013, we disposed of 89 properties aggregating 9.2 million square feet to third parties that met the criteria for discontinued operations. During all of 2012, we disposed of land subject to ground leases and 200 operating properties aggregating 27.2 million square feet to third parties that met the criteria for discontinued operations.

The operations of the properties held for sale and properties that were disposed of to third parties during a period that met the criteria for discontinued operations, including the aggregate net gains or losses recognized upon their disposition, are presented as discontinued operations in our *Consolidated Statements of Operations* for all periods presented. The income attributable to these properties was as follows (in thousands)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2013	2012	2013	2012
Rental income	$ 5,485	$ 20,698	$ 34,105	$ 128,162
Rental expenses	(995)	(8,124)	(10,633)	(40,925)
Depreciation and amortization	(2,470)	(6,223)	(15,339)	(43,197)
Interest expense	(188)	(705)	(1,163)	(3,213)
Income (loss) attributable to disposed properties and assets held for sale	$ 1,832	$ 5,646	$ 6,970	$ 40,827

Annualized Base Rent ("ABR") is calculated as the gross rental income per lease, as of a certain date, based on rates effective at that date multiplied by 12. It does not take into account lease terminations, renewals, replacement of customers or other changes in rent levels in existing leases. Leases denominated in foreign currencies are translated using the currency exchange rate at period end.

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.

Committed Equity/Investment is our estimate of the gross real estate, which could be acquired through the use of the equity commitments from our property fund or co-investment venture partners, plus our funding obligations and estimated debt capitalization.

Debt Metrics. See below for the detailed calculations for the three months ended for the respective period (*dollars in thousands*):

	Three Months Ended Dec. 31	Three Months Ended Sept. 30
	2013	2013
Debt as a % of gross real estate assets:		
Total debt - at par	$ 11,072,140	$ 11,216,518
Less: cash and cash equivalents	(491,129)	(121,693)
Less: unconsolidated entities cash - Prologis share	(145,186)	(128,959)
Total debt, net of adjustments	$ 10,435,825	$ 10,965,866
Gross real estate assets	$ 28,341,814	$ 28,965,232
Debt as a % of gross real estate assets	36.8%	37.9%

	Three Months Ended Dec. 31	Three Months Ended Sept. 30
	2013	2013
Secured debt as a % of gross real estate assets:		
Secured debt - at par	$ 3,336,445	$ 3,616,558
Gross real estate assets	$ 28,341,814	$ 28,965,232
Secured debt as a % of gross real estate assets	11.8%	12.5%
Unencumbered gross real estate assets to unsecured debt:		
Unencumbered gross real estate assets	$ 20,396,363	$ 20,358,466
Unsecured debt - at par	$ 7,735,695	$ 7,599,960
Unencumbered gross real estate assets to unsecured debt	263.7%	267.9%
Fixed Charge Coverage ratio:		
Adjusted EBITDA	$ 366,664	$ 354,641
NOI from disposed properties	4,490	226
Adjusted EBITDA, including NOI from disposed properties	$ 371,154	$ 354,867
Adjusted EBITDA, including NOI from disposed properties, annualized (a)	$ 1,479,337	$ 1,429,468
Add: Prologis share of gains on dispositions of development properties for the twelve months ended	432,295	287,034
Adjusted EBITDA, including NOI from disposed properties and gains on dispositions, annualized	$ 1,911,632	$ 1,716,502
Interest expense	$ 87,832	$ 84,885
Amortization and write-off of deferred loan costs	(3,908)	(2,887)
Amortization of debt premium (discount), net	8,501	9,123
Capitalized interest	17,849	19,127
Preferred stock dividends	2,135	2,135
Our share of fixed charges from unconsolidated entities	22,233	26,334
Total fixed charges	$ 134,642	$ 138,717
Total fixed charges, annualized	$ 538,568	$ 554,868
Fixed charge coverage ratio	2.75x	2.58x
Fixed charge coverage ratio, including development gains	3.55x	3.09x
Debt to Adjusted EBITDA:		
Total debt, net of adjustments	$ 10,435,825	$ 10,965,866
Adjusted EBITDA-annualized (a)	$ 1,461,377	$ 1,428,564
Add: Prologis share of gains on dispositions of development properties for the twelve months ended	432,295	287,034
Adjusted EBITDA-annualized (a), including gains on dispositions	$ 1,893,672	$ 1,715,598
Debt to Adjusted EBITDA ratio	7.14x	7.68x
Debt to Adjusted EBITDA ratio, including development gains	5.51x	6.39x
Debt to Adjusted EBITDA (adjusted for development):		
Total debt, net of adjustments	$ 10,435,825	$ 10,965,866
Add: costs to complete - Prologis share	857,688	760,239
Less: current book value of land - Prologis share	(1,542,362)	(1,677,926)
	$ 9,751,151	$ 10,048,179
Adjusted EBITDA-annualized (a)	$ 1,461,377	$ 1,428,564
Add: annualized proforma NOI - Prologis share	137,205	145,888
	1,598,582	1,574,452
Debt to Adjusted EBITDA (adjusted for development) ratio	6.10x	6.38x

