



Earnings Release and Supplemental Information

Unaudited

Fourth Quarter 2012



Prologis Park Dallas, TX, United States



Prologis Park Zama 1, Zama, Japan



Milton Keynes Marston Gate, Bedfordshire, United Kingdom

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Prologis, Inc. Announces Fourth Quarter 2012 Earnings Results

- Record 40.5 million square feet of leasing in Q4; 145 million in 2012 -
- Occupancy increases to 94.0 percent at year end -
- \$1.3 billion in contributions and dispositions in Q4; \$2.7 billion in 2012 -
- Ahead of schedule on 10 Quarter Strategic Plan -

SAN FRANCISCO (Feb. 6, 2013) – Prologis, Inc. (NYSE: PLD), the leading global owner, operator and developer of industrial real estate, today reported results for the fourth quarter and full year 2012.

Core funds from operations (Core FFO) per fully diluted share was \$0.42 for the fourth quarter 2012 compared to \$0.44 for the same period in 2011. Core FFO per fully diluted share for full year 2012 was \$1.74 compared to \$1.58 for full year 2011.

Net loss per fully diluted share was \$0.50 for the fourth quarter 2012 compared to a net loss of \$0.10 for the same period in 2011. Net loss per share was \$0.18 for the full year 2012 compared to a net loss of \$0.51 for the same period in 2011. The net loss for the quarter and year was principally due to impairment charges and losses on the early extinguishment of debt which were partially offset by gains on acquisitions and dispositions of real estate.

"This marks the first full year as a combined company and Prologis delivered very strong results," said Hamid Moghadam, chairman and CEO, Prologis. "We are ahead of schedule on our 10 Quarter Plan and we've built a solid foundation upon which we will continue to grow the company."

Operating Portfolio Metrics

The company leased a record 40.5 million square feet (3.8 million square meters) in its combined operating and development portfolios in the fourth quarter, and 145.3 million square feet (13.5 million square meters) in the full year 2012. Prologis ended the quarter with 94.0 percent occupancy in its operating portfolio, up 90 basis points over the prior quarter and 180 basis points over year end 2011. Tenant retention in the quarter was 87.3 percent, with tenant renewals totaling 25.1 million square feet (2.3 million square meters).

"Our team did an exceptional job setting another quarterly record for leasing around the globe," said Moghadam. "Increasing demand and lack of supply remain the theme in most markets, and we expect our overall rent change on rollover to turn positive this year. In the United States, in particular, occupancy in our small spaces increased 280 basis points year over year, and we expect this trend will continue given improvements in the housing market."

Same-store net operating income (NOI) increased 0.1 percent in the fourth quarter and 1.3 percent in the full year 2012. Rental rates on leases signed in the fourth quarter same-store pool decreased by 2.4 percent from in-place rents.

Dispositions and Contributions

Prologis completed \$1.3 billion in contributions and dispositions in the fourth quarter, of which more than \$1.0 billion was Prologis' share. This includes approximately:

- \$878 million of third-party building and land dispositions primarily in the United States and Europe, of which \$700 million was the company's share; and
- \$401 million of contributions to Prologis European Properties Fund II, Prologis Europe Logistics Venture, Prologis Targeted Europe Logistics Fund, and joint ventures in Brazil, of which \$325 million was the company's share.

In the full year 2012, contributions and dispositions totaled \$2.7 billion, of which more than \$2.1 billion was the company's share.

Additionally, the company has approximately \$5 billion of operating portfolio assets in Japan and Europe scheduled for contribution in the first quarter of 2013, in connection with Nippon Prologis REIT (NPR) and Prologis European Logistics Partners Sàrl (PELP), subject to the listing of NPR and customary closing conditions. The combination of these transactions, in conjunction with fourth quarter activity, positions the company ahead of its 10 Quarter Plan.

"We continue to make excellent progress executing on our priority to realign our portfolio," said Thomas Olinger, chief financial officer, Prologis. "These dispositions and contributions reflect the diversity of our activities as well as the market's demand for high quality industrial real estate."

Development Starts and Building Acquisitions

Committed capital during the fourth quarter 2012 totaled approximately \$1.2 billion, of which \$909 million was Prologis' share, including:

- Development starts of \$727 million, of which \$613 million was Prologis' share. These starts totaled 7.3 million square feet (675,000 square meters), and monetized \$190 million of land. The company's estimated share of value creation on development starts in the fourth quarter was \$71 million.
- Acquisitions of \$458 million, including \$276 million in buildings with a stabilized capitalization rate of 7.4 percent and an investment of \$182 million in land and land infrastructure. Of the total acquisitions, \$295 million was Prologis' share.

Capital committed during the year totaled approximately \$2.5 billion, of which \$2.0 billion was the company's share. This included development starts of \$1.6 billion, of which 57 percent were build-to-suits, and acquisitions of \$983 million, including \$544 million in buildings with a stabilized capitalization rate of 7.3 percent and an investment of \$439 million in land and land infrastructure.

At quarter end, Prologis' global development pipeline comprised 22.5 million square feet (2.1 million square meters), with a total expected investment of \$2.1 billion, of which Prologis' share was \$1.9 billion. The company's share of estimated value creation at stabilization is expected to be \$354 million, with a weighted average stabilized yield of 7.8 percent and a margin of approximately 19 percent.

Private Capital Activity

In 2012, Prologis raised or received commitments for \$1.9 billion in new, third-party equity. This was primarily due to PELP, and also included Prologis Targeted U.S. Logistics Fund and Prologis Targeted Europe Logistics Fund.

The company continued streamlining its co-investment ventures into fewer, more profitable and differentiated investment vehicles, rationalizing six funds in 2012.

In the fourth quarter, Prologis concluded the Prologis North American Fund I. Two of the fund's assets were sold to third parties with the remaining portfolio divided up between the partners, of which Prologis' share was \$117 million.

Capital Markets

Prologis completed approximately \$1.1 billion of capital markets activity in the fourth quarter and \$4.8 billion for the full year 2012. This includes debt financings, re-financings, and pay-downs.

Subsequent to quarter end, the company paid off \$141 million of its 1.875 percent convertible notes and repaid \$319 million of secured debt.

Guidance for 2013

Prologis established a full-year 2013 Core FFO guidance range of \$1.60 to \$1.70 per diluted share. On a GAAP basis, the company expects to recognize a range of a net loss of (\$0.07) per share to net earnings of \$0.03 per share. From a fourth quarter run rate perspective, this slight decline from 2012 is primarily due to near-term dilution from disposition and contribution activities, which are expected to significantly deleverage the company by the end of the first quarter.

The Core FFO and earnings guidance reflected above excludes any potential future gains (losses) recognized from real estate transactions. In reconciling from net earnings to Core FFO, Prologis makes certain adjustments, including but not limited to real estate depreciation and amortization expense, impairment charges, deferred taxes, early extinguishment of debt, and unrealized gains or losses on foreign currency or derivative activity.

The difference between the company's Core FFO and net earnings guidance for 2013 predominantly relates to real estate depreciation and recognized gains on real estate transactions.

The principal drivers supporting Prologis' 2013 guidance include the following:

- Year end occupancy in its operating portfolio between 94 to 95 percent (consistent with historical seasonal trends, the company expects occupancy to decrease in the first quarter and trend higher through the remainder of the year);
- Same-store NOI growth of 1.5 to 2.5 percent, excluding the impact of foreign exchange movements;
- Development starts of \$1.5 to \$1.8 billion, of which approximately 75 percent is expected to be the company's share;
- Building acquisitions of \$400 to \$600 million, of which approximately 35 percent is expected to be the company's share;
- Building and land dispositions and contributions of \$7.5 to \$10.0 billion, of which approximately 60 percent is expected to be the company's share; and
- A euro exchange rate of \$1.35; and a yen exchange rate of JPY 92 per U.S. dollar.

Webcast and Conference Call Information

The company will host a webcast /conference call to discuss quarterly results, current market conditions and future outlook today, Feb. 6, 2013, at 12:00 p.m. U.S. Eastern Time. Interested parties are encouraged to access the live webcast by clicking the microphone icon located near the top of the opening page of the Prologis Investor Relations website (<http://ir.prologis.com>). Interested parties also can participate via conference call by dialing +1 877-256-7020 (from the U.S. and Canada toll free) or +1 973-409-9692 (from all other countries) and enter conference code 86463676

A telephonic replay will be available from Feb. 6 through March 6 at +1 855-859-2056 (from the U.S. and Canada) or +1 404-537-3406 (from all other countries), with conference code 86463676. The webcast and podcast replay will be posted when available in the "Financial Information" section of Investor Relations on the Prologis website.

About Prologis

Prologis, Inc., is the leading owner, operator and developer of industrial real estate, focused on global and regional markets across the Americas, Europe and Asia. As of Dec. 31, 2012, Prologis owned or had investments in, on a consolidated basis or through unconsolidated joint ventures, properties and development projects expected to total approximately 554 million square feet (51.5 million square meters) in 21 countries. The company leases modern distribution facilities to more than 4,500 customers, including manufacturers, retailers, transportation companies, third-party logistics providers and other enterprises.

The statements in this release 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 developed properties, disposition activity, general conditions in the geographic areas where we operate, synergies to be realized from our recent merger transaction, our debt and financial position, our ability to form new property funds and the availability of capital in existing or new property funds — 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 release

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Prologis, Inc. is the leading owner, operator and developer of industrial real estate, focused on global and regional markets across the Americas, Europe and Asia. As of December 31, 2012, Prologis owned or had investments in, on a consolidated basis or through unconsolidated joint ventures, properties and development projects totaling 554 million square feet (51.5 million square meters) in 21 countries. The company leases modern distribution facilities to more than 4,500 customers, including manufacturers, retailers, transportation companies, third-party logistics providers and other enterprises.



	AMERICAS (4 countries)	EUROPE (14 countries)	ASIA (3 countries)	TOTAL
Number of operating portfolio buildings	2,330	585	77	2,992
Operating Portfolio (msf)	360	135	27	522
Development Portfolio (msf)	12	2	8	22
Other (msf) (A)	8	1	1	10
Total (msf)	380	138	36	554
Development portfolio TEI (millions)	\$968	\$203	\$921	\$ 2,092
Land (acres)	7,614	3,485	170	11,269
Land gross book value (millions) (B)	\$1,074	\$710	\$109	\$ 1,893

(A) Generally represents properties in which Prologis has an ownership interest but does not manage (6 msf) and other properties owned by Prologis (4 msf), which includes value added properties (3 msf).

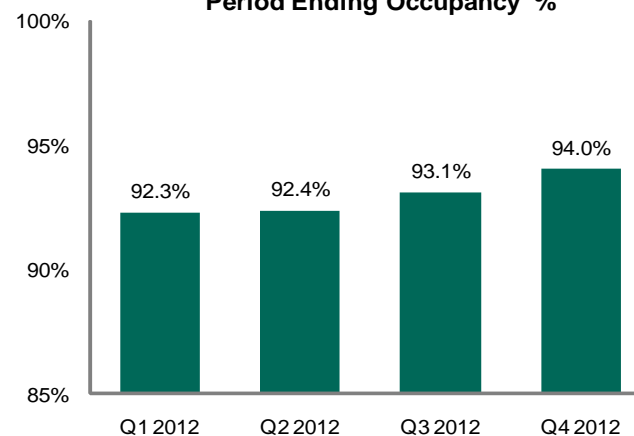
(B) Original cost basis for the total land portfolio is \$3.0 billion.

	Three months ended December 31,		Year ended December 31,	
	2012	2011	2012	2011 (A)
<i>(dollars in thousands, except per share data)</i>				
Revenues	\$ 517,557	\$ 456,777	\$ 2,005,961	\$ 1,451,327
Net loss available for common stockholders	(228,713)	(45,459)	(80,946)	(188,110)
FFO, as defined by Prologis	(88,199)	134,147	552,435	411,688
Core FFO	195,816	203,945	813,863	593,917
AFFO	110,786	147,934	563,180	431,450
Adjusted EBITDA	376,940	386,965	1,516,263	1,514,150
Per common share - diluted:				
Net loss available for common stockholders	\$ (0.50)	\$ (0.10)	\$ (0.18)	\$ (0.51)
FFO, as defined by Prologis	(0.19)	0.29	1.19	1.10
Core FFO	0.42	0.44	1.74	1.58

Core FFO (in millions)



Operating Portfolio - Owned and Managed
Period Ending Occupancy %



(A) AMB and Prologis completed a merger (the "Merger") in June 2011. The financial results presented throughout this supplemental include Prologis for the full period and AMB results from the date of the Merger going forward. See the Notes and Definitions for more information.

