

11.14.2017

Prologis

REITworld: 2017 Annual Convention

Dallas, Texas

Prologis Park Redlands Distribution Center, Redlands, California

Forward-Looking Statements

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 third 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.

Contents



Prologis Park Munich East, Munich, Germany

- 04 **Section 01**
Why Logistics Real Estate
- 16 **Section 02**
Why Prologis
- 37 **Section 03**
Why Prologis Now

Section 01

Why Logistics Real Estate

Prologis Park Apodaca, Monterrey, Mexico

We are Essential to the Global Supply Chain

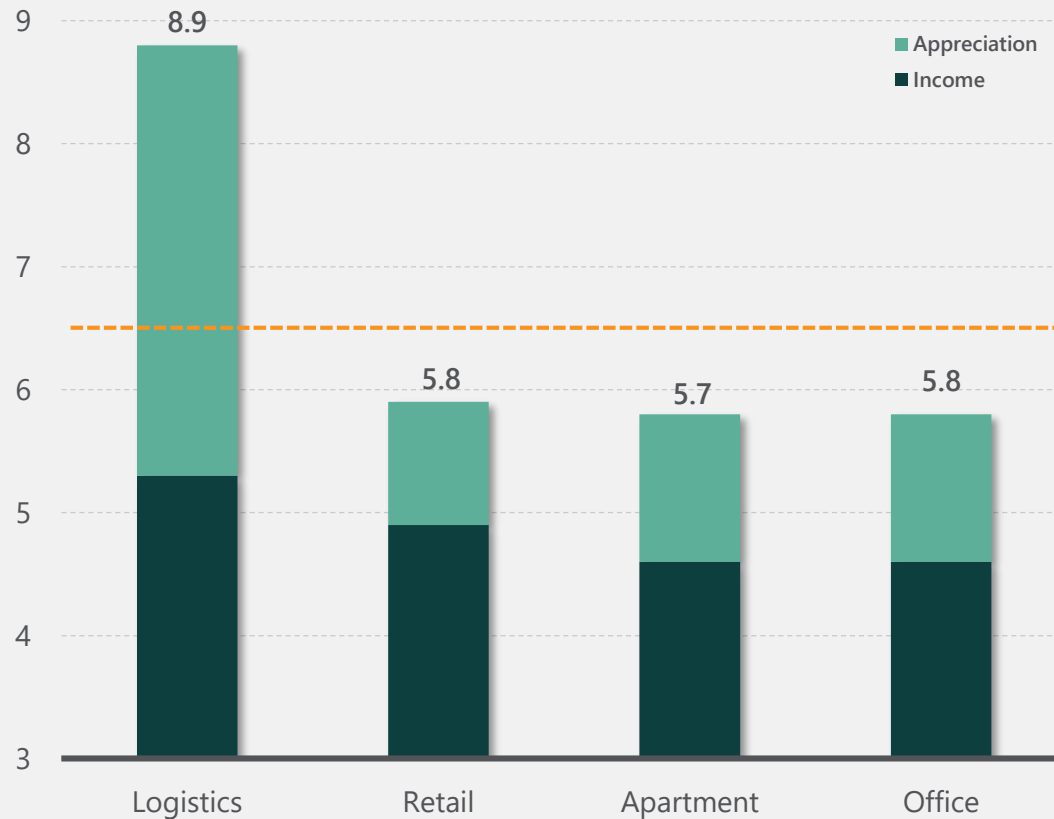
- World's leading owner, operator and developer of logistics real estate
- We build, lease and operate distribution space to facilitate the flow of goods around the world
- Our irreplaceable portfolio is concentrated in population centers where consumption and supply chain reconfiguration drive logistics demand
- The world's best brands choose to partner with us
- Principally an owner/operator in the U.S. and an asset manager/developer outside the U.S.

Prologis Qingpu Logistics Center, Shanghai, China

Logistics Real Estate Delivers Consistent Returns

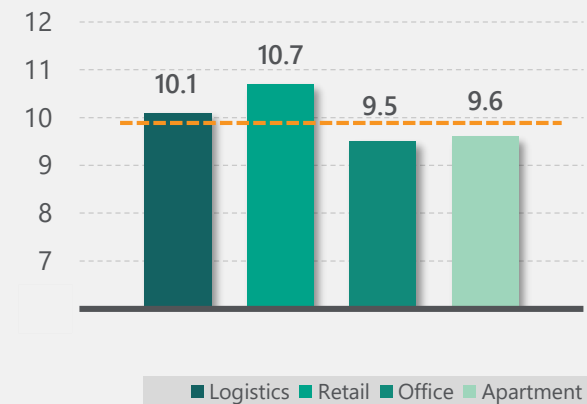
Total Returns Forecast, 2017E

% , unleveraged pre-fee and before tax



1996-2016

%



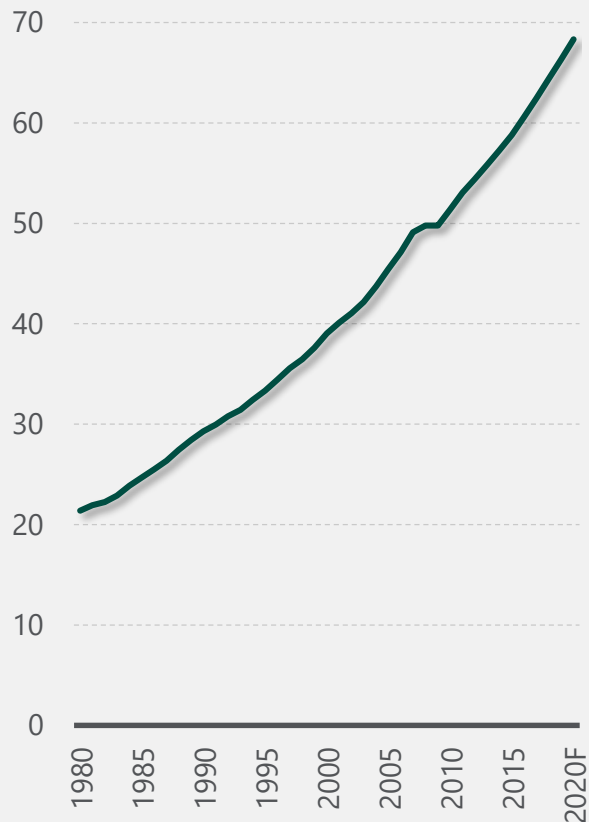
Logistics is projected to be the highest-performing asset class in 2017

Historically, logistics consistently delivered one of the highest returns and had one of the lowest standard deviations

Logistics Real Estate is a Growth Industry

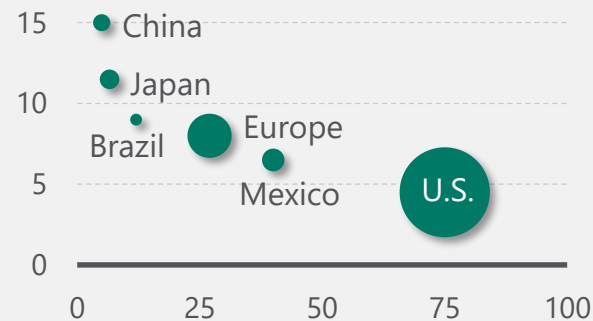
Consumption, Global

Trillions, Inflation Adjusted 2015 Dollars



Supply Chain Reconfiguration

Normalized Demand Growth % vs. Modern Stock per Consumer Household



Reversal in Inventory to Sales Ratio

Ratio, Inventories to Retail Sales



Consumption is the largest share of economic activity and outperforms across economic cycles

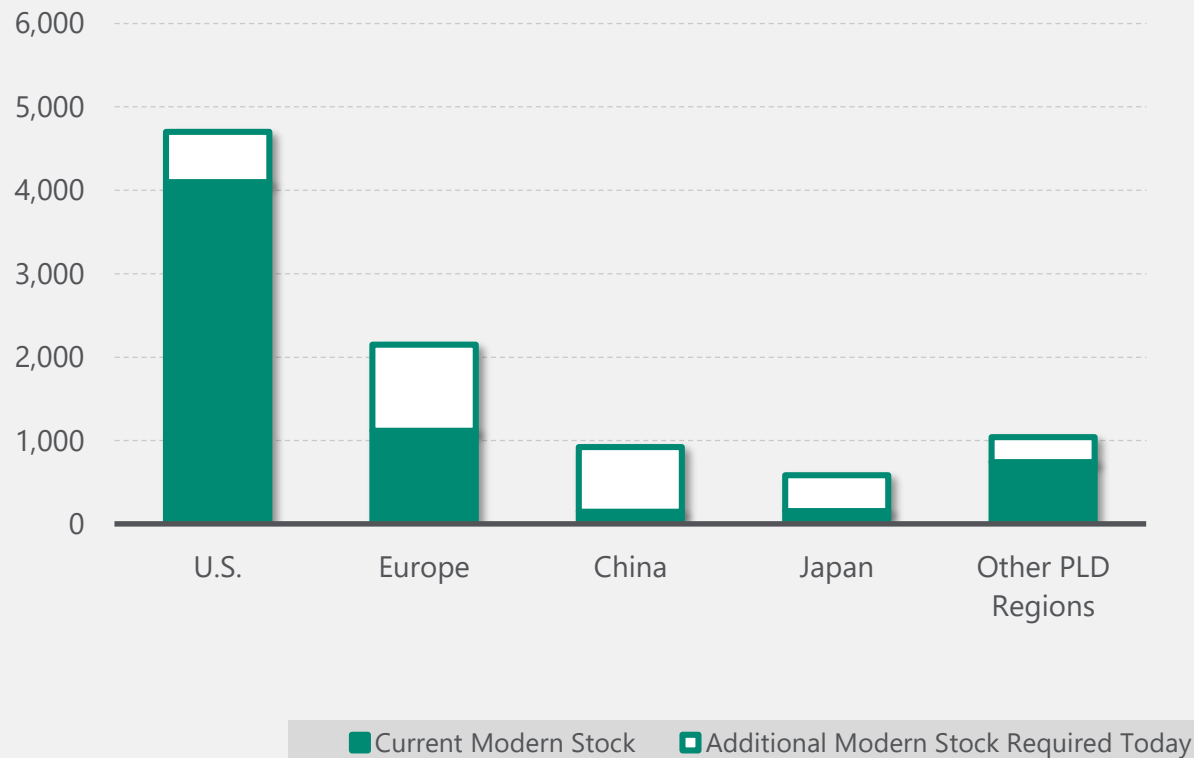
Supply chains are becoming mission critical, driving an increase in the demand for logistics space