(a) *Actual promote revenue and related expenses for the quarter are removed from the quarter EBITDA amount before annualizing, then the actual promote revenue and related expenses for the previous twelve months are added to the annualized number. For the three months ended December 31, 2013 and September 30, 2013, actual promote revenue, net of related expenses, for the previous twelve months was $15.1 million and $10.0 million, respectively.*

Reporting Definitions *(continued)*

Estimated Development Margin is calculated on developed properties as the contribution value or sales price minus estimated total investment, before closing costs, the impact of any deferred rents, taxes or third party promotes net of deferred amounts on contributions, divided by the estimated total investment.

FFO, as defined by Prologis; Core FFO; Core 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 (including impairment charges) from dispositions of land and development properties, as well as our proportionate share of the gains and losses (including impairment charges) from dispositions of development properties 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 and related amortization of debt discounts 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.

Reporting Definitions *(continued)*

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 of these items 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 and third-party acquisition costs related to the acquisition of real estate;
iii. impairment charges recognized related to our investments in real estate generally as a result of our change in intent to contribute or sell these properties;
iv. gains or losses from the early extinguishment of debt;
v. merger, acquisition and other integration expenses; and
vi. 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 have 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. Over the last few years, we made it a priority to strengthen our financial position by reducing our debt, our investment in certain low yielding assets and our exposure to foreign currency exchange fluctuations. As a result, we changed our intent to sell or contribute certain of our real estate properties and recorded impairment charges when we did not expect to recover the costs of our investment. Also, we have purchased portions of our debt securities when we believed it was advantageous to do so, which was based on market conditions, and in an effort to lower our borrowing costs and extend our debt maturities. As a result, we have 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 included costs we incurred in 2011 and 2012 associated with the merger with AMB Property Corporation and ProLogis and the acquisition of our co-investment venture Prologis European Properties and the integration of our systems and processes. In addition, we and our co-investment ventures make acquisitions of real estate and we believe the costs associated with these transactions are transaction based and not part of our core operations.

We analyze our operating performance primarily by the rental income of our real estate and the revenue driven by our investment management 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.

Core AFFO
To arrive at Core AFFO, we adjust Core FFO to further exclude our share of; (i) straight-line rents; (ii) amortization of above- and below-market lease intangibles; (iii) recurring capital expenditures; (iv) amortization of management contracts; (v) amortization of debt premiums and discounts, net of amounts capitalized, and; (vi) stock compensation expense.

We believe Core AFFO provides a meaningful indicator of our ability to fund cash needs, including cash distributions to our stockholders.

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, these are only a few of the many measures we use when analyzing our business. Some of these limitations are:

- The current income tax expenses and acquisition costs that are excluded from our defined FFO measures represent the taxes and transaction costs 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 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 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. This information should be read with our complete consolidated financial statements prepared under GAAP. To assist investors in compensating for these limitations, we reconcile our defined FFO measures to our net earnings computed under GAAP. Please see our 4th quarter 2013 earnings supplemental for a reconciliation of FFO to net earnings (loss).