(in thousands)

	December 31, 2012	September 30, 2012	December 31, 2011
Assets:			
Investments in real estate assets:			
Operating properties	\$ 22,608,248	\$ 23,304,246	\$ 21,552,548
Development portfolio	951,643	774,821	860,531
Land	1,794,364	1,924,626	1,984,233
Other real estate investments	454,868	457,373	390,225
	<u>25,809,123</u>	<u>26,461,066</u>	<u>24,787,537</u>
Less accumulated depreciation	2,480,660	2,389,214	2,157,907
Net investments in properties	<u>23,328,463</u>	<u>24,071,852</u>	<u>22,629,630</u>
Investments in and advances to unconsolidated entities	2,195,782	2,242,075	2,857,755
Notes receivable backed by real estate	188,000	243,979	322,834
Assets held for sale	26,027	376,642	444,850
Net investments in real estate	<u>25,738,272</u>	<u>26,934,548</u>	<u>26,255,069</u>
Cash and cash equivalents	100,810	158,188	176,072
Restricted cash	176,926	172,515	71,992
Accounts receivable	171,084	181,855	147,999
Other assets	1,123,053	1,129,316	1,072,780
Total assets	\$ 27,310,145	\$ 28,576,422	\$ 27,723,912
Liabilities and Equity:			
Liabilities:			
Debt	\$ 11,790,794	\$ 12,578,060	\$ 11,382,408
Accounts payable, accrued expenses, and other liabilities	1,746,015	1,823,841	1,886,030
Total liabilities	<u>13,536,809</u>	<u>14,401,901</u>	<u>13,268,438</u>
Equity:			
Stockholders' equity:			
Preferred stock	582,200	582,200	582,200
Common stock	4,618	4,609	4,594
Additional paid-in capital	16,411,855	16,395,797	16,349,328
Accumulated other comprehensive loss	(233,563)	(165,100)	(182,321)
Distributions in excess of net earnings	(3,696,093)	(3,335,757)	(3,092,162)
Total stockholders' equity	<u>13,069,017</u>	<u>13,481,749</u>	<u>13,661,639</u>
Noncontrolling interests	653,125	639,631	735,222
Noncontrolling interests - limited partnership unitholders	51,194	53,141	58,613
Total equity	<u>13,773,336</u>	<u>14,174,521</u>	<u>14,455,474</u>
Total liabilities and equity	\$ 27,310,145	\$ 28,576,422	\$ 27,723,912

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2012	2011	2012	2011 (A)
Revenues:				
Rental income	\$ 481,743	\$ 415,226	\$ 1,869,224	\$ 1,294,872
Private capital revenue	31,715	40,230	126,779	137,619
Development management and other income	4,099	1,321	9,958	18,836
Total revenues	517,557	456,777	2,005,961	1,451,327
Expenses:				
Rental expenses	131,696	110,169	505,499	358,559
Private capital expenses	16,134	15,734	63,820	54,962
General and administrative expenses	60,608	50,797	228,068	195,161
Merger, acquisition and other integration expenses	28,103	18,772	80,676	140,495
Impairment of real estate properties	243,138	21,237	252,914	21,237
Depreciation and amortization	187,770	180,628	739,981	552,849
Other expenses	9,414	9,789	26,556	24,031
Total expenses	676,863	407,126	1,897,514	1,347,294
Operating income (loss)	(159,306)	49,651	108,447	104,033
Other income (expense):				
Earnings from unconsolidated co-investment ventures, net	10,414	904	25,703	49,326
Earnings from other unconsolidated joint ventures, net	815	3,016	5,973	10,609
Interest income	5,107	5,780	22,299	19,843
Interest expense	(123,623)	(129,055)	(507,484)	(468,072)
Impairment of other assets	-	(22,609)	(16,135)	(126,432)
Gain (loss) on acquisitions and dispositions of investments in real estate, net	24,639	(2,966)	305,607	111,684
Foreign currency and derivative gains (losses) and other income (expenses), net	(2,567)	(3,584)	(19,918)	33,337
Gain (loss) on early extinguishment of debt, net	(19,033)	556	(14,114)	258
Total other income (expense)	(104,248)	(147,958)	(198,069)	(369,447)
Loss before income taxes	(263,554)	(98,307)	(89,622)	(265,414)
Income tax expense (benefit) - current and deferred	3,364	(8,184)	3,580	1,776
Loss from continuing operations	(266,918)	(90,123)	(93,202)	(267,190)
Discontinued operations:				
Income attributable to disposed properties and assets held for sale	2,958	13,039	27,632	50,638
Net gain on dispositions, including related impairment charges and taxes	48,620	37,069	35,098	58,614
Total discontinued operations	51,578	50,108	62,730	109,252
Consolidated net loss	(215,340)	(40,015)	(30,472)	(157,938)
Net loss (earnings) attributable to noncontrolling interests	(3,068)	4,832	(9,248)	4,524
Net loss attributable to controlling interests	(218,408)	(35,183)	(39,720)	(153,414)
Less preferred stock dividends	10,305	10,276	41,226	34,696
Net loss available for common stockholders	\$ (228,713)	\$ (45,459)	\$ (80,946)	\$ (188,110)
Weighted average common shares outstanding - Diluted (B)	460,447	458,383	459,895	370,534
Net loss per share available for common stockholders - Diluted	\$ (0.50)	\$ (0.10)	\$ (0.18)	\$ (0.51)

(A) The financial results include Prologis for the full period and AMB and PEPR results from approximately June 1, 2011.

(B) See Calculation of Per Share Amounts in the Notes and Definitions.

(in thousands)

	Three Months Ended December 31.		Twelve Months Ended December 31.	
	2012	2011	2012	2011 (A)
Reconciliation of net loss to FFO				
Net loss available for common stockholders	\$ (228,713)	\$ (45,459)	\$ (80,946)	\$ (188,110)
Add (deduct) NAREIT defined adjustments:				
Real estate related depreciation and amortization	182,134	175,754	721,436	533,854
Impairment charges on certain real estate properties	13,141	5,300	34,801	5,300
Net gain on non-FFO dispositions and acquisitions	(65,866)	(20,265)	(222,752)	(7,338)
Reconciling items related to noncontrolling interests	(5,592)	(8,199)	(27,680)	(19,889)
Our share of reconciling items included in earnings from unconsolidated entities	23,032	43,879	127,323	147,608
Subtotal-NAREIT defined FFO	(81,864)	151,010	552,182	471,425
Add (deduct) our defined adjustments:				
Unrealized foreign currency and derivative losses (gains), net	(666)	6,002	14,892	(39,034)
Deferred income tax benefit	(2,162)	(22,558)	(8,804)	(19,803)
Our share of reconciling items included in earnings from unconsolidated entities	(3,507)	(307)	(5,835)	(900)
FFO, as defined by Prologis	(88,199)	134,147	552,435	411,688
Adjustments to arrive at Core FFO, including our share of unconsolidated entities:				
Impairment charges	229,997	38,546	264,844	145,028
Japan disaster expenses	-	-	-	5,210
Merger, acquisition and other integration expenses	28,103	18,772	80,676	140,495
Loss (gain) on acquisitions and dispositions of investments in real estate, net	(5,835)	2,538	(121,303)	(117,800)
Loss (gain) on early extinguishment of debt, net	19,033	(556)	14,114	(258)
Income tax expense on dispositions	-	5,415	-	7,331
Our share of reconciling items included in earnings from unconsolidated entities	12,717	5,083	23,097	2,223
Adjustments to arrive at Core FFO	284,015	69,798	261,428	182,229
Core FFO	\$ 195,816	\$ 203,945	\$ 813,863	\$ 593,917
Adjustments to arrive at Adjusted FFO ("AFFO"), including our share of unconsolidated entities:				
Straight-lined rents and amortization of lease intangibles	(5,543)	(8,678)	(27,753)	(42,287)
Property improvements	(36,037)	(21,473)	(90,144)	(64,918)
Tenant improvements	(26,970)	(19,558)	(95,566)	(60,975)
Leasing commissions	(19,481)	(15,739)	(56,629)	(44,905)
Amortization of management contracts	1,805	1,925	6,419	6,749
Amortization of debt discounts/premiums and financing costs, net of capitalization	(6,877)	(2,344)	(19,688)	12,387
Stock compensation expense	8,073	9,856	32,678	31,482
AFFO	\$ 110,786	\$ 147,934	\$ 563,180	\$ 431,450
Common stock dividends	\$ 131,624	\$ 130,573	\$ 522,986	\$ 388,333

(in thousands)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2012	2011	2012	2011
Reconciliation of consolidated net loss to Adjusted EBITDA				
Net loss available for common stockholders	\$ (228,713)	\$ (45,459)	\$ (80,946)	\$ (188,110)
Net gain on acquisitions and dispositions of investments in real estate	(73,492)	(35,403)	(371,534)	(176,173)
Depreciation and amortization from continuing operations	187,770	180,628	739,981	552,849
Interest expense from continuing operations	123,623	129,055	507,484	468,072
Impairment charges	243,138	43,846	299,645	150,328
Merger, acquisition and other integration expenses	28,103	18,772	80,676	140,495
Loss (gain) on early extinguishment of debt	19,033	(556)	14,114	(258)
Current and deferred income tax expense (benefit)	3,597	(6,884)	3,813	4,992
Pro forma adjustment (A)	-	-	12,352	263,994
Income attributable to disposal properties and assets held for sale	(2,958)	(13,039)	(27,632)	(50,638)
NOI attributable to assets held for sale	(113)	8,560	(431)	21,551
Net earnings (loss) attributable to noncontrolling interest	3,068	(4,832)	9,248	(4,524)
Preferred stock dividends	10,305	10,276	41,226	34,696
Unrealized losses (gains) and stock compensation expense, net	7,407	15,858	47,570	(7,551)
Other adjustments made to arrive at Core FFO	-	-	-	5,210
Adjusted EBITDA, prior to our share of unconsolidated entities	320,768	300,822	1,275,566	1,214,933
Our share of reconciling items from unconsolidated entities:				
Net loss (gain) on disposition of real estate, net	(2,330)	5,083	1,993	5,083
Depreciation and amortization	32,101	43,879	129,547	147,608
Interest expense	22,659	37,231	92,381	142,282
Loss on early extinguishment of debt	5,674	-	11,673	-
Impairment of real estate properties and other assets	304	-	4,200	-
Current income tax expense	1,271	257	6,738	4,918
Unrealized gains and deferred income tax benefit	(3,507)	(307)	(5,835)	(900)
Realized losses on derivative activity	-	-	-	226
Adjusted EBITDA	\$ 376,940	\$ 386,965	\$ 1,516,263	\$ 1,514,150

(in thousands)

Pro-rata Balance Sheet Information as of December 31, 2012	Consolidated	Less Non Controlling Interest	Plus PLD Share of Unconsolidated Co-Investment Ventures	PLD Total Share	Investors' Share of Ventures	Total Owned and Managed
Assets:						
Investments in real estate assets:						
Gross operating properties	\$ 22,608,248	\$ (894,076)	\$ 4,406,432	\$ 26,120,604	\$ 14,113,579	\$ 40,234,183
Other real estate	3,200,875	(58,135)	114,084	3,256,824	232,721	3,489,545
Less accumulated depreciation	(2,480,660)	35,533	(359,453)	(2,804,580)	(1,129,630)	(3,934,210)
Net investments in properties	23,328,463	(916,678)	4,161,063	26,572,848	13,216,670	39,789,518
Investments in unconsolidated investees	2,195,782	(63,210)	(2,132,572)	-	63,210	63,210
Other assets	1,785,900	(227,350)	19,225	1,577,775	1,085,806	2,663,581
Total assets	\$ 27,310,145	\$ (1,207,238)	\$ 2,047,716	\$ 28,150,623	\$ 14,365,686	\$ 42,516,309
Liabilities and Equity:						
Liabilities:						
Debt	\$ 11,790,794	\$ (364,164)	\$ 1,781,510	\$ 13,208,140	\$ 5,775,205	\$ 18,983,345
Other liabilities	1,746,015	(138,755)	266,206	1,873,466	866,752	2,740,218
Total liabilities	13,536,809	(502,919)	2,047,716	15,081,606	6,641,957	21,723,563
Equity:						
Stockholders' / partners' equity	13,069,017	-	-	13,069,017	7,723,729	20,792,746
Noncontrolling interests	704,319	(704,319)	-	-	-	-
Total equity	13,773,336	(704,319)	-	13,069,017	7,723,729	20,792,746
Total liabilities and equity	\$ 27,310,145	\$ (1,207,238)	\$ 2,047,716	\$ 28,150,623	\$ 14,365,686	\$ 42,516,309

On this page and the following page, we present balance sheet and income statement information on a pro-rata basis reflecting our proportionate economic ownership of each entity included in our Total Owned and Managed portfolio.

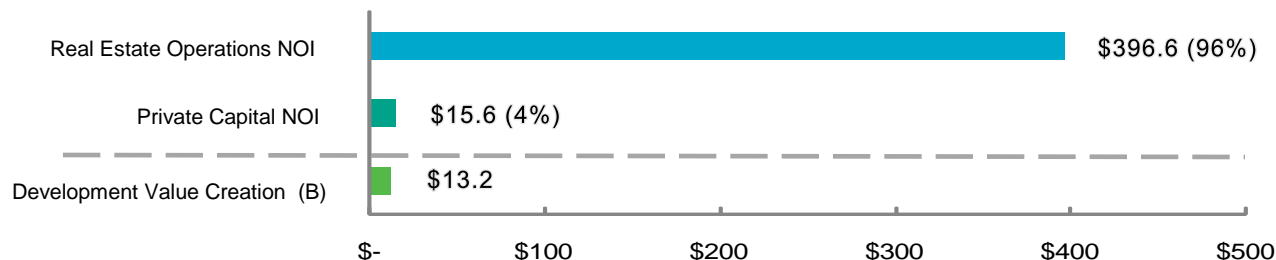
The consolidated amounts shown are derived from, and prepared on a consistent basis with, our consolidated financial statements. The PLD Share of Unconsolidated Co-Investment Ventures column was derived on an entity-by-entity basis by applying our ownership percentage to each line item to calculate our share of that line item. For purposes of balance sheet data, we used our ownership percentage at the end of the period and for operating information, we used our average ownership percentage for the period, consistent with how we calculate our share of net income (loss) during the period. We used a similar calculation to derive the noncontrolling interests' share of each line item. In order to present the Total Owned and Managed portfolio, we added our investors' share of each line item in the unconsolidated co-investment ventures and the noncontrolling interests share of each line item to the PLD Total Share.

(in thousands)

Pro-rata Operating Information for Three Months Ended December 31, 2012

	Consolidated	Less Non Controlling Interest	Plus PLD Share of Unconsolidated Co-Investment Ventures	PLD Total Share	Investors' Share of Ventures	Total Owned and Managed
Revenues:						
Rental income	\$ 481,743	\$ (19,004)	\$ 87,793	\$ 550,532	\$ 272,664	\$ 823,196
Private capital revenue	31,715	(16)	-	31,699	16	31,715
Development management and other income	4,099	-	381	4,480	355	4,835
Total revenues	517,557	(19,020)	88,174	586,711	273,035	859,746
Expenses:						
Rental expenses	131,696	(5,854)	22,475	148,317	71,433	219,750
Private capital expenses	16,134	-	-	16,134	-	16,134
General and administrative expenses	60,608	(479)	3,258	63,387	10,796	74,183
Merger, acquisition and other integration expenses	28,103	-	-	28,103	-	28,103
Impairment of real estate properties	243,138	-	1,684	244,822	4,375	249,197
Depreciation and amortization	187,770	(7,242)	32,585	213,113	105,744	318,857
Other expenses	9,414	(510)	1,596	10,500	7,399	17,899
Total expenses	676,863	(14,085)	61,598	724,376	199,747	924,123
Operating income (loss)	(159,306)	(4,935)	26,576	(137,665)	73,288	(64,377)
Our share of co-investment ventures	66,586	-	(66,586)	-	-	-
Total reconciling items to Adjusted EBITDA	469,660	(8,163)	40,010	501,507	121,931	623,438
Adjusted EBITDA (A)	<u>\$ 376,940</u>	<u>\$ (13,098)</u>	<u>\$ -</u>	<u>\$ 363,842</u>	<u>\$ 195,219</u>	<u>\$ 559,061</u>
Adjusted EBITDA by segment:						
Real Estate Operations NOI	\$ 344,732	\$ (12,640)	\$ 64,103	\$ 396,195	\$ 194,187	\$ 590,382
Private Capital NOI	15,581	(16)	-	15,565	16	15,581
Our share of co-investment ventures	66,586	-	(66,586)	-	-	-
General and administrative and other expenses	(49,959)	(442)	2,483	(47,918)	1,016	(46,902)
Adjusted EBITDA	<u>\$ 376,940</u>	<u>\$ (13,098)</u>	<u>\$ -</u>	<u>\$ 363,842</u>	<u>\$ 195,219</u>	<u>\$ 559,061</u>

Prologis' Share (in millions)



(A) See reconciliation of Consolidated Net Loss to Adjusted EBITDA on page 9.