New trends in how inventories are carried could be a tailwind to demand

Significant Opportunity

Modern Logistics Space

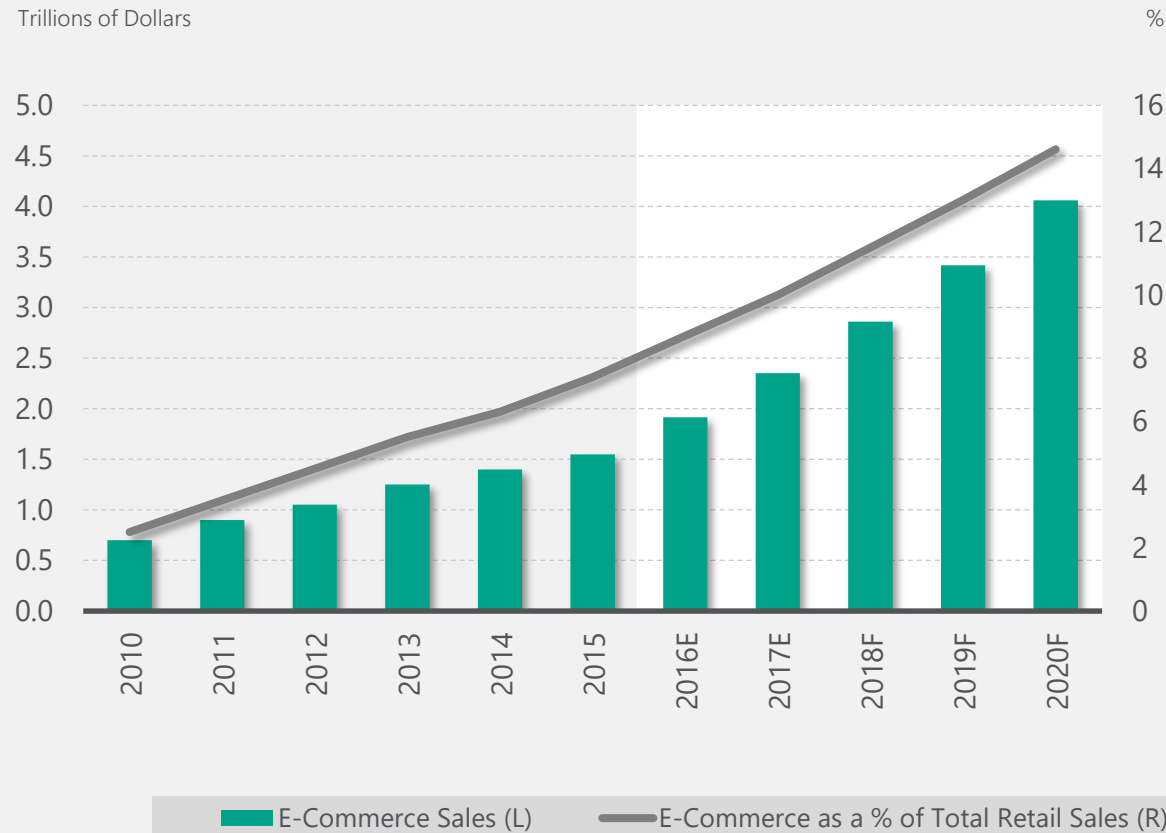
Square Feet, Millions



Opportunity to increase modern stock by
3 Billion SF
and
\$325 Billion
of new potential investment

Significant Shift As Adoption Rate Increases

E-Commerce Sales, Global
Trillions of Dollars





162%

projected growth of
e-commerce sales from
2015-2020

- 130% shift to e-commerce
- 16% inflation
- 16% real growth in sales

E-Commerce Requires +/-3x Floor Space

	Sales US\$, B	Facilities SF, M	Productivity US\$ / SF	Efficiency SF / \$1B
 Online	\$164B	207	\$791	1,265 KSF
 Brick & Mortar	\$1,303B	561	\$2,321	430 KSF

+/-3x

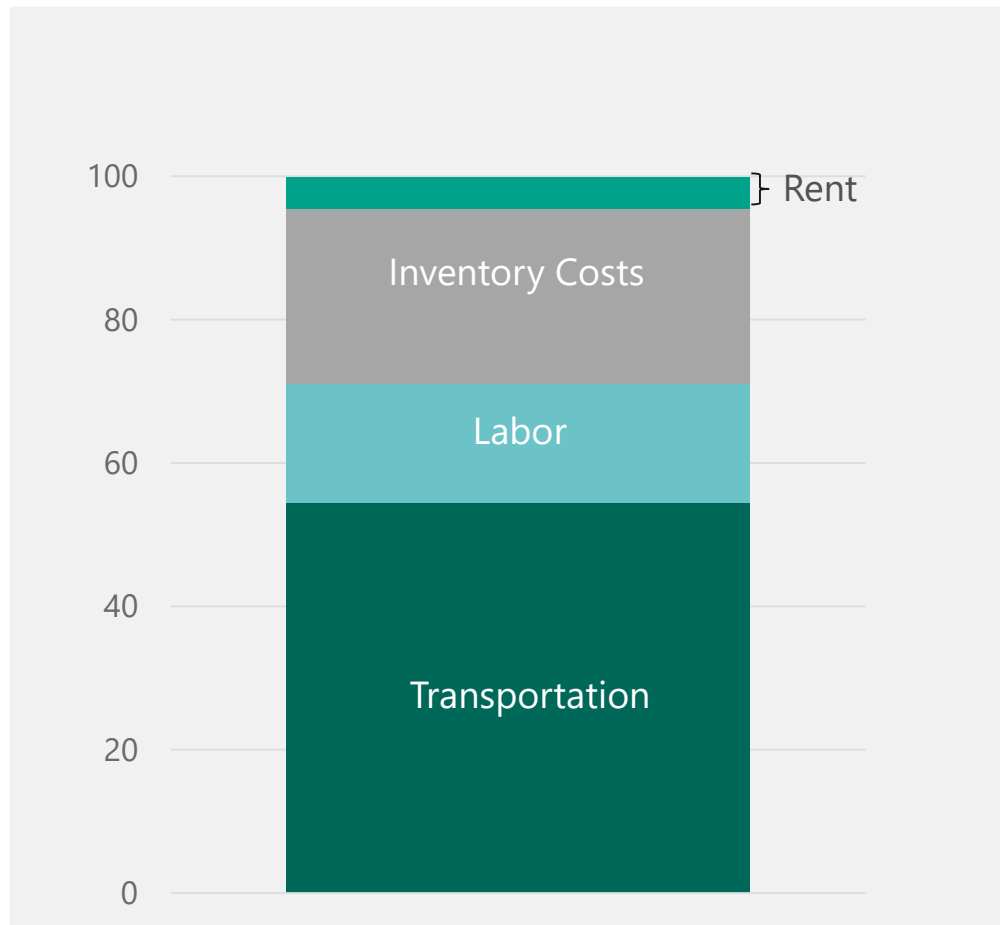


E-fulfillment requires 3x the logistics space used by brick-and-mortar retailers due to:

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

Logistics Rents Have Room to Grow

Distribution of Supply Chain Costs



Rent accounts for <5% of total supply chain costs

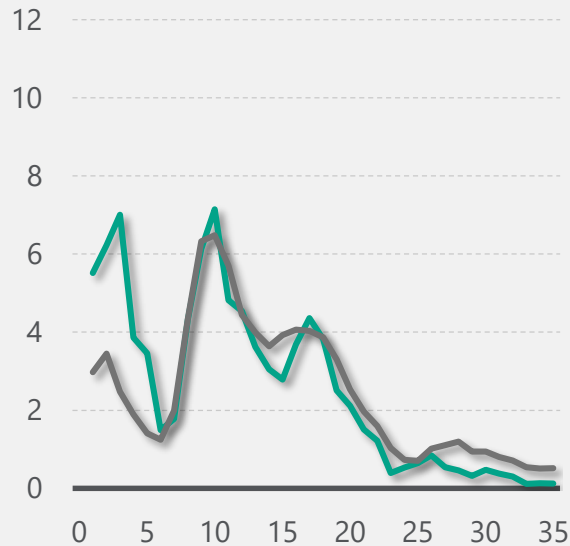
Expect this composition to change as supply chains become more efficient

- Transportation costs will decrease with advances in technology
- Rent will increase as customers seek quality locations near major population centers to meet consumer delivery requirements