Fixed Charge Coverage is defined as Adjusted EBITDA divided by total fixed charges. Fixed charges consist of net interest expense adjusted for amortization of finance costs and debt discount (premium), capitalized interest, and preferred stock dividends. Prologis uses fixed charge coverage to measure its liquidity. Prologis believes that the fixed charge coverage is relevant and useful to investors because it allows fixed income investors to measure Prologis' ability to meet its interest payments on outstanding debt, make distributions to its preferred unitholders and pay dividends to its preferred stockholders. Prologis' computation of fixed charge coverage is not calculated in accordance with applicable SEC rules and may not be comparable to fixed charge coverage reported by other companies.

Reporting Definitions *(continued)*

General and Administrative Expenses ("G&A") were as follows (in thousands):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2013	2012	2013	2012
Gross overhead	$112,573	$106,878	$434,933	$394,845
Less: rental expense	(8,239)	(9,516)	(32,918)	(35,954)
Less: investment management expenses	(22,340)	(16,134)	(89,278)	(63,820)
Capitalized amounts	(18,927)	(20,620)	(83520)	
Capitalized amounts	(18,927)	(20,620)	(83,530)	(67,003)
G&A	**$63,067**	**$60,608**	**$229,207**	**$228,068**

We capitalize certain costs directly related to our development and leasing activities. Capitalized G&A expenses include salaries and related costs as well as other G&A costs. The capitalized costs were as follows (in thousands):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2013	2012	2013	2012
Development activities	$14,659	$14,027	$64,113	$42,417
Leasing activities	4,122	5,354	18,301	23,183
Costs related to internally developed software	146	1,239	1,116	1,403
Total capitalized G&A	**$18,927**	**$20,620**	**$83,530**	**$67,003**

G&A as a percent of Assets Under Management *(in thousands)*:

Annual gross overhead	$ 434,933
Less: annual rental expenses	(32,918)
Less: annual capitalized amounts	(83,530)
Adjusted G&A	$ 318,485
Operating properties	$ 41,631,829
Development portfolio - TEI	2,369,524
Land portfolio	1,585,251
Other real estate investments	486,230
Assets held for sale	4,042
Total Assets Under Management	$ 46,076,876
G&A as % of Assets Under Management	**0.69%**

G&A as a percent of Assets Under Management – Prologis Share *(in thousands)*:

Annual G&A	$ 229,207
Less: annual investment management income (a)	(173,106)
Add: annual investment management expenses (a)	85,006
Adjusted G&A	$ 141,107
Operating properties - Prologis share	$ 25,007,679
Development portfolio - Prologis share of TEI	2,028,519
Land portfolio - Prologis share	1,542,362
Other real estate investments	486,230
Assets held for sale	4,042
Total Assets Under Management - Prologis share	$ 29,068,832
G&A as % of Assets Under Management - Prologis share	**0.49%**

(a) Includes total investment management revenue and expenses for the year ended December 31, 2013, less any promote revenue and expense recorded during the year.

Global Markets comprise the largest, most liquid markets benefiting from demand tied to global trade. These markets are defined by large population centers with high consumption per capita and typically feature major seaports, airports, and other transportation infrastructure tied to global trade. While initial returns might be lower, global markets tend to outperform overall markets in terms of growth and total return.

Interest Expense consisted of the following (*in thousands*):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2013	2012	2013	2012
Gross interest expense	110,274	$ 142,942	$ 471,923	$ 578,518
Amortization of discount (premium), net	(8,501)	(10,273)	(39,015)	(36,687)
Amortization of deferred loan costs	3,908	3,748	14,374	16,781
Interest expense before capitalization	105,681	136,417	447,282	558,612
Capitalized amounts	(17,849)	(13,343)	(67,955)	(53,397)
Net interest expense	**87,832**	**$ 123,074**	**$ 379,327**	**$ 505,215**

Investment Management NOI represents investment management income less investment management expenses.