(B) Represents Value Creation for development properties that reached Stabilization during the quarter and moved into the Operating Portfolio.

(square feet in thousands)

	Region	# of Buildings	Square Feet				Occupied		Leased	
			Total Owned and Managed	Prologis Share	Prologis Share (%)	% of Total	Total Owned and Managed	Prologis Share	Total Owned and Managed	Prologis Share
Global Markets										
U.S.										
	Atlanta	East	117	14,053	11,320	80.6%	3.1%	86.1%	86.1%	86.1%
	Baltimore/ Washington	East	68	8,095	5,340	66.0%	1.5%	95.3%	94.8%	95.3%
	Central Valley	Northwest	24	8,970	7,127	79.5%	1.9%	91.9%	92.3%	93.4%
	Central & Eastern PA	East	27	14,049	7,136	50.8%	1.9%	94.2%	96.4%	95.1%
	Chicago	Central	221	36,329	28,355	78.1%	7.8%	91.4%	91.7%	91.4%
	Dallas/ Ft. Worth	Central	159	22,878	18,863	82.5%	5.2%	95.3%	95.8%	95.7%
	Houston	Central	77	9,420	6,815	72.3%	1.9%	98.2%	98.6%	98.2%
	New Jersey/ New York City	East	169	21,656	15,940	73.6%	4.4%	95.5%	94.7%	95.5%
	San Francisco Bay Area	Northwest	242	19,992	17,007	85.1%	4.6%	91.7%	92.0%	91.7%
	Seattle	Northwest	76	10,205	5,018	49.2%	1.4%	96.3%	96.9%	96.3%
	South Florida	East	91	10,553	7,579	71.8%	2.1%	96.5%	95.5%	96.5%
	Southern California	Southwest	300	55,794	45,426	81.4%	12.4%	97.9%	98.3%	98.2%
	On Tarmac	Various	31	2,598	2,373	91.3%	0.6%	91.9%	91.2%	91.9%
	Canada	East	19	6,383	5,080	79.6%	1.4%	99.9%	100.0%	99.9%
	Mexico	Latin America	185	29,832	17,243	57.8%	4.7%	93.4%	92.9%	93.4%
	Brazil	Latin America	7	2,161	292	13.5%	0.1%	100.0%	100.0%	100.0%
Americas total			1,813	272,968	200,914	73.6%	55.0%	94.5%	94.6%	94.7%
	Belgium	Northern	9	2,016	1,245	61.8%	0.3%	99.6%	99.4%	99.6%
	France	Southern	124	29,505	20,925	70.9%	5.7%	94.8%	94.1%	94.8%
	Germany	Northern	88	18,284	7,932	43.4%	2.2%	99.7%	99.6%	99.7%
	Netherlands	Northern	53	10,699	5,496	51.4%	1.5%	89.8%	89.2%	93.6%
	Poland	CEE	95	20,572	11,793	57.3%	3.2%	87.0%	85.4%	90.7%
	Spain	Southern	26	7,126	6,006	84.3%	1.6%	81.1%	82.6%	88.0%
	United Kingdom	UK	73	17,231	10,520	61.1%	2.9%	97.5%	96.9%	97.5%
Europe total			468	105,433	63,917	60.6%	17.4%	93.2%	92.2%	94.8%
	China	China	25	5,499	2,312	42.0%	0.6%	91.9%	95.8%	91.9%
	Japan	Japan	47	20,781	14,977	72.1%	4.1%	98.0%	97.8%	98.0%
	Singapore	Singapore	5	942	942	100.0%	0.3%	100.0%	100.0%	100.0%
Asia total			77	27,222	18,231	67.0%	5.0%	96.9%	97.7%	96.9%
Total global markets			2,358	405,623	283,062	69.8%	77.4%	94.3%	94.3%	94.9%
Regional markets (A)										
	Czech Republic - Europe	CEE	29	6,824	5,099	74.7%	1.4%	95.0%	93.3%	97.8%
	Italy - Europe	Southern	27	8,378	7,690	91.8%	2.1%	86.0%	85.5%	86.0%
	Hungary - Europe	CEE	30	5,346	3,822	71.5%	1.1%	85.1%	86.2%	86.5%
	Memphis - Americas	Central	17	6,270	5,474	87.3%	1.5%	99.8%	99.8%	99.8%
	Columbus - Americas	Central	37	9,727	7,763	79.8%	2.1%	96.4%	95.6%	96.4%
	San Antonio - Americas	Central	50	5,606	4,185	74.7%	1.2%	94.2%	95.1%	94.3%
	Sweden - Europe	Northern	10	3,807	2,546	66.9%	0.7%	100.0%	100.0%	100.0%
	Denver - Americas	Northwest	33	5,208	4,254	81.7%	1.2%	96.6%	95.9%	96.6%
	Cincinnati - Americas	Central	27	6,663	4,142	62.2%	1.2%	98.9%	98.2%	98.9%
	Orlando - Americas	Central	35	4,360	3,425	78.6%	0.9%	91.0%	89.3%	91.0%
	Remaining other regional (5 markets)	Various	87	17,591	11,745	66.8%	3.2%	95.9%	94.9%	95.9%
Regional markets total			382	79,780	60,145	75.4%	16.6%	94.5%	93.7%	94.9%
Other markets (14 markets)		Various	252	36,769	22,037	59.9%	6.0%	89.8%	92.9%	90.0%
Total operating portfolio - owned and managed			2,992	522,172	365,244	69.9%	100.0%	94.0%	94.1%	94.5%

(dollars in thousands)

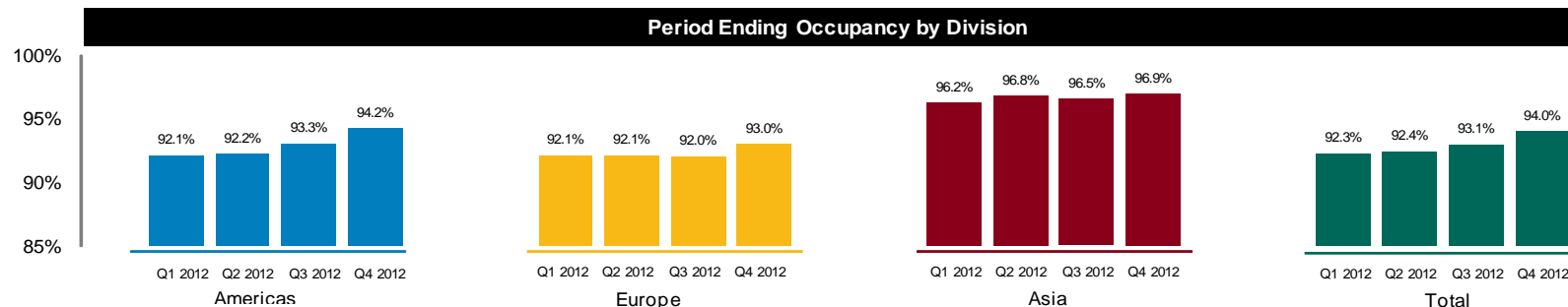
		Fourth Quarter NOI				Gross Book Value			
Region		Total Owned and Managed	Prologis Share (\$)	Prologis Share (%)	% of Total	Total Owned and Managed	Prologis Share (\$)	Prologis Share (%)	% of Total
Global Markets									
U.S.									
Atlanta	East	\$8,792	\$6,771	77.0%	1.7%	\$635,503	\$474,398	74.6%	1.8%
Baltimore/Washington	East	9,252	5,746	62.1%	1.4%	620,631	374,892	60.4%	1.4%
Central Valley	Northwest	5,917	4,747	80.2%	1.2%	470,376	365,198	77.6%	1.4%
Central & Eastern PA	East	12,388	6,289	50.8%	1.6%	804,849	393,751	48.9%	1.5%
Chicago	Central	26,725	20,529	76.8%	5.2%	2,167,484	1,634,526	75.4%	6.1%
Dallas/Ft. Worth	Central	14,554	11,425	78.5%	2.9%	1,093,351	849,441	77.7%	3.1%
Houston	Central	10,008	5,958	59.5%	1.5%	523,766	330,740	63.1%	1.2%
New Jersey/New York City	East	25,861	16,937	65.5%	4.3%	1,896,226	1,265,329	66.7%	4.7%
San Francisco Bay Area	Northwest	26,018	23,469	90.2%	5.9%	1,973,782	1,683,632	85.3%	6.3%
Seattle	Northwest	11,164	5,246	47.0%	1.3%	947,506	468,153	49.4%	1.7%
South Florida	East	12,954	9,882	76.3%	2.5%	1,031,022	768,108	74.5%	2.8%
Southern California	Southwest	59,561	48,975	82.2%	12.4%	5,017,690	4,042,857	80.6%	15.0%
On Tarmac	Various	7,489	6,681	89.2%	1.7%	313,749	275,344	87.8%	1.0%
Canada	East	8,576	6,709	78.2%	1.7%	639,332	504,677	78.9%	1.9%
Mexico	Latin America	27,321	16,193	59.3%	4.1%	1,783,499	979,633	54.9%	3.6%
Brazil	Latin America	4,449	666	15.0%	0.2%	196,065	23,292	11.9%	0.1%
Americas total		271,029	196,223	72.4%	49.6%	20,114,831	14,433,971	71.8%	53.6%
Belgium	Northern	2,018	1,297	64.3%	0.3%	168,167	101,488	60.3%	0.4%
France	Southern	39,647	25,946	65.4%	6.5%	2,470,341	1,651,308	66.8%	6.1%
Germany	Northern	25,175	11,001	43.7%	2.8%	1,587,730	641,633	40.4%	2.4%
Netherlands	Northern	12,816	6,998	54.6%	1.8%	1,013,788	495,569	48.9%	1.8%
Poland	CEE	18,645	10,814	58.0%	2.7%	1,371,702	711,538	51.9%	2.6%
Spain	Southern	8,864	7,925	89.4%	2.0%	599,207	522,722	87.2%	1.9%
United Kingdom	UK	33,058	19,646	59.4%	5.0%	2,048,259	1,135,565	55.4%	4.2%
Europe total		140,223	83,627	59.6%	21.1%	9,259,194	5,259,823	56.8%	19.4%
China	China	4,220	1,383	32.8%	0.4%	286,301	89,696	31.3%	0.3%
Japan	Japan	63,554	45,253	71.2%	11.4%	4,067,908	2,841,262	69.8%	10.6%
Singapore	Singapore	2,493	2,493	100.0%	0.6%	149,669	149,669	100.0%	0.6%
Asia total		70,267	49,129	69.9%	12.4%	4,503,878	3,080,627	68.4%	11.5%
Total global markets		481,519	328,979	68.3%	83.1%	33,877,903	22,774,421	67.2%	84.5%
Regional markets (A)									
Czech Republic - Europe	CEE	8,519	6,444	75.6%	1.6%	545,279	385,017	70.6%	1.4%
Italy - Europe	Southern	6,729	6,082	90.4%	1.5%	543,882	489,656	90.0%	1.8%
Hungary - Europe	CEE	5,449	3,828	70.3%	1.0%	377,890	237,827	62.9%	0.9%
Memphis - Americas	Central	4,459	3,789	85.0%	1.0%	207,423	179,302	86.4%	0.7%
Columbus - Americas	Central	4,945	3,697	74.8%	0.9%	371,554	287,153	77.3%	1.1%
San Antonio - Americas	Central	4,585	3,513	76.6%	0.9%	256,149	181,775	71.0%	0.7%
Sweden - Europe	Northern	5,563	3,482	62.6%	0.9%	346,701	216,557	62.5%	0.8%
Denver - Americas	Northwest	4,386	3,427	78.1%	0.9%	291,347	241,816	83.0%	0.9%
Cincinnati - Americas	Central	5,622	3,089	54.9%	0.8%	268,989	151,460	56.3%	0.6%
Orlando - Americas	Central	3,501	2,585	73.8%	0.6%	283,619	212,581	75.0%	0.8%
Remaining other regional (5 markets)	Various	12,933	7,473	57.8%	1.9%	800,379	475,936	59.5%	1.8%
Regional markets total		66,691	47,409	71.1%	12.0%	4,293,212	3,059,080	71.3%	11.5%
Other markets (14 markets)		31,376	19,466	62.0%	4.9%	1,923,762	1,074,773	55.9%	4.0%
Total operating portfolio - owned and managed		\$579,586	\$395,854	68.3%	100.0%	\$40,094,877	\$26,908,274	67.1%	100.0%

(square feet and dollars in thousands)

	# of Buildings	Square Feet				Occupied		Leased	
		Total Owned and Managed	Prologis Share	Prologis Share (%)	% of Total	Total Owned and Managed	Prologis Share	Total Owned and Managed	Prologis Share
Consolidated									
Americas	1,529	232,650	232,650	100.0%	63.7%	94.7%	94.7%	94.9%	94.9%
Europe	273	65,127	65,127	100.0%	17.9%	90.9%	90.9%	92.1%	92.1%
Asia	33	16,218	16,218	100.0%	4.4%	97.9%	97.9%	97.9%	97.9%
Total operating portfolio - consolidated	1,835	313,995	313,995	100.0%	86.0%	94.1%	94.1%	94.5%	94.5%
Unconsolidated									
Americas	801	126,879	28,516	22.5%	7.8%	93.3%	93.5%	93.5%	93.6%
Europe	312	70,294	20,720	29.5%	5.6%	94.9%	94.8%	96.6%	96.5%
Asia	44	11,004	2,013	18.3%	0.6%	95.4%	95.9%	95.4%	95.9%
Total operating portfolio - unconsolidated	1,157	208,177	51,249	24.6%	14.0%	94.0%	94.1%	94.6%	94.9%
Total									
Americas	2,330	359,529	261,166	72.6%	71.5%	94.2%	94.6%	94.4%	94.8%
Europe	585	135,421	85,847	63.4%	23.5%	93.0%	91.8%	94.4%	93.1%
Asia	77	27,222	18,231	67.0%	5.0%	96.9%	97.7%	96.9%	97.7%
Total operating portfolio - owned and managed	2,992	522,172	365,244	69.9%	100.0%	94.0%	94.1%	94.5%	94.5%
Value added properties - consolidated	18	2,352	2,352	100.0%		45.6%	45.6%	45.6%	45.6%
Value added properties - unconsolidated	6	576	138	24.0%		36.0%	36.0%	36.0%	36.0%
Total owned and managed	3,016	525,100	367,734	70.0%		93.8%	93.8%	94.2%	94.2%