Not All E-Commerce Facilities Are New or Large

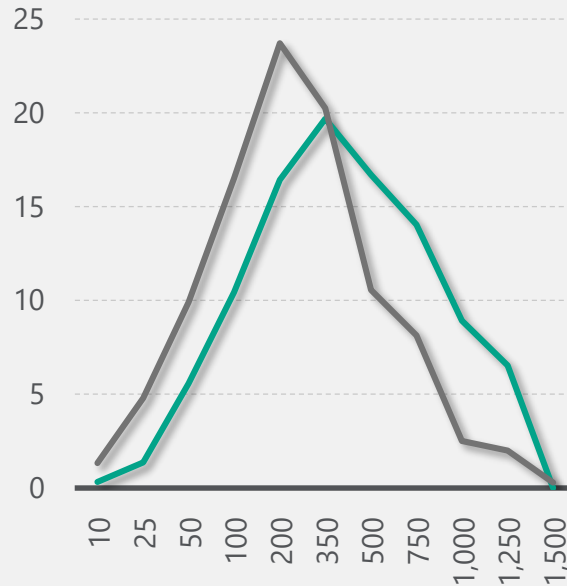
Distribution of Leases by Building Age

%, Share of Prologis Global Portfolio
Global by Age



Distribution of Leases by Unit Size

%, Share of Prologis Portfolio,
Global by Size Category in Thousands SF



140,000 SF

average unit size for
e-commerce customers

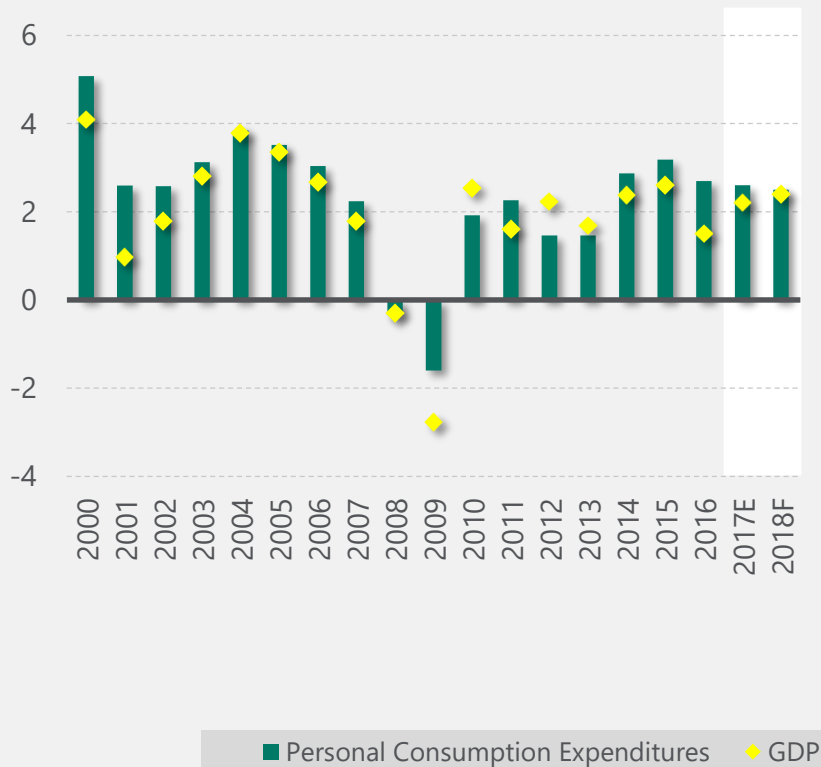
17 years

average building age for
e-commerce customers

Other Segments of the Economy Outperforming

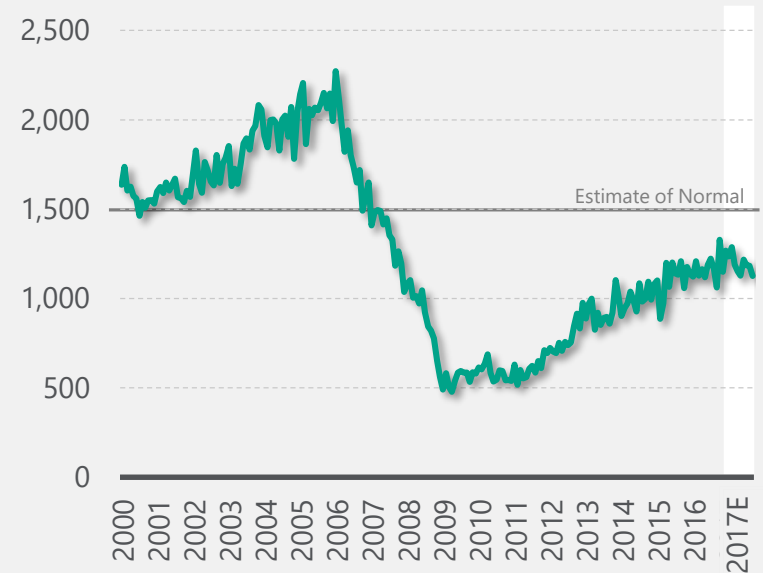
Consumption vs. GDP, U.S.

% y/y, Inflation Adjusted



Housing Starts, U.S.

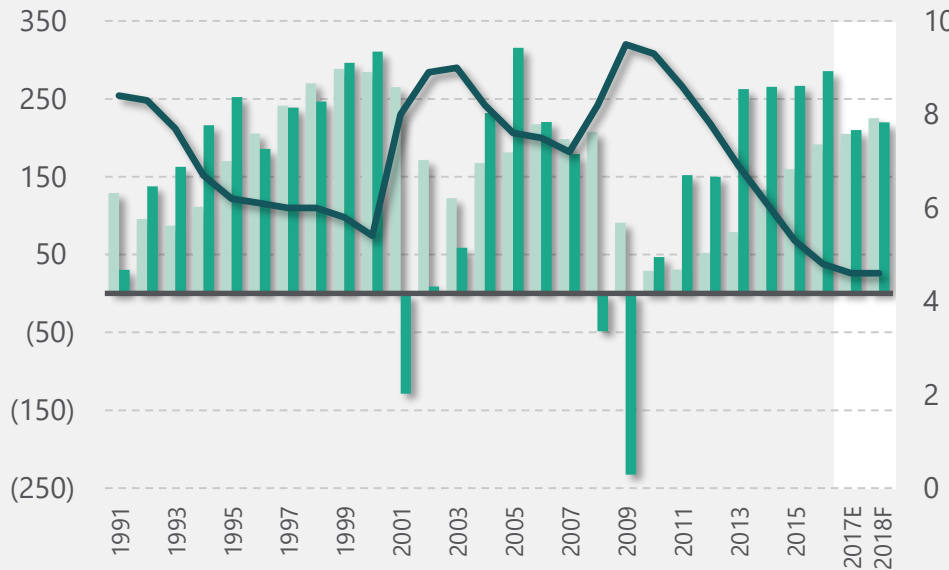
Thousands, New Privately Owned Housing Units Started, Monthly, SAAR



Vacancies At or Near All-Time Lows

U.S.

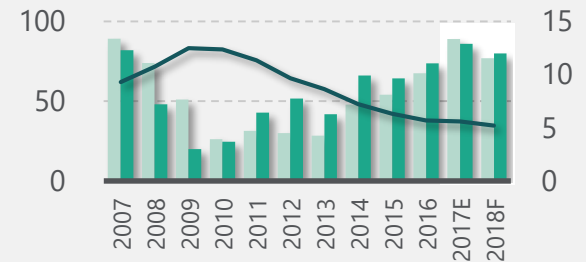
Square Feet, Millions



Completions (L) Net Absorption (L) Vacancy Rate (R)