Market Equity is defined as the total number of outstanding shares of our common stock and common limited partnership units multiplied by the closing price per share of our common stock at period end.

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 our 4th quarter 2013 earnings supplemental, 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, investment management platform, or development platform.

Net Operating Income ("NOI") represents rental income less rental expenses.

Operating Portfolio includes stabilized operating industrial properties we own or that we manage and are owned by an unconsolidated investee accounted for by the equity method of accounting.

Operating Segments – Real Estate Operations represents the direct long-term ownership of industrial properties, including land and the development of properties.

Operating Segments – Investment Management represents the management of unconsolidated co-investment ventures and other unconsolidated joint ventures and the properties they own.

Pre-stabilized Development represents properties that are complete but have not yet reached Stabilization.

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Reporting Definitions *(continued)*

Pro forma Adjusted Cash NOI for the properties in our operating portfolio reflects the NOI for a full quarter of operating properties that were acquired, contributed or stabilized during the quarter. Pro forma NOI for the properties in our development portfolio is based on current total expected investment and an estimated stabilized yield.

A reconciliation of our rental income and rental expenses, computed under GAAP, to adjusted net operating income (NOI) for the operating portfolio for purposes of the Net Asset Value calculation is as follows:

Calculation of Adjusted Cash NOI *(in thousands)*:

Rental income	$ 379,208
Rental expenses	(104,936)
NOI	274,272
Net termination fees and adjustments (a)	(1,357)
Less: Actual NOI for development portfolio and other	(10,316)
Less: NOI on contributed properties (b)	(9,133)
Adjusted NOI for operating portfolio owned at December 31, 2013	253,466
Straight-lined rents (c)	(8,345)
Free rent (c)	9,284
Amortization of lease intangibles (c)	7,734
Fourth quarter Adjusted Cash NOI	$ 262,139

(a) *Net termination fees generally represent the gross fee negotiated at the time a customer is allowed to terminate its lease agreement offset by that customer's rent leveling asset or liability, if any, that has been previously recognized under GAAP. Removing the net termination fees from rental income allows for the calculation of pro forma NOI to include only rental income that is indicative of the property's recurring operating performance.*

(b) *The actual NOI for properties that were contributed and not part of discontinued operations during the three-month period is removed.*

(c) *Straight-lined rents, adjusted for free rent amounts, and amortization of above and below market leases are removed from rental income computed under GAAP for the operating portfolio to allow for the calculation of a cash yield.*

Regional Markets, similar to global markets, also benefit from large-population centers and demand. They are located at key crossroads in the supply chain and/or near economic centers for leading national or global industries. Our assets reflect the highest quality class-A product in that market and are often less supply- constrained and focus on delivering bulk goods to customers.

Rent Change on Rollover represents the change on operating portfolio properties in effective rental rates (average rate over the lease term) on new and renewed leases signed during the period as compared with the previous effective rental rates in that same space.

Rental Income includes the following (*in thousands*):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2013	**2012**	**2013**	**2012**
Rental income	$ 300,278	$ 372,964	$ 1,216,121	$ 1,438,597
Amortization of lease intangibles	(8,150)	(10,013)	(34,465)	(39,014)
Rental expense recoveries	77,581	92,110	331,518	364,320
Straight-lined rents	9,499	15,233	46,319	59,878
	$ 379,208	**$ 470,294**	**$ 1,559,493**	**$ 1,823,781**

Same Store. We evaluate the operating performance of the industrial 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, thereby eliminating the effects of changes in the composition of the portfolio on performance measures. We include all consolidated properties, and properties owned by unconsolidated co-investment ventures that are managed by us and in which we have an equity interest (referred to as "unconsolidated entities"), in our same store analysis. We have defined the same store portfolio, for the quarter ended December 31, 2013, as those operating properties in operation at January 1, 2012 that were in operation throughout the full periods in both 2012 and 2013 either by Prologis or their unconsolidated entities. We have removed all properties that were disposed of to a third party from the population for both periods. We believe the factors that impact rental income, rental expenses and net operating income in the same store portfolio are generally the same as for the total operating portfolio. In order to derive an appropriate measure of period-to-period operating performance, we remove the effects of foreign currency exchange rate movements by using the current exchange rate to translate from local currency into U.S. dollars, for both periods, to derive the same store results.