	Fourth Quarter NOI				Gross Book Value			
	Total Owned and Managed	Prologis Share (\$)	Prologis Share (%)	% of Total	Total Owned and Managed	Prologis Share (\$)	Prologis Share (%)	% of Total
Consolidated								
Americas	\$211,946	\$211,946	100.0%	53.6%	\$15,001,381	\$15,001,381	100.0%	55.7%
Europe	78,405	78,405	100.0%	19.8%	4,771,549	4,771,549	100.0%	17.7%
Asia	44,053	44,053	100.0%	11.1%	2,739,270	2,739,270	100.0%	10.2%
Total operating portfolio - consolidated	\$334,404	\$334,404	100.0%	84.5%	\$22,512,200	\$22,512,200	100.0%	83.6%
Unconsolidated								
Americas	\$124,010	\$27,955	22.5%	7.0%	\$9,147,380	\$2,070,646	22.7%	7.7%
Europe	94,958	28,419	29.9%	7.2%	6,670,689	1,984,071	29.7%	7.4%
Asia	26,214	5,076	19.4%	1.3%	1,764,608	341,357	19.3%	1.3%
Total operating portfolio - unconsolidated	\$245,182	\$61,450	25.1%	15.5%	\$17,582,677	\$4,396,074	25.0%	16.4%
Total								
Americas	\$335,956	\$239,901	71.4%	60.6%	\$24,148,761	\$17,072,027	70.7%	63.4%
Europe	173,363	106,824	61.6%	27.0%	11,442,238	6,755,620	59.0%	25.1%
Asia	70,267	49,129	69.9%	12.4%	4,503,878	3,080,627	68.4%	11.5%
Total operating portfolio - owned and managed	\$579,586	\$395,854	68.3%	100.0%	\$40,094,877	\$26,908,274	67.1%	100.0%
Value added properties - consolidated	162	162	100.0%		96,048	96,048	100.0%	
Value added properties - unconsolidated	104	25	24.0%		43,258	10,358	23.9%	
Total owned and managed	\$579,852	\$396,041	68.3%		\$40,234,183	\$27,014,680	67.1%	

(square feet and dollars in thousands)



Leasing Activity

	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Square feet of leases signed:				
Properties under development	1,017	2,863	2,279	3,772
Operating portfolio:				
New leases	10,023	11,947	12,102	11,571
Renewals	19,812	20,189	24,599	25,118
Total square feet of leases signed	30,852	34,999	38,980	40,461
Weighted average customer retention	78.3%	82.4%	87.5%	87.3%
Turnover costs (per square foot) (B)	\$ 1.14	\$ 1.50	\$ 1.50	\$ 1.36

Capital Expenditures Incurred

	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Property improvements	\$ 17,100	\$ 21,056	\$ 33,704	\$ 47,517
\$ per square foot	\$ 0.03	\$ 0.04	\$ 0.06	\$ 0.09
Tenant improvements	28,598	29,243	31,515	36,715
Leasing commissions	16,401	18,523	21,483	25,166
Total turnover costs	44,999	47,766	52,998	61,881
Total capital expenditures	\$ 62,099	\$ 68,822	\$ 86,702	\$ 109,398
Trailing four quarters - % of gross NOI	11.9% (C)	12.0% (C)	12.7%	13.9%
Weighted average ownership percent	76.9%	72.2%	72.0%	75.4%
Prologis share	\$ 47,734	\$ 49,689	\$ 62,428	\$ 82,488

Same Store Information (A)

	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Square feet of population	522,571	519,939	514,031	501,957
Percentage change:				
Rental income	(0.6%)	1.5%	2.3%	1.8%
Rental expenses	(6.6%)	4.8%	1.1%	6.8%
Net operating income - GAAP	1.7%	0.4%	2.7%	0.1%
Net operating income - adjusted cash	3.1%	2.3%	3.0%	0.8%
Average occupancy	2.6%	2.9%	2.3%	2.1%
Square feet of leasing activity	28,227	30,127	33,852	34,758
Percentage change in rental rates	(1.1%)	(3.9%)	(1.8%)	(2.4%)

(A) See the Notes and Definitions for further explanations.

(B) Turnover costs per foot represent expected costs based on the leases signed during the quarter, rather than costs incurred as presented in the "Capital Expenditures Incurred" section.

(C) This metric is calculated using the trailing twelve month NOI based on pro forma information for the pre-Merger period.

(square feet and dollars in thousands)

Top Customers

		% of Annual Base Rent	Total Square Feet
1	DHL	2.0%	12,074
2	CEVA Logistics	1.4%	6,872
3	Kuehne & Nagel	1.3%	7,074
4	Geodis	1.0%	5,726
5	Amazon.com, Inc.	0.9%	4,678
6	Home Depot, Inc.	0.9%	4,326
7	FedEx Corporation	0.8%	2,376
8	PepsiCo	0.8%	5,350
9	Hitachi Ltd	0.8%	2,141
10	United States Government	0.8%	1,483
Top 10 Customers		10.7%	52,100
11	Panasonic Logistics Co. Ltd.	0.7%	2,248
12	Tesco PLC	0.7%	2,693
13	Sagawa Express	0.6%	1,112
14	Nippon Express Group	0.6%	1,575
15	ND Logistics	0.6%	2,724
16	Wal-Mart Stores	0.6%	3,239
17	Panalpina, Inc.	0.6%	2,457
18	Kraft Foods, Inc.	0.5%	3,020
19	Unilever	0.5%	3,920
20	UPS SCS (United Parcel Service Inc.)	0.5%	2,217
21	DB Schenker	0.5%	2,410
22	Caterpillar Logistics Services	0.4%	1,153
23	APL (Neptune Orient Lines)	0.4%	3,983
24	LG	0.4%	2,540
25	La Poste	0.4%	1,278
Top 25 Customers		18.7%	88,669

Lease Expirations - Operating Portfolio - Owned and Managed

Year	Annual Base Rent	Percentage of Total	Occupied Square Feet	Percentage of Total
Month to month customers	\$ 39,295	1.5%	11,851	2.4%
2013	342,020	12.6%	64,196	13.1%
2014	388,289	14.3%	75,030	15.3%
2015	411,423	15.2%	79,793	16.2%
2016	350,782	13.0%	63,626	13.0%
2017	328,410	12.1%	60,939	12.4%
Thereafter	846,453	31.3%	135,657	27.6%
Total	\$ 2,706,672	100%	491,092	100%

Lease Expirations - Operating Portfolio - Prologis Share

Year	Annual Base Rent	Percentage of Total	Occupied Square Feet	Percentage of Total
Month to month customers	\$ 27,321	1.5%	8,570	2.5%
2013	249,631	13.4%	47,004	13.7%
2014	278,486	15.0%	56,068	16.3%
2015	275,210	14.8%	54,968	16.0%
2016	249,409	13.4%	46,316	13.5%
2017	215,577	11.6%	39,881	11.6%
Thereafter	561,431	30.3%	90,893	26.4%
Total	\$ 1,857,065	100%	343,700	100%

(square feet and dollars in thousands)

	Q4 2012					FY 2012				
	Square Feet	Prologis Share of Square Feet	Total Proceeds	Prologis Share of Proceeds (\$)	Prologis Share of Proceeds (%) (A)	Square Feet	Prologis Share of Square Feet	Total Proceeds	Prologis Share of Proceeds (\$)	Prologis Share of Proceeds (%) (A)
Third Party Building Dispositions										
Americas										
Prologis wholly owned	7,216	7,216	\$332,488	\$332,488	100.0%	14,414	14,414	\$714,375	\$714,375	100.0%
Prologis AMS (B)	204	78	14,560	5,604	38.5%	204	78	14,560	5,604	38.5%
Prologis Institutional Alliance Fund II (B)	420	118	33,693	9,485	28.2%	850	239	62,693	17,649	28.2%
Prologis North American Industrial Fund	1,541	355	56,817	13,102	23.1%	1,601	369	59,217	13,656	23.1%
Prologis North America Properties Fund I	1,406	581	58,769	24,272	41.3%	1,406	581	58,769	24,272	41.3%
Prologis North American Properties Fund XI	-	-	-	-	-	3,616	723	138,959	27,791	20.0%
Prologis Targeted U.S. Logistics Fund	753	180	52,449	12,561	23.9%	819	196	56,081	13,468	24.0%
Total Americas	11,540	8,528	548,776	397,512	72.4%	22,910	16,600	1,104,654	816,815	73.9%
Europe										
Prologis wholly owned	5,214	5,214	251,114	251,114	100.0%	7,390	7,390	386,136	386,136	100.0%
Prologis European Properties (C)	-	-	-	-	-	3,670	3,439	338,862	317,513	93.7%
Prologis European Properties Fund II	553	164	30,569	9,085	29.7%	2,596	772	180,743	53,715	29.7%
Prologis Targeted Europe Logistics Fund	128	41	7,445	2,393	32.1%	345	111	15,813	5,079	32.1%
Total Europe	5,895	5,419	289,128	262,592	90.8%	14,001	11,712	921,554	762,443	82.7%
Asia										
Prologis wholly owned	-	-	-	-	-	592	592	36,938	36,938	100.0%
Prologis Japan Fund 1	-	-	-	-	-	8	2	993	199	20.0%
Total Asia	-	-	-	-	-	600	594	37,931	37,137	97.9%
Total Third Party Building Dispositions	17,435	13,947	\$837,904	\$660,104	78.8%	37,511	28,906	\$2,064,139	\$1,616,395	78.3%
Building Contributions and Dispositions to Co-Investment Ventures										
Americas										
Brazil Fund and joint ventures	515	129	\$52,482	\$13,121	25.0%	815	204	\$80,844	\$20,211	25.0%
Prologis Mexico Fondo Logistico (B)	-	-	-	-	-	755	755	40,650	32,520	80.0%
Total Americas	515	129	52,482	13,121	25.0%	1,570	959	121,494	52,731	43.4%
Europe										
Prologis European Properties Fund II	2,104	2,104	169,933	169,933	100.0%	2,240	2,240	185,947	185,947	100.0%
Europe Logistics Venture 1	1,781	1,781	131,633	111,888	85.0%	1,920	1,920	148,508	126,231	85.0%
Prologis Targeted Europe Logistics Fund	624	624	47,434	29,690	62.6%	624	624	47,434	29,690	62.6%
Total Europe	4,509	4,509	349,000	311,511	89.3%	4,784	4,784	381,889	341,868	89.5%
Asia										
Total Asia	-	-	-	-	-	-	-	-	-	-
Total Contributions and Dispositions to Co-Investment Ventures	5,024	4,638	\$401,482	\$324,632	80.9%	6,354	5,743	\$503,383	\$394,599	78.4%
Total Building Dispositions and Contributions	22,459	18,585	\$1,239,386	\$984,736	79.5%	43,865	34,649	\$2,567,522	\$2,010,994	78.3%
Land dispositions and contributions			36,435	36,435	100.0%			91,306	91,306	100.0%
Other real estate dispositions			3,412	3,412	100.0%			16,836	15,455	91.8%
Grand Total Dispositions and Contributions			\$1,279,233	\$1,024,583	80.1%			\$2,675,664	\$2,117,755	79.1%
Weighted average stabilized cap rate on building dispositions and contributions					7.3%					7.3%

(A) Prologis share reflects our effective ownership. For contributions, this amount reflects cash proceeds to Prologis (net of units received for partial consideration).

(B) This is a consolidated fund.

(C) This was a consolidated fund through the second quarter of 2012. Beginning in the third quarter, the assets and liabilities of this fund are now wholly owned.

(square feet and dollars in thousands)

	Q4 2012					FY 2012				
	Square Feet	Prologis Share of Square Feet	Acquisition Cost	Prologis Share of Acquisition Cost (\$)	Prologis Share of Acquisition Cost (%) (A)	Square Feet	Prologis Share of Square Feet	Acquisition Cost	Prologis Share of Acquisition Cost (\$)	Prologis Share of Acquisition Cost (%) (A)
Third Party Building Acquisitions										
Americas										
Prologis wholly owned (B)	2,556	2,556	\$ 111,976	\$ 111,976	100.0%	3,563	3,563	\$ 169,019	\$ 169,019	100.0%
Prologis Mexico Fondo Logistico (C)	159	32	6,773	1,355	20.0%	449	90	17,048	3,410	20.0%
Prologis North American Industrial Fund	-	-	-	-	-	41	9	2,886	667	23.1%
Prologis Targeted U.S. Logistics Fund	2,154	516	157,718	37,766	23.9%	3,125	770	267,679	66,099	24.7%
Total Americas (D)	4,869	3,104	276,467	151,097	54.7%	7,178	4,432	456,632	\$ 239,195	52.4%
Europe										
Europe Logistics Venture 1	-	-	-	-	-	762	114	50,194	7,529	15.0%
Prologis European Properties Fund II	-	-	-	-	-	717	213	36,812	10,940	29.7%
Total Europe	-	-	-	-	-	1,479	327	87,006	18,469	21.2%
Asia										
	-	-	-	-	-	-	-	-	-	-
Total Third Party Building Acquisitions	4,869	3,104	\$ 276,467	\$ 151,097	54.7%	8,657	4,759	\$ 543,638	\$ 257,664	47.4%
Weighted average stabilized cap rate					7.4%					7.3%

(A) Prologis share reflects our effective ownership.

(B) Includes properties totaling 2.4 million square feet for total acquisition costs of \$97.8 million that were acquired upon dissolution of one of our other unconsolidated joint ventures during the fourth quarter.

(C) This is a consolidated fund.

(D) Includes properties acquired in the fourth quarter and designated as Value Added Acquisitions totaling 2.2 million square feet for total acquisition costs of \$107.8 million, of which 1.7 million square feet and \$76.4 million of acquisition costs were Prologis' share.