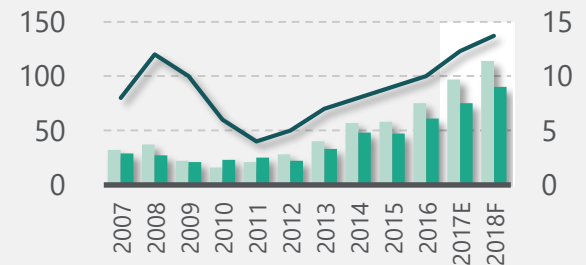
Europe

Square Feet, Millions



Asia

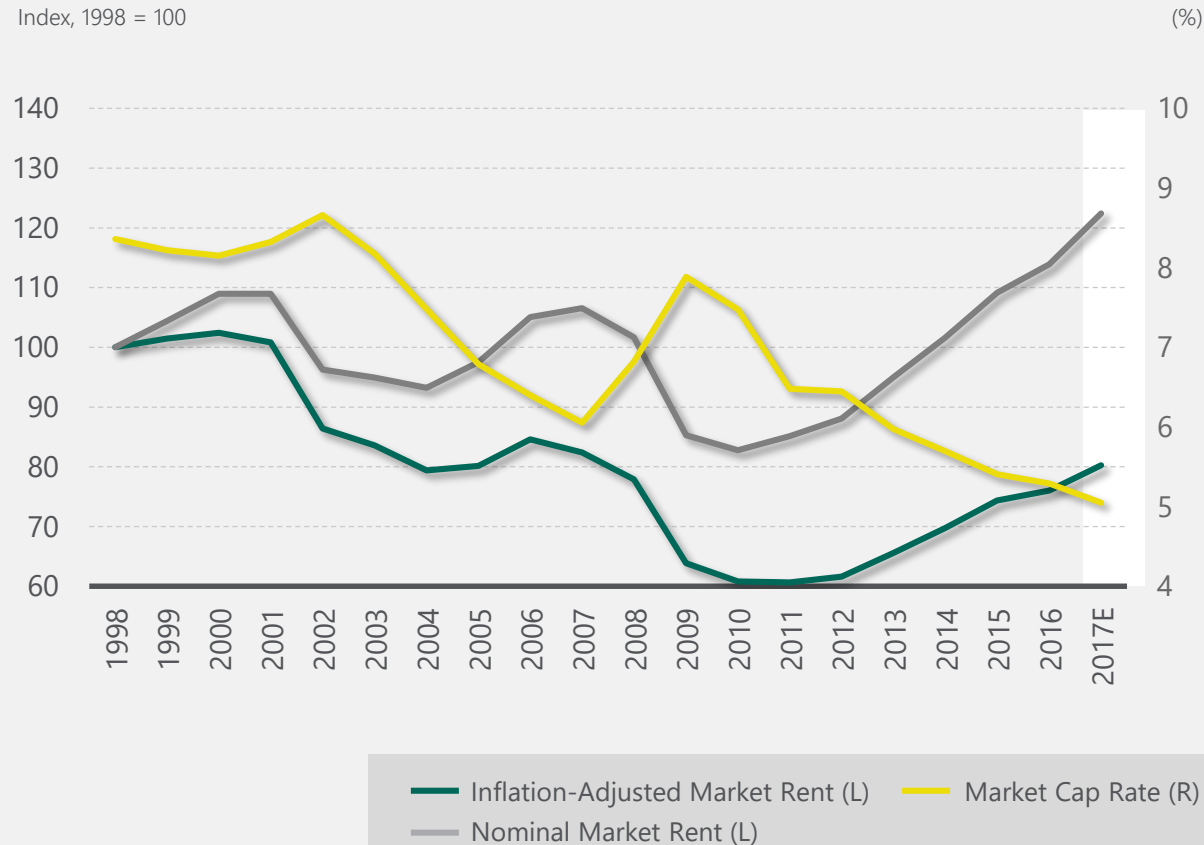
Square Feet, Millions



Logistics Rental Rate History

Market Rents, Global

Index, 1998 = 100



The structural decline of cap rates mitigated rent growth

Inflation-adjusted market rent growth still well below the prior peak

Section 02

Why Prologis

Prologis Torrance Distribution Center, Torrance, California

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



Prologis Park Bolton, Toronto, Canada

- Our business draws on 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

Prologis at a Glance

FOUNDED IN

1983

ASSETS UNDER MANAGEMENT

\$77B

GLOBAL

100

MOST SUSTAINABLE CORPORATIONS

687 MSF

ON FOUR CONTINENTS

NYSE: PLD

S&P 500 MEMBER

CREDIT RATING OF

A3/A-

Serving the World's Best Brands

amazon

DHL

Walmart



GEODIS



HITACHI



PEPSICO

DSV

日本通運
NIPPON EXPRESS



KUEHNE+NAGEL

XPO Logistics



Kimberly-Clark

DB SCHENKER

TESCO

Office
DEPOT

SAMSUNG

FedEx

IN-GRAM



PANALPINA
on 6 continents



95%

Of our top 25
customers operate
globally

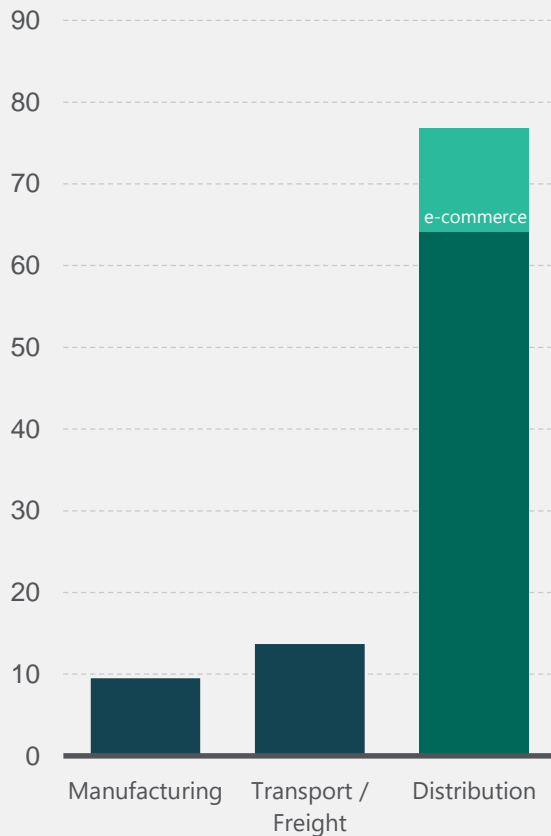
75%

lease from us on
multiple continents

Consumer-Driven Business: Diverse by Customer & Industry

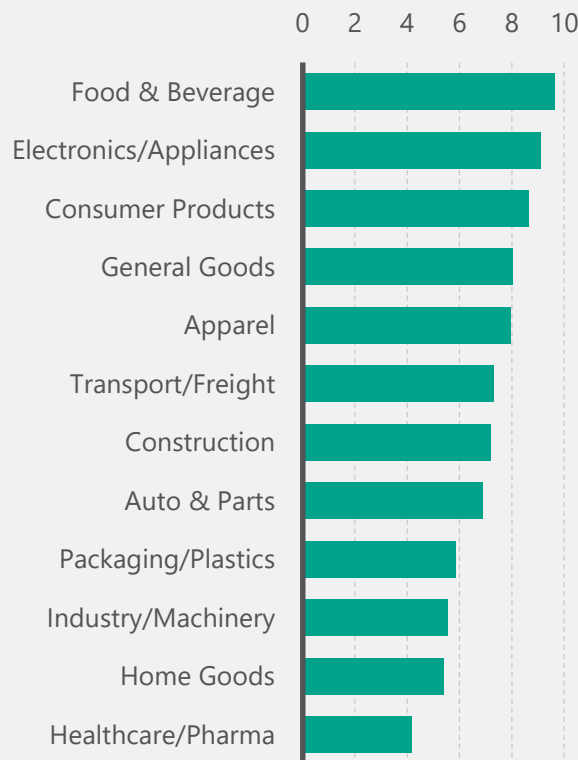
Customer Activity in Building

%, NRA basis



Type of Goods in Building

%, NRA basis



Our top 25 customers represent just

19.3%

of net effective rent

\$1.3
Trillion

in goods⁽¹⁾ flows through
our buildings annually

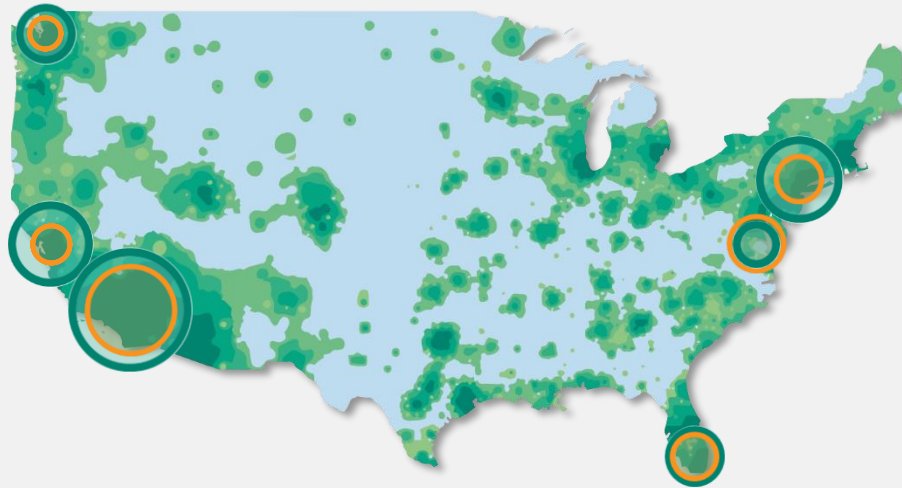
Source: Prologis Research

Note: Based upon internal Prologis data as of Q3 2017. The Type of Goods in Building classifications do not sum to 100%. The balance, 13%, is attributable to units where 3PL customers have more than one industry type present.

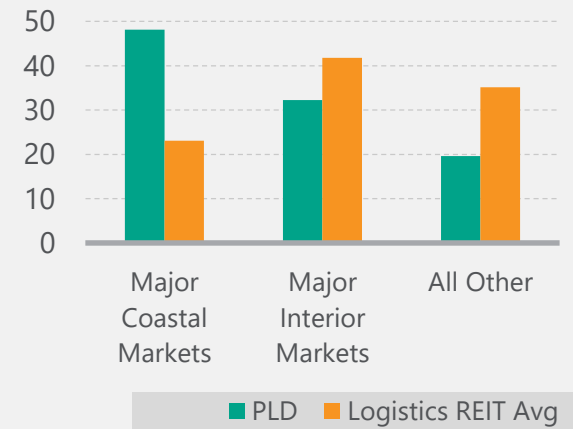
1. Based on economic value of goods

Prologis Portfolio is Located Near Consumers

Portfolio Size by NRA, Prologis vs Sum of Logistics REITs
Major Coastal Markets



Market Share of U.S. Operating Portfolio
% of NRA



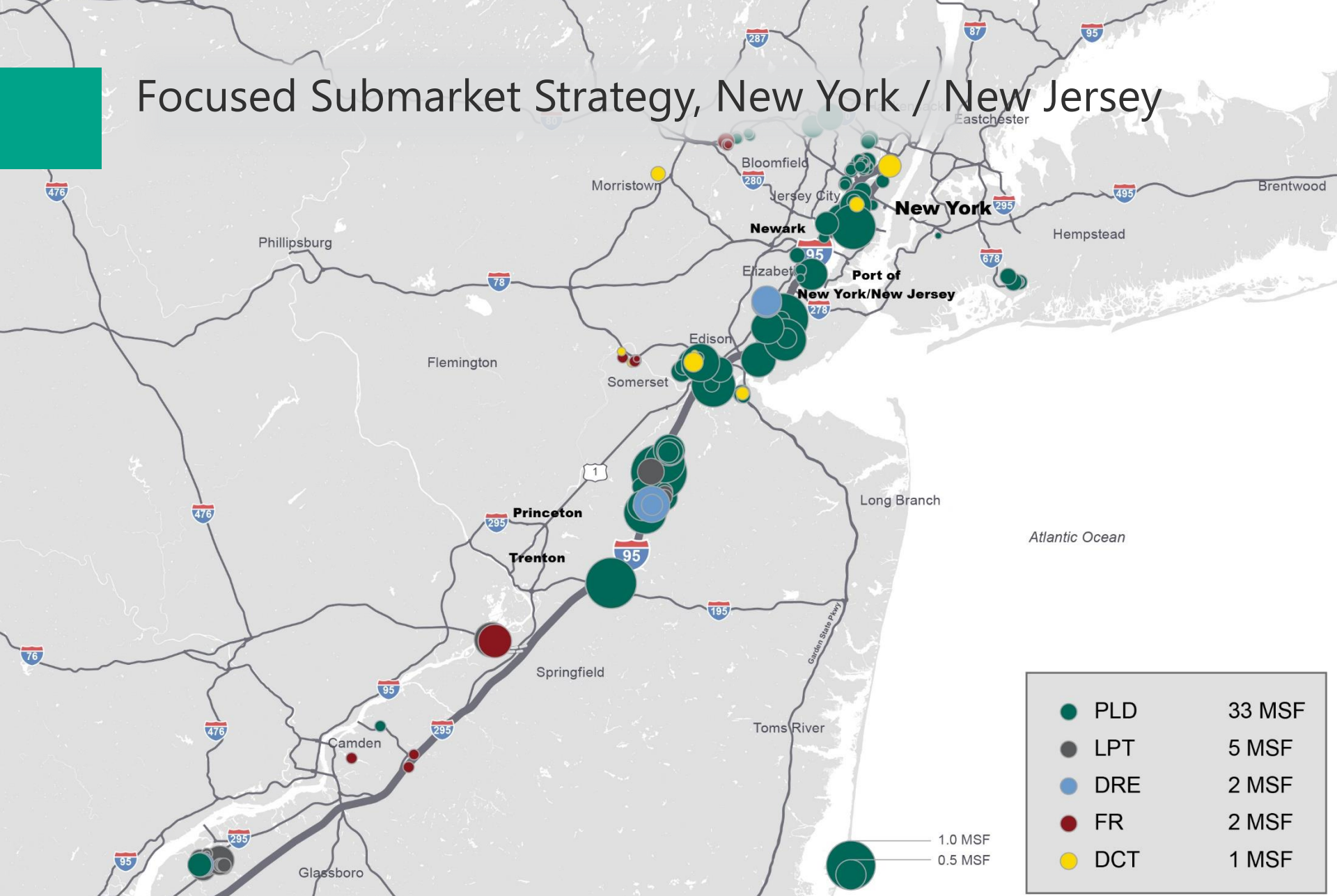
Nearly 50% of our portfolio is located in the major coastal markets, compared to <25% for other logistics REITs