Same Store - NOI - adjusted cash – represents Same Store Rental Income less Same Store Rental Expenses using amounts derived from the GAAP financial statements for the properties included in the Same Store portfolio and adjusted to exclude non-cash items that are in the GAAP financial statements. These adjustments include straight line rent adjustments and adjustments related to purchase accounting to reflect leases at fair value at the time of acquisition.

Same Store Average Occupancy represents the average occupied percentage for the period.

Same Store Rental Expense represents gross property operating expenses. In computing the percentage change in rental expenses for the same store analysis, rental expenses include property management expenses for our direct owned properties based on the property management fee that has been computed as provided in the individual agreements under which our wholly owned management companies provide property management services to each property (generally, the fee is based on a percentage of revenues).

Same Store Rental Income includes the amount of rental expenses that are recovered from customers under the terms of their respective lease agreements. In computing the percentage change in rental income for the same store analysis, rental income (as computed under GAAP) is adjusted to remove the net termination fees recognized for each period. Removing the net termination fees for the same store calculation allows us to evaluate the growth or decline in each property's rental income without regard to items that are not indicative of the property's recurring operating performance.

Stabilization is defined when a property that was developed has been completed for one year or is 90% occupied. Upon stabilization, a property is moved into our operating portfolio.

Tenant Retention is the square footage of all leases rented by existing tenants divided by the square footage of all expiring and rented leases during the reporting period, excluding the square footage of tenants that default or buy-out prior to expiration of their lease, short-term tenants and the square footage of month-to-month leases.

Total Estimated Investment ("TEI") represents total estimated cost of development or expansion, including land, development and leasing costs. TEI is based on current projections and is subject to change. Non-U.S. dollar investments are translated to U.S. dollars using the exchange rate at period end or the date of development start for purposes of calculating development starts in any period.

Total Market Capitalization is defined as market equity plus our share of total debt and preferred stock.

Reporting Definitions *(continued)*

Turnover Costs represent the costs incurred in connection with the signing of a lease, including leasing commissions and tenant improvements. Tenant improvements include costs to prepare a space for a new tenant and for a lease renewal with the same tenant. It excludes costs to prepare a space that is being leased for the first time (i.e. in a new development property).

Value-Added Acquisitions ("VAA") are properties which Prologis acquires as part of management's current belief that the discount in pricing attributed to the operating challenges of the property could provide greater returns, once stabilized, than the returns of stabilized properties, which are not value added acquisitions. Value Added Acquisitions must have one or more of the following characteristics: (i) existing vacancy in excess of 20%; (ii) short -term lease roll-over, typically during the first two years of ownership; (iii) significant capital improvement requirements in excess of 10% of the purchase price and must be invested within the first two years of ownership.

Value-Added Conversions ("VAC") represent the repurposing of industrial properties to a higher and better use, including office, residential, retail, research and development, data center, self storage or manufacturing with the intent to ultimately sell the property once repositioned. Activities required to prepare the property for conversion to a higher and better use may include such activities as re-zoning, re-designing, re-constructing, and re-tenanting. The economic gain on sales of value added conversions represents the amount by which the sales proceeds exceed our original cost in dollars and percentages.

Value Creation represents the value that will be created through our development and leasing activities at Stabilization. We calculate value by estimating the NOI that the property will generate at Stabilization and applying an estimated stabilized cap rate applicable to that property. The value creation is calculated as the amount by which the estimated value exceeds our total expected investment and does not include any fees or promotes we may earn.

Weighted Average Estimated Stabilized Yield is calculated as NOI adjusted to reflect stabilized occupancy divided by Acquisition Cost or TEI, as applicable.

Non-Solicitation - Any securities discussed herein or in the accompanying presentations, if any, with respect to existing or potential joint venture funds, partnerships or other such entities, 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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