(in thousands, except percent and per square foot)

	Total Q4 2012				Prologis Share (\$) - Q4				Prologis Share (%) - Q4 (A)	
	Square Feet	Total Expected Investment	Cost Per Square Foot	Leased % at Start	Square Feet	Total Expected Investment	Cost Per Square Foot	Leased % at Start	Square Feet	Total Expected Investment
Americas										
Consolidated	3,661	\$377,958	\$103	47.9%	3,661	\$377,958	\$103	47.9%	100.0%	100.0%
Brazil Fund and joint ventures	1,478	151,600	103	45.7%	370	37,900	102	45.7%	25.0%	25.0%
Total Americas	5,139	529,558	103	47.3%	4,031	415,858	103	47.7%	78.4%	78.5%
Europe										
Consolidated	820	70,086	85	100.0%	820	70,086	85	100.0%	100.0%	100.0%
Total Europe	820	70,086	85	100.0%	820	70,086	85	100.0%	100.0%	100.0%
Asia										
Consolidated	1,308	127,547	98	33.5%	1,308	127,547	98	33.5%	100.0%	100.0%
Total Asia	1,308	127,547	98	33.5%	1,308	127,547	98	33.5%	100.0%	100.0%
Total	7,267	\$727,191	\$100	50.8%	6,159	\$613,491	\$100	51.7%	84.8%	84.4%
Weighted average estimated stabilized yield		7.9%								
Pro forma NOI		\$57,095								
Weighted average estimated cap rate at stabilization		6.8%								
Estimated value creation (B)		\$106,640								
Estimated development margin		14.7%								
Prologis share of value creation on development starts (B)		66.4%								
Prologis share of value creation on development starts (B)		\$70,776								

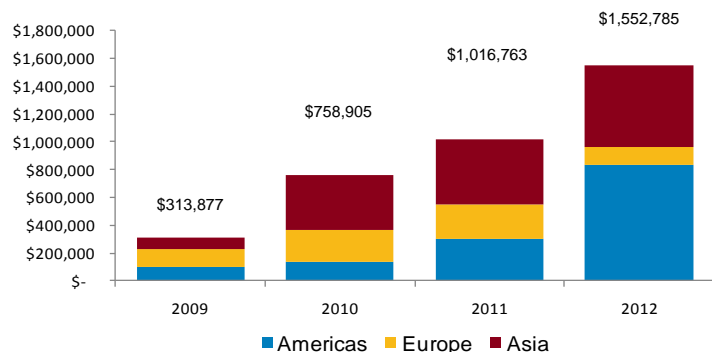
(A) Prologis share reflects our effective ownership.

(B) Value Creation excludes fees or promotes that we may earn. See complete definition in the Notes and Definitions section.

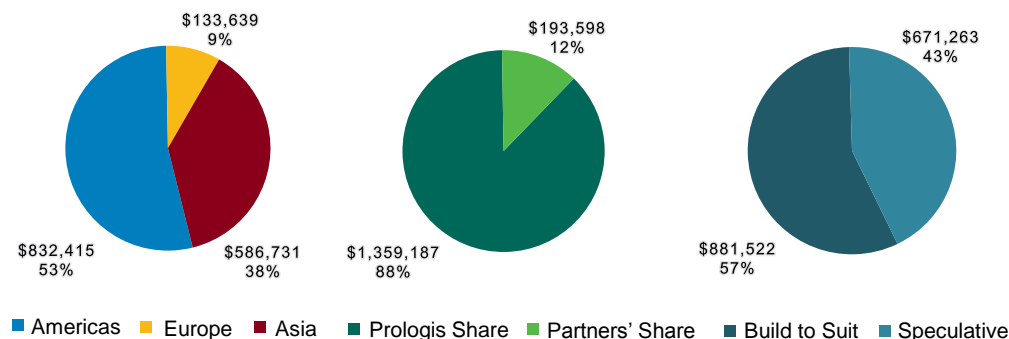
(in thousands, except percent and per square foot)

	Total FY 2012				Prologis Share (\$) - FY 2012				Prologis Share (%) - FY 2012 (A)	
	Square Feet	Total Expected Investment	Cost Per Square Foot	Leased % at Start	Square Feet	Total Expected Investment	Cost Per Square Foot	Leased % at Start	Square Feet	Total Expected Investment
Americas										
Consolidated	8,514	\$612,561	\$72	39.6%	8,514	\$612,561	\$72	39.6%	100.0%	100.0%
Brazil Fund and joint ventures	2,210	219,854	99	63.7%	553	54,964	99	63.7%	25.0%	25.0%
Total Americas	10,724	832,415	78	44.6%	9,067	667,525	74	41.1%	84.5%	80.2%
Europe										
Consolidated	1,709	133,639	78	84.5%	1,709	133,639	78	84.5%	100.0%	100.0%
Total Europe	1,709	133,639	78	84.5%	1,709	133,639	78	84.5%	100.0%	100.0%
Asia										
Consolidated	3,859	552,957	143	77.5%	3,859	552,957	143	77.5%	100.0%	100.0%
Prologis China Logistics Venture I	598	33,774	56	0.0%	90	5,066	56	0.0%	15.0%	15.0%
Total Asia	4,457	586,731	132	67.1%	3,949	558,023	141	75.7%	88.6%	95.1%
Total	16,890	\$1,552,785	\$92	54.5%	14,725	\$1,359,187	\$92	55.4%	87.2%	87.5%
Weighted average estimated stabilized yield	7.9%									
Pro forma NOI	\$122,624									
Weighted average estimated cap rate at stabilization	6.7%									
Estimated value creation (B)	\$281,006									
Estimated development margin	18.1%									
Prologis share of value creation on development starts (B)	79.8%									
Prologis share of value creation on development starts (B)	\$224,262									
Prologis share of value creation realized on VAC buildings (C)	10,954									
Total Prologis share of estimated and realized value creation year to date	<u>\$235,216</u>									

Historical Development Starts (TEI)



FY 2012 Development Starts



(A) Prologis share reflects our effective ownership.

(B) Value Creation excludes fees or promotes that we may earn. See complete definition in the Notes and Definitions section.

(C) This represents the economic gain realized from the sale of a Value Added Conversion "VAC" property during the year. The gain represents the amount by which the sales proceeds exceeds the amount included in NAV for this property.

(in thousands, except percent)

	Under Development											
	Pre-Stabilized Developments		2013 Expected Completion		2014 and thereafter Expected Completion		Total Under Development		Total Development Portfolio			
	Sq Ft	TEI \$	Sq Ft	TEI \$	Sq Ft	TEI \$	Sq Ft	TEI \$	TEI \$	Prologis share of TEI \$	% of Total	Leased %
Consolidated												
U.S.												
Central	147	\$7,717	1,334	\$57,250	-	\$0	1,334	\$57,250	\$64,967	\$64,967	3.5%	33.7%
East	706	71,717	1612	69,182	879	101,742	2,491	170,924	242,641	242,641	13.1%	75.5%
Northwest	-	-	1,258	134,220	-	-	1,258	134,220	134,220	134,220	7.2%	80.9%
Southwest	415	26,850	800	48,145	-	-	800	48,145	74,995	74,995	4.0%	0.0%
U.S. Total	1,268	106,284	5,004	308,797	879	101,742	5,883	410,539	516,823	516,823	27.8%	55.0%
Canada	-	-	910	107,351	-	-	910	107,351	107,351	107,351	5.8%	0.0%
Latin America	383	19,368	854	53,085	-	-	854	53,085	72,453	72,453	3.9%	8.1%
Americas total	1,651	125,652	6,768	469,233	879	101,742	7,647	570,975	696,627	696,627	37.5%	43.3%
Europe												
Northern Europe	-	-	-	-	-	-	-	-	-	-	0.0%	0.0%
Southern Europe	507	38,862	-	-	262	16,681	262	16,681	55,543	55,543	3.0%	48.4%
Central Europe	201	10,647	265	14,773	-	-	265	14,773	25,420	25,420	1.4%	100.0%
United Kingdom	-	-	698	76,575	-	-	698	76,575	76,575	76,575	4.1%	100.0%
Europe total	708	49,509	963	91,348	262	16,681	1,225	108,029	157,538	157,538	8.5%	79.5%
Asia												
Japan	2,166	317,070	2,203	333,298	1,087	154,166	3,290	487,464	804,534	804,534	43.3%	79.2%
China	-	-	568	22,913	-	-	568	22,913	22,913	22,913	1.2%	77.0%
Asia total	2,166	317,070	2,771	356,211	1,087	154,166	3,858	510,377	827,447	827,447	44.5%	79.0%
Total global markets	4,525	492,231	10,502	916,792	2,228	272,589	12,730	1,189,381	1,681,612	1,681,612	90.5%	59.9%
Regional and other markets												
Americas	-	-	486	22,694	-	-	486	22,694	22,694	22,694	1.2%	0.0%
Europe	260	14,648	-	-	-	-	-	-	14,648	14,648	0.8%	0.5%
Total regional and other markets	260	14,648	486	22,694	-	-	486	22,694	37,342	37,342	2.0%	0.2%
Total consolidated development portfolio	4,785	506,879	10,988	939,486	2,228	272,589	13,216	1,212,075	1,718,954	1,718,954	92.5%	57.4%
Unconsolidated												
Prologis Targeted U.S. Logistics Fund	272	32,196	-	-	-	-	-	-	32,196	7,709	0.4%	0.0%
Brazil Fund and joint ventures	-	-	2,249	217,144	-	-	2,249	217,144	217,144	108,572	5.8%	48.5%
Prologis Targeted Europe Logistics Fund	47	5,862	250	24,691	-	-	250	24,691	30,553	9,820	0.5%	0.0%
Prologis China Logistics Venture I	-	-	598	34,067	1,078	59,264	1,676	93,331	93,331	14,000	0.8%	0.0%
Total unconsolidated development portfolio	319	38,058	3,097	275,902	1,078	59,264	4,175	335,166	373,224	140,101	7.5%	24.3%
Total development portfolio - owned & managed	5,104	\$544,937	14,085	\$1,215,388	3,306	\$331,853	17,391	\$1,547,241	\$2,092,178	\$1,859,055	100.0%	50.8%
Total development portfolio - Prologis share	4,865	\$516,472	12,283	\$1,061,104	2,389	\$281,478	14,672	\$1,342,582	\$1,859,054			55.7%
Total development portfolio - Prologis share (%)	95.3%	94.8%	87.2%	87.3%	72.3%	84.8%	84.4%	86.8%	88.9%			
Cost to complete	\$	38,087	\$	651,527	\$	253,386	\$	904,913	\$	943,000		
Prologis share of cost to complete	\$	32,845	\$	575,552	\$	219,301	\$	794,853	\$	827,698		
Percent build to suit (based on Prologis share)		0.0%		64.0%		23.5%		55.5%		40.1%		
Leased percent		53.7%		52.0%		40.8%		49.9%		50.8%		
Weighted average estimated stabilized yield		7.6%		7.9%		7.5%		7.9%		7.8%		
Pro forma NOI									\$	163,113		
Weighted average estimated cap rate at stabilization										6.5%		
Estimated value creation (A)									\$	398,151		
Estimated development margin										19.0%		
Prologis share of value creation (A)									\$	354,340		
Prologis share of value creation (A)										89.0%		

(dollars in thousands)

Land by Market	Region		Acres			Current Book Value			
			Total Owned & Managed	Prologis Share	Prologis Share (%)	Total Owned & Managed	Prologis Share (\$)	Prologis Share (%)	% of Total
Global markets									
U.S.									
Atlanta	East		616	616	100.0%	\$ 25,656	\$ 25,656	100.0%	14%
Baltimore/Washington	East		106	106	100.0%	13,137	13,137	100.0%	0.7%
Central Valley	Northwest		1,155	1,155	100.0%	37,521	37,521	100.0%	2.0%
Central & Eastern PA	East		311	311	100.0%	27,187	27,187	100.0%	15%
Chicago	Central		567	567	100.0%	49,233	49,233	100.0%	2.7%
Dallas/Ft. Worth	Central		459	459	100.0%	26,909	26,909	100.0%	15%
Houston	Central		47	47	100.0%	5,422	5,422	100.0%	0.3%
New Jersey/New York City	East		323	323	100.0%	132,340	132,340	100.0%	7.2%
South Florida	East		377	377	100.0%	148,691	148,691	100.0%	8.1%
Southern California	Southwest		882	882	100.0%	184,053	184,053	100.0%	10.0%
Canada	Canada		183	183	100.0%	62,451	62,451	100.0%	3.4%
Mexico	Mexico		901	901	100.0%	177,060	177,060	100.0%	9.6%
Brazil	Brazil		269	135	50.0%	78,508	39,254	50.0%	2.1%
Americas total			6,196	6,062	97.8%	968,168	928,914	95.9%	50.5%
Belgium	Northern		30	30	100.0%	10,363	10,363	100.0%	0.6%
France	Southern		503	503	100.0%	89,911	89,911	100.0%	4.9%
Germany	Northern		116	116	100.0%	22,405	22,405	100.0%	12%
Netherlands	Northern		68	68	100.0%	67,839	67,839	100.0%	3.7%
Poland	CEE		775	775	100.0%	96,606	96,606	100.0%	5.3%
Spain	Southern		100	100	100.0%	15,717	15,717	100.0%	0.9%
United Kingdom	UK		987	987	100.0%	257,055	257,055	100.0%	14.0%
Europe total			2,579	2,579	100.0%	559,896	559,896	100.0%	30.6%
China	China		103	31	30.1%	29,063	11,550	39.7%	0.6%
Japan	Japan		67	67	100.0%	80,071	80,071	100.0%	4.4%
Asia total			170	98	57.6%	109,134	91,621	84.0%	5.0%
Total global markets			8,945	8,739	97.7%	1,637,198	1,580,431	96.5%	86.1%
Regional markets (A)									
Czech Republic	C.E.E.		247	247	100.0%	40,530	40,530	100.0%	2.2%
Hungary	C.E.E.		338	338	100.0%	38,111	38,111	100.0%	2.1%
Italy	Southern		107	107	100.0%	32,840	32,840	100.0%	18%
Central Florida	East		129	129	100.0%	25,686	25,686	100.0%	14%
Slovakia	C.E.E.		95	95	100.0%	16,915	16,915	100.0%	0.9%
Savannah	East		229	229	100.0%	13,097	13,097	100.0%	0.7%
Denver	Northwest		66	66	100.0%	8,727	8,727	100.0%	0.5%
Memphis	Central		165	165	100.0%	7,293	7,293	100.0%	0.4%
Columbus	Central		199	199	100.0%	6,692	6,692	100.0%	0.4%
Indianapolis	Central		127	127	100.0%	4,474	4,474	100.0%	0.2%
Cincinnati	Central		15	15	100.0%	1,480	1,480	100.0%	0.1%
Total regional markets			1,717	1,717	100.0%	195,845	195,845	100.0%	10.7%
Total other markets (10 markets)		Various	607	607	100.0%	60,433	60,433	100.0%	3.2%
Total land portfolio - owned and managed			11,269	11,063	98.2%	\$ 1,893,476	\$ 1,836,709	97.0%	100.0%
Original Cost Basis						\$ 3,017,610	\$ 2,976,621		

(dollars in thousands)

Land Portfolio Summary	Acres	% of Total	Investment at December 31, 2012	% of Total
Americas				
Consolidated	7,345	65.2%	\$ 996,161	52.6%
Brazil Fund and joint ventures	269	2.4%	78,508	4.1%
Total Americas	7,614	67.6%	1,074,669	56.7%
Europe				
Consolidated	3,485	30.8%	709,673	37.5%
Asia				
Consolidated	85	0.8%	88,530	4.7%
Prologis China Logistics Venture 1	85	0.8%	20,604	1.1%
Total Asia	170	1.6%	109,134	5.8%
Total land portfolio - owned and managed	11,269	100.0%	\$ 1,893,476	100.0%