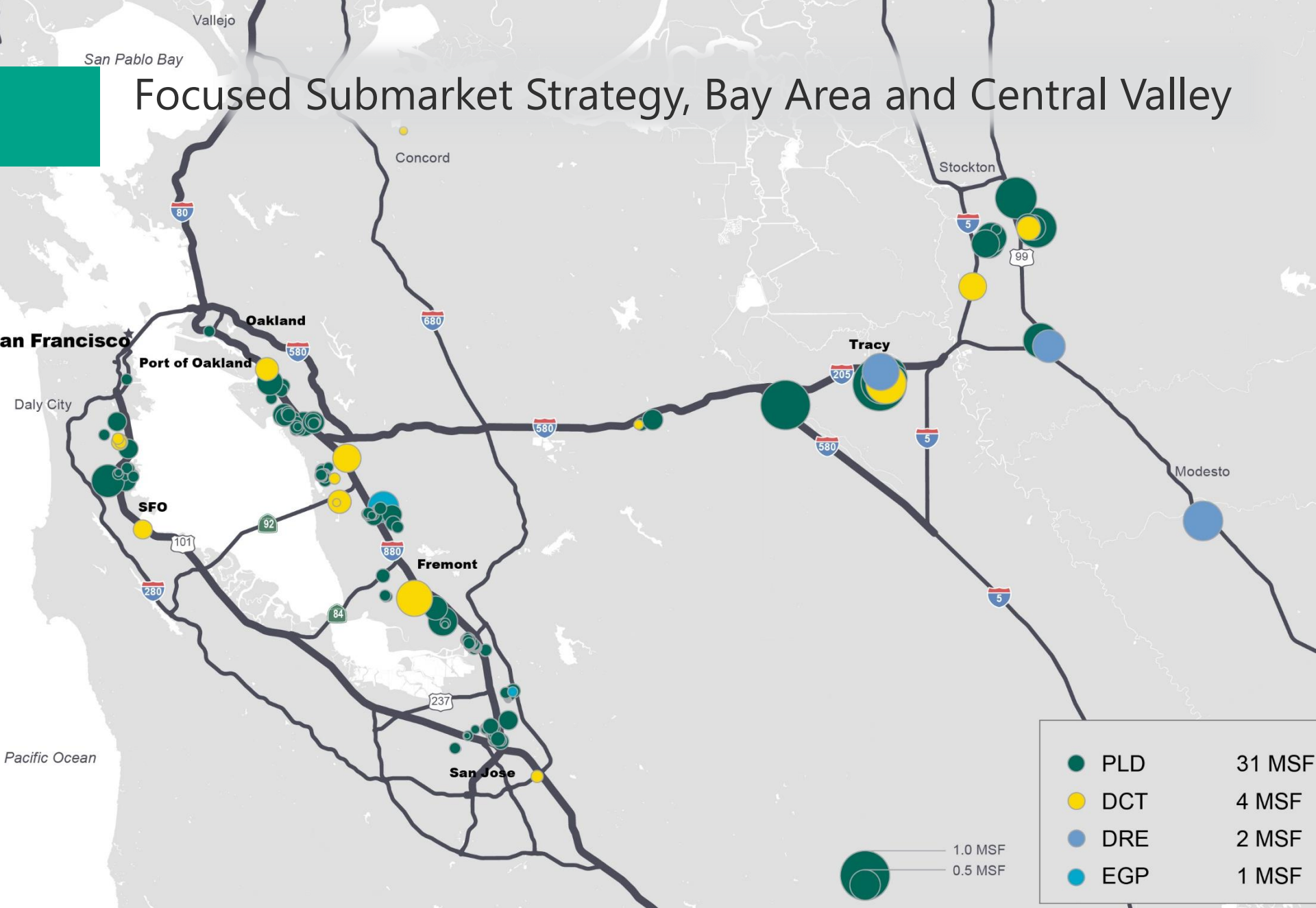
Focused Submarket Strategy, Southern California



Source: Company filings as of Q2 2017, Prologis Research. Prologis reflects Owned & Managed portfolio. JV development data unavailable for certain companies, therefore information with respect to those companies includes CBRE and CoStar data.
 Note: For all companies, properties in San Diego not shown on map

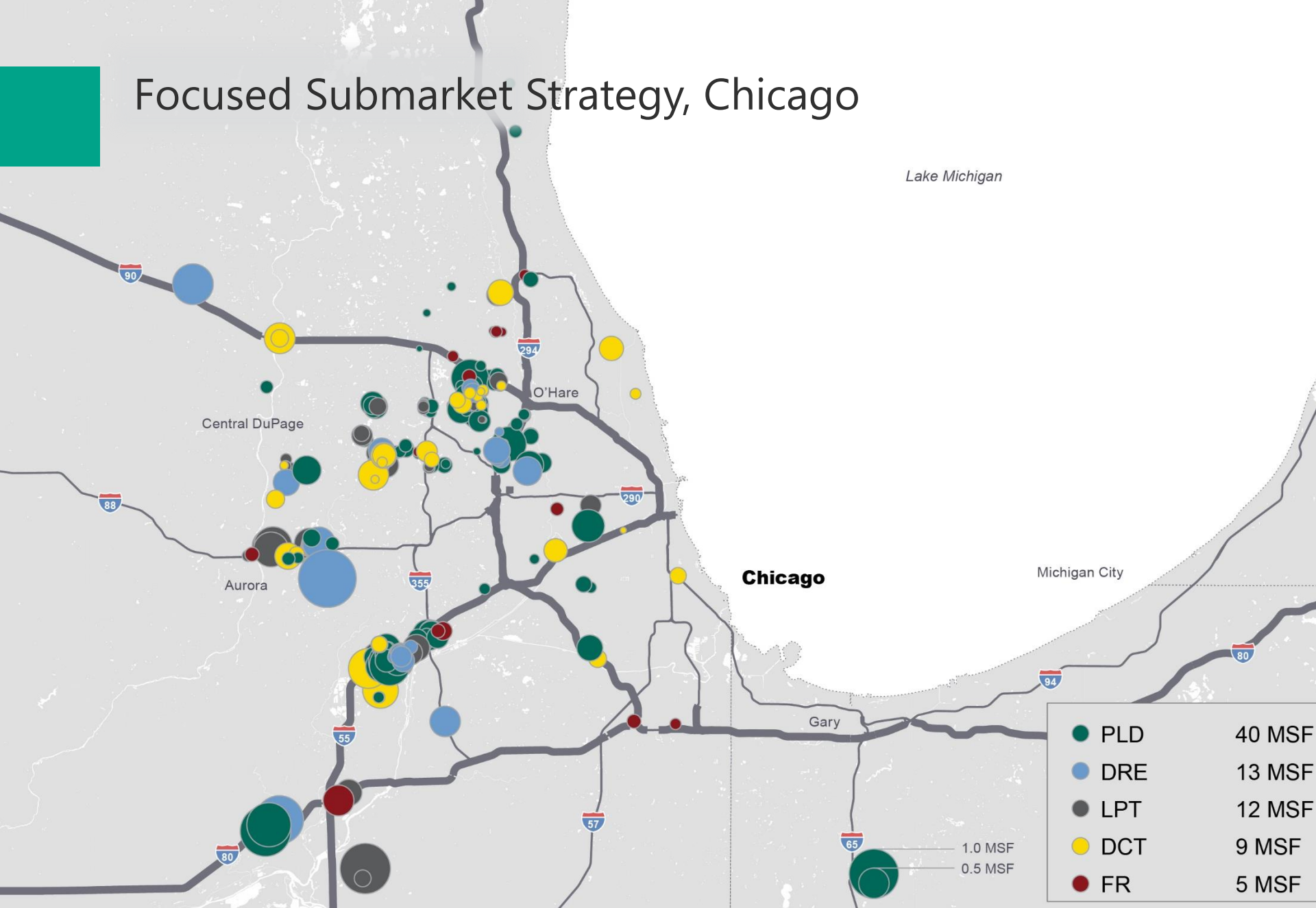
Focused Submarket Strategy, New York / New Jersey





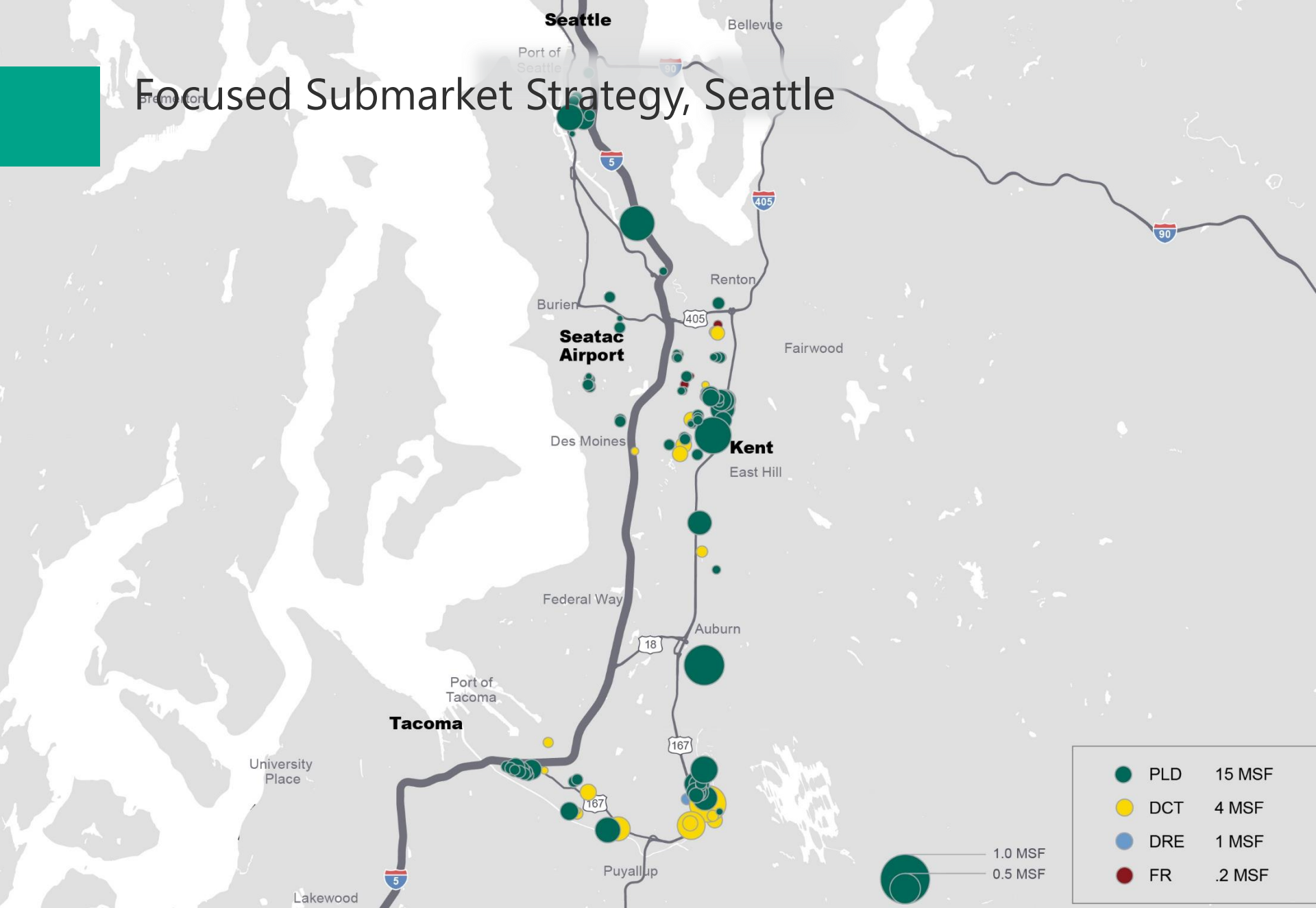
Focused Submarket Strategy, Bay Area and Central Valley

Focused Submarket Strategy, Chicago



Source: Company filings as of Q2 2017, Prologis Research. Prologis reflects Owned & Managed portfolio. JV development data unavailable for certain companies, therefore information with respect to those companies includes CBRE and CoStar data.
 Note: For all companies, properties in Wisconsin not shown on map

Focused Submarket Strategy, Seattle



Seattle Multi-Story Case Study



Benefits of A Focused Strategy

Average Prologis U.S. Markets v. Other Logistics REITs

RENT GROWTH

+93 bps

Annual Difference

2012 -2017E. Average annual market rental growth for Prologis U.S. markets vs. average of other logistics REITs⁽¹⁾

CAP RATE

-27 bps

Difference

CoStar logistics market cap rate. Differential between Prologis market exposure vs. average of other logistics REITs at YE 2016⁽¹⁾

Prologis LAX Cargo Center, Los Angeles, California

Unique Business Model

Strong, Interconnected Enterprise Designed for Superior Results

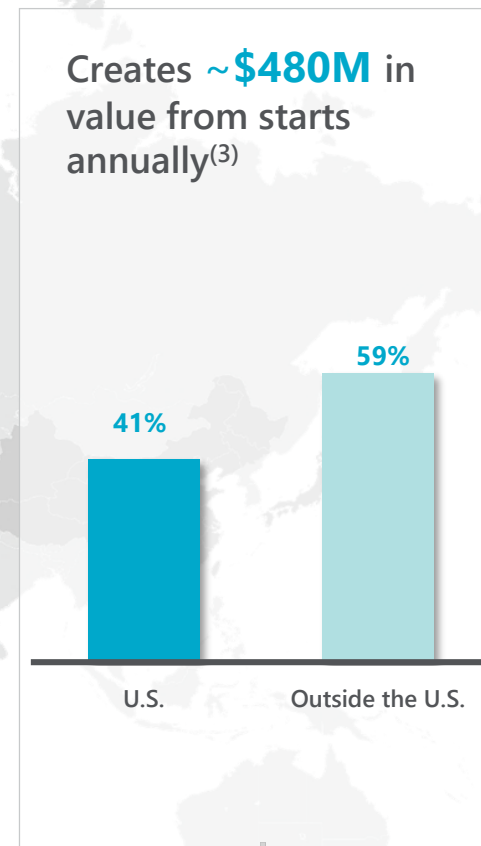
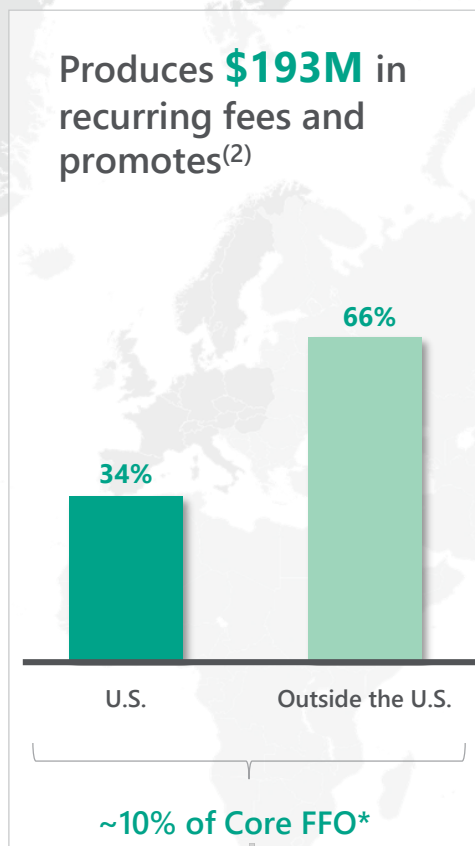
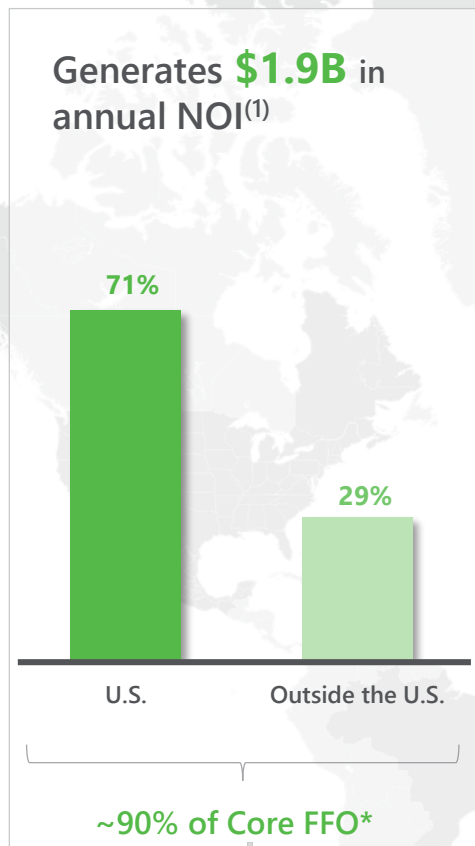
 Operations

+

 Strategic Capital

+

 Development



*This is a non-GAAP measure

1. Q3 2017 pro rata share cash NOI, as described in our supplemental, annualized

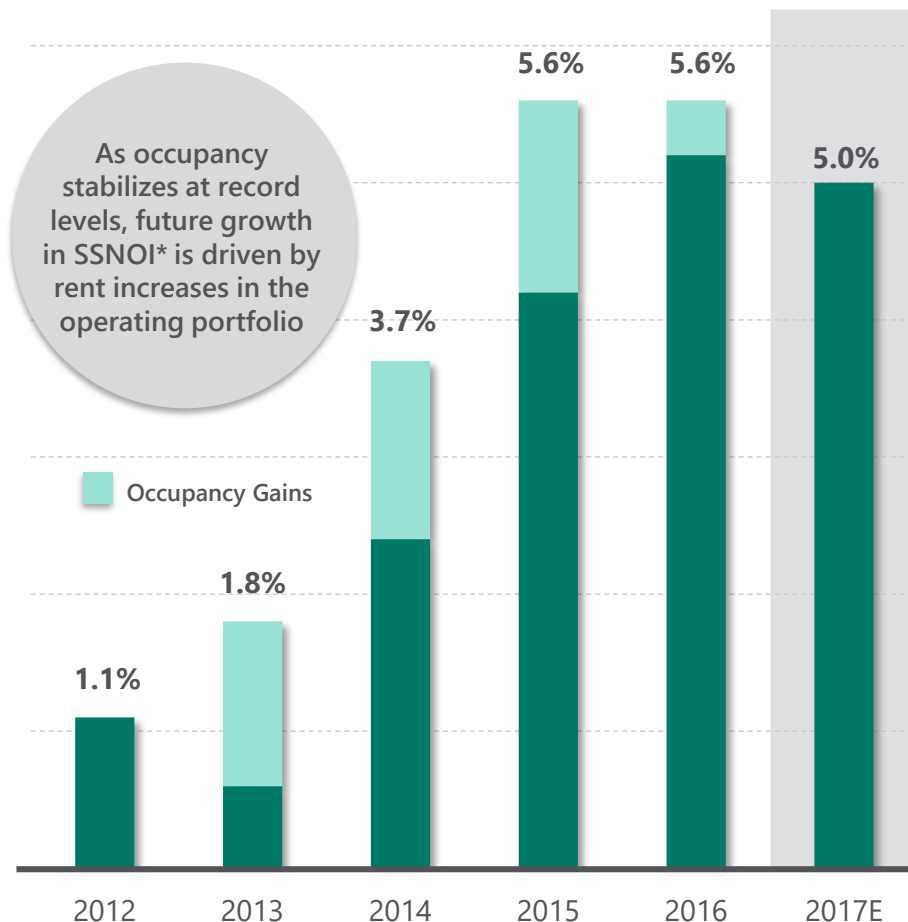
2. Q3 2017 third-party asset management fees annualized plus trailing twelve month third-party transaction fees and normalized net promotes of \$25M