Land Roll Forward - Owned and Managed	Americas	Europe	Asia	Total
As of September 30, 2012	\$ 1,111,379	\$ 758,502	\$ 138,039	\$ 2,007,920
Acquisitions	103,706	24,167	16,348	144,221
Dispositions	(9,262)	(15,906)	(7,651)	(32,819)
Development starts	(143,986)	(18,550)	(27,603)	(190,139)
Infrastructure costs	30,324	5,461	1,917	37,702
Reclasses	7,628	-	-	7,628
Impairment charges	(21,144)	(56,403)	-	(77,547)
Effect of changes in foreign exchange rates and other	(3,976)	12,402	(11,916)	(3,490)
As of December 31, 2012	\$ 1,074,669	\$ 709,673	\$ 109,134	\$ 1,893,476

Investment Information

Co-Investment Ventures	Type	Investment Type	Geographic Focus	Ownership	Date Established	Term
Prologis Institutional Alliance Fund II	Core	Consolidated	US	28.2%	June 2001	Closed end
Prologis AMS	Core	Consolidated	US	38.5%	June 2004	Closed end
Prologis Mexico Fondo Logistico (A)	Core/Development	Consolidated	Mexico	20.0%	July 2010	Closed end
Prologis Targeted U.S. Logistics Fund (A)	Core	Unconsolidated	US	23.9%	October 2004	Open end
Prologis North American Industrial Fund	Core	Unconsolidated	US	23.1%	March 2006	Open end
Prologis DFS Fund I	Development	Unconsolidated	US	15.0%	October 2006	Closed end
Prologis North American Industrial Fund III	Core	Unconsolidated	US	20.0%	July 2007	Closed end
Prologis SGP Mexico	Core	Unconsolidated	Mexico	21.6%	December 2004	Closed end
Prologis Mexico Industrial Fund	Core	Unconsolidated	Mexico	20.0%	August 2007	Closed end
Prologis Brazil Logistics Partners Fund I (A)(B)	Development	Unconsolidated	Brazil	50.0%	December 2010	Closed end
Prologis Targeted Europe Logistics Fund (A)	Core	Unconsolidated	Europe	32.4%	June 2007	Open end
Prologis European Properties Fund II (A)	Core	Unconsolidated	Europe	29.7%	August 2007	Open end
Europe Logistics Venture 1 (A)	Core	Unconsolidated	Europe	15.0%	February 2011	Open end
Prologis Japan Fund 1	Core	Unconsolidated	Japan	20.0%	June 2005	Closed end
Prologis China Logistics Venture 1 (A)	Core/Development	Unconsolidated	China	15.0%	March 2011	Closed end

Information by Unconsolidated Co-investment Venture (C):

					Prologis' Share				
(in thousands)	Fourth Quarter NOI	Gross Book Value of Operating Buildings	Debt	Fourth Quarter NOI	Annualized Pro forma NOI	Debt	Total Other Tangible Assets (Liabilities)	Prologis Investment In and Advances To	
Prologis North American Industrial Fund	47,340	\$41,914	\$2,888,458	\$1,192,165	\$9,665	\$38,660	\$274,913	\$13,693	209,580
Prologis North American Industrial Fund III	17,655	12,993	941,724	647,774	2,599	10,396	129,555	28,872	20,860
Prologis Targeted U.S. Logistics Fund	44,436	50,726	4,151,258	1,566,099	12,146	48,584	375,004	2,492	645,241
Prologis Mexico Industrial Fund	9,502	7,931	598,120	214,149	1,586	6,344	42,830	669	50,681
Prologis SGP Mexico	6,361	6,101	415,013	215,282	1,318	5,272	46,501	(11,272)	33,245
Brazil Fund and joint ventures	2,161	4,449	196,065	-	666	2,664	-	(2,951)	152,224
Americas	127,455	124,114	9,190,638	3,835,469	27,980	111,920	868,803	31,503	1,111,831
Prologis European Properties Fund II	55,275	71,174	4,881,068	1,734,126	21,153	84,612	515,382	(47,626)	398,291
Prologis Targeted Europe Logistics Fund	11,896	21,578	1,545,944	650,100	6,935	27,740	208,954	21,152	280,430
Europe Logistics Venture I	3,123	2,206	243,677	-	331	1,324	-	906	44,027
Europe	70,294	94,958	6,670,689	2,384,226	28,419	113,676	724,336	(25,568)	722,748
Prologis Japan Fund 1	7,255	22,876	1,533,307	848,856	4,575	18,300	169,771	18,218	144,352
Prologis China Logistics Venture 1	3,749	3,338	231,301	124,000	501	2,004	18,600	4,313	34,149
Asia	11,004	26,214	1,764,608	972,856	5,076	20,304	188,371	22,531	178,501
Total	208,753	\$245,286	\$17,625,935	\$7,192,551	\$61,475	\$245,900	\$1,781,510	\$28,466	\$2,013,080

(A) These funds are or will be actively investing in new properties through acquisition and/or development activities, whereas the remaining funds do not expect to be actively investing in new properties.

(B) We have a 50% ownership interest in and consolidate an entity that in turn owns 50% of an entity that is accounted for on the equity method ("Brazil Fund"). The Brazil Fund develops industrial properties in Brazil and has sold properties to an entity in which it maintains an equity interest. We also have other joint ventures that we account for using the equity method. We show our ownership in these entities at our effective ownership and include the properties in our owned and managed pool.

(C) Values represent Prologis' stepped up basis and may not be comparable to values reflected in the entities' stand alone financial statements calculated on a different basis.

(dollars in thousands)

	Americas	Europe	Asia	Total
FFO and Net Earnings (Loss) of the Co-Investment Ventures, Aggregated (A)(B)				
For the Three Months Ended December 31, 2012				
Rental income	\$ 178,349	\$ 128,412	\$ 34,692	\$ 341,453
Rental expenses	(49,672)	(29,904)	(8,478)	(88,054)
Net operating income from properties	128,677	98,508	26,214	253,399
Other expense, net	(4,311)	(3,123)	(122)	(7,556)
Loss on dispositions of investments in real estate, impairment charges and early extinguishment of debt, net	(40,273)	(13,742)	(2,257)	(56,272)
General and administrative expenses	(3,631)	(4,952)	(4,992)	(13,575)
Interest expense	(57,224)	(29,178)	(5,030)	(91,432)
Current income tax expense	(1,207)	(1,719)	(1,076)	(4,002)
FFO of the unconsolidated co-investment ventures	22,031	45,794	12,737	80,562
Real estate related depreciation and amortization	(76,670)	(40,094)	(14,245)	(131,009)
Foreign currency exchange and unrealized derivative gains (losses), net	3,667	(372)	900	4,195
Gain on dispositions of investments in real estate, net	38,048	8,844	-	46,892
Deferred tax benefit (expense) and other income (expense), net	(2,381)	9,701	(52)	7,268
Net earnings (loss) of the unconsolidated co-investment ventures	\$ (15,305)	\$ 23,873	\$ (660)	\$ 7,908
Prologis' Share of FFO and Net Earnings (Loss) of the Unconsolidated Co-Investment Ventures (A)				
For the Three Months Ended December 31, 2012				
Prologis' share of the co-investment ventures' FFO	\$ 7,466	\$ 16,031	\$ 3,433	\$ 26,930
Interest income	632	12	56	700
FFO from unconsolidated co-investment ventures, net	8,098	16,043	3,489	27,630
Fees earned by Prologis	17,602	9,164	4,896	31,662
Total FFO recognized by Prologis, net	\$ 25,700	\$ 25,207	\$ 8,385	\$ 59,292
Prologis' share of the co-investment ventures' net earnings (loss)	\$ (99)	\$ 10,136	\$ (323)	\$ 9,714
Interest income	632	12	56	700
Earnings (loss) from unconsolidated co-investment ventures, net	533	10,148	(267)	10,414
Fees earned by Prologis	17,602	9,164	4,896	31,662
Total earnings recognized by Prologis, net	\$ 18,135	\$ 19,312	\$ 4,629	\$ 42,076
Condensed Balance Sheet of the Unconsolidated Co-Investment Ventures, Aggregated (A)(B)				
As of December 31, 2012				
Operating industrial properties, before depreciation	\$ 9,190,638	\$ 6,670,689	\$ 1,764,608	\$ 17,625,935
Accumulated depreciation	(878,707)	(492,243)	(82,600)	(1,453,550)
Properties under development and land	211,773	22,415	54,482	288,670
Other assets	546,718	404,297	200,520	1,151,535
Total assets	\$ 9,070,422	\$ 6,605,158	\$ 1,937,010	\$ 17,612,590
Third party debt	\$ 3,835,469	2,384,226	972,856	\$ 7,192,551
Other liabilities	334,942	569,615	89,645	994,202
Total liabilities	\$ 4,170,411	\$ 2,953,841	\$ 1,062,501	\$ 8,186,753
Weighted average ownership	23.2%	29.7%	19.2%	25.1%

(A) Includes the unconsolidated co-investment ventures listed on the previous page.

(B) Represents the entire entity, not our proportionate share.

(dollars and shares in millions)

	Prologis												
	Unsecured				Secured		Consolidated	Total	Unconsolidated		Prologis		Wtd. Avg.
	Senior	Exchangeable	Credit	Other	Mortgage		Entities	Consolidated	Entities	Total	Share of	Prologis	Interest
Maturity	Debt	Debt	Facilities	Debt	Debt	Total	Debt	Debt	Debt	Debt	Total Debt	Share (%)	Rate (A)
2013	\$376	\$483	\$0	\$0	\$410	\$1,269	\$207	\$1,476	\$1,405	\$2,881	\$1,641	57.0%	4.4%
2014	916	-	420	640	981	2,957	65	3,022	1,225	4,247	3,330	78.4%	3.6%
2015	287	460	469	1	205	1,422	25	1,447	788	2,235	1,654	74.0%	3.5%
2016	640	-	-	1	318	959	127	1,086	1,301	2,387	1,291	54.1%	5.3%
2017	700	-	-	1	544	1,245	4	1,249	752	2,001	1,411	70.5%	4.2%
2018	900	-	-	1	309	1,210	74	1,284	266	1,550	1,287	83.0%	5.0%
2019	647	-	-	1	501	1,149	2	1,151	225	1,376	1,216	88.4%	5.4%
2020	677	-	-	1	9	687	2	689	723	1,412	878	62.2%	5.9%
2021	-	-	-	1	155	156	2	158	345	503	239	47.5%	3.4%
2022	-	-	-	-	7	7	3	10	139	149	42	28.2%	5.8%
Thereafter	-	1	-	10	137	148	5	153	-	153	150	98.0%	7.4%
Subtotal	5,143	944	889	657	3,576	11,209	516	11,725	7,169	18,894	13,139	69.5%	
Unamortized net premiums (discounts)	80	(67)	-	-	50	63	3	66	24	90	70	77.8%	
Subtotal	5,223	877	889	657	3,626	11,272	519	11,791	7,193	18,984	\$13,209	69.6%	4.4%
Third party share of debt	-	-	-	-	-	-	(364)	(364)	(5,411)	(5,775)			
Prologis share of debt	\$5,223	\$877	\$889	\$657	\$3,626	\$11,272	\$155	\$11,427	\$1,782	\$13,209			
Prologis share of debt by local currency													
Dollars	\$4,547	\$877	\$55	\$29	\$1,689	\$7,197	\$130	\$7,327	\$886		\$8,213		
Euro	559	-	226	482	504	1,771	21	1,792	574		2,366		
GBP	-	-	28	-	172	200	-	200	139		339		
Yen	117	-	580	146	1,261	2,104	-	2,104	170		2,274		
Other	-	-	-	-	-	-	4	4	13		17		
Prologis share of debt	\$5,223	\$877	\$889	\$657	\$3,626	\$11,272	\$155	\$11,427	\$1,782		\$13,209		
Weighted average interest rate (B)	5.6%	4.6%	1.5%	1.8%	4.0%	4.4%	4.4%	4.4%	4.7%		4.4%		
Weighted average remaining maturity in years	4.3	1.2	1.8	1.5	3.9	3.6	3.0	3.6	3.5		3.6		

Market Equity				Preferred Stock			Liquidity	
Security	Shares	Price	Value	Series	Dividend Rate	Value		
Common Stock	461.0	\$36.49	\$16,822	Series L	6.5%	\$49	Aggregate lender commitments	\$2,118
Partnership Units	3.2	\$36.49	117	Series M	6.8%	58	Less:	
Total	<u>464.2</u>		<u>\$16,939</u>	Series O	7.0%	75	Borrowings outstanding	889
				Series P	6.9%	50	Outstanding letters of credit	68
				Series Q	8.5%	100	Current availability	\$1,161
				Series R	6.8%	125		
				Series S	6.8%	125	Unrestricted cash	101
					<u>7.1%</u>	<u>\$582</u>	Total liquidity	<u>\$1,262</u>

(A) Based on Prologis share of the total debt. Interest rate is based on the effective rate (which includes the amortization of related premiums and discounts) assuming the net premiums (discounts) associated with the respective debt were included in the maturities by year.

(B) Interest rate is based on the effective rate and weighted based on borrowings outstanding.