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

Operations is Producing Record Results

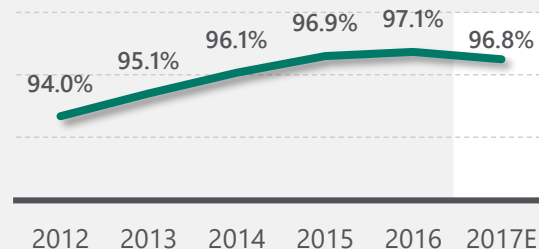
Same Store NOI*

Pro Rata Share



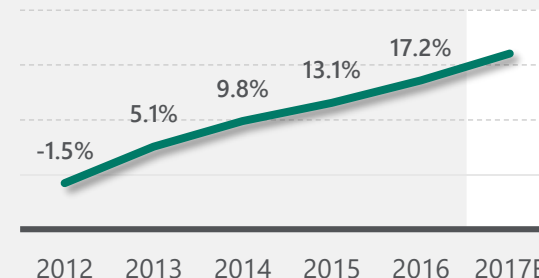
Period End Occupancy

Owned and Managed



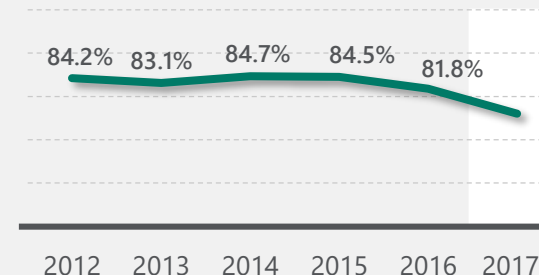
Rent Change on Rollover

Pro Rata Share



Customer Retention

Owned and Managed



Recurring Value Creation Through Development

15-Year Track Record

\$27.6B Total Investment	\$7.0B In the U.S.	\$20.6B Outside the U.S.
\$5.6B Value Creation	18.7% Margin in the U.S.	20.7% Margin outside the U.S.
1,372 Total Properties	491 Properties in the U.S.	881 Properties outside the U.S.
361M Square Feet	125M Square Feet in the U.S.	236M Square Feet outside the U.S.

We have built:

- 48% of our portfolio
- Minimized ongoing maintenance costs by building to LEED certified specifications and investing in sustainable materials

Development needed in markets where:

- Product does not exist
- Supply chain undergoing reconfiguration
- Customers have requirements

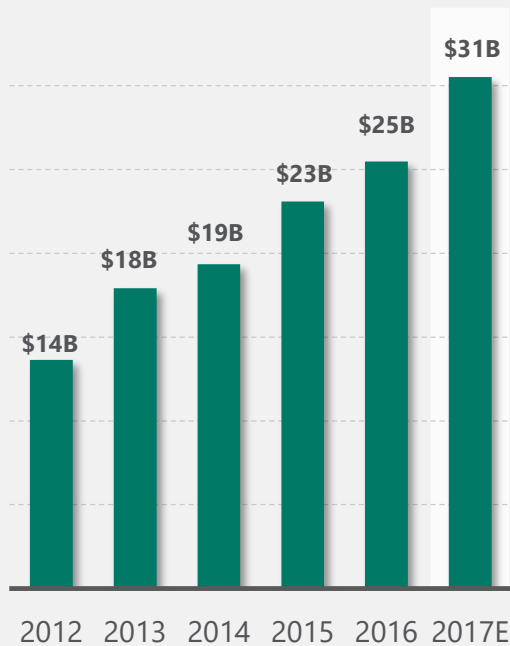
We develop to:

- Meet customers' needs
- Deepen our market presence
- Refresh portfolio quality
- Generate profits across the cycle

Strategic Capital Produces Stable, Long-Term Cash Flow

Growth in Third-Party AUM

CAGR = 17.5%



of Ventures

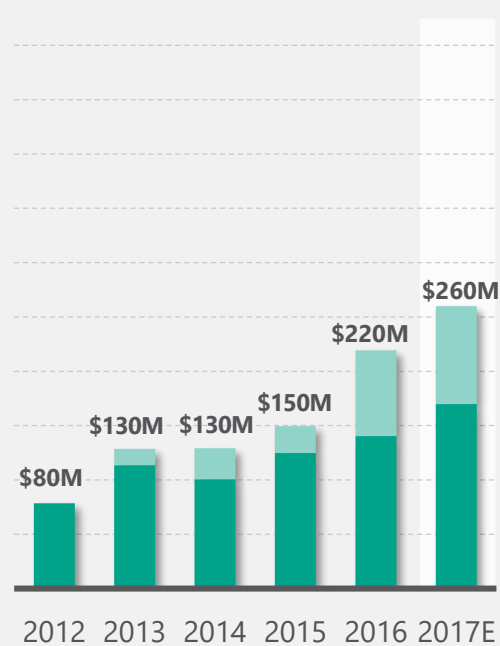
20 15 12 11 11 8

Average Size per Venture

\$0.7B \$1.2B \$1.6B \$2.1B \$2.3B \$3.8B

Growth in Third-Party Fees & Promotes

CAGR = 27.1%



% Perpetual Life

60% 85% 90% 95% 95% 90%

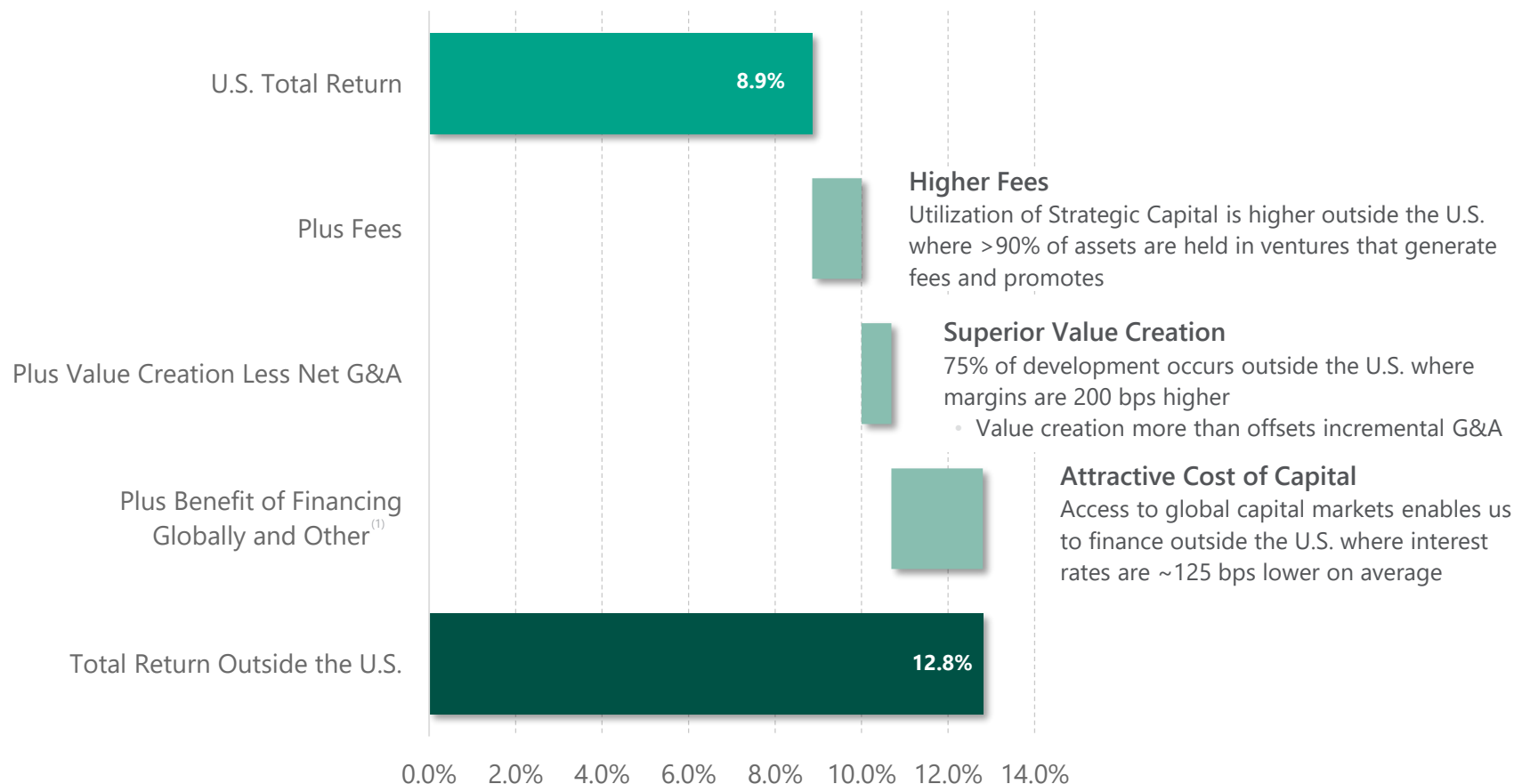
Promote Income

Fee Income

- Very durable fee stream with over 90% 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

Global Platform Produces Higher Risk-Adjusted Returns

Components of Incremental ROE



Note: Total Return on Equity Includes NOI, asset management fees, net promotes and value creation, less estimated costs to run the platform and estimated interest expense, divided by gross book equity value as of September 30, 2017

1. Includes taxes, co-investment venture G&A, non-real estate depreciation and difference in NOI returns

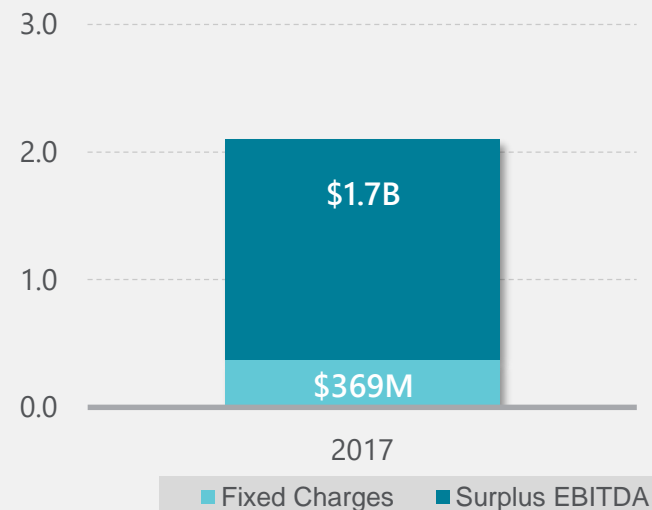
Top-Rated Financial Position

Upgraded to A3/A- by Moody's/S&P in 2016⁽¹⁾

	Q3 2017
Debt as % of Gross Real Estate Assets	33.7%
Debt / Adjusted-EBITDA	4.3x
Fixed Charge Coverage Ratio	6.8x
USD Net Equity Exposure	92%
Liquidity	~4.0B

PLD Adjusted EBITDA⁽²⁾ and Fixed Charges
(Excludes ~\$312M of realized development gains)

Dollars, Billions



Prologis has one of the strongest surplus EBITDAs among REITs

\$3.4B 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	\$2,600 ⁽²⁾
Non-Strategic Building Sales (U.S. and Europe)	\$550
Land Bank Rationalization (U.S. and Europe)	\$250

Total Additional Capital Sources **\$3,400**

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**

6 years

OF ANTICIPATED FUNDING
REQUIREMENTS FROM ONE-TIME
CAPITAL SOURCES

Superior Earnings and Dividend Growth

Core FFO* PER SHARE CAGR	1-Year	3-Year	5-Year
PLD	15%	16%	10%
Other Logistics REITs ⁽¹⁾	2%	4%	4%
Blue Chips ⁽²⁾	7%	8%	9%
REIT Average ⁽³⁾	8%	9%	8%
S&P 500 Average ⁽⁴⁾	6%	2%	3%

Dividend CAGR	1-Year	3-Year	5-Year
PLD	11%	14%	8%
Other Logistics REITs	5%	3%	3%
Blue Chips	8%	10%	12%
REIT Average	7%	8%	9%
S&P 500 Average	9%	10%	12%

Prologis has the
best Core
FFO* CAGR's for
all time periods

Prologis has the
top Dividend
CAGR's for one and
three-year time
periods

*This is a non-GAAP financial measure

Source: Factset, data as of October 31, 2017; based on earnings through 2016

1. Includes DCT, DRE, EGP, FR, LPT and STAG

2. Includes AVB, BXP, EQR, FRT, HST, PSA, and SPG

3. Includes REITs in the RMZ as of 12/31/2016 with 5 years' worth of data

4. Include all companies in the S&P as of 12/31/2016 with 5 years' worth of data

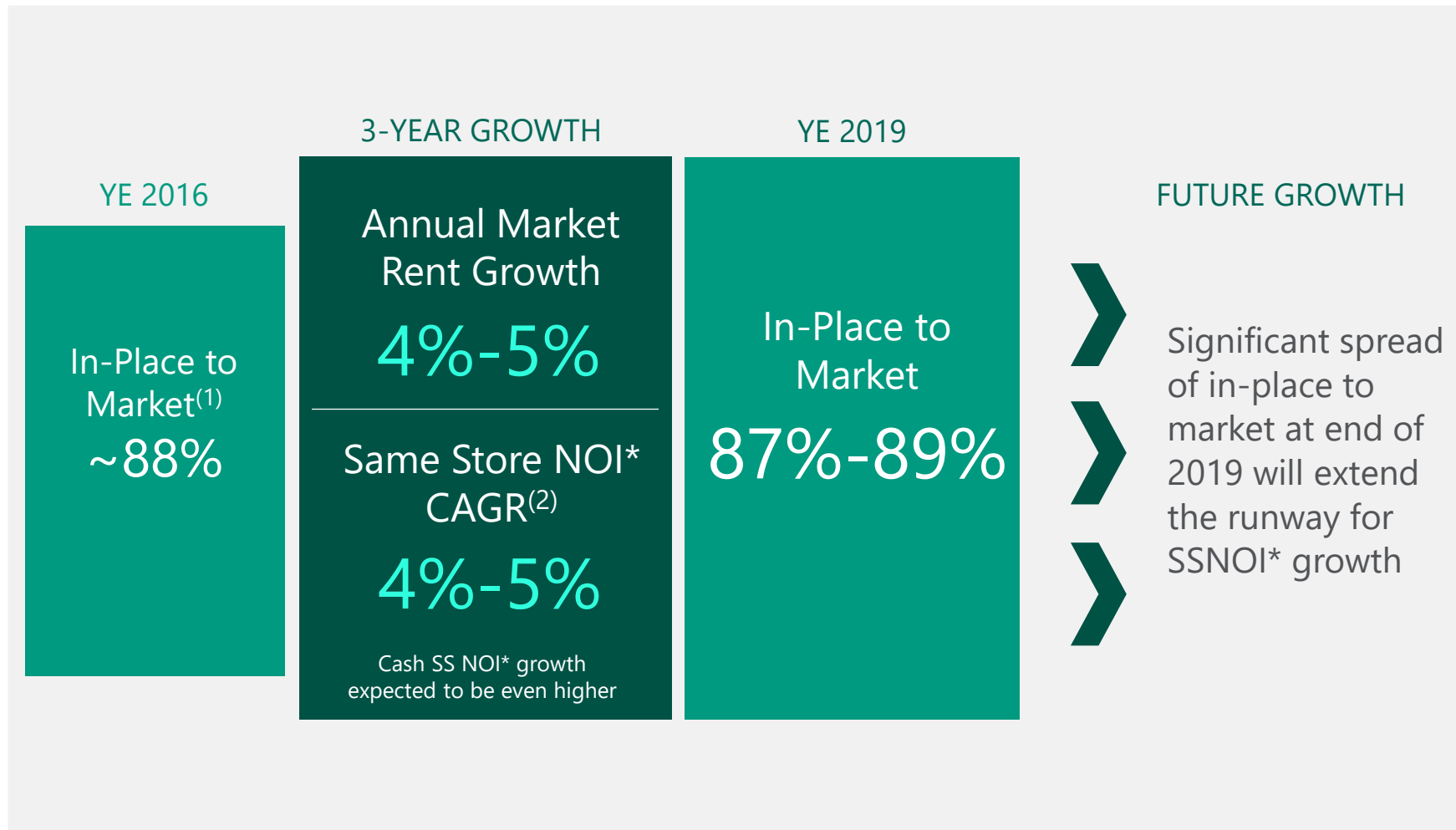
Section 03

Why Prologis Now

Prologis Park Amagasaki, Osaka, Japan

Robust Long-Term Same Store NOI* Growth

Illustrative 3-Year Growth: 2017 through 2019



* This is a non-GAAP financial measure

1. In-place to market of 88% represents a 13.5% uplift from rolling in-place leases up to market

2. This illustration excludes other drivers of same store NOI growth, such as changes in occupancy

Strong Three-Year Return Potential

Illustrative, as presented at Prologis 2016 Investor Forum – November 2016

<div>4.0%-5.0%</div> <div>SSNOI*(1)</div> <div>Midpoint of Low & High Scenario</div>	<div>Expect to deliver sector-leading same store growth</div> <div><ul style="list-style-type: none">• Superior rent growth from market selection and infill focus• Significant embedded upside from rolling current rents in our portfolio to market</div>
<div>+1.5%</div> <div>Yield on Value Creation</div>	<div>Global platform enables us to allocate capital opportunistically and capture a disproportionate share of profitable development opportunities</div>
<div>+1.8%</div> <div>Platform Leverage</div>	<div>Scale will drive efficiency</div> <div><ul style="list-style-type: none">• Ability to grow NOI and fees without increasing costs• Balance sheet continues to strengthen</div>
<div>-0.3%</div> <div>Assumed Interest Rate Expansion</div>	<div>Conservative expectation for interest rate expansion will be a slight drag</div>
<div>=7.0-8.0%</div> <div>Core FFO* Growth (excluding promotes)</div>	<div>+3.0%</div> <div>Dividend Yield</div> <div>=10.0%-11.0%</div> <div>Annual Total Return⁽²⁾</div>

* This is a non-GAAP financial measure

1. Net Effective; expect Cash SSNOI to be higher

2. Based on a number of assumptions that Prologis believes to be reasonable; however, no assurance can be made that Prologis' expectations will be attained and there actual outcomes and results may differ materially

Considerations for Three-Year Growth Potential

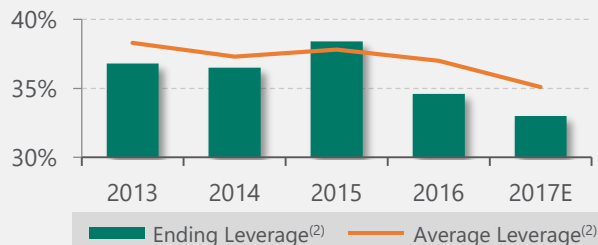
Outperformance in Core FFO* Growth (excluding promotes)

2017		2018		2019		3-Year FFO CAGR* (Illustrative)
Forecast	Actual ⁽¹⁾	Forecast	Actual	Forecast	Actual	
7.0%-8.0%	8.6%	7.0%-8.0%	TBD	7.0%-8.0%	TBD	7.0%-8.0%

Other Considerations:

Leverage

100 bps of leverage = 1% of Core FFO* growth



Deployment Timing

Increased dispositions and development starts in 2017 will lead to a near-term drag in 2018 and reacceleration into 2019

Churn

Lower turnover in same store pool due to longer lease terms and lower base will result in elevated in-place to market and extend the runway for SS growth* in the future

Undervalued Relative to Blue Chip Premium

Price to Core FFO*

	Price to FFO	
	Other Sectors ⁽¹⁾	Logistics
Blue Chip ⁽²⁾	17.4x	Prologis 21.4x
Sector Peers Average ⁽³⁾	16.1x	21.4x
Blue Chip Premium	1.3x	(0.0)x

1.3x

Prologis needs **1.3x**
or **\$4/sh** to
catch up to the average
blue chip premium

Premium would expand
even further if you
account for non-income
producing assets

* This is a non-GAAP financial measure

Source: Factset, data as of October 31, 2017

1. Includes apartments, office, hotels, self-storage and malls

2. Includes AVB, BXP, EQR, FRT, HST, PSA and SPG

3. Sector peers are the next three largest pure-play REITs by market cap in each of the blue chips. Logistics peers include: DCT, DRE, FR



Location and Quality Matters

Going forward it's all about Same Store NOI growth and value creation

Prologis has superior organic and external growth potential