(dollars in thousands)

Covenants as of December 31, 2012 (A)

	Legacy AMB Indenture		New Prologis Indenture	
	Covenant	Actual	Covenant	Actual
Outstanding indebtedness to adjusted total assets	<60%	39.4%	<60%	39.4%
Fixed charge coverage ratio	>1.5x	2.72x	>1.5x	2.71x
Maximum secured debt to adjusted total assets	<40%	13.5%	<40%	13.5%
Unencumbered assets ratio to unsecured debt	>150%	276.6%	>150%	276.6%
	Global Line			
	Covenant	Actual		
Maximum consolidated leverage to total asset value	<60%	43.0%		
Fixed charge coverage ratio	>1.5x	2.41x		
Unencumbered debt service coverage ratio	>1.5x	3.33x		
Maximum secured debt to total asset value	<35%	14.9%		
Minimum net worth	>\$10.0 billion	\$15.4 billion		

Debt Metrics (A) (B) (C)

	2012	
	Fourth Quarter	Third Quarter
Debt as % of gross real estate assets	43.9%	44.7%
Secured debt as % of gross real estate assets	18.3%	19.5%
Unencumbered gross real estate assets to unsecured debt	234.6%	227.1%
Fixed charge coverage ratio	2.18x	2.26x
Debt/Adjusted EBITDA	8.89x	9.00x

Encumbrances as of December 31, 2012

	Unencumbered	Encumbered	Total
Consolidated:			
Operating properties	\$ 14,095,141	\$ 8,513,107	\$ 22,608,248
Development portfolio	951,643	-	951,643
Land	1,727,275	67,089	1,794,364
Other real estate investments	454,868	-	454,868
Notes receivable backed by real estate	-	188,000	188,000
Assets held for sale	7,973	18,054	26,027
Total consolidated	17,236,900	8,786,250	26,023,150
Unconsolidated operating properties - Prologis' share	1,210,593	3,195,839	4,406,432
Unconsolidated development portfolio and land - Prologis' share	109,073	5,011	114,084
Gross real estate assets	\$ 18,556,566	\$ 11,987,100	\$ 30,543,666

Secured and Unsecured Debt as of December 31, 2012

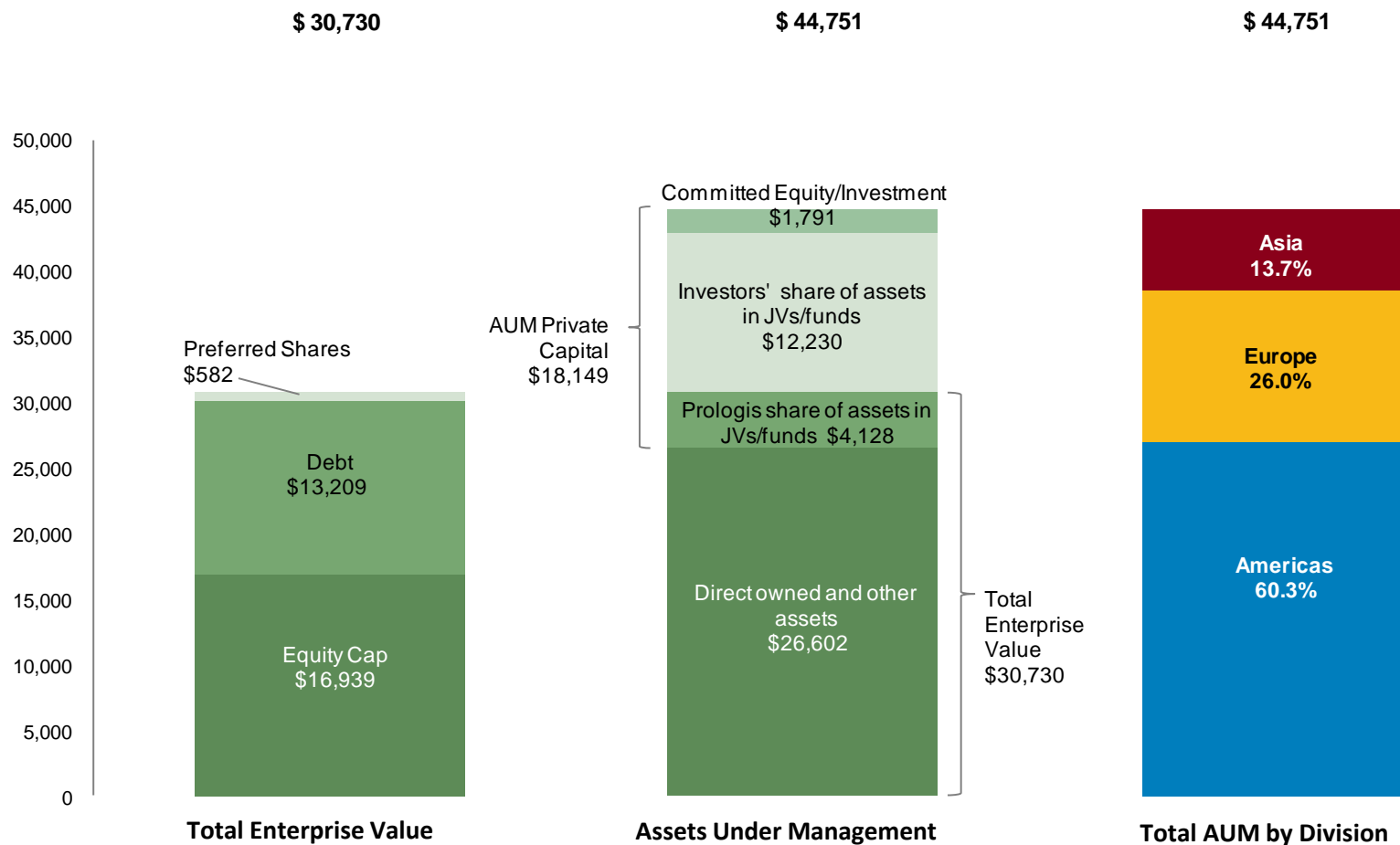
	Unsecured Debt	Secured Mortgage Debt	Total
Prologis debt	\$ 7,632,700	\$ 3,576,086	\$ 11,208,786
Consolidated entities debt	67,749	448,103	515,852
Our share of unconsolidated entities debt	208,903	1,566,540	1,775,443
Total debt - at par	7,909,352	5,590,729	13,500,081
Third party share of consolidated debt	(50,099)	(312,332)	(362,431)
Total Prologis share of debt - at par	7,859,253	5,278,397	13,137,650
Premium (discount) - consolidated	16,334	49,822	66,156
Third party share of consolidated debt premium (discount)	-	(1,733)	(1,733)
Our share of premium (discount) - unconsolidated	-	6,067	6,067
Total debt, net of premium (discount)	\$ 7,875,587	\$ 5,332,553	\$ 13,208,140

(A) 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.

(B) All metrics include both consolidated and Prologis share of unconsolidated entities.

(C) See Notes and Definitions for calculation of amounts.

(dollars in millions)



(in thousands, except for percentages and per square foot)

Real Estate Operations

	Square Feet	Gross Book Value	GBV per Sq. Ft.	Fourth Quarter Adjusted Cash NOI (Actual)	Fourth Quarter Adjusted Cash NOI (Pro Forma)	Annualized Adjusted Cash NOI	Percent Occupied
CONSOLIDATED OPERATING PORTFOLIO							
Properties generating net operating income							
Americas	224,233	\$ 14,550,767	\$ 65	\$ 223,152	\$ 223,152	\$ 892,608	96.4%
Europe	61,222	4,525,590	74	85,220	85,220	340,880	95.7%
Asia	16,218	2,739,270	169	44,876	44,876	179,504	97.9%
Pro forma adjustment for mid-quarter acquisitions/development completions					2,128	8,512	
Sub-total	301,673	21815,627	72	353,248	355,376	1,421,504	96.3%
Properties generating net operating loss							
Americas	8,417	450,614	54	(2,966)			50.6%
Europe	3,905	245,959	63	(1181)			15.2%
Sub-total	12,322	696,573	57	(4,147)			39.4%
Total consolidated portfolio	313,995	\$ 22,512,200	\$ 72	\$ 349,101	\$ 355,376	\$ 1,421,504	94.1%
UNCONSOLIDATED OPERATING PORTFOLIO (Prologis Share)							
Prologis interest in unconsolidated operating portfolio							
Americas	28,516	\$ 2,070,646	\$ 73	\$ 29,081	\$ 29,081	\$ 116,324	93.5%
Europe	20,720	1,984,071	96	29,737	29,737	118,948	94.8%
Asia	2,013	341,357	170	5,248	5,248	20,992	95.9%
Pro forma adjustment for mid-quarter acquisitions/development completions					1,297	5,188	
Prologis share of unconsolidated operating portfolio	51,249	\$ 4,396,074	\$ 86	\$ 64,066	\$ 65,363	\$ 261,452	94.1%
Total operating portfolio	365,244	\$ 26,908,274	\$ 74	\$ 413,167	\$ 420,739	\$ 1,682,956	94.1%

Development

	Square Feet	Investment Balance	TEI	TEI per Sq Ft.	Annualized Pro Forma NOI	Percent Occupied
CONSOLIDATED						
Prestabilized						
Americas	1,651	\$ 109,514	\$ 125,652	\$ 76	\$ 9,223	29.6%
Europe	968	58,988	64,157	66	5,761	116%
Asia	2,166	303,912	317,070	146	24,242	64.2%
						41.6%
Properties under development						
Americas	8,133	236,348	593,669	73	40,522	
Europe	1,225	40,657	108,029	88	8,465	
Asia	3,858	202,224	510,377	132	38,418	
Total consolidated portfolio	18,001	\$ 951,643	\$ 1,718,954	\$ 95	\$ 126,631	
UNCONSOLIDATED (Prologis Share)						
Prologis interest in unconsolidated development portfolio						
Americas	1,190	\$ 59,452	\$ 116,281	\$ 98	13,020	
Europe	95	7,205	9,820	103	576	
Asia	251	5,082	14,000	56	1,149	
Prologis share of unconsolidated development portfolio	1,536	\$ 71,739	\$ 140,101	\$ 91	\$ 14,745	
Total development portfolio	19,537	\$ 1,023,382	\$ 1,859,055	\$ 95	\$ 141,376	

Development Platform (see development and pro rata operating information pages)

(in thousands)

Balance Sheet and Other Items

	As of December 31, 2012
CONSOLIDATED	
Other assets	
Cash and cash equivalents	\$ 100,810
Restricted cash	176,926
Deposits, prepaid assets and other tangible assets	581,744
Other real estate investments	454,868
Prologis' share of value added operating properties	106,406
Accounts receivable	171,084
Notes receivable backed by real estate	188,000
Prologis receivable from unconsolidated co-investment ventures	53,174
Investments in and advances to other unconsolidated joint ventures	182,702
Assets held for sale, net of liabilities	7,693
Total other assets	\$ 2,023,407
Other liabilities	
Accounts payable and other current liabilities	611,770
Deferred income taxes	455,160
Value added tax and other tax liabilities	39,342
Tenant security deposits	174,137
Other liabilities	447,272
Noncontrolling interests	704,319
Total liabilities and noncontrolling interests	\$ 2,432,000
UNCONSOLIDATED	
Prologis share of net assets (liabilities)	\$ 28,466

Land

	Investment Balance
Our share of original land basis	\$ 2,976,621
Current book value of land	\$ 1,794,364
Prologis share of book value of land in unconsolidated entities	42,345
Total	\$ 1,836,709

Private Capital / Development Management

	Fourth Quarter	Annualized
Private capital		
Private capital revenue	\$ 31,715	\$ 126,860
Private capital expenses	(16,134)	(64,536)
Private Capital NOI	\$ 15,581	\$ 62,324
Development management income	\$ 4,099	\$ 16,396

Debt and Preferred Stock

	As of December 31, 2012
Prologis debt - at par	\$ 11,208,786
Consolidated investee debt - at par	515,852
Prologis share of unconsolidated debt - at par	1,775,443
Subtotal debt - at par	13,500,081
Preferred stock	582,200
Total debt and preferred stock	\$ 14,082,281
Outstanding shares of common stock	460,966

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 the Supplemental Information 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 private capital segment represents the long-term management of unconsolidated co-investment ventures and other joint ventures.

In June 2011, AMB Property Corporation ("AMB") and ProLogis combined through a merger of equals (the "Merger"). As a result of the Merger, each outstanding ProLogis common share was converted into 0.4464 shares of AMB common stock. At the time of the Merger, AMB changed its name to ProLogis, Inc. The Merger resulted in a reverse acquisition, in which AMB was considered the "legal acquirer" and ProLogis was considered the "accounting acquirer". As such, the historical results of AMB have not been included in the 2011 results.

During the second quarter of 2011, we increased our ownership of ProLogis European Properties ("PEPR"), through open market purchases and a mandatory tender offer. Pursuant to the tender offer and open-market purchases made during the tender period, we acquired additional ordinary units and convertible preferred units of PEPR. After completion of the tender offer, we began consolidating PEPR. Subsequently, in connection with the liquidation of PEPR, we have acquired all of the assets and liabilities of PEPR during the third quarter of 2012.

During the first quarter of 2012, we acquired our partner's 63% interest in and now own 100% of Prologis North American Industrial Fund II. We also acquired our share of the assets and liabilities in Prologis California. These two transactions increased our real estate by \$2.1 billion and debt by \$1.0 billion.

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 affect of interest, income taxes, depreciation and amortization, impairment charges, gains or losses from the acquisition or disposition of investments in real estate, gains or losses on early extinguishment of debt and derivative contracts (including cash charges), similar adjustments we make to our Adjusted FFO (see definition below), and other non-cash charges or gains (such as stock based compensation amortization and unrealized gains or losses on foreign currency and derivative activity), including our share of these items from unconsolidated entities.

We consider Adjusted EBITDA to provide investors relevant and useful information because it permits investors to view income from operations on an unleveraged basis before the effects of income tax, non-cash depreciation and amortization expense and other items (including stock-based compensation amortization and certain unrealized gains and losses), gains or losses from the acquisition or disposition of investments in real estate, items that affect comparability, and other

significant non-cash items. We also included a pro forma adjustment in Adjusted EBITDA to reflect a full period of NOI on the operating properties we acquire in a significant transaction, such as the Merger, PEPR acquisition, acquisition of our share of the assets from Prologis California and the acquisition of Prologis North American Industrial Fund II. In addition, we excluded Merger, Acquisition and Other Integration Expenses and costs associated with the natural disaster that occurred in first quarter 2011 in Japan. By excluding interest expense EBITDA allows investors to measure our operating performance independent of our capital structure and indebtedness and, therefore, allows for a more meaningful comparison of our operating performance to that of other companies, both in the real estate industry and in other industries. Gains and losses on the early extinguishment of debt generally included the costs of repurchasing debt securities. Although difficult to predict, these items may be recurring given the uncertainty of the current economic climate and its adverse effects on the real estate and financial markets. While not infrequent or unusual in nature, these items result from market fluctuations that can have inconsistent effects on our results of operations. The economics underlying these items reflect market and financing conditions in the short-term but can obscure our performance and the value of our long-term investment decisions and strategies.

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

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

Assets Held For Sale and Discontinued Operations. As of December 31, 2012, we had land and one operating property totaling 0.1 million square feet 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 2012, we recorded a gain of \$65.9 million on the disposition of 200 properties aggregating 27.2 million square feet to third parties. In addition, we recorded impairment charges of \$30.6 million on properties that were disposed during 2012. During all of 2011, we disposed of land subject to ground leases and 94 properties aggregating 10.7 million square feet to third parties.

The operations of the properties held for sale and properties that were disposed of to third parties during a period, 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,	
	2012	2011	2012	2011
Rental income.....	\$ 9,249	\$ 41,236	\$ 82,719	\$ 141,547
Rental expenses.....	(4,344)	(10,096)	(26,665)	(38,657)
Depreciation and amortization.....	(1,791)	(17,676)	(27,478)	(51,035)
Interest expense.....	(156)	(425)	(944)	(1,217)
Income attributable to disposed properties and assets held for sale	\$ 2,958	\$ 13,039	\$ 27,632	\$ 50,638

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.

Calculation of Per Share Amounts is as follows *(in thousands, except per share amounts)*:

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2012	2011	2012	2011
Net loss				
Net loss	\$ (228,713)	\$ (45,459)	\$ (80,946)	\$ (188,110)
Weighted average common shares outstanding - Basic and Diluted (a)	460,447	458,383	459,895	370,534
Net loss per share - Basic and Diluted	\$ (0.50)	\$ (0.10)	\$ (0.18)	\$ (0.51)
FFO, as defined by Prologis				
FFO, as defined by Prologis.....	\$ (88,199)	\$ 134,147	\$ 552,435	\$ 411,688
Noncontrolling interest attributable to exchangeable limited partnership units.....	-	108	227	289
FFO - Diluted, as defined by Prologis	\$ (88,199)	\$ 134,255	\$ 552,662	\$ 411,977
Weighted average common shares outstanding - Basic (a).....	460,447	458,383	459,895	370,534
Incremental weighted average effect of exchange of limited partnership units.....	-	3,361	3,238	2,095
Incremental weighted average effect of stock awards.....	-	1,258	2,173	1,452
Weighted average common shares outstanding - Diluted (a)	460,447	463,002	465,306	374,081
FFO per share - Diluted, as defined by Prologis	\$ (0.19)	\$ 0.29	\$ 1.19	\$ 1.10
Core FFO				
Core FFO.....	\$ 195,816	\$ 203,945	\$ 813,863	\$ 593,917
Noncontrolling interest attributable to exchangeable limited partnership units.....	(708)	108	227	289
Interest expense on convertible debt assumed converted.....	4,235	4,165	16,896	16,824
Core FFO - Diluted	\$ 199,343	\$ 208,218	\$ 830,986	\$ 611,030
Weighted average common shares outstanding - Basic.....	460,447	458,383	459,895	370,534
Incremental weighted average effect of exchange of limited partnership units.....	3,171	3,361	3,238	2,095
Incremental weighted average effect of stock awards.....	2,195	1,258	2,173	1,452
Incremental weighted average effect of exchange of certain exchangeable debt.....	11,879	11,879	11,879	11,879
Weighted average common shares outstanding - Diluted	477,692	474,881	477,185	385,960
Core FFO per share - Diluted	\$ 0.42	\$ 0.44	\$ 1.74	\$ 1.58

(a) In periods with a net loss, the inclusion of any incremental shares is anti-dilutive, and therefore, both basic and diluted shares are the same.

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		Sept. 30
	2012	2012	2012
Debt as a % of gross real estate assets:			
Total debt - at par.....	\$ 13,500,081	\$ 14,312,247	
Less: cash and cash equivalents.....	(100,810)	(158,188)	
Total debt, net of cash.....	\$ 13,399,271	\$ 14,154,059	
Gross real estate assets.....	\$ 30,543,666	\$ 31,699,291	
Debt as a % of gross real estate assets	43.9%	44.7%	

Secured debt as a % of gross real estate assets:			
Secured debt - at par.....	\$ 5,590,729	\$ 6,169,183	
Gross real estate assets.....	\$ 30,543,666	\$ 31,699,291	
Secured debt as a % of gross real estate assets	18.3%	19.5%	

Unencumbered gross real estate assets to unsecured debt:			
Unencumbered gross real estate assets.....	\$ 18,556,566	\$ 18,489,287	
Unsecured debt - at par.....	\$ 7,909,352	\$ 8,143,064	
Unencumbered gross real estate assets to unsecured debt	234.6%	227.1%	

Fixed Charge Coverage ratio:			
Adjusted EBITDA.....	\$ 376,940	\$ 393,371	
NOI from disposed properties.....	5,018	1,375	
Adjusted EBITDA, including NOI from disposed properties.....	\$ 381,958	\$ 394,746	

Interest expense.....	\$ 123,623	\$ 123,161	
Amortization and write-off of deferred loan costs.....	(3,748)	(3,902)	
Amortization of debt premium (discount), net.....	10,273	9,925	
Capitalized interest.....	13,343	13,488	
Preferred stock dividends.....	10,305	10,305	
Our share of fixed charges from unconsolidated entities.....	21,133	21,552	
Total fixed charges.....	\$ 174,929	\$ 174,529	
Fixed charge coverage ratio	2.18x	2.26x	

Debt to Adjusted EBITDA:			
Total debt, net of cash.....	\$ 13,399,271	\$ 14,154,059	
Adjusted EBITDA-annualized.....	\$ 1,507,760	\$ 1,573,484	

Debt to Adjusted EBITDA ratio	8.89x	9.00x	
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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.

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

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

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

- (i) historical cost accounting for real estate assets in accordance with GAAP assumes, through depreciation charges, that the value of real estate assets diminishes predictably over time. NAREIT stated in its White Paper on FFO "since real estate asset values have historically risen or fallen with market conditions, many industry investors have considered presentations of operating results for real estate companies that use historical cost accounting to be insufficient by themselves." Consequently, NAREIT's definition of FFO reflects the fact that real estate, as an asset class, generally appreciates over time and depreciation charges required by GAAP do not reflect the underlying economic realities.
- (ii) REITs were created as a legal form of organization in order to encourage public ownership of real estate as an asset class through investment in firms that were in the business of long-term ownership and management of real estate. The exclusion, in NAREIT's definition of FFO, of gains and losses from the sales, along with impairment charges, of previously depreciated operating real estate assets allows investors and analysts to readily identify the operating results of the long-term assets that form the core of a REIT's activity and assists in comparing those operating results between periods. We include the gains and losses from dispositions and impairment charges of land and development properties, as well as our proportionate share of the gains and losses from dispositions and impairment charges recognized by our unconsolidated entities, in our definition of FFO.

Our FFO Measures

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

We use these FFO measures, including by segment and region, to: (i) evaluate our performance and the performance of our properties in comparison to expected results and results of previous periods, relative to resource allocation decisions; (ii) evaluate the performance of our management; (iii) budget and forecast future results to assist in the allocation of resources; (iv) assess our performance as compared to similar real estate companies and the industry in general; and (v) evaluate how a specific potential investment will impact our future results. Because we make decisions with regard to our performance with a long-term outlook, we believe it is appropriate to remove the effects of short-term items that we do not expect to affect the underlying long-term performance of the properties. The long-term performance of our properties is principally driven by rental income. While not infrequent or unusual, these additional items we exclude in calculating *FFO, as defined by Prologis*, are subject to significant fluctuations from period to period that cause both positive and negative short-term effects on our results of operations in inconsistent and unpredictable directions that are not relevant to our long-term outlook.

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

FFO, as defined by Prologis

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

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

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

We believe investors are best served if the information that is made available to them allows them to align their analysis and evaluation of our operating results along the same lines that our management uses in planning and executing our business strategy.

Core FFO

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

- (i) gains or losses from acquisition, contribution or sale of land or development properties;
- (ii) income tax expense related to the sale of investments in real estate;
- (iii) impairment charges recognized related to our investments in real estate (either directly or through our investments in unconsolidated entities) generally as a result of our change in intent to contribute or sell these properties;
- (iv) impairment charges of goodwill and other assets;
- (v) gains or losses from the early extinguishment of debt;
- (vi) merger, acquisition and other integration expenses; and
- (vii) expenses related to natural disasters.

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

our debt securities. As a result, we recognized net gains or losses on the early extinguishment of certain debt due to the financial market conditions at that time.

We have also adjusted for some non-recurring items. The merger, acquisition and other integration expenses include costs we incurred in 2011 and 2012 associated with the Merger and PEPR Acquisition and the integration of our systems and processes. We have not adjusted for the acquisition costs that we have incurred as a result of routine acquisitions but only the costs associated with significant business combinations that we would expect to be infrequent in nature. Similarly, the expenses related to the natural disaster in Japan that we recognized in 2011 are a rare occurrence but we may incur similar expenses again in the future.

We analyze our operating performance primarily by the rental income of our real estate and the revenue driven by our private capital business, net of operating, administrative and financing expenses. This income stream is not directly impacted by fluctuations in the market value of our investments in real estate or debt securities. As a result, although these items have had a material impact on our operations and are reflected in our financial statements, the removal of the effects of these items allows us to better understand the core operating performance of our properties over the long-term.

We use *Core FFO*, including by segment and region, to: (i) evaluate our performance and the performance of our properties in comparison to expected results and results of previous periods, relative to resource allocation decisions; (ii) evaluate the performance of our management; (iii) budget and forecast future results to assist in the allocation of resources; (iv) provide guidance to the financial markets to understand our expected operating performance; (v) assess our operating performance as compared to similar real estate companies and the industry in general; and (vi) evaluate how a specific potential investment will impact our future results. Because we make decisions with regard to our performance with a long-term outlook, we believe it is appropriate to remove the effects of items that we do not expect to affect the underlying long-term performance of the properties we own. As noted above, we believe the long-term performance of our properties is principally driven by rental income. We believe investors are best served if the information that is made available to them allows them to align their analysis and evaluation of our operating results along the same lines that our management uses in planning and executing our business strategy.

AFFO

To arrive at AFFO, we adjust Core FFO to further exclude: (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 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, they are two of many measures we use when analyzing our business. Some of these limitations are:

- The current income tax expenses that are excluded from our defined FFO measures represent the taxes that are payable.
- Depreciation and amortization of real estate assets are economic costs that are excluded from FFO. FFO is limited, as it does not reflect the cash requirements that may be necessary for future replacements of the real estate assets. Further, the amortization of capital expenditures and leasing costs necessary to maintain the operating performance of industrial properties are not reflected in FFO.

- Gains or losses from property acquisitions and dispositions or impairment charges related to expected dispositions represent changes in the value of the properties. By excluding these gains and losses, FFO does not capture realized changes in the value of acquired or disposed properties arising from changes in market conditions.
- The deferred income tax benefits and expenses that are excluded from our defined FFO measures result from the creation of a deferred income tax asset or liability that may have to be settled at some future point. Our defined FFO measures do not currently reflect any income or expense that may result from such settlement.
- The foreign currency exchange gains and losses that are excluded from our defined FFO measures are generally recognized based on movements in foreign currency exchange rates through a specific point in time. The ultimate settlement of our foreign currency-denominated net assets is indefinite as to timing and amount. Our FFO measures are limited in that they do not reflect the current period changes in these net assets that result from periodic foreign currency exchange rate movements.
- The impairment charges of goodwill and other assets that we exclude from Core FFO, have been or may be realized as a loss in the future upon the ultimate disposition of the related investments or other assets through the form of lower cash proceeds.
- The gains and losses on extinguishment of debt that we exclude from our Core FFO, may provide a benefit or cost to us as we may be settling our debt at less or more than our future obligation.
- The Merger, acquisition and other integration expenses and the natural disaster expenses that we exclude from Core FFO are costs that we have incurred.

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

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.

General and Administrative Expenses ("G&A") consisted of the following (*in thousands*):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2012	2011	2012	2011
Gross G&A expense	\$ 105,949	\$ 89,259	\$ 394,845	\$ 332,632
Reported as rental expense	(9,517)	(7,484)	(35,954)	(24,741)
Reported as private capital expenses	(16,134)	(15,734)	(63,820)	(54,962)
Capitalized amounts	(19,690)	(15,244)	(67,003)	(57,768)
Net G&A	\$ 60,608	\$ 50,797	\$ 228,068	\$ 195,161

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,	
	2012	2011	2012	2011
Gross interest expense.....	\$ 143,491	\$ 144,512	\$ 580,787	\$ 500,019
Amortization of discount (premium), net.....	(10,273)	(5,682)	(36,687)	228
Amortization of deferred loan costs.....	3,748	4,316	16,781	20,476
Interest expense before capitalization.....	136,966	143,146	560,881	520,723
Capitalized amounts.....	(13,343)	(14,091)	(53,397)	(52,651)
Net interest expense	\$ 123,623	\$ 129,055	\$ 507,484	\$ 468,072

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.

Merger, Acquisition and Other Integration Expenses. In connection with the Merger, we have incurred significant transaction, integration, and transitional costs. These costs include investment banker advisory fees; legal, tax, accounting and valuation fees; termination and severance costs (both cash and stock based compensation awards) for terminated and transitional employees; non-capitalized system conversion costs; and other integration costs. These costs are expensed as incurred, and we believe that majority of these costs have been realized. Certain of these costs were obligations of AMB and expensed prior to the closing of the Merger by AMB. At the time of the Merger, we terminated our existing credit facilities and wrote-off the remaining unamortized deferred loan costs associated with such facilities, which is included as a merger expense. In addition, we have included costs associated with the acquisition of a controlling interest in PEPR in 2011, the liquidation of PEPR in 2012, as well as some costs associated with restructuring the finance organization in Europe. The following is a breakdown of Merger, Acquisition and Other Integration costs incurred (*in thousands*):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2012	2011	2012	2011
Termination, severance and transitional employee costs..	\$ 19,989	\$ 13,001	\$ 54,283	\$ 58,445
Professional fees	4,927	4,069	17,599	46,467
Office closure, travel and other costs	3,187	1,702	8,794	24,714
Write-off of deferred loan costs	-	-	-	10,869
Total	\$ 28,103	\$ 18,772	\$ 80,676	\$ 140,495

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

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

Net Gains on Acquisitions and Dispositions of Investments in Real Estate includes the gains we recognized from the acquisitions of our share of the real estate properties in two of our

unconsolidated co-investment ventures, one in the first quarter of 2012 and one in the fourth quarter of 2012.

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 – Private Capital 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.

Private Capital NOI represents private capital revenue less private capital expenditures.

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.....	\$ 481,743
Rental expenses.....	(131,696)
NOI.....	350,047
Net termination fees and adjustments (a)	(225)
Less: Actual NOI for development portfolio and other	(11,058)
Less: NOI on contributed properties (b)	(4,360)
Adjusted NOI for operating portfolio owned at December 31, 2012	334,404
Straight-lined rents (c)	(12,373)
Free rent (c)	16,767
Amortization of lease intangibles (c)	10,303
Fourth quarter Adjusted Cash NOI	\$ 349,101

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

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

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2012	2011	2012	2011
Rental income.....	\$ 382,334	\$ 327,483	\$ 1,474,595	\$ 1,002,364
Amortization of lease intangibles.....	(10,173)	(8,720)	(39,587)	(22,009)
Rental expense recoveries.....	94,444	82,505	374,022	264,202
Straight-lined rents.....	15,138	13,958	60,194	50,315
	\$ 481,743	\$ 415,226	\$ 1,869,224	\$ 1,294,872

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 property funds and joint 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, 2012, as those operating properties in operation at January 1, 2011 that were in operation throughout the full periods in both 2011 and 2012 either by Prologis or AMB 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 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 Change in Rental Rate represents the change in effective rental rates (average rate over the lease term) on new leases signed during the period as compared with the previous effective rental rates in that same space.

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.

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.